



WATER WAYS TECHNOLOGIES INC.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2020

(UNAUDITED)

WATER WAYS TECHNOLOGIES INC.
(FORMERLY KNOWN AS SAGITTARIUS CAPITAL CORPORATION)

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NOTICE TO SHAREHOLDERS

The accompanying unaudited condensed consolidated interim financial statements of WATER WAYS TECHNOLOGIES INC. for the nine months period ended September 30, 2020 have been prepared by management in accordance with International Financial Reporting Standards applicable to consolidated interim financial statements (Note 2). Recognizing that the Company is responsible for both the integrity and objectivity of the unaudited condensed consolidated interim financial statements, management is satisfied that these unaudited condensed consolidated interim financial statements have been fairly presented.

Under National Instrument 51-102, part 4, sub-section 4.3 (3) (a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The Company's independent auditor has not performed a review of these unaudited condensed consolidated interim financial statements in accordance with standards established by the Institute of Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

WATER WAYS TECHNOLOGIES INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(US Dollars in thousands)

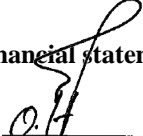
		September 30, 2020	December 31, 2019
	Note	Unaudited	Audited
CURRENT ASSETS:			
Cash and cash equivalents		55	237
Restricted Cash	7	177	176
Trade accounts receivable, net		3,224	3,165
Other accounts receivable	5	826	1,092
Inventory		1,133	852
Total current assets		5,415	5,522
NON-CURRENT ASSETS:			
Deferred tax asset		220	135
Other accounts receivable	5	194	139
Intangible assets		327	289
Goodwill		129	129
Property, plant and equipment, net		192	298
Total non-current assets		1,062	990
TOTAL ASSETS		6,477	6,512
CURRENT LIABILITIES:			
Short term loans and current portion of long-term loans	7	1,395	1,660
Lease liabilities		18	17
Trade accounts payable		3,003	2,702
Deferred revenues		161	2
Other accounts payable	6	310	269
Total current liabilities		4,887	4,650
NON-CURRENT LIABILITIES:			
Long-term loans	7	298	116
Lease liabilities		50	65
Derivative- warrants	8	14	14
Total non-current liabilities		362	195
SHAREHOLDERS' EQUITY:			
Share capital	8	*	*
Additional paid in capital		2,905	2,905
Reserves		51	93
Retained earnings (deficit)		(1,728)	(1,331)
Water Ways Technologies Inc Shareholders' equity		1,228	1,667
Non-controlling interest		-	-
Total shareholders' equity		1,228	1,667
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		6,477	6,512

* Represent an amount lower than 1 thousand.

The accompanying notes are an integral part of the financial statements

November 29, 2020

Date of approval


Ohad Haber
CEO & Executive Director


Meira Zada
CFO

WATER WAYS TECHNOLOGIES INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(US Dollars in thousands)

	For the three months period ended September 30		For the nine months period ended September 30	
	2020	2019	2020	2019
	Unaudited	Unaudited	Unaudited	Unaudited
Revenues:				
Services	238	1,367	1,651	3,235
Products	1,688	1,724	5,386	4,464
Total revenues	1,926	3,091	7,037	7,699
Cost of revenues:				
Services	171	1,193	1,321	2,833
Products	1,503	1,527	4,591	3,856
Total cost of revenues	1,674	2,720	5,912	6,689
Gross profit	252	371	1,125	1,010
Listing expenses	-	-	-	1,727
Selling ,general and administrative expenses	562	634	1,559	1,382
Operating profit (loss)	(310)	(263)	(434)	(2,099)
Finance expenses	39	25	130	110
Finance Income	(1)	(26)	(78)	(115)
Share in (profit) loss of associated company	-	-	-	10
Profit (loss) before taxes on income	(348)	(262)	(486)	(2,104)
Tax on income (recovery)	(53)	(43)	(91)	(111)
Loss for the period	(295)	(219)	(395)	(1,993)
Foreign currency translation differences	-	(13)	(63)	22
Total other comprehensive income	-	(13)	(63)	22
Net comprehensive income (loss)	(295)	(232)	(458)	(1,971)
Total Comprehensive profit (loss) for the period attributed to:				
Non-controlling interests	(4)	-	**	-
Water Ways Technologies Inc Shareholders'	(291)	(232)	(458)	(1,971)
Profit (loss) for the period	(295)	(232)	(458)	(1,971)
Basic profit per share attributable to shareholders (*):	(0.003)	(0.002)	(0.004)	(0.023)
Weighted average number of common shares outstanding:	89,589,222	89,410,651	89,589,222	86,646,588
Diluted profit per share attributable to shareholders (*):	(0.003)	(0.002)	(0.004)	(0.023)
Weighted average number of common shares outstanding:	89,589,222	89,410,651	89,589,222	86,646,588

* represents number of common shares after giving effect to the share split

** Represent amount less than 1 thousand

The accompanying notes are an integral part of the interim condensed consolidated financial statements

WATER WAYS TECHNOLOGIES INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(US Dollars in thousands, except for the number of shares)

For the nine months period ended September 30, 2020

	Number of Shares	Share capital	Additional paid-in capital	Retained deficit	Capital reserve for share- based payment	Currency translation adjustment	Total	Non- controlling interests	Total Shareholders' equity
	(US\$ in thousands)								
Balance on January 1, 2020	89,589,222	*	2,905	(1,331)	32	61	1,667	-	1,667
Net income				(395)			(395)		(395)
Other comprehensive income:									
Net comprehensive income							-	-	-
Exchange differences on translating foreign operation	-	-	-	-	-	(63)	(63)	-	(63)
Total comprehensive income	-	-	-	(395)	-	(63)	(458)	-	(458)
Stock based compensation	-	-	-	-	19	-	19	-	19
Balance on September 30, 2020	89,589,222	*	2,905	(1,726)	51	(2)	1,228	-	1,228

For the nine months period ended September 30, 2019

	Number of Shares	Share capital	Additional paid-in capital	Retained deficit	Capital reserve for share-based payment	Currency translation adjustment	Total	Non- controlling interests	Total Shareholders' equity
	(US\$ in thousands)								
Balance on January 1, 2019(**)	76,972,369	*	1,544	1,038	-	-	-	-	2,582
Net income				(1,993)					(1,993)
Other comprehensive income:									
Exchange differences on translating foreign operation	-	-	-	-	-	22			22
Total comprehensive income	-	-	-	(1,993)	-	22			611
Reverse Take Over (Note 4A)	-	*	524	-	-	-	-	-	524
Stock based compensation	-	-	-	-	26	-			26
Issuance of shares, net	12,438,282	-	1,346	-	-	-			1,346
Shares issued upon acquisition		-	19	-	-	-			19
Balance on September 30, 2019	89,410,651	*	3,433	(955)	26	22			2,526

*Represent an amount lower than 1 thousand.

