Zedcor Inc. Reports Record Q2 2026 Revenue of $22.7 Million and Adjusted EBITDA of $8.8 Million

Revenue increased 68% and Adjusted EBITDA increased 77% year-over-year for Q2 2026; Continued U.S. expansion, fleet growth, and strong customer demand drove another record quarter

Q2 2026 AT A GLANCE

Metric	Q2 2026	Q2 2025	Change / Commentary
Revenue	$22.7M	$13.5M	Up 68% YoY and 17% QoQ due to larger tower fleet
Adjusted EBITDA[1]	$8.8M	$4.9M	Up 77% YoY and 14% QoQ
Adjusted EBITDA Margin[1]	39%	36%	Supported by continued operating leverage as the business scales
Adjusted Free Cash Flow [1]	$14.8M	$1.7M	Significant increase mostly driven by an increase in non-cash depreciation and stock-based compensation
MobileyeZ™ Towers Deployed	Over 600	Over 310	Deployed >45 towers per week, up 90% YoY from >24 towers per week in Q2 2025
MobileyeZ™ Total Fleet Size	3,850+	1,880+	Up >104% YoY driven by strong tower growth in the U.S. (+195%) and Canadian (+41%) markets
Weekly Production Capacity	45-50	30-35	Supported by opening of larger facility in Houston
U.S. Fleet Size	2,200+	746	Up 195% YoY and accounting for 58% of total fleet
U.S. Revenue Proportion	54%	32%	U.S. revenue grew 180% YoY, generating more revenue in H1 2026 ($21.9M) than FY 2025 ($21.2)
Net Debt	$46.6M	$12.2M	New credit facility supports growth; $26.8M undrawn

[1] *See Financial Measures Reconciliations below*

Calgary, Alberta – August 12, 2026: Zedcor Inc. ("Zedcor" or the "Company") (TSX-V: ZDC) is pleased to announce its financial and operating results for the three months ended June 30, 2026, highlighted by record quarterly revenue, record quarterly Adjusted EBITDA, continued expansion of its MobileyeZ™ security tower fleet, strong customer demand, and ongoing execution of its U.S. growth strategy.

In Q2 2026, Zedcor generated revenue of $22.7 million, up 68% year-over-year ("YoY") and 17% quarter-over-quarter ("QoQ") due to a higher tower count, consistently strong utilization rates, and increasing tower production capacity. Adjusted EBITDA was $8.8 million, up 77% YoY and 14% QoQ. 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 U.S. G&A costs. Growth investments continued to increase 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 manufactured and deployed more than 600 MobileyeZ™ security towers, surpassed 1,000 customers, and continued expanding its U.S. operations while maintaining utilization rates above 90% across both its Canadian and U.S. fleets. The Company continues to see increasing demand in both Canada and the U.S.

The U.S. generated $12.2 million of revenue in Q2 2026, up 180% YoY, accounting for approximately 54% of second 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. Notably, Zedcor's U.S. operations generated more revenue in the first half of 2026 ($21.9 million) than in the full fiscal year 2025 ($21.2 million). 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. We also reached several important milestones during the quarter, surpassing 1,000 customers, expanding our U.S. fleet to more than 2,200 MobileyeZ™ towers, and maintaining utilization above 90% across both Canada and the U.S. These achievements continue to validate the strength of our integrated platform and the discipline of our team as we execute our growth strategy.

The investments we have made in our technology, manufacturing capabilities, monitoring operations and sales platform continue to position the Company for long-term success. Adjusted EBITDA grew 77% on revenue growth of 68%, allowing us to maintain a 39% Adjusted EBITDA margin while continuing to invest aggressively in expanding the business.

Demand remains strong across North America as customers increasingly recognize the value of Live, Verified Video Monitoring™. We continue to broaden our customer base across multiple industries while expanding relationships with existing customers, providing us with confidence in the long-term opportunity ahead. On June 29, 2026, the Company announced several new contracts with Enterprise customers that provide tangible growth opportunities from long-term projects and will look to build on those relationships over time as we demonstrate strong execution and efficiencies for the customers.

As we continue scaling our operations, our focus for the balance of 2026 remains unchanged:

- deploy towers in markets with latent demand;
- continue taking cost out of the monitoring stack; and
- convert the enterprise pipeline we are building in the U.S."

FINANCIAL & OPERATING RESULTS FOR THE THREE MONTHS ENDED JUNE 30, 2026

(in $000s, except per share amounts)	Three months ended June 30 2026	Three months ended June 30 2025	Three months ended March 31 2026
Revenue	22,700	13,536	19,404
EBITDA[1]	4,875	4,038	5,663
Adjusted EBITDA[1]	8,755	4,933	7,647
Adjusted EBITDA per share - basic[1]	0.08	0.05	0.07
Adjusted EBIT[1]	(1,445)	991	538
Net (loss) income	(2,292)	460	(278)
Net (loss) income per share			
Basic	(0.02)	0.00	(0.00)
Diluted	(0.02)	0.00	(0.00)

[1] *See Financial Measures Reconciliations below*

Zedcor recorded $22,700 of revenue for the three months ended June 30, 2026. This compares to $13,536 of revenue for the three months ended June 30, 2025. The revenue growth of 68% YoY was due to:

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

Quarter-over-quarter, the Company's total revenue was up $3,296, or 17%, as a result of a larger fleet of security towers, continued 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 $8,755 for the three months ended June 30, 2026, compared to $4,933 for the three months ended June 30, 2025, representing an increase of $3,822, or 77% 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 June 30, 2026, was 39% as compared to 36% for the three months ended June 30, 2025, highlighting Zedcor's ability to scale.

