

# Atlas Engineered Products Reports Third Quarter 2025 Financial and Operating Results, Including YoY Revenue Increase of 23% in Q3 and 10% YTD

NANAIMO, BC, Nov. 24, 2025 /CNW/ - Atlas Engineered Products ("AEP" or the "Company") (TSXV: AEP) (OTC Markets: APEUF) is pleased to announce its financial and operating results for the three and nine months ended September 30, 2025. All amounts are presented in Canadian dollars.

## Financial and Operating Highlights

- Revenue of \$20.3M & \$45M, representing a 23% and 10% increase, period over period, for the three and nine months ended September 30, 2025
- 11% increase in board footage manufacturing of trusses, period over period, for the nine months ended September 30, 2025
- Acquisition of Penn-Truss Manufacturing Inc. ("Penn-Truss") expanding the Company's national footprint to Saskatchewan, Canada
- Deposits have been placed on automation equipment for the new facility in Clinton, ON
- Cash on hand of \$3.75M with access to an additional \$7.5M through the line of credit facility

Hadi Abassi, President, CEO, and Founder stated: "I remain deeply impressed by the dedication and achievements of the AEP team. The third quarter marked a period of strong performance, with revenue increasing by 23% over the same period last year and truss board footage up 11% for the year to date. While we continued to navigate a competitive market environment, our sales team's assertive efforts resulted in order generation and sustained high production levels. The successful acquisition of Penn-Truss has expanded our national footprint into Saskatchewan and positions us well for further growth. We are encouraged by record quotation activity, which has increased by 36%, or \$55.5 million, year-to-date as of September 30 compared to prior period, providing us with visibility and confidence for the remainder of 2025 and into 2026."

On June 24, 2025, the Company acquired 100% of the issued and outstanding shares in Penn-Truss in Saltcoats, Saskatchewan for \$3.8 million in cash plus a working capital adjustment to be determined. \$760,000 of the purchase price will be due nine months post-closing and \$760,000 in cash or shares of AEP at the discretion of AEP and based on the performance of Penn-Truss for fiscal 2025. This acquisition aligned with the Company's strategic acquisition plan and expands the Company's geographical footprint with its first location in Saskatchewan.

Revenue for the three and nine months ended September 30, 2025 was \$20,331,585 and \$44,995,448 compared to revenue of \$16,550,911 and \$40,759,108 for the three and nine months ended September 30, 2024. Revenue has increased due to acquisitive growth, organic growth related to walls from the beginning of the year and the increase in roof and floor trusses. The Company has seen an increase in manufacturing metrics, but due to the competitive market, sales prices are still lower than the same period in 2024.

Gross profit for the three and nine months ended September 30, 2025 was \$4,508,430 and \$8,574,964 compared to \$4,084,663 and \$9,954,708 for the three and nine months ended September 30, 2024. Gross profits increased for the three months ended September 30, 2025 due to the increased revenues from acquisitive and organic growth. Gross profits decreased for the nine months ended September 30, 2024 due to the competitive market that has lowered the sales price in order to maintain and gain market share.

Net income after taxes was \$1,865,090 and \$310,733 for the three and nine months ended September 30, 2025 compared to net income after taxes of \$914,458 and \$626,600 for the three and nine months ended September 30, 2024. Net income after taxes has increased for the three-month period compared to the prior period due to the increase in revenues and the gain on bargain purchase as the current estimate purchase price allocation for Penn-Truss. Net income after taxes has decreased for the nine-month period compared to the prior period. Impacting profitability for both the three- and nine-month periods was a reduction in gross margins driven by a competitive market and several expenses related to acquisitions and the automation facility that could not be capitalized, such as legal fees, travel costs, appraisals, etc. These are all impacting on the net income for the period but are added back for normalized EBITDA.

