



## NEWS RELEASE

### OMNI-LITE INDUSTRIES REPORTS THIRD QUARTER FISCAL 2021 RESULTS AND ANNOUNCES

#### CONFERENCE CALL FOR INVESTORS TO BE HELD ON TUESDAY, NOVEMBER 23, 2021

- ❖ Third Quarter Fiscal 2021 Revenue of US\$1.6 million, an increase of 36% compared to Second Quarter Fiscal 2021 and comparable to Third Quarter Fiscal 2020
- ❖ Adjusted EBITDA loss of US\$66,000, representing a 76% reduction over the year ago fiscal quarter despite comparable revenues in both fiscal quarters
- ❖ Third Quarter Fiscal 2021 Bookings of US\$1.7 million, representing a Book-to-Bill ratio of 1.06
- ❖ Quarter End Backlog of US\$1.8 million, as compared to US\$1.7 million at the End of Second Quarter Fiscal 2021
- ❖ Year to Date Free Cash Flow Use of US\$176,000, despite a 24% decrease in revenues

**TSXV: OML**

**OTCQX: OLNCF**

**LOS ANGELES, CALIFORNIA, NOVEMBER 22, 2021** - Omni-Lite Industries Canada Inc. (the "Company" or "Omni-Lite"; TSXV: OML) today reported results for the fiscal third quarter ending September 30, 2021. Full financial results are available at [sedar.com](http://sedar.com).

#### **Third Quarter Fiscal 2021 Results**

Revenue for the third quarter of 2021 was approximately US\$1.6 million, an increase of approximately 36% as compared to the second quarter of 2021, and flat as compared to the third quarter of 2020. The increase in revenue compared to the second quarter of 2021 was due to increases in commercial aerospace and defense electronics revenue. Backlog increased from US\$1.7 million at end of the second quarter fiscal 2021 to US\$1.8 million at the end of third quarter fiscal 2021, driven by a book-to-bill ratio of [1.06]. Adjusted EBITDA<sup>(1)</sup> loss of approximately US\$(66,000) was an improvement of US\$192,000 over the second quarter of 2021 and an improvement of US\$206,000, or a 76% reduction, as compared to the third quarter of 2020. Free Cash Flow<sup>(1)</sup> was a use approximately US\$236,000 in the third quarter, as compared to a use of approximately US\$93,000 in the second quarter of 2021, driven primarily by increased working capital resulting from sequential quarterly revenue increase.

Subsequent to the Company's fiscal 2021 third quarter end, Omni-Lite was awarded firm orders valued in excess of US\$250,000 for military-use forged components used in consumable munition applications. The delivery of these orders is expected to occur over the next two years with the potential for follow-on contract opportunities. A key aspect of these contract wins was the Company's expansion of its sales channels in the European defense market with the appointment of a new reseller partner that could lead to further penetration of defense and commercial customer accounts in this strategic market for Omni-Lite.



## Management Comments

David Robbins, Omni-Lite’s CEO, stated "Omni-Lite Industries sales in third quarter fiscal year 2021 reflected the start of some recovery in the commercial aerospace market and an increase in defense electronics platform wins. A continuation of these trends including the expansion in the broader European markets would enable the Company to return to normalized positive adjusted EBITDA margins. We continue to focus on operational efficiency and performance and look to capitalize on increased needs for reliable suppliers to support production needs; and, our balance sheet and liquidity position remains strong. The Company ended the third quarter of fiscal 2021 with approximately US\$1.4 million in cash and approximately US\$1.5 million available under its revolving credit facility. We continue to evaluate M&A opportunities and are progressing with our efforts to monetize our real estate holding to fuel potential in this area," remarked, Mr. Robbins.

## Financial Summary

All figures in (US\$000) unless noted.

