WATER WAYS TECHNOLOGIES INC.
CONDENSED CONSALIDATED FINANCIAL STATEMENTS AS OF MARCH 31, 2019

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NOTICE TO SHAREHOLDERS

The accompanying unaudited condensed consolidated interim financial statements of WATER WAYS TECHNOLOGIES INC. for the three months ended March 31, 2019 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.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(In thousands of US Dollars)

	March 31, 2019	December 31, 2018
	(Unaudited)	
CURRENT ASSETS:		
Cash and cash equivalents	1,825	233
Short term deposits	170	167
Trade accounts receivable, net	3,536	3,335
Other accounts receivable	565	1,333
Inventory	1,053	660
Total current assets	7,149	5,728
NON-CURRENT ASSETS:		
Deferred tax asset	42	18
Investments in associated company	183	181
Property, plant and equipment, net	193	212
Total non-current assets	418	411
TOTAL ASSETS	7,567	6,139
CURRENT LIABILITIES:		
Short term loans and current portion of long-term loans	771	550
Trade accounts payable	2,927	2,463
Deferred revenues	383	-
Other accounts payable	352	268
Total current liabilities	4,433	3,281
NON-CURRENT LIABILITIES:		
Long-term loans	192	207
Derivative- warrants	105	69
Total non-current liabilities	297	276
SHAREHOLDERS' EQUITY:		
Share capital	*	*
Additional paid in capital	3,331	1,544
Retained earnings	(494)	1,038
Total shareholders' equity	2,837	2,582
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	7,567	6,139

* Represent an amount lower than 1 thousand.

May 30, 2019	"Ohad Haber"	"Ronnie Jaegerman"
Date of approval	Ohad Haber Director	Ronnie Jaegerman Director

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

WATER WAYS TECHNOLOGIES INC.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands of US Dollars, except per share data)

	For the three months ended March 31, 2019	For the three months ended March 31, 2018
	US$ in thousands	
Revenues:		
Services Projects	231	913
Products	1,259	1,141
Total revenues	1,490	2,054
Cost of revenues:		
Services Projects	193	605
Products	1,112	994
Total cost of revenues	1,305	1,599
Gross profit	**185**	**455**
Issuance expenses	1,464	
Selling, general and administrative expenses	248	235
Operating profit (loss)	(1,527)	220
Financial expenses	(31)	(16)
Financial income	-	1
Share in profit / (losses) of associated company	2	(16)
Profit (loss) before taxes on income	(1,556)	189
Taxes on income	24	(44)
Total comprehensive income (loss)	**(1,532)**	**145**
Basic and diluted profit (loss) per share Attributable to shareholders (*):	(0.019)	0.002
Weighted average number of common shares outstanding:	81,118,463	59,800,000

*****The amounts presented after giving the effect of share split as noted in Note 3.

WATER WAYS TECHNOLOGIES INC.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(In thousands of US Dollars, except per share data)

For the period ended March 31, 2019

	Number of Shares	Share capital	Additional paid-in capital	Retained earnings	Total Shareholders' equity
			(US$ in thousands)		
Balance at January 1, 2019	37,221,961	*	1,544	1,038	2,582
Reverse Take Over	39,750,408	*	262	-	262
Issuance of shares, net	12,438,282	-	1,525	-	1,525
Net loss for the period	-	-	-	(1,532)	(1,532)
Balance at March 31, 2019	89,410,651	*	3,331	494	2,837

For the year ended December 31, 2018

	Number of Shares	Share capital	Additional paid-in capital	Retained earnings	Total Shareholders' equity
			(US$ in thousands)		
Balance at January 1, 2018	100	*	-	621	621
Share split	28,499,900	*	(*)	-	-
Issuance of shares, net	8,721,961	-	1,544	-	1,544
Net profit for the period	-	-	-	417	417
Balance at December 31, 2018	37,221,961	*	1,544	1,038	2,582

* Represent an amount lower than 1 thousand.

