



CEMATRIX Announces 2022 Record Fourth Quarter and Annual Revenue

Calgary, Alberta – April 12, 2023 – CEMATRIX Corporation (TSXV: CVX) ("CEMATRIX" or the "Company") a North American leading manufacturer and supplier of technologically advanced cellular concrete products announced the release of its consolidated financial results for the year ended December 31, 2022.

"We are pleased to report to our shareholders that 2022 was a record year in terms of revenue and we enter 2023 with great momentum," stated Jeff Kendrick, President and CEO of CEMATRIX. "I want to thank all of our employees at CEMATRIX for helping us achieve record sales in difficult circumstances, particularly our field staff, for staying safe and making our success possible through hard work and dedication."

"Revenues in 2022 grew 28% year over year and is a reflection of our backlog of projects starting to be delivered. Most of the increase in revenues were derived from tunnel grouting applications. Despite the record year, project delays and cement shortages in several key markets did have a negative impact. Margins were slightly lower in 2022 due to inflationary pressures across all facets of our business. Increases in salaries, wages, logistics, consumables, cement, and ready-mix pricing all contributed to lower gross margins," continued Mr. Kendrick.

"Nevertheless, the Company expects, strong and accelerated revenue growth in 2023 as more of the projects in our backlog are scheduled to commence. Furthermore, the Company is in the bid and negotiation stage for a number of other projects that are currently scheduled to commence and/or be completed in 2023. Based on conversations with our suppliers, we do see cement and ready-mix supply in impacted markets improving this year, which will result in less project delays, and should increase both our revenues and margins in 2023. We also expect to see our investment in additional sales and sales support resources translating into higher revenues in 2023 and future years."

"The overall cellular concrete market continues to grow, and the Company continues to successfully win new projects. Our overall backlog remains strong with several large projects currently forecasted to commence during 2023. Our backlog coupled with our strong balance sheet has the Company well positioned for a successful 2023. I remain as excited as ever about the prospects for the future of CEMATRIX," concluded Mr. Kendrick.

The following are the business and financial highlights for the year and quarter:

Business highlights for the year

- Announced a new \$5.0 million revolving credit facility with CIBC (February 7, 2022)
- Announced a \$4.0 million USD strategic investment commitment in Glavel Inc. (February 15, 2022)
- Announced \$4.1 million in new contracts (April 6, 2022)
- Announced the completion of phase 2 and phase 3 of its strategic investment in Glavel Inc (May 2, 2022)
- Announced \$3.9 million in new contracts (June 16, 2022)
- Announced \$22.5 million in new contracts (August 3, 2022), which included the largest infrastructure project ever awarded in North America, a \$20.3 million overpass backfill project in North Carolina
- Announced \$4.2 million in new contracts (October 26, 2022)
- Announced the strengthening of its North American sales team (December 7, 2022)

- Announced \$9.9 million in new contracts (December 21, 2022)

Financial highlights for the fourth quarter:

- Revenue increased to \$8.3 million versus \$6.9 million in Q4 of 2021 primarily due to the timing of large projects.
- Gross margins decreased to \$0.4 million (4.8%) versus \$1.7 million (24.6%) in 2021.
- Operating loss increased to \$1.3 million versus \$0.1 million in 2021 on lower gross margins.
- Adjusted EBITDA decreased to negative \$0.8 million versus negative \$0.1 million in 2021.
- Cash generated from operating activities decreased to \$0.1 million versus \$0.7 million in 2021.

Financial highlights for the year:

- Revenue increased to a record \$29.0 million versus \$22.6 million in 2021. The revenue increase was primarily due to several large tunnel grouting projects being completed in the year.
- Gross margins decreased to \$2.5 million (8.6%) versus \$3.9 million (14.7%) in 2021.
- Operating loss increased to \$4.7 million versus an operating loss of \$2.7 million in 2021. The increase in the operating loss was due to lower gross margins and higher SG&A costs compared to the previous year.
- Adjusted EBITDA decreased to negative \$2.7 million versus negative \$0.7 million in 2021.
- Cash used in operating activities was \$3.2 million versus cash \$0.8 million in 2021.

