

Cemtrex Reports Fiscal Year 2026 First Quarter Financial Results

Hauppauge, NY, Feb. 17, 2026 (GLOBE NEWSWIRE) -- Cemtrex, Inc. (Nasdaq: CETX, CETXP) today reported results for the 2026 first fiscal quarter ended December 31, 2025.

Key Highlights for First Fiscal Quarter 2026

- Revenues for Q1 '26 increased 17% to \$16.1 million, compared to revenue in the prior year of \$13.7 million.
- Industrial segment revenue increased 28% to \$10.6 million, compared to revenue in the prior year of \$8.3 million.
- Security segment revenue increased 1% to \$5.5 million, compared to revenue in the prior year of \$5.4 million.
- Cash and cash equivalents increased 312% to \$20.5 million, compared to the prior year of \$5 million.

Management Commentary

Cemtrex Chairman and CEO, Saagar Govil, commented on the results:

"Fiscal Q1 2026 was a quarter of decisive action. We strengthened our balance sheet, delivered continued revenue growth driven by our Industrial segment.

Operating loss for the quarter was \$2.8 million, compared to \$2.3 million in the prior year period, primarily reflecting lower gross margin in Security and certain one-time expenses, including a write-off of obsolete demo equipment and elevated legal and transaction costs related to acquisition activity and other matters. Excluding these non-recurring items, our focus remains on improving segment contribution and lowering the run-rate cost structure.

In Security, we saw gross margin compression driven by tariff related cost pressures and softer demand from certain government and corrections customers during the quarter, which was below typical historical levels amid broader public-sector budget and shutdown-related disruptions. We responded by implementing pricing adjustments and reducing overhead by approximately \$2.5 to \$3.0 million on an annualized basis, which went into full effect in early Q2. We expect the impact of these actions to be reflected over the coming quarters, and we anticipate one-time restructuring charges in the current fiscal quarter associated with these reductions. Our objective is to restore the Security segment toward its historical gross margin profile over the coming quarters while positioning Vicon as a disciplined, durable earnings platform. Early adoption of our NEXT camera line continues to build, and we remain confident in the long-term competitive positioning of the business.

In Industrial, revenue increased 28% to \$10.6 million, a record quarter for the segment, reflecting operational discipline and growing demand for our services. We continue to secure infrastructure related projects and enter 2026 with a strong pipeline as we build operating

momentum across the platform.

During the quarter we materially improved financial flexibility through equity raises and debt settlements, increasing working capital and strengthening our capital structure. Subsequent to quarter end, we completed the acquisitions of Invocon and Richland Industries, expanding our operating footprint and earnings base. Invocon establishes our Aerospace and Defense segment and expands our presence in mission critical engineering markets. Richland strengthens AIS's geographic reach and fabrication capabilities in the Southeast. Contributions from both acquisitions will begin to be reflected starting in the second fiscal quarter.

As we enter the second quarter, the Company expects the combined impact of cost actions in Security and earnings contributions from recently completed acquisitions to improve performance. Our focus for fiscal 2026 is restoring segment margins, expanding operating income, and strengthening cash flow generation across the platform. We remain focused on disciplined execution and capital allocation as we build a diversified platform designed to deliver durable operating income over time. We continue to pursue acquisitions that fit our criteria for durable margins and cash generation."

Condensed Financial Summary (Fiscal Q1 2026)

- **Revenue:** \$16.1 million
- **Gross profit:** \$5.6 million
- **Gross margin:** 35%
- **Operating loss:** \$2.8 million
- **Net loss:** \$20.6 million, primarily driven by non-cash items related to debt settlement
- **Cash and cash equivalents:** \$20.5 million

Additional details are available in the Company's Quarterly Report on Form 10 Q filed with the Securities and Exchange Commission.

About Cemtrex

Cemtrex, Inc. (Nasdaq: CETX) is a diversified industrial and technology company operating across the Security, Industrial, and Aerospace & Defense sectors. The Company's Security segment, led by Vicon Industries, provides advanced video management software, high-performance security cameras, and integrated surveillance solutions for enterprise, government, and critical infrastructure customers. Its Industrial segment, through Advanced Industrial Services (AIS), delivers specialized rigging, millwrighting, process piping, and equipment installation services to manufacturers nationwide. Cemtrex's Aerospace & Defense segment, anchored by Invocon, provides mission-critical engineering, instrumentation, and sensing solutions supporting aerospace, defense, and space-based programs. With a focus on disciplined execution and strategic growth, Cemtrex is committed to building durable businesses that enhance safety, reliability, and long-term value for its customers and shareholders.

For more information, visit www.cemtrex.com.

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Forward-Looking Statements

This press release contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, including statements relating to the anticipated operational performance, potential acquisitions, strategic initiatives, closing of any offerings, gross proceeds from any offerings, our new product offerings, expected use of proceeds, or any proposed fundraising activities. These forward-looking statements are based on management’s current expectations and are subject to certain risks and uncertainties that could cause actual results to differ materially from those set forth in or implied by such forward looking statements. Statements made herein are as of the date of this press release and should not be relied upon as of any subsequent date. These risks and uncertainties are discussed under the heading “Risk Factors” contained in our Form 10-K filed with the Securities and Exchange Commission. All information in this press release is as of the date of the release and we undertake no duty to update this information unless required by law.

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Source: Cemtrex Inc.