

**Dissemination of a Regulatory Announcement that contains inside information according to REGULATION (EU) No 596/2014 (MAR)**

16 November 2020

**MTI Wireless Edge Ltd**

("MTI", the "Company" or the "Group")

**Financial Results for the nine months ended 30 September 2020**

MTI Wireless Edge Ltd (AIM: MWE), the technology group specialising in comprehensive radio frequency communication solutions across multiple sectors, is pleased to announce its financial results for the nine-month period ended 30 September 2020.

**Financial highlights**

- Despite the disruption caused by the Covid-19 pandemic, the Group still recorded 2% revenue growth to \$29.6m (2019: \$29.0m)
- 20% increase in operating profit to \$3.0m (2019: \$2.5m), reflecting the benefits of increasing scale and reduced expenditure
- Earnings per share increased by 12% to 2.65 US cents (2019: 2.36 US cents)
- Net cash increased 33% to \$8.2m at 30 September 2020 (30 September 2019: \$6.2m)

**Operational highlights**

- Overall, our diversified business and global footprint helped us weather the negative impact from Covid-19 and continue to grow revenues. Lower expenditure (e.g. no international travel costs or exhibitions etc.) also contributed to the Company delivering a solid trading performance for the first nine months of the year
- Water scarcity is a growing issue reflected in the increased demand for Mottech's water management solutions, which has successfully increased its presence in Australia, China and the French vineyard sector with new innovative products expected in Q4 2020
- The global switch to 5G is gathering pace, translating into the first stages of deployment of our 5G backhaul solution, with initial sales starting to come through to the antenna division
- MTI Summit continues to perform strongly, underpinned by its partnership with leading brands and increased spending in the global defence market, together with growing demand from its satellite office in Russia
- Ongoing commitment to the Company's share repurchase programme, which was extended in July 2020

**Moni Borovitz, Chief Executive Officer of MTI Wireless Edge, said:** “MTI has demonstrated its ability to trade through the current global pandemic. Our customers continue to seek to work with us as they have done previously and, where there are challenges due to the crisis, we are finding innovative ways to meet these. Our trading performance for the first nine months of the year reflects this and we are on track to meet our trading and financial goals (set before the start of the Covid-19 pandemic) for the full year.

Looking ahead, we continue to be excited by the prospects for growth available to each of our three divisions. All are utilising our core skills of devising radio frequency communication solutions and applying them to a wide range of businesses. Examples of this include: supporting mobile networks upgrade to 5G connectivity; automating the irrigation of large scale farms; and enhancing the way that a submarine can communicate from sea. These are all expanding markets, which is positioning MTI well for the future.

With these factors in mind, below is a short review of each division:

The antenna division operates under the MTI Wireless brand and sells antennas and custom developed antenna solutions. The division has a range of exciting opportunities, including the future sales of its 5G backhaul antenna solutions to support mobile operators roll-out their 5G networks. We have entered the early stage of a global upgrade of cellular network infrastructure, to enable 5G which will allow mobile operators to provide higher bandwidth and more services to their customers. This bodes well for the medium-term prospects for this division. In addition, we won several new contracts for military applications and see some other interesting opportunities here for further development.

Our wireless water control and management division continued to see good demand in the first nine months of the year, especially in Israel, China and Australia, which are key markets for this division. The fact that one fifth of the world’s population suffers from some level of water scarcity, shows the magnitude of the issue and why addressing this challenge is critical for many governments worldwide. Operating in 20 countries offering Motorola’s proven IRRInet water management system, Mottech is well placed to continue to expand using its software licensing and recurring revenue model.

The distribution and professional consulting services division, operating under the MTI Summit brand had another good period, focusing on developing design solutions for technology companies which if adopted generate product sales. There is a healthy backlog of design solutions and, as importantly, good demand for new solutions, giving the management team confidence in the prospects for this division.

Overall, the Company is well positioned, with a strong balance sheet and diverse business both vertically and geographically, so that even with the market uncertainty caused by the current pandemic, the Board is confident of the outlook for the business.”

*Moni Borovitz, Chief Executive Officer, will provide a live investor presentation relating to the financial results for the nine month period ended 30 September 2020 via the Investor Meet Company ("IMC") platform today at 10.30am UK time.*

Investors can sign up for free via: <https://www.investormeetcompany.com/mti-wireless-edge-ltd/register-investor>.

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## **About MTI Wireless Edge Ltd. ("MTI")**

Headquartered in Israel, MTI is a technology group focused on comprehensive communication and radio frequency solutions across multiple sectors through three core divisions:

### **Antenna Division**

MTI is a world leader in the design, development and production of high quality, state-of-the-art, and cost-effective antenna solutions including Smart Antennas, MIMO Antennas and Dual Polarity Antennas for wireless applications. MTI supplies antennas for both military and commercial markets from 100 KHz to 90 GHz.

Internationally recognized as a producer of commercial off-the-Shelf and custom-developed antenna solutions in a broad frequency range, MTI addresses both commercial and military applications.

MTI supplies directional and omnidirectional antennas for outdoor and indoor deployments, including smart antennas for WiMAX, Broadband access, public safety, RFID, base stations and terminals for the utility market.

Military applications include a wide range of broadband, tactical and specialized communication antennas, antenna systems and DF arrays installed on numerous airborne, ground and naval, including submarine, platforms worldwide.

### **Water Control & Management Division**

Via its subsidiary, Mottech Water Solutions Ltd ("Mottech"), MTI provides high-end remote control solutions for water and irrigation applications based on Motorola's IRRInet state-of-the-art control, monitoring and communication technologies.

As Motorola's global prime-distributor Mottech serves its customers worldwide through its international subsidiaries and a global network of local distributors and representatives. With over 25 years of experience in providing customers with irrigation remote control and management, Mottech's solutions ensure constant, reliable and accurate water usage, while reducing operational and maintenance costs. Mottech's activities are focused in the market segments of agriculture, water distribution, municipal and commercial landscape as well as wastewater and storm-water reuse.

### **Distribution & Professional Consulting Services Division**

Via its subsidiary, MTI Summit Electronics Ltd., MTI offers consulting, representation and marketing services to foreign companies in the field of RF and Microwave solutions and applications including engineering services (including design and integration) in the field of aerostat systems and the ongoing operation of Platform subsystems, SIGINT, RADAR, communication and observation systems which is performed by the Company.