

SMART WIRES TECHNOLOGY LTD. Q3 2021 INTERIM REPORT

Key Business Events and Metrics

On course to deliver 2x – 3x growth for 2021

- Qualified pipeline increased to \$5B, new opportunities identified in existing markets
- Revenue of \$5.9M, +68%
- Gross margin of 12%, +83 ppt improvement
- EBITDA loss of \$15.1M, \$1.9M incremental loss driven by business investments
- Fully diluted loss per share of \$0.14, +54% improvement
- 2021 full year revenue guidance of \$38M – \$42M
- Backlog of \$72M to be delivered Q4 2021 – Q4 2022
- Orders between \$36M to \$42M received for projects in Colombia and the UK
- Five patents issued, total of 59 patents granted for high value inventions
- Completed delivery and commissioning of SmartValve™ projects across nine customer sites as of Q3 2021

Key Figures (Unaudited)

(\$ in millions, unless stated otherwise)	Q3-21	Q3-20	Change	9 Month -21	9 Month - 20	Change
Revenue	\$5.9	\$3.5	68%	\$28.3	\$7.1	296%
Cost of revenue	5.2	6.0	13%	27.7	18.0	53%
Gross profit	\$0.7	\$(2.5)	128%	\$0.7	\$(10.9)	106%
Gross margin	12%	(71%)	83%	2%	(153%)	155%
Operating Expenses	16.2	11.2	45%	44.9	33.3	35%
Loss from operations	\$(15.5)	\$(13.7)	(13%)	\$(44.2)	\$(44.2)	(0%)
EBITDA	\$(15.1)	\$(13.2)	(15%)	\$(43.0)	\$(42.6)	(1%)
EBITDA margin	(258%)	(377%)	119%	(152%)	(596%)	445%
Net profit	\$(15.5)	\$(15.1)	(3%)	\$(48.7)	\$(46.2)	(5%)
Net Profit Margin	(264%)	(432%)	(168%)	(172%)	(647%)	475%
Fully diluted shares	108.8	48.5		108.8	48.5	
Fully diluted earnings per share (\$)	\$(0.14)	\$(0.31)	54%	\$(0.45)	\$(0.95)	53%
Ending cash	\$89.5	\$23.9	274%	\$89.5	\$23.9	274%
Total current assets	\$121.4	\$50.1	142%	\$121.4	\$50.1	142%
Total current liabilities	\$24.2	\$31.1	(22%)	\$24.2	\$31.1	(22%)
Net working capital	\$97.2	\$19.0	412%	\$97.2	\$19.0	412%
Cash flows from operations	\$(19.2)	\$(10.4)	(84%)	\$(50.0)	\$(43.6)	(15%)

Note: Unaudited financial statements presented herein are prepared in accordance with U.S. Generally Accepted Accounting Principles



“Modernizing grids means creating a flexible system that can unleash renewable generation, stimulate demand side innovation, and deliver a green economy that addresses climate change, creates jobs, and empowers consumers.”

– Peter Wells, CEO

After a few weeks of travel and customer meetings in Third Quarter (Q3), it is clear to me that grid operators, regulators, and consumers alike, are focused on three core needs: transmission corridors; a flexible, controllable system; and market designs. This grid transformation must be under-pinned with reliable, high functionality technology that has competitive lifetime costs, enables change, and future-proofs the grid. Together this will deliver a flexible system operating holistically to drive the global energy transition.

To successfully deliver our part of the global transformation, we are focused on growth via strong progress in pipeline development, new orders, technology adoption, product industrialization and positioning for scale.

The recent quarter – In Q3 of 2021, we doubled our pipeline to \$5B with the addition of a further \$2.4B of Identified Opportunities plus a further \$300M of new Prospects. The majority of this potential revenue (75%) would convert – if won – to sales revenue in the 2023–2027 time frame. We also secured \$38M of new orders, and ended the quarter with \$72M of backlog that we will work through during Q4 of 2021 and throughout 2022. Our pipeline evolution and backlog development are solid indications of increasing demand for our technology and solutions.

