

CEMATRIX™



3rd Quarter Results – Earnings Webinar

November 9, 2023

Disclaimer

This presentation contains certain statements that may be deemed "forward-looking statements". All statements in this document, other than statements of historical fact, that address events or developments that CEMATRIX ("the Company") expects to occur, are forward looking statements. Forward looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur.

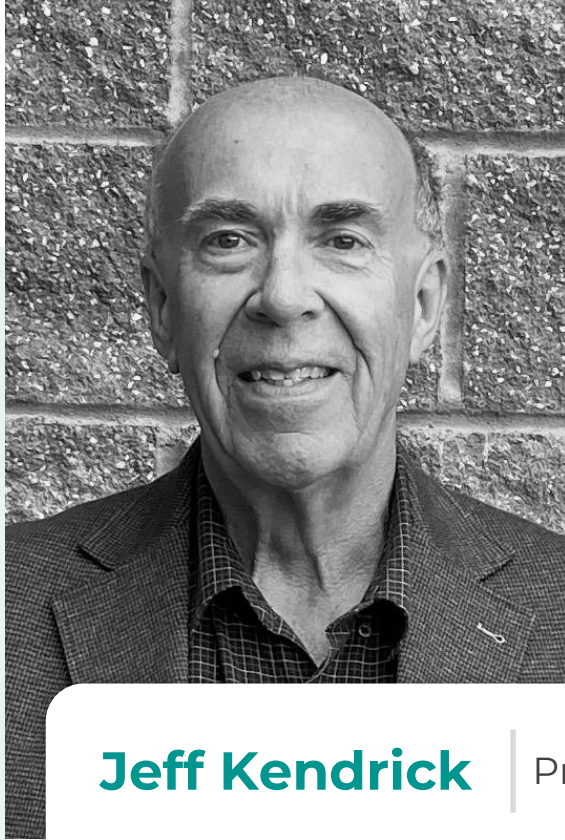
Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in the forward- looking statements. Factors that could cause the actual results to differ materially from those in forward looking statements include, failure to successfully negotiate or subsequently close such transactions, inability to obtain required shareholder or regulatory approvals, uncertainty with respect to findings under exploration programs and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. Forward looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made. Except as required by law the Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.



Randy Boomhour

CFO

Randy



Jeff Kendrick

President | CEO

Jeff

Welcome Message

Welcome and thank you for attending CEMATRIX's 2023 Third Quarter Earnings Webcast presentation, as we continue forward with what will be a record year with continued record sales and an expected return to profitability.

Table of Contents

01

Third Quarter Highlights

Results were exceptional

02

Record Breaking Sales

Monthly, Quarter, Year to Date

03

Strong 4th Quarter Expected

Contracts are in place

04

Safety and Equipment a Priority

Top level staff and equipment performance



Table of Contents

05

Backlog & Sales Pipeline Growth

Remains strong and gaining momentum

06

Million Dollar Project Changes

of million projects for 2023 down by 2, but all good

07

Million Dollar Project Locations

North American wide

08

Hitting 2024 Running

Significant carryforward backlog and prospects

09

Q3 Financials

Overview



2023 Third Quarter Highlights

1. Record sales for quarter & YTD;
2. Margins continue to improve;
3. Return to quarterly profitability;
4. No significant safety Issues – equipment & staff are meeting the challenge;
5. Balance of 2023 remains strong;
6. \$30.2 million in new contracts secured since end of last quarter;
7. Strong backlog and pipeline.



Record Breaking Sales Continue



RECORD 2023



All time quarterly sales record
\$20.3 million

All time nine-month sales
record **\$33.7 million**

\$51.9 million in sales contracted
in 2023

Strong Fourth Quarter Expected



Contracts in Place & Scheduled

Record fourth quarter expected and most larger projects already underway



Includes Several \$1 Million Projects

9 of the 15, 2023 projects over \$1 million are scheduled in whole or in part in quarter.



Balance of Quarters Sales

The balance of the 4th Quarter comes from numerous projects less than \$1 million in value



Safety and Equipment Is A Priority at CEMATRIX

Staff and equipment utilization is up significantly, which is fantastic, but it means staff are more susceptible to safety issues and equipment is more susceptible to breakdown.



Fortunately, we have well cross trained staff who put their own safety and the safety of others first and we have maintenance programs that keep our equipment running in top condition!!!

Hence, no significant safety issues and minimal equipment time outs.

