

21 November 2022

MTI Wireless Edge Ltd

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

Q3 2022 Financial Results

MTI Wireless Edge Ltd (AIM: MWE), the technology group focused on comprehensive communication and radio frequency solutions across multiple sectors, is pleased to announce its financial results for the nine-month period ended 30 September 2022 (the "Period").

Financial highlights

- Strong trading during the Period with revenue growth of 8% to \$34.8m (2021: \$32.1m)
- Increased EBITDA, up 14% to \$4.58m (2021: \$4.03m)
- One-off acquisition and depreciation costs led to net profit of \$2.74m (2021: \$2.70m)
- Earnings per share increased to 2.99 US cents (2021: 2.95 US cents)
- Company remains ungeared with net cash of \$5.2m as at 30 September 2022
- Final dividend anticipated to be declared in MTI's full year results announcement

Operational highlights

- A strong trading quarter across all business divisions, all grew and all were profitable
- MTI Summit had a good quarter and is enjoying another successful year
 - The division is benefitting from: i) new contract wins; ii) successful integration of PSK; and iii) the 3 year strategic agreement signed last year with a significant defence customer resulting in increased sales
 - PSK (51% stake acquired in January 2022) secured the Group's largest ever contract in July 2022, expected to be worth \$10m over the next 7 years, providing services and maintenance support, to the Israeli Ministry of Defence
- Antenna division continues to expand its presence in the 5G market
 - The division is working with 5 out of the 7 leading Original Equipment Manufacturers and, through the new ABS antenna solution, is now working with nearly all of the Tier 1 OEMs
 - 5G in India shows substantial potential in coming years, with Q4 already expected to benefit from sales into this market
- Mottech continued to perform well
 - Good level of renewals with key municipality customers coupled to successful price increases, the effect of such is to be seen starting in 2023
 - Potential for further growth in fountain management
 - Good progress in Italy and successful launch of the ICC Pro Autopilot, the first AgroGation system

Moni Borovitz, Chief Executive Officer of MTI Wireless Edge, said:

“Q3 2022 represented an excellent performance compared to Q3 2021, showing double digit growth in revenue and profits all the way to EPS. We remain very focused on providing radio frequency solutions across our three divisions, each targeting specific markets where there is significant need for our services. Demand, as shown by the increase in sales, remains strong and our markets are nearly back to normal with shipment costs reduced relatively to the high cost during COVID-19, and microchip shortages also reducing. Overall, the Company is in a strong position, with net cash of \$5.2m and no borrowings, to continue to grow both organically and by acquisition.

“Our antenna division is well positioned within the evolving 5G market. The main growth from 5G is still yet to come so we are positioning ourselves with most of the major players and demonstrating the strength of our solutions. India, a key market, where we have a physical presence, recently completed a 5G auction. This is leading to rapidly increasing demand and the forecasts for the number of new Eband towers is substantial.

“PSK has proven to be a strong addition to the Group. Since the Company acquired 51% of PSK in January 2022, the company has won significant orders primarily from within the defence sector.

“The summer just ended was one of the driest on record, accentuating the need to address the growing problem of water scarcity. There remains substantial unnecessary wastage of water, however, there is increasing awareness of solutions like Mottech’s, where around 35% of the volume of water previously used can now be saved.

“Going into the final quarter of this year, the Company is well placed to deliver a good result for the year.”

Moni Borovitz, Chief Executive Officer, will provide a live investor presentation relating to the financial results for the nine-month period ended 30 September 2022 via the Investor Meet Company ("IMC") platform today at 09.30 am 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.