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MTI Wireless Edge Limited
27 May 2025

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MTI Wireless Edge Ltd

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

Q1 2025 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 three-month period ended 31 March 2025.

Financial highlights

- 7% increase in revenues to $12m (Q1 2024: $11.24m).
- 6% increase in operating profit to $1.25m (Q1 2024: $1.18m).
- 9% increase in net profit for shareholders in the Company to $1.02m (Q1 2024: $0.93m).
- Earnings per share increased by 12% to 1.18 US cents (Q12024: 1.06 US cents).
- 85% increase in net cash provided by operating activities to $2.31m (Q1 2024: $1.25m), contributing to a continued strong financial position with net cash as at 31 March 2025 of $8.05m (31 December 2024: $5.96m).

Operational highlights

Antennas

- The Antenna division serves as a one-stop shop for 'off-the-shelf' flat and parabolic antennas, as well as custom-developed antenna solutions for commercial and military customers, and specialises in providing 5G backhaul antennas to support mobile network rollouts.
- The division had a good first quarter with strong revenue growth up22% versus the same period in the prior year leading to a three-fold increase in the division's profitability.
- 5G backhaul antenna and military antennas represented over 70% of thedivision'srevenue in Q1 2025 (about 50% in the same period last year), which bodes well for the future as these are the growth engines of this division.

Water Control & Management

- This division operates under the Mottech brand and provides wireless control systems to manage irrigation and water distribution for agriculture, municipal authorities and commercial entities.
- Mottech's solutions reduce water and power usage for its customers and allows these customers to generate higher revenues from the higher yields that result from both an increased number and improved quality of crops cultivated.
- Revenues in Q1 2025 increased 11% versus the same period last year, but profits were 23% softer than Q1 2024, as revenue came from projects with lower gross margins. However, recent wins have higher gross margins which will feed through into the trading performance during the course of the year.

Distribution & Professional Consulting Services

- Operates under the MTI Summit Electronics brand and represents approximately 40 international suppliers of radio frequency/microwave components, selling these products to Israeli customers.
- Expert knowledge of both the international suppliers and customers enables MTI to also act as a consultant to all parties and assist with devising complete radio frequency/microwave solutions.
- Revenues decreased by 7% in Q1 2025, due to lower revenue from PSK with sales from the other parts of this division up marginally, leading to the division's profitability being $27K below last year.
- Overall backlog and pipeline of opportunities in both the traditional representation business and PSK is very strong which bodes well for the remainder of 2025.

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

"We have started 2025 positively, delivering a good performance at all levels despite headwinds from adverse currency translation. Looking ahead, with the current backlog and pipeline of opportunities we expect to see growth in all three business divisions during the year.

"We believe that the underlying demand for our products is strengthening in all three of our principal markets. Demand across the globe for defence products has seen the most obvious increase. Water scarcity is a problem that increases each year and while slower, awareness is growing, which is leading to meaningful action. The roll-out of 5G networks is expanding each year and we have made strong in-roads into the substantial Indian market. Overall MTI is in a good position, Q2 is progressing well with three material contracts wins announced so far and as a Board we are confident about the outlook for the year."

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 174 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 5G backhaul, Broadband access, public safety, RFID, base station 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 and monitoring 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, increase crops quality and yield while reducing operational and maintenance costs providing fast ROI while helping sustain the environment. 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. It also specializes in the development, manufacture and integration of communication systems and advanced monitoring and control systems for the Government and defence industry market.

MTI WIRELESS EDGE LTD.
(An Israeli Corporation)

INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Three month period ended March 31,		Year ended December 31,
	2025	2024	2024
	U.S. $ in thousands (Except per share data)		
	Unaudited		
Revenues	12,011	11,240	45,573
Cost of sales	8,260	7,770	31,370
Gross profit	3,751	3,470	14,203
Research and development expenses	266	229	1,016
Distribution expenses	862	893	3,413
General and administrative expenses	1,374	1,231	5,321
Loss (profit) from sale of property, plant and equipment	-	(67)	59
Profit from operations	1,249	1,184	4,512
Financeexpenses	215	238	282
Finance income	(36)	(198)	(582)
Profit before income tax	1,070	1,144	4,812
Tax expenses	143	209	619
Profit	927	935	4,193
Other comprehensive income (loss) net of tax:			
Items that will not be reclassified to profit or loss:			
Re-measurement of defined benefit plans	-	-	16
Items that may be reclassified to profit or loss:			
Adjustment arising from translation of financial statements of foreign operations	(26)	(112)	(149)
Total other comprehensive income (loss)	(26)	(112)	(133)
Total comprehensive income	901	823	4,060
Profitattributable to:			
Owners of the parent	1,019	932	4,364
Non-controlling interests	(92)	3	(171)
	927	935	4,193
Total comprehensive income attributable to:			
Owners of the parent	993	820	4,231
Non-controlling interests	(92)	3	(171)
	901	823	4,060
Earningsper share (dollars)			
Basic and Diluted (dollars per share)	0.0118	0.0106	0.0499
Weighted average number of shares outstanding			
Basic (dollars per share)	86,195,724	88,123,635	87,371,990
Diluted (dollars per shares)	86,704,578	88,123,635	87,460,876

