



**Media Release** // For immediate distribution

# Blackline Safety Reports Record First Quarter 2026 Revenue of \$38.8 million and Record First Quarter Adjusted EBITDA of \$1.7 million

*Highest Ever Annual Recurring Revenue<sup>(1)</sup> ("ARR") of \$90.5 million, up 28% year-over-year*

March 12, 2026

- 7th consecutive quarter of positive Adjusted EBITDA<sup>(1)</sup>
- Record first quarter gross margin of 65% compared to 60% last year
- Net Dollar Retention<sup>(1)</sup> ("NDR") of 126%, eleventh consecutive quarter above 125%
- 36th consecutive quarter of year-over-year top-line growth

**Calgary, Canada** — [Blackline Safety Corp.](#) ("Blackline", the "Company", "we" or "our") (TSX: BLN), a global leader in connected safety technology, today reported its fiscal first quarter financial results for the period ended January 31, 2026.

## **Management Commentary**

"Blackline has delivered another strong quarter, achieving \$38.8 million in first quarter revenue, surpassing our exceptionally strong first quarter last year. This marks our 36th consecutive quarter of year-over-year revenue growth, demonstrating the durability of our industrial, worker-focused business model and the sustained global demand for connected safety solutions," said Cody Slater, CEO and Chair, Blackline Safety Corp.

(1) This news release presents certain non-GAAP and supplementary financial measures, including key performance indicators used by management and typically used by companies in the software-as-a-service industry, as well as non-GAAP ratios to assist readers in understanding the Company's performance. Further details on these measures and ratios are included in the "Key Performance Indicators," and "Non-GAAP and Supplementary Financial Measures" sections of this news release.

Annual Recurring Revenue reached a record \$90.5 million, a 28% year-over-year increase, reflecting continued expansion of our recurring software services base and strong customer retention. "The growth in ARR underpins the value our global customer base gains from our connected safety platform," Slater continued.

Net Dollar Retention was 126% in the first quarter, marking the eleventh consecutive quarter above 125%, reflecting continued expansion of customer deployments and the deep integration of Blackline's solutions into our customers' safety operations.

Gross margin reached a first quarter record of 65%, up from 60% in the prior year's quarter, driven by the ongoing shift toward high-margin software services and scale efficiencies. Service gross margin reached 81%, up from 77% last year, while product gross margin was 37%. "Our continued margin expansion reflects the natural operating leverage in our business model as services become an increasingly larger portion of our revenue mix," said Slater.

Adjusted EBITDA was \$1.7 million for the quarter, up 12% from \$1.5 million in the prior year's quarter. "Our seventh consecutive quarter of positive Adjusted EBITDA reinforces that our growth is increasingly translating into durable financial performance, particularly this quarter which had costs associated with our G8 product launch," concluded Slater.

Since announcing our next generation G8 wearable in January, Blackline's pipeline has started shifting toward the G8 as customers embrace the added value it delivers. Building on the proven G7 device, G8 combines advanced gas detection, lone worker protection, and real-time communication in a single rugged, intrinsically safe device, with live data streamed to the cloud through Blackline Live. Initial shipments of the G8 are scheduled to begin in March.

The EXO 8 area monitor continues to gain traction across global markets, particularly in the Fire & Hazmat and Emergency Response sectors. The eight-gas configuration plus gamma radiation detection further expands Blackline's addressable market and strengthens its position as the leading provider of portable, direct-to-cloud area monitoring. We were proud that our real-time connected technology has been recognized worldwide as our G7c wearable gas detection devices and EXO 8 area monitors with gamma radiation detection were used to safeguard and protect athletes, spectators and staff at the Winter Olympic Games in Italy.

## Financial Highlights

(CAD thousands, except per share amounts)	Three-Months Ended		
	January 31,		
	2026	2025	% Change
Product revenue	13,957	17,799	(22)
Service revenue	24,891	19,876	25
Total Revenue	38,848	37,675	3
Gross profit	25,277	22,419	13
Gross margin percentage <sup>(1)</sup>	65%	60%	
Total Expenses	28,109	22,458	25
Total Expenses as a percentage of revenue <sup>(1)</sup>	72%	60%	
Net loss	(2,819)	(1,130)	149
Loss per common share - Basic and diluted	(0.03)	(0.01)	200
EBITDA <sup>(1)</sup>	(632)	2,056	NM
EBITDA per common share <sup>(1)</sup> - Basic and diluted	(0.01)	0.03	NM
Adjusted EBITDA <sup>(1)</sup>	1,704	1,517	12
Adjusted EBITDA per common share <sup>(1)</sup> - Basic and diluted	0.02	0.02	—

(1) Refer to “Non-GAAP and Supplementary Financial Measures” at the end of this document for further detail.