While our pipeline and backlog are strengthening, we did encounter revenue headwinds in Q3 due to challenges in supply chain and global logistics due to delays and a slow recovery from COVID-19. These delays directly impacted Q3 production, reducing revenues to ~\$6M from a potential of ~\$12M. To address this, we have developed a plan-for-every-part and a detailed clear-to-ship process that maps production through the balance of the year to Bill of Material needs, day-by-day and week-by-week. With this approach, we anticipate stronger production and shipments in Q4. This will drive 2021 total revenue in the range of \$38–42M, and revenue not captured in 2021 will roll into 2022. This represents an increase of two to three-times revenue year-over-year.

Our industrialization efforts are tracking well, as represented by strong safety performance; multiple project deliveries and commissioning; improvements in production first pass yield through all levels and end of line testing; and positive momentum for an on-time launch of the new SmartValve™ 10-1800 v1.04 in Q1 of 2022. We also continued to position well for scaling the business by increasing our IP with five new patents issued, strengthening our technology stack by adding top talent, and rolling out improved business management systems.

Market outlook – In the US, the House passed the bipartisan infrastructure bill (H.R.3684, The Infrastructure Investment and Jobs Act) and set the stage for the Budget Reconciliation Package to pass in November. The infrastructure bill allocates \$65 billion for electric transmission, including upgrades, R&D, new lines and Grid Enhancing Technology. The move, not unlike efforts we have seen in other regions, underlines the critical nature of the grid to the energy transition journey. A story that simply needs to move from headlines, rhetoric, and pledges, to one of action.

Grid Enhancing Technologies – like the Smart Wires SmartValve™ – enable the efficient use of the electricity grid. They are ready for large-scale deployment and can rapidly accelerate the connection of renewable energy on to grids worldwide, while also helping to improve grid resilience, stability, strength, and reliability – critical factors in modernizing the world’s grids. Creating a flexible system that can unleash renewable generation, stimulate demand side innovation, and deliver a green economy that addresses climate change, creates jobs, and empowers consumers.

This is reimagining the grid. Leveraging the amazing accomplishments of the grid through the past century and positioning it to again be one of civilization’s most amazing accomplishment in the next century. This is Smart Wires.

Peter Wells | CEO

Earnings – Q3 2021

Revenue and gross profit

Total revenue increased by \$2.4 million or 68% to \$5.9 million in Q3 2021 from \$3.5 million in Q3 2020. The increase was primarily attributable to increased deliveries and commissioning of the Company's SmartValve power flow control devices.

Gross margins improved by 83 percentage points in Q3 2021 to 12% from a negative gross margin of (71%) in Q3 of 2020. This was driven by revenue mix with Q3 2021 revenue driven by the delivery of SmartValve units vs a high level of lower margin construction revenue in Q3 2020 as well as the favorable comparison of one-time startup costs that were incurred in Q3 2020.

EBITDA

EBITDA decreased by \$1.9 million or 15% to \$(15.1) million in Q3-21 from \$(13.2) million in Q3-20, driven by higher operating expenses associated with headcount increases to support expansion and higher costs associated with research and development to support new product introductions and engineering solutions.

EBITDA margins improved from (377%) in Q3 2020 to (258%) in Q3 2021, driven by improved gross margins and leverage of fixed costs.

Net loss and loss per share

The net loss in Q3 2021 was \$15.5M vs \$15.1M in Q3 2020. The increase was primarily attributable to increased operating expenses in line with the Company's growth objectives, which was mostly offset by the favorable impact of the elimination of debt and the related interest expense in Q2 2021.

Net loss per share on a fully diluted basis improved by 54% to (\$.14) in Q3 2021 from (\$.31) in Q3 2020.

Earnings – YTD September 30, 2021

Revenue and gross profit

Total revenue grew by 296% for the first nine months of 2021 to \$28.3 million from \$7.1 million in the same period in 2020. The increase was driven by the delivery of SmartValve power flow control devices to a key customer in the UK.