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

INTERIM CONSOLIDATEDSTATEMENTS OF CHANGES IN EQUITY

For the three month period endedMarch 31, 2025(Unaudited):

	Attributable to owners of the parent				
	Share capital	Additional paid-in capital	Translation differences	Retained earnings	Total attributal to owners the pare
	U.S. $ in thousands				
Balance at January 1, 2025	209	22,002	(615)	6,861	28,457
Changes during the three month period ended March 31, 2025:					
Comprehensive income					
Profit for the period	-	-	-	1,019	1,019
Other comprehensive income					
Translation differences	-	-	(26)	-	(26)
Total comprehensive incomefor the period	-	-	(26)	1,019	993
Share based payment	-	27	-	-	27
Dividend	-	-	-	-	-
Balance at March 31, 2025	209	22,029	(641)	7,880	29,47

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

INTERIM CONSOLIDATEDSTATEMENTS OF CHANGES IN EQUITY (CONT.)

For the three month period endedMarch 31, 2024(Unaudited):

	Attributable to owners of the parent				
	Share capital	Additional paid-in capital	Translation differences	Retained earnings	Total attributal to owners the pare
	U.S. $ in thousands				
Balance at January 1, 2024	209	23,061	(466)	5,226	28,030
Changes during the three month period ended March 31, 2024:					

Comprehensive income					
Profit for the period	-	-	-	932	932
Other comprehensive income					
Translation differences	-	-	(112)	-	(112)
Total comprehensive incomefor the period	-	-	(112)	932	820
Acquisition and disposal of treasury shares	-	(300)	-	-	(300)
Dividend	-	-	-	-	-
Balance at March 31, 2024	209	22,761	(578)	6,158	28,55(

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

INTERIM CONSOLIDATEDSTATEMENTS OF CHANGES IN EQUITY (CONT.)

For the year ended December 31, 2024 :

	Attributable to owners of the pa			
	Share capital	**Additional paid-in capital**	**Translation differences**	**Retain earnin**
				U.S. $ in thc
Balance as at January 1, 2024	209	23,061	(466)	5,226
Changes during 2024:				
Comprehensive income				
Profit for the year	-	-	-	4,364
Other comprehensive income (loss)				
Re measurements on defined benefit plans	-	-	-	16
Translation differences	-	-	(149)	-
Total comprehensive income(loss)for the year	**-**	**-**	(149)	4,380
Dividend	**-**	-	-	(2,745)
Share based payment	-	106	-	-
Acquisition and disposal, net of treasury shares (note 23)	-	(1,165)	-	-
Balance as at December 31,2024	209	22,002	(615)	6,861

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

FINANCIALPOSITION

	31.03.2025	31.03.2024	31.12.2024
	U.S. $ in thousands		
	Unaudited		
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	8,467	8,832	6,269
Trade and other receivables	13,733	12,782	16,726
Unbilled revenue	3,748	4,672	3,200
Currenttax receivables	341	378	297
Inventories	8,963	7,674	8,168
	35,252	34,338	34,660
NON-CURRENT ASSETS:			
Long term prepaid expenses	34	28	34
Property, plant and equipment	5,463	5,479	5,584
Deferred tax assets	1,303	969	1,187
Intangible assets	3,321	3,467	3,348
	10,121	9,943	10,153
Total assets	45,373	44,281	44,813

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

MTI WIRELESS EDGE LTD.
(An Israeli Corporation)
INTERIM CONSOLIDATED STATEMENTS OF
FINANCIALPOSITION

	31.03.2025	31.03.2024	31.12.2024
	U.S. $ In thousands		
	Unaudited		
LIABILITIES AND EQUITY			