Backlog & Sales Pipeline Remain Strong

Backlog steady at

\$95,300,000

Sales pipeline strong at

\$425,000,000



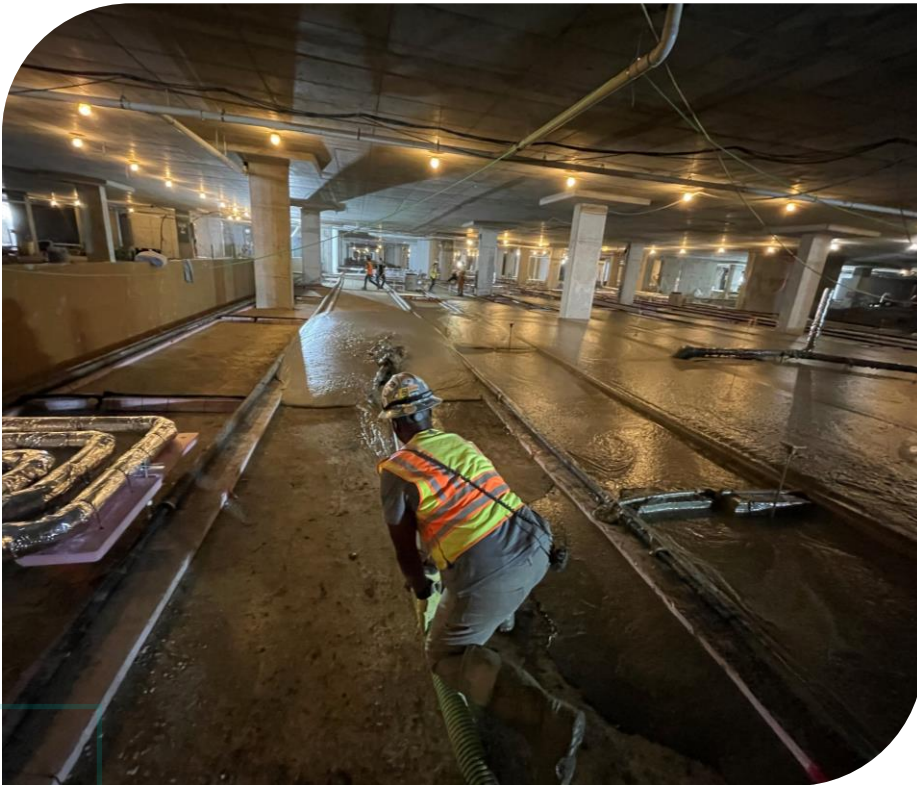
**Overpass
Abutment
Backfill**



**Highway
Infrastructure
Construction**

Million Dollar Project Changes

But...Its All Good



The company had record sales despite 2 multi-million dollar project delays but, this has turned into a positive for 2024.

The original 2023 forecast had \$13 million of the \$22 million dollar North Carolina project scheduled to be completed in 2023, but this has been pushed to 2024. This project has to be completed by yearend 2024. In addition, the \$3.9 million MSE panel backfill project announced last quarter will now be fully completed in 2024.

Each of these delayed projects has been replaced with new projects and more, which is a testament to the hard work of our sales teams and the continued organic growth of this market.

20-Million \$ + project locations

(15 projects pertain to 2023)



Applications include tunnels; road and runway bases, MSE and overpass abutment backfill, basement backfill protecting geo-thermal installations and pipe bedding.

banner year – noun
Oxford dictionary

a our year in which something
is especially successful

TSXV:CVX | OTCQB:CTXXF

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Hitting 2024 Running

- **Over \$40 million of projects in excess of \$1 million are already scheduled to be placed in 2024**
- Balance of 2024 will be made up by numerous projects across North America, each with a value less than \$1 million

2023 - 2024



TSXV:CVX | OTCQB:CTXXF

Q3 Financials

CONTINUED REVENUE GROWTH, IMPROVING MARGINS, STRONG BALANCE SHEET

CEMATRIX CORPORATION

Condensed Consolidated Statements of Loss and Comprehensive Loss

For the three and nine months ended September 30, 2023 (unaudited)
(in 000's Canadian Dollars, except per share and share data)

	Three months ended September 30		Nine months ended September 30	
	2023	2022	2023	2022
Revenue (note 21)	\$ 20,375	\$ 11,556	\$ 33,742	\$ 20,701
Cost of sales (note 13)	(15,732)	(9,334)	(27,213)	(18,599)
Gross margin	4,643	2,222	6,529	2,102
Operating expenses				
Selling, general and administrative	(2,157)	(1,894)	(6,173)	(5,580)
Operating income (loss)	2,486	328	356	(3,478)
Stock-based compensation (note 17)	(2)	(169)	(284)	(463)
Finance costs (note 14)	(87)	(218)	(375)	(540)
Accretion costs (note 14)	-	(102)	(138)	(286)
Other income (expenses) (note 15)	49	11	47	296
Fair value adjustment of derivatives (note 11)	-	(4)	(21)	(11)
Income (loss) before income taxes	2,446	(154)	(415)	(4,482)
Provision for deferred taxes	(617)	(331)	(373)	167
Provision for current taxes	-	-	(15)	-
Income (loss) attributable to the common shareholders	1,829	(485)	(803)	(4,315)
Unrealized foreign exchange gain (loss) on translation of foreign subsidiaries	490	1,070	1	1,157
Comprehensive income (loss) for the period	\$ 2,319	\$ 585	\$ (802)	\$ (3,158)

