



CEMATRIX Announces 2023 Second Quarter Financial Results

Revenue of \$6.2 million, 55% increase compared to Q2 2022

Calgary, Alberta – August 9, 2023 – CEMATRIX Corporation (TSXV: CVX) (OTCQB: CXXXF) ("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 quarter ended June 30, 2023.

“In line with our expectations and following the momentum from a great first quarter, we saw continued improvement in many of our key financial metrics in the second quarter of 2023,” stated Jeff Kendrick, President and CEO of CEMATRIX. “Revenue for the quarter was \$6.2 compared to \$4.0 million the previous year, a 55% increase. Gross margins improved significantly to \$1.1 million (18%) compared to \$-0.1 (-3%) million in Q2 of the previous year. In addition, our backlog (of projects to be delivered) continues to grow, a reflection of the hard work and demonstrating the success of our sales teams and our sales strategies.”

“We remain steadfast in our belief that 2023 will be the best year in the history of the Company. We are set up for a record second half in terms of work scheduled to be completed for our customers. We are on track for record revenue and a return to profitability,” continued Mr. Kendrick.

“In the second quarter, we repaid all of the outstanding convertible debentures. At the same time, all of our outstanding regular and broker warrants expired. Our capital structure is now significantly de-levered and much simpler versus prior years. This makes our capital structure easier to understand for investors and dramatically reduces CEMATRIX’s financial risk profile. As a result of our efforts to de-lever the balance sheet, the Company estimates savings of approximately \$1.2 million in annual cash interest costs,” stated Randy Boomhour, CFO of CEMATRIX.

“As always, I want to thank all of our employees at CEMATRIX, particularly our field staff, for staying safe and delivering a quality product to our customers. Our employees continue to make our success possible through hard work and dedication and we will look to them to keep up the good work for the rest of the year,” stated Mr. Kendrick.

“We remain focused on becoming a growing, cashflow positive company through strong organic growth, coupled with a strong and de-levered balance sheet, and a simple capital structure. We are strongly aligned with shareholders. I remain incredibly optimistic about this year and the future,” concluded Mr. Kendrick.

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

Business highlights for the Quarter:

- Announced \$6.0 million in new contracts and backlog of \$93.2 million (April 26, 2023)
- Announced Management Perspectives – Uniquely positioned for 2023 and Beyond (May 2, 2023)
- Announced \$5.9 million in new contracts and backlog of \$95.7 million (June 6, 2023)

Business highlights subsequent to the Quarter:

- Announced \$5.9 million in new contracts and backlog of \$99.4 million (July 19, 2023)

Financial highlights for the second quarter:

- Revenue was \$6.2 million in Q2 2023 versus \$4.0 million in Q2 2022 (an increase of 55%)
- Gross margin was \$1.1 million (18%) in Q2 2023 versus \$-0.1 million in Q2 2022 (an improvement of \$1.2 million)
- Operating loss was \$1.0 million in Q2 2023 versus a \$2.0 million loss in Q2 2022 (an improvement of \$1.0M or 52%)
- Adjusted EBITDA was negative \$0.4 million in Q2 2023 versus negative \$1.3 million in Q2 2022 (an improvement of \$0.9M or 69%)
- Cashflow from operations was negative \$1.6 million in Q2 2023 versus negative \$2.0 million in Q2 2021 (an improvement of \$0.4M or 20%)

Financial highlights for the six months ended June 30th (year to date results):

- Revenue was \$13.4 million in YTD 2023 versus \$9.1 million in YTD 2022 (an increase of 47%).
- Gross margin was \$1.9 million (14%) in YTD 2023 versus \$-0.1 million in YTD 2022 (an improvement of \$2.0 million)
- Operating loss was \$2.1 million in YTD 2023 versus a loss of \$3.8 million YTD 2022 (an improvement of \$1.7 million or 45%).
- Adjusted EBITDA was negative \$1.2 million in YTD 2023 versus negative \$2.8 million in YTD 2022 (an improvement of \$1.6 million or 61%).
- Cashflow from operations was negative \$1.9 million in YTD 2023 versus negative \$2.7 million used in YTD 2022 (an improvement of \$0.8M or 31%).
- Working capital as at the end of the June 30 was \$6.4 million with \$3.5 million in cash.

ABOUT CEMATRIX

CEMATRIX is a rapidly growing 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.

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