



ROUTE1 ANNOUNCES BUSINESS UPDATES

Route1 Completes a Sale of Certain of its Employee Retention Credits, Enters into a Parking Revenue Sharing Model with a Smart Parking Partner, and Launches its Actionable Business Intelligence Software Application for its ALPR Clients

TORONTO, CANADA, JUNE 19, 2025 - [Route1 Inc.](#) (TSXV: ROI) (“Route1” or the “Company”), a leading engineering and professional services firm specializing in the deployment and integration of advanced data capture-based technologies and actionable business intelligence (“ABI”) to city, state, and federal first responder departments, public safety and parking managers, today provided important business updates.

EMPLOYEE RETENTION CREDITS MONETIZED

The Employee Retention Credit (“ERC”), also known as the Employee Retention Tax Credit (“ERTC”), was designed to help businesses recover from the COVID-19 pandemic. The overall goal of the program was to encourage employers to retain employees during pandemic-related business shutdowns and slowdowns.

First introduced in March 2020 as part of the Coronavirus Aid, Relief, and Economic Security Act, the ERC has been updated twice since its original creation. In November 2021, the ERC program expired early with the signing of the Infrastructure Investment and Jobs Act. The change limited ERC claims to wages paid before October 1, 2021, except for recovery startup businesses. Businesses can still retroactively claim ERC by amending their 2020 or 2021 tax returns, meaning employers can still claim the credit for actions during the pandemic on their tax returns up until the year 2024.

Route1 has such credits filed prior to January 31, 2024 totaling USD \$467,030 and filed an additional USD \$852,972 in credits between February 1, 2024 to January 31, 2025. Route1 engaged a third-party professional to assist in its submission.

The credits were for Route1’s wholly owned U.S. subsidiaries Route 1 Security Corporation, Group Mobile Int’l, LLC and Portable Computer Systems, Inc. relating to wages paid to employees between April 1, 2020 and September 30, 2021.

On June 18, 2025, Route1 sold USD \$467,030 of its ERCs (the “ERC Claim Amount”) to a private equity fund. Route1 has received payment of USD \$179,807 and subject to the US government paying out the ERC Claim Amount, will receive an additional USD \$65,384.

The private equity fund purchased the ERC Claim Amount at a discount to the face value and required an additional amount to be held back until the ERC Claim Amount is paid out by the US government. Route1 also incurred professional fees to complete the transaction.

In certain circumstances, including situations in which the Internal Revenue Service disallows some or all of Route1's ERC claims, the private equity fund may cause Route1 to refund the proceeds paid. Should that occur, some or all of the professional fees incurred will also be reimbursed.

If the US Congress passes the H.R. 1 – One Big Beautiful Bill Act, it may give rise to some or all of the USD \$852,972 being saleable to a third party similar to the transaction announced above.

PARKING REVENUE SHARING MODEL

Earlier this month, Route1 entered into a parking revenue sharing model with a parking management company that is a current client of Route1 to deliver modern, smart parking management systems that improve parking operations, increase revenue and elevate the parking customer experience.

Route1's partner provides a seamless, fully integrated parking management solution that encompasses paid parking systems, real-time technology support and comprehensive enforcement services. By consolidating all aspects of parking operations into a single point of contact, Route1's partner empowers its clients to maximize efficiency, enhance their customer's experience and drive long-term value. The parking management partner currently serves a diverse portfolio of clients from apartment complexes and homeowners associations to mixed-use developments and commercial centers.

Route1 will provide the Genetec AutoVu™ automated license plate recognition system, and related services including project scoping, supplying the hardware and software, installation, operator training, hardware configuration, system maintenance and the provision of operator support. Further, Route1 will deploy its Actionable Business Intelligence ("ABI") software to assist our partner's operations team in order to maximize reads, hits and violations.

The first market Route1 and its parking management partner have chosen and will launch over the next month and is in the northwestern US.

