



Zedcor Inc. Reports Record Q1 2026 Revenue of \$19.4 Million and Adjusted EBITDA of \$7.6 Million

Revenue increased 69% and Adjusted EBITDA increased 86% year-over-year for Q1 2026; U.S. revenue exceeded Canadian revenue for the first time ever as total MobileyeZ™ fleet grew to 3,261 units

Q1 2026 AT A GLANCE

	Q1 2026	Q1 2025	Change / Commentary
Revenue	\$19.4M	\$10.3M	Record quarterly revenue, +69% YoY and +9% QoQ, driven by U.S. expansion and new customer wins across logistics, retail, and core verticals.
Adjusted EBITDA⁽¹⁾	\$7.6M	\$4.1M	Record quarterly EBITDA, +86% YoY and +8% QoQ, driven by U.S. expansion and continued scale.
Adjusted EBITDA⁽¹⁾ Margin	39%	36%	300 bps of margin expansion YoY, driven by U.S. operating scale, strong Canadian contribution margins, and AI-at-the-edge cost efficiencies in monitoring.
Adj. FCF Before Changes in Non-Cash Working Capital⁽¹⁾	\$6.4M	\$3.6M	+80% YoY; cash generation scaling alongside EBITDA, supporting continued reinvestment in fleet growth.
MobileyeZ™ Towers Manufactured	475	229	43.2 towers/week vs. 17.6 in Q1 2025 — output more than doubled despite a 2-week production shutdown during the quarter due to facility move.
MobileyeZ™ Total Fleet Size	3,261	1,566	+108% YoY; growth concentrated in U.S. markets, particularly Texas and the broader Sunbelt.
Weekly Production Capacity	~50	~25	Capacity roughly doubled with the opening of a larger Houston facility, supporting accelerated U.S. deployment in 2026.
U.S. Fleet Size	1,878	564	+233% YoY; U.S. now represents ~58% of the total MobileyeZ fleet.
Canadian Fleet Size	1,383	1,002	+38% YoY; sustained growth across established Canadian branches
U.S. Revenue Proportion	50%	29%	U.S. revenue of \$9.7M surpassed Canadian revenue for the first time in the Company's history.
Net Debt (Net Cash)	\$31.6M	(\$1.0M)	Reflects Q1 2026 credit facility and equity raise to fund growth; \$43.2M remains undrawn.

¹ See Financial Measures Reconciliations below

Calgary, Alberta – May 20, 2026: Zedcor Inc. (“Zedcor” or the “Company”) (TSX-V: ZDC) is pleased to announce its financial and operating results for the three months ended March 31, 2026, highlighted by record quarterly revenue, record quarterly Adjusted EBITDA, continued MobileyeZ™ fleet expansion, increased U.S. contribution, and continued strong performance in Canada.

In Q1 2026, Zedcor generated revenue of \$19.4 million, up 69% year-over-year (“YoY”) and 9% quarter-over-quarter (“QoQ”) due to a higher tower count, consistently strong demand from customers leading, and increasing tower production capacity. Adjusted EBITDA was \$7.6 million, up 86% YoY. Both quarterly revenue and Adjusted EBITDA represent record quarterly results for the Company.

Adjusted EBITDA margin improved to 39% from 36% in the prior-year period, due to higher revenues, operating cost controls, and economies of scale, especially related to US G&A costs. Growth investments increased G&A, depreciation, stock-based compensation, and finance costs.

The strong performance reflects continued execution of the Company’s growth strategy. During the quarter, Zedcor deployed 475 new units, with a particular focus on the U.S. market, and achieved record daily revenue from its 3,261-unit fleet of MobileyeZ™ security towers. The Company added new customers across several verticals, including logistics and retail, and continues to see increasing demand in both Canada and the U.S.

The U.S. accounted for slightly more than 50% of first quarter revenue, with ongoing strength driven by expanding operations as Zedcor’s fully integrated hardware, monitoring, and service offering continues to gain traction with customers. The Company continued to build out its presence in Texas and other key markets across the southern U.S.

