

Patriot One Releases Fiscal 2022 Annual Results

TORONTO, ON – October 20, 2022 (GLOBE NEWSWIRE) -- Patriot One Technologies Inc. (TSX: PAT) (OTCQX: PTOTF) (FRANKFURT: OPL) (“Patriot One” or the “Company”), a leading technology-driven threat detection and patron screening solutions company, is pleased to announce its annual financial results for the year ended July 31, 2022. All information is in Canadian dollars unless otherwise indicated.

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

"I am excited to share our annual results with investors. The Company has experienced incredible growth this year, particularly in our Platform operating segment which saw a year-over-year increase of over 850% in the total value of contracts signed," stated Peter Evans, Chief Executive Officer of Patriot One. "We are experiencing significant and growing interest in our Platform products as venues and businesses continue to focus on the safety and wellbeing of their patrons and employees. We are confident in our ability to capitalize on this demand and have invested heavily in our ability to satisfy the needs of the market. With the announcement and delivery of SmartGateway, we saw an immediate uptick in demand, with 67% of our bookings for the platform operating segment occurring in the fourth quarter. With this solid foundation, ongoing customer engagement, product validation, and the strong team we have built, we are well positioned to accelerate this growth in fiscal 2023."

Company Highlights for the Year Ended July 31, 2022

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

- Accelerated topline growth with approximately \$3.6 million of revenue recognized during the fiscal year, representing a 235% increase over the prior year;
- Continued to build the contractual backlog to \$2.2 million, with an additional \$1.9 million pending installation or successful trials that will be recognized as revenue in future periods;
- Began expansion into the manufacturing market with contracts signed with two US-based automotive companies for four locations including a contract with Kia Georgia to provide patron screening solutions for their entire facility to enhance the existing guard service;

- Selected by Oak View Group to protect all entrances at Austin’s new world-class live entertainment venue, Moody Center, the new home of the University of Texas’ basketball team;
- Selected by Oak View Group to secure the entrances at Central Bank Center’s Lexington Opera House and Rupp Arena, the home of the University of Kentucky Wildcats;
- Secured and completed a \$1.0 million contract with Canada’s Department of National Defense, to further develop an artificial intelligence (“AI”)-enabled full-motion video analytics application;
- Secured a \$1.0 million contract with Innovation Solutions Canada to provide AI-based solutions to improve situational awareness for first responders and firefighters;
- Commercially released the next phase of the Company’s AI-powered threat detection gateway solution with technology enhancements for increased accuracy, flexibility, ease of deployment, and practicality for sports and entertainment venues;
- Raised \$6.9 million of gross proceeds through the completion of a public offering, providing further capital in support of the Company’s operations and product deployment;
- Subsequent to year end, 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;
- Subsequent to the year end, the Company announced that the Oak View Group, is introducing new patron screening technology to multiple properties as a result of a new partnership with the Company, enabling Oak View Group owned and operated properties to utilize the Company’s SmartGateway system to enhance the customer experience and increase safety and security; and
- Subsequent to year end, selected by Oak View Group to protect all entrances of the Angel of the Winds Arena, home of the WHL’s Everett Silvertips.

Fiscal 2022 Annual Financial Results

- Revenue was \$3.6 million for the year ended July 31, 2022, as compared to \$1.1 million for the year ended July 31, 2021.
- The backlog of sales commitments not yet recognized as revenue was \$2.2 million as of July 31, 2022, as compared to \$2.4 million as at July 31, 2021.

- Loss and comprehensive loss was \$39.7 million for the year ended July 31, 2022, as compared to \$16.6 million for the year ended July 31, 2021. The change in loss pertains primarily to the non-cash impairment of goodwill as a result of changing market conditions, cost of borrowing and risk profile for the technology sector.
- Adjusted loss and comprehensive loss, a non-IFRS performance measure which excludes a non-routine, non-cash impacting impairment loss relating to goodwill, was \$14.1 million for the year ended July 31, 2022 as compared to \$16.6 million for the year ended July 31, 2021.
- Basic and diluted loss per share was \$0.26 for the year ended July 31, 2022. Excluding the non-routine, non-cash impacting impairment loss relating to goodwill, adjusted basic and diluted loss per share was \$0.09, as compared to \$0.11 for the year ended July 31, 2021.

Fiscal 2022 Fourth Quarter Financial Results

- Revenue was \$0.8 million for the fourth quarter ended July 31, 2022 as compared to \$0.3 million for the same period in 2021.
- Net loss from operations increased from \$3.1 million in the fourth quarter ended July 31, 2021 to \$31.2 million in the fourth quarter ended July 31, 2022. The increase in net loss pertains primarily to the non-cash goodwill impairment. Excluding the goodwill impairment, the adjusted loss from operations was \$5.6 million for the three months ended July 31, 2022.

Conference Call Details

Patriot One will host a conference call to discuss its annual results on Thursday, October 20, 2022, at 5:30 pm EST. Peter Evans, Patriot One CEO and Director, and Karen Hersh, CFO, will provide an overview of the annual financial results 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 Patriot One Technologies

[Patriot One Technologies](#) makes unobtrusive, artificial intelligence (AI)-driven weapons and threat detection systems that enable arenas, schools, theaters, and other businesses to provide unprecedented safety while also improving the customer experience. The company's AI-powered threat detection gateway solution enables companies to covertly screen for weapons at points of entry without disrupting the flow of traffic, and its AI-based Video Recognition Software enables venue and building operators to identify weapons and other threats inside and outside



of facilities, while also providing valuable intelligence for optimizing operations. Follow us on Twitter [@patriot1tech](https://twitter.com/patriot1tech).

For further information, please contact:

Patriot One Technologies Inquiries

info@patriot1tech.com

www.patriot1tech.com

Media Contact

Caroline Metell

PatriotOne@threeringsinc.com

Investor Relations

patriot1@rbmilestone.com

CAUTIONARY DISCLAIMER STATEMENT:

No securities exchange has reviewed nor accepts responsibility for the adequacy or accuracy of the content of this news release. This news release contains non-IFRS performance measures. These measures do not have any standardized meanings prescribed under IFRS and therefore may not be comparable to other reporting issuers. These non-IFRS performance measures are defined within the filed Management Discussion and Analysis. 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 counterparty default 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.