Non-IFRS measure normalized EBITDA for the three and nine months ended September 30, 2025 was \$3,322,317 and \$5,012,919, compared to \$3,051,187 and \$6,285,693 for the three and nine months ended September 30, 2024. Normalized EBITDA for the three months ended September 30, 2025 increased compared to the three months ended September 30, 2024 due to the increase in net income and the one-time costs that increased due to the acquisition costs and credit facility updates. Normalized EBITDA decreased for the nine months ended September 30, 2025 compared to the nine months ended September 30, 2024 due to a higher net loss resulting from a competitive market impacting pricing, as well as an additional removal of the gain on bargain purchase related to the Penn-Truss acquisition.

## Selected Financial Results

SELECTED FINANCIAL RESULTS	Three Months Ended		Nine Months Ended	
	Sept 2025	Sept 2024	Sept 2025	Sept 2024
Revenues	\$20,331,585	\$16,550,911	\$44,995,448	\$40,759,108
Cost of Sales	15,823,155	12,466,248	36,420,484	30,804,400
<b>Gross Profit</b>	<b>4,508,430</b>	<b>4,084,663</b>	<b>8,574,964</b>	<b>9,954,708</b>
Gross Margin %	22 %	25 %	19 %	24 %
Operating Expenses	2,864,924	2,487,764	8,248,511	7,747,287
<b>Operating Profit</b>	<b>1,643,506</b>	<b>1,596,899</b>	<b>326,453</b>	<b>2,207,421</b>
Net income After Adjustments and Taxes	1,865,090	914,458	310,733	626,600
<b>Adjusted EBITDA</b>	<b>3,153,605</b>	<b>3,046,469</b>	<b>4,515,605</b>	<b>6,280,975</b>
Adjusted EBITDA Margin %	16 %	18 %	10 %	15 %
<b>Normalized EBITDA</b>	<b>3,322,317</b>	<b>3,051,187</b>	<b>5,012,919</b>	<b>6,285,693</b>
Normalized EBITDA Margin %	16 %	18 %	11 %	15 %
Weighted Average Number of Shares, Basic	70,250,747	70,385,477	70,359,047	63,217,680
Adjusted EBITDA per Share (\$ per share)	0.04	0.04	0.06	0.10
Income per Share, Basic (\$ per share)	0.03	0.01	0.00	0.01
Income per Share, Fully Diluted (\$ per share)	0.03	0.01	0.00	0.01

Selected Financial Information as at:		
	Sept 2025	Dec 2024
Total Assets	\$85,145,164	\$80,707,175
Total Non-Current Liabilities	22,800,835	24,335,689

## Outlook for 2025

Quoting has continued to increase by almost 36%, or \$55.5 million, from January to September 2025 compared to the same period in 2024 and excluding the two acquisitions in 2025. However, while orders have been steady, a lot of the quoting activity are jobs that are being held currently. The Company anticipates that orders will increase in the 2026 construction season as government incentives and programs for the construction industry continue to be announced. Additionally, the ongoing housing shortage in Canada continues to intensify, contributing further pressure on the construction sector. AEP is continuing to prepare for a potential rapid shift in the market by investing in automation efficiency, training an aggressive and proactive salesforce, and expanding manufacturing capacity.

Quarterly results improved as expected, reflecting construction industry seasonality. Second quarter 2025 was unusually low due to tariffs and political uncertainty, but third quarter 2025 outperformed the same period in 2024. The Company expects fourth quarter performance to align with these

recent positive trends when compared to the same three-month period in 2024.

SUMMARY OF QUARTERLY REVENUES & GROSS MARGINS	Sept 2025	June 2025	Mar 2025
Revenues	\$20,331,585	\$13,653,148	\$11,010,715
% increase (decrease) over previous quarter	49 %	24 %	
Gross Margin	22 %	17 %	16 %
% increase (decrease) over previous quarter	30 %	8 %	

AEP believes that the future of the industry will be defined by highly automated manufacturing facilities capable of producing greater volumes at reduced costs. Construction of the new automation facility in Ontario continues to progress on time and will be ready for the automation equipment's anticipated arrival in Q2 2026. The Company has put initial deposits on the equipment required, which includes an automated saw that will feed into the robotic system. The equipment is anticipated to arrive in the second quarter of 2026 and be installed and operational for the third quarter of 2026.