The Company's security and surveillance services continued to deliver strong revenue and EBITDA growth during the three months ended June 30, 2026, supported by sustained customer demand, continued expansion of its MobileyeZ™ security tower fleet, and increased adoption across both new and existing customers. Utilization rates remained steady throughout Q2 2026 across both the Company's U.S. and Canadian fleets, while continued investment in manufacturing, monitoring operations, and technology positioned the Company to support future growth.

Financial and operational highlights for the three months ended June 30, 2026, include:

1. **Net loss of ($2,292) Versus Net income of $460 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. The Company also continued investing in manufacturing capacity, monitoring operations, and technology to support future growth.

2. **Continued Expansion of U.S. Operations and Customer Base**
   The Company surpassed 1,000 customers during the quarter while continuing to expand throughout the United States. Recently established locations continued to experience strong demand, supporting further diversification of the Company's customer base across multiple industries.

3. **Full Deployment of DirectToDispatch**
   During the quarter, the Company completed the rollout of DirectToDispatch across its monitoring operations, strengthening its Live, Verified Video Monitoring™ platform by improving emergency response times and further enhancing customer value.

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. Continued growth in the Company's customer base has further reduced reliance on any individual customer or industry.

5. **On Track U.S. Expansion**
   Zedcor exited Q2 2026 with more than 2,200 MobileyeZ™ units located in the U.S., representing approximately 200% growth compared to Q2 2025. The Company continued expanding its operational footprint while supporting both existing customers and new customer deployments across key U.S. markets.

6. **Continued Expansion of Manufacturing Capabilities**
   The Company manufactured more than 600 Solar MobileyeZ™ Security Towers during Q2 2026 and more than 1,050 towers year-to-date. Production capacity remains approximately 45–50 towers per week, providing the flexibility to support continued growth without significant capital expenditures.

SELECTED QUARTERLY FINANCIAL INFORMATION

(Unaudited – in $000s)	Jun 30 2026	Mar 31 2026	Dec 31 2025	Sep 30 2025	Jun 30 2025	Mar 31 2025	Dec 31 2024	Sep 30 2024
Revenue	22,700	19,404	17,882	16,020	13,536	11,476	10,334	9,152
Net (loss) income	(2,292)	(278)	1,504	131	460	622	380	310
Adjusted EBITDA[1]	8,755	7,647	7,068	5,739	4,933	4,109	4,002	3,409
Adjusted EBITDA per share - basic[1]	0.08	0.07	0.07	0.05	0.05	0.04	0.04	0.04
Net (loss) income per share								
Basic	(0.02)	(0.00)	0.01	0.00	0.00	0.01	0.01	0.00
Diluted	(0.02)	(0.00)	0.01	0.00	0.00	0.01	0.01	0.00
Adjusted free cash flow [1]	14,792	2,750	10,687	7,747	931	1,526	3,305	3,705

[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 six months ended June 30, 2026, and 2025:

				Six months ended June 30
(in $000s)	2026	2025	$ Change	% Change
Cash flow from operating activities	8,062	2,853	5,210	183%
Cash flow used in investing activities*	(42,435)	(22,761)	(19,674)	86%
Cash flow from financing activities	34,722	20,540	14,181	69%

The following table presents a summary of working capital information:

				As at June 30
(in $000s)	2026	2025	$ Change	% Change
Current assets	23,957	19,609	4,348	22%
Current liabilities *	28,461	16,700	11,761	70%
Working capital	(4,504)	2,909	(7,413)	(255%)

**Includes $0.7 million of debt and $6.2 million of lease liabilities in 2026 and $4.3 million of debt and $3.6 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 decreased from $2,909 at June 30, 2025 to a deficit of $4,504 at June 30, 2026. The decrease reflects the Company's continued investment in expanding its MobileyeZ™ security tower fleet, U.S. operations, and supporting infrastructure. The Company has a variety of sources available to meet these liquidity needs, including cash generated from operations and proceeds from debt facilities. In general, the Company funds its operations with cash flow generated from operations, while growth capital expenditures are funded through a combination of operating cash flow and debt financing.

