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EmployerIncorporation or Organization)Identification No.)No. 4 The ForumGrenville StreetSt. Helier, Jersey JE2 4UF(Address of principal executive offices, including zip code)+44 (0) 15 3475 6700(Registrantâ€™s Telephone Number, Including Area Code)Not Applicable(Former Name, Former Address and Former Fiscal Year, If Changed Since Last Report)____Securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934:Title of each classTrading Symbol(s)Name of each exchange on which registeredOrdinary Shares, no par valueNVCRThe Nasdaq Stock Market LLCIndicate 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 â˜’ No â˜.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 (Â§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).Â Â Â Â Yes â˜’Â Â Â Â NoÂ Â â˜.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 definitions of â€œlarge accelerated filer,â€ â€œaccelerated filer,â€ â€œsmaller reporting companyâ€ and â€œemerging growth companyâ€ in Rule 12b-2 of the Exchange Act.Large accelerated filerâ˜’AcceleratedÂ filerâ˜Non-accelerated filerâ˜SmallerÂ reportingÂ companyâ˜Emerging growth companyâ˜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.Â Â â˜Â Â Â Â Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).Â Â Â Â YesÂ Â â˜Â Â Â Â NoÂ Â â˜’.Indicate the number of shares outstanding of each of the issuerâ€™s classes of common stock, as of the latest practicable date.ClassOutstanding as of October 25, 2024Ordinary shares, no par valueÂ 108,201,434 SharesCAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTSIn addition to historical facts or statements of current condition, this report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements contained in this report are based on our current plans, expectations, hopes, beliefs, intentions or strategies concerning future developments and their impact on us. Forward-looking statements contained in this report constitute our expectations or forecasts of future events as of the date this report was filed with the Securities and Exchange Commission and are not statements of historical fact. You can identify these statements by the fact that they do not relate strictly to historical or current facts. Such statements may include words such as â€œanticipate,â€ â€œwill,â€ â€œestimate,â€ â€œexpect,â€ â€œproject,â€ â€œintend,â€ â€œshould,â€ â€œplan,â€ â€œbelieve,â€ â€œhopeâ€ and other words and terms of similar meaning in connection with any discussion of, among other things, future operating or financial performance, strategic initiatives and business strategies, regulatory or competitive environments, our intellectual property and research and development related to our Tumor Treating Fields ("TTFields") devices marketed under various brand names, including "Optune Gio" and "Optune Lua", and software, tools and other items to support and optimize the delivery of TTFields (collectively, the â€œProductsâ€). In particular, these forward-looking statements include, among others, statements about:â€¢our research and development, clinical study and commercialization activities and projected expenditures;â€¢the further commercialization of our Products for current and future indications;â€¢our business strategies and the expansion of our sales and marketing efforts in the United States ("U.S.") and in other countries;â€¢the market acceptance of our Products for current and future indications by patients, physicians, third-party payers and others in the healthcare and scientific community;â€¢our plans to pursue the use of our Products for the treatment of indications other than glioblastoma (â€œGBMâ€) and malignant pleural mesothelioma (â€œMPMâ€);â€¢our estimates regarding revenues, expenses, capital requirements and needs for additional financing;â€¢our ability to obtain regulatory approvals for the use of our Products in indications other than GBM and MPM;â€¢our ability to acquire from third-party suppliers the supplies needed to manufacture our Products;â€¢our ability to manufacture adequate supply of our Products;â€¢our ability to secure and maintain adequate coverage from third-party payers to reimburse us for our Products for current and future indications;â€¢our ability to receive payment from third-party payers for use of our Products for current and future indications;â€¢our ability to maintain, develop protect, defend or enforce our intellectual property position;â€¢our ability to manage the risks associated with business disruptions caused by natural disasters, extreme weather events, pandemics such as COVID-19 (coronavirus), or international conflict or other disruptions outside of our control;â€¢our cash needs; andâ€¢our prospects, financial condition and results of operations.These forward-looking statements involve a number of risks and uncertainties (some of which are beyond our control) or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. Should one or more of these risks or uncertainties materialize, or should any of our assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements.Â Factors which may cause such differences to occur include those risks and uncertainties set forth under Part I, Item 1A., â€œRisk Factorsâ€ in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023 filed on February 22, 2024, as well as other risks and uncertainties set forth from time to time in the reports we file with the Securities and Exchange Commission (the "SEC"). In our prior filings, references to Optune now refer to Optune GioÂ® and NovoTTF-100L refer to Optune LuaÂ®. We do not intend to update publicly any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by law.TRADEMARKSThis Quarterly Report on Form 10-Q includes trademarks of NovoCure Limited and other persons. All trademarks or trade names referred to herein are the property of their respective owners.iiTable of ContentsNovoCure LimitedQuarterly Report on Form 10-QTABLE OF CONTENTSPage1Table of ContentsPART Iâ€”FINANCIAL INFORMATIONItem 1.Â Â Financial StatementsNOVOCURE LIMITED AND SUBSIDIARIESCONSOLIDATED BALANCE SHEETSU.S. dollars in thousands (except share data)September 30,2024December 31, 2023UnauditedAuditedASSETSCURRENT ASSETS:Cash and cash equivalents$185,422Â $240,821Â Short-term investments774,476Â 669,795Â Restricted cash3,777Â 1,743Â Trade receivables, net67,060Â 61,221Â Receivables and prepaid expenses25,437Â 22,677Â Inventories39,096Â 38,152Â Total current assets1,095,268Â 1,034,409Â LONG-TERM ASSETS:Property and equipment, net73,251Â 51,479Â Field equipment, net12,913Â 11,384Â Right-of-use assets28,330Â 34,835Â Other long-term assets12,224Â 14,022Â Total long-term assets126,718Â 111,720Â TOTAL ASSETS$1,221,986Â $1,146,129Â The accompanying notes are an integral part of these unaudited consolidated financial statements.2Table of ContentsNOVOCURE LIMITED AND SUBSIDIARIESCONSOLIDATED BALANCE SHEETSU.S. dollars in thousands (except share data)September 30,2024December 31, 2023UnauditedAuditedLIABILITIES AND SHAREHOLDERS' EQUITYCURRENT LIABILITIES:Convertible note$557,333Â $â€”Â Trade payables91,319Â 94,391Â Other payables, lease liabilities and accrued expenses86,350Â 84,724Â Total current liabilities735,002Â 179,115Â LONG-TERM LIABILITIES:Convertible noteâ€”Â 568,822Â Senior secured credit facility, net97,149Â â€”Â Long-term leases21,144Â 27,420Â Employee benefit liabilities7,892Â 8,258Â Other long-term liabilities18Â 18Â Total long-term liabilities126,203Â 604,518Â TOTAL LIABILITIES861,205Â 783,633Â COMMITMENTS AND CONTINGENCIESSHAREHOLDERS' EQUITY:Share capital -Ordinary shares no par value, unlimited shares authorized; issued and outstanding:108,100,392 shares and 107,075,754 shares at SeptemberÂ 30, 2024 (unaudited) and DecemberÂ 31, 2023, respectivelyâ€”Â â€”Â Additional paid-in capital1,454,367Â 1,353,468Â Accumulated other comprehensive income (loss)(5,378)(5,469)Retained earnings (accumulated deficit)(1,088,208)(985,503)TOTAL SHAREHOLDERS' EQUITY360,781Â 362,496Â TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY$1,221,986Â $1,146,129Â The accompanying notes are an integral part of these unaudited consolidated financial statements.3Table of ContentsNOVOCURE LIMITED AND SUBSIDIARIESCONSOLIDATED STATEMENTS OF OPERATIONSU.S. dollars in thousands (except share and per share data)Three months ended September 30,Nine months ended September 30,Year ended December 31,20242023202420232023UnauditedUnauditedAuditedNet revenues$155,095Â $127,321Â $443,954Â $375,554Â $509,338Â Cost of revenues35,372Â 32,092Â 103,715Â 95,724Â 128,280Â Gross profit119,723Â 95,229Â 340,239Â 279,830Â 381,058Â Operating costs and expenses:Research, development and clinical studies51,882Â 53,623Â 158,435Â 168,754Â 223,062Â Sales and marketing59,830Â 57,964Â 171,652Â 167,621Â 226,809Â General and administrative40,103Â 41,887Â 117,344Â 124,609Â 164,057Â Total operating costs and expenses151,815Â 153,474Â 447,431Â 460,984Â 613,928Â Operating income (loss)(32,092)(58,245)(107,192)(181,154)(232,870)Financial income (expenses), net10,507Â 10,023Â 31,236Â 27,948Â 41,130Â Income (loss) before income tax(21,585)(48,222)(75,956)(153,206)(191,740)Income tax8,985Â 1,263Â 26,749Â 6,758Â 15,303Â Net income (loss)$(30,570)$(49,485)$(102,705)$(159,964)$(207,043)Basic and diluted net income (loss) per ordinary share(0.28)(0.46)(0.95)(1.51)$(1.95)Weighted average number of ordinary shares used in computing basic and diluted net income (loss) per share108,247,716Â 106,772,814Â 107,679,501Â 106,219,194Â 106,391,178Â The accompanying notes are an integral part of these unaudited consolidated financial statements.4Table of ContentsCONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)U.S. dollars in thousands Three months ended September 30,Nine months ended September 30,Year ended December 31,20242023202420232023UnauditedUnauditedAuditedNet income (loss)$(30,570)$(49,485)$(102,705)$(159,964)$(207,043)Other comprehensive income (loss), net of tax:Change in foreign currency translation adjustments64Â 826Â (161)1,655Â 1,473Â Unrealized gain (loss) from debt securities15Â â€”Â 440Â 445Â Pension benefit plan(1,927)(852)252Â (1,654)(4,954)Total comprehensive income (loss)$(32,433)$(49,496)$(102,614)$(159,523)$(210,079)NOVOCURE LIMITED AND SUBSIDIARIESCONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERSâ€™ EQUITYU.S. dollars in thousands (except share data)Ordinary sharesAdditionalpaid-incapitalAccumulatedothercomprehensivelossRetained earnings (accumulateddeficit)Total shareholders'equityBalance as of December 31, 2023 (audited)107,075,754Â $1,353,468Â $(5,469)$(985,503)$362,496Â Share-based compensation to employeesâ€”Â 34,084Â â€”Â â€”Â 34,084Â Exercise of options and vested RSUs528,020Â 213Â â€”Â â€”Â 213Â Other comprehensive income (loss), net of tax benefit of $0â€”Â â€”Â 1,322Â â€”Â 1,322Â Net income (loss)â€”Â â€”Â â€”Â (38,760)(38,760)Balance as of March 31, 2024 (Unaudited)107,603,774Â $1,387,765Â $(4,147)$(1,024,263)$359,355Â Share-based compensation to employeesâ€”Â 31,830Â â€”Â â€”Â 31,830Â Proceeds from issuance of shares178,668Â 2,187Â â€”Â â€”Â 2,187Â Exercise of options and vested RSUs231,388Â 1,121Â â€”Â 1,121Â Other comprehensive income (loss), net of tax benefit of $0â€”Â â€”Â 632Â â€”Â 632Â Net income (loss)â€”Â â€”Â â€”Â (33,375)(33,375)Balance as of June 30, 2024 (Unaudited)108,013,830Â $1,422,903Â $(3,515)$(1,057,638)$361,750Â Share-based compensation to employeesâ€”Â 31,364Â â€”Â â€”Â 31,364Â Exercise of options and vested RSUs86,562Â 100Â â€”Â â€”Â 100Â Other comprehensive income (loss), net of tax benefit of $0â€”Â â€”Â (1,863)â€”Â (1,863)Net income (loss)â€”Â â€”Â â€”Â (30,570)(30,570)Balance as of September 30, 2024 (Unaudited)108,100,392Â $1,454,367Â $(5,378)$(1,088,208)$360,781Â 5Table of ContentsOrdinary sharesAdditionalpaid-incapitalAccumulatedothercomprehensivelossRetained earnings (accumulateddeficit)Total shareholders'equityBalance as of December 31, 2022 (audited)105,049,411Â $1,222,063Â $(2,433)$(778,460)$441,170Â Share-based compensation to employeesâ€”Â 39,084Â â€”Â â€”Â 39,084Â Exercise of options and vested RSUs1,137,751Â 5,211Â â€”Â â€”Â 5,211Â Other comprehensive income (loss), net of tax benefit of $0â€”Â â€”Â (258)â€”Â (258)Net income (loss)â€”Â â€”Â â€”Â (53,061)(53,061)Balance as of March 31, 2023 (Unaudited)106,187,162Â $1,266,358Â $(2,691)$(831,521)$432,146Â Share-based compensation to employeesâ€”Â 32,740Â â€”Â â€”Â 32,740Â Proceeds from issuance of shares81,730Â 2,883Â â€”Â â€”Â 2,883Â Exercise of options and vested RSUs336,439Â 4,622Â â€”Â â€”Â 4,622Â Other comprehensive income (loss), net of tax benefit of $0â€”Â â€”710Â â€”Â 710Â Net income (loss)â€”Â â€”Â â€”Â (57,418)(57,418)Balance as of June 30, 2023 (Unaudited)106,605,331Â $1,306,603Â $(1,981)$(888,939)$415,683Â Share-based compensation to employeesâ€”Â 26,346Â â€”Â â€”Â 26,346Â Exercise of options and vested RSUs142,939Â 1,171Â â€”Â â€”Â 1,171Â Other comprehensive income (loss), net of tax benefit of $0â€”Â â€”Â (11)â€”Â (11)Net income (loss)â€”Â â€”Â â€”Â (49,485)(49,485)Balance as of September 30, 2023 (Unaudited)106,748,270Â $1,334,120Â $(1,992)$(938,424)$393,704Â The accompanying notes are an integral part of these unaudited consolidated financial statements.6Table of ContentsNOVOCURE LIMITED AND SUBSIDIARIESCONSOLIDATED STATEMENTS OF CASH FLOWSU.S. dollars in thousandsÂ Three months ended September 30,Nine months ended September 30,Year ended December 31,20242023202420232023UnauditedUnauditedAuditedCash flows from operating activities:Net income (loss)$(30,570)$(49,485)$(102,705)$(159,964)$(207,043)Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:Depreciation and amortization2,458Â 2,803Â 8,131Â 8,246Â 10,969Â Accrued Interest(1,213)480Â 60Â 530Â (95)Asset write-downs and impairment of field equipment450Â 112Â 784Â 374Â 493Â Share-based compensation31,364Â 26,346Â 97,278Â 98,170Â 115,608Â Foreign currency remeasurement loss (gain)(503)1,398Â 763Â 2,185Â 161Â Decrease (increase) in accounts receivables and prepaid expenses5,411Â 2,642Â (8,983)24,094Â 29,414Â Amortization of discount (premium)(6,737)(6,691)(18,972)(15,822)(23,084)Decrease (increase) in inventories1,895Â (4,080)(867)(8,250)(8,919)Decrease (increase) in other long-term assets1,906Â 3,971Â 7,969Â 3,585Â 4,072Â Increase (decrease) in accounts payables and accrued expenses7,452Â 6,265Â (1,245)(3,992)14,869Â Increase (decrease) in other long-term liabilities(1,537)(3,075)(5,131)(7,934)(9,781)Net cash provided by (used in) operating activities$10,376Â $(19,314)(22,918)(58,778)(73,336)Cash flows from investing activities:Purchase of property, equipment and field equipment$(10,683)$(7,253)

(33,913)(20,272)(27,093)Proceeds from maturity of short-term investments190,000Â 275,549Â 608,000Â 916,433Â 1,214,982Â Purchase of short-term investments(169,124)(251,038)(692,118)(810,513)(1,003,741)Net cash provided by (used in) investing activities$10,193Â $17,258Â (118,031)85,648Â 184,148Â Cash flows from financing activities:Proceeds from issuance of shares, net$â€”Â $â€”Â 2,187Â 2,883Â 4,416Â Proceeds from senior secured credit facility, netâ€”Â â€”Â 96,922Â â€”Â â€”Â Repayment and redemption of long-term debtâ€”Â â€”Â (12,913)(10)(10)Exercise of options100Â 1,171Â 1,434Â 11,004Â 11,381Â Net cash provided by (used in) financing activities$100Â $1,171Â 87,630Â 13,877Â 15,787Â Effect of exchange rate changes on cash, cash equivalents and restricted cash$87Â $(97)(46)(69)131Â Increase (decrease) in cash, cash equivalents and restricted cash20,756Â (982)(53,365)40,678Â 126,730Â Cash, cash equivalents and restricted cash at the beginning of the period168,443Â 157,494Â 242,564Â 115,834Â 115,834Â 7Table of ContentsNOVOCURE LIMITED AND SUBSIDIARIESCONSOLIDATED STATEMENTS OF CASH FLOWSU.S. dollars in thousandsCash, cash equivalents and restricted cash at the end of the period$189,199Â $156,512Â $189,199Â $156,512Â $242,564Â Supplemental cash flow activities:Cash paid during the period for:Income taxes paid (refunded), net$6,637Â $1,202Â $17,053Â $8,745Â $13,665Â Interest paid$2,964Â $â€”Â $4,934Â $1Â $6Â Reconciliation of cash, cash equivalents and restricted cash:Cash and cash equivalents$185,422Â $154,860Â $185,422Â $154,860Â $240,821Â Restricted cash3,777Â 1,652Â 3,777Â 1,652Â 1,743Â Total cash, cash equivalents and restricted cash$189,199Â $156,512Â $189,199Â $156,512Â $242,564Â Non-cash activities:Right-of-use assets obtained (disposed) in exchange for lease liabilities$757Â $4,693Â (610)10,477Â $18,063Â Purchase of property incurred but unpaid at period end $201Â $â€”Â $201Â $â€”Â $1,714Â The accompanying notes are an integral part of these unaudited consolidated financial statements.8Table of ContentsNOVOCURE LIMITED AND SUBSIDIARIESNOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTSU.S. dollars in thousands (except share data)NOTE 1: ORGANIZATION AND BASIS OF PRESENTATIONOrganization. NovoCure Limited (including its consolidated subsidiaries, the "Company") was incorporated in the Bailiwick of Jersey and is principally engaged in the development, manufacture and commercialization of Tumor Treating Fields ("TTFields") devices, including Optune Gio and Optune Lua (collectively, our "Products"), for the treatment of solid tumor cancers. The Company markets Optune Gio and Optune Lua in multiple countries around the globe with the majority of revenues coming from the use of Optune Gio in the U.S., Germany, France and Japan. The Company also has a License and Collaboration Agreement (the "Zai Agreement") with Zai Lab (Shanghai) Co., Ltd. ("Zai") to market Optune in China, Hong Kong, Macau and Taiwan ("Greater China"). Financial statement preparation. The accompanying unaudited consolidated financial statements include the accounts of the Company and intercompany accounts and transactions have been eliminated. In the opinion of the Companyâ€™s management, the unaudited consolidated financial statements reflect all adjustments, which are normal and recurring in nature, necessary for fair financial statement presentation for the periods presented. The preparation of these unaudited consolidated financial statements in conformity with U.S. generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the amounts reported in these unaudited consolidated financial statements and accompanying notes. Actual results could differ materially from those estimates. These unaudited consolidated financial statements and accompanying notes should be read in conjunction with the Companyâ€™s annual consolidated financial statements and the notes thereto included in the Companyâ€™s Annual Report on Form 10-K for the fiscal year ended DecemberÂ 31, 2023 (the "2023 10-K") filed with the Securities and Exchange Commission on February 22, 2024.The significant accounting policies applied in the audited annual consolidated financial statements of the Company as disclosed in the 2023 10-K are applied consistently in these unaudited interim consolidated financial statements.Concentration Risks. The Company's cash, cash equivalents, short-term investments and trade receivables are potentially subject to a concentration of risk. Cash, cash equivalents and short-term investments are invested at top tier financial institutions globally and the total value invested at any one institution is limited pursuant to the Company's investment policy. These investments may be in excess of insured limitations or not insured in certain jurisdictions. Generally, these investments may be redeemed upon demand according to the terms of the securities.The Company's trade receivables are due from numerous governments and federal and state agencies that are paid from their respective budgets, and from hundreds of health insurance companies. The Company does not believe that there are significant default risks associated with these governments, agencies and health insurance companies based upon the Company's historical experience.The Company has no off-balance sheet concentrations of credit risk such as foreign exchange contracts, option contracts or other foreign hedging arrangements.Recently announced accounting pronouncementsIn November 2023, the Financial Accounting Standards Board (â€œFASBâ€) issued Accounting Standards Update (â€œASUâ€) 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures, which requires public entities to disclose information about their reportable segmentsâ€™ significant expenses and other segment items on an interim and annual basis. Public entities with a single reportable segment are required to apply the disclosure requirements in ASU 2023-07, as well as all existing segment disclosures and reconciliation requirements in ASC 280 on an interim and annual basis. ASU 2023-07 is effective for fiscal years beginning after December 15, 2023, and for interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted. The Company is currently evaluating the impact of adopting ASU 2023-07.In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which requires public entities, on an annual basis, to provide disclosure of specific categories in the rate reconciliation, as well as disclosure of income taxes paid disaggregated by jurisdiction. ASU 2023-09 is effective for fiscal years beginning after December 15, 2024, with early adoption permitted. The Company is currently evaluating the impact of adopting ASU 2023-09.9Table of ContentsNOTE 2: CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTSCash equivalents include items almost as liquid as cash, with maturity periods of three months or less when purchased, and short-term investments include items with maturity dates between three months and one year when purchased. As of SeptemberÂ 30, 2024 and DecemberÂ 31, 2023, the Companyâ€™s cash and cash equivalents and short-term investments were composed of:September 30, 2024UnauditedFair value levelAdjusted costÂ basisUnrealized gainsUnrealized lossesFair market valueRecorded basisCash and cash equivalentsShort-term investments (2)Cash$13,765Â $â€”Â $â€”Â $13,765Â $13,765Â $â€”Â Money market fundsLevel 1171,657Â â€”Â Â â€”Â Â 171,657Â 171,657Â 171,657Â â€”Â Certificate of deposits and term depositsLevel 2199,410Â â€”Â â€”Â 199,410Â 199,410Â 199,410Â HTM securities (1)U.S. Treasury billsLevel 1$118,319Â $194Â $â€”Â Â 118,513Â 118,319Â $â€”Â $118,319Â Corporate debt securitiesLevel 2$456,747Â $1,942Â (1)458,688Â 456,747Â $â€”Â $456,747Â $575,066Â $2,136Â (1)577,201Â $575,066Â $â€”Â $575,066Â Total$959,898Â $2,136Â (1)962,033Â $959,898Â $185,422Â $7 31, 2023AuditedFair value levelAdjusted costÂ basisUnrealized gainsUnrealized lossesFair market valueRecorded basisCash and cash equivalentsShort-term investments (2)Cash$9,955Â $â€”Â $â€”Â $9,955Â $9,955Â $9,955Â $â€”Â Money market fundsLevel 1227,166Â â€”Â â€”Â 227,166Â 227,166Â 227,166Â â€”Â Certificate of deposits and term depositsLevel 2153,169Â â€”Â â€”Â 153,169Â 153,169Â 3,700Â 149,469Â HTM securities (1)U.S. Treasury billsLevel 1$78,844Â $55Â $(110)78,789Â 78,844Â $â€”Â $78,844Â Government and governmental agenciesLevel 2$24,940Â $13Â $â€”Â 24,953Â 24,940Â $â€”Â $24,940Â Corporate debt securitiesLevel 2$416,542Â $486Â $(149)416,879Â 416,542Â $â€”Â $416,542Â $520,326Â $554Â (259)520,621Â $520,326Â $â€”Â $520,326Â Total$910,616Â $554Â (259)910,911Â $910,616Â $240,821Â in fair value of held-to-maturity ("HTM") securities are presented for disclosure purposes as required by ASC 320 "Investments â€” Debt Securities" and are recorded as finance expenses only if the unrealized loss is identified as a credit loss.10Table of Contents(2)Â Â Â Â Pursuant to a bank guaranty agreement,$16,741 of short-term investments are pledged. See Note 4.In accordance with ASC 820, "Fair Value Measurements and Disclosures," the Company measures its money market funds at fair value. The fair value of the money market funds and HTM securities, which is presented for disclosure purposes, is classified within Level 1 or Level 