

T R A C K  G R O U P

APRIL 2026 REFINANCING & RECAPITALIZATION
TRANSACTIONS SUMMARY

FORWARD-LOOKING STATEMENTS

ANY STATEMENTS CONTAINED IN THIS DOCUMENT THAT ARE NOT HISTORICAL FACTS ARE FORWARD-LOOKING STATEMENTS AS DEFINED IN THE U.S. PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995. WORDS SUCH AS "ANTICIPATE," "BELIEVE," "ESTIMATE," "EXPECT," "FORECAST," "INTEND," "MAY," "PLAN," "PROJECT," "PREDICT," "IF", "SHOULD" AND "WILL" AND SIMILAR EXPRESSIONS AS THEY RELATE TO TRACK GROUP, INC., AND SUBSIDIARIES ("TRACK GROUP") ARE INTENDED TO IDENTIFY SUCH FORWARD-LOOKING STATEMENTS. THESE STATEMENTS ARE ONLY PREDICTIONS AND REFLECT TRACK GROUP'S CURRENT BELIEFS AND EXPECTATIONS WITH RESPECT TO FUTURE EVENTS AND ARE BASED ON ASSUMPTIONS AND SUBJECT TO RISKS AND UNCERTAINTIES AND SUBJECT TO CHANGE AT ANY TIME. TRACK GROUP MAY FROM TIME-TO-TIME UPDATE THESE PUBLICLY ANNOUNCED PROJECTIONS, BUT IT IS NOT OBLIGATED TO DO SO. ANY PROJECTIONS OF FUTURE RESULTS OF OPERATIONS SHOULD NOT BE CONSTRUED IN ANY MANNER AS A GUARANTEE THAT SUCH RESULTS WILL IN FACT OCCUR. THESE PROJECTIONS ARE SUBJECT TO CHANGE AND COULD DIFFER MATERIALLY FROM FINAL REPORTED RESULTS. FOR A DISCUSSION OF SUCH RISKS AND UNCERTAINTIES, SEE "RISK FACTORS" IN TRACK GROUP'S ANNUAL REPORT ON FORM 10-K, ITS QUARTERLY REPORT ON FORM 10-Q, AND ITS OTHER REPORTS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED. NEW RISKS EMERGE FROM TIME TO TIME. READERS ARE CAUTIONED NOT TO PLACE UNDUE RELIANCE ON THESE FORWARD-LOOKING STATEMENTS, WHICH SPEAK ONLY AS OF THE DATES ON WHICH THEY ARE MADE.

Overview of Transactions

Refinancing Summary

- On April 30, 2026, Track Group, Inc. ("TRCK" or the "Company") refinanced its previous debt through a new senior secured credit facility due April 30, 2031, provided by Chatham Capital, and a private investment in public equity (the "PIPE"). PIPE participants included Carlson Ridge Capital, LLC ("CRC") and JCP Investment Management, LLC ("JCP") (collectively, the "Sponsors"), and TRCK management.
 - Previous debt of \$47,027,761 (principal & accrued interest) was **retired at a ~50% discount**, creating material quantifiable equity value.
 - These transactions bring in new aligned equity partners with industry-specific & governance acumen.
 - *Sponsors, in aggregate, to own ~80% of equity post-close, with equal PIPE participation*
 - Total debt was reduced by ~\$26mm, net debt by ~\$27mm, and annual cash interest expense by ~\$200,000. **Total & Net Leverage Ratios decline from 7.7 to 3.5, and 7.2 to 2.8**, respectively
 - Both the size and near-term maturity of TRCK's previous debt were unsustainable. These transactions and the near-term completion of two long-term capital investments*, expected to create material ongoing earnings power, immediately reset the stage to enable sustainable long-term growth.

List of Material Transactions

- 1) New Credit Facility provides \$21mm to TRCK at close
- 2) PIPE provides ~\$10.3mm to TRCK at close (\$0.35 per share)
 - **~43.2mm diluted shares outstanding post-close** (includes ~1.85mm lender & sponsor warrants)
- 3) Previous debt and accrued & unpaid interest of \$47,027,761 settled for \$23,520,000
- 4) TRCK pays deal related fees and closing costs of ~\$7mm
- 5) Equity sponsors acquire ~4.7mm shares from ETS Limited** for \$0.25 per share

*The two investments are: 1. Finalization of the XCS unit, the first new unit developed by TRCK in the past 10+ years, and 2. the migration of monitoring data from IBM to Azure, generating ~\$2mm in expected ongoing annualized savings which should start to benefit results by July of 26'

**ETS Ltd. is a fully owned subsidiary of ADSS, LLC. ADSS, LLC is a fully owned subsidiary of Abu Dhabi Developmental Holding Company PJSC