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

WATER WAYS TECHNOLOGIES INC.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW
(In thousands of US Dollars, except per share data)

	For the three months ended March 31, 2019	For the three months ended March 31, 2018
	(US$ in thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net profit (loss) for the year	(1,532)	145
Adjustments to reconcile net profit to net cash provided by operating activities:		
Depreciation	15	10
Decrease (increase) in deferred taxes	(24)	(3)
Accrued interest	(10)	6
Share in Income in associated company	(2)	16
Decrease (increase) in trade accounts receivable, net.	(201)	874
Decrease (increase) in other accounts receivable	768	194
Decrease (increase) in inventory	(393)	(141)
Increase (decrease) in trade accounts payable	464	(669)
Increase (decrease) in other accounts payable	84	464
Revaluation of derivative- warrants	(46)	-
(Decrease) Increase in deferred revenues	383	150
Net cash provided by (used in) operating activities	(494)	1,046
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	4	(2)
Reverse Take Over (Appendix B)	9	-
Change in short term deposits	(3)	-
Net cash provided by (used in) investing activities	10	(2)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of bank loans	(94)	(56)
Receipt of bank loans	309	-
Issuance of shares and warrants, net	1,861	-
Net cash provided (used in) financing activities	2,076	(56)
Increase (decrease) in cash and cash equivalents	1,592	988
Cash and cash equivalents at beginning of the year	233	174
Cash and cash equivalents at the end of the year	1,825	1,162

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

WATER WAYS TECHNOLOGIES INC.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW
(In thousands of US Dollars, except per share data)

APPENDIX A-AMOUNT PAID DURING THE PERIOD FOR:

	three month ended December 31, 2019	three month ended December 31, 2018
	US$ in thousands	
Tax	32	7
Interest	16	9

APPENDIX B-Reverse Take Over:

	As of March 6, 2019
Working capital other than cash	(114)
Issuance of shares upon RTO	(157)
Issuance cost	262
Cash received	(9)

NOTE 1 - GENERAL:

A. Water Ways Technologies Inc. (“Water Ways” or the “Company” formerly known as Sagittarius Capital Corporation) was incorporated under the Business Corporations Act (Ontario) on April 20, 2007 and is classified as a Capital Pool Corporation as defined by TSX Venture (“TSX-V”) Exchange Policy 2.4 (the “Exchange Policy”). The Company’s registered address and principal place of business is 77 King Street West, Suite 3000, Toronto, Ontario, M5K 1G8.

Irri-Al-Tal Ltd. ("**Irri-Al-Tal**") incorporated on October 11, 2003 under the laws of the State of Israel. Irri-Al-Tal's registration number is 513467944, with its registered and head office address at P.O.B. 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.

B. 1. On December 28, 2017, the Company entered into a letter of intent ("**LOI**") with Sagittarius Capital Corporation ("**Sagittarius**" or the "**Company**", or "**Water Ways Technologies**"), a company incorporated in Canada and traded on the NEX board of the TSX Venture Exchange ("**Exchange**") pursuant to which shareholders of the Company will 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 the Sagittarius ("**Securities Exchange**").

2. On August 21, 2018, Irri-Al-Tal entered into securities exchange agreement ("**Securities Exchange Agreement**") with Sagittarius, whereby Sagittarius has agreed to acquire complete the Securities Exchange by issuing two (2) Common Shares for each issued and outstanding IAT Share (the "**Exchange Ratio**"). According to the terms of the original LOI, the Exchange Ratio was increased from one post-Consolidation Sagittarius Share for each IAT Share to two Common Shares for each IAT Share issued and outstanding. Immediately prior to the completion of, and as a condition to, the Securities Exchange, Sagittarius shall consolidate the outstanding 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. Sagittarius changed its name from "Sagittarius Capital Corporation" to "Water Ways Technologies Inc." Pursuant to the Securities Exchange, all security holders of Irri-Al-Tal exchanged all issued and outstanding securities in the capital of Irri-Al-Tal for two corresponding securities in the capital of Sagittarius.

NOTE 1 – GENERAL (CONT.) :

4. On March 6th, 2019 Sagittarius completed the Securities Exchange with Irri-Al-Tal, which constituted Sagittarius' qualifying transaction ("**Qualifying Transaction**") pursuant to the policies of the Exchange. In connection with the Qualifying Transaction, Sagittarius also completed an offering ("**Offering**") of units ("**Units**") for gross proceeds of $2,818,125 by issuing 11,272,500 Units. Each Unit is comprised of one Common Share and one-half of one common share purchase warrant (each whole warrant, a "**Warrant**"). Each Warrant is exercisable into one Common Share (a "**Warrant Share**") at $0.40 per Warrant Share until March 6, 2021.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES:

Basis of Presentation

These condensed interim financial statements, 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, except for as mentioned under new standards. These condensed interim financial statements should be read in conjunction with the Company's annual financial statements for the year ending December 31, 2018. 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.

Issuance 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.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONT.) :

IFRS 9 Financial Instruments

In July 2014, the IASB issued the final and complete version of IFRS 9, "Financial Instruments" ("**IFRS 9**"), which replaces IAS 39, "Financial Instruments: Recognition and Measurement". IFRS 9 mainly focuses on the classification and measurement of financial assets and it applies to all assets in the scope of IAS 39.