**Represents number of common shares after giving effect to the share split.

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

WATER WAYS TECHNOLOGIES INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(US Dollars in thousands)

	For the nine months period ended September 30, 2020	For the nine months period ended September 30, 2019
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net (loss) for the period	(395)	(1,993)
Adjustments to reconcile net profit to net cash provided by operating activities:		
Depreciation and amortization	30	45
Stock based compensation	19	26
Accrued interest	58	43
Change in short term deposits	(1)	(8)
Share in profit in associated company	-	(8)
Loss from realization of associated company	-	18
(increase) in trade accounts receivable, net	(59)	(1,575)
(increase) decrease in other accounts receivable	279	(1,641)
Listing expenses	-	1,727
(increase) in inventory	(282)	(336)
Increase in trade accounts payable	301	,1564
Increase in other accounts payable	41	858
Change in fair value of derivative- warrants	-	(104)
Increase in deferred revenues	159	-
(increase) in deferred taxes	(85)	(155)
Net cash provided by (used in) operating activities	65	(1,539)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(29)	5
Acquisition of business (Note 1B)	-	(363)
Capitalized development costs	-	(100)
Change in short term deposits	-	-
Repayment of loans by others	(*)	(*)
Net cash (used in) provided by investing activities	(29)	(468)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of bank loans	(1,350)	(1,026)
Receipt of bank loans	1,209	1,512
Reverse Take Over (Note 4)	-	9
Lease payments	(14)	(3)
Issuance of shares and warrants, net	-	1,861
Net cash (used in) provided by financing activities	(155)	2,353
Effect of foreign exchange rate changes on cash	(63)	(22)
(decrease) Increase in cash and cash equivalents	(182)	324
Cash and cash equivalents at beginning of the period	237	233
Cash and cash equivalents at the end of the period	55	557

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

*Represent an amount lower than 1 thousand.

WATER WAYS TECHNOLOGIES INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(US Dollars in thousands, except for the number of shares)

APPENDIX A - AMOUNT PAID DURING THE PERIOD FOR:

	For the nine months period ended September 30	
	2020	2019
Tax	-	30
Interest	58	45

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

WATER WAYS TECHNOLOGIES INC.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(US Dollars in thousands)

NOTE 1 - GENERAL:

A. Water Ways Technologies Inc. ("**Water Ways**", "**WWT**" or the "**Company**" formerly known as Sagittarius Capital Corporation) was incorporated under the Business Corporations Act (Ontario) on April 20, 2007 and was classified as a Capital Pool Corporation as defined by TSX Venture Exchange ("**TSX-V**" or "**Exchange**") Exchange Policy 2.4. Water Ways Technologies Inc. is the parent company of Irri-Al-Tal Ltd. ("**Irri-Al-Tal**"), Heartnut Grove WWT Inc. ("**HGWWT**"), H.D.P Irrigation Ltd. ("**H.D.P**") and indirectly of IRRI-AL TAL (Shanghai) Agriculture Technology Company Ltd. ("**IRRI-AL TAL (Shanghai)**") (see also Note 1B). The Company's registered address and principal place of business is 77 King Street West, Suite 3000, Toronto, Ontario, M5K 1G8.

Irri-Al-Tal was incorporated on October 11, 2003 under the laws of the State of Israel. Irri-Al-Tal registered and head office address is P.O. Box 7, Kibbutz Ramat-David 3658700, Israel. Irri-Al-Tal is an agriculture technology company that specializes in providing water irrigation solutions to agricultural producers. Irri-Al-Tal competes in the global irrigation water systems market with a focus on developing solutions with commercial applications in the micro and precision irrigation segments of the overall market. The Financial Statements were approved by the Company's Board of Directors on November 26.

B. 1. On December 28, 2017, Irri-Al-Tal entered into a letter of intent ("**LOI**") with Water Ways formerly known as Sagittarius Capital Corporation ("**Sagittarius**"), a company incorporated in Canada and traded on the NEX board of the Exchange pursuant to which shareholders of the Company would exchange all their issued and outstanding ordinary shares of the Company ("**IAT Shares**") for common shares of Sagittarius ("**Common Shares**") and become a wholly-owned subsidiary of Sagittarius ("**Securities Exchange**").

2. On August 21, 2018, Irri-Al-Tal entered into a definitive securities exchange agreement ("**Securities Exchange Agreement**") with Sagittarius, whereby Sagittarius agreed to complete the Securities Exchange by issuing two (2) Common Shares for each issued and outstanding IAT Share (the "**Exchange Ratio**"). Immediately prior to the completion of and as a condition to the Securities Exchange, Sagittarius consolidated its Common Shares on the basis of one (1) Common Share for 1.4964285 outstanding Sagittarius Shares (the "**Consolidation**"), which was approved by Sagittarius shareholders at a special meeting on August 15, 2018.

3. On March 6, 2019, Water Ways completed its Qualifying Transaction by completing the Securities Exchange with Sagittarius. The Qualifying Transaction was undertaken by completing a reverse takeover (see also Note 4 – Reverse takeover) and as a result, Sagittarius changed its name from "Sagittarius Capital Corporation" to "Water Ways Technologies Inc.".

4. On June 17, 2019, the Company announced that it had closed its previously announced acquisition of certain assets of Heartnut Grove Inc. ("**Heartnut**"), a Canadian distributor of irrigation and agriculture components, based in Mount Brydges, Ontario. Heartnut was established in 2004.

WATER WAYS TECHNOLOGIES INC.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(US Dollars in thousands)

NOTE 1 – GENERAL (CONT.):

Water Ways established a wholly owned Canadian subsidiary, HGWWT, to acquire those certain Heartnut assets including its customer base, inventory, certain equipment and goodwill.