CURRENT LIABILITIES:			
Current maturities and short term bank credit and loans	340	436	274
Trade payables	7,497	6,941	8,433
Other accounts payable	4,464	4,347	4,098
Current tax payables	349	352	255
	12,650	12,076	13,060
NON- CURRENTLIABILITIES:			
Contingent consideration	837	1,117	837
Lease liabilities	605	518	601
Loans from banks, net of current maturities	73	55	37
Employee benefits, net	772	740	770
	2,287	2,430	2,245
Total liabilities	14,937	14,506	15,305
EQUITY			
Equity attributable to owners of the parent			
Share capital	209	209	209
Additional paid-in capital	22,029	22,761	22,002
Translation differences	(641)	(578)	(615)
Retained earnings	7,880	6,158	6,861
	29,477	28,550	28,457
Non-controlling interest	959	1,225	1,051
Total equity	30,436	29,775	29,508
Total equity and liabilities	45,373	44,281	44,813

May 25, 2025			
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

	Three month period ended March 31,		Year ended December 31,
	2025	**2024**	**2024**
	U.S. $ in thousands		
	Unaudited		
Cash Flows from Operating Activities:			
Profitfor theperiod	927	935	4,193
Adjustments for:			
Depreciation and amortization	352	465	1,370
Equity settled share-based payment expense	27	27	106

Loss (Gain) from sale of property, plant and equipment	114	(63)	(26)
Finance (income) expenses, net	(22)	(14)	(180)
Changes in Contingent consideration and Put option liability	-	-	(280)
Tax expenses	143	209	619
Changes in operating assets and liabilities:			
Decrease (increase) in inventories	(796)	(234)	(749)
Decrease (increase)in trade receivables	2,987	1,343	(2,171)
Decrease (increase) in other accounts receivables	(56)	92	(319)
Decrease (increase)in unbilled revenues	(548)	(482)	990
Increase(decrease) in trade and other accounts payables	(584)	(1,070)	192
Increase (decrease) in employee benefits, net	2	21	67
Cash from operations	2,546	1,229	3,812
Interest received	-	174	109
Interest paid	(21)	(9)	(79)
Income tax paid	(211)	(140)	(780)
Net cash provided by operating activities	2,314	1,254	3,062

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

INTERIM CONSOLIDATED STATEMENTS OF
CASH FLOWS (cont.)

	Three month period ended March 31,		Year ended December 31,
	2025	**2024**	**2024**
	U.S. $ in thousands		
	Unaudited		
Cash Flows from Investing Activities:			
Proceeds from sale of property, plant and equipment	-	62	56
Purchase of property, plant and equipment	(137)	(282)	(891)
Net cashused in investing activities	(137)	(220)	(835)

Cash Flows from Financing Activities:			
Dividend	-	-	(2,745)
Payments of leaseliabilities	(85)	(485)	(364)
Treasury shares acquired	-	(300)	(1,165)
Treasury shares sold	-	-	-
Receipt of loans from banks	111	169	14
Repayment of long-term loans from banks	(8)	(9)	(101)
Net cash provided by /(used in) financing activities	18	(625)	(4,361)
(Decrease)/Increase in cash and cash equivalents during the period	2,195	409	(2,134)
Cash and cash equivalents at the beginning of the period	6,269	8,454	8,454
Exchange differences on balances of cash and cash equivalents	3	(31)	(51)
Cash and cash equivalentsat the end of the period	8,467	8,832	6,269

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 (radio frequency) and Microwave, including engineering services in the field of aerostat systems and system engineering services.
- Development, manufacture and integration of communication systems and advanced monitoring and control systems for the Government and defence industry market.

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 InternationalAccountingStandard 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, 2024 was approved by the board on March 16, 2025. The report of the auditors on those financial statements was unqualified.

The interim consolidated financial statements as of March 31, 2025 have not been audited.

The interim consolidated financial information should be read in conjunction with the annual financial statements as of December 31, 2024 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, 2024 are applied consistently in these interim consolidated financial statements.

NOTE 3 -REVENUES:

	Three month period ended March 31,		Year ended December 31,
	2025	2024	2024
	U.S. $ in thousands		
	Unaudited		
Revenues arise from:			
Sale of goods*	8,419	8,169	32,827
Rendering of services**	1,708	1,981	8,075
Projects**	1,885	1,090	4,671
	12,012	11,240	45,573

(*) at the 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 three month period ended March 31, 2025 and 2024 respectively and for the year ended December 31, 2024.