Gross margins for the nine-month period were 2% an improvement of 155 percentage points over the same period in the prior year. This improvement was driven by a combination of improved leverage of fixed manufacturing costs, favorable revenue mix driven by product deliveries vs low margin construction revenue, and favorable comps related to manufacturing startup costs that were incurred in 2020.

EBITDA

EBITDA for the nine months ended September 30, 2021 was a loss of \$43 million vs \$42.6 million in prior year. The change in EBITDA was driven by an increased level of investment in the business to support expansion, new product introductions and engineering solutions and was partially offset by improved gross profit.

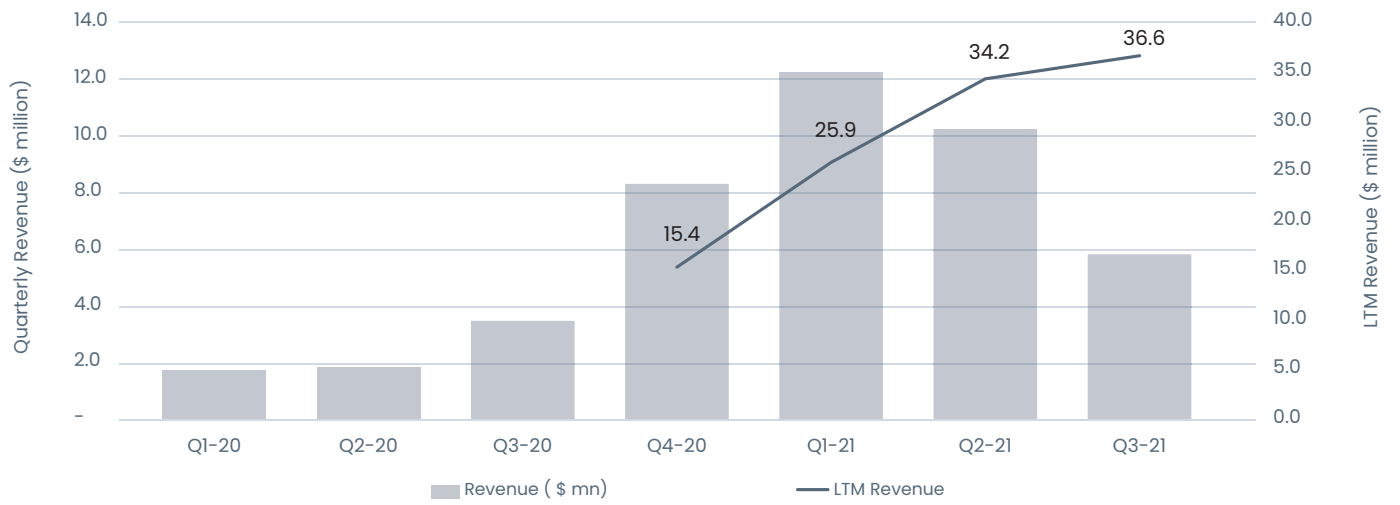
EBITDA margins have improved significantly from (596%) to (152%) for the first nine months of 2021 vs the same period in the prior year driven by an increase in revenue and improved gross margins

