



Vertex Resource Group Ltd. Reports First Quarter 2026 Results

Reports gross revenue of \$57.1 million and Adjusted EBITDA¹ of \$5.9 million.

SHERWOOD PARK, AB, May 13, 2026 /CNW/ - (TSXV: VTX) - Vertex Resource Group Ltd. ("Vertex" or the "Company") reports its financial and operational results for the first quarter ended March 31, 2026. The following should be read in conjunction with the Management Discussion and Analysis ("MD&A") and the unaudited condensed consolidated interim financial statements of Vertex for the period ended March 31, 2026, which are available on SEDAR+ at www.sedarplus.ca.

In the first quarter of 2026, Vertex delivered Adjusted EBITDA¹ growth in both reportable segments alongside meaningful margin expansion, demonstrating the resilience of its diversified service offering. Environmental Consulting led the way with net revenue growth of 5% and segment Adjusted EBITDA¹ growth of 15%, reflecting strong underlying demand and successful execution on a large mining project in the quarter. Environmental Services delivered segment Adjusted EBITDA¹ growth of 9%, supported by disciplined operational execution. Together, these results position the Company well to navigate near-term uncertainty while continuing to deliver reliable, high-quality services across its core markets.

Key financial results for the three months March 31, 2026, and 2025 are as follows:

HIGHLIGHTS		
	Three months ended	
	March 31,	
(in thousands of Canadian Dollars)	2026	2025
Gross revenue	57,142	56,502
Less flow through subcontractor costs	8,037	5,380
Net revenue	49,105	51,122
Profit margin	11,118	10,717
Profit margin %	23 %	21 %
Adjusted EBITDA¹	5,914	5,221
Adjusted EBITDA %	12 %	10 %
Free cash flow¹	2,331	1,529
Adjusted EBITDA per share, basic and diluted¹	0.05	0.05
Loss per share, basic and diluted	(0.01)	(0.02)

¹ See "Non-IFRS Financial Measures"

HIGHLIGHTS FOR THE THREE MONTHS ENDED MARCH 31, 2026

- Profit margin improved to 22.6% of net revenue, up from 21.0% in Q1 2025.
- Adjusted EBITDA¹ increased 13% year-over-year to \$5.9 million, with both Environmental Consulting and Environmental Services delivering segment-level Adjusted EBITDA¹ growth.
- G&A expenses decreased 5% and finance costs decreased 13% year-over-year, reflecting ongoing cost discipline and lower debt levels.
- Environmental Consulting net revenue grew 5% on expanded service offerings.
- Repaid loans and borrowings and lease liabilities by \$4.0 million during the quarter, continuing the Company's focus on debt reduction.

OUTLOOK

Market conditions entering the second quarter of 2026 remain broadly consistent with the first quarter. The conflict in the Middle East has driven energy prices higher in the short-term and in the current environment it is difficult to determine how long the effects of the conflict will be felt. While commodity prices have strengthened, customers continue to prioritize price stability and visibility before advancing incremental capital programs. Near-term activity remains closely tied to ongoing production, maintenance, and regulatory requirements, supporting a consistent base level of demand across the Company's core service lines.

Against this backdrop, Vertex continues to benefit from the stability of its diversified service offering, as reflected in Q1 2026 results. Environmental Consulting activity remains strong, supported by regulatory requirements, ongoing project work, and increasing complexity across client mandates. Environmental Services activity has been more moderate, though demand tied to production support and maintenance programs has held up, reinforcing a steady underlying level of activity across the business.

Looking further ahead, the operating environment continues to be supported by a broad set of large-scale energy and industrial developments across Canada, including LNG expansion on the West Coast, mining in Alberta, Saskatchewan and Ontario, and infrastructure and utility projects in Ontario. Many of these projects are currently progressing through planning, permitting and early-stage development, with activity expected to build gradually toward execution. As they advance, these projects are expected to contribute more meaningfully to industry activity beginning in 2027 and beyond, providing longer-term support for demand across both segments and improving visibility on future workload.

ABOUT VERTEX

Since 1962, Vertex has been a leading North American provider of environmental services. Headquartered in Sherwood Park, Alberta, Vertex employs a staff of approximately 1,000 employees and lease operators that provide services to help clients achieve their developmental and operational goals. From initial site selection, consultation and regulatory approval, through construction, operation and maintenance, to conclusion and environmental cleanup, Vertex provides a wide array of services to customers operating in industries such as energy, mining, utilities, private development, public infrastructure, construction, telecommunications, forestry, agriculture and government.

Vertex principally operates in Canada with select locations in the United States.

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

NON-IFRS FINANCIAL MEASURES

This release includes certain terms or performance measures that are not defined under International Financial Reporting Standards ("IFRS"), including "Adjusted EBITDA". The data presented is intended to provide additional information that should not be considered in isolation or as a substitute measure of performance prepared in accordance with IFRS. The non-IFRS measures should be read in conjunction with the Company's financial statements and accompanying notes.

