



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

	June 30,	December 31,
<u>ASSETS</u>	2022	2021
	(Unaudited)	
Current Assets		
Cash and cash equivalents	\$ 52,174	\$ 16,921
Short-term deposits	271	40,428
Trade receivables, net	7,412	6,332
Inventory	2,311	-
Other current assets	1,557	1,766
	63,725	65,447
Non-Current Assets		
System components	2,458	4,463
Leased systems, net	3,557	3,813
Other property and equipment	1,019	1,055
Other long-term assets	999	954
	8,033	10,285
	\$ 71,758	\$ 75,732
 <u>LIABILITIES AND EQUITY</u> 		
Current Liabilities		
Trade payables	\$ 1,658	\$ 1,102
Deferred revenue	1,972	2,195
Liability in respect of research and development grants	1,011	978
Other accounts payable	3,625	4,792
	8,266	9,067
Non-Current Liabilities		
Deferred revenue and other liabilities	3,883	3,419
Liability in respect of research and development grants	5,946	5,921
	9,829	9,340
Equity		
Share capital	363	363
Share premium	137,904	137,566
Share-based payment reserve	5,783	5,340
Currency Translation Adjustments	(2,188)	(2,188)
Accumulated deficit	(88,199)	(83,756)
	53,663	57,325
	\$ 71,758	\$ 75,732



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

	For the three months ended		For the six months ended	
	June 30,		June 30,	
	2022	2021	2022	2021
	(Unaudited)		(Unaudited)	
Revenues	\$ 8,006	\$ 7,005	\$ 15,976	\$ 13,126
Cost of revenues	2,192	1,300	4,059	2,763
Gross profit	<u>5,814</u>	<u>5,705</u>	<u>11,917</u>	<u>10,363</u>
Research and development expenses, net	1,730	1,650	3,306	2,575
Selling and marketing expenses	4,587	4,191	8,733	7,320
General and administrative expenses	1,503	1,377	3,366	2,782
Total operating expenses	<u>7,820</u>	<u>7,218</u>	<u>15,405</u>	<u>12,677</u>
Operating loss	(2,006)	(1,513)	(3,488)	(2,314)
Finance expense, net	(329)	(269)	(653)	(681)
Loss before income taxes	(2,335)	(1,782)	(4,141)	(2,995)
Income taxes	113	156	300	316
Net loss and total comprehensive loss	<u>\$ (2,448)</u>	<u>\$ (1,938)</u>	<u>\$ (4,441)</u>	<u>\$ (3,311)</u>
Basic and diluted net loss per share	<u>\$ (0.07)</u>	<u>\$ (0.06)</u>	<u>\$ (0.13)</u>	<u>\$ (0.11)</u>



BRAINSWAY LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

U.S. dollars in thousands

	For the three months ended June 30,		For the six months ended June 30,	
	2022	2021	2022	2021
	(Unaudited)		(Unaudited)	
Cash flows from operating activities:				
Total comprehensive loss	\$ (2,450)	\$ (1,938)	\$ (4,443)	\$ (3,311)
Adjustments to reconcile net loss to net cash used in operating activities:				
Adjustments to profit or loss items:				
Depreciation and amortization	154	131	296	281
Depreciation of leased systems	246	288	491	580
Impairments and disposals	301	227	233	480
Finance expenses, net	329	269	653	681
Cost of share based payment	408	280	782	1,083
Income taxes	113	156	300	316
Total adjustments to reconcile loss	<u>1,551</u>	<u>1,351</u>	<u>2,755</u>	<u>3,421</u>
Changes in asset and liability items:				
Increase in trade receivables	(1,072)	(38)	(1,135)	(1,131)
Increase in inventory	(792)	-	(2,105)	-
Decrease in other accounts receivable	(257)	(1,017)	(318)	(999)
Increase (decrease) in trade payables	1,073	(377)	561	(86)
Increase (decrease) in other accounts payable	(384)	12	(894)	(200)
Increase (decrease) in deferred revenues and other liabilities	(5)	50	268	212
Total changes in asset and liability	<u>(1,437)</u>	<u>(1,370)</u>	<u>(3,623)</u>	<u>(2,204)</u>
Cash paid and received during the period for:				
Interest paid	(11)	(10)	(23)	(30)
Interest received	304	-	307	2
Income taxes paid	(263)	148	(266)	(12)
Total cash paid and received during the period	<u>30</u>	<u>138</u>	<u>18</u>	<u>(40)</u>
Net cash used in operating activities:	<u>(2,306)</u>	<u>(1,819)</u>	<u>(5,293)</u>	<u>(2,134)</u>
Cash flows from investing activities:				
Proceeds from (purchase of) property and equipment and system c	448	(538)	1,399	(917)
Investment in short-term deposits, net	40,304	(40,000)	40,254	(40,000)
Investment in long-term deposits, net	(2)	(11)	(5)	(11)
Net cash provided by (used in) investing activities	<u>40,750</u>	<u>(40,549)</u>	<u>41,648</u>	<u>(40,928)</u>
Cash flows from financing activities:				
Repayment of liability in respect of research and development grat	-	(373)	(498)	(373)
Receipt of government grants	-	77	6	167
Repayment of lease liability	(150)	(227)	(298)	(227)
Issuance of share capital, net	-	-	1	42,260
Net cash provided by (used in) financing activities	<u>(150)</u>	<u>(523)</u>	<u>(789)</u>	<u>41,827</u>
Exchange rate differences on cash and cash equivalents	<u>(225)</u>	<u>207</u>	<u>(313)</u>	<u>(130)</u>
Increase (decrease) in cash and cash equivalents	38,069	(42,684)	35,253	(1,365)
Cash and cash equivalents at the beginning of the period	14,105	58,280	16,921	16,961
Cash and cash equivalents at the end of the period	<u>\$ 52,174</u>	<u>\$ 15,596</u>	<u>\$ 52,174</u>	<u>\$ 15,596</u>
(a) Significant non cash transactions:				
Recognition of new lease liability and right-of-use	<u>123</u>	<u>-</u>	<u>123</u>	<u>183</u>