2. This is because these assets are valued using quoted market prices or alternative pricing sources and models utilizing market observable inputs.As of SeptemberÂ 30, 2024 and DecemberÂ 31, 2023, all investments mature in one year or less.Unrealized losses from debt securities are primarily attributable to changes in interest rates. The Company does not believe any remaining unrealized losses represent impairments based on the evaluation of available evidence.NOTE 3: INVENTORIESInventories are stated at the lower of cost or net realizable value. The weighted average methodology is applied to determine cost. As of SeptemberÂ 30, 2024 and DecemberÂ 31, 2023, the Companyâ€™s inventories were composed of:September 30,2024December 31,2023Â UnauditedAuditedRaw materials$8,869Â $10,265Â Work in progress10,342Â 9,796Â Finished products19,885Â 18,091Â Total$39,096Â $38,152Â NOTE 4: COMMITMENTS AND CONTINGENT LIABILITIESOperating Leases. The facilities of the Company are leased under various operating lease agreements for periods, including options for extensions, ending no later than 2044. The Company also leases motor vehicles under various operating leases, which expire on various dates, the latest of which is in 2027.Pledged deposits and bank guarantees. As of SeptemberÂ 30, 2024 and DecemberÂ 31, 2023, the Company pledged bank deposits of $2,350 and $2,848, respectively, to cover bank guarantees in respect of its leases of operating facilities and obtained bank guarantees for the fulfillment of the Companyâ€™s lease and other contractual commitments of $2,720 and $3,216, respectively. In addition, â‚¬15,000 ($16,741) of the Company's short term investments are pledged to a bank as guarantee for the Company's due execution of cash concentration agreements.Legal Proceedings. In June 2023, a putative class action lawsuit was filed against the Company, its Executive Chairman and its Chief Executive Officer. The complaint, later amended to add our Chief Financial Officer as a defendant, which purports to be brought on behalf of a class of persons and/or entities who purchased or otherwise acquired ordinary shares of the Company from January 5, 2023 through June 5, 2023, alleges material misstatements and/or omissions in the Companyâ€™s public statements with respect to the results from its phase 3 LUNAR clinical trial. The Company believes that the action is without merit and plans to defend the lawsuit vigorously. As of SeptemberÂ 30, 2024, the Company has not accrued any amounts in respect of this claim, as it believes liability is not probable and the amount of any potential liability cannot be reasonably estimated.NOTE 5: LONG-TERM DEBT, NETa.Convertible notesOn November 5, 2020, the Company issued $575,000 aggregate principal amount of 0% Convertible Senior Notes due 2025 (the â€œNotesâ€).The Notes mature on November 1, 2025, unless earlier repurchased, redeemed or converted as set forth in the Notes. As of SeptemberÂ 30, 2024, the conditions allowing holders of the Notes to convert were not met. In June 2024 the Company redeemed $14,055 of Notes in consideration of $12,913. The gain from redemption was reported as finance income in accordance with ASC 470 "Debt with Conversion and Other Options".11Table of ContentsThe net carrying amount of the liability of the Notes as of SeptemberÂ 30, 2024 and DecemberÂ 31, 2023 are as follows:September 30,2024December 31,2023UnauditedAuditedLiability component, net:Principal amount$560,945Â $575,000Â Unamortized issuance costs (3,612)(6,178)Net carrying amount of liability component (1)$557,333Â $568,822Â Presented as:Short-term liability (2)$557,333Â $â€”Â Long-term liability$â€”Â $568,822Â (1) An effective interest rate determines the fair value of the Notes, therefore they are categorized as Level 3 in accordance with ASC 820. The estimated fair value of the net carrying amount of liability component of the Notes as of SeptemberÂ 30, 2024 and DecemberÂ 31, 2023 were $523,068 and $515,962, respectively.The net carrying amount of the liability is represented by the principal amount of the Notes, less total issuance costs plus any amortization of issuance costs. The total issuance costs upon issuance of the Notes were $16,561 and are amortized to interest expense using the effective interest rate method over the contractual term of the Notes. Interest expense is recognized at an annual effective interest rate of 0.59% over the contractual term of the Notes.(2) In January 2021, the Company elected to settle all conversions of Notes by a combination of cash and its ordinary shares and the cash portion per $1,000 principal amount of Notes for all conversion settlements shall be $1,000. Holders have the right to convert Notes beginning in August 2025. Since any conversion will result in the payment of cash as described above, the liability has been reclassified as current.Finance expense related to the Notes was as follows:Three months ended September 30,Nine months ended September 30,Year ended December 31,2023202420232024202320242023UnauditedUnauditedAuditedGain from redemption of Notesâ€”Â â€”Â (1,142)â€”Â â€”Â Amortization of debt issuance costs825Â 836Â 2,566Â 2,477Â 3,313Â Total finance expenses (income) recognized$825Â $836Â $1,424Â $2,477Â $3,313Â b. Senior secured credit facility, netOn May 1, 2024 Novocure Luxembourg S.a.r.l. ("Borrower"), a wholly-owned subsidiary of the Company, entered into a new five-year senior secured credit facility of up to $400.0Â million (the "Facility") with BPCR Limited Partnership and BioPharma Credit Investments V (Master) LP (collectively, the "Lenders"), BioPharma Credit PLC, as collateral agent for the Lenders, and the guarantors party to such agreement (the "Loan Agreement"). The Facility may be drawn in up to four drawings. The Loan Agreement provides for an initial term loan in the principal amount of $100.0Â million (the "Tranche A Loan"), which was funded to the Borrower on May 1, 2024 (the "Tranche A Funding Date"). Under the Loan Agreement, the Borrower is required to draw $100.0Â million on the Facility on or before June 30, 2025 (the "Tranche B Loan"), subject to customary conditions precedent as set forth in the Loan Agreement. Not later than December 31, 2025, the Borrower has the option to draw an additional $100.0Â million of the Facility (the "Tranche C Loan") if (i) (A) the Company has received positive results from its PANOVA-3 phase 3 clinical trial or (B) the Company's trailing net revenues for the most recently completed four quarters as reported by the Company in its financial statements filed with the U.S. Securities and Exchange Commission ("Trailing Four Quarters of Net Revenue") are greater than $575.0Â million and (ii) the Notes are extinguished in full and are no longer outstanding. Not later than March 31, 2026, the Borrower has the option to draw an additional $100.0Â million of the Facility (the "Tranche D Loan") if (i) the Company receives an approval or clearance from the U.S. Food and Drug Administration for the Company's Tumor Treating Fields device for a pancreatic cancer indication or (ii) Trailing 12Table of ContentsFour Quarters of Net Revenue is greater than $625.0Â million. The obligations under the Loan Agreement are guaranteed by certain of the Company's subsidiaries and secured by a first lien on the Borrower's and certain of the Company's other subsidiariesâ€™ assets. Outstanding term loans under the Loan Agreement will bear interest at an annual rate equal to 6.25% plus the three-month SOFR (subject to a 3.25% floor), payable quarterly in arrears and calculated on the basis of actual days elapsed in a 360-day year. The Borrower must pay 2.5% of additional consideration on each principal draw, with payment for the Tranche A Loan and the Tranche B Loan paid on the Tranche A Funding Date, and payments for the Tranche C Loan and the Tranche D Loan on their respective funding dates. Principal under the Facility will be repaid in eight equal quarterly repayments commencing with the third quarter of 2027 and continuing each quarter thereafter, with the final payment of outstanding principal due on the fifth anniversary of the Tranche A Funding Date. Voluntary prepayment of all, but not less than all, of the term loans outstanding is permitted at any time, subject to make-whole and prepayment premiums as set forth in the Loan Agreement. Prepayment of all term loans outstanding, subject to make-whole and prepayment premiums, is due and payable upon a change-in-control as defined in the Loan Agreement. Make-whole and prepayment premiums are due and payable for the Tranche B Loans for any voluntary prepayment of the term loans outstanding, upon a change-in-control (as defined in the Loan Agreement), and upon any acceleration of the maturity date, in each case regardless of whether the Tranche B Loan is drawn. The Loan Agreement contains a financial covenant only if the Tranche C Loan and/or Tranche D Loan are funded, in which case the Company is required to maintain at least Trailing Four Quarters of Net Revenue of at least $500.0Â million, calculated on a trailing twelve-month basis as of the end of each fiscal quarter, beginning with the first quarter of 2027 based on year-end 2026 audited financial statements.As of SeptemberÂ 30, 2024 the Company had borrowed the Tranche A Loan in the principal amount of $100,000.September 30,2024December 31,2023UnauditedAuditedLiability component, net:Principal amount$100,000Â $â€”Â Unamortized issuance costs (2,851)â€”Â Net carrying amount of liability component (1)$97,149Â $â€”Â (1) An effective interest rate determines the fair value of the Notes, therefore they are categorized as Level 3 in accordance with ASC 820. The estimated fair value of the net carrying amount of liability component of the Notes as of SeptemberÂ 30, 2024 and DecemberÂ 31, 2023 were $115,011 and $0, respectively.The net carrying amount of the liability is represented by the principal amount of the Notes, less total issuance costs plus any amortization of issuance costs. The total issuance costs upon issuance of the Notes were $3,078 and are amortized to interest expense using the effective interest rate method over the contractual term of the Notes. For purposes of calculating the net carrying amount, the annual effective interest rate is assumed to be 13.3% over the remaining contractual term of the Notes.Finance expense related to the Facility was as follows:Three months ended September 30,Nine months ended September 30,Year ended December 31,2023202420232024202320242023UnauditedUnauditedAuditedInterest2,960Â â€”Â 4,922Â â€”Â â€”Â Amortization of debt issuance costs187Â â€”Â 227Â â€”Â â€”Â Total finance expense recognized$3,147Â $â€”Â $5,149Â $â€”Â $â€”Â 13Table of ContentsNOTE 6: REVENUE RECOGNITIONa. Â Â Â Â Net revenuesThe Companyâ€™s net revenues by geographic region, based on the patientâ€™s location are summarized as follows:Three months ended September 30,Nine months ended September 30,Year ended December 31,Â 2024020232024202320232023United States$98,345Â $86,243Â $284,599Â $258,429Â $349,743Â International markets:Germany16,990Â 14,683Â 47,834Â 45,547Â 60,210Â France 15,243Â 4,157Â 39,998Â 4,157Â 11,736Â Japan8,581Â 7,588Â 24,062Â 24,118Â 31,668Â Other international markets11,311Â 7,894Â 32,053Â 24,481Â 32,757Â International markets - Total52,125Â 34,322Â 143,947Â 98,303Â 136,371Â Greater China (1)4,625Â 6,756Â 15,408Â 18,822Â 23,224Â Total net revenues$155,095Â $127,321Â $443,954Â $375,554Â $509,338Â (1) For additional information, see Notes 12 and 13 to the Consolidated Financial Statements in the 2023 10-K.The Company's net revenues by performance period are as follows:Three months ended September 30,Nine months ended September 30,Year ended December 31,Â 2024020232024202320232023Net revenues recognized in the reporting period from performance obligations