Net loss and loss per share

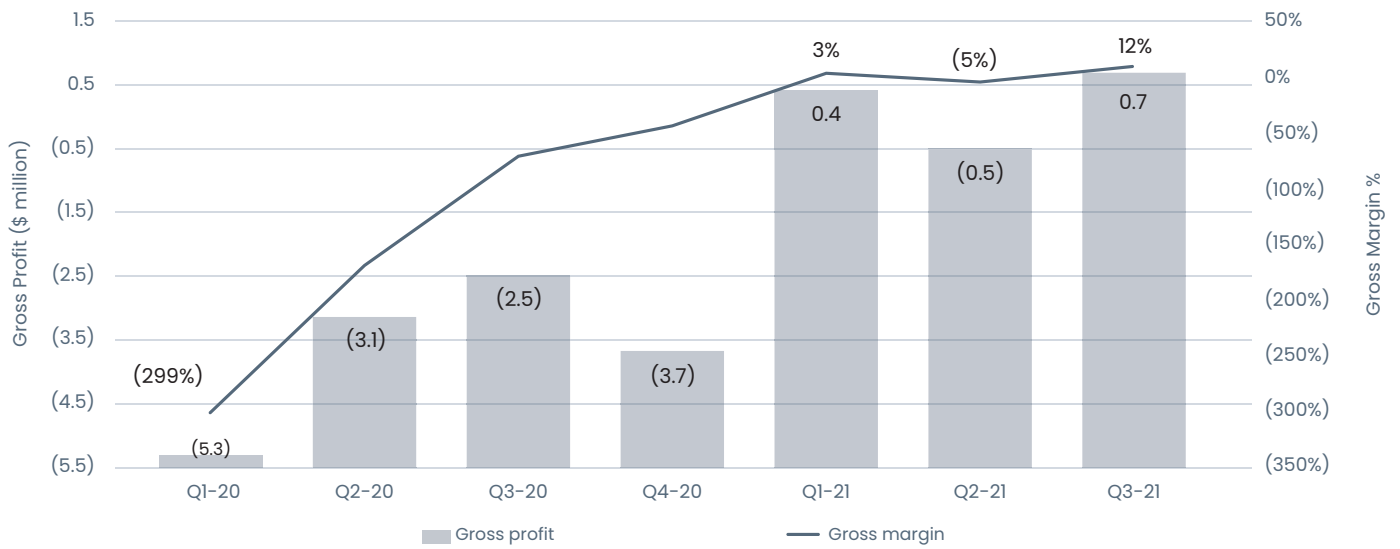
The net loss for the nine months ended September 30, 2021 was \$48.7 million vs \$46.2 million in 2020. The increased loss was driven by key investments in people, business development, intellectual property and the product pipeline in order to scale the company for growth.



Revenue Growth



Gross Profit vs Margin



Q3 2021 Interim Report

Balance Sheet and Cash Flow

Liquidity and financial position

As of September 30, 2021, the Company had cash and cash equivalents of approximately \$89.5 million. Total current assets were \$121.4 million compared with current liabilities of \$24.2 million that consists of \$2.6 million of trade payables, \$8.4 million of accrued expenses and \$15.9 million of deferred revenue. The deferred revenue represents milestone payments received to date that are expected to be recognized in the next twelve months. Additionally, the Company had no outstanding credit facilities and net working capital was \$97.2 million as of September 30, 2021. Prior credit facilities were paid in full with proceeds from the Company's listing in Q2 2021.

Cash Flow Activities

Cash flow from operating activities for the nine months ended September 30, 2021 was \$(50.0) million, a \$6.4 million and 15% increase compared to the same period in 2020. The primary use of cash is to fund ongoing operating expenses and manufacturing and inventory procurement needs. The increase in cash usage was driven by growth focused investments in the product pipeline, headcount, and intellectual property. Cash used in investing activities for the nine months ended September 30, 2021, included \$0.3 million in capital expenditures, a \$1.7 million or 83% improvement compared to the same period in prior year. Cash flow from financing activities was \$130.2 million for the nine months ended September 30, 2021, a \$89.9 million and 223% improvement compared to nine months ended September 30, 2021. It is primarily driven by the net proceeds of \$143.3 million from the public listing via Nasdaq First North Growth market on May 18, 2021, partially offset by the \$49.4 million repayment of a credit facility.

