



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

	December 31,	December 31,
	2023	2022
<u>ASSETS</u>	<u>(Unaudited)</u>	<u>(Audited)</u>
Current Assets		
Cash and cash equivalents	\$ 10,520	\$ 47,581
Short-term deposits	35,465	-
Restricted cash	271	271
Trade receivables, net	3,780	4,844
Inventory	3,717	3,837
Other current assets	1,712	1,556
	<u>55,465</u>	<u>58,089</u>
Non-Current Assets		
System components	1,273	1,220
Leased systems, net	3,700	3,118
Other property and equipment	817	1,008
Other long-term assets	1,717	1,042
	<u>7,507</u>	<u>6,388</u>
	<u>\$ 62,972</u>	<u>\$ 64,477</u>
<u>LIABILITIES AND EQUITY</u>		
Current Liabilities		
Trade payables	\$ 758	\$ 1,116
Deferred revenues	2,504	1,477
Liability in respect of research and development grants	1,008	1,057
Other accounts payable	5,491	4,491
	<u>9,761</u>	<u>8,141</u>
Non-Current Liabilities		
Deferred revenues and other liabilities	5,553	4,923
Liability in respect of research and development grants	6,077	6,016
	<u>11,630</u>	<u>10,939</u>
Equity		
Share capital	367	364
Share premium	140,344	138,146
Share-based payment reserve	4,360	6,180
Currency Translation Adjustments	(2,188)	(2,188)
Accumulated deficit	(101,302)	(97,105)
	<u>41,581</u>	<u>45,397</u>
	<u>\$ 62,972</u>	<u>\$ 64,477</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,		Year ended December 31,	
	2023	2022	2023	2022
	(Unaudited)		(Unaudited)	(Audited)
Revenues	\$ 9,029	\$ 6,033	\$ 31,785	\$ 27,177
Cost of revenues	2,290	1,729	8,308	7,129
Gross profit	6,739	4,304	23,477	20,048
Research and development expenses, net	1,434	\$ 2,151	6,665	7,678
Selling and marketing expenses	3,959	\$ 4,750	16,456	18,199
General and administrative expenses	1,162	\$ 1,726	5,315	6,854
Total operating expenses	6,555	8,627	28,436	32,731
Operating profit (loss)	184	(4,323)	(4,959)	(12,683)
Finance income (expense), net	(221)	401	1,013	(351)
Loss before income taxes	(37)	(3,922)	(3,946)	(13,034)
Taxes on income	(164)	(55)	251	315
Net income (loss) and total comprehensive income (loss)	\$ 127	\$ (3,867)	\$ (4,197)	\$ (13,349)
Basic and diluted net income (loss) per share	\$ 0.00	\$ (0.12)	\$ (0.13)	\$ (0.40)



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

	For the three months ended		For the year ended	
	December 31,		December 31,	
	2023	2022	2023	2022
	(Unaudited)		(Unaudited)	(Audited)
Cash flows from operating activities:				
Total comprehensive income (loss)	\$ 127	\$ (3,867)	\$ (4,197)	\$ (13,349)
Adjustments to reconcile net loss to net cash used in operating activities:				
Adjustments to profit or loss items:				
Depreciation and amortization	83	101	362	558
Depreciation of leased systems	256	241	975	976
Impairments and disposals	509	400	1,447	816
Finance expenses, net	221	(401)	(1,013)	351
Cost of share based payment	234	353	381	1,474
Income taxes	(164)	(55)	251	315
Total adjustments to reconcile loss	1,139	639	2,403	4,490
Changes in asset and liability items:				
Decrease (increase) in trade receivables	(315)	821	1,089	1,456
Increase in inventory	(500)	(643)	(506)	(3,595)
Decrease (increase) in other accounts receivable	(69)	255	(312)	(403)
Increase (decrease) in trade payables	312	(169)	(327)	-
Increase in other accounts payable	645	731	289	298
Increase (decrease) in deferred revenues and other liabilities	1,164	(313)	1,402	790
Total changes in asset and liability	1,237	682	1,635	(1,454)
Cash paid and received during the period for:				
Interest paid	(150)	(12)	(253)	(46)
Interest received	121	422	1,707	1,042
Income taxes paid	-	(107)	(11)	(443)
Total cash paid and received during the period	(29)	303	1,443	553
Net cash provided by (used in) operating activities:	2,474	(2,243)	1,284	(9,760)
Cash flows from investing activities:				
Proceeds from (purchase of) property and equipment and system components, net	(442)	428	(2,387)	1,936
Withdrawal of (investment in) short-term deposits, net	(35,000)	-	(35,000)	40,254
Investment in long-term deposits, net	(14)	(1)	(22)	(21)
Net cash provided by (used in) investing activities	(35,456)	427	(37,409)	42,169
Cash flows from financing activities:				
Repayment of liability in respect of research and development grants	(442)	-	(787)	(977)
Receipt of government grants	-	-	32	15
Repayment of lease liability	(85)	(73)	(271)	(533)
Issuance of share capital, net	-	-	-	(52)
Net cash used in financing activities	(527)	(73)	(1,026)	(1,547)
Exchange rate differences on cash and cash equivalents	136	118	90	(202)
Increase (decrease) in cash and cash equivalents	(33,373)	(1,771)	(37,061)	30,660
Cash and cash equivalents at the beginning of the period	44,164	49,623	47,852	17,192
Cash and cash equivalents at the end of the period	\$ 10,791	\$ 47,852	\$ 10,791	\$ 47,852
(a) Significant non cash transactions:				
Recognition of new lease liability and right-of-use	101	61	308	301
Termination of lease liability and right-of-use	29	-	99	-



BRAINSWAY LTD.

A reconciliation of Adjusted EBITDA to net 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 December 31,		For the year ended December 31,	
	2023	2022	2023	2022
	(Unaudited)		(Unaudited)	(Audited)
Net income (loss) and total comprehensive income (loss)	\$ 127	\$ (3,867)	\$ (4,197)	\$ (13,349)
Finance (income) expense, net	221	(401)	(1,013)	351
Income taxes	(164)	(55)	251	315
Depreciation and amortization	83	101	362	558
Depreciation of leased systems	256	241	975	976
Cost of share based payment	234	353	381	1,474
Restructuring and litigation Cost	-	-	852	-
Adjusted EBITDA	\$ 757	\$ (3,628)	\$ (2,389)	\$ (9,675)