Todd Ziniuk, President and CEO of Zedcor, commented:

“We continued to deliver healthy growth and another quarter of record revenue and record Adjusted EBITDA. The Company also deployed more MobileyeZ™ towers than in any prior quarter, and, for the first time in our history, our U.S. business contributed more revenue than Canada. Each of these milestones reflects the strength of our integrated platform and the discipline of the team executing behind it.

It is evident that the significant investments in the business and competitive moats are compounding returns for our shareholders. Adjusted EBITDA grew 86% on revenue growth of 69%, lifting our margin to 39%. This operating leverage is the direct result of work we have done, and will continue to do, particularly on improving the efficiency of our monitoring services, which are meaningfully reducing what it costs us to deliver results for customers.

The U.S. is our largest market now, and how quickly we got here is the clearest read on where this business is headed. We're seeing enterprise customers move from running pilots to deploying our platform across their portfolios. The customer base keeps broadening, as well across residential construction, logistics, and retail.

Texas remains our anchor in the southern U.S., and the infrastructure we have built there is what will let us keep scaling without compromising the service levels our customers have come to expect from Zedcor. By expanding our banking facility and completing a \$30.5 million equity raise in Q1, we also have the balance sheet strength to execute our plan.”

FINANCIAL & OPERATING RESULTS FOR THE THREE MONTHS ENDED MARCH 31, 2026

(in \$000s, except per share amounts)	2026	Three months	Three months
		ended March 31	ended December 31
		2025	2025
Revenue	19,404	11,476	17,882
EBITDA ¹	5,663	3,477	5,065
Adjusted EBITDA ¹	7,647	4,109	7,068
Adjusted EBITDA per share - basic ¹	0.07	0.04	0.07
Adjusted EBIT ¹	538	1,060	853
Net (loss) income	(278)	622	1,504
Net (loss) income per share			
Basic	(0.00)	0.01	0.01
Diluted	(0.00)	0.01	0.01

¹ See Financial Measures Reconciliations below

Zedcor recorded \$19,404 of revenue for the three months ended March 31, 2026. This compares to \$11,476 of revenue for the three months ended March 31, 2025. The revenue growth of 69% YoY was due to:

- development and the execution of our strategic initiatives for the U.S. expansion;
- ongoing diversification of our customer base and attracting new customers across the U.S. and Canada; and
- creating, and then meeting the strong customer demand through the production and deployment of MobileyeZ™ towers.

Quarter-over-quarter, the Company’s total revenue was up \$1,522 or 9%, as a result of a larger fleet of security towers, revenue growth in the U.S. through customer acquisition, and growing revenues from existing customers, offset slightly by lower revenues in Canada.

Adjusted EBITDA was \$7,647 for the three months ended March 31, 2026, compared to \$4,109 for the three months ended March 31, 2025, representing an increase of \$3,538, or 86% YoY. Adjusted EBITDA increased YoY due to higher revenues and operating cost controls, offset by the increase in administrative and sales staff costs due to continued U.S. growth investments. Adjusted EBITDA margin for the three months ended March 31, 2026, was 39% as compared to 36% for the three months ended March 31, 2025, highlighting Zedcor's ability to scale.

The Company's security and surveillance services saw increased revenues and EBITDA for the three months ended March 31, 2026, compared to three months ended March 31, 2025, due largely to new customer demand and increased demand from existing customers of its larger fleet of MobileyeZ™ security towers and expanded U.S. presence. Utilization rates remain strong throughout Q1 2026 for the company's U.S. and Canada fleet.

Financial and operational highlights for the three months ended March 31, 2026 include:

1. Net Income (Loss) of (\$278) Versus \$622 in the Prior-Year Period

The decrease reflects continued investment in scaling the business in the U.S., resulting in higher G&A costs, depreciation, stock-based compensation, and financing expenses.

