



## **Speedemissions, Inc. Announces Financial Results for Third Quarter Ended September 30, 2022**

- Year-to-Date Same-Store Sales Increase of 14.7%
- Net Income of \$292,700 for Nine Months Ended Sept. 30, 2022
- Company Reviewing Opportunities to Accelerate Margin Expansion and Profitability

ATLANTA, GA. – October 31, 2022-- Speedemissions, Inc. (OTC Markets Expert Market: SPMI) (the “Company”) a retail brand emissions testing and safety inspections company, operating nineteen stores in the Atlanta and St. Louis markets, today announces its financial results for the third quarter ended September 30, 2022.

“Two words describe the progress in operation of the business: commitment and hard work. The effort put forth by our employees is the reason the Company continues its performance of revenue growth and positive EBITDA<sup>1</sup>,” stated Rich Parlontieri, Speedemissions CEO & President.

“The consistent trend of stability and revenue increase of our business has laid the foundation for our diligent review of potentially adding related revenue channels that would allow us to expand margins, increase profitability and reward our shareholders,” said Parlontieri.

### **Financial Highlights for the Third Quarter Ended September 30, 2022 (Unaudited)**

- Revenue increased by approximately \$97,000 to \$998,000 in the third quarter of 2022 compared to revenue of approximately \$901,000 in the third quarter of 2021. The increase was due to a 10.7% increase in same store sales in Atlanta and St. Louis.
- Store Operating Expenses increased by approximately \$50,000 or 10.9% in the third quarter of 2022, compared to the third quarter of 2021, again primarily due to an increase in store wages, and advertising.
- General and Administrative Expenses increased by approximately \$78,000 compared to the third quarter of 2021, which is attributed to an increase in legal, accounting and salaries.
- The Company’s Net Income was approximately \$13,000, a decrease of \$117,000, as compared to the third quarter of 2021. The \$117,000 decrease was due primarily to the previous described \$78,000 in G&A expenses and settlement of a \$75,000 claim for past due rent, property taxes and interest for a Missouri store closed in 2014. These 2022 expense increases were partially offset by an \$82,000 increase in Gross Profit resulting from the increased revenue.

### **Financial Summary for Year-to-Date Nine Month Period Ended September 30, 2022 (Unaudited)**

- Revenue had a 14.7% increase or \$367,000 to approximately \$2,862,482 in the nine months ended September 30, 2022, compared to \$2,495,746 in the same period of 2021. Part of the increase in revenue over the comparable period was due to the closing of an underperforming store and the acquisition of a store in a high growth area.
- Same Store Sales increased by 14.7% or \$367,000 in the eighteen Georgia location and two mobile testing units of 14.6% and the Missouri same store revenue increased 15.3% versus the same period in 2021.
- Store Operating Expenses increased \$151,000 in the nine months ended September 30, 2022, compared to the same period of 2021, primarily due to the adjustment of store employee payroll, rent and advertising in 2022.
- General and Administrative Expenses increased approximately \$105,000 or (26.3%), during the nine months ended September 30, 2022, compared to the same period of 2021, due to legal, accounting and compensation.
- For the year Total Net Expenses have been reduced by \$238,000 or 13.5% versus the same period in 2020.
- The Company had a Net Income of \$292,700 for the nine months ended September 30, 2022, compared to a Net Income of \$641,491 for the same period 2021. After eliminating the PPP loan forgiveness income and other accounts payable write-offs of \$335,000 from the year-to-date 2021 net income, net income for year-to-date 2021 was reduced to \$306,000. When compared to the 2022 net income for the same period of 2022, there was only a decrease of \$13,000 or 4.2% to a net income of \$293,000.

**(1)EBITDA** is a non-GAAP measure and is calculated as earnings before interest, tax, depreciation, and amortization and is commonly referred to evaluate a company's operating performance. Consequently, EBITDA should not be considered in isolation or as a substitute for net income and loss presented in accordance with GAAP.

An analysis of results for the period ended September 30, 2022, can be found on the Speedemissions, Inc. website at [www.speedemissions.com](http://www.speedemissions.com).

#### **ABOUT SPEDEMISSIONS, INC.**

Speedemissions, Inc., based in Atlanta, Georgia, offers our customers quick and efficient emission testing and/or safety inspection as required by law. The company is in the Atlanta, GA. and St. Louis, MO. markets. For more information, visit: [www.speedemissions.com](http://www.speedemissions.com).

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*Certain statements contained in this news release regarding matters that are not historical facts may be forward-looking statements. Because such forward-looking statements include risks and uncertainties, actual results may differ materially from those expressed in or implied by such forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, uncertainties pertaining to market acceptance for Speedemissions' products and services, its ability to succeed in increasing revenues in the near term to attain profitable operations and generate sufficient cash flow from operations, the effect of new competitors in its markets, its integration of acquired*

*businesses, and other risk factors identified from time to time in its filings with the Securities and Exchange Commission, including Speedemissions' Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and current reports on Form 8-K through 6.30.2017, which are available at the SEC's website [www.sec.gov](http://www.sec.gov). Other factors not currently anticipated may also materially and adversely affect Speedemissions' results of operations, financial position, and cash flows. There can be no assurance that future results will meet expectations. While Speedemissions believes that the forward-looking statements in this news release are reasonable, the reader should not place undue reliance on any forward-looking statement. In addition, these statements speak only as of the date made. Speedemissions does not undertake, and expressly disclaims any obligation to update or alter any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.*