



Xtract One Releases First Quarter Fiscal 2023 Results

December 6, 2022

TORONTO, ON – December 6, 2022 (GLOBE NEWSWIRE) — Xtract One Technologies Inc., formerly Patriot One Technologies Inc., (TSX: XTRA) (OTCQX: XTRAF) (FRANKFURT: 0PL) (“Xtract One” or the “Company”) a leading technology-driven threat detection and patron screening solutions company, is pleased to announce its first quarter results for the three month period ended October 31, 2022 (“Q1 2023”). All information is in Canadian dollars unless otherwise indicated.

The following press release should be read in conjunction with the Company’s Condensed Consolidated Interim Financial Statements, prepared in accordance with International Financial Reporting Standards (“IFRS”) and our Management’s Discussion and Analysis for the periods ended October 31, 2022 and 2021, which can be found under the Company’s profile on SEDAR at www.sedar.com.

“I am pleased to share our first quarter results with investors for fiscal 2023. The Platform continues to experience incredible growth as the total value of contracts signed during the quarter was essentially equal to all contracts signed throughout all twelve months of last year,” stated Peter Evans, Chief Executive Officer of Xtract One. “We have been focused on satisfying the needs of our customers and expanding our presence in the marketplace. The 85% increase in the value of our Platform backlog and signed contracts compared to last quarter is a testament to the strong demand for our products and our ongoing effort to increase customer engagement. We continue to reach new milestones such as the recent strategic partnership with Oak View Group announced this past quarter and see this trajectory continuing throughout the balance of fiscal 2023.”

Company Highlights for the fiscal quarter ended October 31, 2022

The following is a summary of the key business highlights for the quarter ended October 31, 2022:

- Accelerated topline growth at our Platform business unit with approximately \$0.4 million of revenue recognized during the period, representing a 125% increase in Platform revenue over the same three months period ended October 31, 2021;
 - Contractual backlog rose to \$2.6 million, with an additional \$4.0 million pending installation or successful trials that will be recognized as revenues in future periods;
 - Signed a contract to protect all entrances of the SAP Center, home of the NHL’s San Jose Sharks, and Tech CU Arena, home of the AHL’s San Jose Barracuda;
 - ; and
 - Selected by Oak View Group to protect all entrances of the Angel of the Winds Arena, home of the WHL’s Everett Silvertips.

Company Highlights Subsequent to the fiscal quarter ended October 31, 2022

The following is a summary of the key business highlights subsequent to the quarter ended October 31, 2022:

- Secured a contract with Oak View Group to protect all entrances at Total Mortgage Arena in Bridgeport, Connecticut which is the home of the New York Islanders’ AHL team, the Bridgeport Islanders;
- Secured a contract with Oak View Group to protect all entrances at Acrisure Arena in Palm Desert, California. This \$300 million world-class venue is the future home of the Seattle Kraken’s AHL team, the Coachella Valley Firebirds;
- Announced a contract with Lakewood School District in Lakewood, New Jersey to help ensure weapons are not brought into schools throughout the Lakewood Township district;
- The Company announced and completed a corporate rebranding including changing the Company’s name to Xtract One Technologies Inc; and
- The Company announced it received two gold awards from American Security Today’s ASTORS 2022 Homeland Security Awards in the categories Best Pedestrian Entrance Control and Best Metal/Weapons Detection.

Fiscal 2023 First Quarter Financial Results

- Revenue was \$0.6 million for the first quarter ended October 31, 2022 as compared to \$0.7 million for the same period in fiscal 2022.

- Platform revenue was \$0.4 million for the first quarter ended October 31, 2022 as compared to \$0.2 million for the same period in fiscal 2022.
- Net loss from operations increased from \$1.1 million in the first quarter ended October 31, 2021 to \$4.9 million in the first quarter ended October 31, 2022. The increase in net loss pertains primarily to \$2.5million in non-dilutive funding for research and received in the prior fiscal year.

Conference Call Details

Xtract One will host a conference call to discuss its annual results on Tuesday, December 6, 2022, at 5:30 pm EST. Peter Evans, Xtract One CEO and Director, and Karen Hersh, CFO and Corporate Secretary, will provide an overview of the financial results for Q1 2023 along with management's outlook for the business, followed by a question-and-answer period.

Investors may register for the live conference call by clicking this [link](#). Participants should dial in at least 10 minutes prior to the start of the call. A recording of the call will be available on the Company's website after the conference call concludes.

About Xtract One Technologies

[Xtract One Technologies](#) is a leading technology-driven threat detection and security solution leveraging AI to provide seamless and secure patron access control experiences. The Company makes unobtrusive threat detection systems that enable venue building operators to prioritize and deliver improved patron experiences while providing unprecedented safety. Xtract One's innovative multi-sensor Gateway product enables companies to covertly screen for weapons at points of entry without disrupting the flow of traffic. Its AI-based Xtract Vision allows venue and building operators to identify weapons and other threats inside and outside of facilities, and Xtract One Insights provides valuable intelligence for optimizing operations. For more information, visit www.xtractone.com or connect on [Facebook](#), [Twitter](#), and [LinkedIn](#).

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This news release contains forward-looking statements within the meaning of applicable securities laws relating to system sales, product development, licensing, commercialization and regulatory compliance issues and other statements that are not historical facts. Forward-looking statements are often identified by terms such as "will", "may", "should", "anticipates", "expects", "believes", and similar expressions or the negative of these words or other comparable terminology. All statements other than statements of historical fact, included in this release are forward-looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations include but are not limited to: results of operational activities, completion of contracts; the Company's limited profitability; dependence on management; the Company's need for additional financing and the effects of financial market conditions and other factors on the availability of capital; competition, including that of better funded competitors; the impact of the Russia-Ukraine conflict on the global economy; the continued impact of the COVID-19 pandemic; the need to build alliances and partnerships, including with customers and suppliers; and other risks detailed from time to time in the filings made by the Company with securities regulations. The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. The reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release and the Company will update or revise publicly any of the included forward-looking statements only as expressly required by applicable law.

No securities exchange or commission has reviewed or accepts responsibility for the adequacy or accuracy of this release.