

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

24 June 2019

**MTI Wireless Edge Ltd  
("MTI" or the "Company")**

**Acquisition of 50% of Parkland Australia Pty Ltd ("Parkland Australia")**

MTI Wireless Edge Ltd (AIM: MWE), a technology group focused on comprehensive communication and radio frequency solutions across multiple sectors, announces that its fully owned subsidiary, Mottech Water Solution Ltd ("Mottech"), has entered into a share purchase agreement to acquire 50% of Parkland Australia the ("Acquisition"), a value added reseller of Mottech's solutions in Australia.

**Highlights**

- Parkland Australia's revenue for the year ended June 30, 2018 was 2.1m AUD (US \$1.45m).
- Profit before tax for Parkland during the year ended June 30, 2018 was 0.24m AUD (US \$0.16m).
- Parkland has a strong balance sheet (as of June 30, 2018) including shareholders' equity of 0.92m AUD (US \$0.63m), including net cash of 0.4m AUD (US \$0.27m).
- Parkland has 7 employees in Australia.
- Earnings enhancing acquisition with revenue and profit growth potential.
- Platform for MTI to expand business strategy and increase its recurring revenue from service and maintenance of water control systems.
- Consideration to be funded out of MTI's existing cash resources.

"We are delighted with this earnings enhancing acquisition that will immediately contribute and will enable Mottech to step up the value-chain in the Australian market and provide wireless control solution and services" commented Mottech general manager, David Shani. "We expect the market for Mottech's core water management services in Australia to expand and we look forward to further applying Mottech's remote control and monitoring systems in the Australian market."

MTI expects to be able to increase its recurring revenues from Parkland Australia's operation following completion of the Acquisition.

**Consideration and conditions of Acquisition**

The total consideration for the Acquisition is up to 0.8m AUD (approximately US\$0.55m) (the "Total Consideration"). Of the Total Consideration, 0.6m AUD (US\$0.41m) will be paid upon closing (anticipated within 30 days), and a total of up to 0.2m AUD will be paid in two tranches by July 2020 and July 2021 based on the financial performance of Parkland Australia in FY 2020 and FY 2021 (ending 30 June 2020 and 2021, respectively) relating to revenue targets being achieved by the end of each financial year.

The vendor of Parkland Australia is Parkland Products Limited, a company incorporated under the laws of New Zealand which acts as Mottech value added reseller in New Zealand.

Under the terms of the Acquisition agreement both Mottech and Parkland Products Limited have options to acquire each other's shareholding in Parkland Australia in certain circumstances.

The Acquisition consideration is to be funded out of MTI's existing cash resources.

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## **About MTI Wireless Edge Ltd**

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.