New \$24 Million Credit Facility Key Terms

Facility	Drawn at Close: \$21 million term loan Undrawn at Close: \$2 million revolver, and \$1 million interest line
Interest Rate	13.5% fixed rate (11% cash, 2.5% PIK), At Company's election in year 1, total cash interest can be reduced via electing a fixed rate of 15.5% (5.5% cash, 10% PIK)
Maturity Collateral	April 30, 3031 Senior-Secured, First Lien on all assets
Mandatory Amortization	First 2 years: 0%, Thereafter: 5% per annum (payable monthly)
Excess Cash Flow Sweep	50% minimum per year, and up to 70% at Company's election
Warrants	Lender receives warrants for 2.5% of Company's equity with anti-dilution provisions and registration rights (not callable or puttable)
Financial Covenants	Maximum TTM Total Leverage Ratio, Minimum FCCR*, Minimum TTM Adjusted EBITDA, Minimum Liquidity, Maximum Cap-Ex* (with new contract carveout)
Additional Requirements	Minimum Ownership Thresholds for Sponsors, Monthly Reporting, Quarterly Compliance Testing, Lender Board Observer Rights
Fees	Paid at Close: Origination Fee = \$720,000, OID (accelerated): \$750,000 Throughout Term: Includes commercially reasonable prepayment, default, and facility fees
Company Rights	Facility includes detailed cure provision rights to rectify covenant breaches. Company also gains ability to make restricted payments (dividends, buybacks, M&A) once Total Leverage Ratio < 2.0

*Maximum Cap-Ex & FCCR Covenants calculated on a go-forward basis until 12 months of financial history post-close have passed

Pre & Post-Close Snapshot

Adjusted EBITDA & Leverage Calculations

<i>please note TRCK's FYE is 9/30</i>	2024 FYE <i>Pre-Close*</i>	2025 FYE <i>Pre-Close*</i>	1/31/26 TTM <i>Pre-Close*</i>	5/31/26 TTM <i>Post-Close**</i>	2026 FYE <i>Post-Close***</i>
LT Debt (+ Accrued Int.)	\$43,186,904	\$45,496,388	\$46,329,123	\$21,089,053	\$21,268,292
Cash & Equiv.	\$3,574,215	\$4,098,114	\$3,427,237	\$5,287,831	\$5,177,269
<u>Net Debt****</u>	<u>\$39,612,689</u>	<u>\$41,398,273</u>	<u>\$42,901,885</u>	<u>\$15,801,222</u>	<u>\$16,091,023</u>
Adjusted EBITDA****	\$3,468,801	\$5,723,923	\$5,983,070	\$5,983,070	\$7,122,500
Total Leverage Ratio****	12.45	7.95	7.74	3.52	2.99
Net Leverage Ratio****	11.42	7.23	7.17	2.64	2.25

PRE-CLOSE

POST-CLOSE

{ ^ estimates ^ }

Transaction Date

*All #'s (LT Debt, Accrued Interest & Cash Equiv.) from lender mandated QOE at Jan 26' TTM

**Adjusted EBITDA #'s from lender mandated QOE at Jan 26' TTM, other #'s based on internal post-close estimates updated end April 26'

***Adjusted EBITDA #'s are mid-point of public guidance from management given 02/13/26, other #'s based on internal post-close estimates updated end April 26'

****See non-GAAP Financial Measures slide for definitions

Appendix – Historical Non-GAAP Reconciliation

<i>please note TRCK's FYE is 09/30</i>	2024 FYE <i>Pre-Close</i>	2025 FYE <i>Pre-Close</i>	1/31/26 TTM <i>Pre-Close</i>
GAAP Net Income	(\$3,081,414)	(\$1,883,753)	\$1,269,283
Depreciation/Amortization	\$4,005,635	\$3,886,785	\$3,914,550
Interest Expense	\$1,901,686	\$2,335,311	\$2,405,118
Income Tax Expense	(\$589,453)	\$104,094	\$100,673
EBITDA (Non-GAAP)	\$2,236,454	\$4,422,436	\$7,689,625
Board Compensation Adjustment	\$63,431	\$85,000	\$51,667
Foreign Exchange Expense (Gain)	(\$115,303)	\$688,686	(\$1,629,618)
(Gain) Loss On Subsidiary Sale	\$757,130	\$66,483	(\$630,472)
Chilean Subsidiary Adjustment	(\$2,296,085)	(\$130,986)	-
Credit Memo Allowance	\$242,430	(\$66,143)	(\$130,616)
Bad Debt Normalization	\$95,101	\$293,291	\$363,043
Franchise Tax Normalization	\$95,059	(\$29,157)	(\$50,952)
Broward County Start-Up Costs	-	\$73,233	\$73,233
Sales Tax Normalization	\$130,232	-	-
RDI Integration Costs	\$591,463	-	-
Chilean Monitoring Center Costs	\$526,529	\$608	-
Chilean Fines	\$1,003,543	-	-
Legal Settlements	-	\$180,000	\$180,000
Financing Costs	\$69,993	\$4,264	-
Board of Directors Travel Costs	\$18,451	\$9,465	\$3,390
Transaction Related Costs	-	\$49,008	\$57,554
Severance	\$50,373	\$77,734	\$6,217
Adjusted EBITDA (Non-GAAP)	\$3,468,801	\$5,723,923	\$5,983,070

Bridge From Reported GAAP Net Income to EBITDA (non-GAAP) to Adjusted EBITDA (non-GAAP)

Depreciation, Amortization, Interest Expense, & Income Tax Expense: these are added back to GAAP Net Income

Foreign exchange expense/(gain): reflects the elimination of both realized and unrealized foreign exchange gains and losses.

