March 13, 2025

Perma-Fix Reports Financial Results and Provides Business Update for Full Year and Fourth Quarter of 2024

ATLANTA, March 13, 2025 (GLOBE NEWSWIRE) -- Perma-Fix Environmental Services, Inc. (NASDAQ: PESI) (the "Company") today announced financial results and provided a business update for the fourth quarter and full year ended December 31, 2024.

Mark Duff, President and CEO of the Company, commented, "While our financial performance in the fourth quarter of 2024 was impacted by ongoing yet temporary delays in project starts and waste receipts, we remain confident in the overall outlook and significant opportunities that lie ahead. In the first quarter of 2025, we see improving waste volume receipts and backlog, positioning us to resume revenue growth. Importantly, our waste treatment operations have ramped up in February, with expanded shifts at our Perma-Fix Northwest (PFNW) and Diversified Scientific Services (DSSI) facilities to meet increasing demand, and we are actively preparing for the U.S. Department of Energy's (DOE) Direct-Feed Low-Activity Waste (DFLAW) program at Hanford, which remains on schedule to begin operations this summer under legally binding milestones."

"In addition to our traditional revenue streams, we continue to advance our Perma-FAS technology for PFAS (Per- and polyfluoroalkyl) destruction, with our commercial-scale unit demonstrating continually improving effectiveness over the past four months. We are also now beginning our focus on the development of our next-generation system, which we expect will triple processing capacity and incorporate chemical recycling capabilities. While investment in this breakthrough technology has impacted short-term financials, we remain confident in its ability to drive long-term value and establish Perma-Fix as a leader in PFAS destruction."

"On the Nuclear Services side, we are encouraged by our recent award as part of the team selected for the DOE's West Valley Demonstration Project, a 10-year initiative that aligns well with our expertise in radiological protection and waste management, which began transition in Q1. Although uncertainty in federal budgets has delayed some procurement cycles, we continue to pursue new opportunities across multiple DOE and U.S. Department of Defense (DOD) sites and remain proactive in aligning our cost structure to navigate this period. Additionally, our international expansion efforts, particularly in Italy, are progressing as planned, with expected waste treatment operations beginning in 2026."

"Overall, we expect a return to growth and profitability in 2025, with a particularly strong second half, including the anticipated ramp-up of the DFLAW program. With a solid backlog, expanding project pipeline, and strategic advancements in PFAS treatment and nuclear services, we believe that we are well positioned to execute on our long-term growth

strategy."

Financial Results

Fourth-Quarter 2024 Results
Revenue for the fourth quarter of 2024 was $14.7 million versus $22.7 million for the same period last year. Revenue from the Services Segment decreased approximately $6.6 million to $5.9 million in the fourth quarter of 2024 from $12.5 million for the corresponding of 2023 due to the completion of two large projects primarily at the end of 2023 which were not replaced with similar value projects. These two projects generated an aggregate of approximately $8.9 million in revenue in the fourth quarter of 2023. Revenue from the Treatment Segment decreased by approximately $1.4 million to $8.8 million in the fourth quarter of 2024 from $10.2 million for the corresponding period of 2023. The decrease was primarily due to overall lower waste volume.

Gross profit for the fourth quarter of 2024 was $594,000 versus $4.3 million for the fourth quarter of 2023. The decrease in gross profit in the Services Segment of approximately $1.8 million or 67.4% was primarily due to lower revenue. The decrease in gross margin to 14.7% in the fourth quarter of 2024 as compared to 21.3% in the corresponding period of 2023 was primarily due overall lower margin projects. The decrease in gross profit in the Treatment Segment of approximately $1.9 million or 116.5% in the fourth quarter of 2024 as compared to the fourth quarter of 2023 was primarily due to lower waste volume. The decrease in gross margin to approximately (3.1)% in the fourth quarter of 2024 as compared to gross margin of approximately 16.0% in the corresponding period of 2023 was primarily due to overall lower revenue from lower waste volume and the impact of our fixed cost structure.