2. Expanded Non-Dilutive Credit Facility to \$75 Million & Completed \$30.5 Million Equity Raise

On February 3, 2026, Zedcor expanded its credit facility to \$75 million in total committed borrowing with its primary lender. On February 11, 2026, Zedcor completed a \$30.5 million bought deal public offering of 5,084,000 common shares at \$6.00 per share. These financings support the expansion of the security tower fleet across Canada and the U.S., especially the acceleration of U.S. growth and the continued buildout of its U.S.-based sales and service platform

3. Continued Expansion into Key U.S. Markets Including California and Florida

Zedcor continues to see strong demand outside Texas, with recently established locations experiencing growth and growing revenues.

4. Significant Customer Wins and Diversification Across Canada and the U.S.

Zedcor achieved significant customer wins in logistics, warehousing, and residential home building. Across the U.S. and Canada. The Company anticipates demand in these verticals to continue increasing as its U.S. footprint expands. Growth in the company's customer base has decreased the reliance on any one customer or any one industry.

5. On Track U.S. Expansion

Zedcor exited Q1 2026 with 1,878 MobileyeZ™ located in the U.S. which represents a growth of 1,314 units or 233% compared to Q1 2025, expanded the base of operations with the ability to serve customers coast to coast, and continued positive business development with both existing and new U.S. customers.

6. Continued Expansion of Manufacturing Capabilities

Zedcor manufactured 475 Solar MobileyeZ™ Security Towers in Q1 2026, an average of 43.2 towers. Production capacity sits at 45-50 towers per week with the ability to increase this without significant capital expenditures.

7. Strategic Investment in a AI Native Software Developer

During the quarter, Zedcor made a strategic \$2,033 investment in a software development firm building the Company's a AI-native, monitoring-centric video management platform. The technology is being developed by Zedcor and is expected to enhance the customer experience while driving meaningful efficiency and scalability gains across the Company's live verified video monitoring operations as the fleet continues to grow. The investment reinforces Zedcor's strategy of controlling and continuously improving the critical technology that underpins its end-to-end security offering.

SELECTED QUARTERLY FINANCIAL INFORMATION

(Unaudited – in \$000s)	Mar	Dec	Sep	Jun	Mar	Dec	Sep	Jun
	31	31	30	30	31	31	30	30
	2026	2025	2025	2025	2025	2024	2024	2024
Revenue	19,404	17,882	16,020	13,536	11,476	10,334	9,152	7,372
Net (loss) income	(278)	1,504	131	460	622	380	310	1,409
Adjusted EBITDA ¹	7,647	7,068	5,739	4,933	4,109	4,002	3,409	2,695
Adjusted EBITDA per share - basic ¹	0.07	0.07	0.05	0.05	0.04	0.04	0.04	0.03
Net (loss) income per share								
Basic	(0.00)	0.01	0.00	0.00	0.01	0.01	0.00	0.02
Diluted	(0.00)	0.01	0.00	0.00	0.01	0.01	0.00	0.02
Adjusted free cash flow ¹	2,750	10,687	7,747	931	1,526	3,305	3,705	1,018

¹ See Financial Measures Reconciliations below

LIQUIDITY AND CAPITAL RESOURCES

The following table shows a summary of the Company's cash flows by source or (use) for the three months ended March 31, 2026, and 2025:

(in \$000s)	Three months ended March 31			
	2026	2025	\$ Change	% Change
Cash flow from operating activities	2,867	1,664	1,203	72%
Cash flow used in investing activities	(23,829)	(9,065)	(14,764)	(163%)
Cash flow from financing activities	20,038	22,025	(1,987)	(9%)

The following table presents a summary of working capital information:

(in \$000s)	Three months ended March 31			
	2026	2025	\$ Change	% Change
Current assets	19,440	31,270	(11,830)	(38%)
Current liabilities *	17,379	16,285	1,094	7%
Working capital	2,061	14,985	(12,924)	(86%)

*Includes \$0.6 million of debt and \$5.3 million of lease liabilities in 2026 and \$0.4 million of debt and \$4.7 million of lease liabilities in 2025.

