



BRAINSWAY LTD.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

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

	March 31,	December 31,
	2020	2019
	Unaudited	Audited
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 17,969	\$ 21,674
Short-term deposits	221	221
Trade receivables, net	5,391	5,507
Other accounts receivable	1,154	1,427
	<u>24,735</u>	<u>28,829</u>
NON-CURRENT ASSETS:		
Long-term deposit	158	168
Leased systems	5,421	5,491
System components and other property and equipment	\$ 4,718	\$ 4,248
	<u>10,297</u>	<u>9,907</u>
	<u>\$ 35,032</u>	<u>\$ 38,736</u>
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Trade payables	\$ 1,093	\$ 1,320
Other accounts payable	3,542	3,379
Deferred revenues	1,356	1,305
Liability in respect of research and development grants	940	714
	<u>6,931</u>	<u>6,718</u>
NON-CURRENT LIABILITIES:		
Deferred revenues and other liabilities	2,149	2,353
Liability in respect of research and development grants	4,818	5,367
Warrants	48	78
	<u>7,015</u>	<u>7,798</u>
EQUITY:		
Share capital	233	233
Share premium	94,300	93,649
Share-based payment	4,092	4,435
Adjustments arising from translating financial statements from functional currency to presentation currency	(2,188)	(2,188)
Accumulated deficit	<u>(75,351)</u>	<u>(71,909)</u>
	<u>21,086</u>	<u>24,220</u>
	<u>\$ 35,032</u>	<u>\$ 38,736</u>



BRAINSWAY LTD.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE
LOSS

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

	For the three months ended	
	March 31	
	(Unaudited)	
	2020	2019
Revenues	\$ 4,157	\$ 5,182
Cost of revenues	1,015	1,158
Gross profit	3,142	4,024
Research and development expenses, net	1,795	1,792
Selling and marketing expenses	3,713	2,838
General and administrative expenses	1,255	1,003
Total operating expenses	6,763	5,633
Operating loss	3,621	1,609
Finance expense (income), net	(309)	236
Loss before income taxes	3,312	1,845
Income taxes	130	62
Net loss and total comprehensive loss	\$ 3,442	\$ 1,907
Basic and diluted net loss per share	\$ (0.15)	\$ (0.11)



BRAINSWAY LTD.

CONSOLIDATED STATEMENTS OF CASH FLOWS

U.S. dollars in thousands

	For the three months ended	
	March 31,	
	2020	2019
	(Unaudited)	
<i>Cash flows from operating activities:</i>		
Total comprehensive loss	\$ (3,442)	\$ (1,907)
Adjustments to reconcile net loss to net cash used in operating activities:		
Adjustments to profit or loss items:		
Depreciation and amortization	445	130
Depreciation of leased systems	294	226
Finance expenses (income), net	(309)	221
Cost of share-based payment	308	361
Income taxes	130	124
	<u>868</u>	<u>1,062</u>
Changes in asset and liability items:		
Decrease (increase) in trade receivables	88	(745)
Decrease in other accounts receivable	264	197
Increase (decrease) in trade payables	(413)	166
Increase in other accounts payable	74	337
Increase (decrease) in deferred revenues and other liabilities	(15)	185
	<u>(2)</u>	<u>140</u>
Cash paid and received during the period for:		
Interest paid	(23)	(64)
Interest received	31	10
Taxes	(9)	(187)
	<u>(1)</u>	<u>(241)</u>
Net cash used in operating activities	<u>(2,577)</u>	<u>(946)</u>
<i>Cash flows from investing activities:</i>		
Purchase of property and equipment(*)	(946)	(358)
Investment in short-term deposits, net	-	(55)
Withdrawal of long-term deposits, net	10	-
Net cash used in investing activities	<u>(936)</u>	<u>(413)</u>
<i>Cash flows from financing activities:</i>		
Receipt of government grants	42	47
Repayment of lease liability	(110)	(101)
Net cash used in financing activities	<u>(68)</u>	<u>(54)</u>
Exchange rate differences on cash and cash equivalents	<u>(124)</u>	<u>(14)</u>
Decrease in cash and cash equivalents	(3,705)	(1,427)
Cash and cash equivalents at the beginning of the period	21,674	8,968
Cash and cash equivalents at the end of the period	<u>\$ 17,969</u>	<u>\$ 7,541</u>
(a) <i>Significant non-cash transactions:</i>		
Purchase of property and equipment on credit	<u>\$ 192</u>	<u>\$ 161</u>

(*) Derived mainly from purchase of system components