



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

	<u>September 30,</u>	<u>December 31,</u>
	<u>2022</u>	<u>2021</u>
<u>ASSETS</u>	<u>(Unaudited)</u>	
Current Assets		
Cash and cash equivalents	\$ 49,352	\$ 16,921
Short-term deposits	271	40,428
Trade receivables, net	5,598	6,332
Inventory	3,235	-
Other current assets	1,736	1,766
	<u>60,192</u>	<u>65,447</u>
Non-Current Assets		
System components	2,036	4,463
Leased systems, net	3,557	3,813
Other property and equipment	1,018	1,055
Other long-term assets	863	954
	<u>7,474</u>	<u>10,285</u>
	<u>\$ 67,666</u>	<u>\$ 75,732</u>
<u>LIABILITIES AND EQUITY</u>		
Current Liabilities		
Trade payables	\$ 1,286	\$ 1,103
Deferred revenue	2,483	2,195
Liability in respect of research and development grants	1,095	978
Other accounts payable	3,927	4,792
	<u>8,791</u>	<u>9,068</u>
Non-Current Liabilities		
Deferred revenue and other liabilities	4,250	3,419
Liability in respect of research and development grants	5,715	5,921
	<u>9,965</u>	<u>9,340</u>
Equity		
Share capital	363	362
Share premium	137,944	137,566
Share-based payment reserve	6,029	5,340
Currency Translation Adjustments	(2,188)	(2,188)
Accumulated deficit	(93,238)	(83,756)
	<u>48,910</u>	<u>57,324</u>
	<u>\$ 67,666</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 September 30,		For the nine months ended September 30,	
	2022	2021	2022	2021
	(Unaudited)		(Unaudited)	
Revenues	\$ 5,168	\$ 8,061	\$ 21,144	\$ 21,187
Cost of revenues	1,341	1,930	5,400	4,693
Gross profit	<u>3,827</u>	<u>6,131</u>	<u>15,744</u>	<u>16,494</u>
Research and development expenses, net	2,220	1,786	5,527	4,361
Selling and marketing expenses	4,751	4,042	13,449	11,362
General and administrative expenses	1,726	1,536	5,128	4,318
Total operating expenses	<u>8,697</u>	<u>7,364</u>	<u>24,104</u>	<u>20,041</u>
Operating loss	(4,870)	(1,233)	(8,360)	(3,547)
Finance expense, net	(99)	(360)	(752)	(1,041)
Loss before income taxes	(4,969)	(1,593)	(9,112)	(4,588)
Income taxes	70	211	370	527
Net loss and total comprehensive loss	<u>\$ (5,039)</u>	<u>\$ (1,804)</u>	<u>\$ (9,482)</u>	<u>\$ (5,115)</u>
Basic and diluted net loss per share	<u>\$ (0.15)</u>	<u>\$ (0.05)</u>	<u>\$ (0.29)</u>	<u>\$ (0.17)</u>



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,	
	2022	2021	2022	2021
	(Unaudited)		(Unaudited)	
Cash flows from operating activities:				
Total comprehensive loss	\$ (5,039)	\$ (1,804)	\$ (9,482)	\$ (5,115)
Adjustments to reconcile net loss to net cash used in operating activities:				
Adjustments to profit or loss items:				
Depreciation and amortization	160	109	457	390
Depreciation of leased systems	244	279	735	859
Impairments and disposals	183	405	416	885
Finance expenses, net	99	360	752	1,041
Cost of share based payment	339	394	1,121	1,477
Income taxes	70	211	370	527
Total adjustments to reconcile loss	<u>1,095</u>	<u>1,758</u>	<u>3,851</u>	<u>5,179</u>
Changes in asset and liability items:				
Increase (decrease) in trade receivables	1,770	(656)	635	(1,787)
Decrease in inventory	(846)	-	(2,952)	-
Increase (decrease) in other accounts receivable	(340)	107	(658)	(892)
Increase (decrease) in trade payables	(392)	222	169	136
Increase (decrease) in other accounts payable	461	(395)	(433)	(595)
Increase in deferred revenues and other liabilities	835	227	1,103	439
Total changes in asset and liability	<u>1,488</u>	<u>(495)</u>	<u>(2,136)</u>	<u>(2,699)</u>
Cash paid and received during the period for:				
Interest paid	(10)	(16)	(34)	(46)
Interest received	313	2	620	4
Income taxes paid	(70)	-	(336)	(12)
Total cash paid and received during the period	<u>233</u>	<u>(14)</u>	<u>250</u>	<u>(54)</u>
Net cash used in operating activities:	<u>(2,223)</u>	<u>(555)</u>	<u>(7,517)</u>	<u>(2,689)</u>
Cash flows from investing activities:				
Proceeds from (purchase of) property and equipment and system components, net	108	(145)	1,508	(1,062)
Withdrawal of (investment in) short-term deposits, net	-	-	40,254	(40,000)
Investment in long-term deposits, net	(15)	(1)	(20)	(12)
Net cash provided by (used in) investing activities	<u>93</u>	<u>(146)</u>	<u>41,742</u>	<u>(41,074)</u>
Cash flows from financing activities:				
Repayment of liability in respect of research and development grants	(479)	-	(977)	(373)
Receipt of government grants	9	302	15	469
Repayment of lease liability	(162)	(133)	(460)	(360)
Issuance of share capital, net	(53)	-	(52)	42,260
Net cash provided by (used in) financing activities	<u>(685)</u>	<u>169</u>	<u>(1,474)</u>	<u>41,996</u>
Exchange rate differences on cash and cash equivalents	<u>(7)</u>	<u>(81)</u>	<u>(320)</u>	<u>(211)</u>
Increase (decrease) in cash and cash equivalents	(2,822)	(613)	32,431	(1,978)
Cash and cash equivalents at the beginning of the period	52,174	15,596	16,921	16,961
Cash and cash equivalents at the end of the period	<u>\$ 49,352</u>	<u>\$ 14,983</u>	<u>\$ 49,352</u>	<u>\$ 14,983</u>
(a) Significant non cash transactions:				
Recognition of new lease liability and right-of-use	<u>117</u>	<u>404</u>	<u>240</u>	<u>587</u>