	<b>For the three months ended September 30, 2021</b>	<b>For the three months ended September 30, 2020</b>
Revenue	\$1,631	\$1,631
Adjusted EBITDA <sup>(1)</sup>	(66)	(272)
Free Cash Flow <sup>(1)</sup>	(236)	(217)
Net (Loss)	(204)	(410)
Diluted EPS	(\$0.02)	(\$0.04)

	<b>For the nine months ended September 30, 2021</b>	<b>For the nine months ended September 30, 2020</b>
Revenue	\$4,101	\$5,399
Adjusted EBITDA <sup>(1)</sup>	(458)	(218)
Free Cash Flow <sup>(1)</sup>	(457)	(242)
Net (Loss)	(1,006)	(761)
Diluted EPS	(\$0.09)	(\$0.07)



(1) Adjusted EBITDA is a non-IFRS financial measure defined as earnings before interest, taxes, depreciation, amortization, stock-based compensation provision, gains (losses) on sale of assets, and non-recurring items, if any. Free Cash Flow is a non-IFRS financial measure defined as cash flow from operations minus capital expenditures. These are non-IFRS financial measures, as defined herein, and should be read in conjunction with IFRS financial measures and they are not intended to be considered in isolation or as a substitute for, or superior to, financial information prepared and presented in accordance with IFRS. The non-IFRS financial measures as used herein may not be comparable to similarly titled measures reported by other companies. We believe the use of Adjusted EBITDA and Free Cash Flow along with IFRS financial measures enhances the understanding of our operating results and may be useful to investors in comparing our operating performance with that of other companies and estimating our enterprise value. Adjusted EBITDA and Free Cash Flow are also useful tools in evaluating the operating results of the Company given the significant variation that can result from; for example, the timing of capital expenditures and the amount of working capital in support of our customer programs and contracts. We also use Adjusted EBITDA and Free Cash Flow internally to evaluate the operating performance of the Company, to allocate resources and capital, and to evaluate future growth opportunities.

Please see Third Quarter 2021 Management Discussion and Analysis for additional notes and definitions.

### **Investor Conference Call**

Omni-Lite will host a conference call for investors on Tuesday, November 23, 2021, beginning at 11 A.M. Eastern Time to discuss the first quarter of fiscal 2021 results and review of its business and operations. To join the conference call, (888) 437-3179 in the USA and Canada, or (862) 298-0702 for all other countries. Please call five to ten minutes prior to the scheduled start time. A replay of the conference call will be available 48 hours after the call and archived on the Company's investors page of the Company's website at [www.omni-lite.com](http://www.omni-lite.com) for 12 months.

### **About Omni-Lite Industries Canada Inc.**

Omni-Lite Industries Canada Inc. is an innovative company that develops and manufactures mission critical, precision components utilized by Fortune 100 companies in the aerospace and defense industries.

### **For further information, please contact:**

Mr. David Robbins  
Chief Executive Officer  
Tel. No. (562) 404-8510 or (800) 577-6664  
Email: [d.robbs@omni-lite.com](mailto:d.robbs@omni-lite.com)  
Website: [www.omni-lite.com](http://www.omni-lite.com)

### **Forward Looking Statements**

Except for statements of historical fact, this news release contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intent", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking information in this press release includes, but is not limited to, the expected future performance of the Company. Although we believe that the



expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. We cannot guarantee future results, performance or achievements. Consequently, there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the forward-looking information. Forward-looking information is based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking information. Some of the risks and other factors that could cause the results to differ materially from those expressed in the forward-looking information include, but are not limited to: general economic conditions in Canada, the United States and globally; industry conditions, governmental regulation, including environmental consents and approvals, if and when required; stock market volatility; competition for, among other things, capital, skilled personnel and supplies; changes in tax laws; and the other risk factors disclosed under our profile on SEDAR at [www.sedar.com](http://www.sedar.com). Readers are cautioned that this list of risk factors should not be construed as exhaustive.

The forward-looking information contained in this news release is expressly qualified by this cautionary statement. We undertake no duty to update any of the forward-looking information to conform such information to actual results or to changes in our expectations except as otherwise required by applicable securities legislation. Readers are cautioned not to place undue reliance on forward-looking information.

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