satisfied in:Reporting period$142,960Â $125,704Â $417,023Â $362,636Â $492,089Â Previous periods12,135Â 1,617Â 26,931Â 12,918Â 17,249Â Total net revenues$155,095Â $127,321Â $443,954Â $375,554Â $509,338Â b. Â Â Â Â Contract balancesThe following table provides information about trade receivables, unbilled receivables and contract liabilities from contracts with customers:September 30,2024December 31,2023Â UnauditedAuditedTrade receivables$61,316Â $56,970Â Unbilled receivables$5,744Â $4,251Â Deferred revenues (short-term contract liabilities)(14,866)(16,224)During the nine months ended SeptemberÂ 30, 2024 and 2023 and the year ended DecemberÂ 31, 2023 the Company recognized $16,224, $18,028 and $18,028, respectively, which were included in the deferred revenues (short-term contract liability) balance at January 1, 2024 and 2023.NOTE 7: SHARE OPTION PLANS AND ESPPIn September 2015, the Company adopted the 2015 Omnibus Incentive Plan (the â€œ2015 Planâ€). Under the 2015 Plan, the Company can issue various types of equity compensation awards such as share options, restricted 14Table of Contentsshares, performance shares, restricted share units (â€œRSUsâ€), performance-based share units (â€œPSUsâ€), long-term cash awards and other share-based awards.Options granted under the 2015 Plan generally have a two-year or four-year vesting period and expire ten years after the date of grant. Options granted under the 2015 Plan that are canceled or forfeited before expiration become available for future grants. RSUs granted under the 2015 Plan generally vest over a three-year period. PSUs granted under the 2015 Plan generally vest between a three- and six-year period as performance targets are attained. RSUs and PSUs granted under the 2015 Plan that are canceled before expiration become available for future grants. As of SeptemberÂ 30, 2024, no ordinary shares were available for grant under the 2015 Plan (see below).In April 2024, the Company adopted the 2024 Omnibus Incentive Plan (the "2024 Plan"), which replaced the 2015 Plan, effective June 5, 2024 (the "Effective Date") following approval from the Company's shareholders. Under the 2024 Plan, the Company can issue various types of equity compensation awards such as share options, restricted shares, performance shares, restricted share units (â€œRSUsâ€), performance-based share units (â€œPSUsâ€), long-term cash awards and other share-based awards. The total number of shares of the Companyâ€™s ordinary shares that may be granted under the 2024 Plan consists of (i) up to 9,000,000 ordinary shares (reduced by 433,018 shares subject to awards granted under the 2015 Plan after April 2, 2024), all of which were available under the 2015 Plan and which ceased to be available for future awards under the 2015 Plan as of the Effective Date and (ii) the number of undelivered shares subject to outstanding awards under the 2015 Plan that become available for future awards under the 2024 Plan as provided for in the 2024 Plan.Options granted under the 2024 Plan generally will have a two-year or four-year vesting period and expire ten years after the date of grant. Options granted under the 2015 Plan and 2024 Plan that are canceled or forfeited before expiration become available for future grants under the 2024 Plan. RSUs granted under the 2024 Plan generally will vest over a three-year period. PSUs granted under the 2024 Plan generally will vest between a three- and six-year period as performance targets are attained. RSUs and PSUs granted under the 2015 Plan and 2024 Plan that are canceled before expiration become available for future grants under the 2024 Plan.As of SeptemberÂ 30, 2024, 9,581,731 ordinary shares were available for grant under the 2024 Plan. A summary of the status of the Companyâ€™s option plans as of SeptemberÂ 30, 2024 and changes during the period then ended is presented below:Nine months ended September 30, 2024UnauditedNumberof optionsWeightedaverageexercisepriceOutstanding at beginning of year8,539,507Â $40.07Â Granted3,797,704Â 15.88Â Exercised(184,633)7.77Â Forfeited and canceled(719,823)50.14Â Outstanding as of September 30, 202411,432,755Â $31.92Â Exercisable options6,804,138Â $35.14Â 15Table of ContentsA summary of the status of the Companyâ€™s RSUs and PSUs as of SeptemberÂ 30, 2024 and changes during the period then ended is presented below.Nine months ended September 30, 2024UnauditedNumberof RSU/PSUsWeightedaveragegrant date fair valueUnvested at beginning of year5,813,066Â $60.52Â Granted9,454,291Â 15.40Â Vested(661,337)84.17Â Forfeited and cancelled(1,252,395)39.97Â Unvested as of September 30, 2024 (1)13,353,625Â 29.33Â (1) Includes PSUs that have a mix of service, market and other milestone performance vesting conditions which are vested upon achievements of performance milestones that are not probable as of SeptemberÂ 30, 2024, in accordance with ASC 718 "Compensation â€” Stock Compensation" as follows:Â SeptemberÂ 30, 2024Number ofPSUsFair value at grant date per PSUTotal fair value at grant date541,918Â $16.30Â $8,833Â 37,893Â 19.44Â 737Â 2,703,852Â 48.16Â 130,218Â 161,422Â 76.97Â 12,425Â 234,512Â 80.59Â 18,899Â 15,210Â 87.66Â 1,333Â 3,694,807Â $172,445Â These PSUs will be expensed over the performance period when the vesting conditions become probable in accordance with ASC 718.In September 2015, the Company adopted an employee share purchase plan (â€œESPPâ€) to encourage and enable eligible employees to acquire ownership of the Companyâ€™s ordinary shares purchased through accumulated payroll deductions on an after-tax basis. In the United States, the ESPP is intended to be an â€œemployee stock purchase planâ€ within the meaning of Section 423 of the Internal Revenue Code and the provisions of the ESPP are construed in a manner consistent with the requirements of such section. As of SeptemberÂ 30, 2024, 5,557,123 ordinary shares were available to be purchased by eligible employees under the ESPP.The fair value of share-based awards was estimated using the Black-Scholes model for all equity grants. For market condition awards, the Company also applied the Monte-Carlo simulation model. The Company assessed fair value using the following underlying assumptions:Â 16Table of ContentsNine months ended September 30,Year ended December 31,202320242023UnauditedAuditedStock Option PlansExpected term (years)5.50-5.735.50-6.005.50-6.00Expected volatility71%-73%63%-67%63%-70%Risk-free interest rate3.88%-4.43%3.48%-4.16%3.48%-4.79%Dividend yield0.00Â %0.00Â %0.00Â %ESPPExpected term (years)0.500.500.50Expected volatility73%-90%56%-122%56%-122%Risk-free interest rate5.13%-5.23%4.76%-5.38%4.76%-5.38%Dividend yield0.00Â %0.00Â %0.00Â %The total non-cash share-based compensation expense related to all of the Companyâ€™s equity-based awards recognized for the three and nine months ended SeptemberÂ 30, 2024Â and 2023, and the year ended DecemberÂ 31, 2023 was:Three months ended September 30,Nine months ended September 30,Year ended December 31,2023202420232024UnauditedUnauditedAuditedCost of revenues$1,834Â $1,511Â $5,280Â $5,540Â $6,587Â Research, development and clinical studies7,294Â 6,683Â 25,421Â 26,999Â 31,827Â Sales and marketing10,276Â 8,973Â 31,220Â 30,830Â 35,968Â General and administrative11,960Â 9,179Â 35,357Â 34,801Â 41,226Â Total share-based compensation expense$31,364Â $26,346Â $97,278Â $98,170Â $115,608Â NOTE 8: Basic and diluted net income (loss) per ordinary shareBasic net income (loss) per share is computed based on the weighted average number of ordinary shares outstanding during each period. Diluted net income per share is computed based on the weighted average number of ordinary shares outstanding during the period, plus potential dilutive shares (deriving from options, RSUs, PSUs, Notes and the ESPP) considered outstanding during the period, in accordance with ASC 260-10 "Earnings Per Share", as determined under the treasury stock or if-converted method, as applicable. 17Table of ContentsThe following table sets forth the computation of the Companyâ€™s basic and diluted net income (loss) per ordinary share:Â Three months ended September 30,Nine months ended September 30,Year ended December 31,2023Â 2024202320242023UnauditedUnauditedAuditedNet income (loss) attributable to ordinary shares as reported used in computing basic and diluted net income (loss) per share$(30,570)$(49,485)$(102,705)$(159,964)$(207,043)Weighted average number of ordinary shares used in computing diluted net income (loss) per share108,247,716Â 106,772,814Â 107,679,501Â 106,219,194Â 106,391,178Â Potentially anti-dilutive shares that were excluded from the computation of basic net income (loss) per share:Options9,887,237Â 6,250,189Â 9,392,376Â 6,354,627Â 6,950,781Â RSUs and PSUs4,651,689Â 2,590,322Â 3,880,895Â 1,470,542Â 1,423,377Â ESPP79,887Â 96,444Â 198,999Â 150,930Â 161,627Â Weighted anti-dilutive shares outstanding which were not included in the diluted calculation14,618,813Â 8,936,955Â 13,472,270Â 7,976,099Â 8,535,785Â Basic and diluted net income (loss) per ordinary share(0.28)(0.46)(0.95)(1.51)$(1.95)NOTE 9: SUPPLEMENTAL INFORMATIONThe Company operates in a single reportable segment.The following table presents long-lived assets by location:September 30,2024December 31,2023Â UnauditedAuditedUnited States$53,533Â $41,634Â Israel8,464Â 8,317Â Switzerland17,070Â 7,733Â Others7,097Â 5,179Â Total long lived assets$86,164Â $62,863Â RestructuringIn November 2023, the Company announced a series of actions to strengthen and optimize its business operations to support near-term growth drivers and long-term value creation. The plan included a reduction in headcount of approximately 200 employees or 13% of the Company's then current workforce. The Company incurred restructuring costs (including severance pay, garden leave payments, etc.) for the three and nine months ended SeptemberÂ 30, 2024 and the year ended DecemberÂ 31, 2023, as follows: 18Table of ContentsThree months ended September 30,Nine months ended September 30,Year ended December 31,2023202420232024UnauditedUnauditedAuditedCost of revenues$â€”Â $â€”Â $52Â $â€”Â $262Â Research, development and clinical studiesâ€”Â â€”Â 275Â â€”Â 2,070Â Sales and marketingâ€”Â â€”Â 1,512Â â€”Â 2,404Â General and administrativeâ€”Â â€”Â 164Â â€”Â 1,495Â Total restructuring costâ€”Â â€”Â $2,003Â â€”Â $6,231Â Restructuring costs paid during the periodâ€”Â â€”Â $5,455Â â€”Â $2,753Â These restructuring costs were offset by accrual reversals for the three and nine months ended SeptemberÂ 30, 2024 and the year ended DecemberÂ 31, 2023 in the amount of $0, $369 and $3,041, respectively, which relate to the terminated employees' exits from the Companyâ€™s cash incentive plans. These restructuring costs were further offset by forfeited equity-based compensation expense reversals for the three and nine months ended SeptemberÂ 30, 2024 and the year ended DecemberÂ 31, 2023 in the amount of $0, $1,991 and $9,313, respectively, which relate to the terminated employees' exits from the Companyâ€™s equity incentive plan.NOTE 10: SUBSEQUENT EVENTOn October 15, 2024, the Company issued a press release announcing that that the U.S. Food and Drug Administration (FDA) has approved Optune LuaÂ® for concurrent use with PD-1/PD-L1 inhibitors or docetaxel, for the treatment of adult patients with metastatic non-small cell lung cancer who have progressed on or after a platinum-based regimen. As a result of this approval, the Company expects to expense approximately $33,157 related to the vesting of PSUs granted to an executive officer. See Note 7 above.19Table of ContentsItem 2.