

Reko Reports Results for Second Quarter of Fiscal 2026

(Windsor, Ontario – March 5, 2026) - Reko International Group Inc. (TSX-V: REKO) today announced results for its second quarter ended January 31, 2026.

Second Quarter Highlights:

- Sales declined \$0.6M or 5.8% over the prior year
- Quarterly net income of \$377 improved by \$64 or 20.4% compared to prior year
- Earnings per share were \$0.07, compared to earnings per share of \$0.05 a year ago
- Capital deployed during the six-month period ended January 31, 2026 included a \$2.7M mortgage repayment, \$2.2M in growth related capital expenditures and a \$1.1M dividend to shareholders

Financial Highlights:

(in 000's, except for per share data)

	Three months ended				Six months ended			
	January 31				January 31			
	(unaudited)				(unaudited)			
	Fiscal 2026	Fiscal 2025	Variance	Variance	Fiscal 2026	Fiscal 2025	Variance	Variance
	\$	\$	\$	%	\$	\$	\$	%
Sales	\$ 10,165	\$ 10,786	\$ (621)	-5.8%	\$ 19,216	\$ 21,025	\$ (1,809)	-8.6%
Earned Revenue ⁽¹⁾	\$ 7,235	\$ 7,790	\$ (555)	-7.1%	\$ 14,548	\$ 15,947	\$ (1,399)	-8.8%
Earned Revenue Margin ⁽¹⁾	71.2%	72.2%	-	-1.0%	75.7%	75.8%	-	-0.1%
Net Income	\$ 377	\$ 313	\$ 64	20.4%	\$ 761	\$ 400	\$ 361	90.3%
EPS Basic	\$ 0.07	\$ 0.05	\$ 0.02	40.0%	\$ 0.14	\$ 0.07	\$ 0.07	100.0%
Adjusted EPS ⁽²⁾	\$ 0.08	\$ 0.05	\$ 0.03	60.0%	\$ 0.13	\$ 0.15	\$ (0.02)	-13.3%
Adjusted EBITDA ⁽³⁾	\$ 1,402	\$ 1,270	\$ 132	10.4%	\$ 2,785	\$ 2,795	\$ (10)	-0.4%
Working Capital					\$ 20,014	\$ 26,264	\$ (6,250)	-23.8%
Shareholders' Equity					\$ 41,783	\$ 41,641	\$ 142	0.3%
Shareholders' Equity per Share					\$ 7.43	\$ 7.52	\$ (0.09)	-1.2%

(1) Earned revenue is a non-IFRS measure and is calculated as sales less costs associated with purchased material and subcontracting. Earned revenue margin is an expression of earned revenue as a percentage of sales. A reconciliation of this non-IFRS measure is included in the MD&A.

(2) Adjusted EPS is a non-IFRS measure and is calculated as basic earnings per share excluding items not considered reflective of ongoing operations. A reconciliation of this non-IFRS measure is included in the MD&A.

(3) Adjusted EBITDA is a non-IFRS measure and is defined as adjusted earnings from operations excluding depreciation and amortization. A reconciliation of this non-IFRS measure is included in the MD&A.

Consolidated sales for the quarter ended January 31, 2026 were \$10,165, compared to \$10,786 in the same quarter last year, a decrease of \$621 or 5.8%. This change reflects lower volumes in certain areas of the business and the timing of project activity, as a higher proportion of projects were in earlier stages of completion during the quarter, resulting in lower revenue being recognized when compared to the prior year.

Gross profit of \$1,583 declined by \$71, or 4.3%, compared to the prior year. The impact of lower sales volumes was largely offset by a favourable project mix, disciplined cost management, and an ongoing focus on productivity and throughput improvements. Cost initiatives implemented in the prior year contributed \$280 in labour savings by better aligning fixed labour costs with sales levels.

Net earnings for the quarter ended January 31, 2026 were \$377, or \$0.07 per share, compared to \$313, or \$0.05 per share, in the same quarter last year. Included in current quarter earnings is a \$0.03 per share benefit related to the re-recognition of certain deferred tax assets and a \$0.03 per share recovery of current income taxes. In the prior year, earnings included a \$0.08 per share benefit from the initial recognition of certain deferred tax assets, as well as a charge related to an accounts receivable balance that did not recur in the current period. Excluding these tax items and the prior-year receivable charge comparable earnings were \$0.08 per share in the current quarter, compared to \$0.05 per share in the same quarter last year.

“Macroeconomic conditions continue to present headwinds; however, our focus remains on what we can control and on actions that strengthen the business over time,” stated Diane Reko, CEO. “We will continue to deliver the high-quality engineered products and solutions our customers rely on, backed by deep technical expertise and disciplined execution. At the same time, we are driving efficiencies and managing controllable costs to build a stronger, more resilient organization. During the quarter, we returned capital to shareholders through a dividend payment, reflecting the strength of our balance sheet and confidence in the business.”

During the quarter, the Company purchased and subsequently cancelled 1,400 shares under its normal course issuer bid, which expired on January 8, 2026. No shares were purchased under the renewed normal course issuer bid announced on January 6, 2026.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

About Reko International Group Inc.

Reko International Group Inc. (TSX-V: REKO) is a diversified, technology-driven manufacturing company located in Southwestern Ontario, just minutes from the U.S. border. With expertise in robotic automation equipment and precision machining services, Reko is a “go-to” supplier for companies in the power generation, automotive, aerospace, rail, mining, offsite construction, infrastructure and capital equipment industries. Reko strives to be a pillar and protector of sustainable North American manufacturing and production. For more information, contact Kim Marks, Executive Vice-President and Chief Financial Officer at (519) 727-3287.