The primary uses of funds are operating expenses, maintenance and growth capital spending, and interest and principal payments on debt facilities. Working capital declined from \$14,985 in 2025 to \$2,061 in 2026. The Company has access to credit as part of its revolving line of credit and actively manages that as part of ongoing capital requirements. The Company has a variety of sources available to meet these liquidity needs, including cash generated from operations, proceeds from equity financings completed and expanded credit facilities. In general, the Company funds its operations with cash flow generated from operations, while growth capital and acquisitions are typically funded by issuing new equity or debt.

Principal Credit Facility

(in \$000s)	Interest rate	Final maturity	Facility maximum	Outstanding as at March 31, 2026	Outstanding as at December 31, 2025
Revolving Operating Loan	Prime + 1.00%	Oct 2028	75,000	31,753	39,898
Equipment Financing	Various	Various	N/A	1,597	1,121
				33,350	41,019
Current portion				(625)	(425)
Long term debt				32,725	40,594

On October 6, 2025, the Company entered into an agreement with a bank in Canada for a \$50 million revolving operating loan, which was subsequently increased by \$25 million, to \$75 million, on February 3, 2026. The interest is payable at Prime plus the Applicable Margin. The Applicable Margin means the percentage per annum applicable to the Net Funded Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) ratio. As at March 31, 2026, the Applicable Margin was 1.00% (as at December 31, 2025 - 1.25%). As at March 31, 2026, the Canadian Prime interest rate is 4.45% (as at December 31, 2025 - 4.45%).

- A Net Funded Debt to EBITDA ratio of no more than 3.50:1.00, as at the end of each Fiscal Quarter and at the time of any Distribution.
- A Fixed Charge Coverage Ratio of no less than 1.15:1.00 as at the end of each Fiscal Quarter and at the time of any Distribution.

The credit facilities were secured with a first charge over the Company's current and after acquired equipment, a general security agreement, and other standard non-financial security. As at March 31, 2026, the Company is in compliance with its financial covenant requirements.

The Company may also enter into specific financing agreements with certain vendors for specific pieces of equipment. These financing agreements are entered into at the time of purchase and granted by various third parties based on the Company's financial condition at the time. They are secured with specific equipment being financed and terms and interest rates are decided at the time of application. As at March 31, 2026, the Company had \$1,597 outstanding with respect to these specific financing agreements (as at December 31, 2025 - \$1,121).

As at March 31, 2026, the Company also has a letter of credit facility of \$240 (as at December 31, 2025 - \$240). The facility is unused as at March 31, 2026 (as at December 31, 2025, the facility was unused).

CREDIT RISK

Credit risk is the risk of financial loss resulting from a customer or counter party to a financial instrument failing to meet its obligation to the Company. Credit risk arises principally from the Company's cash, accounts receivable and leases receivable.

The Company is exposed to credit risk with respect to cash and actively manages that risk with deposits at reputable financial institutions.

OUTLOOK

Zedcor continues to execute on its long-term strategy of expanding its technology-enabled security platform across North America. The Company is focused on scaling its recurring revenue base, increasing fleet utilization, and broadening adoption of its MobileyeS™ security towers across multiple industry verticals.

As of March 31, 2026, Zedcor operated a fleet of 3,261 units, including a U.S. fleet of 1,878 units and a Canadian fleet of 1,383 units, reflecting continued expansion of the Company's U.S. footprint and service capabilities.

Zedcor aims to exit 2026 with a total fleet of 4,300 to 4,800 towers by focusing on key priorities including:

1. U.S. Expansion & Recurring Revenue Growth

- Continue establishing new service locations across the United States
- Expand recurring revenue streams in both the U.S. and Canada
- Further penetrate the traditional security market through differentiated technology-enabled solutions

2. Manufacturing Scale & Cost Optimization

- Increase production capacity to meet growing demand for security towers
- Expand supply chain integration and operational control
- Improve long-term unit economics and reduce capital costs through scale efficiencies

3. Product Innovation & AI-Enabled Security Solutions

- Develop next-generation products aligned with evolving customer demand
- Expand AI-enabled and live video monitoring capabilities across additional industry verticals
- Advance smaller-footprint mobile security solutions and enhanced remote monitoring technologies

4. Profitability & Shareholder Value Creation

- Focus on sustainable growth and positive adjusted EBITDA generation
- Drive operating leverage through disciplined execution and scaling efficiencies
- Increase capital markets visibility and investor engagement to support long-term shareholder value creation

Zedcor continues to effectively use a mix of cash flow, equity issuance, and debt to build additional MobileyeZ™ security towers to provide surveillance services to our expanding customer base. The Company has grown its salesforce across Canada in order to obtain contracts for its MobileyeZ™ and continue to expand its service offering to different industries.

