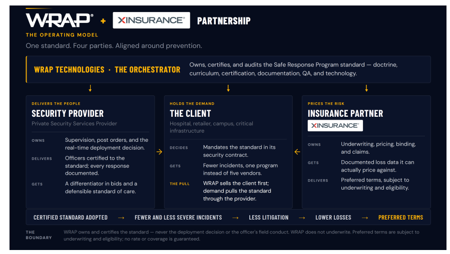
WRAP Technologies and XINSURANCE Partner to Launch WRAP Safe Response Program, Expanding Into the 1.28M Officer U.S. Private Security Market

August 13, 2026

Strategic partnership creates a certified response standard designed for armed and unarmed security personnel across virtually every sector of the U.S. economy, opening what the Company believes to be a significant new addressable market beyond traditional law enforcement

Wrap - XInsurance Operating Model



Wrap - XInsurance Operating Model

MIAMI, Aug. 13, 2026 (GLOBE NEWSWIRE) -- WRAP Technologies, Inc. (Nasdaq: WRAP), a global public safety technology company, and XINSURANCE today announced a strategic partnership to develop and bring to market the WRAP Safe Response Program, a certified operating standard for organizations that employ or contract security personnel.

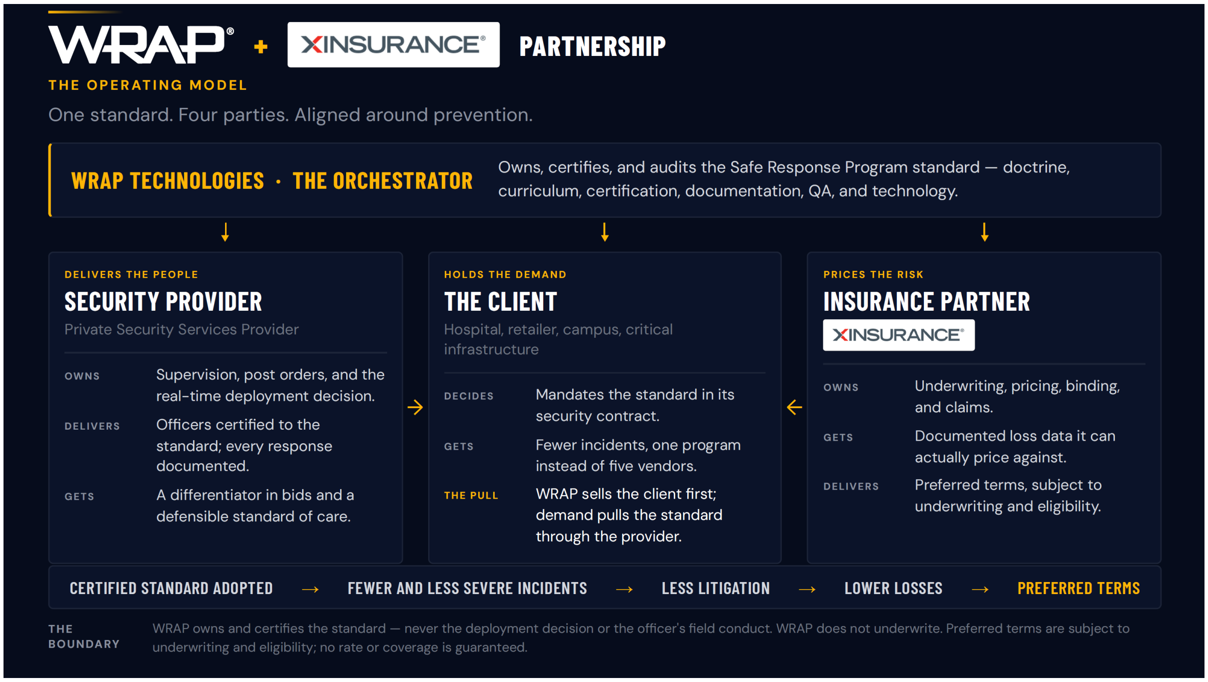
The opportunity extends across virtually every sector of the U.S. economy. Security personnel operate inside corporations, hospitals and healthcare systems, schools and universities, retail environments, hotels and resorts, transportation networks, critical infrastructure, manufacturing facilities, residential communities, entertainment venues, government facilities, ports, corporate campuses, and major events.

The Safe Response Program is designed to establish a common, documented standard for how those personnel are trained, equipped, and prepared to respond before an encounter escalates.