Net Working Capital

(\$ in millions)	Sep-21	Jun-21	Dec-20
Cash and cash equivalents	89.5	109.2	9.6
Accounts receivable	0.3	1.6	2.4
Inventory	17.4	20.6	22.1
Prepaid expenses and other current assets	14.2	12.4	1.3
Current assets	\$121.4	\$143.8	\$35.5
Accounts payable	2.6	8.4	4.8
Accrued expenses and other current liabilities	8.4	6.9	2.8
Deferred revenue and customer deposits	13.2	15.9	15.9
Current portion of long-term debt, net	-	-	0.5
Convertible notes payable, net	-	-	8.3
Derivative liability	-	-	0.7
Current liabilities	\$24.2	\$31.3	\$33.1
Net Working Capital	\$97.2	\$112.6	\$2.4

During Q3 2021

- **Smart Wires increased its qualified pipeline of global opportunities from \$2.3 billion to \$5 billion over the Q3-21 period.** The new opportunities were identified within existing markets, and were qualified based on a set of pre-defined criteria.
- **On 27th July, Smart Wires announced its new global headquarters in the Research Triangle Park in North Carolina.** The move to the new North Carolina site strengthens Smart Wires' US presence, positioning the Company to support strong momentum across its key growth markets. The site will open in early 2022 with new R&D, Testing & Validation laboratories, and offices. Certain US-based employees will be relocated to North Carolina and a further 250 personnel will be added to its US operations over the next five years.
- **On 13th August, Smart Wires received an order of \$15-17 million from National Grid Electricity Transmission ("NGET").** NGET is already leveraging Smart Wires' technology, SmartValve™, to maximize the use of its existing network across five circuits at three substation sites. The order of additional SmartValves will be installed in 2022 and builds on the existing SmartValve installations commissioned this year.
- **On 10th September, Smart Wires received an order of \$20-23 million from ISA Transelca.** The order is for a 220 kV grid expansion project in the Guajira – Cesar – Magdalena (GCM) region which will be delivered in 2022. This marks the second customer to use SmartValve in Colombia, following the successful installation of the technology by EPM earlier in 2021.
- **Over Q3-21, Smart Wires continued to strengthen its global workforce by hiring 30 team members to its global workforce.** The new team members strengthen the breadth and depth of the existing commercial, engineering, supply chain and quality teams. The new hires are primarily located at Smart Wires global headquarters at the Research Triangle Park in North Carolina, and across its key markets; APAC, Europe, Latin America, and North America.
- **Smart Wires had five new patents allowed in Q3-21.** To date, a total of 59 patents have been granted to Smart Wires for high value inventions. Smart Wires' IP strategy is core to the growth of the company, and Smart Wires continues to identify, draft and file patent applications through its world-class IP team.

After Q3 2021

- **On 21st October, Smart Wires jointly announced the successful completion of a key project in Greece with the transmission system operator IPTO.** This project marks the second deployment of power flow control technology by IPTO, where it is intelligently controlling the flows of power across the network and unlocking available cross border interconnection capacity between Greece and Bulgaria.

Consolidated Financial Statements – Unaudited as of September 30, 2021

Smart Wires Technology Ltd Consolidated Statements of Operations (Unaudited)

Figures in USD

	Three-Month Ended September 30,		Nine-Month Ended September 30,	
	2021	2020	2021	2020
Revenues				
Product revenue	\$5,856,092	\$921,752	\$26,123,994	\$4,575,360
Construction revenue	-	2,566,006	2,186,247	2,566,006
Total revenues	5,856,092	3,487,758	28,310,241	7,141,366
Cost of Revenues				
Product cost	2,686,579	235,743	19,621,853	3,262,091
Construction cost	-	1,989,320	1,765,098	1,989,320
Other cost of revenues and manufacturing costs	2,468,858	3,726,697	6,272,760	12,789,115
Cost of revenues	5,155,438	5,951,760	27,659,712	18,040,526
Gross margin	700,654	(2,464,002)	650,529	(10,899,160)
Operating Expenses				
Research and development	7,740,023	5,977,396	21,094,316	17,551,067
Sales, marketing, and customer support	4,062,450	2,664,929	12,014,937	9,204,398
General and administrative	4,378,696	2,548,605	11,775,018	6,555,041
Total operating expenses	16,181,169	11,190,930	44,884,271	33,310,506
Loss before Other Income (Expenses)	(15,480,515)	(13,654,932)	(44,233,742)	(44,209,666)
Interest Expense, net	899	(1,423,267)	(2,727,253)	(1,979,396)
Other Expense, net	-	-	(1,752,048)	-
Net Loss	\$(15,479,616)	\$(15,078,199)	\$(48,713,042)	\$(46,189,035)

