

Reko Reports Improved Results for Third Quarter of Fiscal 2026

(Windsor, Ontario – May 28, 2026) - Reko International Group Inc. (TSX-V: REKO) today announced results for its third quarter ended April 30, 2026.

Third Quarter Highlights:

- Sales increased \$3.0M or 28.6% over the prior year
- Quarterly net income was \$1.1M, improved by \$1.5M or 426.1% compared to the prior year
- Basic earnings per share were \$0.21, compared to a loss per share of \$0.06 a year ago
- Adjusted EBITDA increased \$117 or 7.7% over the prior year

Financial Highlights:

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

	Three months ended April 30 (unaudited)				Nine months ended April 30 (unaudited)			
	Fiscal 2026	Fiscal 2025	Variance	Variance	Fiscal 2026	Fiscal 2025	Variance	Variance
	\$	\$	\$	%	\$	\$	\$	%
Sales	\$ 13,306	\$ 10,348	\$ 2,958	28.6%	\$ 32,523	\$ 31,372	\$ 1,151	3.7%
Earned Revenue ⁽¹⁾	\$ 8,391	\$ 8,032	\$ 359	4.5%	\$ 22,940	\$ 23,978	\$ (1,038)	-4.3%
Earned Revenue Margin ⁽¹⁾	63.1%	77.6%	-	-14.6%	70.5%	76.4%	-	-5.9%
Net Income (loss)	\$ 1,148	\$ (352)	\$ 1,500	426.1%	\$ 1,908	\$ 49	\$ 1,859	3793.9%
EPS Basic	\$ 0.21	\$ (0.06)	\$ 0.27	450.0%	\$ 0.35	\$ 0.01	\$ 0.34	3400.0%
Adjusted EPS ⁽²⁾	\$ 0.13	\$ 0.11	\$ 0.02	18.2%	\$ 0.27	\$ 0.25	\$ 0.02	8.0%
Adjusted EBITDA ⁽³⁾	\$ 1,629	\$ 1,512	\$ 117	7.7%	\$ 4,389	\$ 4,348	\$ 41	0.9%
Working Capital					\$ 19,331	\$ 26,006	\$ (6,675)	-25.7%
Shareholders' Equity					\$ 42,943	\$ 41,248	\$ 1,695	4.1%
Shareholders' Equity per Share					\$ 7.83	\$ 7.52	\$ 0.31	4.1%

- (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 April 30, 2026 were \$13,306, compared to \$10,348 in the same quarter last year, an increase of \$2,958 or 28.6%. The increase in sales reflects stronger project activity and improved volumes across the business, as well as a higher proportion of projects reaching later stages of completion during the quarter, resulting in increased revenue recognition compared to the prior year.

Gross profit increased by \$131, or 7.4%, to \$1,900 compared to the prior year quarter. Gross profit margin was 14.3%, compared to 17.1% in the prior year, reflecting project mix, including a greater proportion of projects in stages requiring higher material content, as well as increased labour costs associated with supporting higher production and sales activity. The Company continues to focus on disciplined cost management and ongoing productivity and throughput improvements.

Selling and administrative expenses decreased by \$1,041, or 45.1%, to \$1,265, or 9.5% of sales, compared to \$2,306, or 22.3% of sales, in the same period last year. The decrease primarily reflects prior year non-recurring costs, including \$882 of restructuring expenses and \$94 of accounts receivable collection and settlement costs, as well as improved operating cost performance resulting from ongoing cost management initiatives.

Net income for the three months ended April 30, 2026 was \$1,148, or \$0.21 per share, compared with a net loss of (\$352), or (\$0.06) per share, in the same quarter last year. Results for the current quarter included a \$0.04 per share benefit related to the re-recognition of certain deferred tax assets, while the prior year period included restructuring expenses, asset impairment charges and other non-recurring items that unfavourably impacted earnings per share by \$0.16. Adjusting for these items, comparable earnings were \$0.13 per share for the current quarter, compared with \$0.11 per share in the prior year period.

“The quarter reflected improved customer volumes and a significant improvement in our bottom-line performance,” stated Diane Reko, CEO. “While geopolitical and broader economic uncertainty continues to create challenges across the market, I am pleased with our team’s response, our execution across the business and the continued value we are providing to our customers. We remain focused on deepening relationships with customers that value our technical capabilities and long-term partnership approach, while continuing to strengthen the business through disciplined operational execution.”

During the quarter, the Company purchased and subsequently cancelled 1,900 shares under its 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.