Upon closing, Heartnut transferred its commercial operations and the sole shareholder and managing director became an employee and manager of HGWWT and entered into an employment agreement with HGWWT. The Company also retained the current Heartnut sales force.

5. On October 27, 2019, Water Ways, thorough Irri-Al-Tal, established a new Israeli company, H.D.P, of which Irri Al-Tal holds a 73% interest.

6. On February 26, 2020, H.D.P established a new wholly owned subsidiary in the Republic of China, IRRI-AL TAL (Shanghai) – see also Note 3.

7. On September 2, 2020, Water Ways acquired 52% each in two companies, located in the Oriental Republic of Uruguay, Zoryan Trade S.A. ("**Zoryan**") and Maravey Corporation S.A. ("**Maravey**") - see also Note 3.

C. The Company recognizes any non-controlling interest in its acquisitions on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognized amounts of acquirer's identifiable net assets. Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

D. Non-controlling interests

Total comprehensive income of non-wholly owned subsidiaries is attributed to owners of the parent and to the non-controlling interests in proportion to their relative ownership interests.

E. The world is currently experiencing an event with macroeconomic consequences, originating from the spread of the Corona virus (COVID 19) in many countries around the world (hereinafter - "**Coronavirus**", "**Covid-19**" or the "**Event**"). As a result of the Event, many countries, including Israel, are taking significant steps to try to prevent the spread of the Coronavirus, such as, but not limited to, restrictions on civilian movement, gatherings, transit restrictions on passengers and goods and closing borders between countries. As a result, the Event and the actions taken by the various countries in which the Company operates are having a significant impact on the global economy and commerce. The Company has not experienced any cancellations of existing orders or agreements but has experienced many delays in orders and execution of them. As a result of the spread of the Coronavirus the Company had no business in the Republic of China in January and February. In early March, this restriction was lifted, and the company was to re-commence operations in the Republic of China. The Company's Canadian business through the subsidiary HGWWT was not affected significantly by the Corona virus.

WATER WAYS TECHNOLOGIES INC.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(US Dollars in thousands)

NOTE 1 – GENERAL (CONT.):

Additionally, the Company believes that the effect of the Coronavirus will be minimal on its operations in Ethiopia, Uzbekistan and Israel. The Company's business in Peru came to a standstill in March. The Peruvian government announced in March that it was closing its borders and called on citizens to self-quarantine for 15 days. The borders were opened again at the beginning of April 2020 and as a result the Company commenced its shipment to Peru.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES:

Basis of Presentation

These consolidated interim financial statements ("**Financials**"), including comparatives, have been prepared in accordance with International Accounting Standards ("**IAS**") 34, "Interim Financial Reporting" using accounting policies consistent with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**") and Interpretations issued by the International Financial Reporting Interpretations Committee ("**IFRIC**").

The Financials were prepared based on the same accounting policy as of the annual financials. These condensed interim financial statements should be read in conjunction with the Company's annual financial statements for the year ended December 31, 2019. Certain disclosures that are required to be included in annual financial statements prepared in accordance with IFRS are not included in these condensed consolidated interim financial statements as signed on April 29, 2020.

Foreign currency

The financial statements are prepared in US Dollars (the functional currency). Transactions and balances in foreign currencies are converted into US Dollars in accordance with the principles set forth by International Accounting Standard (IAS) 21 "The Effects of Changes in Foreign Exchange Rates".

Transactions and balances have been converted as follows:

- Monetary assets and liabilities – at the rate of exchange applicable at the statements of the financial position date.
- Expense items – at exchange rates applicable as of the date of recognition of those items.
- Non-monetary items are converted at the rate of exchange used to convert the related statements of financial position items i.e. at the time of the transaction. Exchange gains and losses from the aforementioned conversion are recognized in the statement of comprehensive income.

References to "CAD\$" or "CDN\$" dollars refer to Canadian dollars. All the amounts in the report, regardless of currency are referenced in thousands (other than amounts relating to the exercise price of securities or per share amounts).

WATER WAYS TECHNOLOGIES INC.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(US Dollars in thousands)

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONT.):

Basis of consolidation

Where the Company has control over an investee, it is classified as a subsidiary. The Company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control. De-facto control exists in situations where the Company has the practical ability to direct the relevant activities of the investee without holding the majority of the voting rights. In determining whether de-facto control exists the Company considers all relevant facts and circumstances, including:

- The size of the Company's voting rights relative to both the size and dispersion of other parties who hold voting rights.
- Substantive potential voting rights held by the Company and by other parties.
- Other contractual arrangements.
- Historic patterns in voting attendance.

The consolidated financial statements present the results of WWT and its subsidiaries as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

Business Combination

The consolidated financial statements of the Company include the accounts of the Company and the following subsidiaries:

<u>Entity Name</u>	<u>Jurisdiction of Incorporation</u>	<u>Percentage of WWT Ownership (Direct and Indirect)</u>
Water Ways Technologies Inc.	Canada	Parent Company
Irri-Al-Tal Ltd.	Israel	100%
Heartnut Grove WWT Inc.	Canada	100%
H.D.P Irrigation Ltd.	Israel	73%
IRRI-AL TAL (Shanghai) Agriculture Technology Company Ltd.	China	73%
Maravey Corporation S.A.	Uruguay	52%
Zoryan Trade S.A.	Uruguay	52%

WATER WAYS TECHNOLOGIES INC.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(US Dollars in thousands)

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONT.):

Listing costs

The Company allocated the incremental costs that were directly attributable to issuing new shares to equity (net of any income tax benefit) and the costs that were related to the stock market listing or are otherwise not incremental and directly attributable to issuing new shares, were recorded as an expense in the statement of comprehensive income. Costs that were related to both share issuance and listing were allocated between those shares based on the number of shares.

Revenue recognition

Revenue is recognized based on the five-step model outlined in IFRS 15, Revenue from contracts with customers. The Company adopted IFRS 15 using the 'modified' retrospective method with the cumulative effect of initially applying IFRS 15 at the date of initial application, accordingly, under this transition method, an entity may elect to apply IFRS 15 retrospectively only to contracts that are not completed contracts at the date of initial application. The Company sells its products and services directly through its sales force and independent sales agents.

The Company determines revenue recognition through the following steps:

- Identification of the contract, or contracts, with a customer;
- Identification of the performance obligations in the contract;
- Determination of the transaction price;
- Allocation of the transaction price to the performance obligations in the contract; and
- Recognition of revenue when, or as, the Company satisfies its performance obligations under the contract.

