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MTI Wireless Edge Limited
16 November 2020

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 phone 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.

For further information please contact:

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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.

MTI WIRELESS EDGE LTD.
(An Israeli Corporation)

INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Nine month period ended September 30,		Year ended December 31,
	2020	**2019**	**2019**
	U.S. $ in thousands		
	Unaudited		
Revenues	29,661	29,004	40,043
Cost of sales	20,115	19,537	27,247
Gross profit	9,546	9,467	12,796
Research and development expenses	666	890	1,185
Distribution expenses	2,698	3,118	4,229
General and administrative expenses	3,185	2,976	3,931
Loss (profit) from sale of property, plant and equipment	(13)	8	(8)
Profit from operations	2,984	2,491	3,459
Finance expenses	193	156	211
Finance income	(112)	(101)	(161)
Profit before income tax	2,903	2,436	3,409
Tax expenses	451	358	454
Profit	2,452	2,078	2,955
Other comprehensive income (loss**)** net of tax:			
Items that will not be reclassified to profit or loss:			
Re-measurement of defined benefit plans	-	-	(6)
Items that may be reclassified to profit or loss:			
Adjustment arising from translation of financial statements of foreign operations	(65)	(25)	62
Total other comprehensive income (loss**)**	(65)	(25)	56
Total comprehensive income	2,387	2,053	3,011
Profit attributable to:			
Owners of the parent	2,327	2,052	2,849
Non-controlling interests	125	26	106
	2,452	2,078	2,955
Total comprehensive income attributable to:			
Owners of the parent	2,262	2,027	2,905
Non-controlling interests	125	26	106
	2,387	2,053	3,011
Earnings per share (dollars)			
Basic	0.0265	0.0236	0.0327
Diluted	0.0265	0.0236	0.0327
Weighted average number of shares outstanding			
Basic	87,942,826	87,125,159	87,229,851
Diluted	87,942,826	87,125,159	87,229,851

The accompanying notes form an integral part of the financial statements.

MTI WIRELESS EDGE LTD.
(An Israeli Corporation)

INTERIM CONSOLIDATED STATEMENTS OF
CHANGES IN EQUITY

For the nine month period ended September 30, 2020 (Unaudited):

	Attributed to owners of the parent							
	Share capital	Additional paid-in capital	Capital reserve for share-based payment transactions	Translation differences	Accumulated losses	Total attributable to owners of the parent	Non-controlling interest	Total equity
	U.S. $ in thousands							
Balance at January 1, 2020	207	22,868	52	(62)	(658)	22,407	883	23,290
Changes during the nine month period ended September 30, 2020:								
Comprehensive income								
Profit for the period	-	-	-	-	2,327	2,327	125	2,452
Other comprehensive loss								
Translation differences	-	-	-	(65)	-	(65)	-	(65)
Total comprehensive income (loss) for the period	-	-	-	(65)	2,327	2,262	125	2,387
Dividend	-	-	-	-	(1,758)	(1,758)	-	(1,758)
Exercise of options to share capital	2	306	(54)	-	-	254	-	254
Profit from acquisition and disposal of treasury shares (note 5B)	-	8	-	-	-	8	-	8
Acquisition of the non-controlling interest in subsidiary (note 5D)	-	(15)	-	-	-	(15)	(15)	(30)
Share based payment	-	-	2	-	-	2	-	2
Balance at September 30, 2020	209	23,167	-	(127)	(89)	23,160	993	24,153

The accompanying notes form an integral part of the financial statements.

INTERIM CONSOLIDATED STATEMENTS OF
CHANGES IN EQUITY (CONT.)

For the nine month period ended September 30, 2019 (Unaudited):

	Attributed to owners of the parent							
	Share capital	Additional paid-in capital	Capital reserve for share-based payment transactions	Translation differences	Retained earnings	Total attributable to owners of the parent	Non-controlling interest	Total equity
	U.S. $ in thousands							
Balance at January 1, 2019	205	22,388	366	(124)	(2,195)	20,640	375	21,015
Changes during the nine month period ended September 30, 2019:								
Comprehensive income								
Profit for the period	-	-	-	-	2,052	2,052	26	2,078
Other comprehensive loss								
Translation differences	-	-	-	(25)	-	(25)	-	(25)
Total comprehensive income (loss) for the period	-	-	-	(25)	2,052	2,027	26	2,053
Dividend	-	-	-	-	(1,306)	(1,306)	-	(1,306)
Non-controlling Interest of newly purchased subsidiary	-	-	-	-	-	-	402	402
Exercise of options to share capital	2	111	(24)	-	-	89	-	89
Issuance of treasury shares (note 5C)	-	18	-	-	-	18	-	18
Share based payment	-	-	6	-	-	6	-	6
Balance at September 30, 2019	207	22,517	348	(149)	(1,449)	21,474	803	22,277

The accompanying notes form an integral part of the financial statements.

INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (CONT.)

For the year ended December 31, 2019 :

	Attributable to owners of the parent							
	Share capital	Additional paid-in capital	Capital Reserve from share-based payment transactions	Translation differences	Accumulated losses	Total attributable to owners of the parent	Non-controlling interests	Total equity
	U.S. $ in thousands							
Balance as at January 1, 2019	205	22,388	366	(124)	(2,195)	20,640	375	21,015
Changes during 2019:								
Comprehensive income								
Profit for the year	-	-	-	-	2,849	2,849	106	2,955
Other comprehensive income (loss)								
Remeasurements on defined benefit plans	-	-	-	-	(6)	(6)	-	(6)
Translation differences	-	-	-	62	-	62	-	62
Total comprehensive income for the year	-	-	-	62	2,843	2,905	106	3,011
Dividend	-	-	-	-	(1,306)	(1,306)	-	(1,306)
Non-controlling Interest of newly purchased subsidiary	-	-	-	-	-	-	402	402
Classification of ESOP that expired	-	291	(291)	-	-	-	-	-
Exercise of options to share capital	2	146	(31)	-	-	117	-	117
Profit from acquisition and disposal of treasury shares	-	43	-	-	-	43	-	43
Share based payment	-	-	8	-	-	8	-	8
Balance as at December 31, 2019	207	22,868	52	(62)	(658)	22,407	883	23,290

The accompanying notes form an integral part of the financial statements.

MTI WIRELESS EDGE LTD.
(An Israeli Corporation)

INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	30.09.2020	30.09.2019	31.12.2019
	U.S. $ in thousands		
	Unaudited		
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	8,393	6,732	8,140
Trade and other receivables	9,651	9,882	9,799
Unbilled revenue	3,059	2,111	2,866
Current tax receivables	547	644	672
Inventories	5,611	5,510	5,748
	27,261	24,879	27,225

NON-CURRENT ASSETS:			
Long term prepaid expenses	44	34	31
Property, plant and equipment	4,921	5,293	5,212
Deferred tax assets	649	638	664
Intangible assets	1,077	1,129	1,116
	6,691	7,094	7,023
Total assets	33,952	31,973	34,248

The accompanying notes form an integral part of the financial statements.

INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	30.09.2020	30.09.2019	31.12.2019
	U.S. $ In thousands		
	Unaudited		
LIABILITIES AND EQUITY			
CURRENT LIABILITIES:			
Current maturities and short term bank credit	162	299	312
Trade payables	4,283	4,941	6,448
Other accounts payable	3,987	3,015	2,691
Current tax payables	238	119	230
	8,670	8,374	9,681
NON- CURRENT LIABILITIES:			
Contingent consideration	47	69	69
Lease liabilities	195	222	224
Loans from banks, net of current maturities	48	226	141
Employee benefits, net	839	805	843
	1,129	1,322	1,277
Total liabilities	9,799	9,696	10,958
EQUITY			
Equity attributable to owners of the parent			
Share capital	209	207	207
Additional paid-in capital	23,167	22,517	22,868
Capital reserve from share-based payment transactions	-	348	52
Translation differences	(127)	(149)	(62)
Accumulated losses	(89)	(1,449)	(658)
	23,160	21,474	22,407
Non-controlling interest	993	803	883
Total equity	24,153	22,277	23,290
Total equity and liabilities	33,952	31,973	34,248

November 15, 2020			
Date of approval of financial statements	Moshe Borovitz Chief Executive Officer	Elhanan Zeira Controller	Zvi Borovitz Non-executive Chairman of the Board

The accompanying notes form an integral part of the financial statements.

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine month period ended September 30,		Year ended December 31,
	2020	2019	2019
	U.S. $ in thousands		
	Unaudited		
Cash Flows from Operating Activities:			
Profit for the period	2,452	2,078	2,955
Adjustments for:			
Depreciation and amortization	781	735	973
Loss (gain) from sale of property, plant and equipment	13	(8)	(8)
Equity settled share-based payment expense	2	6	8
Finance (income) expenses, net	56	(2)	32
Tax expenses	451	358	454
Changes in operating assets and liabilities:			
Decrease in inventories	60	707	523
Decrease (increase) in trade receivables	57	(44)	233
Decrease (increase) in other accounts receivables	79	(80)	(137)
Decrease (increase) in unbilled revenues	(193)	160	(595)
Increase (decrease) in trade and other accounts payables	(665)	689	1,821
Increase (decrease) in employee benefits, net	(4)	104	136
Cash from operations	3,089	4,703	6,395
Interest received	23	28	44
Interest paid	(33)	(45)	(77)
Income tax paid	(306)	(726)	(764)
Net cash provided by operating activities	2,773	3,960	5,598

The accompanying notes form an integral part of the financial statements.