- A) **"Adjusted EBITDA"** is a non-IFRS financial measure which is calculated by adjusting net income (loss) for the sum of income taxes, finance costs including interest accretion on lease liabilities, depreciation of property and equipment and right of use assets, amortization of intangible assets, share-based compensation, restructuring costs and impairment. The Company uses Adjusted EBITDA as an indicator of its principal business activities operational performance prior to consideration of how its activities are financed and the impact of taxation, non-cash depreciation and amortization, restructuring costs and other non-cash expenses such as impairments required under IFRS. Adjusted EBITDA does not have a standardized meaning prescribed by IFRS and is not necessarily comparable to similar measures provided by other companies. Adjusted EBITDA is used by many analysts as an important analytical tool and the management of Vertex believes it is useful for providing readers with additional clarity on Vertex's operational performance. This measure is also considered important by the Company's lenders in determining compliance by the Company with the financial covenants under its lending arrangements.
- B) **"Free cash flow"** is a non-IFRS financial measure. The most directly comparable GAAP measure for free cash flow is cash flow from operating activities. A summary of the reconciliation of cash flow from operating activities to free cash flow is set forth in the table below. Management uses the term "free cash flow" for its own performance measure and to provide shareholders and potential investors with a measurement of the Company's efficiency and its ability to generate the cash necessary to fund its future growth expenditures, to repay debt and provide shareholder returns.
- C) **"Adjusted Working Capital"** is a non-IFRS financial measure which is calculated by reducing current liabilities by the current portion of loans and borrowings, lease liabilities and other liabilities. Adjusted working capital is used by Vertex to monitor its capital structure, liquidity, and its ability to fund current operations.
- D) **"Adjusted EBITDA per share, basic and diluted"** is a non-financial measure which is calculated by dividing adjusted EBITDA by the weighted average shares outstanding – basic and diluted.

Reconciliations of adjusted EBITDA, free cash flow and adjusted working capital are provided in the following tables.

ADJUSTED EBITDA	Three months ended	
	March 31,	
	2026	2025
Net loss for the period	(1,448)	(2,373)
Add:		
Depreciation and amortization	5,860	6,057
Finance costs	1,947	2,248
Share-based compensation	-	18
Income tax recovery	(445)	(729)
Adjusted EBITDA	5,914	5,221

FREE CASH FLOW	Three months ended	
	March 31,	
	2026	2025
Cash provided by operating activities	8,390	4,774
Changes in non-cash operating working capital items	(2,400)	615
Maintenance capex	(1,518)	(1,986)
Cash interest	(1,502)	(1,701)
Depreciation of right of use assets - real property	(831)	(988)
Proceeds from disposal of property and equipment	192	815
Free cash flow	2,331	1,529

ADJUSTED WORKING CAPITAL	March 31, December 31,	
	2026	2025
Current assets	62,939	58,539
Current liabilities, less:		
Current portion of loans and borrowings	62,382	58,997
Current portion of lease liabilities	(9,334)	(10,403)
	(8,029)	(8,838)
Current liabilities (excluding current portion of loans and borrowings and lease liabilities)	45,019	39,756
Adjusted working capital	17,920	18,783

Forward-Looking Information

This Press Release contains forward-looking statements and information ("forward-looking statements") within the meaning of applicable Canadian securities laws. The forward-looking statements contained in this Press Release are based on the expectations, estimates and projections of management of Vertex as of the date of this Press Release unless otherwise stated. The use of any of the words "believe", "expect", "anticipate", "contemplate", "target", "plan", "outlook", "potential", "estimated", "intends", "continue", "may", "will", "should" and similar

expressions are intended to identify forward-looking statements. More particularly and without limitation, this Press Release contains forward-looking statements concerning anticipated financial performance; the outlook for 2026; the Company's ability to grow profitably; sufficiency of working capital; and with respect to Vertex's ability to meet evolving customer demands.

Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Investors are cautioned that forward-looking statements are based on the opinions, assumptions and estimates of management considered reasonable at the date the statements are made, and actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to the risks associated with the industries in which Vertex operates in general, such as:

- Ability to access sufficient capital from internal and external sources
- Ability to market to new customers
- Ability to obtain equipment in a timely and cost-efficient manner
- Ability to secure work
- Adjustments and cancellations of backlog
- Changes in legislation, including but not limited to tax laws and environmental regulations
- Collection of recognized revenue
- Commodity price, interest rate and exchange rate fluctuations
- Competition, ethics, and reputational risks
- Compliance with environmental laws risks
- Cyber-security risks
- Economy and cyclicalities
- Geopolitical risks
- Global pandemics
- Health, safety and environmental risks
- Industry and inherent project delivery risks
- Insurance risk
- Joint venture risk
- Labour matters
- Litigation risk
- Loss of key management; ability to hire and retain qualified and capable personnel
- Maintaining safe worksites
- Operational risks
- Potential for non-payment and credit risk and ongoing financing availability
- Third party credit risk
- Unforeseen weather conditions
- Unanticipated shutdowns, work stoppages, and lockouts
- Volatility of market trading

Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on other factors that could affect the operations or financial results of the parties, and the combined company are included in reports on file with applicable securities regulatory authorities, including but not limited to: Annual Information Form for the year ended December 31, 2025, which may be accessed on Vertex's SEDAR+ profile at www.sedarplus.ca.

The forward-looking statements contained in this Press Release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as, and to the extent required by applicable securities laws.

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