CEMATRIX CORPORATION

Condensed Consolidated Statements of Financial Position

As at September 30, 2023 (unaudited) and December 31, 2022 (audited)
(in 000's Canadian Dollars)

	2023	2022
ASSETS		
Current Assets		
Cash	\$ 1,910	\$ 10,682
Trade and other receivables (note 5)	14,891	7,337
Inventory (note 6)	818	1,010
Prepaid expenses and deposits	150	532
	17,769	19,561
Non-Current Assets		
Long-term investments	2,431	2,382
Property and equipment	11,865	11,577
Right of use assets	1,116	1,128
Goodwill and intangibles	6,137	6,148
Convertible debt – derivative asset (note 11)	-	21
	21,549	21,256
Total Assets	\$ 39,318	\$ 40,817
LIABILITIES and EQUITY		
Current Liabilities		
Trade and other payables (note 8)	\$ 7,849	\$ 5,139
Current portion of long-term debt (note 9)	935	937
Current portion of lease obligations (note 10)	554	590
Current portion of convertible debt – host debt (note 11)	-	3,499
	9,338	10,165
Non-Current Liabilities		
Long-term debt (note 9)	1,504	1,975
Lease obligations (note 10)	519	574
Deferred tax liability	733	361
	2,756	2,910
Total Liabilities	12,094	13,075
SHAREHOLDERS' EQUITY		
Share capital (note 12)	42,485	42,404
Contributed surplus	8,346	7,611
Convertible debt – equity component (note 11)	-	532
Accumulated other comprehensive income (loss)	564	563
Deficit	(24,171)	(23,368)
Total Shareholders' Equity	27,224	27,742
Total Liabilities and Shareholders' Equity	\$ 39,318	\$ 40,817

CEMATRIX CORPORATION

Condensed Consolidated Statements of Cash Flows

For the three and nine months ended September 30, 2023 (unaudited)
(in 000's Canadian Dollars)

	Three months ended September 30		Nine months ended September 30	
	2023	2022	2023	2022
Cash generated from (used in):				
Operating activities				
Net income (loss) attributable to common shareholders	\$ 1,829	(485)	\$ (803)	\$ (4,315)
Add (deduct) non-cash items				
Provision for deferred taxes	617	331	373	(167)
Depreciation and amortization	600	455	1,676	1,348
Gain on sale of equipment	(1)	-	(30)	(43)
Finance and accretion costs (note 14)	87	320	513	826
Stock-based compensation (note 17)	2	169	284	463
Unrealized foreign exchange loss (gain) (note 15)	16	93	(14)	(30)
Non-cash interest income	(18)	-	(53)	-
Fair value adjustment of derivatives (note 11)	-	4	21	11
	3,132	887	1,967	(1,907)
Net change in non-cash working capital items (note 18)	(3,521)	(1,430)	(4,227)	(1,343)
Cash generated from (used in) operating activities	(389)	(543)	(2,260)	(3,250)
Investing activities				
Purchase of property and equipment	(520)	(312)	(1,573)	(1,295)
Proceeds on sale of property and equipment	28	-	101	49
Purchase of long-term investments	-	-	-	(2,156)
Cash used in investing activities	(492)	(312)	(1,472)	(3,402)
Financing activities				
Repayment of long term debt (note 9)	(464)	(457)	(464)	(457)
Repayment of finance lease obligations (note 19)	(185)	(163)	(559)	(466)
Interest paid	(87)	(146)	(423)	(468)
Repayment of convertible debentures	-	-	(3,589)	-
Cash (used in) generated from financing activities	(736)	(766)	(5,035)	(1,391)
Foreign exchange effect on cash	8	41	(5)	57
Decrease in cash	(1,609)	(1,580)	(8,772)	(7,986)
Cash beginning of period	3,519	13,826	10,682	20,232
Cash end of period	\$ 1,910	\$ 12,246	\$ 1,910	\$ 12,246

Q3 & YTD Financial Highlights



Revenue

\$20.4M in Q3 vs \$11.6 in 2022 – 76% increase
\$33.7M YTD vs \$20.7M in 2022 – 63% increase



Adjusted EBITDA

\$3.2M in Q3 vs \$0.9M in 2022 - \$2.3M improvement
\$2.1M YTD vs \$-1.9M in 2022 - \$4.0M improvement



Gross margins

\$4.6M (23%) in Q3 vs \$2.2M in 2022 - \$2.4M improvement
\$6.5M (19%) YTD vs \$2.0M in 2022 - \$4.5M improvement