Revenue is measured as the amount of consideration that the Company is expected to receive in exchange for transferring goods or providing services to the customer. The amount of consideration is usually a fixed price at the contract inception. Taxes assessed by various government entities, such as sales taxes, use and value-added taxes, collected at the time of sale are excluded from revenue.

Revenue from sales of irrigation equipment and water systems to agricultural producers is recognized when the customer has taken control of the goods, which occurs at a point in time based on the shipping terms. Revenue from providing project services is derived from long-term fixed-price contracts with customers pursuant to which the Company provides design, installation and maintenance of turnkey irrigation systems for application in various agricultural and aquaculture operations. Revenues on these long-term fixed-price contracts are recognized using the percentage-of-completion method. In using the percentage of completion method, revenues are generally recorded on the basis of the percentage of cost incurred to date on a contract relative to the estimated total expected contract cost. Management uses past-experience, project plans and an assessment of the risks and uncertainties specific to the project in order to estimate total expected contract cost.

WATER WAYS TECHNOLOGIES INC.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(US Dollars in thousands)

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONT.):

Revenue recognition (cont.)

The percentage of completion is established by the costs incurred to date as a percentage of the estimated total costs of each contract (cost-to-cost method). Contract costs include all direct material and labor costs, as control is transferred over time since, the Company's performance does not create an asset with an alternative use to the Company.

The Company utilizes various forms of financial guarantees from first-tier international banks to provide payment assurance for the amounts receivable from its customers, the Company's management believes that its credit risk is limited on projects which have not yet been completed, but for which the Company has recognized revenue. The Company provides a one-year manufacturer (back to back with the manufacturer – a third party) warranty for all the components that are part of a system. Such warranty does not provide the customer with additional services; therefore, the service cost is not recognized as a financial obligation to the Company and is not accounted as a separate performance obligation but rather as a provision.

NOTE 3 - SUBSTANTIAL EVENTS DURING THE REPORTING PERIOD

A. On February 26, 2020, Water Ways, thorough Irri-Al-Tal and H.D.P, established IRRI-AL TAL (Shanghai) whose purpose was to acquire certain assets of the Company's Chinese agents including their network of subagents and commence operations and sales of the Company's products and services in and to the Chinese market. The agent was appointed as the CEO of IRRI-AL TAL (Shanghai).

B. Warrant repricing

On May 14, 2020, the Company announced that subject to receiving the approval of the Exchange, it intended to amend (the "**Amendment**") the exercise price of 6,219,141 previously issued common share purchase warrants, exercisable into an equal amount of common shares in the capital of the Company ("**Common Shares**") having an exercise price of \$0.40 ("**Series 1 Warrants**") and 5,000,000 previously issued common share purchase warrants, exercisable into an equal amount of Common Shares, having an exercise price of \$0.25 (the "**Series 2 Warrants**" and together with the Series 1 Warrants collectively, the "**Warrants**") to an exercise price, in respect of all Warrants, of \$0.06 (the "**New Exercise Price**"). As per the requirements of the Exchange, the Amendment required the incorporation of an accelerated expiry provision such that the remaining exercise period of the Warrants was reduced to 30 days if, for any 10 consecutive trading days during the unexpired term of such Warrants, the closing price of the Common Shares exceeds the New Exercise Price by 25% or more (which would be a trading price of \$0.075 per Common Share or higher), with the 30-day expiry period commencing on the day the Company either: (i) disseminates a press release or (ii) sends a written notice to the holders of the Warrants, advising of the commencement of the forced exercise period.

On June 16, 2020, the Company received conditional approval of the Exchange of the Amendment.

WATER WAYS TECHNOLOGIES INC.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(US Dollars in thousands)

NOTE 3 - SUBSTANTIAL EVENTS DURING THE REPORTING PERIOD (CONT.)

C. Option issuances

On May 14, 2020, the Company announced that in accordance with the terms of its stock option plan (the "**SOP**") it had granted 200,000 stock options ("**Options**") to each of its directors as well as its Chief Financial Officer, for an aggregate of 1,200,000 Options. The Options have an exercise price of \$0.06 and shall vest in two equal installments, with one-half of the Options vesting immediately (the "**Initial Date**") and one-half vesting on the 12-month anniversary of the Initial Date. The Options shall expire five years from the Initial Date of grant and be subject to such terms and conditions as may be required by the Exchange.

D. Option repricing

On May 14, 2020, the Company announced that subject to receiving Exchange approval, it intended to reprice a total of 2,973,527 stock options (the "**May 2019 Options**"), previously issued in accordance with the terms of the SOP. The May 2019 Options previously had an exercise price of \$0.25 which was adjusted to the New Exercise Price. 473,527 of the May 2019 Options have been approved for repricing by the Exchange and the remaining 2,500,000 have been conditionally approved by the Exchange subject to receiving disinterested shareholder approval to the repricing at the next annual and special meeting of shareholders of the Company.

E. Shares for debt

On May 14, 2020, the Company announced that in order to conserve cash it has agreed to issue 150,000 Common Shares at a deemed price of \$0.05 per Common Share to settle a debt to an arm's length service provider (the "**SP**"). The issuance of the Common Shares to the SP is subject to the approval of the Exchange. All securities issued to the SP will be subject to a four month hold period which will expire on the date that is four months and one day from the date of issue.

F. On September 02, 2020, Water Ways entered into an agreement granting it the right to purchase a 52% interest in two companies, incorporated and existing in the Oriental Republic of Uruguay, Zoryan and Maravey. Zoryan is expected to obtain a licence to grow cannabis and extract oil ("**Extract Licence**") and Maravey is expected to obtain a medical cannabis production license. The aggregate cost of acquiring the shares in both Maravey and Zoryan is \$400 ("**Purchase Price**") to be paid to each of the 4 shareholders. Payment of the Purchase Price will be subject to the standard conditions precedent including: the entering into of definitive agreements (including a shareholder agreement) as well as the receipt of all regulatory approvals and the issuance of the Extract Licence.