Updated appraisals for the Clinton, Satellite, and South Central properties were completed during the period. While not reflected in the financial statements as per International Financial Reporting Standards, their appraised value increased from \$2.19M to \$5.01M. The updated appraisal values for the three locations above plus the original cost on the remaining properties, including the construction costs up to the nine months ended September 30, 2025 for the new automation facility, total roughly \$19M in land and buildings.

## Conference Call

AEP will host a conference call to discuss the results today, November 24, 2025 at 11:00am EST (8:00am PST). The call will be hosted by Hadi Abassi, CEO & President, Founder, and Melissa MacRae, CFO. Details to join this conference call are below.

Date: Monday, November 24, 2025

Time: 11:00am EST (8:00am PST)

Webinar Link: <https://atlasaep.ca/91Dd81ka1>

Meeting ID: 236 931 056 134 4

Passcode: zh6EU3Jc

## Non-GAAP / Non-IFRS Financial Measures

Certain financial measures in this news release do not have any standardized meaning under IFRS and, therefore are considered non-IFRS or non-GAAP measures. These non-IFRS measures are used by management to facilitate the analysis and comparison of period-to-period operating results for AEP and to assess whether AEP's operations are generating sufficient operating cash flow to fund working capital needs and to fund capital expenditures. As these non-IFRS measures do not have any standardized meaning under IFRS, these measures may not be comparable to similar measures presented by other issuers. The non-IFRS measures used in this news release may include "EBITDA", "EBITDA margin", "adjusted EBITDA", "adjusted EBITDA margin", "normalized EBITDA" and "normalized EBITDA margin". For a description of the composition of these measures, please refer to AEP's Management's Discussion and Analysis for the three and nine months ended September 30, 2025 under "Non-IFRS / Non-GAAP Financial Measures", available on AEP's website at [www.atlasengineeredproducts.com](http://www.atlasengineeredproducts.com) or on SEDAR at [www.sedar.com](http://www.sedar.com).

## About Atlas Engineered Products Ltd.

AEP is a growth company that is acquiring and operating profitable, well-established operations in Canada's truss and engineered products industry. We have a well-defined and disciplined acquisition and operating growth strategy enabling us to scale aggressively and apply new technologies, giving us a unique opportunity to consolidate a fragmented industry of independent operators.

## **FORWARD LOOKING INFORMATION**

*Information set forth in this news release contains forward-looking statements. These statements reflect management's current estimates, beliefs, intentions and expectations; they are not guarantees of future performance. Although AEP believes that the expectations reflected in the forward looking statements are reasonable, there is no assurance that such expectations will prove to be correct, or that such future events will occur in the disclosed time frames or at all. AEP cautions that all forward looking statements are inherently uncertain and that actual performance may be affected by a number of material factors, many of which are beyond AEP's control. Such factors include, among other things: risks and uncertainties related to the housing market, changes in interest rates and other risks and uncertainties relating to AEP, including those described in the Management's Discussion and Analysis ("MD&A") for AEP's three and nine months ended September 30, 2025. Accordingly, actual and future events, conditions and results may differ materially from the estimates, beliefs, intentions and expectations expressed or implied in the forward-looking information. Except as required under applicable securities legislation, AEP undertakes no obligation to publicly update or revise forward-looking information.*

## **SELECTED FINANCIAL INFORMATION**

*Except as noted below, the financial information provided in this news release is derived from the AEP's audited financial statements for the three and nine months ended September 30, 2025 and the related notes thereto as prepared in accordance with International Financial Reporting Standards ("IFRS") and related IFRS Interpretations Committee ("IFRICs") as issued by the International Accounting Standards Board ("IASB"). A copy of AEP's financial statements for the three and nine months ended September 30, 2025 and the related Management's Discussion and Analysis is available on AEP's website at [www.atlasengineeredproducts.com](http://www.atlasengineeredproducts.com) or on SEDAR at [www.sedar.com](http://www.sedar.com).*

*Financial information for AEP's acquisitions are included in AEP's unaudited financial statements from the date of acquisition. Financial information for acquired businesses for periods prior to the date of acquisition were prepared by management and have not been reviewed or audited by independent auditors.*

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