According to IFRS 9, the provisions of IAS 39 will continue to apply to de-recognition and to financial liabilities for which the fair value option has not been elected. According to IFRS 9, changes in the fair value of financial liabilities which are attributable to the change in credit risk should be presented in other comprehensive income. All other changes in fair value should be presented in profit or loss.

IFRS 9 is to be applied for annual periods beginning on January 1, 2018.

*Expected credit losses ("**ECL**") and their measurement*

In order to manage the credit risks associated with customer receivables, the Company aims to secure certain financial guarantees prior to entering into a business relationship with its customers. To this end, the Company has developed a three-level matrix, which is based on past experience and historical data along with projections of the future into consideration, in order to group the ECL:

1. Receivable guaranteed by an irrevocable letter of credit from a first-tier international bank taking into consideration the creditworthiness of the bank that provides such assurance ("**LC Client**").

2. Receivables which are not guaranteed by a letter of credit but fall under a foreign trade risk insurance policy issued by an international insurer guaranteeing the receivable in the event of non-payment, including among others: political and foreign currency risks ("**Insurance Guaranteed Client**").

Customers who don't comply with the terms of the above policy - Irri-Al-Tal takes into consideration specific history such as: length of relationship with the customer, unpaid balances, past late payments, general business and economic factors in a jurisdiction where the customer conducts business supported by the external market research ("**Other Clients**").

*Expected credit losses ("**ECL**") and their measurement (cont.)*

ECL are measured as the unbiased probability-weighted present value of all cash shortfalls over the expected life of each financial asset. For receivables from financial services, ECL are mainly calculated with a statistical model using three major risk parameters: probability of default, loss

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONT.):

IFRS 9 Financial Instruments (continued)

given default and exposure at default. The estimation of these risk parameters incorporates all available relevant information, not only historical and current loss data, but also reasonable and supportable forward-looking information reflected by the future expectation factors. This information includes macroeconomic factors (e.g., gross domestic product growth, unemployment rate, cost performance index) and forecasts of future economic conditions. For receivables from financial services, these forecasts are performed using a scenario analysis (base case, adverse and optimistic scenarios).

As of December 31, 2018, and December 31, 2017, ECL for trade and other account receivables are not material, and as such are not disclosed in the financial assets measurement categories in accordance with IAS 39 and IFRS 9. These figures are not presented in separate measurement category on the loss allowance at that date, in accordance with IFRS 7. As of December 31, 2018, and December 31, 2017 the allowance for Doubtful debts are $28 and 0 respectively.

Definition of default, including reasons for selecting the definition

Prior to commencing a business relationship, the Company will enter into an agreement with the customer. The agreement or contract typically includes details of the terms of payment to which the customer is entitled. In most cases, the customer updates the Company if there is a delay in the payment beyond the terms of the agreement. Any delays in payment for more than two months are subject to approval of management. If a customer's scheduled payment is delayed by more than two months and such delay is not approved by the Company's management, the CEO will typically make direct contact with the customer's management and inform them of the overdue obligation and that the Company will pursue remedies available to collect the overdue payment. If the customer and the Company are not able to resolve the matter at that time, the receivable is considered to be in default as the collectability is no longer certain. If the collection effort is not successful, the Company will retain legal counsel in the applicable country to assist with collection and sends a demand letter to that effect.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONT.):
IFRS 9 Financial Instruments (continued)

Write-off policy

The Company writes off its financial assets if any of the following occur:

- Inability to locate the debtor.
- Discharge of the debt in a bankruptcy.
- It is determined that the efforts to collect the debt are no longer cost effective given the size of receivable.

The collections department must comply with the collection efforts outlined in the policy to collect on delinquent customer accounts before any write-offs are made.

Aging Schedule based on due date

	Within payment terms	0-30 days over payment terms	30+ days over payment terms	Total
Aging Schedule 31.03.2019	3,102	75	359	3,536
Aging Schedule 31.12.2018	3,155	18	190	3,335

Provision for doubtful debts

The Company recognized a provision for doubtful accounts in the amount of $30 on 31, March 2019.

Accounts receivable by region, type of services

	As at March 31, 2019	**As at December 31, 2018**
Projects		
South and Central America	646	759
Africa	235	235
Asia	58	58
Israel	-	17
Products		
South and Central America	2,329	1,993
Africa	65	65
Europe	23	33
Israel	178	131
USA	2	44
Total	3,536	3,335

(In thousands of US Dollars, except per share data)

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONT.):

IFRS 9 Financial Instruments (continued)

Three-level matrix

	31.3.2019	**31.12.2018**
LC Clients	238	238
Insurance Guaranteed Clients	2,774	2,623
Other Clients	524	474
Total	**3,536**	**3,335**

Credit risk management practices

For significant transactions with customers for amounts over $200 the Company aims to secure a letter of credit from a first-tier international bank before accepting the credit risk. In the event of the fulfillment of a milestone according to the contract, the financial institution that provided the letter of credit is required to transfer the consideration to the Company.

