



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

	<u>September 30,</u> <b>2021</b>	<u>December 31,</u> <b>2020</b>
<u>ASSETS</u>	<b>(Unaudited)</b>	
<b>Current Assets</b>		
Cash and cash equivalents	\$ 14,983	\$ 16,961
Short-term deposits	40,353	221
Trade receivables, net	7,297	5,582
Other accounts receivable	2,221	1,534
Total current assets	64,854	24,298
Long-term deposits	175	163
Leased systems	4,199	5,198
System components and other property and equipment	4,853	4,352
Total assets	\$ 74,081	\$ 34,011
<b><u>LIABILITIES AND EQUITY</u></b>		
<b>Current Liabilities</b>		
Trade payables	\$ 961	\$ 781
Other accounts payable	3,937	3,769
Deferred revenue	1,628	1,543
Liability in respect of research and development grants	1,225	707
Total current liabilities	7,751	6,800
Deferred revenue and other liabilities	2,422	2,015
Liability in respect of research and development grants	5,645	5,524
Warrants	7	38
Total Liabilities	15,825	14,377
<b>Equity:</b>		
Share capital	346	233
Share premium	137,563	95,135
Share-based payment	4,944	3,748
Adjustments arising from translating financial statements from functional currency to presentation currency	(2,188)	(2,188)
Accumulated deficit	(82,409)	(77,294)
Total Equity	58,256	19,634
<b>Total Liabilities and Equity</b>	<b>\$ 74,081</b>	<b>\$ 34,011</b>



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

	<b>For the nine months ended</b>		<b>For the three months ended</b>	
	<b>September 30,</b>		<b>September 30,</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>(Unaudited)</b>		<b>(Unaudited)</b>	
Revenues	\$ 21,187	\$ 14,991	\$ 8,061	\$ 6,014
Cost of revenues	4,693	3,492	1,930	1,485
Gross profit	<u>16,494</u>	<u>11,499</u>	<u>6,131</u>	<u>4,529</u>
Research and development expenses, net	4,361	4,247	1,786	1,411
Selling and marketing expenses	11,362	8,284	4,042	2,393
General and administrative expenses	4,318	3,390	1,536	1,311
Total operating expenses	<u>20,041</u>	<u>15,921</u>	<u>7,364</u>	<u>5,115</u>
Operating loss	(3,547)	(4,422)	(1,233)	(586)
Finance (expense), net	<u>(1,041)</u>	<u>(80)</u>	<u>(360)</u>	<u>(210)</u>
Loss before income taxes	(4,588)	(4,502)	(1,593)	(796)
Income taxes	527	477	211	170
Net loss and total comprehensive loss	<u>\$ (5,115)</u>	<u>\$ (4,979)</u>	<u>\$ (1,804)</u>	<u>\$ (966)</u>
Basic and diluted net comprehensive loss per share	<u>\$ (0.17)</u>	<u>\$ (0.22)</u>	<u>\$ (0.05)</u>	<u>\$ (0.04)</u>



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

	<b>For the nine months ended September 30,</b>		<b>For the three months ended September 30,</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	(Unaudited)		(Unaudited)	
Cash flows from operating activities:				
Net loss and total comprehensive loss	\$ (5,115)	\$ (4,979)	\$ (1,804)	\$ (966)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:				
Adjustments to profit or loss items:				
Depreciation and amortization	1,275	1,271	514	542
Depreciation of leased systems	859	877	279	292
Finance expense, net	1,041	80	360	210
Cost of share based payment	1,477	671	394	234
Income taxes	527	477	211	170
Changes in asset and liability items:				
Increase in trade receivables	(1,787)	(996)	(656)	(1,354)
Decrease (increase) in other accounts receivable	(892)	(94)	107	(324)
Increase (decrease) in trade payables	136	(422)	222	(600)
Increase (decrease) in other accounts payable	(595)	320	(395)	997
Increase (decrease) in deferred revenues and other liabilities	439	(27)	227	(64)
Cash paid and received during the period for:				
Interest paid	(46)	(59)	(16)	(16)
Interest received	4	54	2	4
Taxes paid	(12)	(249)	-	(240)
Cash used in operating activities:	<u>(2,689)</u>	<u>(3,076)</u>	<u>(555)</u>	<u>(1,115)</u>
Cash flows from investing activities:				
Purchase of property and equipment(*)	(1,062)	(2,555)	(145)	(644)
Investment in short-term deposits, net	(40,000)	-	-	-
Withdrawal of long-term deposits, net	(12)	5	(1)	(2)
Net cash used in investing activities	<u>(41,074)</u>	<u>(2,550)</u>	<u>(146)</u>	<u>(646)</u>
Cash flows from financing activities:				
Repayment of liability in respect of research and development gra	(373)	-	-	-
Receipt of government grants	469	42	302	-
Repayment of lease liability	(360)	(322)	(133)	(101)
Issuance of share capital	42,260	-	-	-
Net cash provided by (used in) financing activities	<u>41,996</u>	<u>(280)</u>	<u>169</u>	<u>(101)</u>
Exchange rate differences on cash and cash equivalents	<u>(211)</u>	<u>24</u>	<u>(81)</u>	<u>41</u>
Decrease in cash and cash equivalents	(1,978)	(5,882)	(613)	(1,821)
Cash and cash equivalents at the beginning of the period	16,961	21,674	15,596	17,613
Cash and cash equivalents at the end of the period	<u>\$ 14,983</u>	<u>\$ 15,792</u>	<u>\$ 14,983</u>	<u>\$ 15,792</u>
(a) Significant non cash transactions:				
Purchase of property and equipment on credit	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Recognition of new lease liability and right-of-use	<u>587</u>	<u>-</u>	<u>404</u>	<u>-</u>

(\*) Derived mainly from purchase of system components