Operating loss for the fourth quarter of 2024 was approximately $3.6 million versus operating loss of $9,000 for the fourth quarter of 2023. Loss from continuing operations for the fourth quarter of 2024 was approximately $3.5 million as compared to income from continuing operations of $470,000 for the corresponding period of 2023.

Net loss for the fourth quarter of 2024 was approximately $3.5 million as compared to net income of $81,000 for the fourth quarter of 2023. Loss per share (both basic and diluted) was $0.22 for the fourth quarter of 2024 as compared to income per share (both basic and diluted) of $0.01for the corresponding period of 2023.

2024 Financial Results
Revenue in 2024 was $59.1 million versus $89.7 million in 2023. Our 2024 revenues were impacted by a number of unexpected events and factors which included, among other things, poor weather conditions, Continuing Resolution impacts, temporary outages at certain facilities for equipment replacement, repairs and program enhancements and delays in procurement by government-related clients. Additionally, the significant management and operational support required for the advancement of our accelerated investment in the research and development of our PFAS technology limited our resources needed for revenue production.

Revenue from the Services Segment decreased by approximately $22.1 million to $24.1 million for the year ended December 31, 2024, from $46.2 million for the corresponding period of 2023. The decrease was primarily due to the completion of two large projects primarily at the end of 2023 which were not replaced with similar value projects. These two

projects generated an aggregate of approximately $35.3 million in revenue in 2023. Revenue from the Treatment Segment decreased by approximately $8.5 million to $35.0 million in 2024 from $43.5 million in 2023. The overall decrease was primarily due to lower waste volume. Overall lower averaged price from waste mix also contributed to the revenue decrease.

Gross profit in 2024 was $2,000 as compared to $16.4 million in 2023. Gross profit decreased in both reporting segments. The decrease in gross profit in the Services Segment of approximately $8.4 million or 88.3% was primarily due to lower revenue and the decrease in gross margin to approximately 4.6% from 20.5% was primarily due to overall lower margin projects. The decreases in gross profit in the Treatment Segment of approximately $8.0 million or 116.1% was primarily due to lower revenue from overall lower waste volume and lower averaged price from waste mix. The decrease in gross margin to (3.2)% in 2024 from 15.8% in 2023 was primarily due to lower revenue as discussed above and the impact of our fixed cost structure.

Operating loss in 2024 was $15.7 million versus operating income of $756,000 in 2023. Loss from continuing operations in 2024 was approximately $19.6 million as compared to income from continuing operations of $918,000 in 2023. Loss from continuing operations in 2024 included a tax expense recorded in the amount of approximately $8.2 million as the Company provided for a full valuation allowance against its U.S deferred tax assets.

Net loss in 2024 was approximately $20.0 million compared to net income of $485,000 in 2023. Loss per share (both basic and diluted) was $1.33 in 2024 as compared to income per share (both basic and diluted) of $0.04 in 2023.

The Company reported EBITDA of ($13.8) million from continuing operations for the twelve-months ended December 31, 2024, and EBITDA of approximately $3.3 million for the same period of 2023. The Company defines EBITDA as earnings before interest, taxes, depreciation and amortization. EBITDA is not a measure of performance calculated in accordance with Generally Accepted Accounting Principles in the United States of America (“U.S. GAAP”), and should not be considered in isolation of, or as a substitute for, earnings as an indicator of operating performance or cash flows from operating activities as a measure of liquidity. The Company believes the presentation of EBITDA is relevant and useful by enhancing the readers’ ability to understand the Company’s operating performance. The Company’s management utilizes EBITDA as a mean to measure performance. The Company’s measurement of EBITDA may not be comparable to similar titled measures reported by other companies. The table below reconciles EBITDA, a non-GAAP measure, to GAAP number for (loss) income from continuing operations for the three and twelve-months ended December 31, 2024, and 2023.

	Quarter Ended December 31, (Unaudited)		Twelve Months Ended December 31, (Unaudited)	
(In thousands)	2024	2023	2024	2023
(Loss) income from continuing operations, net of taxes	$ (3,521)	$ 470	$ (19,569)	$ 918

Adjustments:				
Depreciation & amortization	468	443	1,763	2,568
Interest income	(242)	(161)	(921)	(606)
Interest expense	127	134	473	323
Interest expense - financing fees	19	13	66	93
Income tax expense (benefit)	135	(465)	4,435	17
EBITDA	(3,014)	434	(13,753)	3,313

The tables below present certain financial information for the reporting segments, which exclude corporate expenses.

