

May 15, 2025



Cemtrex Reports Second Quarter Fiscal Year 2025 Financial Results

Brooklyn, NY, May 15, 2025 (GLOBE NEWSWIRE) -- - [Cemtrex Inc.](#) (NASDAQ: CETX, CETXP), an advanced security technology and industrial services company, has reported its financial and operational results for the fiscal second quarter ended March 31, 2024.

Key Highlights for Second Fiscal Quarter 2025

- Revenue increased 59% to \$27.3 million, compared to revenue in the prior year quarter of \$17.2 million.
- Operating Income totaled \$4.6 million, compared to an operating loss of \$1 million in Q2 FY 2024.
- Net Income for the period was \$8.4 million, compared to a net loss of \$1.5 million in Q2 FY 2024.
- Gross profit margin increased to 45%, up from 40% in the prior year period.
- Stockholders equity rose to \$6.4 million, up from \$4.7 million at September 30th 2024.

Management Commentary

Cemtrex Chairman and CEO, Saagar Govil, commented on the results: “We are extremely pleased with our strong second quarter performance, which reflects our team’s sharp focus on execution and margin improvement. Both operating segments contributed to robust revenue growth, and we delivered a return to profitability on both an operating and net income basis. The improvement in gross margins, combined with disciplined expense management, enabled us to post over \$8 million in net income this quarter. We believe this result marks an inflection point for Cemtrex.

“At Vicon, our Security segment, we benefited from the initial shipments of a record \$10.4 million order and from the ramp-up of our new NEXT Modular Sensor System, which is now in full production. Our efforts to expand our presence in international markets are also beginning to show progress, with recent STQC certification in India positioning us for long-term growth in that region. Meanwhile, our Industrial Services segment, AIS, delivered solid 13% year-over-year growth and continues to execute well on large infrastructure and industrial projects.”

“We remain laser-focused on delivering shareholder value through improved profitability, strategic innovation, and operational discipline. With a strengthening balance sheet and a growing backlog, we believe we are positioned to sustain momentum through the second half of the fiscal year, and remain optimistic that fiscal 2025 financial performance will surpass fiscal 2024.”

Segment Highlights:

Vicon Industries:

- Revenue grew 110% year-over-year to \$17.0 million, driven by execution of a large government order and increased demand for AI-enhanced security solutions.
- Gross margin improved to 52% from 51% in the prior year quarter.
- Operating income for the segment totaled \$4.3 million, compared to a loss of \$0.7 million a year ago.

Advanced Industrial Services:

- Revenue increased 13% to \$10.3 million, up from \$9.1 million in the prior year period.
- Gross profit grew to \$3.4 million, with gross margin improving to 33%.
- Operating income rose to \$0.9 million from \$0.7 million in Q2 FY2024.

Metric	Q2 FY2025	Q2 FY2024	% Change
Revenue	\$27.3M	\$17.2M	+59%
Gross Profit	\$12.2M	\$6.9M	+75%
Gross Margin	45%	40%	+500bps
Operating Income	\$4.6M	(\$1.0M)	N/A
Net Income to CETX Shareholders	\$8.4M	(\$1.5M)	N/A
EPS (Basic & Diluted)	\$4.10	(\$3,054.05)	N/A

As of March 31, 2025, cash and cash equivalents were \$4.5 million, and total assets were \$46.2 million. Inventories decreased to \$6.1 million at March 31, 2025, from \$7.0 million at September 30, 2024. Stockholders' equity improved to \$6.4 million, exceeding Nasdaq's minimum continued listing standards.

About Cemtrex

Cemtrex, Inc. (Nasdaq: CETX) is a diversified technology company operating in the Security and Industrial sectors. Its Security segment, led by Vicon Industries, provides advanced video management software, high-performance security cameras, and integrated surveillance solutions for enterprise, government, and critical infrastructure. The Industrial segment, through Advanced Industrial Services (AIS), delivers expert rigging, millwrighting, process piping, and equipment installation services to manufacturers nationwide. With a focus on innovation, execution, and strategic growth, Cemtrex is committed to enhancing safety, efficiency, and value for its customers and shareholders.

For more information visit www.cemtrex.com.

Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including statements relating to the closing of the offering, gross proceeds from the offering, our new product offerings, expected use of proceeds, or any proposed fundraising activities. These forward-looking statements are based on management's current expectations and are subject to certain risks and uncertainties that could cause actual results to differ materially from those set forth in or implied by such forward looking statements. Statements made herein are as of the date of

this press release and should not be relied upon as of any subsequent date. These risks and uncertainties are discussed under the heading “Risk Factors” contained in our Form 10-K filed with the Securities and Exchange Commission. All information in this press release is as of the date of the release and we undertake no duty to update this information unless required by law.

