

May 20, 2019



Cemtrex, Inc. (CETX) Announces Results for the Second Quarter ended March 31, 2019

Sales and Gross Profit for the quarter increased by 16% and 11% respectively

LONG ISLAND CITY, N.Y.--(BUSINESS WIRE)-- Cemtrex Inc. (Nasdaq: CETX), a leading global technology company, announced its second quarter consolidated results of operations for the three and six months ended March 31, 2019.

Second Quarter Highlights:

- Total Revenue for the three months ended March 31, 2019 and 2018 was \$23,607,497 and \$20,413,296, respectively, an increase of \$3,194,201, or 16%. Total revenue in the second quarter increased, as compared to total revenue in the same period last year, primarily due to new revenues in the Advanced Technologies Segment, which had no revenues during the same period last year.
- Gross Profit for the three months ended March 31, 2019 was \$9,449,392 or 40% of revenues as compared to gross profit of \$7,383,310 or 36% of revenues for the three months ended March 31, 2018, a percentage basis increase of 11%. Gross profit as a percentage of revenues in the three months ended March 31, 2019 increased as compared to the three months ended March 31, 2018 as the Company works to achieve economies of scale, lower expenses, and shift to products and services with higher margins.
- Net income available to common shareholders for the three months ended March 31, 2019 and 2018 was a loss of \$1,983,867 and income of \$423,471, respectively, a decrease of \$2,407,338, or 568%. Net income available to common shareholders decreased due to increased expenses in sales and marketing for the SmartDesk and VR applications in the Advanced Technologies segment as well as the consolidation of the variable interest entity, Vicon Industries, Inc.,

Six Month Ended March 31, 2019 Financial Highlights

- Total revenue for the six months ended March 31, 2019 and 2018 was \$40,892,041 and \$52,795,196, respectively, a decrease of \$11,903,155, or 23% primarily due to lower revenue in the industrial Technology segment as a result of significantly reduced revenues in the environmental products markets, which the Company has decided to exit.
- Gross Profit for the six months ended March 31, 2019 was \$16,444,514 or 40% of revenues as compared to gross profit of \$17,907,802 or 34% of revenues for the six months ended March 31, 2018. Gross profit as a percentage of revenues in the six months ended March 31, 2019 increased as compared to the six months ended March

31, 2018 as the Company works to achieve economies of scale, lower expenses, and shift to products and services with higher margins.

- Net income available to common shareholders for the six months ended March 31, 2019 and 2018 was a loss of \$5,117,947 and income of \$1,155,462, respectively, a decrease of \$6,273,409, or 543%.

Cemtrex's Chairman and CEO, Saagar Govil, commented on the results, "This quarter saw our revenues increase with the growth in sales in our Advanced Technologies segment as we shift into technology businesses which provide higher gross margins and thus will allow us to generate better returns for our shareholders over the long term.

"The Company has now taken numerous steps to reduce the on-going loss and bring costs in line with expected revenues moving forward which will start to reflect in our next quarterly report. Our goal is to reach cash flow positive as soon as possible and eliminate the need to raise any further equity capital. This may result in longer timeframes to realize our growth targets, particularly around SmartDesk and VR activities, but ultimately will limit further dilution to common equity," continued Mr. Govil.

About Cemtrex

Cemtrex, Inc. (NASDAQ:CETX) is a global, multi-industry company that provides a wide array of solutions to meet today's consumer, commercial, and industrial challenges. Cemtrex provides manufacturing services of advanced custom engineered electronics, integrated hardware and software solutions, industrial contracting services, and development of smart electronic devices. The Company also creates virtual reality and augmented reality applications.

www.cemtrex.com

Safe Harbor Statement

This press release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including statements relating to our new product offerings 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. These risks and uncertainties include, but are not limited to: operational losses and negative cash flows; any need for additional financing; market acceptance of our products; our ability to manufacture and develop effective products and solutions; indebtedness to our lenders; current and future economic conditions that may adversely affect our business and customers; potential fluctuation of our revenues and profitability from period to period which could result in our failure to meet expectations; our ability to maintain adequate levels of working capital; our ability to incentivize and retain our current senior management team and continue to attract and retain qualified scientific, technical and business personnel; our ability to expand our product offerings or to develop other new products and services; our ability to generate sales and profits from current product offerings; rapid technological changes and new technologies that could render certain of our products and services to be obsolete; competitors with significantly greater financial resources; introduction of new products and services by competitors; challenges

associated with expansion into new markets; and, other factors 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.

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Source: Cemtrex Inc.