

EnWave Corp

10:45 29 May 2020

EnWave continues to see strong revenue from its Radiant Energy Vacuum dehydration technology

EnWave Corporation (CVE:ENW) (OTCPINK:NWVCF) revealed Friday that it continued to see strong revenue contributions during its second quarter from its Radiant Energy Vacuum machine.

The Vancouver-based company said its EnWave business line, which manufactures and installs the dehydration technology for food and cannabis verticals, delivered C\$2.2 million in revenue during its second quarter ended March 30, 2020, an 8% increase from the C\$2 million it put up in the same quarter a year earlier.

The company signed a number of new royalty-bearing commercial license agreements in Australia and Colombia and completed the installation of a 120kW REV processing line for a fruit producer in Idaho during the three-month period ended March 30.

READ: EnWave successfully completes first remote installation of Radiant Energy Vacuum machine in Iceland

EnWave ended the quarter with C\$15.6 million in cash and a working capital surplus of \$24.8 million, putting it in a "strong position" to pursue growth across its EnWave and NutraDried business lines. NutraDried manufactures the clean label snack, Moon Cheese, which is available at over 25,000 retail stores across North America.

Revenue from NutraDried in the second quarter was \$5.3 million compared to \$6.8 million in the same quarter a year ago. NutraDried revenue was impacted by fewer rotations with Costco, partially offset by growth in the grocery and online channels, the company said in a statement.

In response to the coronavirus pandemic that forced business closures in North America in early March, EnWave implemented a significant cost containment plan at the end of the quarter - a move that the company said gives it a solid foundation for further growth.

Under the cost containment strategy, EnWave has halted all international travel, reduced its head count by 39 full time employees, minimized professional services and subleased excess warehouse space. As a result, the company reduced expenses at an annual run rate by around C\$4.7 million, it said in a statement.

For its second quarter ended March 30, 2020, EnWave reported overall revenue of C\$7.5 million, compared to C\$8.7 million in the same quarter a year earlier. The group reported a net loss of C\$1.9 million, or C\$0.02 per share.

Earlier this week, EnWave reported its first successful remote REV installation, a critical move that will allow the company to continue to deploy its REV technology without risking the health and safety of its employees in the pandemic.

Price: 1.03

Market Cap: \$114.75 m

1 Year Share Price Graph



November 2019 May 2020 November 20

Share Information

Code: ENW

Listing: TSX-V

| | | |
|----------------|-------------|------------|
| 52 week | High | Low |
| | 1.87 | 0.56 |

Sector: Software & services

Website: www.enwave.net

Company Synopsis:

EnWave Corporation is a Vancouver-based advanced technology company developing commercial applications for its proprietary Radiant Energy Vacuum (REV™) dehydration technology. EnWave aims to sign royalty-bearing commercial licenses with leading food, nutraceutical, pharmaceutical and cannabis companies for the use of its revolutionary technology.

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