NM – Not meaningful

## Fiscal First Quarter 2026 and Recent Financial and Operational Highlights

Blackline Safety reported total revenue of \$38.8 million for the first quarter of fiscal 2026, a 3% year-over-year increase, extending the Company's top-line growth streak to 36 consecutive quarters. Service revenue grew 25% year-over-year to \$24.9 million, driven by a 22% increase in software services revenue to \$22.1 million and a 64% increase in rental revenue to \$2.8 million. Product revenue declined 22% year-over-year to \$14.0 million. There were two factors that contributed to the year-over-year decline. First quarter product sales in 2025 were elevated due to customers pulling forward purchases in anticipation of tariffs, and first quarter product sales this year were impacted by some customers delaying orders in anticipation of the G8 release.

ARR reached a record \$90.5 million, up 28% from \$70.9 million in the prior year's quarter, reflecting continued net new customer activations, healthy upsell activity, and strong renewal rates. NDR was 126% in the quarter, marking the eleventh consecutive quarter above 125% and demonstrating the consistent expansion within Blackline's existing customer base.

Gross margin improved to 65% in the first quarter, up from 60% in the prior year's quarter, reflecting a favorable revenue mix shift toward high-margin software services, scale benefits, and pricing discipline. Service gross margin reached 81%, while product gross margin was approximately 37%. The improvement in service gross margins came from scalability initiatives enabling greater absorption of fixed costs,

improved strategic pricing for connectivity services and infrastructure, and increased software service revenue from existing and new customers. Product gross margin was negatively impacted by product mix and initial manufacturing setup for the G8.

Total expenses were \$26.6 million, excluding foreign exchange losses, or 68% of revenue, compared with 63% of revenue in the prior year's quarter reflecting continued investment in Blackline's operational infrastructure, sales and marketing capacity, and product innovation. General and administrative expenses were 22% of revenue, sales and marketing expenses were 31% of revenue, and product research and development costs were 15% of revenue.

Adjusted EBITDA for the quarter was \$1.7 million, a 12% improvement from \$1.5 million in the prior year's quarter. This marks the seventh consecutive quarter of positive Adjusted EBITDA, demonstrating the durability of Blackline's profitability. Net loss for the quarter was \$2.8 million compared to a loss of \$1.1 million in the prior year's quarter, largely driven by a foreign exchange loss in the quarter of \$1.5 million compared to a gain in the prior year's quarter of \$1.2 million in Q1 2025.

Blackline delivered year-over-year revenue growth across three of four regions in the first quarter of fiscal 2026, with particularly strong momentum in international markets. The Rest of World region grew 50% year-over-year to \$3.7 million, driven primarily by the Company's expansion into the UAE market and the scaling of its ADNOC deployment. Europe also delivered solid growth of 14% year-over-year to \$10.4 million, reflecting continued penetration across the Company's established industrial customer base on the continent. Canada grew by 3% to \$7.1 million, consistent with the broader trend of upstream energy customers extending hardware refresh cycles amid a softer commodity price environment. The United States declined 8% to \$17.8 million compared to an unusually strong first quarter of fiscal 2025 that saw elevated U.S. product purchases as customers pulled forward capital spending ahead of anticipated tariffs, creating an unusually high prior-year baseline. Excluding that dynamic, U.S. demand trends remain intact, supported by a strong pipeline.

Blackline ended the quarter with \$41.4 million in cash and cash equivalents. The Company had available capacity on its senior secured operating facility, including its accordion feature, of approximately \$29.9 million as of January 31, 2026, for total available liquidity of approximately \$71.3 million.

Blackline's Interim Condensed Consolidated Financial Statements and Management's Discussion and Analysis on Financial Condition and Results of Operations for the three-months ended January 31, 2026, are available on SEDAR+ under the Company's profile at [www.sedarplus.ca](http://www.sedarplus.ca). All results are reported in Canadian dollars.

## Conference Call

A conference call and live webcast have been scheduled for 11:00 a.m. ET on Thursday, March 12, 2026. Participants should dial 1-833-821-3052 or 1-647-846-2509 at least 10 minutes prior to the conference time. A live webcast will also be available at <https://www.gowebcasting.com/14615>

Participants should join the webcast at least 10 minutes prior to the start time to register and install any necessary software. A replay will be available after 2:00 p.m. ET on March 12, 2026 through April 12, 2026 by dialing 1-855-669-9658 (Canada/USA Toll Free) or 1-412-317-0088 (International Toll) and entering access code 5012797.

**About Blackline Safety:** Blackline Safety is a technology leader driving innovation in the industrial workforce through IoT (Internet of Things). With connected safety devices and predictive analytics, Blackline enables companies to drive towards zero safety incidents and improved operational performance. Blackline provides wearable devices, personal and area gas monitoring, cloud-connected software and data analytics to meet demanding safety challenges and enhance overall productivity for organizations with customers in more than 75 countries. Armed with cellular and satellite connectivity, Blackline provides a lifeline to tens of thousands of people, having reported over 323 billion data-points and initiated over eight million emergency alerts. For more information, visit [BlacklineSafety.com](https://BlacklineSafety.com) and connect with us on [Facebook](#), [X \(formerly Twitter\)](#), [LinkedIn](#) and [Instagram](#).