Consolidated Financial Statements – Unaudited as of September 30, 2021

Smart Wires Technology Ltd Consolidated Balance Sheets (Unaudited)

Figures in USD

	September 30, 2021	2020	December 31, 2020
ASSETS			
Current Assets			
Cash and cash equivalents	\$89,538,789	\$23,939,698	\$9,641,093
Accounts receivable	303,620	327,933	2,448,217
Inventory	17,352,805	21,955,603	22,075,349
Prepaid expenses and other current assets	14,194,844	3,910,946	1,296,146
Total current assets	121,390,058	50,134,240	35,460,805
Property and Equipment, net	3,032,320	4,540,430	4,184,656
Deposits	489,528	264,052	255,355
Intangible Assets, net	219,671	240,317	235,156
Total assets	\$125,131,577	\$55,179,039	\$40,135,972
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)			
Current Liabilities			
Accounts payable	\$2,600,107	\$6,196,088	\$4,826,734
Accrued expenses and other current liabilities	8,388,666	4,283,701	2,807,463
Deferred revenue and customer deposits	13,212,723	20,155,999	15,915,819
Current portion of long-term debt, net of debt issuance costs and discounts	-	498,788	503,457
Convertible notes payable, net of debt discounts	-	-	8,294,514
Derivative liability	-	-	734,785
Total current liabilities	24,201,496	31,134,576	33,082,772
Long-Term Debt, net of debt issuance costs and discounts	-	22,883,430	22,755,620
Other long-term liabilities	37,792	173,927	102,321
Stockholders' Deficit	-	-	-
Series I convertible preferred stock	-	276,520,970	282,179,013
Common stock, \$0.01 par value	1,016,057	365	351
Additional paid-in capital	463,065,393	7,454,016	7,502,256
Accumulated deficit	(363,189,161)	(282,988,245)	(305,486,361)
Total stockholders' equity (deficit)	100,892,289	987,106	(15,804,741)
Total liabilities and stockholders' equity (deficit)	\$125,131,577	\$55,179,039	\$40,135,972

Consolidated Financial Statements – Unaudited as of September 30, 2021

Smart Wires Technology Ltd Consolidated Statements of Cash Flows (Unaudited) Figures in USD