Cemtrex, Inc. and Subsidiaries

Condensed Consolidated Balance Sheets

	(Unaudited)	
	March 31, 2025	September 30, 2024
Assets		
Current assets		
Cash and cash equivalents	\$ 4,538,405	\$ 3,897,511
Restricted cash	1,527,628	1,522,881
Trade receivables, net	12,715,992	11,159,676
Trade receivables, net - related party	550,613	685,788
Inventory, net	6,136,765	6,988,529
Contract assets, net	1,156,620	985,207
Prepaid expenses and other current assets	2,026,088	1,456,687
Total current assets	<u>28,652,111</u>	<u>26,696,279</u>
Property and equipment, net	9,813,887	9,133,578
Right-of-use operating lease assets	1,676,614	1,933,378
Royalties receivable, net - related party	272,423	456,611
Goodwill	3,708,347	3,708,347
Other	2,113,768	2,187,265
Total Assets	<u>\$ 46,237,150</u>	<u>\$ 44,115,458</u>
Liabilities & Stockholders' Equity		
Current liabilities		
Accounts payable	\$ 4,001,843	\$ 4,520,173
Sales tax payable	3,970	73,024
Revolving line of credit	2,867,425	3,125,011
Current maturities of long-term liabilities	9,301,045	4,732,377
Operating lease liabilities - short-term	829,644	832,823
Deposits from customers	182,855	408,415
Accrued expenses	2,764,172	1,393,902
Accrued payable on inventory in transit	242,303	640,450
Contract liabilities	1,924,425	1,254,204
Deferred revenue	1,179,536	1,297,616
Accrued income taxes	277,763	314,827
Total current liabilities	<u>23,574,981</u>	<u>18,592,822</u>
Long-term liabilities		
Long-term debt	9,492,824	13,270,178
Long-term operating lease liabilities	902,223	1,159,204
Other long-term liabilities	282,200	274,957
Deferred Revenue - long-term	509,882	658,019
Warrant liabilities	4,747,468	5,199,436
Total long-term liabilities	<u>15,934,597</u>	<u>20,561,794</u>
Total liabilities	<u>39,509,578</u>	<u>39,154,616</u>
Commitments and contingencies	-	-
Stockholders' equity		

Preferred stock , \$0.001 par value, 10,000,000 shares authorized, Series 1, 3,000,000 shares authorized, 2,579,994 shares issued and 2,515,894 shares outstanding as of March 31, 2025 and 2,456,827 shares issued and 2,392,727 shares outstanding as of September 30, 2024 (liquidation value of \$10 per share)

2,580 2,457

Series C, 100,000 shares authorized, 50,000 shares issued and outstanding at March 31, 2025 and September 30, 2024

50 50

Common stock, \$0.001 par value, 70,000,000 shares authorized, 1,784,581 shares issued and outstanding at March 31, 2025 and 14,176 shares issued and outstanding at September 30, 2024

1,785 14

Additional paid-in capital

95,879,333 73,262,536

Accumulated deficit

(91,726,811) (71,355,386)

Treasury stock, 64,100 shares of Series 1 Preferred Stock at March 31, 2025, and September 30, 2024

(148,291) (148,291)

Accumulated other comprehensive income

2,394,376 2,949,297

Total Cemtrex stockholders' equity

6,403,022 4,710,677

Non-controlling interest

324,550 250,165

Total liabilities and stockholders' equity

\$ 46,237,150 \$ 44,115,458

Cemtrex, Inc. and Subsidiaries Condensed Consolidated Statements of Operations (Unaudited)

	For the three months ended		For the six months ended	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Revenues	\$ 27,250,269	\$ 17,159,595	\$ 40,990,168	\$ 34,037,761
Cost of revenues	15,084,814	10,220,179	23,122,777	20,015,946
Gross profit	12,165,455	6,939,416	17,867,391	14,021,815
Operating expenses				
General and administrative	6,770,742	7,020,157	13,864,031	13,992,123
Research and development	777,889	951,400	1,667,972	1,800,205
Total operating expenses	7,548,631	7,971,557	15,532,003	15,792,328
Operating income/(loss)	4,616,824	(1,032,141)	2,335,388	(1,770,513)
Other (expense)/income				
Other income, net	(150,165)	144,765	(115,192)	223,176
Interest expense	(452,998)	(592,804)	(936,911)	(1,176,487)
Loss on exercise of warrant liabilities	-	-	(15,796,105)	-
Changes in fair value of warrant liability	4,707,374	-	(5,312,838)	-
Total other income/(expense), net	4,104,211	(448,039)	(22,161,046)	(953,311)
Net income/(loss) before income taxes	8,721,035	(1,480,180)	(19,825,658)	(2,723,824)
Income tax expense	110,525	100,004	231,063	170,755
Income/(loss) from Continuing operations	8,610,510	(1,580,184)	(20,056,721)	(2,894,579)
Income/(loss) from discontinued operations, net of tax	26,969	10,463	(240,319)	20,955
Net income/(loss)	8,637,479	(1,569,721)	(20,297,040)	(2,873,624)
Less net income/(loss) in noncontrolling interest	254,537	(96,510)	74,385	(192,919)
Net income/(loss) attributable to Cemtrex, Inc. stockholders	\$ 8,382,942	\$ (1,473,211)	\$ (20,371,425)	\$ (2,680,705)
Income/(loss) per share - Basic & Diluted				
Continuing Operations	4.10	(3,054.05)	(10.62)	(5,497.36)
Discontinued Operations	0.01	20.80	(0.13)	41.83
Weighted Average Number of Shares-Basic & Diluted	2,032,744	503	1,897,797	501