Principal Credit Facility

(in $000s)	Interest rate	Final maturity	Facility maximum	Outstanding as at June 30, 2026	Outstanding as at December 31, 2025
Revolving Operating Loan	Prime + 1.00%	Oct 2028	75,000	48,191	39,898
Equipment Financing	Various	Various	N/A	1,474	1,121
				49,665	41,019
Current portion				(652)	(425)
Long term debt				49,013	40,594

As at June 30, 2026, the Company had a $75 million revolving operating loan with its primary lender. The applicable margin remains dependent on the Company's Net Funded Debt to EBITDA ratio. As at June 30, 2026, the applicable margin was 1.00% (as at December 31, 2025, 1.25%). As at June 30, 2026, the Canadian Prime Interest Rate was 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 June 30, 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 June 30, 2026, the Company had $1,474 outstanding with respect to these specific financing agreements (as at December 31, 2025 - $1,121).

As at June 30, 2026, the Company also has a letter of credit facility of $240 (as at December 31, 2025 – $240). The facility was unused as at June 30, 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 MobileyeZ™ security towers across multiple industry verticals.

As of June 30, 2026, Zedcor operated a fleet of more than 3,850 MobileyeZ™ security towers, including more than 2,200 units in the U.S. and approximately 1,600 units in Canada, reflecting the continued expansion of the Company's North American footprint and service capabilities.

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 (current 45-50 tower per week capacity supports year-end 2026 fleet size target with upside)
    - 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 demands
    - 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 continues to expand its service offering to different industries.

FINANCIAL MEASURES RECONCILIATION

Zedcor Inc. uses certain measures in this press release 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 press release 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 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. Adjusted EBITDA is calculated as EBITDA before gains or losses on foreign exchange, losses on sale of equipment and right-of-use-assets, stock based compensation and unrealized investment loss. 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:

	Three months ended June 30		Six months ended June 30	
(in $000s)	**2026**	**2025**	**2026**	**2025**
Net (loss) income	(2,292)	460	(2,570)	1,082
Add:				
Finance costs	1,051	531	2,067	969
Depreciation of property & equipment	4,873	2,322	8,787	4,120
Depreciation of right-of-use assets	1,361	725	2,572	1,344
Deferred tax recovery	(204)	—	(404)	—
EBITDA	4,789	4,038	10,452	7,515
Add (deduct):				
Stock based compensation	3,773	879	5,244	1,459
Loss on sale of property & equipment	63	4	518	4
Loss on disposal of right-of-use-assets	8	—	(1)	25
Unrealized investment loss	86	—	86	—
Loss on foreign exchange	36	12	103	39
	3,966	895	5,950	1,527
Adjusted EBITDA	8,755	4,933	16,402	9,042

Adjusted EBIT

Adjusted EBIT refers to earnings before interest and finance charges and taxes.

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

	Three months ended June 30		Six months ended June 30	
(in $000s)	**2026**	**2025**	**2026**	**2025**
Net (loss) income	(2,292)	460	(2,570)	1,082
Add (deduct):				
Finance costs	1,051	531	2,067	969
Deferred tax recovery	(204)	—	(404)	—
Adjusted EBIT	(1,445)	991	(907)	2,051

Adjusted Free Cash Flow

Adjusted free cash flow is defined by management as net income plus non-cash expenses, unrealized investment loss, plus or minus the net change in non-cash working capital and one time income and expenses, less maintenance capital. Maintenance capital is also a non-IFRS term. Management defines maintenance capital as the amount of capital expenditure required to keep its operating assets functioning at the same level of efficiency. 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:

	Three months ended June 30		Six months ended June 30	
(in $000s)	**2026**	**2025**	**2026**	**2025**
Net (loss) income	(2,292)	460	(2,570)	1,082
Add (deduct):				
Depreciation of property & equipment	4,873	2,322	8,787	4,120
Depreciation of right-of-use assets	1,361	725	2,572	1,344
Unrealized investment loss	86	—	86	—
Stock based compensation	3,773	879	5,244	1,459
Loss on disposal of property & equipment	63	4	518	4
Gain (loss) on disposal of right-of-use-asset	8	—	(1)	25
Finance costs (non-cash portion)	(72)	26	(72)	13
Deferred tax recovery	(204)	—	(404)	—
Maintenance capital	(49)	(11)	(102)	(57)
	7,619	4,405	14,130	7,990
Change in non-cash working capital	7,173	(3,485)	946	(2,092)
Adjusted free cash flow	14,792	1,727	15,076	5,481

CONFERENCE CALL

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

Date:	Thursday, August 13, 2026
Time:	8:00 am ET (6:00 am MT)
Webinar Link:	https://bit.ly/ZDCQ22026
Dial:	647-374-4685 Toronto local 780-666-0144 Calgary local 778-907-2071 Vancouver local 346-248-7799 Houston local
Meeting ID #:	971 2085 6458

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 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, and the Company's intention to increase its capital markets presence and grow investor interest in the Company. Forward-looking statements or information may contain statements with the words "anticipate", "believe", "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, the impact of tariffs on the Company's business and customer buying trends, and changes in the regulatory environment and political landscape in each of Canada and the United States. 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:

Todd Ziniuk
President and Chief Executive Officer
P: (403) 930-5430
E: tziniuk@zedcor.com

Amin Ladha
Chief Financial Officer
P: (403) 930-5430
E: aladha@zedcor.com