TITAN LOGIX

## Titan Logix Corp. Reports First Quarter Fiscal 2025 Financial Results

*(In $000's of Canadian dollars except for shares and per share amounts)*

**Edmonton, Alberta, January 22, 2025 –** Titan Logix Corp., (TSX Venture: TLA) ("Titan" or the "Company"), a technology company specializing in mobile liquid measurement solutions, announces its interim results for the three-month period ended November 30, 2024.

"The first quarter of the fiscal year was a strong start for Titan on all fronts" says Nick Forbes, CEO at Titan. "We achieved one of our highest grossing quarters in nearly a decade, added a number of key pilot customers in the Refined Fuels market, and continue to see progress towards commercial readiness on our software strategy."

The first quarter of the fiscal year was a strong start for the company, with a 43% increase in revenue over the same period last year. The boost in revenue is a direct result of a fleet conversion from a successful pilot trial with a reputable fleet operator. Titan's CORE business has seen a slower start in the first quarter, as expected, with the backlog of new tanker builds returning to pre-COVID levels. As a result, Tanker OEM (Original Equipment Manufacturer) forecasts have reduced to a window of approximately 8 weeks, offset by an increase in activity at the dealer level. The political landscape on both the US, and Canadian sides of the border continue to play a large role in industry confidence to make capital allocation decisions. We believe that the long-term outlook for energy is very positive, and many fleet operators in the Crude Oil, Chemical, and Refined Fuel markets are preparing for an increase in demand for bulk liquid transport. We expect to see a softening in customer sales activity in the second fiscal quarter, followed by an increase in activity in the second half of the fiscal year, as the industry begins to see how the new political landscape will unfold.

Building on the 6 pilot trials completed in the last fiscal year, the Company completed its first fleet conversion in the first quarter. Titan also added an additional 7 pilot trial customers in the first quarter, across multiple market segments, including Refined Fuels, Crude Oil, and Chemicals. The Company is uniquely positioned to help fleet operators solve operational issues with our overfill protection and liquid level measurement capabilities today, and customers are also showing a strong interest in the future of our digital strategy.

Our investment strategy is to commit the necessary resources to penetrate new mobile liquid market segments, and the development of value-added products and software solutions to these market segments. The Company invests its non-operating cash reserves in conservative interest-bearing accounts and marketable securities. Acquisition opportunities are considered where it complements our growth strategy or enables the monetization of our connected strategy.

### Q1 FISCAL 2025 HIGHLIGHTS

- Revenues for the first quarter of fiscal 2025 increased by $646 or 43% to $2,160 compared to $1,514 in the first quarter of fiscal 2024.
- Gross Profit increased by $423 to $1,203 or 56% of revenue in the first quarter of fiscal 2025 compared to $780 or 52% in the same quarter of fiscal 2024. The increase in gross profit resulted from an increase in volume, lower key manufacturing input costs and stronger US dollar when compared to the same period in fiscal 2024.
- The performance of the CORE business improved in the first quarter of fiscal 2025 with reported Operating EBITDA(1) of $664 compared to $206 in the same period of fiscal 2024.
- Product research and development expenses increased by $68 to $333 in the first quarter of fiscal 2025 compared to $266 in the first quarter of fiscal 2024. The expenses incurred, support the Company's diversification and growth into new markets.
- The Company's net income increased by $651 to $247 in the first quarter of fiscal 2025 compared to a net loss of $404 in the first quarter of fiscal 2024 driven by the improved operating results and a reduction in unrealized losses from changes in the fair value of marketable securities owned by the Company.
- The Company reported basic and diluted earnings per share of $0.01 per share in the first quarter fiscal 2025 compared to a loss per share of $0.01 in the first quarter of fiscal 2024.

## Financial Highlights Summary

| | Three Months Ended November 30th | | | |
|---|---|---|---|---|
| | 2024 | 2023 | Increase (Decrease) | |
| | $ | $ | $ | % |
| **Revenue** | **2,160** | 1,514 | 646 | 43 |
| Cost of sales | (957) | (734) | (223) | 30 |
| **Gross profit** | **1,203** | 780 | 423 | 54 |
| Gross margin (%) | **56%** | 52% | | 4 |
| **Operating EBITDA** (1) | **664** | 206 | 458 | 222 |
| Product research and development expenses (1) | **(333)** | (266) | (68) | 26 |
| **EBITDA** (1) | **330** | (71) | 401 | 565 |
| **Net earnings (loss)** | **247** | (404) | 651 | 161 |
| EPS – Basic and Diluted | **0.01** | (0.01) | 0.02 | |

| **Financial Position** | **As at November 30, 2024** | As at August 31, 2024 |
|---|---|---|
| Working capital | **$ 14,301** | $ 14,139 |
| Total assets | **$ 19,074** | $ 19,022 |
| Long-term liabilities | **$ 565** | $ 600 |
| Total equity | **$ 17,756** | $ 17,502 |

