

August 14, 2026



Cemtrex Reports Third Quarter Fiscal 2026 Financial Results

Operating cash flow turned positive for the quarter as sequential Operating EBITDA improved by \$1 million

Hauppauge, NY, Aug. 14, 2026 (GLOBE NEWSWIRE) -- – Cemtrex, Inc. (Nasdaq: CETX, CETXP) today reported results for the 2026 third fiscal quarter ended June 30, 2026.

Key Highlights for Third Fiscal Quarter 2026

- Revenue increased 9% year-over-year to \$18.4 million, up 2% sequentially from the second fiscal quarter.
- Consolidated operating loss narrowed to \$1.2 million from \$2.2 million in Q2, the second consecutive quarter of sequential improvement.
- Operating EBITDA improved to a loss of \$0.6 million, from a loss of \$1.7 million in Q2 and a loss of \$2.5 million in Q1. Operating EBITDA is a non-GAAP measure defined and reconciled below.
- Security segment operating loss narrowed to \$0.3 million, from \$1.4 million in Q2 and \$3.0 million in Q1, as the segment approaches operating breakeven. Security gross margin improved to 49%, from 44% in Q2 and 39% in Q1.
- Aerospace & Defense segment generated \$2.2 million of revenue, up 79% sequentially, and \$1.0 million of segment operating income in its second quarter of consolidation.
- Operating cash flow was positive \$0.2 million during Q3, compared to \$5.1 million of cash used in operations during the first half of the fiscal year.
- Completed the acquisition of Plant Engineering Services in July 2026, subsequent to quarter end. An additional Industrial Services acquisition is currently under letter of intent.
- Working capital was \$13.2 million at June 30, 2026, and stockholders' equity was \$32.0 million, compared to \$5.2 million and \$8.7 million, respectively, at September 30, 2025.

Management Commentary

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

“The third fiscal quarter showed measurable progress on each of the operational priorities we laid out earlier this year. Consolidated operating loss narrowed by nearly half sequentially, Operating EBITDA improved by \$1 million, and operating cash flow turned positive during the quarter. These results were not driven by any single item; they reflect the

cumulative effect of the restructuring at Vicon, the contribution from Invocon, and continued revenue growth across the platform.

The clearest evidence of execution this quarter was in our Security segment. Vicon's segment operating loss narrowed to \$0.3 million from \$3.0 million in Q1, driven by the full effect of the cost reduction program completed in January and pricing actions implemented earlier this year. Our Aerospace & Defense segment also delivered its first full quarter of profitability, with Invocon contributing \$1.0 million of segment operating income on \$2.2 million of revenue as deferred revenue from long-cycle programs began converting into recognized results, as we anticipated last quarter.

Our acquisition strategy continued to build the platform. Subsequent to quarter end, we completed the acquisition of Plant Engineering Services, which adds upstream engineering capability to AIS and opens automotive and defense manufacturing end markets, and we are under letter of intent on an additional Industrial Services acquisition.

AIS Tennessee's restructuring weighed on Industrial Services results this quarter and completing that turnaround is a clear near-term objective. We acquired the business because we believed its long-term value materially exceeded the purchase price, not because we expected immediate profitability. While the integration and operational improvements continue, we remain confident that the acquisition will create meaningful long-term value for shareholders.

The trajectory of the consolidated business is materially better than it was six months ago: two consecutive quarters of sequential improvement in operating results, positive operating cash flow, a strengthened balance sheet, and a higher-quality mix of businesses. The drivers of that improvement are structural rather than one-time in nature."

Third Quarter Fiscal 2026 Financial Results

Revenue. Revenue was \$18.4 million, an increase of 9% from \$17.0 million in the prior-year third quarter and an increase of 2% sequentially from Q2. The year-over-year increase was driven by the addition of the Aerospace & Defense segment and 6% growth in Industrial Services revenue, partially offset by lower Security segment revenue.

Gross profit. Gross profit was \$7.7 million, or 42% of revenue, compared to \$7.4 million, or 43% of revenue, in the prior-year third quarter, and \$6.8 million, or 38% of revenue, in Q2. The sequential margin improvement was driven primarily by pricing actions in the Security segment and the margin profile of Aerospace & Defense revenue recognized during the quarter.

Operating EBITDA. Operating EBITDA, defined as operating income (loss) before depreciation and amortization, was a loss of \$0.6 million, compared to a loss of \$1.7 million in Q2 and a loss of \$2.5 million in Q1. The sequential improvement of approximately \$1.0 million was driven primarily by the continued benefits of restructuring and pricing actions at Vicon and the contribution from Invocon. A reconciliation to operating loss, the most directly comparable GAAP measure, is provided below.

Operating loss. Operating loss was \$1.2 million, compared to \$2.2 million in Q2 and \$0.6 million in the prior-year third quarter. The sequential improvement reflects the same drivers

described above; the year-over-year comparison reflects higher depreciation and amortization from acquisitions completed during fiscal 2026 and the AIS Tennessee restructuring period.

Net loss. Net loss attributable to Cemtrex stockholders was \$4.5 million, compared to \$4.6 million in the prior-year third quarter. The difference between operating loss and net loss during the quarter was driven principally by non-operating items, including \$1.1 million of interest expense and \$2.2 million of non-cash changes in the fair value of warrant liabilities.

Operating cash flow. Cash provided by operations was \$0.2 million during the third quarter, compared to \$5.1 million of cash used in operations during the first six months of the fiscal year, reflecting the improvement in operating results.

