



CEMATRIX Announces 2020 Fourth Quarter and Annual Results

Calgary, Alberta – April 14, 2021 – 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, 2020.

“We are pleased to report to our shareholders that 2020 was another year of record revenue, despite the very challenging global pandemic (“COVID”),” stated Jeff Kendrick, President and CEO of CEMATRIX. “I want to thank all our employees at CEMATRIX, particularly our field staff, for staying safe and making our success possible through hard work and dedication. The early impacts from the COVID situation were minimal as our business was considered an essential service in North America. As the year continued, particularly the fourth quarter, we experienced project delays in response to the COVID situation. The reduction in sales due to project delays was particularly evident in Canada where Canadian sales were down 50% from the previous year. Fortunately, no CEMATRIX projects were cancelled anywhere in North America.”

“Despite the challenging business climate, CEMATRIX was able to maintain our staff levels, leaving the Company well positioned for growth, including a strong growing backlog of \$94.4 million, and the backing of our recently completed \$23 million financing. The funds raised in this financing will enable CEMATRIX to accelerate its strategic plan, including the repayment of high interest debt, regional expansion and the pursuit of acquisitions that will add to the company’s growth and value,” concluded Mr. Kendrick.

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

Business highlights for the year:

- In February 2020, CEMATRIX announced that it was awarded one of the largest ever tendered projects in the cellular concrete market in North America, a \$12.3 million U.S. infrastructure project in North Carolina
- In April 2020, in the midst of the growing COVID crisis, CEMATRIX successfully completed a convertible debenture financing in the amount of \$5.5 million
- In December 2020, CEMATRIX was awarded an even larger U.S. project, a \$23.5 million USD infrastructure project in Missouri
- Subsequent to year end, in March of 2021, CEMATRIX completed an equity financing in the amount of \$23 million in gross proceeds to support its plans for regional growth in the U.S. and its continued pursuit of acquisition opportunities

Financial highlights for the fourth quarter:

- Revenue decreased to \$4.4 million in Q4 2020 versus \$5.3 million in Q4 2019 due to project delays resulting from the pandemic
- Operating Loss in Q4 2020 increased to \$1.5 million versus \$0.5 million in Q4 2019
- Adjusted EBITDA decreased to \$1.3 million in Q4 2020 versus \$2.9 million in Q4 2019
- Cash generated from operating activities increased to \$1.1 million in Q4 2020 versus \$0.6 million in Q4 2019

Unusual one-time / non-cash item in the fourth quarter and the year:

- In the fourth quarter, the Corporation recorded a \$6.0 million non-cash fair value adjustment expense and a corresponding increase in current liabilities under the current portion of

convertible debt – non-cash derivative liability due to the IFRS accounting treatment for imbedded derivatives related to the MOS convertible note. The adjustment is due to the increase in the price of the Company's shares compared to the conversion price of the note. The closing share price on December 31, 2020 was \$0.72 per share, as compared to the stated convertible share price at acquisition of \$0.2375 per share. The convertible note matures on May 31, 2021 and will be repaid or converted to equity on that date. In the event that the MOS convertible note is repaid, the fair value adjustment will be reversed, thus resulting in a corresponding \$6.0 million gain to be recorded in Q2 2021. In the event that the MOS convertible note is converted, the non-cash derivative liability will be reclassified to equity and not flow through the income statement.

Financial highlights for the year:

- Revenue grew to \$26.6 million versus \$22.6 million in 2019 marking the third consecutive year of revenue growth
- Operating loss increased to \$0.9 million versus operating income of \$0.4 million in 2019
- Adjusted EBITDA decreased to \$1.3 million versus \$2.9 million in 2019
- Cash generated from operating activities increased to \$1.7 million versus \$0.9 million in 2019

Financial position highlights for the year:

- Cash of \$2.5 million versus \$0.8 million in 2019
- Adjusted Working Capital of \$3.1 million versus \$3.2 million in 2019
- The company repaid all of its US operating loans in 2020. These US operating loans totalled \$2.2 million on December 31, 2019
- The company balance on its CWB Canadian credit facility was \$0.1M (as at December 31) versus \$0.9 million in 2019 (as at December 31)

Subsequent to quarter end important events:

- Recognized as TSX Venture 50 company for the second consecutive year (February 25)
- Announced new project awards of \$9.9 million and a growing backlog to \$89.1 million (March 1, 2021)
- Announced the closing of a \$23 million public offering (March 18, 2021)
- Announced new project awards of \$6.0 million and a growing backlog to \$94.4 million (March 31, 2021)

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.

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