

PyroGenesis Canada Inc.

08:20 16 Jun 2020

PyroGenesis Canada CEO says 2020 has the potential to be "a barn burner" as company has backlog of \$30.27M in contracts

PyroGenesis Canada Inc (CVE:PYP) (OTCQB:PYRNF) CEO Photis Peter Pascali told investors that 2020 has the potential to be "a barn burner" as the high-tech company has a significant backlog of nearly \$30.27 million in signed contracts as the group posted 2019 results.

For the fiscal year ended December 31, 2019, the company which designs, manufactures and commercializes advanced plasma processes, posted revenue of \$4.8 million, a decrease of 4% compared to \$5,03 million recorded in fiscal year 2018.

"The irony of issuing these 2019 financials knowing full well what has transpired since December 31, 2019, has not been lost on the writer, as I hope it will not be lost on the reader as well. These statements definitely do not represent the current state of affairs at the company," said Pascali in the statement accompanying the numbers.

READ: PyroGenesis says partner HPQ Silicon inks NDA to exchange technical information with advanced materials developer

"Given recent events, and the structuring that took place in 2019, the company is undeniably well positioned to execute on, and build upon, the backlog of signed contracts which currently stands in excess of \$30 million. With the eagerly anticipated US Navy contract in hand backlog of signed contracts will be in excess of \$40 million. 2020 has the potential to be a barn burner by almost any yardstick," he added.

PyroGenesis narrowed its adjusted earnings before interest, taxes, depreciation, and amortization (EBITDA) loss in 2019 to \$4.5 million, compared to an adjusted EBITDA loss of \$6.2 million a year earlier. It also improved its year-over-year gross margin to 27%, an increase of 5% from 22.1% a year earlier.

The company incurred \$851,512 of R&D costs on internal projects in 2019, a decrease of 5% compared to \$892,045 in 2018, primarily due to an increase in investment tax credits and government grants.

"To date, in 2020 we have not only received significant payments under existing contracts, but have retired the \$3 million convertible debenture in full, bought back approximately 1.2 million shares, increased our investment in HPQ, and further benefited from early conversions of warrants maturing in 2021 of over \$2 million," said Pascali.

"Of note, as of December 31, 2019 we have approximately \$10 of in-the-money warrants and options expiring in 2020 and 2021 alone. The Company also has over \$50 million in tax loss carryforwards (roughly evenly distributed between federal and provincial tax regimes) which is not reflected as an asset on the balance sheet," he added.

The company said that if 2019 was the year that saw the appropriate "personnel and infrastructure being put in place"

Price: 3.57

Market Cap: \$550.02 m

1 Year Share Price Graph



Share Information

Code: PYP

Listing: TSX-V

52 week High Low
6.43 0.19

Sector: Manufacturing & engineering

Website: www.pyrogenesis.com

Company Synopsis:

PyroGenesis Canada Inc. (TSX-V: PYP • OTCQB: PYRNF • FRA: 8PY), a high-tech company, is the world leader in the design, manufacture and commercialization of advanced plasma processes.

action@proactiveinvestors.com

while building on the success of 2018, then 2020 is "without a doubt the year that the long awaited breakout, which began in the second half of 2019, takes place."

To date during 2020, PyroGenesis noted that it has received significant payments under a "multi-million-dollar contract" with DROSRITE International.

The Canadian company harnesses the unique properties of thermal plasma to melt and transform metal, carry out high temperature chemical reactions and convert waste into energy. Its team is comprised of experienced engineers, scientists and technicians working out of its Montreal office and a 3,800-square-metre manufacturing facility.

Contact the author Uttara Choudhury at uttara@proactiveinvestors.com

Follow her on Twitter: [@UttaraProactive](https://twitter.com/UttaraProactive)

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts, journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +44 (0)207 989 0813 action@proactiveinvestors.com

No investment advice

The Company is a publisher. You understand and agree that no content published on the Site constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You understand that the Content on the Site is provided for information purposes only, and none of the information contained on the Site constitutes an offer, solicitation or recommendation to buy or sell a security. You understand that the Company receives either monetary or securities compensation for our services. We stand to benefit from any volume which any Content on the Site may generate.

You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value, suitability or profitability of any particular security, portfolio of securities, transaction, investment, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including Company-related products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

The Site does not, and is not intended to, provide investment, tax, accounting, legal or insurance advice, and is not and should not be construed as providing any of the foregoing. You should consult an attorney or other relevant professional regarding your specific legal, tax, investment or other needs as tailored to your specific situation.

In exchange for publishing services rendered by the Company on behalf of PyroGenesis Canada Inc. named herein, including the promotion by the Company of PyroGenesis Canada Inc. in any Content on the Site, the Company receives from said issuer annual aggregate cash compensation in the amount up to Twenty Five Thousand dollars (\$25,000).