



## Xtract One Announces Fiscal 2026 First Quarter Results

December 3, 2025

### Total Backlog Over \$53 Million; On Track for Strong Revenue Growth in Year Ahead

TORONTO, Dec. 03, 2025 (GLOBE NEWSWIRE) -- Xtract One Technologies Inc. (TSX: XTRA) (OTCQX: XTRAF) (FRA: OPL) ("Xtract One" or the "Company") a leading technology-driven threat detection and security solution that prioritizes the patron access experience by leveraging AI, today announced its fiscal first quarter results for the three months ended October 31, 2025. All information is in Canadian dollars unless otherwise indicated.

#### Recent Highlights

- Revenue of \$4.6 million for the three months ended October 31, 2025 versus \$3.6 million in the prior-year period.
- Gross margin of 58% for the fiscal 2025 first quarter versus 64% for the same period last year.
- Operating expenses of \$5.7 million for the three months ended October 31, 2025 versus \$5.3 million in the prior-year period.
- Total contract value of new bookings<sup>1</sup> was \$8.4 million for the three months ended October 31, 2025 as compared to \$4.2 million for the same period last year.
- Contractual backlog was \$14.1 million at the end of the first quarter as compared to \$14.0 million in the prior-year period, excluding an additional \$39.1 million of agreements pending installation versus approximately \$12.9 million at the end of the first quarter of fiscal 2025.
- Comprehensive loss was \$3.0 million for the three month period ended October 31, 2025 as compared to \$2.7 million for the same period in fiscal 2025.
- Subsequent to the quarter ended October 31, 2025, the Company successfully closed a public offering and raised aggregate gross proceeds of \$11.5 million, including the full exercise of an over-allotment option. Each unit purchased consisted of one common share of the Company and one-half of a common share purchase warrant, exercisable into common shares until November 10, 2028 at an exercise price of \$0.95.

"We continued to build momentum in the first quarter, as we once again increased our backlog to a record of over \$53 million, bolstering our outlook for fiscal 2026 and beyond," stated Peter Evans, Chief Executive Officer of Xtract One. "We successfully ramped up commercial deployment of Xtract One Gateway, following first shipments in Q4, and are experiencing higher-than-anticipated demand for this solution, as evidenced by new bookings in the quarter from seven customers worth \$5.1 million. We have been actively working with our manufacturing partner to increase production capacity to address current and forecasted demand for Xtract One Gateway by the end of the second quarter of fiscal 2026. In addition, while gross margins have been negatively impacted, as expected, due to higher costs related to the initial production and installation of Xtract One Gateway, we expect margins to improve with broader commercial deployment in the second half of fiscal 2026. Subsequent to the quarter, we successfully completed a public offering that raised gross proceeds of over \$11.5 million, further strengthening our ability to meet customer demand, invest in business development and, ultimately, accelerate top line growth. We are in the best position to make 2026 a transformational year for Xtract One, and the team and I couldn't be more optimistic about the future."

#### Financial Results for the Three Month Period Ended October 31, 2025

Consolidated revenue was \$4.6 million for the three months ended October 31, 2025 as compared to \$3.6 million for the same period last year reflecting the first commercial deployments of Xtract One Gateway. Gross profit was \$2.7 million, or a gross profit margin of 58%, for the three months ended October 31, 2025 versus \$2.3 million, or a gross profit margin of 64%, in the prior-year period owing to the initial production and installation costs of Xtract One Gateway.

Comprehensive loss was \$3.0 million for the three month period ended October 31, 2025 as compared to \$2.7 million for the same period in fiscal 2025, mainly from unrealized, non-cash foreign currency translation adjustments.