Three month periodended March 31, 2025 (Unaudited):

	Antennas	Water Solutions	Distribution & Consultation Services	Adjustment & Elimination	Total
	U.S. $ in thousands				
Revenues					
External	4,042	4,212	3,758	-	12,012

Internal	-	-	257	(257)	-
Total	4,042	4,212	4,015	(257)	12,012
Segment profit (loss)	342	446	284	182	1,254
Financeexpense (income),net					184
Taxexpenses					142
Profit					928

March 31, 2025:

	Antennas	Water Solutions	Distribution & Consultation Services	Adjustment & Elimination	Total
	U.S. $ in thousands				
Segment assets	17,000	12,912	13,188	-	43,100
Unallocated assets					2,273
Segment liabilities	4,887	3,793	5,301	-	13,981
Unallocated liabilities					956

NOTE 4 - OPERATING SEGMENTS (CONT.):

Three month periodended March 31, 2024 (Unaudited):

	Antennas	Water Solutions	Distribution & Consultation Services	Adjustment & Elimination	Total
	U.S. $ in thousands				
Revenues					
External	3,316	3,805	4,119	-	11,240
Internal	-	-	189	(189)	-
Total	3,316	3,805	4,308	(189)	11,240
Segment profit (loss)	112	580	311	181	1,184
Financeexpense (income),net					40
Taxexpenses					209
Profit					935

March 31, 2024:

	Antennas	Water Solutions	Distribution & Consultation Services	Adjustment & Elimination	Total
	U.S. $ in thousands				
Segment assets	17,187	12,550	12,165	-	4,902
Unallocated assets					2,379
Segment liabilities	5,133	3,961	4,559	-	13,653
Unallocated liabilities					853

Year ended December 31, 2024

	Antennas	Water Solutions	Distribution & Consultation	Eliminations	Total

	U.S. $ in thousands				
Revenues					
External	14,136	16,888	14,549	-	45,573
Inter-segment	-	-	296	(296)	-
Total	14,136	16,888	14,845	(296)	45,573
Segment profit	1,311	2,307	471	423	4,512
Financeincome,net					300
Profit before tax					4,812
Taxexpenses					619
Profit					4,193

NOTE 4 - OPERATING SEGMENTS (CONT.):

December 31, 2024:

	Antennas	Water Solutions	Distribution & Consultation	Eliminations	Total
	U.S. $ in thousands				
Segment assets	17,404	13,406	11,672	-	42,482
Unallocated assets					2,295
Segment liabilities	5,363	4,618	4,394	-	14,375
Unallocated liabilities					894

NOTE 5 - SIGNIFICANT EVENTS:

A. The Board of directors declared a cash dividend of 3.3 US cents per share being approximately $2,922,000. This dividend was paid on 11 April 2025 to shareholders on the register at the close of trading on 28 March 2025.

B. The financial statements for the year ended 31 December 2024 were authorized for issue by the board as a whole following their approval on 16 March 2025.

C. 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"). Thereafter, the board of directors of the Company and the board of directors of MTI Engineering have decided to continue with the Programme for several further periods and to increase the maximum value of the Programme up to £1,000,000, plus any additional funds received from dividends or profits from selling the shares, although the current intention is to hold the Ordinary Shares purchased for a longer period of time. The Programme is currently in place until the end of March 2026 and as at 31 March 2025, 2,343,000 Ordinary Shares were held in treasury under the Programme.

D. On 18 March 2025 at the Company's extraordinary meeting, Mr. Luke Ahern was reelected as an external non-executive director for his second three year term.

E. On 7 October 2023 Israel was attacked by the Hamas terror organization leading to war in the Gaza region. The war has led to a slowdown in the Israeli economy and if this war continues for a prolonged period, then it may begin to impact the Company. The wide usage of military reserve personnel, adverse foreign currency exchange rates and restrictions on access to certain areas in Israel are risks which may affect the Company if there is a prolonged period of war. As of the date of this report, and to the best of the Company's knowledge, the war has not had a significant effect on the Company. The Company continues to review the effects of the war on its trading as it believes that if the war continues for a long period of time then the overall Israeli economy will be

effected, and factors including the lack of available manpower, interest rates and foreign currency exchange rates may have an impact on its trading.

NOTE 6 - SUBSEQUENT EVENTS

F. On 6 May 2025, MTI announced that MTI Summit had increased its ownership of its subsidiary P.S.K Wind Technologies Ltd. ("PSK") via a new equity investment of NIS 600,000 (approximately US$170,000) (the "Investment"). Following the Investment, the Group owns 60% of PSK. Previously, on 4 January 2022, MTI announced that MTI Summit had acquired 51% of PSK (the "Acquisition"). In addition to the Acquisition, an earn out mechanism was in place under which further consideration could potentially be payable to the vendors of PSK (the "Earn Out") and that MTI Summit has an option to purchase and the vendors of PSK have an option to sell to MTI Summit the remaining 49% of PSK (the "Option") starting from 2027. The Earn Out has now lapsed and no further consideration is payable to the vendors of PSK. Following the Investment, the Option has been modified to reflect that the vendors' holding in PSK is now 40%. The remaining terms of the Option remain as set out in MTI's announcement of 4 January 2022.

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