WATER WAYS TECHNOLOGIES INC.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(US Dollars in thousands)

NOTE 4 - REVERSE TAKE OVER:

Completion of the Qualifying Transaction with Sagittarius

On March 6, 2019, Water Ways completed its Qualifying Transaction by completing the Securities Exchange with Irri-Al-Tal. Sagittarius acquired all the issued and outstanding shares of Irri-Al-Tal pursuant to a Securities Exchange Agreement between Irri-Al-Tal and Water Ways by issuing 75,338,152 post-consolidated Common Shares in the capital of Sagittarius to the security holders of Irri-Al-Tal, including those exchanged following the completion of the Concurrent Private Placement (as hereinafter defined), but not including those issued pursuant to the Offering.

In connection with the Qualifying Transaction, Sagittarius also completed an offering ("**Offering**") of units ("**Units**") for gross proceeds of \$2,111 by issuing 11,272,500 Units. Each Unit was comprised of one Common Share and one-half of one common share purchase warrant (each whole warrant, a "**Warrant**"). Each Warrant was exercisable into one Common Share (a "**Warrant Share**") at CAD 0.40 per Warrant Share until March 6, 2021.

Pursuant to the Securities Exchange, all shareholders of Irri-Al-Tal exchanged their IAT Shares for post-consolidated Common Shares of Sagittarius on a 1:2 basis and the convertible securities of Irri-Al-Tal were exchanged for corresponding securities of Sagittarius on a 1:2 basis. At the same time, Sagittarius changed its name from "Sagittarius Capital Corporation" to "Water Ways Technologies Inc.".

The fair value of the consideration is as follows:

	<u>06/03/2019</u>
Fair value of common shares (2,800,000 shares at CAD 0.25 per share)	<u>\$ 524</u>
Total fair value of consideration	\$ 524
Less: Net negative assets of Sagittarius	<u>\$ (105)</u>
Listing expense	\$ 629

The Company incurred additional listing expenses, which mainly relate to broker's fees legal fees, and capital advisory fees, the aggregate amount of the Listing expenses equals \$1,726.

For accounting purposes, Irri-Al-Tal is considered the accounting acquirer and Water Ways is considered the acquired company. As a result of the transaction described above, the former shareholders of Irri-Al-Tal acquired control of the Company as they owned the majority of the outstanding shares of the Company upon completion of the transaction. Therefore, the transaction constitutes a reverse takeover and is accounted for with Irri-Al-Tal being identified as the acquirer and the net assets of Water Ways being recorded at fair value at the date of the transaction.

Consequently, the historical results of operations are those of Irri-Al-Tal. Since Water Ways' former operations did not constitute a business, the acquisition of Water Ways was not a business combination pursuant to IFRS 3 and the transaction was accounted for as a reverse takeover of the publicly traded company.

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NOTE 4 - REVERSE TAKE OVER (CONT.):

The reverse takeover was accounted for under IFRS 2 Share-based Payments. Accordingly, the acquisition of Water Ways was accounted at the fair value of the consideration transferred by the accounting acquirer, which is the fair value of the equity instruments Irri-Al-Tal would have had to issue to the owners of Sagittarius to effect the transaction. The difference between the net assets acquired and the fair value of the consideration granted was treated as a listing expense.

NOTE 5 - OTHER ACCOUNTS RECEIVABLE:

	As of September 30, 2020	As of December 31, 2019
Prepaid expenses	427	342
Advances to suppliers	37	23
Government authorities	105	194
Shareholder (Note 14)	31	27
Other	420	645
	1,020	1,231

NOTE 6 - OTHER ACCOUNTS PAYABLE:

	As of September 30, 2020	As of December 31, 2019
Advances from customers	54	10
Government authorities	61	54
Vacation accrual	48	76
Employee related liabilities	45	68
Other	102	68
	310	269

NOTE 7 – LOANS:

A. Composition of Loans:

	As of September 30, 2020	As of December 31, 2019
Long term loans	1,693	1,777
Less – current portion and short-term loans	(1,395)	(1,661)
Total long-term portion of loans	298	116

Long-term loans from banks are due as follows:

	As of September 30, 2020	As of December 31, 2019
First year (current portion)	1,395	1,661
Second year	102	87
Third year	50	29
Fourth year and thereafter	146	-
Total long-term loans	1,693	1,777

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NOTE 7 – LOANS (CONT.):

B. Details of the long-term loans:

1. On May 29, 2016, the Company secured a loan in the amount of \$130, which bears an interest rate equal to the Bank of Israel Prime Lending Rate ("**Prime**") plus 3.5% per annum. The loan will be repaid in 72 monthly installments ending on May 29, 2022. The Company is required to restrict cash as security for the loan in the amount of \$36 until the total repayment of the loan.
2. On November 4, 2016, the Company secured a loan in the amount of \$29, which bears an interest rate equal to Prime plus 2.1% per annum. The loan will be repaid in 60 monthly installments ending on November 3, 2021.
3. On October 13, 2016, the Company secured a loan in the amount of \$157, which bears an interest rate equal to Prime plus 4.3% per annum. The loan will be repaid in 60 monthly installments ending on October 13, 2021. The Company is required to restrict cash as security for the loan in the amount of \$38 until the total repayment of the loan.
4. On June 12, 2017, the Company secured a loan in the amount of \$127, which bears an interest rate equal to Prime plus 2.6% per annum. The loan will be repaid in 60 monthly installments ending on June 13, 2022. The Company is required to restrict cash as security for the loan in the amount of \$38 until the total repayment of the loan.
5. On January 12, 2020, the Company secured a loan in the amount of \$18, which bears an interest rate equal to 7.76% per annum. The loan will be repaid in 36 monthly installments ending on January 6, 2023.
6. On February 20, 2020, the Company secured a loan in the amount of \$288, which bears an interest rate equal to 11.08% per annum. The loan will be repaid in 60 monthly installments ending on March 2, 2025.
7. On April 4, 2020, as part of the Canada Emergency Business Account government program to businesses arising from the Coronavirus Event, the Company secured a loan in the amount of \$28, which bears an interest rate of nil until December 31, 2022. After December 31, 2022, the loan will bear a 5% interest rate per annum on the outstanding balance. The loan was received by the Company's subsidiary, HGWWT. On December 31, 2022, if HGWWT have repaid at least 75% of the initial principal amount and provided that such repayment was not required due to an Event of Default, the remaining portion of the initial principal amount will be forgiven. For greater certainty, the maximum amount of HGWWT CEBA loan that can be forgiven is \$7.