This press release should be read in conjunction with the Company's Unaudited Condensed Consolidated Interim Financial Statements, prepared in accordance with International Financial Reporting Standards ("IFRS") and the Company's Management's Discussion and Analysis for the three month periods ended October 31, 2025 and 2024, which can be found on the Company's website and under the Company's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

## Conference Call Details

Xtract One will host a conference call to discuss its results tomorrow, December 4, 2025 at 10:00 am EST. Peter Evans, Xtract One CEO and Director, and Karen Hersh, CFO and Corporate Secretary, will provide an overview of the financial results along with management's outlook for the business, followed by a question-and-answer period.

The webcast and presentation will be accessible on the company's website. The [webcast can be accessed here](#) and the telephone number for the conference call is 844-481-3016 (412-317-1881 for international callers).

## 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 weapons and threat detection systems that are designed to assist facility operators in prioritizing- and delivering improved "Walk-right-In" experiences while enhancing safety. Xtract One's innovative portfolio of AI-powered Gateway solutions excels at allowing facilities to discreetly screen and identify weapons and other threats at points of entry and exit without disrupting the flow of traffic. With solutions built to serve the unique market needs for schools, hospitals, arenas, stadiums, manufacturing, distribution, and other customers, Xtract One is recognized as a market leader delivering the highest security in combination with the best individual experience. For more information, visit [www.xtractone.com](http://www.xtractone.com) or connect on [Facebook](#), [X](#), and [LinkedIn](#).

## About Threat Detection and Security Solutions

Xtract One solutions, when properly configured, deployed, and utilized, are designed to help enhance safety and reduce threats. Given the wide range of potential threats in today's world, no threat detection system is 100% effective. Xtract One solutions should be utilized as one element in a multilayered approach to physical security.

### For further information, please contact:

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## <sup>1</sup> Supplementary Financial Measures:

The Company utilizes specific supplementary financial measures in this earnings release to allow for a better evaluation of the operating performance of the Company's business and facilitates meaningful comparison of results in the current period with those in prior periods and future periods. Supplementary financial measures do not have any standardized meaning prescribed under IFRS and therefore may not be comparable to measures presented by other companies. Supplementary financial measures presented in this earnings release include 'Agreements pending installation' and 'Total contract value of new bookings.' Agreements pending installation reflects total value of signed contracts awarded to the Company that has not been installed at the customer site. 'Total contract value of new bookings' is comprised of all new contracts signed and awarded to the Company, regardless of the performance obligations outstanding as of the end of the reporting period. Total contract value is the aggregate value of sales commitments from customers as at the end of the reporting period without consideration of the Company's completion of the associated performance obligations outlined in each contract.

## CAUTIONARY DISCLAIMER STATEMENT:

This news release contains forward-looking statements within the meaning of applicable securities laws 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 the risks detailed from time to time in the continuous disclosure 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.

## Unaudited Interim Statements of Loss and Comprehensive Loss for the Three Months Ended October 31, 2025 and 2024

The following table is extracted from the Company's unaudited condensed consolidated interim financial statements and presented in Canadian dollars to demonstrate the Statements of Loss and Comprehensive loss for the three month periods ended October 31, 2025 and 2024:

	Three months ended October 31,	
	2025	2024
<b>Revenue</b>	\$ 4,595,951	\$ 3,627,837
<b>Cost of revenue</b>	1,925,720	1,313,430
<b>Gross profit</b>	\$ 2,670,231	\$ 2,314,407
<b>Operating expenses</b>		
Selling and marketing	\$ 1,944,213	\$ 1,663,159
General and administration	1,987,606	1,864,192
Research and development	1,689,114	1,799,611
Loss on inventory write-down	83,579	-
<b>Total operating expenses</b>	\$ 5,704,512	\$ 5,326,962
<b>Loss from operations</b>	(3,034,281)	(3,012,555)
Interest and other income	36,665	74,919
<b>Net loss for the period</b>	\$ (2,997,616)	\$ (2,937,636)
<b>Other comprehensive income for the period</b>		
Currency translation differences for foreign operations	42,101	282,819
<b>Comprehensive loss for the period</b>	\$ (2,955,515)	\$ (2,654,817)
<b>Weighted average number of shares</b>	240,691,271	218,397,852
<b>Basic and diluted loss per share</b>	\$ (0.01)	\$ (0.01)

