

NEWS

August 3, 2022

WEST TRENTON, NJ – Homasote Company, America’s oldest manufacturer of building products made from recycled cellulose fiber, recently released the Company’s unaudited summary financial operating information for the first six months of 2022 and comparable figures for the same period in 2021.

Net sales for the three months ended June 30, 2022 were \$6,349,129, compared to \$4,900,757 for 2021, an increase of \$1,448,372. Net income for the three months ended June 30, 2022 was \$720,394, or \$1.99 per share, compared to net income of (\$71,441), or (\$0.20) per share, for the year earlier period.

Net sales for the six months ended June 30, 2022 were \$11,931,470, compared to \$9,375,504 for 2021, an increase of \$2,555,966. Net income for the six months ended June 30, 2022 was \$1,450,635, or \$4.01 per share, versus net income of (\$286,721), or (\$0.79) per share, in 2021.

Unaudited comparative summarized operational information for the periods ended June 30, 2022 and 2021 are as follows:

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|-----------------------------|--------------|---------------------------|--------------|
| | <u>2022</u> | <u>2021</u> | <u>2022</u> | <u>2021</u> |
| Net sales | \$ 6,349,129 | \$ 4,900,757 | \$ 11,931,470 | \$ 9,375,504 |
| Operating income (loss) | \$ 773,509 | \$ (34,611) | \$ 1,555,483 | \$ (208,559) |
| Net income (loss) | \$ 720,394 | \$ (71,441) | \$ 1,450,635 | \$ (286,721) |
| Net income per common share | \$ 1.99 | \$ (0.20) | \$ 4.01 | \$ (0.79) |
| Weighted average common shares outstanding | 361,719 | 361,419 | 361,719 | 361,419 |

The summarized financial data above for the six month periods ended June 30, 2022 and 2021 are derived from unaudited financial information. The historical results are not necessarily indicative of the results of operations to be expected in the future. Results for the six months ended June 30, 2022 may not be indicative of the results for the full fiscal year or for any other future period. Homasote Company information may be obtained on OTCMarkets.com with the locator HMTTC.

Forward-Looking Statements

Some statements in this supplement may be “forward-looking statements” for the purposes of the Private Securities Litigation Reform Act of 1995. In some cases, forward-looking statements can be identified by words such as “believe,” “expect,” “anticipate,” “plan,” “potential,” “continue” or similar expressions. Such forward-looking statements are based upon current expectations and beliefs and are subject to a number of factors. These forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those indicated in the forward-looking statements, including but not limited to: events or conditions that affect the building and manufacturing industries in general and the Company in particular, such as general economic conditions, employment levels, the ongoing effects of the current pandemic, interest rates, inflation, costs of energy, weather, strikes, international unrest, terrorist acts and other factors; competitive, regulatory and market conditions, such as changes in choices regarding building materials by architects and builders and packing products by industrial firms; the performance of new products and the continued acceptance of current products in the marketplace; the execution of strategic initiatives and alliances; and other important factors disclosed previously and from time to time in the Company’s Annual Report and accompanying material. Therefore, the reader is cautioned not to rely on these forward-looking statements. The Company disclaims any intent or obligation to update these forward-looking statements.