	Three-Month Ended Sept 30,		Nine-Month Ended Sept 30,	
	2021 QTD Unaudited	2020 QTD Unaudited	2021 Unaudited	2020 Unaudited
Cash Flows from Operating Activities				
Net loss	\$(15,479,616)	\$(15,078,199)	\$(48,713,043)	\$(46,189,035)
Adjustments to reconcile net loss to net cash used in operating activities:				
Inventory reserve	-	-	-	-
Depreciation and amortization	380,188	502,585	1,280,475	1,619,090
Loss on sale of property and equipment	-	-	-	-
Loss on extinguishment of debt	-	-	1,752,048	-
Non-cash interest expense	-	800,892	559,403	1,083,996
Gain on writeoff of accrued interest	-	(205,966)	-	(205,966)
Revaluation of derivative liability	-	1,115	-	1,115
Revaluation of preferred stock warrant liability	-	-	-	-
Stock-based compensation	174,999	50,548	524,996	151,643
Restricted stock unit liability	-	-	-	-
Changes in operating assets and liabilities:				
Accounts receivable	1,300,160	9,275,624	2,144,597	8,412,542
Inventory	3,286,075	(6,374,297)	4,722,544	(11,065,095)
Prepaid expenses and other current assets	(1,802,665)	(1,157,127)	(12,898,698)	(3,335,258)
Accounts payable	(5,804,352)	3,861,751	(2,226,627)	2,077,936
Accrued expenses and other liabilities	1,461,194	(2,501,904)	5,571	(721,764)
Deferred revenue and customer deposits	2,716,212	395,845	(2,703,096)	4,551,954
Royalty Payable	-	-	-	-
Net cash used in operating activities	(19,200,229)	(10,429,133)	(49,985,646)	(43,618,842)
Cash Flows from Investing Activities				
Purchase of property and equipment	921	(363,763)	(112,656)	(2,056,358)
Proceeds from the sale of property and equipment	-	-	-	-
Change in deposits	(234,643)	(5,070)	(234,173)	(26,075)
Net cash used in investing activities	(233,722)	(368,833)	(346,829)	(2,082,433)
Cash Flows from Financing Activities				
Proceeds from long-term debt	-	-	25,000,000	25,000,000
Capitalized debt issuance cost	-	(63,961)	(1,090,935)	(1,514,874)
Repayment of debt	-	(312,500)	(49,375,000)	(8,867,500)
Proceeds from issuance of common stock	8,871	340	155,284,522	24,898
IPO transaction related fees	(241,861)	-	(12,040,048)	-
Proceeds from the issuance of convertible notes payable	-	-	4,625,500	-
Proceeds from the issuance of convertible preferred stock, net	-	15,000,000	7,837,860	25,732,473
Repurchase of early exercised options to purchase common stock	-	-	(11,729)	-
Net cash provided by financing activities	(232,991)	14,623,879	130,230,169	40,374,997
Net Increase (Decrease) in Cash and Cash Equivalents	(19,666,942)	3,825,913	79,897,694	(5,326,278)
Cash and Cash Equivalents, beginning of year	109,205,729	20,113,785	9,641,093	29,265,976
Cash and Cash Equivalents, end of period	\$89,538,787	\$23,939,698	\$89,538,787	\$23,939,698
	2021 QTD		2021 YTD	
	2021	2020	2021	2020
Supplemental Disclosure of Cash Flow Information				
Cash paid for interest	-	\$789,745	2,287,631	1,181,188
Cash paid for income taxes	-	-	-	-
Supplemental Disclosure of Non-Cash Financing Activities				
Issuance of convertible preferred stock in exchange for convertible notes payable and accrued interest	-	\$2,500,000	13,759,392	2,500,000
Accretion of convertible preferred stock cumulative dividends	-	\$5,388,499	8,989,757	14,986,930
Extinguishment in derivative liability in connection with conversion of convertible notes payable	-	\$(625,000)	734,785	(625,000)
Issuance of convertible preferred stock in connection with conversion of restricted stock units	-	-	55,081	-

Consolidated Financial Statements – Unaudited as of September 30, 2021

Smart Wires Technology Ltd Consolidated Statements of Stockholders' Equity Period Ended September 30, 2021 (Unaudited) Figures in USD