Â Â Managementâ€™s Discussion and Analysis of Financial Condition and Results of OperationsManagementâ€™s Discussion and Analysis of Financial Condition and Results of Operations (â€œMD&Aâ€) is intended to provide information to assist you in better understanding and evaluating our financial condition and results of operations. We encourage you to read this MD&A in conjunction with our unaudited consolidated financial statements and the notes thereto for the period ended SeptemberÂ 30, 2024 included in PartÂ I, ItemÂ 1 of this Quarterly Report on FormÂ 10-Q. This discussion contains forward-looking statements that involve risks and uncertainties. Please refer to the information under the heading â€œCautionary Note Regarding Forward-Looking Statementsâ€ elsewhere in this report. References to the words â€œwe,â€ â€œour,â€ â€œus,â€ and the â€œCompanyâ€ in this report refer to NovoCure Limited, including its consolidated subsidiaries.Critical Accounting Policies and EstimatesIn accordance with U.S. generally accepted accounting principles (â€œGAAPâ€), in preparing our financial statements, we must make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of net revenues and expenses during the reporting period. We develop and periodically change these estimates and assumptions based on historical experience and on various other factors that we believe are reasonable under the circumstances. Actual results may differ from these estimates.The critical accounting policies requiring estimates, assumptions and judgments that we believe have the most significant impact on our consolidated financial statements can be found in our Annual Report on Form 10-K for the fiscal year ended DecemberÂ 31, 2023 (the "2023 10-K"). For additional information, see Note 1 to our unaudited consolidated financial statements in Part I, Item 1 of this Quarterly Report. There were no other material changes to our critical accounting policies and estimates as compared to the critical accounting policies and estimates described in our 2023 10-K.OverviewWe are a global oncology company with a proprietary platform technology called Tumor Treating Fields ("TTFields"), which are electric fields that exert physical forces to kill cancer cells via a variety of mechanisms. Our key priorities are to drive commercial adoption of Optune GioÂ® and Optune LuaÂ®, our commercial TTFields therapy devices, and to advance clinical and product development programs intended to extend overall survival in some of the most aggressive forms of cancer.Optune Gio is approved by the U.S. Food and Drug Administration ("FDA") under the Premarket Approval ("PMA") pathway for the treatment of adult patients with newly diagnosed glioblastoma ("GBM") together with temozolomide, a chemotherapy drug, and for adult patients with GBM following confirmed recurrence after chemotherapy as monotherapy treatment. We also have a CE certificate to market Optune Gio for the treatment of GBM in the European Union ("EU"), as well as approval or local registration in the United Kingdom ("UK"), Japan, Canada and certain other countries. Optune Lua is approved by the FDA under the PMA pathway for the treatment of adult patients with metastatic non-small cell lung cancer ("NSCLC") concurrent with PD-1/PD-L1 inhibitors or docetaxel following progression on or after a platinum-based regimen and under the Humanitarian Device Exemption ("HDE") pathway to treat malignant pleural mesothelioma and pleural mesothelioma (together, "MPM") together with standard chemotherapies. We have also received CE certification in the EU and approval or local registration to market Optune Lua in certain other countries for the treatment of MPM. We market Optune Gio and Optune Lua in multiple countries around the globe with the majority of our revenues coming from the use of Optune Gio in the U.S., Germany, France and Japan. We are actively evaluating opportunities to expand our international footprint. We believe the physical mechanisms of action behind TTFields therapy may be broadly applicable to solid tumor cancers. We are focusing our research and development activities in areas of greatest anticipated value creation. This includes NSCLC, brain cancers, and pancreatic cancer.In October 2024, the U.S. FDA approved our PMA application for Optune Lua use concurrent use with PD-1/PD-L1 inhibitors or docetaxel for the treatment of adult patients with metastatic NSCLC who have progressed on or after a platinum-based regimen. This application was based on the results from the phase 3 LUNAR trial, which showed patients treated with TTFields therapy concomitant with PD-1/PD-L1 inhibitors or docetaxel exhibited a statistically significant and clinically meaningful improvement in median overall survival (OS) compared to patients treated with PD-1/PD-L1 inhibitors or docetaxel alone. The LUNAR trial included two pre-specified powered secondary endpoints. The first secondary endpoint, which met statistical significance, assessed median OS in patients treated with Optune Lua concurrently with a PD-1/PD-L1 inhibitor versus a PD-1/PD-L1 inhibitor alone. The second secondary endpoint, which showed a positive trend but did not meet statistical significance, assessed Optune Lua 20Table of Contentsconcurrently with docetaxel versus docetaxel alone. We have also filed applications for use to the necessary regulatory bodies in Europe and Japan.In June 2024, we presented positive results from the phase 3 METIS trial, evaluating the use of TTFields therapy and supportive care for the treatment of patients with 1-10 brain metastases from NSCLC following stereotactic radiosurgery (â€œMETISâ€) at the 2024 American Society of Clinical Oncology (ASCO) annual meeting. The METIS trial met its primary endpoint, demonstrating a statistically significant improvement in time to intracranial progression for adult patients treated with TTFields therapy and supportive care compared to patients treated with supportive care alone. Patients treated with TTFields therapy and supportive care exhibited a median time to intracranial progression of 21.9 months compared to 11.3 months in patients treated with supportive care alone for brain metastasis (n=298; hazard ratio=0.67; P=0.016). These data are expected to serve as the basis for regulatory submissions. In October 2024, the FDA granted Breakthrough Device designation for the use of our NovoTTF-200M device and supportive care for the treatment brain metastases from NSCLC as used in the METIS protocol. The designation offers us an opportunity to interact with FDA experts throughout the premarket review phase and allows for prioritized review of regulatory submissions.In June 2024, we presented top-line results from the prospective, non-interventional TIGER study at the 2024 ASCO annual meeting. The TIGER study investigated the use of TTFields therapy in routine clinical use in the treatment of newly diagnosed GBM in Germany. Of the 710 patients enrolled in the study between August 2017 to November 2019, 429 patients received TTFields therapy, across 81 participating centers. Median overall survival for patients treated with TTFields therapy was 19.6 months (95% CI, 17.9-22.4) and median progression-free survival was 10.2 months (95% CI, 9.4-11.4). TTFields therapy use was not associated with an increase in systemic toxicity and was well tolerated. The outcomes observed in the TIGER study are consistent with the survival and safety results from our phase 3 EF-14 clinical trial. In March 2024, an exploratory subgroup analysis of the phase 3 INNOVATE-3 clinical trial was presented at the European Society of Gynaecological Oncology 2024 Congress. The randomized, phase 3 INNOVATE-3 trial evaluated the use of TTFields therapy together with paclitaxel in platinum-resistant ovarian cancer in patients with a maximum of five total prior lines of systemic therapy. While the INNOVATE-3 trial did not meet its primary overall survival endpoint in the intent-to-treat population, the exploratory subgroup analysis found that pegylated liposomal doxorubicin (PLD) -naÃ¯ve patients randomized to receive TTFields therapy and paclitaxel demonstrated significant improvement in median overall survival compared to PLD-naÃ¯ve patients treated with paclitaxel alone. These data provide valuable insights into the use of TTFields therapy in the treatment of solid tumors and will be informative in the design of future clinical trials. Novocure and investigators will continue to analyze the data from the INNOVATE-3 trial. We have several ongoing or planned trials which will further explore the use of TTFields therapy in the treatment of NSCLC, pancreatic cancer, and primary brain cancer. Alongside the LUNAR and METIS phase 3 trials, our NSCLC program includes the phase 3 LUNAR-2 trial, which explores the use of TTFields therapy together with pembrolizumab and platinum-based chemotherapy as first-line treatment for metastatic NSCLC and the phase 2 LUNAR-4 trial, which evaluates the use of TTFields therapy together with an immune checkpoint inhibitor (ICI) following prior ICI treatment as a second-line treatment for metastatic NSCLC. LUNAR-2 and LUNAR-4 are currently open and enrolling. Finally, our phase 2 KEYNOTE B36 trial is exploring the use of TTFields therapy together with pembrolizumab for front-line treatment of locally advanced or metastatic NSCLC. We are evaluating appropriate next steps for this trial given its pace of enrollment and our focus on LUNAR-2.Our pancreatic cancer program is comprised of the phase 3 PANOVA-3 trial and the phase 2 PANOVA-4 trial. The PANOVA-3 trial is exploring the use of TTFields therapy together with nab-

paclitaxel and gemcitabine as front-line treatment for unresectable locally advanced pancreatic cancer and is fully enrolled with top-line data anticipated in the fourth quarter of 2024. The PANOVA-4 trial is exploring the use of TTFields therapy together with atezolizumab, gemcitabine and nab-paclitaxel for the treatment of metastatic pancreatic cancer and has completed enrollment with data anticipated in 2026. Our primary brain cancer clinical trial program includes the fully enrolled phase 3 TRIDENT trial and the phase 3 KEYNOTE D58 trial. The TRIDENT trial is exploring the use of TTFields therapy concomitant with radiation and chemotherapy for the treatment of newly diagnosed GBM and data is anticipated in 2026. The KEYNOTE D58 trial is evaluating the use of TTFields therapy together with temozolomide and pembrolizumab for the treatment of newly diagnosed GBM and we are initiating clinical sites.21Table of ContentsWe anticipate expanding our clinical pipeline over time to study the safety and efficacy of TTFields therapy for additional solid tumor indications and combinations with other cancer treatment modalities.The table below presents the current status of the ongoing clinical trials in our pipeline and anticipated timing of data.Our therapy is delivered through a medical device and we continue to advance our Products with the intention to extend survival and maintain quality of life for patients. We have several product development programs underway that are designed to optimize TTFields delivery to the target tumor and enhance patient ease of use. One of these initiatives is the launch of new arrays, which are thinner, lighter and more flexible. We have obtained a CE Mark and rolled out our new arrays in multiple European countries. We submitted the new arrays for regulatory approval in the U.S. and Japan and are awaiting regulatory decisions.In 2018, we granted Zai Lab (Shanghai) Co.,Â Ltd. ("Zai") a license to commercialize our Products in China, Hong Kong, Macau and Taiwan ("Greater China") under a License and Collaboration Agreement (the "Zai Agreement"). The Zai Agreement also establishes a development partnership intended to accelerate the development of TTFields therapy in multiple solid tumor cancer indications. For additional information, see Note 13 to the 2023 10-K.In September 2024, we announced that our Chief Executive Officer (CEO), Asaf Danziger, will retire at year-end 2024 and Novocureâ€™s Chief Financial Officer (CFO), Ashley Cordova, will succeed him as the companyâ€™s next CEO. Mr. Danziger, who has served as CEO since 2002, will serve as Senior Advisor through 2026, and will continue to serve on Novocureâ€™s Board