



BRAINSWAY LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

U.S. dollars in thousands

	September 30, 2024	December 31, 2023
	(Unaudited)	(Audited)
ASSETS		
Current Assets		
Cash and cash equivalents	\$48,127	\$10,520
Short-term deposits	-	35,465
Restricted cash	271	271
Trade receivables, net	3,521	3,780
Inventory	3,690	3,717
Other current assets	1,720	1,712
	<u>57,329</u>	<u>55,465</u>
Non-Current Assets		
System components	1,745	1,273
Leased systems, net	3,962	3,700
Other property and equipment	6,795	817
Other long-term assets	2,269	1,717
	<u>14,771</u>	<u>7,507</u>
	<u>\$72,100</u>	<u>\$62,972</u>



LIABILITIES AND EQUITY

Current Liabilities

Trade payables	\$1,269	\$758
Deferred revenues	4,824	2,504
Liability in respect of research and development grants	600	1,008
Other accounts payable	5,994	5,491

	12,687	9,761
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Non-Current Liabilities

Deferred revenues and other liabilities	9,038	5,553
Liability in respect of research and development grants	6,347	6,077

	15,385	11,630
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Equity

Share capital	367	367
Share premium	140,662	140,344
Share-based payment reserve	5,116	4,360
Currency Translation Adjustments	(2,188)	(2,188)
Accumulated deficit	(99,929)	(101,302)

	44,028	41,581
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	\$72,100	\$62,972
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BRAINSWAY LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

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

	For the three months ended September 30,		For the nine months ended September 30,	
	2024	2023	2024	2023
	(Unaudited)		(Unaudited)	
Revenues	\$10,502	\$8,302	\$29,602	\$22,756
Cost of revenues	2,781	2,131	7,532	6,018
Gross income	7,721	6,171	22,070	16,738
Research and development expenses, net	1,809	1,544	5,146	5,231
Selling and marketing expenses	4,108	3,602	11,731	12,497
General and administrative expenses	1,523	1,158	4,233	4,153
Total operating expenses	7,440	6,304	21,110	21,881
Operating income (loss)	281	(133)	960	(5,143)
Finance income	830	175	1,945	1,583
Finance expenses	374	213	1,182	349
Income (loss) before income taxes	737	(171)	1,723	(3,909)
Taxes on income	75	59	350	415



Net income (loss) and total comprehensive income (loss)	\$662	\$(230)	\$1,373	\$(4,324)
Basic and diluted net income (loss) per share	\$0.02	\$(0.01)	\$0.04	\$(0.13)

BRAINSWAY LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

U.S. dollars in thousands

	For the three months ended September 30,		For the nine months ended September 30,	
	2024 (Unaudited)	2023	2024 (Unaudited)	2023
Cash flows from operating activities:				
Total comprehensive income (loss)	\$ 662	\$ (230)	\$ 1,373	\$ (4,324)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:				
Adjustments to profit or loss items:				
Depreciation and amortization	188	85	308	279
Depreciation of leased systems	260	247	755	719
Impairments and disposals	600	481	1,242	938
Finance expenses (income), net	(456)	38	(763)	(1,234)
Cost of share based payment	388	95	1,057	147
Income taxes	75	59	350	415



Total adjustments to reconcile income (loss)	1,055	1,005	2,949	1,264
Changes in asset and liability items:				
Decrease (increase) in trade receivables	415	(31)	295	1,404
Increase in inventory	(465)	(373)	(572)	(6)
Decrease (increase) in other current assets	41	369	72	(243)
Increase (decrease) in trade payables	(366)	(58)	514	(639)
Increase (decrease) in other accounts payable	456	401	(74)	(356)
Increase (decrease) in deferred revenues and other liabilities	(52)	(173)	1,151	238
Total changes in asset and liability	29	135	1,386	398
Cash paid and received during the period for:				
Interest paid	(81)	(100)	(104)	(103)
Interest received	613	546	2,194	1,586
Income taxes paid	-	-	(994)	(11)
Total cash paid and received during the period	532	446	1,096	1,472
Net cash provided by (used in) operating activities:	2,278	1,356	6,804	(1,190)
Cash flows from investing activities:				
Purchase of property and equipment and system components, net	(1,300)	(514)	(2,871)	(1,945)
Proceeds from sub-lease asset	-	-	40	-
Withdrawal of (investment in) deposits, net	(34)	8	34,985	(8)
Net cash provided by (used in) investing activities	(1,334)	(506)	32,154	(1,953)



Cash flows from financing activities:

Repayment of liability in respect of research and development grants	(572)	-	(1,104)	(345)
Exercise of share options	-	-	19	-
Receipt of government grants	-	-	-	32
Repayment of lease liability	(126)	(56)	(237)	(186)
Net cash used in financing activities	(698)	(56)	(1,322)	(499)
Exchange rate differences on cash and cash equivalents	17	(69)	(29)	(46)
Increase (decrease) in cash and cash equivalents	263	725	37,607	(3,688)
Cash and cash equivalents at the beginning of the period	47,864	43,168	10,520	47,581
Cash and cash equivalents at the end of the period	\$ 48,127	\$ 43,893	\$ 48,127	\$ 43,893

(a) Significant non cash transactions:

Recognition of new lease liability and right-of-use	\$ 5,469	\$ -	\$ 5,650	\$ 207
Termination of lease liability and right-of-use	\$ -	\$ -	\$ 17	\$ 70

BRAINSWAY LTD.

A reconciliation of Adjusted EBITDA to net income (loss), the most directly comparable IFRS measure, is set forth below:

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



	For the three months ended September 30,		For the nine months ended September 30,	
	2024	2023	2024	2023
	<u>(Unaudited)</u>		<u>(Unaudited)</u>	
Net income (loss) and total comprehensive income (loss)	\$662	\$(230)	\$1,373	\$(4,324)
Finance expense (income), net	(456)	38	(763)	(1,234)
Income taxes	75	59	350	415
Depreciation and amortization	188	85	308	279
Depreciation of leased systems	260	247	755	719
Cost of share based payment	388	95	1,057	147
Restructuring and litigation Cost	-	50	-	852
Adjusted EBITDA	<u>\$1,117</u>	<u>\$344</u>	<u>\$3,080</u>	<u>\$(3,146)</u>