NON-IFRS MEASURES RECONCILIATION

Zedcor Inc. uses certain measures in this MD&A which do not have any standardized meaning as prescribed by International Financial Reporting Standards ("IFRS"). These measures which are derived from information reported in the consolidated statements of operations and comprehensive income may not be comparable to similar measures presented by other reporting issuers. These measures have been described and presented in this MD&A in order to provide shareholders and potential investors with additional information regarding the Company.

Investors are cautioned that EBITDA, adjusted EBITDA, adjusted EBITDA per share, adjusted EBIT and adjusted free cash flow ("FCF") are not acceptable alternatives to net income or net income per share, a measurement of liquidity, or comparable measures as determined in accordance with IFRS.

EBITDA and Adjusted EBITDA

EBITDA refers to net income before finance costs, income taxes, depreciation and amortization, and gains and losses on sale of equipment. Adjusted EBITDA is calculated as EBITDA before costs associated with severance, gains and losses relating to foreign exchange, loss on sale of equipment, loss on disposal of right of use asset, loss on repayment of note payable and stock based compensation. These measures do not have a standardized definition prescribed by IFRS and therefore may not be comparable to similar captioned terms presented by other issuers.

Management believes that EBITDA and Adjusted EBITDA are useful measures of performance as they eliminate non-recurring items and the impact of finance and tax structure variables that exist between entities. "Adjusted EBITDA per share – basic" refers to Adjusted EBITDA divided by the weighted average basic number of shares outstanding during the relevant periods.

A reconciliation of net income to Adjusted EBITDA is provided below:

(in \$000s)	Three months ended March 31	
	2026	2025
Net (loss) income	(278)	622
Add:		
Finance costs	1,016	438
Depreciation of property & equipment	3,914	1,798
Depreciation of right-of-use assets	1,211	619
Deferred tax recovery	(200)	—
EBITDA	5,663	3,477
Add (deduct):		
Stock based compensation	1,471	580
Loss on disposal of property & equipment	455	—
(Gain) loss on disposal of right-of-use asset	(9)	25
Foreign exchange loss	67	27
	1,984	632
Adjusted EBITDA	7,647	4,109

Adjusted EBIT

Adjusted EBIT refers to earnings before interest and finance charges, taxes, loss on repayment of note payable and other income.

A reconciliation of net income to Adjusted EBIT is provided below:

(in \$000s)	Three months ended March 31	
	2026	2025
Net (loss) income	(278)	622
Add (deduct):		
Finance costs	1,016	438
Deferred tax recovery	(200)	—
Adjusted EBIT	538	1,060

Adjusted free cash flow

Adjusted free cash flow is defined by management as net income plus non-cash expenses, plus or minus the net change in non-cash working capital, less maintenance capital. Management believes that adjusted free cash flow reflects the cash generated from the ongoing operation of the business. Adjusted free cash flow is a non-IFRS measure generally used as an indicator of funds available for re-investment and debt payment. There is no standardized method of determining free cash flow, adjusted free cash flow or maintenance capital prescribed under IFRS and therefore the Company's method of calculating these amounts is unlikely to be comparable to similar terms presented by other issuers.