of Directors. These changes will become effective on January 1, 2025. In addition, Mukund Paravasthu transitioned into the role of Chief Operating Officer, effective October 1, 2024. In October 2024, we announced the appointment of Christoph Brackmann as our CFO, effective January 1, 2025. Mr. Brackmann joined in October 2024 as a Senior Finance Advisor and will continue in that role until his appointment as CFO takes effect. Prior to joining Novocure, Mr. Brackmann served as Senior Vice President, Finance at Moderna Inc. from October 2019 to June 2024. During that time Mr. Brackmann built out the finance team across FP&A, accounting, tax, treasury, procurement and business service centers to support Modernaâ€™s scale-up. Mr. Brackmann earned his Master of Business Administration from the SDA Bocconi School of Management in 2003 and holds a degree in Business and Economics from the University of Manheim.We view our operations and manage our business in one operating segment. For the three and nine months ended SeptemberÂ 30, 2024, our net revenues were $155.1 million and $444.0 million, respectively. Our net loss for the three and nine months ended SeptemberÂ 30, 2024 was $30.6 million and $102.7 million, respectively. As of SeptemberÂ 30, 2024, we had an accumulated deficit of $1,088.2 million. Impact of Current EventsOn October 7, 2023, the State of Israel was attacked and is in a state of war. As of the date of this filing, we believe that there is no immediate risk to our business facilities or operations. Our supply chain teams have increased stock levels to mitigate distribution and service risks from our suppliers in Israel.22Table of ContentsCommentary on Results of OperationsNet revenues. Our revenues are primarily derived from patients using our Products in our active markets. We charge for treatment with our Products on a monthly basis. Our potential net revenues per patient are determined by our ability to secure payment, the monthly fee we collect and the number of months that the patient remains on therapy.We also receive revenues pursuant to the Zai Agreement. For additional information regarding the Zai Agreement, see Note 13 to the Consolidated Financial Statements in our 2023 10-K.Cost of revenues. We contract with third parties to manufacture our Products. Our cost of revenues is primarily comprised of the following:â€¢disposable arrays;â€¢depreciation expense for the field equipment, including the electric field generator used by patients;â€¢patient support and other personnel costs; andâ€¢overhead costs, such as facilities, freight and depreciation of property, plant and equipment associated with managing our inventory, warehousing and order fulfillment functions.Operating expenses. Our operating expenses consist of research, development and clinical studies, sales and marketing and general and administrative expenses. Personnel costs are a significant component for each category of operating expenses and consist of wages, benefits and bonuses. Personnel costs also include share-based compensation.Financial income (expenses), net. Financial income (expenses), net primarily consists of interest income from cash balances and short-term investments, credit facility interest expense and related debt issuance costs, and gains (losses) from foreign currency transactions. Our reporting currency is the U.S. dollar. We have historically held substantially all of our cash balances in U.S. dollar denominated accounts to minimize the risk of translational currency exposure.Results of OperationsThe following discussion provides an analysis of our results of operations and reasons for material changes therein for the three and nine months ended SeptemberÂ 30, 2024 as compared to the three and nine months ended SeptemberÂ 30, 2023. The tables contained in this section report U.S. dollars in thousands (except share, patient, and prescription data). The following table sets forth our consolidated statements of operations data:23Table of ContentsThree months ended September 30,Nine months ended September 30,20242023202420232023UnauditedUnauditedNet revenues$155,095Â $127,321Â $443,954Â $375,554Â Cost of revenues35,372Â 32,092Â 103,715Â 95,724Â Gross profit119,723Â 95,229Â 340,239Â 279,830Â Operating costs and expenses:Research, development and clinical studies51,882Â 53,623Â 158,435Â 168,754Â Sales and marketing59,830Â 57,964Â 171,652Â 167,621Â General and administrative40,103Â 41,887Â 117,344Â 124,609Â Total operating costs and expenses151,815Â 153,474Â 447,431Â 460,984Â Operating income (loss)(32,092)(58,245)(107,192)(181,154)Financial income (expenses), net10,507Â 10,023Â 31,236Â 27,948Â Income (loss) before income taxes(21,585)(48,222)(75,956)(153,206)Income taxes8,985Â 1,263Â 26,749Â 6,758Â Net income (loss)$(30,570)$(49,485)$(102,705)$(159,964)Basic and diluted net income (loss) per ordinary share(0.28)(0.46)(0.95)(1.51)Weighted average number of ordinary shares used in computing basic and diluted net income (loss) per share108,247,716Â 106,772,814Â 107,679,501Â 106,219,194Â The following table details the share-based compensation expense included in costs and expenses:Three months ended September 30,Nine months ended September 30,20242023202420232023UnauditedUnauditedCost of revenues$1,834Â $1,511Â $5,280Â $5,540Â Research, development and clinical studies7,294Â 6,683Â 25,421Â 26,999Â Sales and marketing10,276Â 8,973Â 31,220Â 30,830Â General and administrative11,960Â 9,179Â 35,357Â 34,801Â Total share-based compensation expense$31,364Â $26,346Â $97,278Â $98,170Â Key performance indicatorsWe believe certain commercial operating statistics are useful to investors in evaluating our commercial business as they help our management team and investors evaluate and compare the adoption of our Products from period to period. The number of active patients on therapy is our principal revenue driver. An "active patient" is a patient who is receiving treatment under a commercial prescription order as of the measurement date, including patients who may be on a temporary break from treatment and who plan to resume treatment in less than 60 days. Prescriptions are a leading indicator of demand. A "prescription received" is a commercial order for Optune Gio or Optune Lua that is received from a physician certified to treat patients with our Products for a patient not previously on Optune Gio or Optune Lua. Orders to renew or extend treatment are not included in this total.24Table of ContentsThe following table includes certain commercial operating statistics for and as of the end of the periods presented.September 30,Operating statistics20242023Active patients at period endUnited States2,200Â 2,179Â International markets:Germany570Â 492Â France393Â 165Â Japan437Â 353Â Other international513Â 450Â International markets - Total1,913Â 1,460Â Total4,113Â 3,639Â Three months ended September 30,Nine months ended September 30,Â 20242023202420232023Prescriptions received in periodUnited States934Â 920Â 2,881Â 2,952Â International markets:Germany217Â 163Â 629Â 575Â France171Â 150Â 533Â 302Â Japan99Â 85Â 298Â 249Â Other international165Â 149Â 522Â 441Â International markets - Total652Â 547Â 1,982Â 1,567Â Total1,586Â 1,467Â 4,863Â 4,519Â Three and nine months ended SeptemberÂ 30, 2024 compared to three and nine months ended SeptemberÂ 30, 2023Three months ended September 30,Nine months ended September 30,20242023% Change20242023% ChangeNet revenues$155,095Â $127,321Â 22Â %$443,954Â $375,554Â 18Â %Net revenues. Net revenues increased 22% to $155.1 million for the three months ending SeptemberÂ 30, 2024 from $127.3 million for the same period in 2023. For the three and nine months ended SeptemberÂ 30, 2024, the increase primarily resulted from $11.1 million and $35.8 million of net revenues from the successful launch in France and $12.1 million and $26.2 million of net revenues in the U.S. due to improved approval rates. The improved approval rates in the U.S. resulted in $4.7 million and $14.0 million of increased net revenue from prior period claims during the three- and nine- month periods, primarily from 2023.Three months ended September 30,Nine months ended September 30,20242023% Change20242023% ChangeCost of revenues$35,372Â $32,092Â 10Â %$103,715Â $95,724Â 8Â %Cost of revenues. Our cost of revenues for the three months ended SeptemberÂ 30, 2024 was $35.4 million, an increase of 10% from $32.1 million for the same period in 2023. For the three and nine months ended SeptemberÂ 30, 2024, the increase in cost of revenues was primarily due to 13% growth in active patients, partially offset by lower equipment sales to Zai in the amount of $1.5 million and $1.9 million, respectively.Excluding sales to Zai, cost of revenues per active patient per month was $2,713 for the three months ended SeptemberÂ 30, 2024, an increase of 4% from $2,599 for the same period in 2023, primarily due to an increase in 25Table of Contentscosts related to the rollout of our new arrays. Cost of revenues per active patient is calculated by dividing the cost of revenues for the quarter less equipment sales to Zai for the quarter by the average of the active patients at the end of the prior quarter and the ending active patients in the current quarter. This quarterly figure is then divided by three to estimate the monthly cost of revenues per active patient. Sales to Zai are deducted because they are sold at cost and in anticipation of future royalties from Zai, and Zai patient counts are not included in our active patient population. Product sales to Zai totaled $2.5 million and $8.4 million for the three and nine months ended SeptemberÂ 30, 2024 compared to $4.0 million and $10.3 million for the three and nine months ended SeptemberÂ 30, 2023.Gross margin was 77% for the three months ended SeptemberÂ 30, 2024 compared to 75% for the three months ended SeptemberÂ 30, 2023. The improvement in gross margin is due to the increase in net revenue per patient primarily attributed to our improved approval rates in the US and successful launch in France. We expect that our gross margins will be impacted by current and future product enhancements, such as the launch of our new arrays in the U.S. and our launch in NSCLC. We continue to focus on opportunities to increase efficiencies and scale within our supply chain. This includes evaluating new materials, manufacturers, and processes that could lead to lower costs.Operating Expenses.Three months ended September 30,Nine months ended September 30,20242023% Change20242023% ChangeResearch, development and clinical studies$51,882Â $53,623Â (3)%$158,435Â $168,754Â (6)%Sales and marketing59,830Â 57,964Â 3Â %171,652Â 167,621Â 2Â %General and administrative40,103Â 41,887Â (4)%117,344Â 124,609Â (6)%Total operating expenses$151,815Â $153,474Â (1)%$447,431Â $460,984Â (3)%Research, development and clinical study expenses. Research, development and clinical study expenses decreased 3% to $51.9 million for the three months ended SeptemberÂ 30, 2024 from $53.6 million for the same period in 2023. For the three and nine months ended SeptemberÂ 30, 2024, the change was primarily due to a decrease in personnel expenses. Total research and development expenses can fluctuate quarter-to-quarter dependent upon the amount of clinical research organization services delivered, clinical materials procured and the number of trials actively underway within a given quarter.Sales and marketing expenses. Sales and marketing expenses increased 3% to $59.8 million for the three months ended SeptemberÂ 30, 2024 from $58.0 million for the same period in 2023. For the three months ended SeptemberÂ 30, 2024, the change was primarily driven by an $7.8 million increase in costs related to a sales force expansion in anticipation of a potential launch in NSCLC, partially offset by a $6.2 million reduction in marketing spend. For the nine months ended SeptemberÂ 30, 2024, the increase was primarily