Cemtrex, Inc. and Subsidiaries Condensed Consolidated Statements of Cash Flows (Unaudited)

	For the six months ended March 31,	
	2025	2024
Cash Flows from Operating Activities		
Net loss	\$ (20,297,040)	\$ (2,873,624)
Adjustments to reconcile net loss to net cash used by operating activities		
Depreciation and amortization	648,109	673,190
Loss on disposal of property and equipment	19,668	-
Noncash lease expense	461,490	389,125
Goodwill impairment	-	-
Bad debt expense	10,572	35,213
Contract modification - related party	280,545	-
Share-based compensation	7,183	15,116
Income tax expense	-	(96,750)
Shares issued to pay for services	-	40,000
Accrued interest on notes payable	530,404	657,355
Non-cash royalty income	(71,464)	(26,564)
Amortization of original issue discounts on notes payable	16,667	-
Loan origination costs	5,000	36,267
Loss on exercise of warrant liabilities	15,796,105	-
Changes in fair value of warrant liability	5,312,838	-
Changes in operating assets and liabilities net of effects from acquisition of subsidiaries:		
Trade receivables	(1,536,888)	(2,317,074)
Trade receivables - related party	66,057	(178,980)
Inventory	851,764	1,341,472
Contract assets	(171,413)	(240,478)
Prepaid expenses and other current assets	(569,401)	482,853
Other assets	173,497	(225,853)
Accounts payable	(518,330)	(455,315)
Accounts payable - related party	-	408
Sales tax payable	(69,054)	1,658
Operating lease liabilities	(464,886)	(388,516)
Deposits from customers	(225,560)	150,274
Accrued expenses	972,123	(108,311)
Contract liabilities	670,221	919,090
Deferred revenue	(266,217)	(252,109)
Income taxes payable	(38,617)	(146,422)
Other liabilities	7,243	(184,261)
Net cash provided/(used) by operating activities	1,600,616	(2,752,236)
Cash Flows from Investing Activities		
Purchase of property and equipment	(1,359,963)	(355,308)
Proceeds from sale of property and equipment	13,511	-
Royalties on related party revenues	10,000	-
Investment in MasterpieceVR	(100,000)	(100,000)
Net cash used by investing activities	(1,436,452)	(455,308)
Cash Flows from Financing Activities		
Proceeds on revolving line of credit	18,925,223	19,360,672
Payments on revolving line of credit	(19,182,809)	(15,413,971)
Payments on debt	(240,510)	(2,634,545)
Payments on Paycheck Protection Program Loans	(20,247)	(20,242)
Proceeds on bank loans	-	28,331
Proceeds from notes payable	500,000	-
Proceeds from warrant exercises	1,050,597	-
Purchases of treasury stock	-	(69,705)

Net cash provided by financing activities	1,032,254	1,250,540
Effect of currency translation	(550,777)	(304,022)
Net increase/(decrease) in cash, cash equivalents, and restricted cash	1,196,418	(1,957,004)
Cash, cash equivalents, and restricted cash at beginning of period	5,420,392	6,349,562
Cash, cash equivalents, and restricted cash at end of period	\$ 6,066,033	\$ 4,088,536

Cemtrex, Inc. and Subsidiaries
Condensed Consolidated Statements of Cash Flows (Continued)
(Unaudited)

Balance Sheet Accounts Included in Cash, Cash Equivalents, and Restricted Cash		
Cash and cash equivalents	\$ 4,538,405	\$ 2,916,120
Restricted cash	1,527,628	1,172,416
Total cash, cash equivalents, and restricted cash	\$ 6,066,033	\$ 4,088,536

Supplemental Disclosure of Cash Flow Information:		
Cash paid during the period for interest	\$ 389,840	\$ 482,865
Cash paid during the period for income taxes, net of refunds	\$ 269,680	\$ 146,422

Supplemental Schedule of Non-Cash Investing and Financing Activities		
Shares issued to pay for services	\$ -	\$ 40,000
Financing of fixed asset purchase	\$ -	\$ 28,331
Noncash recognition of new leases	\$ 204,726	\$ -
Series A Warrant Exercises	\$ 21,515,777	\$ -

Investor Relations
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Source: Cemtrex Inc.