Balance sheet. At June 30, 2026, cash, cash equivalents, restricted cash, and marketable securities totaled \$13.0 million. Working capital was \$13.2 million, compared to \$5.2 million at September 30, 2025, and stockholders' equity was \$32.0 million, compared to \$8.7 million at September 30, 2025.

Segment Results

Security. The Security segment, operated under Vicor, reported revenue of \$6.3 million, an increase of 8% sequentially from Q2, and a segment operating loss of \$0.3 million, compared to segment operating losses of \$1.4 million in Q2 and \$3.0 million in Q1, representing a 90% reduction in operating loss from Q1 to Q3. Gross margin improved sequentially to 49%, from 44% in Q2 and 39% in Q1. The improvement over the past two quarters reflects the cost reduction program completed in January 2026, which is now fully reflected in the segment's expense base, and pricing actions implemented beginning in Q1. Revenue declined from \$7.6 million in the prior-year third quarter, primarily due to shipping delays resulting from increased production time on certain component products; the Company is purchasing additional inventory to address this supply constraint. Gross margin declined from 52% in the prior year quarter due to increased component costs, tariffs, and fuel surcharges on shipping. The Company has applied for tariff refunds.

Industrial Services. The Industrial Services segment reported revenue of \$10.0 million, an increase of 6% year-over-year, and a segment operating loss of \$0.7 million, compared to segment operating income of \$0.7 million in Q2. The decline was driven primarily by AIS Tennessee, which generated an operating loss exceeding \$1 million during the quarter as restructuring actions continued, including workforce and project portfolio changes intended to bring the operation to AIS's standards. Core AIS (ex-AIS TN) remained profitable during the quarter.

AIS Tennessee was acquired earlier this year for approximately \$600,000, alongside the separate \$4.9 million purchase of its primary facility, in a transaction that resulted in a preliminary bargain purchase gain of approximately \$2.1 million under purchase accounting. While the business continues to impact current operating results as restructuring efforts progress, management believes the long-term economics of the acquisition remain compelling. The restructuring period now underway was priced into the transaction and completing the turnaround remains a top priority.

Subsequent to quarter end, the segment expanded with the acquisition of Plant Engineering

Services, a Fort Wayne, Indiana-based engineering firm specializing in the design, modernization, and relocation of large hydraulic and mechanical press systems, adding engineering capability upstream of AIS's installation, rigging, and millwrighting services and extending the platform into automotive and defense end markets.

Aerospace & Defense. The Aerospace & Defense segment, operated under Invocon, reported revenue of \$2.2 million, an increase of 79% sequentially from \$1.2 million in Q2, and segment operating income of \$1.0 million in its second quarter of consolidation. As discussed last quarter, Invocon's operations are characterized by long-cycle programs with revenue recognized as performance milestones are met. During Q3, the achievement of program milestones drove recognized revenue and profitability meaningfully above the segment's cost base for the period, converting a portion of the deferred revenue position built in prior periods. Quarterly results in this segment will continue to reflect the timing of program milestones. The segment's profitability in its second quarter of ownership supports the acquisition thesis and the strategic importance of the aerospace and defense end market to the Company's portfolio.

Condensed Financial Summary

Metric	Q3 FY2026	Q3 FY2025	YTD FY2026	YTD FY2025
Revenue	\$18.4M	\$17.0M	\$52.6M	\$58.0M
Gross profit	\$7.7M	\$7.4M	\$20.2M	\$25.2M
Gross margin	41.7%	43.4%	38.3%	43.5%
Operating income (loss)	(\$1.2M)	(\$0.6M)	(\$6.2M)	\$1.7M
Operating EBITDA	(\$0.6M)	(\$0.3M)	(\$4.8M)	\$2.7M
Net income (loss) attributable to Cemtrex stockholders	(\$4.5M)	(\$4.6M)	(\$24.1M)	(\$24.8M)

Q3 FY2026 Segment Summary

Segment	Revenue	Gross Profit	Gross Margin	Operating Income (Loss)
Security	\$6.3M	\$3.1M	49.1%	(\$0.3M)
Industrial Services	\$10.0M	\$2.7M	27.1%	(\$0.7M)
Aerospace & Defense	\$2.2M	\$1.9M	87.0%	\$1.0M
Corporate	\$0.0M	\$0.0M	—	(\$1.2M)
Consolidated	\$18.4M	\$7.7M	41.7%	(\$1.2M)

Non-GAAP Financial Measure: Operating EBITDA

Beginning this quarter, the Company is presenting Operating EBITDA as a primary measure of operating performance. Operating EBITDA is defined as operating income (loss) before depreciation and amortization. Management believes this measure reflects the performance of the Company's operating businesses without the effects of financing activities and other non-operating items, and provides investors with a consistent basis for evaluating operating trends across periods. Operating EBITDA is a non-GAAP financial measure and should be considered in addition to, and not as a substitute for, operating income (loss), net income (loss), or other measures prepared in accordance with GAAP. The following table reconciles Operating EBITDA to operating loss, the most directly comparable GAAP measure:

	Q3 FY2026	Q2 FY2026	YTD FY2026	YTD FY2025
Operating income (loss)	\$ (1,193,142)	\$ (2,172,037)	\$ (6,171,339)	\$ 1,692,987
Depreciation and amortization	581,651	515,845	1,420,797	960,930
Operating EBITDA	\$ (611,491)	\$ (1,656,192)	\$ (4,750,542)	\$ 2,653,917

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.