For transactions with customers in amounts less than $200 but above $1 the Company intends to obtain insurance for the customer's balance from third parties. In addition, for transactions with customers in amounts less than $200 the Company keeps track and monitors amounts, which have been overdue for more than two months.

Conclusion: The Company believes that due to its strong preference to secure financial guarantees on significant transactions before accepting potential credit risk its risk of loss is limited. The three-level matrix described

Above is used to group the receivables into categories with varying amounts of expected credit risk in order to estimate the ECL.

IFRS 16 - "Leases" ("**IFRS 16**")

New standards, interpretations and amendments effective from January 1, 2019

IFRS 16 was issued in January 2016 and it replaces IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONT.):

IAS 17. The standard includes two recognition exemptions for lessees - leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). The Company has no leases over 12 months. Therefore, the Company elected not to apply IFRS 16 for which the lease term ends within 12 months of the date of initial application.

NOTE 3 – 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.

a. Share Capital:

On February 26, 2018, Irri-Al-Tal increased its authorized share capital from 100 IAT Shares to 100,000,000 IAT Shares.

b. Share Split:

In April 2018, the Company completed a share split of 285,000 for 1, which increased the issued and outstanding shares of Irri-Al-Tal to 28,500,000 Shares each with a par value of NIS 0.0000035.

c. Brokered Private Placement:

On April 16th and May 29th, 2018, Irri-Al-Tal completed a brokered private placement ("**Brokered Private Placement**") resulting in gross proceeds of $1,337 (CAD$1,750,000). The Brokered Private Placement involved the sale of 5,000,000 units at a price of CAD$0.35 per unit (the "**Brokered Units**"), with Foundation Markets Inc. ("**FMI**"), which had acted as the agent for the Brokered Private Placement. Each Brokered Unit is comprised of one IAT Share and one-half ordinary share purchase warrant (the "**Brokered Warrants**").

Each Brokered Warrant entitles the holder thereof to acquire one additional Share at an exercise price equal to the lower of (i) CAD$0.55 and (ii) the price per security at which securities are issued in any financing completed in connection with a liquidity event for Irri-Al-Tal, as defined in the agency agreement dated as of April 16, 2018 ("**Qualifying Event**"), with such Brokered Warrants being exercisable for a period of 24 months from the closing of the Brokered Private Placement.In connection with the Brokered Private Placement, Irri-Al-Tal paid finder's fees of $106 (CAD$140,000) and issued 400,000 options (the "**Broker Options**"). Each Broker Option entitles the holder thereof to acquire one Brokered Unit at an exercise price of CAD$0.35 per Broker Option at any time until the earlier of (i) the two-year anniversary of the closing of a Qualifying Event or (ii) five years from the closing date on which the applicable Broker Options were issued.

NOTE 3 – SHAREHOLDERS' EQUITY (CONT.):

d. 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 were exchange 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 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.

Accounting policy:

The Company follows the guidance of IAS 32 regarding transaction costs and the IFRIC discussion from September 2008.

e. Qualifying Transaction

Sagittarius completed an Offering of 11,272,500 Units for gross proceeds of CAD $2,818,125. The Offering was conducted by Leede Jones Gable Inc. ("**Leede**"), which acted as a lead agent and sole bookrunner for the Offering. In connection with the Offering, Sagittarius has paid the following: (i) a cash commission of CAD $225,450; (ii) a corporate finance fee of CAD $40,000; 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.

Since the Brokered Warrants are derivative that may not be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments, these warrants are recorded at their fair value as a derivative liability and are re-measured at recognition at each reporting date, with changes in fair value recognized in finance expense (income), net.

NOTE 3 – SHAREHOLDERS' EQUITY (CONT.):

The Broker Warrants have been valued at using a structural risk neutral valuation model, which was applied numerically by a Monte Carlo simulation with the following assumptions:

Investment Unit price: CAD$0.25

Exercise Price: CAD$0.25

Risk-free rate: 1.77 %

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 $291,445.38. Each IAT Unit was issued at a price of CAD $0.50 and was comprised of 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% held by former Irri-Al-Tal shareholders (of which 1.3% of the total is attributed to the participants of 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 has had 11,219,141 common share purchase warrants issued and outstanding, of which 5,636,250 are the Warrants underlying the Units issued to the participants in Offering, and 5,582,891 are the warrants held by former Irri-Al-Tal warrant holders. In addition, Water Ways Technologies has 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 Brokered Options.

