



BRAINSWAY LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
U.S. dollars in thousands

	December 31, 2022	December 31, 2021
<u>ASSETS</u>	<u>(Unaudited)</u>	
Current Assets		
Cash and cash equivalents	\$ 47,581	\$ 16,921
Short-term deposits	271	40,428
Trade receivables, net	4,844	6,332
Inventory	3,837	-
Other current assets	1,556	1,766
	<u>58,089</u>	<u>65,447</u>
Non-Current Assets		
System components	1,220	4,463
Leased systems, net	3,118	3,813
Other property and equipment	1,008	1,055
Other long-term assets	1,042	954
	<u>6,388</u>	<u>10,285</u>
	<u>\$ 64,477</u>	<u>\$ 75,732</u>
<u>LIABILITIES AND EQUITY</u>		
Current Liabilities		
Trade payables	\$ 1,116	\$ 1,103
Deferred revenue	1,477	2,195
Liability in respect of research and development grants	1,057	978
Other accounts payable	4,491	4,792
	<u>8,141</u>	<u>9,068</u>
Non-Current Liabilities		
Deferred revenue and other liabilities	4,923	3,419
Liability in respect of research and development grants	6,016	5,921
	<u>10,939</u>	<u>9,340</u>
Equity		
Share capital	364	362
Share premium	138,146	137,566
Share-based payment reserve	6,180	5,340
Currency Translation Adjustments	(2,188)	(2,188)
Accumulated deficit	(97,105)	(83,756)
	<u>45,397</u>	<u>57,324</u>
	<u>\$ 64,477</u>	<u>\$ 75,732</u>



BRAINSWAY LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
U.S. dollars in thousands (except per share data)

	For the three months ended December 31,		For the twelve months ended December 31,	
	2022	2021	2022	2021
	(Unaudited)		(Unaudited)	
Revenues	\$ 6,033	\$ 8,470	\$ 27,177	\$ 29,657
Cost of revenues	1,729	1,906	7,129	6,599
Gross profit	<u>4,304</u>	<u>6,564</u>	<u>20,048</u>	<u>23,058</u>
Selling and marketing expenses	4,750	4,518	18,199	15,880
Research and development expenses, net	2,151	2,032	7,678	6,393
General and administrative expenses	1,726	1,466	6,854	5,784
Total operating expenses	<u>8,627</u>	<u>8,016</u>	<u>32,731</u>	<u>28,057</u>
Operating loss	(4,323)	(1,452)	(12,683)	(4,999)
Finance income (expense), net	401	(379)	(351)	(1,420)
Loss before income taxes	(3,922)	(1,831)	(13,034)	(6,419)
Taxes on income (tax benefit)	(55)	(484)	315	43
Net loss and total comprehensive loss	<u>\$ (3,867)</u>	<u>\$ (1,347)</u>	<u>\$ (13,349)</u>	<u>\$ (6,462)</u>
Basic and diluted net loss per share	<u>\$ (0.12)</u>	<u>\$ (0.04)</u>	<u>\$ (0.40)</u>	<u>\$ (0.21)</u>



BRAINSWAY LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
U.S. dollars in thousands

	For the three months ended December 31,		For the twelve months ended December 31,	
	2022	2021	2022	2021
	(Unaudited)		(Unaudited)	
Cash flows from operating activities:				
Total comprehensive loss	\$ (3,867)	\$ (1,347)	\$ (13,349)	\$ (6,462)
Adjustments to reconcile net loss to net cash used in operating activities:				
Adjustments to profit or loss items:				
Depreciation and amortization	102	170	559	560
Depreciation of leased systems	241	267	976	1,126
Impairments and disposals	400	410	816	1,295
Finance expenses, net	(401)	379	351	1,420
Cost of share based payment	353	416	1,474	1,893
Income taxes	(55)	(484)	315	43
Total adjustments to reconcile loss	<u>640</u>	<u>1,158</u>	<u>4,491</u>	<u>6,337</u>
Changes in asset and liability items:				
(Increase) decrease in trade receivables	821	938	1,456	(849)
(Increase) in inventory	(643)	-	(3,595)	-
(Increase) decrease in other accounts receivable	255	(334)	(403)	(1,226)
Increase (decrease) in trade payables	(169)	153	-	289
Increase in other accounts payable	731	1,410	298	815
Increase (decrease) in deferred revenues and other liabilities	(313)	1,600	790	2,039
Total changes in asset and liability	<u>682</u>	<u>3,767</u>	<u>(1,454)</u>	<u>1,068</u>
Cash paid and received during the period for:				
Interest paid	(12)	(16)	(46)	(62)
Interest received	422	13	1,042	17
Income taxes paid	(107)	(2)	(443)	(14)
Total cash paid and received during the period	<u>303</u>	<u>(4)</u>	<u>553</u>	<u>(58)</u>
Net cash provided by (used in) operating activities:	<u>(2,242)</u>	<u>3,574</u>	<u>(9,759)</u>	<u>885</u>
Cash flows from investing activities:				
Proceeds from (purchase of) property and equipment and system components, net	428	(1,176)	1,936	(2,238)
Withdrawal of (investment in) short-term deposits, net	-	-	40,254	(40,000)
Investment in long-term deposits, net	(1)	34	(21)	22
Net cash provided by (used in) investing activities	<u>427</u>	<u>(1,142)</u>	<u>42,169</u>	<u>(42,216)</u>
Cash flows from financing activities:				
Repayment of liability in respect of research and development grants	-	(388)	(977)	(761)
Receipt of government grants	-	23	15	492
Repayment of lease liability	(72)	(115)	(532)	(475)
Issuance of share capital, net	-	-	(52)	42,260
Net cash provided by (used in) financing activities	<u>(72)</u>	<u>(480)</u>	<u>(1,546)</u>	<u>41,516</u>
Exchange rate differences on cash and cash equivalents	116	(13)	(204)	(224)
Increase (decrease) in cash and cash equivalents	(1,771)	1,938	30,660	(40)
Cash and cash equivalents at the beginning of the period	49,352	14,983	16,921	16,961
Cash and cash equivalents at the end of the period	<u>\$ 47,581</u>	<u>\$ 16,921</u>	<u>\$ 47,581</u>	<u>\$ 16,921</u>
(a) Significant non cash transactions:				
Recognition of new lease liability and right-of-use	<u>61</u>	<u>-</u>	<u>301</u>	<u>587</u>