WATER WAYS TECHNOLOGIES INC.
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NOTE 7 – LOANS (CONT.):

The covenants relating to the subsidiary Irri-Al-Tal and to the loans and credit facilities include the following:

- In 2019 the shareholder's equity shall not be less than 20% of total liabilities and shareholder's equity;
- In 2020 the shareholder's equity shall not be less than 20% of total liabilities and shareholder's equity;
- The ratio between the net short term financial debt and the operating working capital shall not exceed 70%;
- Restriction on repayments of shareholders' loan;
- Certain restrictions on the CEO's salary.

As of the date hereof, the Company was in compliance in all material respects with the covenants.

NOTE 8 – SHAREHOLDERS' EQUITY:

Common Shares confer upon their holders the right to receive notice, to participate and vote in general meetings of the Company and the right to receive dividends, if and when declared.

Shares, Warrants and Options Outstanding:

<u>Security</u>	<u>Number Outstanding</u>	<u>Exercise Price in CAD</u>	<u>Expiry Date</u>
Ordinary shares	89,589,222		
Warrants exercisable	3,976,502	0.25*	06/03/2021
Warrants exercisable	1,023,498	0.25*	06/03/2021
Warrants exercisable	901,800	0.25	06/03/2021
Warrants exercisable	6,219,141	0.4*	06/03/2021
Options	3,973,527	0.25*	**
Options	1,200,000	0.06	14/05/25
Fully diluted shares	106,883,690		

* All the Options to employees and Warrants repriced on November 16, 2020 and now have CAD\$0.06 exercise price per share – **See notes 3B and 3D**

** **See note 8C3**

A. Share Issuances to Consultants for Services Rendered ("consultant's shares")

On April 8, 2018, Irri-Al-Tal issued 1,653,571 IAT Shares to a consultant in respect of services rendered pursuant to a consulting agreement.

On April 8, 2018, following the completion of the Initial Private Placement, Irri-Al-Tal issued 2,068,390 IAT Shares to consultants in respect of services rendered to Irri-Al-Tal.

On March 6, 2019 all the consultant's shares in Irri-Al-Tal issued on April 8, 2018, were exchanged to 7,172,369 Common Shares. In accordance with IFRS 2 - Share-Based Payments, since the fair value of these services cannot be measured reliably, the fair value of the services received were measured at fair value based on third party

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NOTE 8 – SHAREHOLDERS' EQUITY (CONT.):

valuation of the instruments issued at an amount of \$361. The valuation utilized a Monte Carlo based risk neutral model. The model was designed to simulate both the fair value of the company's assets, as well as the fair value of all the claims on these assets over time.

B. Qualifying Transaction

Water Ways completed an Offering of 11,272,500 Units for gross proceeds of CAD\$2,818. Each Unit was comprised of one Common Share and one-half of one Warrant. Each Warrant was exercisable into one additional Common Share ("**Warrant Share**") at CAD\$0.40 per Warrant Share until March 6, 2021. In connection with the Offering, Sagittarius paid the following: (i) a cash commission of CAD\$ 225; (ii) a corporate finance fee of CAD\$40; and (iii) 901,800 non - transferable broker warrants (each, a "**Broker Warrant**"). Each Broker Warrant entitles the holder to one Common Share at a price of CAD\$0.50 until March 6, 2021. Immediately prior to the closing of the Securities Exchange, Irri-Al-Tal completed a non-brokered private placement ("**Concurrent Private Placement**") of IAT Units raising gross proceeds of CAD\$291.

Each IAT Unit was issued at a price of CAD\$0.50 and was comprised of one IAT Share and one-half of one ordinary share purchase warrant ("**Concurrent Warrant**"). Each whole Concurrent Warrant entitled the holder thereof to acquire one ordinary share at a price of CAD\$0.80 per share until March 5, 2021. The securities issued in connection with the Concurrent Private Placement were exchanged into Common Shares and Warrants of Sagittarius, respectively, on the 1:2 basis in accordance with the terms of the Securities Exchange Agreement.

After completion of the Offering and the Securities Exchange, Water Ways Technologies had 89,414,384 Common Shares issued and outstanding, of which 84.3% were held by former Irri-Al-Tal shareholders (of which 1.3% of the total is attributed to the participants in the Concurrent Private Placement), 3.1% held by shareholders of Sagittarius who were shareholders prior to completion of the Offering and the Securities Exchange, and 12.6% held by purchasers of the Units under the Offering. In addition, immediately after completion of the Securities Exchange, Water Ways Technologies had 11,219,141 common share purchase warrants issued and outstanding, of which 5,636,250 were the Warrants underlying the Units issued to the participants in the Offering, and 5,582,891 were the warrants held by former Irri-Al-Tal warrant holders.

In addition, Water Ways Technologies had 1,701,800 broker warrants outstanding, of which 901,800 represents the Broker Warrants issued in connection with the Offering and the balance was issued in the Securities Exchange in consideration for the Broker Warrants.

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NOTE 8 – SHAREHOLDERS' EQUITY (CONT.):

C. The following details the outstanding ordinary shares, warrants, compensation warrants, and stock options:

1. Water Ways Technologies - Balance at the date hereof:

<u>Security</u>	<u>Number Outstanding</u>	<u>Registered Capital</u>
Ordinary shares	89,589,222	100,000,000

2. Options and Warrants granted to employees and service providers:

A summary of the status of the Company's option plan granted to employees as of September 30, 2020 and changes during the relevant period ended on that date is presented below:

	<u>Period ended September 30, 2020</u>		<u>Year ended December 31, 2019</u>	
	<u>Number of options</u>	<u>Weighted average Exercise price</u>	<u>Number of options</u>	<u>Weighted average Exercise price</u>
Outstanding at beginning of year	3,973,527	CAD\$0.25*	-	-
Granted	1,200,000	CAD\$0.06	3,973,527	CAD\$0.25
Exercised	-	-	-	-
Forfeited and cancelled	-	-	-	-
Outstanding at end of the period	<u>5,173,527</u>	<u>CAD\$0.21*</u>	<u>3,973,527</u>	<u>CAD\$0.25</u>
Exercisable options	<u>3,656,860</u>	<u>CAD\$0.21*</u>	<u>1,515,193</u>	<u>CAD\$0.25</u>