* Any references to "Audited" in the headings as noted in the table below and within the financial statements as follows are derived from a previously filed Form 10-K.

	Three Months Ended December 31, 2024 (Unaudited)		Twelve Months Ended December 31, 2024 (Unaudited)	
(In thousands)	Treatment	Services	Treatment	Services
Net revenues	$ 8,837	$ 5,865	$ 34,953	$ 24,164
Gross (loss) profit	(271)	865	(1,110)	1,112
Loss from operations	(1,588)	(194)	(6,260)	(2,307)

	Three Months Ended December 31, 2023 (Unaudited)		Twelve Months Ended December 31, 2023 (Unaudited)	
(In thousands)	Treatment	Services	Treatment	Services
Net revenues	$ 10,255	$ 12,464	$ 43,477	$ 46,258
Gross profit	1,639	2,656	6,876	9,493
Income from operations	304	1,672	2,209	5,882

Conference Call

Perma-Fix will host a conference call at 11:00 AM Eastern Time on Thursday, March 13, 2025. The call will be available in the investors' section of the Company's website at https://ir.perma-fix.com/conference-calls, or by calling 877-545-0523 for U.S. callers or +1 973-528-0016 for international callers, and then entering access code: 641119. The conference call will be led by Mark J. Duff, Chief Executive Officer, Dr. Louis F. Centofanti, Executive Vice President of Strategic Initiatives, and Ben Naccarato, Executive Vice President and Chief Financial Officer of Perma-Fix Environmental Services, Inc.

A webcast will also be archived on the Company's website and a telephone replay of the call will be available approximately one hour following the call, through Thursday, March 20, 2025, and can be accessed by dialing 877-481-4010 for U.S. callers or +1 919-882-2331 for international callers and entering access code: 52161.

About Perma-Fix Environmental Services
Perma-Fix Environmental Services, Inc. is a nuclear services company and leading provider of environmental remediation and mixed waste management services. The Company's nuclear waste services include management and treatment of radioactive and mixed waste for hospitals, research labs and institutions, federal agencies, including the DOE, the DOD, and the commercial nuclear industry. The Company's nuclear services group provides project management, waste management, environmental remediation, decontamination and decommissioning, demolition, and radiological protection, safety and industrial hygiene capability to our clients. The Company operates four nuclear waste treatment facilities and provides nuclear services at DOE, DOD, and commercial facilities nationwide.

Please visit us at http://www.perma-fix.com.

This press release contains "forward-looking statements" which are based largely on the Company's expectations and are subject to various business risks and uncertainties, certain of which are beyond the Company's control. Forward-looking statements generally are identifiable by use of the words such as "believe", "expects", "intends", "anticipate", "plans to", "estimates", "projects", and similar expressions. Forward-looking statements include, but are not limited to, statements relating to: expected resumption of revenue growth and profitability in 2025; operations of the DFLAW program; triple processing capacity and chemical recycling capabilities of our next-generation system; long-term value; pursuit of new opportunities; waste treatment operations in Italy beginning in 2026; strong second half; and well positioned to execute on our long-term growth strategy. These forward-looking statements are intended to qualify for the safe harbors from liability established by the Private Securities Litigation Reform Act of 1995. While the Company believes the expectations reflected in this news release are reasonable, it can give no assurance such expectations will prove to be correct. There are a variety of factors which could cause future outcomes to differ materially from those described in this release, including, without limitation, future economic conditions; industry conditions; competitive pressures; our ability to apply and market our new technologies; the government or such other party to a contract granted to us fails to abide by or comply with the contract or to deliver waste as anticipated under the contract; inability to win bid projects; Congress fails to provides continuing funding for the DOD's and DOE's remediation projects; actions of the newly-formed DOGE; failure of Congress to pass fiscal year 2025 budget; enactment of additional Continuing Resolutions; inability to obtain new foreign and domestic remediation contracts; inability to meet financial covenants in our credit agreements with our primary lender; market acceptance of our PFAS technology; and the "Risk Factors" discussed in, and the additional factors referred to under "Special Note Regarding Forward-Looking Statements" of, our 2024 Form 10-K. The Company makes no commitment to disclose any revisions to forward-looking statements, or any facts, events or circumstances after the date hereof that bear upon forward-looking statements.

