



NTG Clarity Networks Announces Another Successful Third Quarter 2022

Toronto, ON / TNW-Accesswire / November 29, 2022 / NTG Clarity Networks Inc. (TSX.V:NCD), announces its third quarter results for the period ended September 30, 2022 (all figures in Canadian Dollars).

Revenues were up 47% in the quarter and 53% YTD (\$11.9M compared to \$7.7M in 2021). Our gross margin for this quarter was 43% and the income from operations was \$1,874,147. We expect these strong quarterly results to continue in 2022 due to the new contracts previously announced and the renewal of existing contracts. This makes 9 consecutive quarters with a positive net income.

Professional service revenue continues to be an important strategic source of revenue for us, given its generally recurring nature (82%). The contribution of product-related revenue was 18% in Q2 2022. We continue to market our NTGapps Digital Tool Box platform product in an effort to make product sales a more balanced part of NTG's revenue stream.

Working capital continues to improve with September 30, 2022 being a deficit of \$3,199,366 compared to a deficit of \$3,757,061 at December 31, 2021.

Income statement highlights for the three and nine months ended September 30, 2022 and 2021

	3 Months Ended		9 Months Ended	
	Sept 30, 2022	Sept 30, 2021	Sept 30, 2022	Sept 30, 2021
REVENUE	\$ 4,185,208	\$ 2,844,338	\$ 11,909,446	\$ 7,763,897
COST OF SALES	2,381,755	1,630,801	6,786,307	4,425,587
GROSS PROFIT	\$ 1,803,453	\$ 1,213,537	\$ 5,123,138	\$ 3,338,310
Expenses	1,243,298	989,129	3,955,714	2,259,911
Foreign exchange loss (gain)	183,170	28,393	147,317	(49,549)
Income from Continuing Operations	376,985	252,801	1,020,107	1,028,850
Other - Exchange (loss) gain on translation	57,504	(15,130)	160,084	(81,640)
Total Comprehensive Income for the Period	\$ 434,489	\$ 237,671	\$ 1,180,192	\$ 947,210
Per Share	\$ 0.00	\$ 0.00	\$ 0.01	\$ 0.01

Balance Sheet Highlights for the nine months ended September 30, 2022 and December 31, 2021

	September 30, 2022	Dec. 31, 2021
Current Assets	\$ 3,942,952	\$ 4,026,126
Current Liabilities	\$ 7,142,318	\$ 7,783,187
Long-Term Debt	\$ 6,601,427	\$ 6,626,331
Shareholder's Equity	\$ (6,483,671)	\$ (7,918,812)



Outlook

Customers continue to recognize our quality of work and track record and this has resulted in increased work from our major customers that include sales of our NTGapps software product. We have also gained 16 new customers in various sectors which represents 19% of our YTD revenue.

Subsequent to quarter end, in October 2022, we announced:

- multiple POs valued at approximately \$900K. \$390K was for our NTGapps product.
- the signing of a significant Memo of Understanding (MOU) with OMB (Outsource Management Business is a division under Etisalat Services Holding) to cooperate in providing IT products and services in the Middle East.
- multiple POs valued at approximately \$2.656M. \$1.148M was for the upgrade of our NTS OSS/BSS product.

We attended many events and conventions this year to showcase our products.

- At Mobile World Congress (MWC) in Barcelona (February 23-March3, 2022) we met existing and potential customers and partners.
- At MWC in Las Vegas (September 28-31, 2022) we presented our network inventory and telecom in a box use cases that solve the urgent need for a fast, reliable digital enablement needs; all of them built using our 100% configurable platform - NTGapps.
- At GITEX in Dubai (October 10-14, 2022), the world's largest tech show, we signed an MOU with OMB (Outsource Management Business), a division under Etisalat Services Holding.
- At AfricaCom in South Africa (November 8-10, 2022) we engaged in several opportunities with companies in South Africa, Tanzania, Sudan, and introduced companies to our key products including NTS OSS/BSS and our NTGapps digital toolbox.

KSA's continued economic strength, due in large part to a booming economy, has shown increased demand for our products and services and has resulted in a 47% increase in revenue contribution for the country this quarter. Our increased sales team and renewed focus on the region resulted in 4 new customers in KSA contributing 8% to our YTD revenue and increasing sales by 19% in the region. With KSA being reported as the world's fastest-growing major economy, we are well-positioned to continue to grow our revenue here.

Egypt's revenue has increased 51% over the same period last year. This is due to a 200% increase in revenue from our top 3 customers and to 5 new customers in the region.

About NTG Clarity Networks Inc.

NTG Clarity Networks' vision is to be a global leader in providing networking solutions. As a Canadian company established 30 years ago in 1992, NTG Clarity has delivered networking, IT and network enabled application software solutions to network service providers and large enterprises. More than 500 network professionals provide design, engineering, implementation, software development and security expertise to the industry's leading network service providers and enterprises.

Forward Looking Information

Certain statements in this release, other than statements of historical fact, are forward looking information that involves various risks and uncertainties. Such statements relating to, among other things, the prospects for the company to enhance operating results, are necessarily subject to risks and uncertainties, some of which are significant in scope and nature.



These uncertainties may cause actual results to differ from information contained herein. There can be no assurance that such statements will prove to be accurate. Actual results and future events could differ materially from those anticipated in such statements. These and all subsequent written and oral forward-looking statements are based on the estimates and opinions of the management on the dates they are made and expressly qualified in their entirety by this notice. The Company assumes no obligation to update forward looking statements should circumstances or management's estimates or opinions change.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

For Further Information:

Kristine Lewis, President, NTG Clarity Networks Inc.

Ph: 905-305-1325

Fax: 905-752-0469

Email: klewis@ntgclarity.com