(Gain)/loss on sale/dissolution of subsidiary: FY24 and FY25 amounts reflect an impairment and loss on sale, respectively, associated with the divested Chilean subsidiary. TTM26 reflects the dissolution of the Israeli subsidiary.

Other charges: include a variety of adjustments relating to items deemed non-recurring, including the elimination of Chilean fines associated with delays in building a monitoring center fines recorded in Chile, a legal settlement relating to Puerto Rico, severance, RDI integration costs, financing costs, Chilean monitoring center costs, travel costs relating to the board of directors, and third party costs associated with the debt refinancing and associated transactions.

Board compensation adjustment: adjustment to historical cash board compensation to reflect the go forward cash board compensation expected immediately following closing.

Chilean subsidiary adjustment: reflects the exclusion of Chilean results from adjusted EBITDA. The Company divested its Chilean subsidiary in November of 2024. Prior to the divestiture, the Company provided monitoring services for approximately 4,200 devices. The Company transitioned to partner status post-divestiture and is an equipment supplier, with revenue from Chile limited to product sales.

Credit memo allowance: the Company's reported credit memo expense reflects both actual credit memos issued plus changes in the credit memo allowance. We adjusted credit memo expense to reflect historical experience, which averaged 0.4% of revenue during FY24 and FY25, respectively.

Bad debt normalization: the Company's reported bad debt expense reflects changes in the allowance for bad debt, which is based on the Company's AR aging profile. We adjusted reported bad debt expense to reflect historical write off experience, which averaged 0.6% of revenue during FY24 and FY25, respectively.

Franchise tax normalization: franchise taxes are assessed on a calendar year basis and based on gross assets and shares outstanding. Calendar year assessment was \$104,000 and \$118,000 for 2024 and 2025, respectively. We adjusted reported franchise tax expense to reflect these amounts, which we assumed to be incurred on a pro rata basis during the year.

Broward County start up costs: Broward County (Florida) contract started in Aug-25. Start-up costs (hotels, meals, entertainment) were recorded in connection with that contract as the Company switched approximately 2,000 monitored individuals from competitor's devices to the Company's devices over a two week period.

Sales tax normalization: in FY24, the Company recorded certain sales tax expense that related to prior periods. We excluded such out of period amount from reported EBITDA such that adjusted sales tax expense aligned with FY25.

Appendix – Non-GAAP Financial Measures

This release includes financial measures defined as “non-GAAP financial measures” by the Securities and Exchange Commission including, but not limited to, non-GAAP EBITDA, non-GAAP Adjusted EBITDA, non-GAAP Net Debt, non-GAAP Total Leverage Ratio, and non-GAAP Net Leverage Ratio. These measures may be different from non-GAAP financial measures used by other companies. The presentation of this financial information, which is not prepared under any comprehensive set of accounting rules or principles, is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with generally accepted accounting principles. Reconciliations of these non-GAAP financial measures are based on the financial figures for the respective period.

Non-GAAP Adjusted EBITDA excludes items included but not limited to interest, taxes, depreciation, amortization, impairment charges, gains and losses, currency effects, one-time charges or benefits that are not indicative of operations, charges to consolidate, integrate or consider recently acquired businesses, costs of closing facilities, stock based or other non-cash compensation or other stated cash and non-cash charges, and other adjustments deemed acceptable based on a recently completed Quality of Earnings mandated by the new lender, Chatham Capital, which are outlined in this presentation (the “Adjustments”). Non-GAAP Net Debt is equal to total long-term debt of the company plus accrued and unpaid interest, less cash and cash equivalents. Non-GAAP Net Leverage Ratio is equal to Net Debt, as defined above, divided by Non-GAAP Adjusted EBITDA, as defined above, over the trailing twelve-month period. Non-GAAP Total Leverage Ratio is equal to total long-term debt of the company plus accrued and unpaid interest, divided by Non-GAAP Adjusted EBITDA, as defined above.

The Company believes the non-GAAP measures provide useful information to both management and investors when factoring in the Adjustments. Specific disclosure regarding the Company's financial results, including management's analysis of results from operations and financial condition, are contained in the Company's annual report on Form 10-K for the fiscal year ended September 30, 2025, and other reports filed with the Securities and Exchange Commission. Investors are encouraged to carefully read and consider such disclosure and analysis contained in the Company's Form 10-K and other reports, including the risk factors contained in such Form 10-K.

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THANK YOU