



**NEWS RELEASE**  
**OMNI-LITE INDUSTRIES REPORTS FOURTH QUARTER AND FISCAL 2023 RESULTS**  
**AND**  
**CONFERENCE CALL FOR INVESTORS: APRIL 19, 2024, AT 11:00 AM EDT**

- ❖ **Fiscal 2023 Marks a Return to Organic Revenue Growth and Positive EBITDA<sup>(1)</sup>**
- ❖ **Record Breaking Backlog of US\$7.0 million, Almost Doubling the Prior Year Performance**
- ❖ **Q1 of Fiscal 2024 Expected to Show Strong Revenue Growth**

**TSXV: OML**  
**OTCQX: OLNCF**

**LOS ANGELES, CALIFORNIA, April 18, 2024** - Omni-Lite Industries Canada Inc. (the "Company" or "Omni-Lite"; TSXV: OML) today reported results for the fourth quarter and fiscal year ending December 31, 2023. Full financial results are available at [sedar.com](https://www.sedar.com).

**Fourth Quarter Fiscal 2023 Results**

Revenue for the fourth quarter of fiscal 2023 was approximately US\$3.3 million, an increase of 6% as compared to the fourth quarter of fiscal 2022. The increase in revenue was largely due to organic growth in our electronic components business.

Adjusted EBITDA<sup>(1)</sup> was approximately US\$78,000 as compared to approximately US\$(270,000) in the fourth quarter of fiscal 2022. The Company's balance sheet remains strong with US\$1.1 million in cash and no debt outstanding.

Net income for the quarter was US\$477,000, or US\$0.03 per diluted share, which was impacted by two non-recurring items. In the quarter, the Company recorded a US\$467,000 reduction in the goodwill associated with its acquisition of Designed Precision Casting ("DP Cast") in 2021. The Company also recorded a net income inclusion of US\$852,000 related to its loan to California Nanotechnologies ("Cal Nano"). The Cal Nano loan was fully reserved for in 2019 due to Cal Nano's uncertain outlook at that time. Since then, Cal Nano has demonstrated much improved performance and financial results and reduced the loan outstanding. Accordingly, the valuation of the reserve was reversed which reflects the current outstanding loan balance.

Bookings in the fourth quarter of 2023 were approximately US\$4.3 million, up 48% as compared to the fourth quarter of fiscal 2022. As a result, the backlog at December 31, 2023, was approximately US\$7.0 million, a historic high for the Company and a 91% increase from US\$3.7 million as at December 31, 2022.



## **Fiscal Year 2023 Results**

Revenue for the fiscal year ending December 31, 2023, was approximately US\$12.4 million, as compared to US\$11.1 million in the prior year, an increase of 11%. Adjusted EBITDA<sup>(1)</sup> was approximately US\$445,000 as compared to approximately US\$(1,128,000) in the prior year. The increase of approximately US\$1.6 million in Adjusted EBITDA<sup>(1)</sup> was primarily due to higher utilization of direct labor, reduction in S,G&A and indirect labor, as well as better utilization of other fixed costs. Adjusted Free Cash Flow<sup>(1)</sup> was US\$534,000, which was after capital expenditures of approximately US\$153,000, as compared to US\$(639,000) in 2022.

Omni-Lite reported a 2023 net income of US\$90,000, or US\$0.01 per diluted share, as compared to a net loss of US\$2.6 million or US\$(0.17) per diluted share in fiscal year ended December 31, 2022.

Bookings for the year were US\$15.7 million, resulting in a book-to-bill ratio of 1.27:1.

## **Management Comments**

David Robbins, Omni-Lite's CEO, stated "2023 was a turnaround year for Omni-Lite. We achieved solid organic revenue growth and materially grew our backlog to historically high levels. Importantly, we returned to both positive Adjusted EBITDA<sup>(1)</sup> and positive Adjusted Free Cash Flow<sup>(1)</sup>.

"While we made good progress in 2023 on profitability, we expect further improvement during 2024. Notably, DP Cast had a negative financial impact on 2023, but is currently on an improvement trajectory. We expect DP Cast to make a positive EBITDA contribution in second or third quarter of 2024. The decision to reduce the DP Cast goodwill was made based on casting business not having yet passed a contribution threshold in 2023, but we see light at the end of the tunnel as DP Cast is on pace to be an important and durable contributor to Omni-Lite's platform."

"We also anticipate continuing organic revenue growth driven by conversion of backlog and strength in our bookings pipeline. We finished 2023 with a well-balanced and record level backlog of US\$7 million. In 2024, we look forward to revenue from new product production from orders booked in 2023 driving sales growth and look to capitalize on continued new engineering orders and anticipated further increases in aerospace and defense bookings in 2024."

"We are pleased with Cal Nano's progress and our investment, a combination of senior secured loan and common shares in Cal Nano; it is a very meaningful asset of Omni-Lite. While we remain supportive of Cal Nano, we'll continue to monitor and evaluate our investment in the context of our capital allocation needs, and to date, our investment has been a positive for Omni-Lite."

"We recently completed our first quarter of the 2024 fiscal year. While we will not be in a position to release our financial results until mid-May, the Company expects to generate sequential quarterly revenue growth of over 30% from fiscal Q4 2023."



## Financial Summary

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

	For the Three Months Ended December 31,		For the Twelve Months Ended December 31,	
	2023	2022	2023	2022
Revenue	\$3,310	\$3,112	\$12,407	\$11,137
Adjusted EBITDA <sup>(1)</sup>	78	(270)	445	(1,128)
Free Cash Flow <sup>(1)</sup>	(\$93)	\$125	\$534	\$1,228
Non-Recurring Items	-	-	-	589
Adjusted Free Cash Flow <sup>(1)</sup>	(\$93)	\$125	\$534	(\$639)
Net Income (Loss)	477	(\$1,016)	90	(\$2,553)
Diluted EPS	\$0.03	(\$0.07)	\$0.01	(\$0.17)

## Investor Conference Call

Omni-Lite will host a conference call for investors on April 19, 2024, beginning at 11:00 A.M. (EDT) to discuss the Fiscal 2023 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.

- (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. Adjusted Free Cash Flow is a non-IFRS financial measure defined as Free Cash Flow excluding special items, among others, gains (losses) on sale of assets and non-recurring items, net of tax effects, if any. 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 used herein may not be comparable to similarly titled measures reported by other companies. We believe the use of Adjusted EBITDA, Adjusted Free Cash Flow 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.*
- (2) *Excluded items from Fiscal 2022 Adjusted Free Cash Flow<sup>(1)</sup> included approximately US\$29,000 in transaction costs associated with the acquisition of DP Cast and a non-recurring capital gain tax payment of approximately US\$560,000 related to the 2021 sale/leaseback of the Company's Cerritos facility.*



*Adjusted EBITDA, Adjusted Free Cash Flow 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, Adjusted Free Cash Flow 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 2023 Management Discussion and Analysis for additional notes and definitions.

### **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.

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