IBC Advanced Alloys Reports Financial Results For Quarter Ended December 2024

Highlights of the Six Months Ended December 31, 2024

(Unless otherwise noted, all financial amounts in this news release are expressed in U.S. dollars)

IBC is reporting the performance of "continuing operations" at its Copper Alloy division, "discontinued operations" at its Massachusetts facility, and a combination of continued and discontinued operations.[1]

- Copper Alloys division (continuing operations) sales of $7.1 million in the six-month period ended December 31, 2024, compared to sales of $12 million in the comparable prior-year period. $3.2 million of the relative decline was primarily driven by two large, non-recurring orders in the comparable period of fiscal year 2024, with the balance due to softer market demand. The Company's Engineered Materials ("EM") division, where operations ceased and all contracts were completed before June 30, 2024, recorded no sales.
- Copper Alloys division's fiscal year to date ("YTD") operating loss[1] of $654,000 compared to operating income of $438,000 in the comparable prior-year period.
- The Copper Alloys division's YTD gross profit declined by 44.4% year-over-year ("Y/Y") while gross margin softened by 4%.
- IBC reported a consolidated YTD net loss of $2.6 million ($0.02 per share).
- The Company will host a live investor webcast to discuss these results on Monday, March 3 at 10 a.m. Eastern.

FRANKLIN, Ind. (March 3, 2025)– IBC Advanced Alloys Corp. ("**IBC**" or the "**Company**") (**TSX-V: IB; OTCQB: IAALF**) announces its financial results for the quarter and six months ended December 31, 2024.

Sales at IBC's continuing operations[1] (its Copper Alloys Division) in the 6 months ended December 31, 2024 declined by 29.4% over the comparable prior-year period, driven primarily part by two large, non-recurring orders in the comparable period of 2024 totaling approximately $3.2 million, and by a slight decline in market demand.

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[1] We report non-IFRS measures such as "Adjusted EBITDA". Please see information on this and other non-IFRS measures in the "Non-IFRS Measures" section of this news release and in IBC's MD&A, available on sedarplus.ca

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The Y/Y decrease in gross profit and gross margin in the Copper Alloys division was driven by higher labor and overhead costs as a proportion of revenue when compared to the comparative quarter.

On a consolidated basis, operating income and adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA") in the six-months ended December 31, 2024 was lower Y/Y, driven largely by the EM division continuing to incur costs after its discontinuation.

On a consolidated basis, alongside lower margin from the Copper Division over the prior-year period, the consolidated loss for the six months ended December 31, 2024 of $2.6 million was largely due to continuing closing costs at the EM division, higher-than-normal corporate SG&A costs (due to the EM division closure), and interest costs. IBC anticipates EM closing costs and SG&A expenses to decline following completion of all closing activities of the EM Division in December 2024. As of January 1, 2025, the only ongoing EM division costs relate to the premises' lease commitment.

Mark A. Smith, IBC CEO and Chairman

"IBC's Copper Alloys division saw slightly softer market demand in the first half of the fiscal year, although the bulk of the relative decline in sales in the first half of this fiscal year was due to two relatively large, non-recurring sales we had in the same period last year," said Mark A. Smith, Executive Chairman and CEO of IBC. "We saw some increased uncertainty in the market due to the 2024 election period, as did many other industries, but we expect that to sort out over the balance of calendar year 2025."

IBC expects to incur a charge to operations in respect to the discontinuation of the Engineered Materials division's operations and is negotiating with the building landlord to minimize such costs.

Selected Results

Except as noted, all financial amounts are determined in accordance with IFRS.[1]

SELECTED RESULTS: ($000s)				
	Quarter Ended 12-31-2024	Quarter Ended 12-31-2023	Six Months Ended 12-31-2024	Six Months Ended 12-31-2023
CONTINUING OPERATIONS				
Revenue	$3,561	$7,082	$8,460	$11,987
Operating income (loss)	$(428)	$617	$(654)	$438
Net income (loss)	$(1,127)	$12	$(1,779)	$(617)
Adjusted EBITDA	$(396)	$837	$(381)	$894
Gross Profit	$562	$1,691	$1,420	$2,555
Gross Margin	16%	24%	17%	21%
DISCONTINUED OPERATIONS				
Revenue	$-	$2,968	$-	$4,730
Operating income (loss)	$(231)	$855	$(707)	$700
Net income (loss)	$(265)	$700	$(828)	$395
Adjusted EBITDA	$(230)	$1,065	$(694)	$1,127
CONSOLIDATED OPERATIONS				
Revenue	$3,561	$10,050	$8,460	$16,717
Operating income (loss)	$(660)	$1,472	$(1,362)	$1,138
Net income (loss)	$(1,392)	$712	$(2,607)	$(222)
Adjusted EBITDA	$(626)	$1,902	$(1,075)	$2,021

Full results can be seen in the Company's financial statements and management's discussion and analysis ("**MD&A**"), available at sedarplus.ca and on the Company's website at https://ibcadvancedalloys.com/investors-center/.