driven by a $10.8 million increase related to the sales force expansion for NSCLC, partially offset by a $6.7 million reduction in marketing spend. General and administrative expenses. General and administrative expenses decreased 4% to $40.1 million for the three-month period ended SeptemberÂ 30, 2024 from $41.9 million for the same period in 2023. For the three and nine months ended SeptemberÂ 30, 2024, these changes were primarily due to lower personnel and professional service expenses.Three months ended September 30,Nine months ended September 30,20242023% Change20242023% ChangeFinancial income (expenses), net$10,507Â $10,023Â 5Â %$31,236Â $27,948Â 12Â %Financial income (expenses), net. For the three months ended SeptemberÂ 30, 2024, financial income increased $0.5 million or 5% to $10.5 million from $10.0 million for the same period in 2023, primarily due to $0.8 million higher interest income and $3.5 million in favorable foreign exchange adjustments, offset by $3.0 million in interest expenses related to the senior secured credit facility (see "Senior Secured Term Loan Credit Facility" below). Financial income increased $3.3 million or 12%, to $31.2 million for the nine months ended SeptemberÂ 30, 2024 26Table of Contentsfrom $27.9 million in income for the same period in 2023, primarily due to $5.0 million in higher interest income, $2.3 million in favorable foreign exchange impact and $1.1 million in gain from redemption of the Notes, offset by $4.9 million in interest expenses related to the senior secured credit facility.Three months ended September 30,Nine months ended September 30,20242023% Change20242023% ChangeIncome taxes$8,985Â $1,263Â 611Â %$26,749Â $6,758Â 296Â %Income taxes. Income taxes increased 611% to $9.0 million for the three months ended SeptemberÂ 30, 2024 from $1.3 million for the same period in 2023 primarily due to $5.6 million resulting from the utilization of tax credits in 2023 related to prior years and a change in the mix of applicable statutory tax rates. Income taxes increased 296% to $26.7 million for the nine months ended SeptemberÂ 30, 2024 from $6.8 million for the same period in 2023 primarily due to a $7.3 million decrease in tax benefits from share-based compensation, $5.2 million resulting from the utilization of tax credits in 2023 related to prior years and a change in the mix of applicable statutory tax rates. Non-GAAP financial measuresWe also measure our performance using a non-GAAP measurement of earnings before interest, taxes, depreciation, amortization and shared-based compensation (â€œAdjusted EBITDAâ€). We believe Adjusted EBITDA is useful to investors in evaluating our operating performance because it helps investors evaluate and compare the results of our operations from period to period by removing the impact of earnings attributable to our capital structure, tax rate and material non-cash items, specifically share-based compensation.We calculate Adjusted EBITDA as operating income before financial expenses and income taxes, net of depreciation, amortization and share-based compensation. The following table reconciles net income (loss), which is the most directly comparable GAAP operating performance measure, to Adjusted EBITDA.Three months ended September 30,Nine months ended September 30,20242023% Change20242023% ChangeNet income (loss)$(30,570)$(49,485)(38)%$(102,705)$(159,964)(36)%Add: Income tax8,985Â 1,263Â 611Â %26,749Â 6,758Â 296Â %Add: Financial expenses (income), net(10,507)(10,023)5Â %(31,236)(27,948)12Â %Add: Depreciation and amortization2,458Â 2,803Â (12)%8,131Â 8,246Â (1)%EBITDA$(29,634)$(55,442)(47)%$(99,061)$(172,908)(43)%Add: Share-based compensation31,364Â 26,346Â 19Â %97,278Â 98,170Â (1)%Adjusted EBITDA$1,730Â $(29,096)(106)%$(1,783)$(74,738)(98)%Adjusted EBITDA increased by $30.8 million to $1.7 million for the three months ended SeptemberÂ 30, 2024 from $(29.1) million for the same period in 2023. This increase was primarily driven by revenue growth from improved approval rates in the U.S. and a successful launch in France. The revenue increase drove a $24.5 million increase in gross profit. Actions taken during the November 2023 restructuring and a heightened focus on operational efficiencies reduced total operating expenses, excluding share-based compensation, by $6.3 million year-over-year. We intend to take actions that prioritize growth and maintain financial health and flexibility as we position our company for future profitability.Liquidity and Capital ResourcesWe have incurred significant losses and cumulative negative cash flows from operations since our founding in 2000. As of SeptemberÂ 30, 2024, we had an accumulated deficit of $1,088.2Â million. To date, we have primarily financed our operations through the issuance and sale of equity and the proceeds from long-term loans. At SeptemberÂ 30, 2024, we had $959.9 million in cash, cash equivalents and short-term investments, an increase of $49.3 million compared to $910.6 million at December 31, 2023, primarily as a result of the $100 million draw down of the first tranche of our senior secured credit facility in May 2024 (see "Senior Secured Term Loan Credit Facility" below), offset by net cash used in operations and used in investing activities. We believe our cash, cash equivalents and short-term investments as of SeptemberÂ 30, 2024 are sufficient for our operations for at least the next 12 27Table of Contentsmonths based on our existing business plan and our ability to control the timing of significant expense commitments. We expect that our operating expenses will continue to increase over the next several years and may outpace our gross profit as we prepare to expand into additional indications beyond GBM. As a result, we may need to raise additional capital to fund our operations.The following summary of our cash flows for the periods indicated has been derived from our unaudited consolidated financial statements, which are included elsewhere in this Quarterly Report:Nine months ended September 30,20242023Change% ChangeNet cash provided by (used in) operating activities$(22,918)$(58,778)$35,860Â (61)%Net cash provided by (used in) investing activities(118,031)85,648Â (203,679)(238)%Net cash provided by financing activities87,630Â 13,877Â 73,753Â 531Â %Effect of exchange rate changes on cash and cash equivalents(46)(69)23Â (33)%Net increase (decrease) in cash, cash equivalents and restricted cash$(53,365)$40,678Â $(94,043)(231)%Operating activities. Net cash used in or provided by operating activities represents our net income (loss) for the periods presented, share-based compensation and depreciation and amortization. Operating cash flows are also impacted by changes in working capital.Net cash used in operating activities decreased by $35.9 million from $58.8 million net cash used in operating activities for the nine months ended SeptemberÂ 30, 2023 to $22.9 million net cash used in operating activities for the nine months ended

SeptemberÂ 30, 2024. This was a result of a $57.3 million reduction in net loss, offset by a $22.9 million increase in working capital primarily driven by a $33.1 million increase in accounts receivable and a $7.4 million decrease of inventories, a decrease of $6.0 million in cash to non-cash based expenses primarily consisting of shared-based compensation, and a decrease of $4.4 million in other long term assets and an increase of $2.8 million in other long-term liabilities. Investing activities. Our investing activities consist primarily of investments in and redemptions of our short-term investments as well as investments in property and equipment.Net cash used in investing activities was $118.0 million for the nine months ended SeptemberÂ 30, 2024, compared to $85.6 million provided by investing activities for the nine months ended SeptemberÂ 30, 2023. The $118.0 million net cash used in investing activities for the nine months ended SeptemberÂ 30, 2024 was primarily attributable to $84.1 million of the net purchase of short term investments and the purchase of $33.9 million of property and equipment. The $85.6 million net cash provided by investing activities for the nine months ended SeptemberÂ 30, 2023 was primarily attributable to $105.9 million of net proceeds from maturity of short term investments and by the purchase of $20.3 million of property and equipment.Financing activities. Net cash provided by financing activities was $87.6 million for the nine months ended SeptemberÂ 30, 2024, as compared to $13.9 million provided by financing activities for the nine months ended SeptemberÂ 30, 2023, primarily attributable to $96.9 million of net proceeds from the first tranche of our senior secured credit facility offset by $12.9 million used to partially repay Notes, In addition, the net cash provided by financing activities for the nine months ended SeptemberÂ 30, 2024 and SeptemberÂ 30, 2023 included proceeds from the exercise of options under the Company's share option plan. Convertible NotesOn November 5, 2020, we issued $575.0 million aggregate principal amount of Notes. The Notes are senior unsecured obligations. The Notes do not bear regular interest, and the principal amount of the Notes will not accrete. The Notes are convertible at an initial conversion rate of 5.9439 ordinary shares per $1,000 principal amount of the Notes, which is equivalent to an initial conversion price of approximately $168.24 per ordinary share. The Notes are convertible at the option of the holders upon the satisfaction of certain other conditions and during certain periods, and if the Company exercises its right to redeem the Notes as permitted or required by the indenture. On or after August 1, 2025 until the close of the business on the business day immediately preceding the 28Table of Contentsmaturity date, holders may convert all or any portion of their Notes at the conversion rate at any time irrespective of the foregoing conditions.In January 2021, we irrevocably elected to settle all conversions of Notes by a combination of cash and our ordinary shares and that the cash portion per $1,000 principal amount of Notes for all conversion settlements shall be $1,000. Accordingly, from and after the date of the election, upon conversion of any Notes, holders of Notes will receive, with respect to each $1,000 principal amount of Notes converted, cash in an amount up to $1,000 and the balance of the conversion value, if any, in our ordinary shares. For more information, see Note 10a. to the Consolidated Financial Statements in the 2023 10-K.Senior Secured Term Loan Credit FacilityOn May 1, 2024 Novocure Luxembourg S.a.r.l. ("Borrower"), our wholly-owned subsidiary, entered into a new five-year senior secured credit facility of up to $400.0Â million (the "Facility") with BPCR Limited Partnership and BioPharma Credit Investments V (Master) LP (collectively, the "Lenders"), BioPharma Credit PLC, as collateral agent for the Lenders, and the guarantors party to such agreement (the "Loan Agreement"). The Facility may be drawn in up to four drawings. The Loan Agreement provides for an initial term loan in the principal amount of $100.0Â million (the "Tranche A Loan"), which was funded to the Borrower on May 1, 2024 (the "Tranche A Funding Date"). Under the Loan Agreement, the Borrower is required to draw $100.0Â million on the Facility on or before June 30, 2025 (the "Tranche B Loan"), subject to customary conditions precedent as set forth in the Loan Agreement. Not later than December 31, 2025, the Borrower has the option to draw an additional $100.0Â million of the Facility (the "Tranche C Loan") if (i) (A) we have received positive results from our PANOVA-3 phase 3 clinical trial or (B) our trailing net revenues for the most recently completed four quarters as reported in our financial statements filed with the U.S. Securities and Exchange Commission ("Trailing Four Quarters of Net Revenue") are greater