



**BRAINSWAY LTD.**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**U.S. dollars in thousands (except share and per share data)**

	<u>June 30,</u> <u>2021</u>	<u>December 31,</u> <u>2020</u>
<u>ASSETS</u>		
Current Assets		
Cash and cash equivalents	\$ 15,596	\$ 16,961
Short-term deposits	40,275	221
Trade receivables, net	6,676	5,582
Other accounts receivable	2,362	1,534
Total current assets	<u>64,909</u>	<u>24,298</u>
Long-term deposits	280	163
Leased systems	4,429	5,198
System components and other property and equipment	4,867	4,352
Total assets	<u>\$ 74,485</u>	<u>\$ 34,011</u>
<u>LIABILITIES AND EQUITY</u>		
Current Liabilities		
Trade payables	\$ 732	\$ 781
Other accounts payable	3,977	3,769
Deferred revenue	1,556	1,543
Liability in respect of research and development grants	745	707
Total current liabilities	<u>7,010</u>	<u>6,800</u>
Deferred revenue and other liabilities	2,136	2,015
Liability in respect of research and development grants	5,666	5,524
Warrants	7	38
Total Liabilities	<u>14,819</u>	<u>14,377</u>
Equity:		
Share capital	346	233
Share premium	137,344	95,135
Share-based payment	4,769	3,748
Adjustments arising from translating financial statements from functional currency to presentation currency	(2,188)	(2,188)
Accumulated deficit	(80,605)	(77,294)
Total Equity	<u>59,666</u>	<u>19,634</u>
Total Liabilities and Equity	<u>\$ 74,485</u>	<u>\$ 34,011</u>



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

	<b>For the six months ended June 30,</b>		<b>For the three months ended June 30,</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Revenues	\$ 13,126	\$ 8,977	\$ 7,005	\$ 4,820
Cost of revenues	2,763	2,007	1,300	992
Gross profit	<u>10,363</u>	<u>6,970</u>	<u>5,705</u>	<u>3,828</u>
Research and development expenses, net	2,575	2,836	1,650	1,041
Selling and marketing expenses	7,320	5,891	4,191	2,178
General and administrative expenses	2,782	2,079	1,377	824
Total operating expenses	<u>12,677</u>	<u>10,806</u>	<u>7,218</u>	<u>4,043</u>
Operating loss	(2,314)	(3,836)	(1,513)	(215)
Finance (expense) income, net	(681)	130	(269)	(179)
Loss before income taxes	(2,995)	(3,706)	(1,782)	(394)
Income taxes	316	307	156	177
Net loss and total comprehensive loss	<u>\$ (3,311)</u>	<u>\$ (4,013)</u>	<u>\$ (1,938)</u>	<u>\$ (571)</u>
Basic and diluted net comprehensive loss per share	<u>\$ 0.11</u>	<u>\$ 0.18</u>	<u>\$ 0.06</u>	<u>\$ 0.03</u>



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

	For the six months ended June 30,		For the three months ended June 30,	
	2021	2020	2021	2020
Cash flows from operating activities:				
Net loss and total comprehensive loss	\$ (3,311)	\$ (4,013)	\$ (1,938)	\$ (571)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:				
Adjustments to profit or loss items:				
Depreciation and amortization	761	729	358	284
Depreciation of leased systems	580	585	288	291
Finance expenses (income), net	681	(130)	269	179
Cost of share based payment	1,083	437	280	129
Income taxes	316	307	156	177
Changes in asset and liability items:				
Decrease (increase) in trade receivables	(1,131)	358	(38)	270
Decrease (increase) in other accounts receivable	(999)	230	(1,017)	(34)
Increase (decrease) in trade payables	(86)	178	(377)	591
Increase (decrease) in other accounts payable	(200)	(677)	12	(751)
Increase in deferred revenues and other liabilities	212	37	50	52
Cash paid and received during the period for:				
Interest paid	(30)	(43)	(10)	(20)
Interest received	2	50	-	19
Taxes paid	(12)	(9)	148	-
Cash (used in) provided by operating activities:	(2,134)	(1,961)	(1,819)	616
Cash flows from investing activities:				
Purchase of property and equipment(*)	(917)	(1,911)	(538)	(965)
Investment in short-term deposits, net withdrawal of (investment i	(40,000)	-	(40,000)	-
Withdrawal of long-term deposits, net	(11)	7	(11)	(3)
Net cash used in investing activities	(40,928)	(1,904)	(40,549)	(968)
Cash flows from financing activities:				
Repayment of liability in respect of research and development gra	(373)	-	(373)	-
Receipt of government grants	167	42	77	-
Repayment of lease liability	(227)	(221)	(227)	(111)
Issuance of share capital	42,260	-	-	-
Net cash provided by (used in) financing activities	41,827	(179)	(523)	(111)
Exchange rate differences on cash and cash equivalents	(130)	(17)	207	107
Decrease in cash and cash equivalents	(1,365)	(4,061)	(42,684)	(356)
Cash and cash equivalents at the beginning of the period	16,961	21,674	58,280	17,969
Cash and cash equivalents at the end of the period	\$ 15,596	\$ 17,613	\$ 15,596	\$ 17,613
(a) Significant non cash transactions:				
Purchase of property and equipment on credit	-	515	-	323
Recognition of new lease liability and right-of-use	183	-	183	-

(\*) Derived mainly from purchase of system components