MTI WIRELESS EDGE LTD.
(An Israeli Corporation)

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS (cont.)

	Nine month period ended September 30,		Year ended December 31,
	2020	2019	2019
	U.S. $ in thousands		
	Unaudited		
Cash Flows From Investing Activities:			
Proceeds from sale of property, plant and equipment	28	8	31
Payment of contingent consideration regarding business acquisition	(22)	-	-
Acquisition of initially consolidated subsidiaries	-	(23)	(23)
Purchase of property, plant and	(363)	(554)	(707)

equipment			
Net cash used in investing activities	(357)	(569)	(699)
Cash Flows From Financing Activities:			
Dividend	(1,758)	(1,306)	(1,306)
Payments of lease liabilities	(376)	(385)	(511)
Treasury shares acquired	(155)	(305)	(428)
Treasury shares sold	163	323	471
Exercise of share options	254	89	117
Acquisition of the non-controlling interest in subsidiary	(30)	-	-
Repayment of long-term loan from banks	(234)	(483)	(554)
Net cash used in financing activities	(2,136)	(2,067)	(2,211)
Increase in cash and cash equivalents during the period	280	1,324	2,688
Cash and cash equivalents at the beginning of the period	8,140	5,401	5,401
Exchange differences on balances of cash and cash equivalents	(27)	7	51
Cash and cash equivalents at the end of the period	8,393	6,732	8,140

The accompanying notes form an integral part of the financial statements.

MTI WIRELESS EDGE LTD.
(An Israeli Corporation)
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - GENERAL:

Corporate information:

M.T.I Wireless Edge Ltd. (hereafter - the "Company", or collectively with its subsidiaries, the "Group") is an Israeli corporation. The Company was incorporated under the Companies Act in Israel on December 30, 1998, and commenced operations on July 1, 2000. Since March 2006, the Company's shares have been traded on the AIM market of the London Stock Exchange.

The formal address of the Company is 11 Hamelacha Street, Afek industrial Park, Rosh-Ha'Ayin, Israel.

The Company and its subsidiaries are engaged in the following areas:

- Development, design, manufacture and marketing of antennas for the military and civilian sectors.
- A leading provider of remote control solutions for water and irrigation applications based on Motorola's IRRInet state of the art control, monitoring and communication technologies.
- Providing consulting, representation and marketing services to foreign companies in the field of RF and Microwave, including engineering services in the field of aerostat systems and system engineering services.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES:

The interim consolidated financial statements have been prepared in accordance with generally accepted accounting principles for the preparation of financial statements for interim periods, as prescribed in International Accounting Standard No. 34 ("Interim Financial Reporting").

The interim consolidated financial information set out above does not constitute full year-end accounts within the meaning of Israeli Companies Law. It has been prepared on the going concern basis in accordance with the recognition and measurement criteria of the International Financial Reporting Standards (IFRS). Statutory financial information for the financial year ended December 31, 2019 was approved by the board on March 1, 2019. The report of the auditors on those financial statements was unqualified.

The interim consolidated financial statements as of September 30, 2020 have not been audited.

The interim consolidated financial information should be read in conjunction with the annual financial statements as of December 31, 2019 and for the year then ended and with the notes thereto. The significant accounting policies applied in the annual financial statements of the Company as of December 31, 2019 are applied consistently in these interim consolidated financial statements.

NOTE 3 - REVENUES:

	Nine month period ended September 30,		Year ended December 31,
	2020	2019	2019
	U.S. $ in thousands		
	Unaudited		
Revenues arise from:			
Sale of goods*	24,888	23,803	32,236
Rendering of services**	3,077	3,161	4,299
Projects**	1,696	2,040	3,508
	29,661	29,004	40,043

(*) at a point in time
(**) over time

NOTE 4 - OPERATING SEGMENTS:

The following tables present revenue and profit information regarding the Group's operating segments for the nine month period ended September 30, 2020 and 2019 respectively and for the year ended December 31, 2019.