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## Non-GAAP and Supplementary Financial Measures

This press release presents certain non-GAAP and supplementary financial measures, including key performance indicators used by management typically used by the Company's competitors in the software-as-a-service industry, as well as non-GAAP ratios to assist readers in understanding the Company's performance. These measures do not have any standardized meaning and therefore are unlikely to be comparable to similar measures presented by other issuers and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP.

Management uses these non-GAAP and supplementary financial measures, as well as non-GAAP ratios and key performance indicators to analyze and evaluate operating performance. Blackline also believes the non-GAAP and supplementary financial measures defined below are commonly used by the investment community for valuation purposes, and are useful complementary measures of profitability, and provide metrics useful in Blackline's industry.

Throughout this news release, the following terms are used, which do not have a standardized meaning under GAAP.

### Key Performance Indicators

The Company recognizes service revenues ratably over the term of the service period under the provisions of agreements with customers. The terms of agreements, combined with high customer retention rates, provides the Company with a significant degree of visibility into near-term revenues. Management uses several metrics, including the ones identified below, to measure the Company's performance and customer trends, which are used to prepare financial plans and shape future strategy. Key performance indicators may be calculated in a manner different than similar key performance indicators used by other companies. See also "Supplementary Financial Measures" below.

- **"Annual Recurring Revenue"** is the total annualized value of recurring service amounts (ultimately recognized as software services revenue) of all service contracts at a point in time. Annualized service amounts are determined solely by reference to the underlying contracts, adjusting for the varying revenue recognition treatments under IFRS 15 *Revenue from Contracts with Customers*. It excludes one-time fees, such as for rentals, non-recurring professional services, and assumes that customers will renew the contractual commitments on a periodic basis as those commitments come up for renewal, unless such renewal is known to be unlikely. We believe that ARR provides visibility into future cash flows and is a fair measure of the performance and growth of our service contracts.
- **"Net Dollar Retention"** compares the aggregate service revenue contractually committed for a full period under all customer agreements of our total customer base as of the beginning of the

trailing twelve-month period to the total service revenue of the same group at the end of the period. It includes the effect of our service revenue that expands, renews, is upsold or downsold or cancelled, but excludes the total service revenue from new activations during the period. We believe that NDR provides a fair measure of the strength of our recurring revenue streams and growth within our existing customer base.

### **Non-GAAP Financial Measures**

A non-GAAP financial measure: (a) depicts the historical or expected future financial performance, financial position or cash of the Company; (b) with respect to its composition, excludes an amount that is included in, or includes an amount that is excluded from, the composition of the most comparable financial measure presented in the primary consolidated financial statements; (c) is not presented in the primary financial statements of the Company; and (d) is not a ratio.

Non-GAAP financial measures presented and discussed in this news release are as follows:

**“EBITDA”** is useful to securities analysts, investors and other interested parties in evaluating operating performance by presenting the results of the Company which excludes the impact of certain non-cash or non-operational items. EBITDA is calculated as earnings before interest expense, interest income, income taxes, depreciation and amortization.

**“Adjusted EBITDA”** is useful to securities analysts, investors and other interested parties in evaluating operating performance by presenting the results of the Company which excludes the impact of certain non-operational items and certain non-cash and non-recurring items, such as stock-based compensation expense. Adjusted EBITDA is calculated as earnings before interest expense, interest income, income taxes, depreciation and amortization, stock-based compensation expense, foreign exchange loss (gain), and non-recurring impact transactions, if any. The Company considers an item to be non-recurring when a similar revenue, expense, loss or gain is not reasonably likely to occur.

## Reconciliation of non-GAAP financial measures

Three-Months Ended  
January 31,

(CAD thousands)	2026	2025	% Change
<b>Net loss</b>	(2,819)	(1,130)	149
Depreciation and amortization	2,200	2,095	5
Finance (income) expense, net	(374)	109	NM
Income tax expense	361	982	(63)
<b>EBITDA</b>	(632)	2,056	NM
Stock-based compensation expense <sup>(1)</sup>	614	455	35
Foreign exchange loss (gain)	1,522	(1,194)	NM
Other non-recurring impact transactions <sup>(2)</sup>	200	200	—
<b>Adjusted EBITDA</b>	1,704	1,517	12

(1) Stock-based compensation expense relates to the Company's stock compensation plan and Employee Share Ownership Plan. Stock option expense is extracted from cost of sales, general and administrative expenses, sales and marketing expenses and product research and development costs in the condensed consolidated statements of loss and comprehensive loss.