* All the Options to employees and Warrants repriced on November 16, 2020 and now have CAD\$0.06 exercise price per share – **See notes 3B and 3D**

The options to employees outstanding as of September 30, 2020 are comprised, as follows:

<u>Exercise price*</u>	<u>Outstanding as of September 30, 2020</u>	<u>Weighted average remaining contractual term (years)</u>	<u>Exercisable as of September 30, 2020</u>	<u>Weighted average remaining contractual term (years)</u>
CAD\$0.25	1,000,000	3.41	1,000,000	3.41
CAD\$0.25	2,750,000	3.71	1,666,666	3.71
CAD\$0.06	1,200,000	4.61	600,000	4.61
CAD\$0.25	223,527	3.71	223,527	3.71
	<u>5,173,527</u>		<u>3,656,860</u>	

* All the Options to employees and Warrants repriced on November 16, 2020 and now have CAD\$0.06 exercise price per share – **See notes 3B and 3D**

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NOTE 8 – SHAREHOLDERS' EQUITY (CONT.):

C. 3. Share option plan

On June 19, 2019, the Company approved a share option plan (the "**Plan**"). Under the Plan, the Company granted 3,973,527 options with a CAD\$0.25 exercise price per share to its directors, officers, employees and consultants of which the Company granted:

1,000,000 options with a CAD\$0.25 exercise price per share to its directors in eight equal amounts at the end of every quarter, commencing with the quarter ended March 31, 2019. The options will expire 5 years from issuance. The Company has applied a Black-Scholes option-pricing model to determine the fair value of options. Under the following inputs: Risk free rate: 1.39%, expected volatility: 35%, expected term: 5 years, expected dividend yield: 0%, p.a.

1,000,000 options with a CAD\$0.25 exercise price per share to its directors in eight equal amounts at the end of every quarter, commencing with the quarter ended March 31, 2019. The options will expire 5 years from issuance. The Company has applied a Black-Scholes option-pricing model to determine the fair value of options. Under the following inputs: Risk free rate: 1.39%, expected volatility: 35%, expected term: 5 years, expected dividend yield: 0%, p.a.

2,750,000 options with a CAD\$0.25 exercise price per share to its employees in 3 equal portions, commencing June 19, 2019. The options will expire 5 years from issuance. The Company has applied a Black-Scholes option-pricing model to determine the fair value of options. Under the following inputs: Risk free rate: 1.39%, expected volatility: 35%, expected term: 5 years, expected dividend yield: 0%, p.a.

223,527 options with a CAD\$0.25 exercise price per share to a consultant commencing June 19, 2019. The options will expire 5 years from issuance. The Company has applied a Black-Scholes option-pricing model to determine the fair value of options. The fair value was based on the received financial instruments and not according to the fair value of the services rendered. Under the following inputs: Risk free rate: 1.39%, expected volatility: 35%, expected term: 5 years, expected dividend yield: 0%, p.a.

All the options to employees repriced on November 16, 2020 and have CAD\$0.06 exercise price per share.

4. Options to directors and employees

On May 14, 2020, the Company granted, in accordance with the terms of its stock option plan, 200,000 Options to each of its directors as well as its Chief Financial Officer, for an aggregate of 1,200,000 Options. The Options have an exercise price of \$0.06 and shall vest in two equal installments, with one-half of the Options vesting immediately (the "**Initial Date**") and one-half vesting on the 12-month anniversary of the Initial Date. The Options shall expire five years from the Initial Date of grant and be subject to such terms and conditions as may be required by the Exchange.

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NOTE 8 – SHAREHOLDERS' EQUITY (CONT.):

C. 5. Derivative liability - Warrants:

Each warrant entitles the holder to purchase one common share of the Company. The following table reflects the continuity of warrants for the periods presented:

Warrant activity	Exercisable on September 30, 2020	Weighted average exercise price
Balance – Beginning of Period	13,320,941	CAD\$0.31
Issued during the period	-	-
Expired during the period	1,200,000	CAD\$0.175
Balance – End of Period	12,120,941	CAD\$0.33

Warrant activity	Exercisable on December 31, 2019	Weighted average exercise price
Balance – Beginning of Period	6,200,000	CAD\$0.31
Issued in the RTO Private Placement (note 4B)	6,219,141	CAD\$0.31
Issued to brokers for RTO Private Placement (note 4B)	901,800	CAD\$0.31
Balance – End of Period	13,320,941	CAD\$0.31

The following table summarizes information about outstanding warrants as of September 30, 2020:

Date of issuance	Date of expiry	Weighted average exercise price	Exercisable on September 30, 2020
April 16, 2018	March 06, 2021	CAD\$0.31*	3,976,502
May 29, 2018	March 06, 2021	CAD\$0.31*	1,023,498
March 06, 2019	March 06, 2021	CAD\$0.31*	7,120,941
			12,120,941

* All the Options to employees and Warrants repriced on November 16, 2020 and now have CAD\$0.06 exercise price per share – **See notes 3B and 3D**

The fair value measurement of the warrants in the table above, using the Black-Scholes model, is based on significant unobservable inputs and thus represent a level 3 measurement within the fair value hierarchy. The key inputs that were used in measuring the fair value of the Warrants were: risk free interest rate- 1.65%, expected volatility-35%, expected dividend yield 0% and expected term- 1.5 year. The Company considers expected volatility of the shares of comparable companies and its Common Shares in estimating its future stock price volatility. The risk-free interest rate for the expected life of the options was based on the yield available on Canadian government benchmark bonds with an approximate equivalent remaining term at the time of the grant. The expected life is based on the contractual term.

	Warrants
Warrants as of January 1, 2020	(14)
Receipts of Warrants	-
Change in fair value	-
Warrants as of September 30, 2020	(14)

	Warrants
Warrants as of January 1, 2019	(69)
Receipts of Warrants	(39)
Change in fair value	94
Warrants as of December 31, 2019	(14)

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NOTE 9 – SEGMENT REPORTING:

The Company identifies Mr. Haber who is the Company's CEO as its chief operating decision maker ("CODM").

As the Company's CODM, Mr. Haber receives information on a segregated basis (for review on a regularly basis) of each business unit, i.e. projects (services) and products (components) as well as information segregated for geographical areas. The financial statements present within statements of comprehensive income the revenues from each segment on a standalone basis as well as cost of sale of each segment – i.e. there are no transactions between segments. The information as presented in the consolidated financial statements is essentially the same information provided to the CODM and the same information regarding decisions about allocating resources.