(In thousands of US Dollars, except per share data)

NOTE 4 – REVERSE TAKE OVER:

Completion of the Qualifying Transaction with Sagittarius

On March 6th, 2019, Sagittarius completed its Qualifying Transaction by completing the Securities Exchange with the Company. Sagittarius acquired all the issued and outstanding shares of Irri-Al-Tal pursuant to a Securities Exchange Agreement between the Irri-Al-Tal and Sagittarius 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. 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 also 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:

	31/12/2018
Fair value of common shares (4,190,000 shares at CAD$0.05 per share)	$ 157
Total fair value of consideration	**$ 157**
Less: Net assets of the Sagittarius	$ (105)
Listing expense	**$ 262**

For accounting purposes, Irri-Al-Tal is considered the accounting acquirer and Sagittarius is considered the acquired company. Since Sagittarius's operations do not constitute a business, the acquisition of Sagittarius is not a business combination pursuant to IFRS 3 and the transaction is accounted for as a reverse takeover of the publicly traded company. The reverse takeover will be accounted for under IFRS 2 Share-based Payments. Accordingly, the acquisition of Sagittarius is accounted at the fair value of the consideration transferred by the accounting acquirer, which is the fair value of the equity instruments of the 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 will be treated as a listing expense.

NOTE 5 – SEGMENT REPORTING:

The Company identified 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 financial statements is essentially the same information provided to the CODM and the same information regarding decisions about allocating resources, please note, there's no information available beyond revenues and cost of sales for each segment except presenting the results of each segment, as the statement of comprehensive income presents gross profit on a combined basis.

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 manner in which 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.

(In thousands of US Dollars, except per share data)

NOTE 5 – SEGMENT REPORTING (CONT.):

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 period ended March 31, 2019:

	Products:	**Project Services:**	**Company Total:**
Revenues from external customers	1,259	231	1,490
Cost of revenues	1,112	193	1,305
Segment gross income	147	38	185
Non-allocated expenses			1,712
Finance (income) / expenses, net			31
Share in profit of associated company			2
Loss before provision for income taxes:			**(1,556)**

For the period ended March 31, 2018:

	Products:	**Project Services:**	**Company Total:**
Revenues from external customers	1,141	913	2,054
Cost of revenues	995	605	1,599
Segment gross income	147	308	455
Non-allocated expenses			234
Finance expenses, net			15
Share in losses of associated company			-
Profit before provision for income taxes:			**206**

NOTE 6 – REVENUES:

1. **Geographic Areas Information:**

The following present total revenues for the years ended December 31, 2018 and 2017:

	For the three months ended March 31	
	2019	**2018**
Africa	4	737
South and Central America	990	880
Asia	22	10
Europe	72	58
Israel	400	263
Others	2	106
	1,490	2,054

2. **Principal Customers:**

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

	For the three months ended March 31	
	2019	**2018**
Customer A	28%	25%
Customer B	15%	18%
Customer C	14%	17%

NOTE 7 – 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.

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.

During the period ended March 31, 2019, the Company incurred accounting fees of $nil (2018 – $1,862) to Branson Corporate Services Ltd. ("Branson"), a company in which a director has a non-controlling indirect interest. The Company also paid legal fees and disbursements of $55,741 (2018 – fees and disbursement of $5,495) from Fogler, Rubinoff LLP ("Fogler"), a law firm in which a director of the Company is a Partner. The company also paid consulting fee to a director of the company of 13,511$ (2018 – fee of 2,323$).

As of March 31, 2019, an amount of $2,106 (March 31, 2018 – $21,556) owed to Branson, and an amount of $383 (March 31, 2018 – $12,636) owed to Fogler, were included in accounts payable and accrued liabilities. As at March 31, 2019, the Company also owed $9,549 (March 31, 2018 – $9,549) to a director, as well as $6,733 (March 31, 2018 – $5,384) to FMI Capital Advisory Inc., a company where the minor children of the director hold an indirect interest. These amounts are unsecured, non-interest bearing and due on demand.

There was no remuneration paid to directors and key management personnel during the periods ended March 31, 2019 and 2018.

The following transactions arose with related parties:

	For the three months ended March 31	
	2019	**2018**
Management fees paid to the CEO	72	58

Receivables from related parties:

	As of	
	March 31, 2018	**December 31, 2018**
Balances owed by (to) the CEO	3	(6)