FINANCIAL TABLES FOLLOW

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PERMA-FIX ENVIRONMENTAL SERVICES, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

(Amounts in Thousands, Except for Per Share Amounts)	Three Months Ended December 31, 2024 (Unaudited)	Three Months Ended December 31, 2023 (Unaudited)	Twelve Months Ended December 31, 2024 (Unaudited)	Twelve Months Ended December 31, 2023 (Audited)
Net revenues	$ 14,702	$ 22,719	$ 59,117	$ 89,735
Cost of goods sold	14,108	18,424	59,115	73,366
Gross profit	594	4,295	2	16,369
Selling, general and administrative expenses	3,861	4,006	14,491	14,975
Research and development	300	221	1,172	561
Loss on disposal of property and equipment	20	77	21	77
(Loss) income from operations	(3,587)	(9)	(15,682)	756
Other income (expense):				
Interest income	242	161	921	606
Interest expense	(127)	(134)	(473)	(323)
Interest expense-financing fees	(19)	(13)	(66)	(93)
Other	105	—	166	(11)
(Loss) income from continuing operations before taxes	(3,386)	5	(15,134)	935
Income tax expense (benefit)	135	(465)	4,435	17
(Loss) income from continuing operations, net of taxes	(3,521)	470	(19,569)	918

Income (loss) from discontinued operations, net of taxes	31	(389)	(410)	(433)
Net (loss) income	$ (3,490)	$ 81	$ (19,979)	$ 485
Net (loss) income per common share - basic and diluted:				
Continuing operations	$ (.22)	$ .04	$ (1.30)	$ .07
Discontinued operations	—	(.03)	(.03)	(.03)
Net (loss) income per common share	$ (.22)	$ .01	$ (1.33)	$ .04
Weighted average number of common shares used in computing net (loss) income per share:				
Basic	16,194	13,619	15,072	13,506
Diluted	16,194	16,838	15,072	13,739

PERMA-FIX ENVIRONMENTAL SERVICES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

(Amounts in Thousands, Except for Share and Per Share Amounts)	December 31, 2024 (Unaudited)	December 31, 2023 (Unaudited)
ASSETS		
Current assets:		
Cash	$ 28,975	$ 7,500
Account receivable, net of allowance for credit losses of $202 and $30, respectively	11,579	9,722
Unbilled receivables	4,990	8,432
Other current assets	4,659	4,893
Assets of discontinued operations included in current assets	20	13
Total current assets	50,223	30,560
Net property and equipment	21,133	19,009
Property and equipment of discontinued operations	130	81
Operating lease right-of-use assets	1,697	1,990

Intangibles and other assets	24,065	27,109
Total assets	$ 97,248	$ 78,749
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities	$ 21,696	$ 25,678
Current liabilities related to discontinued operations	244	269
Total current liabilities	21,940	25,947
Long-term liabilities	11,973	12,472
Long-term liabilities related to discontinued operations	945	953
Total liabilities	34,858	39,372
Commitments and Contingencies		
Stockholders' equity:		
Preferred Stock, $.001 par value; 2,000,000 shares authorized,		
no shares issued and outstanding	—	—
Common Stock, $.001 par value; 30,000,000 shares authorized,		
18,384,879 and 13,654,201 shares issued, respectively;		
18,377,237 and 13,646,559 shares outstanding, respectively	18	14
Additional paid-in capital	159,590	116,502
Accumulated deficit	(96,930)	(76,951)
Accumulated other comprehensive loss	(200)	(100)
Less Common Stock held in treasury, at cost: 7,642 shares	(88)	(88)
Total stockholders' equity	62,390	39,377
Total liabilities and stockholders' equity	$ 97,248	$ 78,749

Source: Perma-Fix Environmental Services, Inc