(2) Other non-recurring impact transactions in the current quarter includes one off costs incurred in the period related to one-time advisory fees. Other non-recurring impact transaction in the previous period includes severance costs relating to the departure of a senior management personnel.

NM – Not meaningful

## Non-GAAP Ratios

A non-GAAP ratio is a financial measure presented in the form of a ratio, fraction, percentage or similar representation and that has a non-GAAP financial measure as one or more of its components.

Non-GAAP ratios presented and discussed in this news release are as follows:

**“EBITDA per common share”** is useful to securities analysts, investors and other interested parties in evaluating operating and financial performance. EBITDA per common share is calculated on the same basis as net income (loss) per common share, utilizing the basic and diluted weighted average number of common shares outstanding during the periods presented.

**“Adjusted EBITDA per common share”** is useful to securities analysts, investors and other interested parties in evaluating operating and financial performance. Adjusted EBITDA per common share is calculated on the same basis as net income (loss) per common share, utilizing the basic and diluted weighted average number of common shares outstanding during the periods presented.

## Supplementary Financial Measures

A supplementary financial measure: (a) is, or is intended to be, disclosed on a periodic basis to depict the historical or expected future financial performance, financial position or cash flow of the Company; (b) is

not presented in the financial statements of the Company; (c) is not a non-GAAP financial measure; and (d) is not a non-GAAP ratio.

Supplementary financial measures presented and discussed in this news release are as follows:

- **“Gross margin percentage”** represents gross margin as a percentage of revenue
- **“Annual Recurring Revenue”** represents total annualized value of recurring service amounts of all service contracts
- **“Net Dollar Retention”** represents the aggregate service revenue contractually committed
- **“Product gross margin percentage”** represents product gross margin as a percentage of product revenue
- **“Service gross margin percentage”** represents service gross margin as a percentage of service revenue
- **“Total expenses as a percentage of revenue”** represents total expenses as a percentage of total revenue

#### **Note Regarding Forward Looking Statements**

This news release contains forward-looking statements and forward-looking information (collectively “forward-looking information”) within the meaning of applicable securities laws relating to, among other things, Blackline's expectation that the global availability of its EXO 8 area monitor will further expand its addressable market and strengthen its position in the portable, direct-to-cloud area monitoring segment Blackline provided such forward-looking statements in reliance on certain expectations and assumptions that it believes are reasonable at the time. The material assumptions on which the forward-looking information in this news release are based, and the material risks and uncertainties underlying such forward-looking information, include: expectations and assumptions concerning business prospects and opportunities, customer demands, the availability and cost of financing, labor and services, that Blackline will pursue growth strategies and opportunities in the manner described herein, and that it will have sufficient resources and opportunities for the same, that other strategies or opportunities may be pursued in the future, and the impact of increasing competition, business and market conditions; the accuracy of outlooks and projections contained herein; the continuation of USMCA and other applicable trade agreements; that future business, regulatory, and industry conditions will be within the parameters expected by Blackline, including with respect to prices, margins, demand, supply, product availability, supplier agreements, availability, and cost of labor and interest, exchange, and effective tax rates; projected capital investment levels, the flexibility of capital spending plans, and associated sources of funding; cash flows, cash balances on hand, and access to the Company's credit facility being sufficient to fund capital investments; foreign exchange rates; near-term pricing and continued volatility of the market; accounting estimates and judgments; the ability to generate sufficient cash flow to meet current and future obligations; the Company's ability to obtain and retain qualified staff and equipment in a timely and cost-efficient manner; the Company's ability to carry out transactions on the desired terms and within the expected timelines; forecast inflation, including on the Company's components for its products, regulatory changes, supply chain disruptions, macroeconomic conditions, US-Canada tariffs, the impacts of the military conflict between Russia and Ukraine on the global economy; the impacts of the recent conflict in the Middle East and Iran; and other assumptions, risks, and uncertainties described from time to time in the filings made by Blackline with securities regulatory authorities. Although Blackline believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information

because Blackline can give no assurance that they will prove to be correct. Forward-looking information addresses future events and conditions, which by their very nature involve inherent risks and uncertainties, including the risks set forth above and as discussed in Blackline's Management's Discussion and Analysis and Annual Information Form for the year ended October 31, 2025 are available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Blackline's actual results, performance or achievement could differ materially from those expressed in, or implied by, the forward-looking information and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur, or if any of them do so, what benefits Blackline will derive therefrom. Management has included the above summary of assumptions and risks related to forward-looking information provided in this press release in order to provide readers with a more complete perspective on Blackline's future operations and such information may not be appropriate for other purposes. Readers are cautioned that the foregoing lists of factors are not exhaustive. These forward-looking statements are made as of the date of this press release and Blackline disclaims any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.