



WATER WAYS REPORTS Q3 2020 FINANCIAL RESULTS

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November 30 – Toronto, Canada – Water Ways Technologies Inc. (TSXV: WWT) ("**Water Ways**" or the "**Company**") announces its financial and business results for the three and nine months ended September 30, 2020 (the "**Financial Statements**") and is pleased to provide highlights and comments on these results. This press release should be read in conjunction with the Financial Statements and corresponding Managements Discussion & Analysis found at www.sedar.com. The Financial Statements are prepared in accordance with International Financial Reporting Standards ("**IFRS**").

Ohad Haber, President, CEO and Chairman of the Board of Water Ways, commented: "*These are challenging times in the world. Our business in Canada grew substantially and we were able to reach record sales of C\$3.2 million in the first nine months of 2020 making inroads selling to Canadian farmers. Our intention is to continue to grow in North America and we will use our Canadian subsidiary as a base. while we are looking to Canada and North America more broadly to make up for the Covid-19 induced shortfalls in other parts of the world, we are confident that 2021, with its promise of effective vaccines, will see our revenues rebound as the world economy returns to its normal business cycle.*"

Business highlights for the third quarter ended September 30, 2020

(i) Canada

Our Canadian subsidiary achieved record sales for a third quarter of C\$0.3 million in the three months period ending September 30, 2020 and a total of C\$3.2 million for the nine months period ending September 30, 2020. The sales were mostly comprised of agricultural and irrigation products and supplies to Canadian farmers. The Company will continue to invest in the Canadian market and seek growth opportunities in Canada.

(ii) China

Our Chinese subsidiary commenced full operations in the period and signed two irrigation projects totaling C\$670 thousands and a new irrigation project for blueberries.

(iii) Ethiopia

The Company's sales reached C\$290 thousands in the three months period ending September 30, 2020. The Company delivered, since the beginning of the year, 4 irrigation and water supply projects.

(iv) Peru

Sales in Peru remained solid, in the three month period ending September 30, 2020 amounting to C\$779 thousands.

Financial Highlights for the three months period ended September 30, 2020, compared to the three months period ended September 30, 2019:

The following are financial highlights of Water Ways' operating results for the three months period ended September 30, 2020, compared to the three months period ended September 30, 2019:

- Revenue amounted to C\$2.61 million for the three months period ended September 30, 2020 compared to C\$4.11 million for the three months period ended September 30, 2019.

The recognized revenues from service projects amounted to C\$0.3 million for the three months period ended September 30, 2020 as compared to C\$1.8 million for the three months period ended September 30, 2019. The decrease is mainly due to the change in dates of revenue recognition attributed to the projects. In addition, the Coronavirus restrictions affected the Company's Marketing employee's ability to travel and finalizing new planned projects.

The revenues from sales of products amounted to C\$2.29 million for the three months period ended September 30, 2020, as compared to C\$2.29 million for the three months period ended September 30, 2019. Sales remained stable compared with the same period in 2019.

- Cost of revenues amounted to C\$2.27 million for the three months period ended September 30, 2020 compared to C\$3.6 million for the three months period ended September 30, 2019. The decrease was due to the decrease in revenues of service projects over the period and increase in both sea and air shipment costs (due to the Coronavirus) of products sold.
- Across all regions, Gross profit reached C\$341 thousands (13%) for the three months period ended September 30, 2020 compared to C\$493 thousands (12%) for the three months period ended September 30, 2019.
- Selling, general and administrative expenses amounted to C\$761 thousands for the three months period ended September 30, 2020 compared to C\$843 thousands for the three months period ended September 30, 2019. The company managed to reduce its expenses after analyzing the Coronavirus impacts on the markets whilst it continued to expand in the Canadian and Chinese territories.
- Finance expenses, net amounted to C\$51 thousands for the three month period ended September 30, 2020, compared to finance income net C\$1 thousands for the period ended September 30, 2019 and were mainly due to bank fees and loan financing expenses.

The following is a summary of key balance sheet items as of September 30, 2020, compared to December 31, 2019:

- Cash and cash equivalents were C\$74 thousands as compared to C\$309 thousands;
- Current assets of C\$7.25 million as compared to C\$7.19 million;
- Total assets of C\$8.67 million as compared to C\$8.48 million;
- Current liabilities of C\$6.54 million as compared to C\$6.05 million;
- Non-current liabilities of C\$485,000 as compared to C\$254,000;
- Working capital at Sept. 30, 2020 was C\$707 thousands as compared to C\$1,136 thousands.

(CAD in thousands)	Three months period ended September 30		
	2020	2019	Change %
Revenues:			
Services Projects	322	1,817	-82.3%
Products	2,287	2,291	-0.2%
Total Revenues	2,609	4,108	-36.5%
Cost of Sales	2,268	3,615	
Gross Profit	341	493	
<i>Gross Profit Margin %</i>	<i>13.1%</i>	<i>12.0%</i>	
Operating Expenses	761	843	
Other Income (Loss)	(51)	1	
Taxes on Income (recovery)	(72)	(57)	
Foreign currency translation differences	-	(17)	
Total Comprehensive Income (Loss)	(400)	(308)	

About Water Ways Technologies

Water Ways Technologies Inc., through its subsidiaries, is a global provider of Israeli based agriculture technology, providing water irrigation solutions to agricultural producers. Water Ways Technologies 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. At present, Water Ways Technologies' main revenue streams are derived from the following business units: (i) Projects Business Unit; and (ii) Component and Equipment Sales Unit. Water Ways Technologies is capitalizing on the opportunities presented by micro and smart irrigation, while also making a positive mark on society by making these technologies more widely available, especially in developing markets such as Africa and Latin America and developed markets such as China and Canada. Water Ways Technologies irrigation projects include vineyards, Cotton fields, Apple and Orange orchards, Blueberries, Medical Cannabis, fresh produce cooling rooms and more, in over 15 countries.

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