Cashflow from Operations*

\$3.1M in Q3 vs \$0.9M in 2022 - \$2.2M improvement
\$2.0M YTD vs \$-1.9M in 2022 - \$3.9M improvement

**Cashflow from operations before working capital changes*



Operating income (loss)

\$2.5M in Q3 vs \$0.3 million in 2022 - \$2.2M improvement
\$0.4M YTD vs (\$3.5) million in 2022 - \$3.9M improvement



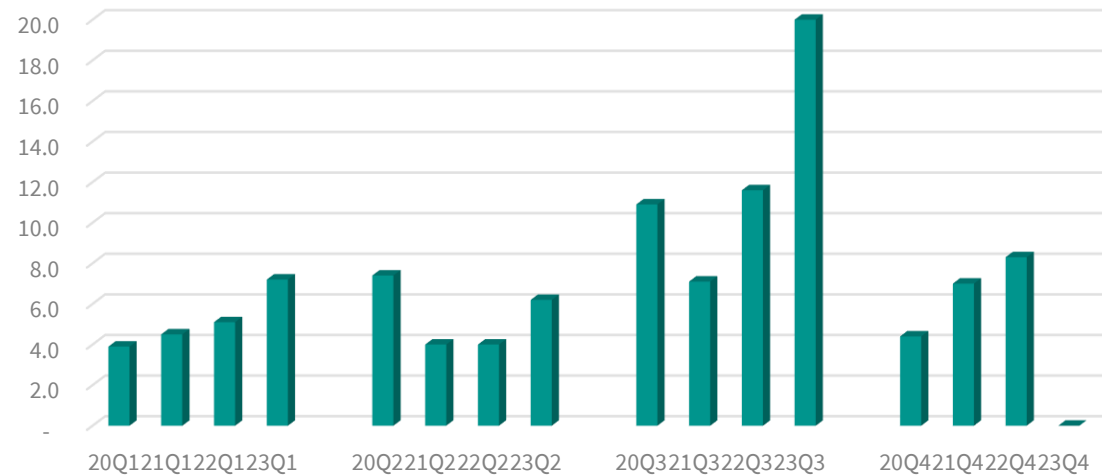
Cash

On hand as of September 30th is \$1.9 million

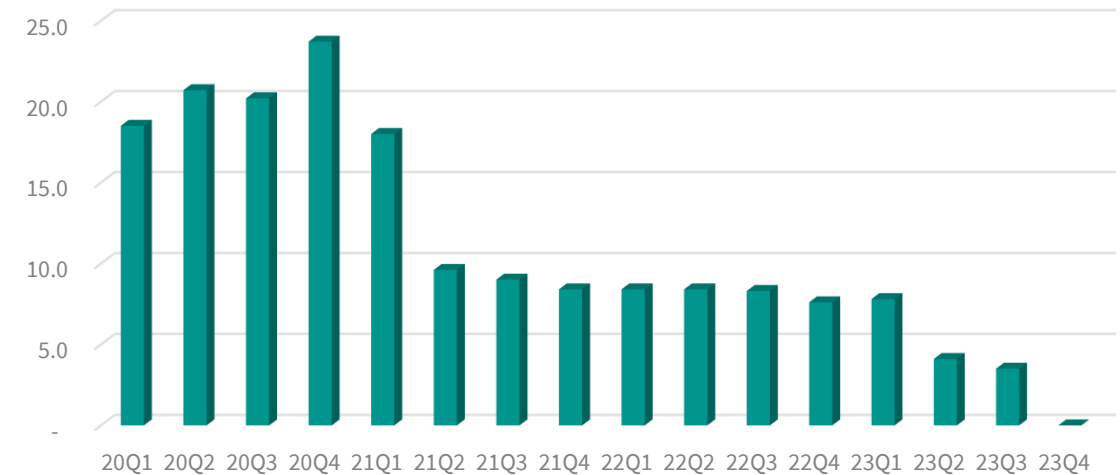
Financial Trends

STRONG ORGANIC GROWTH, SIGNIFICANT DEBT REDUCTION, SIMPLIFIED CAPITAL STRUCTURE

Revenue by Quarter



All borrowings by Quarter



Capital Structure

	Q4 2022	Q1	Q2	Q3
Common Shares Outstanding	133,939,938	133,939,938	134,381,452	134,433,452
Stock Options outstanding	4,465,000	4,603,333	5,215,000	4,405,000
RSUs outstanding	980,695	890,545	1,061,465	983,149
	139,385,633	139,433,816	140,657,917	139,821,601
Regular Warrants outstanding	20,067,717	1,667,725	-	-
Unit Warrants Outstanding	5,608,602	908,300	-	-
Apr 2020 Convertible Debentures	13,458,750	13,458,750	-	-
Fully Diluted	178,520,702	155,468,591	140,657,917	139,821,601

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Thank You