Adjusted free cash flow from continuing operations is calculated as follows:

(in \$000s)	Three months ended March 31	
	2026	2025
Net (loss) income	(278)	622
Add (deduct):		
Depreciation of property & equipment	3,914	1,798
Depreciation of right-of-use assets	1,211	619
Stock based compensation	1,471	580
Loss on disposal of property & equipment	455	—
Gain (loss) on disposal of right-of-use-asset	(9)	25
Finance costs (non-cash portion)	(72)	(13)
Deferred tax recovery	(200)	—
Maintenance capital	(53)	(45)
Adjusted free cash flow before changes in non-cash working capital	6,439	3,586
Change in non-cash working capital	(3,689)	(2,060)
Adjusted free cash flow	2,750	1,526

CONFERENCE CALL

A conference call will be held in conjunction with this release:

Date: Thursday, May 21, 2026
Time: 10:00 am ET (8:00 am MT)
Webinar Link: <https://bit.ly/ZDCQ12026>
Dial: 647-374-4685 Toronto local
780-666-0144 Calgary local
778-907-2071 Vancouver local
346-248-7799 Houston local
Meeting ID #: 986 6131 8779

Please connect 10 minutes prior to the conference call to ensure time for any software download and registrations that may be required. Participants wishing to login to the webinar will be required to register before the start of the call. Audio only dial in available without registering.

ABOUT ZEDCOR

Zedcor Inc. is disrupting the traditional physical security industry through its proprietary MobileyeZ™ security towers by providing turnkey and customized mobile surveillance and live monitoring solutions to blue-chip customers across North America. The Company continues to expand its established MobileyeZ™ platform in Canada and the United States of America (“U.S.”), with emphasis on industry leading service levels, data supported efficiency outcomes, and continued innovation. Zedcor services the Canadian market through equipment and service centers currently located in British Columbia, Alberta, Manitoba, and Ontario. The Company continues to advance its U.S. expansion and has the capacity to service various markets with physical branch locations in Texas, Arizona, Colorado, Nevada, Florida, and California with continued expansion expected throughout 2026.

FORWARD-LOOKING STATEMENTS

Certain statements included or incorporated by reference in this news release constitute forward-looking statements or forward-looking information, including expectations for customer and revenue growth in 2026, the ability of the Company to build out its footprint in the U.S. and add additional customers as a result thereof, the Company’s intention to take control of its supply chain, thereby allowing it to manage demand and reduce capital costs, the Company’s intention to increase its capital markets presence and grow investor interest in the Company, the Company’s intention to expand operations and establish new service locations in the U.S. and Canada, the Company’s intention to scale production capacity, and the Company’s intention to generate positive adjusted EBITDA and earnings per share. Forward-looking statements or information may contain statements with the words “anticipate”, “believe”, “continue”, “expect”, “plan”, “intend”, “estimate”, “propose”, “budget”, “should”, “project”, “would”, “may” or similar words suggesting future outcomes or expectations, including negative or grammatical variations thereof. Although the Company believes that the expectations implied in such forward-looking statements or information are reasonable, undue reliance should not be placed on these forward-looking statements because the Company can give no assurance that such statements will prove to be correct. Forward-looking statements or information are based on current expectations, estimates and projections that involve a number of assumptions about the future and uncertainties. These assumptions include anticipated manufacturing capacity and expected fleet numbers, expected utilization rates, customer growth, continued access to the Company’s credit facilities and capital markets, changes in foreign exchange rates, and changes in the regulatory environment and political landscape in each of Canada and the United States. Material risk factors that could cause actual results to differ materially from the forward-looking statements include: adverse changes in foreign exchange rates, tariffs or trade restrictions affecting the Company’s supply chain or customer demand, inability to access sufficient capital, failure to attract or retain qualified personnel, changes in competitive conditions, adverse regulatory or political developments, and general economic downturns. Although management believes these assumptions are reasonable, there can be no assurance that they will prove to be correct, and actual results will differ materially from those anticipated. For this purpose, any statements herein that are not statements of historical fact may be deemed to be forward-looking statements. The forward-looking statements or information contained in this news release are made as of the date hereof and the Company assumes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new contrary information, future events or any other reason, unless it is required by any applicable securities laws. The forward-looking statements or information contained in this news release are expressly qualified by this cautionary statement.

This news release also makes reference to certain non-IFRS measures, which management believes assists in assessing the Company’s financial performance. Readers are directed to the section above entitled “Financial Measures Reconciliations” for an explanation of the non-IFRS measures used.

For further information contact:

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