than $575.0Â million and (ii) the Notes are extinguished in full and are no longer outstanding. Not later than March 31, 2026, the Borrower has the option to draw an additional $100.0Â million of the Facility (the "Tranche D Loan") if (i) we receive an approval or clearance from the U.S. Food and Drug Administration for our Tumor Treating Fields device for a pancreatic cancer indication or (ii) Trailing Four Quarters of Net Revenue is greater than $625.0Â million. The obligations under the Loan Agreement are guaranteed by certain of our subsidiaries and secured by a first lien on the Borrower's and certain of our other subsidiariesâ€™ assets. Outstanding term loans under the Loan Agreement will bear interest at an annual rate equal to 6.25% plus the three-month SOFR (subject to a 3.25% floor), payable quarterly in arrears and calculated on the basis of actual days elapsed in a 360-day year. The Borrower must pay 2.5% of additional consideration on each principal draw, with payment for the Tranche A Loan and the Tranche B Loan paid on the Tranche A Funding Date, and payments for the Tranche C Loan and the Tranche D Loan on their respective funding dates. Principal under the Facility will be repaid in eight equal quarterly repayments commencing with the third quarter of 2027 and continuing each quarter thereafter, with the final payment of outstanding principal due on the fifth anniversary of the Tranche A Funding Date. Voluntary prepayment of all, but not less than all, of the term loans outstanding is permitted at any time, subject to make-whole and prepayment premiums as set forth in the Loan Agreement. Prepayment of all term loans outstanding, subject to make-whole and prepayment premiums, is due and payable upon a change-in-control as defined in the Loan Agreement. Make-whole and prepayment premiums are due and payable for the Tranche B Loans for any voluntary prepayment of the term loans outstanding, upon a change-in-control (as defined in the Loan Agreement), and upon any acceleration of the maturity date, in each case regardless of whether the Tranche B Loan is drawn. The Loan Agreement contains a financial covenant only if the Tranche C Loan and/or Tranche D Loan are funded, in which case we are required to maintain at least Trailing Four Quarters of Net Revenue of at least $500.0Â million, calculated on a trailing twelve-month basis as of the end of each fiscal quarter, beginning with the first quarter of 2027 based on year-end 2026 audited financial statements.Contractual Obligations and CommitmentsThere have been no material changes from the information disclosed in our 2023 10-K. Off-Balance Sheet ArrangementsWe did not have during the periods presented, and we do not currently have, any off-balance sheet arrangements as defined under U.S. Securities and Exchange Commission (â€œSECâ€) rules.Item 3.Â Â Quantitative and Qualitative Disclosures About Market RiskThere have been no material changes from the information disclosed in our 2023 10-K.29Table of ContentsItem 4.Â Â Controls and ProceduresEvaluation of Disclosure Controls and ProceduresAs required by Rule 13a-15(b) under the Securities Exchange Act of 1934, as amended (the â€œExchange Actâ€), our management, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures as of SeptemberÂ 30, 2024. The term â€œdisclosure controls and procedures,â€ as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SECâ€™s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the companyâ€™s management, including its principal executive and principal financial officers, as appropriate, to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on the evaluation of our disclosure controls and procedures as of SeptemberÂ 30, 2024, our Chief Executive Officer and Chief Financial Officer have concluded that, as of SeptemberÂ 30, 2024, our disclosure controls and procedures were effective at the reasonable assurance level.Changes in Internal Control over Financial ReportingThere has been no change in our internal control over financial reporting during the quarter ended SeptemberÂ 30, 2024 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.30Table of ContentsPART IIâ€”OTHER INFORMATIONItem 1.Â Â Legal ProceedingsIn June 2023, a putative class action lawsuit was filed against the Company, its Executive Chairman and its Chief Executive Officer. The complaint, later amended to add our Chief Financial Officer as a defendant, which purports to be brought on behalf of a class of persons and/or entities who purchased or otherwise acquired ordinary shares of the Company from January 5, 2023 through June 5, 2023, alleges material misstatements and/or omissions in the Companyâ€™s public statements with respect to the results from its phase 3 LUNAR clinical trial. The Company believes that the action is without merit and plans to defend the lawsuit vigorously.In addition, from time to time, we are involved in various legal proceedings, claims, investigations and litigation that arise in the ordinary course of our business. Litigation is inherently uncertain. Accordingly, we cannot predict with certainty the outcome of these matters. After considering a number of factors, including (but not limited to) the views of legal counsel, the nature of contingencies to which the Company is subject and prior experience, management believes that the ultimate disposition of these legal actions will not materially affect its consolidated financial position or results of operations.Item 1A.Â Â Risk FactorsThere have been no material changes to our risk factors disclosed in Part I, Item 1A â€œRisk Factorsâ€ in the 2023 10-K. Item 2.Â Â Unregistered Sales of Equity Securities and Use of ProceedsNone.Item 3.Â Â Defaults Upon Senior SecuritiesNone.Item 4.Â Â Mine Safety DisclosuresNot applicable.Item 5.Â Â Other InformationSecurities Trading Plans of Executive Officers and DirectorsRule 10b5-1 under the Exchange Act provides an affirmative defense that enables prearranged transactions in securities in a manner that avoids concerns about initiating transactions at a future date while possibly in possession of material nonpublic information. Our Insider Trading Policy permits our executive officers and directors to enter into trading plans designed to comply with Rule 10b5-1.During the three-month period ending SeptemberÂ 30, 2024 neither we nor any of our executive officers or directors adopted or terminated any contract, instruction or written plan for the purchase or sale of our securities that are intended to satisfy the affirmative defense conditions of Rule 10b5â€“1(c) promulgated under the Securities Exchange Act of 1934, as amended or adopted or terminated a non-Rule 10b5-1 trading arrangement (as defined in Item 408(c) of Regulation S-K).31Table of ContentsItem 6.Â Â ExhibitsEXHIBIT INDEXExhibitNumberIncorporated by ReferenceFiledHerewithExhibit DescriptionFormDateNumber10.1Employment Agreement between Wilhelmus Groenhuysen and Novocure USA LLC effective as of October 1, 2024#8-K9/3/202410.131.1Certification of Principal Executive Officer Required Under Rule 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amendedX31.2Certification of Principal Financial Officer Required Under Rule 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amendedX32.1*Certification of Principal Executive Officer Required Under Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended, and 18 U.S.C. Â§1350X32.2*Certification of Principal Financial Officer Required Under Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended, and 18 U.S.C. Â§1350X101.INSInline XBRL Instance DocumentX101.SCHInline XBRL Taxonomy Extension Schema DocumentX101.CALInline XBRL Taxonomy Extension Calculation Linkbase DocumentX101.DEFInline XBRL Taxonomy Extension Definition Linkbase DocumentX101.LABInline XBRL Taxonomy Extension Label Linkbase DocumentX101.PREInline XBRL Extension Presentation Linkbase DocumentX104Cover Page Interactive Date File (formatted as Inline XBRL and contained in Exhibit 101)X_____#Â Â Â Â Compensation plans and arrangements for executive officers and others.*Â Â Â Â The certifications attached as ExhibitsÂ 32.1 and 32.2 that accompany this Quarterly Report on FormÂ 10-Q are not deemed filed with the Securities and Exchange Commission and are not to be incorporated by reference into any filing of NovoCure Limited under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this FormÂ 10-Q, irrespective of any general incorporation language contained in such filing.32Table of ContentsSIGNATURESPursuant 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.NovoCure LimitedÂ Date: October 30, 2024/s/ Ashley CordovaAshley CordovaChief Financial Officer(principal financial and accounting officerand duly authorized officer)33DocumentExhibit 31.1CERTIFICATIONSI, Asaf Danziger, certify that:1.I have reviewed this Quarterly Report on Form 10-Q of NovoCure Limited;2.Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material factÂ Â 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.5.The registrant's other certifying officers 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 controls over financial reporting.Date: October 30, 2024/s/ Asaf DanzigerAsaf DanzigerChief Executive Officer and DirectorDocumentExhibit 31.2CERTIFICATIONSI, Ashley Cordova, certify that:1.I have reviewed this Quarterly Report on Form 10-Q of NovoCure Limited;2.Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material factÂ Â 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.5.The registrant's other certifying officers 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 controls over financial reporting.Date: October 30, 2024/s/ Ashley CordovaAshley CordovaChief Financial Officer(Principal Accounting and Financial Officer)DocumentExhibit 32.1NOVOCURE LIMITEDCERTIFICATION PURSUANT TO18 U.S.C. SECTION 1350,AS ADOPTED PURSUANT TOSECTION 906 OF THE SARBANES-OXLEY ACT OF 2002In connection with the Quarterly Report of NovoCure Limited (the "Company") on Form 10-Q for the quarter ended SeptemberÂ 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Asaf Danziger, Chief Executive Officer (Principal Executive Officer) of the Company, certify, pursuant to 18 U.S.C. Â§ 1350, as adopted pursuant to Â§ 906 of the Sarbanes-Oxley Act of 2002, that:(1)The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and(2)The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company./s/ Asaf DanzigerAsaf DanzigerChief Executive Officer(Principal Executive Officer)Date:Â Â OctoberÂ 30, 2024A 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 on request.This certification accompanies the Report to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of NovoCure Limited under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Report), irrespective of any general incorporation language contained in such filing.DocumentExhibit 32.2NOVOCURE LIMITEDCERTIFICATION PURSUANT TO18 U.S.C. SECTION 1350,AS ADOPTED PURSUANT TOSECTION 906 OF THE SARBANES-OXLEY ACT OF 2002In connection with the Quarterly Report of NovoCure Limited (the "Company") on Form 10-Q for the quarter ended SeptemberÂ 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Ashley Cordova, Chief Financial Officer (Principal Financial and Accounting Officer) of the Company, certify, pursuant to 18 U.S.C. Â§ 1350, as adopted pursuant to Â§ 906 of the Sarbanes-Oxley Act of 2002, that:(1)The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and(2)The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company./s/ Ashley CordovaAshley CordovaChief Financial Officer(Principal Financial and Accounting Officer)Date:Â Â OctoberÂ 30, 2024 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 on request.This certification accompanies the Report to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of NovoCure Limited under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Report), irrespective of any general incorporation language contained in such filing.