Tony Busseri, President and CEO of Route1 stated: *"We are excited to expand our recurring revenue model to include revenue derived from parking violations. The partner we have chosen is a current client in another market of the US and has exhibited the traits we are looking for – strong market awareness and ability to grow their network of properties that want their parking management services. Success in the first market should confirm our assumptions that this particular parking*

revenue sharing model can be rolled out aggressively in many secondary or tertiary markets in the US with a particular focus in Utah, Idaho, Colorado, New Mexico, Nevada and Arizona.”

ACTIONABLE BUSINESS INTELLIGENCE (“ABI”) SOFTWARE APPLICATION LAUNCH

Last week at the IPMI Parking & Mobility Conference & Expo held in Louisville, KY, Route1 unveiled its advanced business intelligence platform purpose-built to harness the power of automated license plate recognition (ALPR) data. Designed to seamlessly integrate with the Genetec AutoVu™ system, this platform transforms high-volume ALPR telemetry into a structured framework for operational optimization - delivering unparalleled intelligence to municipalities, universities, and enterprise parking operators.

Route1’s actionable intelligence solution empowers parking and public safety professionals to extract strategic value from raw ALPR feeds via a secure, analytics-driven architecture. By assessing systemic performance, monitoring dynamic inventory utilization and quantifying enforcement outcomes, the platform operationalizes insight in alignment with real-world objectives—shifting decision making from reactive to predictive, and from anecdotal to empirical.

Route1’s cloud-native platform utilizes continuous ALPR camera streams into the Route1 Neural Intelligence Fabric™ - a proprietary, ultra-scalable orchestration engine engineered for real-time event synthesis and semantic signal extraction. Drawing on deep parking domain expertise, raw ALPR telemetry is transfigured into the Operational Intelligence Matrix™: a precision-modeled, high-fidelity substrate built for tactical clarity and actionable insight. This intelligence layer powers our interactive visualization engine, delivering an unprecedented level of operational visibility—enabling operators to uncover inefficiencies, forecast enforcement hotspots and deploy strategy with surgical precision. By aligning predictive analytics with live operational signals, the system transforms fragmented telemetry into a unified strategic core - amplifying revenue recovery, regulatory compliance and urban safety.

Through an intuitive interface, professionals can compare current operational performance against adaptive benchmarks derived by Route1’s domain experts. These benchmarks - segmented by Enforcement and Parking - serve as intelligent baselines for real-time KPI tracking, trend deviation analysis and compliance monitoring across a rolling twelve-month window. With embedded analytics and continuous feedback loops, the system elevates visibility, accountability, and impact at every layer of operational oversight.

Version 1.0 leverages data captured by mobile ALPR units - commonly referred to as Enforcement Metrics. These include real-time tracking of license plate scans, hit rates, and enforcement outcomes - categorized as successful, unenforced, or rejected hits - delivering a high-resolution view of mobile enforcement performance and route efficacy. Route1 has included **integrated**



mapping capabilities with Version 1.0, enabling users to spatially contextualize enforcement data for geo-specific insight, heatmap overlays, and precision route refinement.

Version 2.0, to be released no later than August 31, 2025, will incorporate data from **fixed ALPR cameras** - classified as Parking Metrics. This expansion unlocks detailed visibility into parking session density, violation frequency, facility utilization rates, dwell time distributions and incomplete session anomalies, empowering operators to optimize policy enforcement, staffing, and monetization strategies with data-backed precision.

About Route1 Inc.

Route1 Inc. is an advanced North American technology company that empowers their clients with data-centric solutions necessary to drive greater profitability, improve operational efficiency and gain sustainable competitive advantages, while always emphasizing a strong cybersecurity and information assurance posture. Route1 delivers exceptional client outcomes through real-time secure delivery of actionable intelligence to decision makers. Route1 is listed in Canada on the TSX Venture Exchange under the symbol ROI. For more information, visit: www.route1.com.

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