Nine month period ended September 30, 2020 (Unaudited)

	Antennas	Water Solutions	Distribution & Consultation	Adjustment & Elimination	Total
	U.S. $ in thousands				
Revenues					
External	8,534	12,172	8,955	-	29,661
Internal	-	-	105	(105)	-
Total	8,534	12,172	9,060	(105)	29,661
Segment profit	61	1,516	1,230	177	2,984
Finance expense, net					81
Tax expenses					451
Profit					2,452

As of September 30, 2020

	Antennas	Water Solutions	Distribution & Consultation	Adjustment & Elimination	Total
	U.S. $ in thousands				
Segment assets	13,791	10,148	6,881	-	30,820
Unallocated assets					3,132
Segment liabilities	3,035	2,740	3,407	-	9,182
Unallocated liabilities					617

NOTE 4- OPERATING SEGMENTS (CONT.):

Nine month period ended September 30, 2019 (Unaudited)

	Antennas	Water Solutions	Distribution & Consultation	Adjustment & Elimination	Total
	U.S. $ in thousands				
Revenues					
External	8,903	11,979	8,122	-	29,004
Internal	-	-	118	(118)	-
Total	8,903	11,979	8,240	(118)	29,004
Segment profit (loss)	317	1,170	867	137	2,491
Finance expense, net					55
Tax expenses					358
Profit					2,078

As of September 30, 2019

	Antennas	Water Solutions	Distribution & Consultation	Adjustment & Elimination	Total
	U.S. $ in thousands				
Segment assets	13,700	9,481	5,076	-	28,257
Unallocated assets					3,716
Segment liabilities	3,030	1,913	2,717	-	7,660
Unallocated liabilities					2,036

Year ended December 31, 2019

	Antennas	Water Solutions	Distribution & Consultation	Adjustment & Elimination	Total
	U.S. $ in thousands				
Revenues					
External	12,015	16,518	11,510	-	40,043
Inter-segment	-	-	171	(171)	-
Total	12,015	16,518	11,681	(171)	40,043
Segment profit	444	1,562	1,228	225	3,459
Finance expense, net					50
Tax expenses					454
Profit					2,955

NOTE 4- OPERATING SEGMENTS (CONT.):

As of December 31, 2019

	Antennas	Water Solutions	Distribution & Consultation	Adjustment & Elimination	Total
	U.S. $ in thousands				
Segment assets	14,576	9,793	5,729	-	30,098
Unallocated assets					4,150
Segment liabilities	3,514	1,836	3,837	-	9,187
Unallocated liabilities					1,771

NOTE 5 - SIGNIFICANT EVENTS:

A. On 1 March 2020, the Board of directors declared a cash dividend of 2 US cents per share, representing approximately $1,758,000 in total. This dividend was paid on 10 April 2020 to shareholders on the register at the close of trading on 20 March 2020.

B. On 24 January 2019, the Company announced a share repurchase program to conduct market purchases of ordinary shares of par value 0.01 Israeli Shekels each ("Ordinary Shares") in the Company up to a maximum value of £150,000 (the "Programme"). On 23 January 2020, the Company announced that the board of directors of the Company and the board of directors of MTI Engineering had decided to continue with the Programme for another nine months until 26 July 2020 and on 27 July 2020 it was announced that the Programme would be extended until 26 January 2021. As at 30 September 2020, no Ordinary Shares were held in treasury under the Programme.
In 2020, MTI Engineering generated a profit of $8,000 in relation to the Programme, which was recorded in additional paid-in-capital.

C. During January to September 2020, employees of the Company exercised options over 710,000 Ordinary Shares in exchange for a total consideration of approximately $254,000. There are currently no share options granted under the current employee share option plan of the Company.

D. Mottech Water Solutions Ltd ("Mottech"), a subsidiary of the company, signed an agreement in May 2020 to acquire its joint venture partner's 40% holding in a joint venture it established in China in 2017 ("Mottech China"). Following this acquisition, Mottech China is now a fully owned subsidiary of the Company.

E. Outbreak of COVID-19 and Business Continuity - In December 2019, the COVID-19 pandemic broke out in China, and the virus has spread to many countries around the world. In January 2020, the World Health Organization announced the outbreak of the Coronavirus as a global health emergency, and in March 2020, the World Health Organization declared the pandemic to be a global pandemic. The spread of the virus is an unusual event on its scale and is dynamic and emergent. Policymakers around the world were forced to take unprecedented steps to curb the pandemic, including the isolation of civilians and establishing strict regulations and rules to create social distancing, to reduce the chances of infection.

NOTE 5 - SIGNIFICANT EVENTS (CONT.):

This included restricting inbound and outbound flights. Along with the dangerous impacts on human lives as a result of the outbreak, significant global and local business impacts have been recorded.

While the Group's offices were partially and/or temporarily closed (depending on country of operations) during the second part of March and most of April 2020, the Group was able to maintain good levels of operation using remote work procedures and a sufficient level of production in its production facilities while assuring the health of employees.

As of the date of this report the Group has resumed operations in all of its facilities (still under health requirements and regulations), although working from home is still allowed in Israel. The Company sees recovery in most of the territories where it operates, although there are still significant challenges. All aspects of the Group's supply chain are working slower, and the Company's industry has been affected on the operational level, along with the rest of the world economy as it faces the risk of a global recession where the ability to predict the timing of a recovery is uncertain.

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