INVESTOR WEBCAST SCHEDULED FOR MONDAY, MARCH 3, 2025 AT 10 A.M. EASTERN

IBC will host a live investor webcast on Monday, March 3, 2025 at 10 a.m. Eastern featuring Mark A. Smith, CEO and Board Chairman, who will discuss the Company's financial results for the quarter. Participants can register to participate by going here: https://events.gov.teams.microsoft.us/event/cd36fc66-139d-42cc-8a34-66dcef3018da@a7c6e2dc-c188-46da-80af-dd3453bd7361

NON-IFRS MEASURES

To supplement its consolidated financial statements, which are prepared and presented in accordance with IFRS, IBC uses "Adjusted EBITDA," which a non-IFRS financial measure. IBC believes that Adjusted EBITDA is a useful indicator for cash flow generated by the business that is independent of IBC's capital structure.

Adjusted EBITDA should not be considered in isolation or construed as an alternative to loss for the period or any other measure of performance or as an indicator of our operating performance. Adjusted EBITDA presented here may not be comparable to similarly titled measures presented by other companies. Other companies may calculate similarly titled measures differently, limiting their usefulness as comparative measures to IBC's data.

ADJUSTED EBITDA

Adjusted EBITDA in the Company's continuing operations represents the income (loss) for the period, and year-to-date, before interest, income taxes, depreciation, amortization, and share-based compensation. A reconciliation of the quarter loss to Adjusted EBITDA in IBC's continuing operations follows:

Quarter ended Dec. 31	**2024**	**2023**
	($000s)	*($000s)*
Income (Loss) for the period, net of tax	(1,127)	12
Income tax expense recovery	-	3
Interest expense	540	625
Depreciation, amortization, and impairment	163	159
Stock-based compensation expense (non-cash)	28	38
Adjusted EBITDA	(396)	837

Six Months ended Dec. 31	**2024**	**2023**
	($000s)	*($000s)*
Income (loss) for the period, net of tax	(1,779)	(617)
Income tax recovery	1	4
Interest expense	1,005	1,115
Gain (loss) on revaluation of derivative (non-cash	-	1
Depreciation, amortization, and impairment	335	317
Stock-based compensation expense (non-cash)	57	74
Adjusted EBITDA	(381)	894

For more information on IBC and its innovative alloy products, go here.

On Behalf of the Board of Directors:

"Mark A. Smith*"*

Mark A. Smith, CEO & Chairman of the Board

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ABOUT IBC ADVANCED ALLOYS CORP.

IBC is a leading advanced copper alloys manufacturer serving a variety of industries such as defense, aerospace, automotive, telecommunications, precision manufacturing, and others. At its vertically integrated production facility in Franklin, Indiana, IBC manufactures and distributes a variety of copper alloys as castings and forgings, including beryllium copper, chrome copper, and aluminum bronze. The Company's common shares are traded on the TSX Venture Exchange under the symbol "IB" and the OTCQB under the symbol "IAALF".

CAUTIONARY STATEMENTS REGARDING FORWARD LOOKING STATEMENTS

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Certain information contained in this news release may be forward-looking information or forward-looking statements as defined under applicable securities laws. Forward-looking information and forward-looking statements are often, but not always identified by the use of words such as "expect", "anticipate", "believe", "foresee", "could", "estimate", "goal", "intend", "plan", "seek", "will", "may" and "should" and similar expressions or words suggesting future outcomes. This news release includes forward-looking information and statements pertaining to, among other things, the Company's expectation of further growth in revenue and market demand, and the ability of the Copper Alloy division to increase its production capacity, reduce unit costs of production, expand its product portfolio and expand into new markets, the closure of the Engineered Materials division and the expected charge to operations in connection therewith, and the completion of existing contracts by the Engineered Materials division. Forward-looking statements involve substantial known and unknown risks and uncertainties, certain of which are beyond the Company's control including: the risk that the Company may not be able to make sufficient payments to retire its debt, the impact of general economic conditions in the areas in which the Company or its customers operate, including the semiconductor manufacturing and oil and gas industries, risks associated with manufacturing activities, changes in laws and regulations including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced, increased competition, the lack of availability of qualified personnel or management, limited availability of raw materials, fluctuations in commodity prices, foreign exchange or interest rates, stock market volatility and obtaining required approvals of regulatory authorities. As a result of these risks and uncertainties, the Company's future results, performance or achievements could differ materially from those expressed in these forward-looking statements. All statements included in this press release that address activities, events or developments that the Company expects, believes or anticipates will or may occur in the future are forward-looking statements. These statements are based on assumptions made by the Company based on its experience, perception of historical trends, current conditions, expected future developments and other factors it believes are appropriate in the circumstances.

Please see "Risks Factors" in our Annual Information Form available under the Company's profile at www.sedarplus.ca, for information on the risks and uncertainties associated with our business. Readers should not place undue reliance on forward-looking information and statements, which speak only as of the date made. The forward-looking information and statements contained in this release represent our expectations as of the date of this release. We disclaim any intention or obligation or undertaking to update or revise any forward-looking information or statements whether as a result of new information, future events or otherwise, except as required under applicable securities laws.