	Convertible Preferred Stock		Common Stock / Ordinary Shares		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount	Shares	Amount			
Balances at December 31, 2020	546,400,159	\$282,179,013	35,234,928	\$351	\$7,502,256	\$(305,486,361)	\$(15,804,741)
Issuance of Series I-1 and Series I-2 convertible preferred stock at \$0.6165 per share in exchange for convertible notes payable	44,637,106	13,759,392	-	-	-	-	13,759,392
Issuance of Series I-1 and Series I-2 convertible preferred stock at \$0.6165 per share in exchange for cash, net of issuance costs	25,674,892	7,837,860	-	-	-	-	7,837,860
Issuance of convertible preferred stock in connection with conversion of restricted stock units	82,492	55,081	-	-	-	-	55,081
Issuance of Series I-1 and Series I-2 convertible preferred stock as adjusted for anti-dilution	31,123,939	-	-	-	-	-	-
Issuance of Series I-1 convertible preferred stock in exchange for accumulated dividends	51,368,183	-	-	-	-	-	-
Accretion of convertible preferred stock cumulative dividends	-	8,989,757	-	-	-	(8,989,757)	-
Issuance of common stock upon exercise of stock options	-	-	1,133,790	191	131,122	-	131,313
Repurchase of early exercised stock options	-	-	(1,172,917)	(12)	(11,717)	-	(11,729)
Cancellation and conversion of Series I-1 and Series I-2 convertible preferred stock into common stock	(699,286,771)	(312,821,103)	662,041,129	6,620	312,814,483	-	-
Issuance of common stock in connection with a warrant exercise	-	-	14,658,472	-	-	-	-
Cancellation of common stock in connection with merger and stock split	-	-	(711,877,379)	(6,970)	(312,814,483)	-	(312,821,453)
Issuance of Smart Wires Inc. common stock in connection with merger and stock split	-	-	2,244,372	22,444	-	-	22,444
Issuance of Parent ordinary shares in connection with merger and stock split	-	-	68,943,337	689,433	312,109,491	-	312,798,924
Issuance of Parent ordinary shares in exchange for SDRs, net of costs	-	-	30,400,000	304,000	142,809,245	-	143,113,245
Stock-based compensation and other	-	-	-	-	524,996	-	524,996
Net loss	-	-	-	-	-	(48,713,043)	(48,713,043)
Balances at September 30, 2021	-	\$-	101,605,732	\$1,016,057	\$463,065,393	\$(363,189,161)	\$100,892,289

Note: the above Parent ordinary shares excludes outstanding options and warrants. On a fully diluted basis, total ordinary shares equivalent is 108,808,349 shares as of September 30, 2021.

Note: unaudited financial statements presented herein are prepared in accordance with U.S. Generally Accepted Accounting Principles.



EARNINGS CALL INFORMATION

Smart Wires Technology LTD, Audiocast with teleconference, Q3, 2021

Time: Thursday November 18th
15:00 Stockholm (CET) / 9am EST.

<https://financialhearings.com/event/41649>

Language: English

Speakers: Peter Wells, CEO and Julie Andrews, CFO

Webcast:

<https://tv.streamfabriken.com/smart-wires-q3-2021>

Teleconference: Dial-in number **SE:** +46850558351

UK: +443333009265 | **NO:** +47 23500243 **PIN:** 59758419#

NEXT EARNINGS CALL: March 24, 2022 for Q4-21

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Important notice about forward-looking information

This interim report contains certain forward-looking information and statements that reflect the Company's current views on future events as well as financial and operational developments. Words such as "refer", "assess", "expect", "can", "plan", "estimate", "calculate", "could" and other expressions that indicate indications or assessments regarding future developments or trends, and which does not relate to historical facts, constitutes forward-looking information. Forward-looking information is inherently associated with both known and unknown risks and uncertainties because it is dependent on future events and circumstances. Forward-looking information does not constitute a guarantee regarding future results or development and the actual outcome may differ materially from what is stated in forward-looking information. Neither the Company nor anyone else make any representations about publishing updates or revisions of forward-looking information as a result of new information, future events or similar circumstances other than as provided by applicable mandatory rules and regulations.

This information is information that Smart Wires Technology Ltd is obliged to make public pursuant to the EU Market Abuse Regulation. The information in this press release has been made public through the agency of the responsible person set out above for publication at the time stated via the Company's news distributor Cision at the publication of this press release.

ABOUT SMART WIRES TECHNOLOGY LTD.

Smart Wires conducts grid technology business that helps utilize, modernize, optimize and monetize grid capacity to meet the demands and opportunities of the energy transition. The Company operates in the global transmission grid technology market and is a leader in modular power flow control technology. Power flow control technology controls and directs power flow on high voltage electric transmission systems. Smart Wires serves transmission owners, primarily electric utilities. Transmission owners use power flow controllers to eliminate line overloads by redirecting power to other lines, to reduce transmission congestion, and to enable renewable energy connection and dispatch. Currently, Smart Wires' main projects are located in Europe, the United States and Australia with upcoming projects in South America and Canada. The Company has a large customer base comprised of utilities globally. For more information, please visit www.smartwires.com.