#### Unaudited Interim Statements of Financial Position as at October 31, 2025 and July 31, 2025

The following table is extracted from the Company's unaudited condensed consolidated interim financial statements and presented in Canadian dollars to demonstrate the Company's financial position as at October 31, 2025 and July 31, 2025:

	October 31, 2025	July 31, 2025
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 9,140,290	\$ 8,220,089
Receivables	2,271,757	1,600,176
Prepaid expenses and deposits	1,059,622	2,328,455
Current portion of deferred cost of revenue	466,257	434,284
Inventory	3,412,439	2,829,437
	16,350,365	15,412,441
Property and equipment	2,075,539	2,351,765
Intangible assets	4,320,386	4,527,260
Non-current portion of deferred cost of revenue	69,315	167,850
Right of use assets	884,968	953,513

<b>Total assets</b>	\$	23,700,573	\$	23,412,829
<b>Liabilities</b>				
Current liabilities				
Accounts payable and accrued liabilities	\$	3,315,141	\$	3,027,553
Current portion of deferred revenue		6,001,371		6,142,469
Current portion of lease liability		249,335		252,104
		9,565,847		9,422,126
Non-Current liabilities				
Non-current portion of deferred revenue		2,991,075		2,426,834
Non-current portion of lease liability		806,693		878,294
	\$	13,363,615	\$	12,727,254
<b>Shareholders' equity</b>				
Share capital	\$	152,607,579	\$	150,239,300
Contributed surplus		18,773,925		18,535,306
Accumulated deficit		(161,440,265)		(158,442,649)
Accumulated other comprehensive income		395,719		353,618
	\$	10,336,958		10,685,575
<b>Total liabilities and shareholders' equity</b>	\$	23,700,573	\$	23,412,829

#### Unaudited Interim Statements of Cash Flows for the Three Months Ended October 31, 2025 and 2024

The following table is extracted from the Company's unaudited condensed consolidated interim financial statements and presented in Canadian dollars to demonstrate the Company's cash flows for the three month periods ended October 31, 2025 and 2024:

	Three months ended October 31,	
	2025	2024
<b>Cash flow used in operating activities</b>		
Loss for the period	\$ (2,997,616)	\$ (2,937,636)
Adjustment for:		
Share-based compensation	477,548	423,225
Depreciation	364,981	347,318
Amortization	239,513	207,808
Finance cost	10,667	10,663
Loss on inventory	83,579	-
	(1,821,328)	(1,948,622)
Changes in non-cash working capital		
Receivables	(657,851)	196,478
Prepaid expenses and deposits	1,270,369	(6,457)
Inventory	(636,885)	(416,490)
Deferred cost of revenue	67,247	91,851
Accounts payable and accrued liabilities	276,252	(130,246)
Deferred revenue	339,519	258,663
Cash used in operating activities	(1,162,677)	(1,954,823)
<b>Cash flow used in investing activities</b>		
Internally developed intangible assets	-	(445,912)
Acquisition of right of use asset	-	(5,028)

Cash used in investing activities	-	(450,940)
<b>Cash flow generated from financing activities</b>		
Proceeds on issue of share capital	2,129,350	4,745
Lease payments	(85,037)	(78,920)
Cash generated from (used in) financing activities	2,044,313	(74,175)
Effect of exchange rate changes on cash and cash equivalents	38,565	(28,778)
Net increase (decrease) in cash and cash equivalents for the period	\$ 920,201	\$ (2,508,716)
<b>Cash and cash equivalents beginning of the period</b>	8,220,089	8,628,521
<b>Cash and cash equivalents end of the period</b>	\$ 9,140,290	\$ 6,119,805



Source: Xtract One Technologies Inc.