Financial position highlights for the year:

- The Company continued to move forward on the strategic goal of simplifying and de-levering our balance sheet in 2022.
- Cash of \$10.7 million versus \$20.2 million in 2021.
- Adjusted Working Capital of \$3.7 million versus \$3.0 million in 2021.
- The company reduced long term debt, earnout obligations and finance lease obligations by \$1.2 million in the year.
- The Company's convertible debenture that matures in April 2023 was moved to current liabilities from non-current liabilities.
- The Company's CIBC credit facility was undrawn as of the end of the year.

Grant of Stock Options and Restricted Stock Units

It has always been the Corporation's philosophy to compensate its senior management and key staff with equity incentive plans based on achieving strategic goals (including profitability) to ensure alignment with shareholders. This plan is extremely important in today's market to ensure that we continue to retain our key management and employees. The following is a summary of the options and restricted share units issued to support its compensation and retention plan.

On April 12, 2023, the Company granted 750,000 incentive stock options to certain directors, executive officers and employees of the Corporation, pursuant to the Corporation's Omnibus Equity Incentive Compensation Plan ("OEIC Plan") for the purchase of shares at an exercise price set to the closing price on the grant date, subject to the vesting provisions of the options, at any time up to and including April 12, 2028.

In addition, on April 12, 2022, the Company has granted 513,513 restricted stock units (RSU's) to certain executive officers and employees of the Corporation, pursuant to the Corporation's OEIC Plan.

After the grants on April 12, 2023, the Corporation will have issued a total of 6,709,208 options and RSU's outstanding which represents 5.0% of the approximately 134 million issued and outstanding shares of the company and is 50% of the maximum amount of 10.0% that is authorized under the OEIC Plan.

ABOUT CEMATRIX

CEMATRIX is a rapidly growing, cash flow positive company that manufactures and supplies technologically advanced cellular concrete products developed from proprietary formulations across North America. This unique cement-based material with superior thermal protection delivers cost-effective, innovative solutions to a broad range of problems facing the infrastructure, industrial (including oil and gas) and commercial markets. Through recent acquisitions of Chicago based MixOnSite and Bellingham based Pacific International Grout, CEMATRIX is now North America's largest Cellular Concrete company. For more information please visit our website at www.cematrix.com.

CAUTIONARY STATEMENT REGARDING FORWARD LOOKING STATEMENTS

This news release contains forward-looking statements and forward-looking information (together, "forward-looking statements") within the meaning of applicable securities laws. All statements, other than statements of historical facts, are forward-looking statements. Generally, forward-looking statements can be identified by the use of terminology such as "plans", "expects", "estimates", "intends", "anticipates", "believes" or variations of such words, or statements that certain actions, events or results "may", "could", "would", "might", "will be taken", "occur" or "be achieved". The forward-looking statements contained in this news release are based on certain key expectations and assumptions made by the Company, including satisfaction of regulatory requirements in various jurisdictions and the Company's anticipated use of the net proceeds of the Offering. Forward looking statements involve risks, uncertainties and other factors disclosed under the heading "Risk Factors" and elsewhere in the Company's filings with Canadian securities regulators, which could cause actual results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking statements.

Although the Company believes that the assumptions and factors used in preparing these forward-looking statements are reasonable based upon the information currently available to management as of the date hereof, actual results and developments may differ materially from those contemplated by these statements. Readers are therefore cautioned not to place undue reliance on these statements, which only apply as of the date of this news release, and no assurance can be given that such events will occur in the disclosed times frames or at all. Except where required by applicable law, the Company disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

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

For further information, please contact:

Jeff Kendrick - President and Chief Executive Officer
Phone: (403) 219-0484

Glen Akselrod – President, Bristol Capital
Phone: (905) 326 1888 ext 1
glen@bristolir.com

Jeff Walker, The Howard Group – Investor Relations
Phone: (888) 221-0915 or (403) 221-0915
jeff@howardgroupinc.com