*(1) See Non-IFRS measures below.*

The Company's unaudited, condensed, consolidated interim financial statements and the management's discussion and analysis ("MD&A") which includes the Company's Business Outlook, for the three month period ended November 30, 2024, are available on SEDAR+ at www.sedarplus.ca and the Company's website, www.titanlogix.com.

### NON-IFRS MEASURES

The Company uses certain measures in this MD&A that do not have a standardized meaning as prescribed by IFRS (International Financial Reporting Standards) and thus are prohibited from being disclosed in the consolidated financial statements. These measures, which are derived from information reported in the Company's consolidated financial statements, may not be consistent with similar measures presented and disclosed by other reporting issuers. However, management believes that this information provides increased insight into the Company's strategic plan to address the broader mobile liquid markets. Readers are cautioned that these Non-IFRS measures should not be construed as alternatives to other measures of financial performance calculated in accordance with IFRS.

The table below provides a reconciliation of the Company's EBITDA and Operating EBITDA to the Operating income (loss) before other items per the interim consolidated financial statements for the periods presented:

| Fiscal Period Ended | Q1 2025 | Q1 2024 |
|---|---|---|
| **Operating income (loss) before other items** | **226** | **(158)** |
| Add back: Depreciation and amortization | **97** | 87 |
| Add back: Non-cash stock-based compensation | 7 | 12 |
| **EBITDA** | **330** | (60) |
| Add back: Product research and development expenses *(1)* | 333 | 266 |
| **Operating EBITDA** | **664** | 206 |

The table below, removes the recurring engineering expenses from the total to isolate the product research and development expenses excluded in Management's calculation of Operating EBITDA:

| Fiscal Period Ended | Q1 2025 | Q1 2024 |
|---|---|---|
| Engineering, product research and development expenses | **(361)** | (315) |
| Add back: Recurring engineering expenses | **28** | 49 |
| **Product research and development expenses** | **(333)** | (266) |

A detailed definition of these Non-IFRS measures can be reviewed in the Company's MD&A

**About Titan Logix Corp.:**

For over 25 years, Titan Logix Corp. has designed and manufactured mobile liquid measurement solutions to help businesses reduce risk and maximize efficiencies in bulk liquids transportation. Titan's TD Series of tank level monitors are a market leader in mobile fluid measurement, and are known for their high level of accuracy, rugged design, and solid-state reliability. Our solutions are designed for hazardous and non-hazardous applications, and we serve customers in a wide range of applications including petroleum, environmental solutions, chemical, and agriculture.

Founded in 1979, Titan Logix Corp. is a public company listed on the TSX Venture Exchange and its shares trade under the symbol TLA.

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

**Information in this press release that is not current or historical factual information may constitute forward looking information within the meaning of securities laws. Implicit in this information are assumptions regarding our future operational results. These assumptions, although considered reasonable by the company at the time of preparation, may prove to be incorrect. Readers are cautioned that the actual performance of the company is subject to many risks and uncertainties and could differ materially from what is expected as set out above. For more exhaustive information on these risks and uncertainties you should refer to our Management Discussion and Analysis in respect of the year ended August 31, 2024, which is available at www.sedarplus.ca. In addition, the occurrence of pandemics, such as the outbreak of the novel coronavirus COVID-19 in any of the areas in which the Company, its customers or its suppliers operate could cause interruptions in the Company's operations. In addition, pandemics, natural disasters, or other unanticipated events could negatively impact the demand for, and price of, oil and natural gas which in turn could have a material adverse effect on the Company's business, financial condition, results of operations and cash flows. The forward-looking information contained in this press release is based on our current estimates, expectations, and projections, which we believe are reasonable as of the current date. You should not place undue importance on forward-looking information and should not rely upon this information as of any other date. While we may elect to, we are under no obligation and do not undertake to update this information at any time, whether a result of new information, future events or otherwise, except as required by applicable securities law**

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