The Company accounts for its segment information in accordance with IFRS 8 "Segment Reporting" which establishes annual and interim reporting standards for operating segments of a company based on the Company's internal accounting methods.

Operating segments are based upon its internal organization structure, the way the Company's operations are managed and the availability of separate financial information. The Company has two operating segments: products segment and project-services segment.

Summarized financial information by segment, based on the Company's internal financial reporting system utilized by the Company's chief operating decision makers, follows:

For the three months period ended September 30, 2020:

	HGWWT Products	Irri-Al-Tal Products	Irri-Al- Tal Project Services	IRRI-AL TAL (Shanghai) Project Services	Water Ways Project Services	Company Total
Revenues	232	1,456	178	60	(0)	1,926
Cost of revenues	(192)	(1,310)	(124)	(43)	(5)	(1,674)
Segment gross profit	39	146	55	17	(5)	252
Non-allocated expenses						562
Finance expenses, net						38
Loss before provision for income taxes						(348)

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NOTE 9 – SEGMENT REPORTING (CONT.):

For the nine months period ended September 30, 2020:

	HGWWT Products	Irri-Al-Tal Products	Irri-Al-Tal Project Services	IRRI-AL TAL (Shanghai) Project Services	Water Ways Project Services	Company Total
Revenues	2,410	2,976	1,486	144	21	7,037
Cost of revenues	(1,952)	(2,638)	(1,216)	(91)	(15)	(5,912)
Segment gross profit	457	338	271	53	6	1,125
Non-allocated expenses						1,559
Finance expenses, net						52
Loss before provision for income taxes						(486)

Non-current assets as of September 30, 2020:

	HGWWT	Irri-Al-Tal	IRRI-AL TAL (Shanghai)	Water Ways	Company Total
Deferred tax asset	-	220	-	-	220
Other accounts receivable	-	127	-	-	127
Intangible assets	139	188	-	-	327
Goodwill	129	-	-	-	129
Property, plant and equipment, net (including ROU asset)	100	153	6	-	259

For the three months ended September 30, 2019:

	HGWWT Products	Irri-Al-Tal Products	Irri-Al-Tal Project Services	Company Total
Revenues	210	1,514	1,367	3,091
Cost of revenues	157	1,370	1,193	2,720
Segment gross profit	53	144	174	371
Non-allocated expenses				634
Finance income, net				1
Share in profit of an associated company				-
Loss before provision for income taxes:				(262)

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NOTE 9 – SEGMENT REPORTING (CONT.):

For the nine months ended September 30, 2019:

	HGWWT Products	Irri-Al-Tal Products	Irri-Al-Tal Project Services	Company Total
Revenues	250	4,214	3,235	7,699
Cost of revenues	195	3,661	2,833	6,689
Segment gross income	55	553	402	1,010
Non-allocated expenses				3,109
Finance income, net				5
Share in losses of an associated company				10
Loss before provision for income taxes:				(2,104)

Non-current assets as of December 31, 2019:

	HGWWT	Irri-Al-Tal	Water Ways	Company Total
Deferred tax asset	38	97	-	135
Other accounts receivable	2	137	-	139
Investments in associated company	-	-	-	-
Intangible assets	137	152	-	289
Goodwill	129	-	-	129
Property, plant and equipment, net (including ROU asset)	131	167	-	298

NOTE 10 – REVENUES:

1. Geographic Areas Information:

The following present total revenues for the three months period ended September 30, 2020 and 2019:

	For the three months period ended September 30	
	2020	2019
Africa	239	150
South and Central America	924	1,194
Asia	86	1,102
Europe	65	55
Israel	365	370
North America	248	210
Others	-	10
	1,927	3,091

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NOTE 10 – REVENUES (CONT.):

The following present total revenues for the nine months period ended September 30, 2020 and 2019:

	For the nine months period ended September 30	
	2020	2019
Africa	1,028	311
South and Central America	1,958	3,387
Asia	606	2,725
Europe	188	167
Israel	711	821
North America	2,521	250
Others	25	37
	7,037	7,699

2. Principal Customers:

Major customers over 10% of the Company's revenues:

	For the nine months period ended September 30	
	2020	2019
Customer A	15%	19%
Customer B	9%	13%
Customer C	7%	11%

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NOTE 11 – RELATED PARTIES AND SHAREHOLDERS:

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party's making of financial or operational decisions, or if both parties are controlled by the same third party. The Company has transactions with key management personnel, as summarized below.

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Transactions with related parties, if any, are incurred in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and approved by the related parties.

Related Party	Expense Nature	For the nine months period ended September 30, 2020	For the nine month period ended September 30, 2019
Branson Corporate Services Ltd. *	Bookkeeping Services Fees	17	15
Fogler, Rubinoff LLP **	Legal Fees	1	89
FMI Capital Advisory Inc. *	Consulting Fees	-	41
Director	Consulting Fees	23	45

Payables to related parties:

Related Party	Nature	As of September 30, 2020	As of December 31, 2019
Branson Corporate Services *	Bookkeeping Services	2	2
Fogler, Rubinoff LLP **	Legal Services	13	-
FMI Capital Advisory Inc. *	Consulting Services	11	-
Director	Various Expenses	10	11

* A company in which, Adam Szweras, a director has a non-controlling indirect interest

** A law firm in which, Adam Szweras, a director of the Company is a member.

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NOTE 11 – RELATED PARTIES AND SHAREHOLDERS (CONT.):

The following transactions arose with related parties:

	For the three months period ended September 30	
	2020	2019
Management fees paid to the CEO	39	95

	For the nine months period ended September 30	
	2020	2019
Management fees paid to the CEO	131	247

Management fees paid to:

	For the three month period ended September 30	
	2020	2019
Management fees paid to the CFO	32	37
Management fees paid to the CTO	21	29
Management fees paid to the Vice President of Operations and Projects	29	51

	For the nine month period ended September 30	
	2020	2019
Management fees paid to the CFO	96	109
Management fees paid to the CTO	71	79
Management fees paid to the Vice President of Operations and Projects	96	145

Receivables from related parties:

	As of September 30, 2020	As of December 31, 2019
Balances owed by (to) the CEO	31	27