Private security faces a problem law enforcement does not. A substantial portion of the private security workforce is unarmed, and in many environments security personnel cannot or are not intended to carry traditional weapons. When a situation escalates, there is frequently little available between verbal engagement and requesting an emergency law enforcement response.

The WRAP Safe Response Program is being built to address that gap.

The market for that solution changed this year. On June 15, 2026, the Bureau of Alcohol, Tobacco, Firearms and Explosives issued Ruling 2026-2, determining that the BolaWrap® 150 is not a firearm under the Gun Control Act and not a weapon under the National Firearms Act, characterizing it instead as an instrument of restraint and rescue. That classification, which applies specifically to the BolaWrap 150 as currently designed, removed a significant federal barrier to placing an early intervention response option in the hands of unarmed security personnel.



A Major New Addressable Market for WRAP

There are nearly twice as many security guards in the United States as there are police and sheriff's patrol officers.

According to the U.S. Bureau of Labor Statistics' May 2025 Occupational Employment and Wage Statistics, approximately 1.28 million security guards are employed in the United States, compared with approximately 671,000 police and sheriff's patrol officers measured in the same survey, a ratio of approximately 1.9 to 1.

For WRAP, that represents a substantial expansion of the population potentially addressable by its technology, training, certification, and recurring readiness programs.

Importantly, the Safe Response Program is designed for the full U.S. private security workforce, not simply officers employed by contract guard companies.

The addressable population includes armed and unarmed security personnel working across:

- Corporations and corporate campuses
- Hospitals and healthcare systems
- Schools and universities
- Retail environments and shopping centers
- Hotels, resorts, and hospitality properties
- Transportation networks and ports
- Critical infrastructure
- Manufacturing and industrial facilities
- Residential communities
- Entertainment venues and major events
- Government facilities
- Other organizations that employ or contract security personnel

Adoption is designed to begin with the organizations that carry the underlying risk. Enterprises that employ security personnel directly, and those that set the security standards governing the third party contractors operating on their properties, hold the demand and determine what standard applies on their premises.

Contract security firms are how that standard reaches the field. Because a single provider can employ tens of thousands of officers across hundreds of enterprise customers, providers are an efficient delivery layer once the organizations they serve have adopted the standard.

That creates a sequenced path to adoption rather than two competing ones:

- **Enterprise and risk owner adoption comes first.** Corporations, healthcare systems, universities, retailers, property operators, manufacturers, hospitality companies, and other organizations can incorporate the Safe Response standard into their own security operations, procurement requirements, and contracts with third party security providers.

- **Security provider adoption follows the demand.** Guard companies and other security services providers can certify their personnel to the Safe Response standard and deploy the program across their workforces and customer accounts, meeting a requirement their clients have already established.

At both levels the objective is the same: establish a documented standard for how armed and unarmed security personnel are trained, equipped, and expected to respond before an encounter escalates. The Program is designed to start with the organization that carries the risk, so that demand pulls the standard through to the providers and personnel who deliver it.

According to IBISWorld, the broader U.S. security services industry is estimated at approximately $50.4 billion in annual revenue in 2026, with armed and unarmed guard and patrol services comprising core segments of that market.

A Distribution Model That Extends Beyond Security Companies

XINSURANCE is a specialty liability platform serving commercial risks across numerous industries, including businesses that employ their own security personnel or contract with third party security providers.

Its commercial liability business operates nationwide and addresses difficult and high liability risks across many of the same environments in which security personnel interact with the public, including hospitality, entertainment, commercial properties, manufacturing, healthcare, industrial operations, resorts, nightlife, large venues, corporate campuses, ports, and events.

That overlap reinforces the same direction of adoption for the WRAP Safe Response Program:

- **Enterprise and risk owner channel, the primary motion.** Commercial organizations employing security personnel directly, or purchasing security services from national, regional, and local providers, can adopt the Safe Response Program as a documented security and risk management standard.
- **Security provider channel, the delivery motion.** Security companies, armed and unarmed guard organizations, private security providers, bodyguard companies, investigation companies, security training organizations, and other professional security providers can certify personnel to the Safe Response standard in order to meet that requirement.

Leading with the risk owner is what significantly expands the strategic opportunity.

Under a traditional security provider model, WRAP reaches individual security officers through the companies that employ them. Under the broader model contemplated by the Safe Response Program, XINSURANCE can potentially help connect WRAP with commercial enterprises that carry security related risk. Those enterprises can then establish the Safe Response Program as a security requirement across their own personnel, properties, and contracted security providers.

This creates the potential for adoption to move through multiple levels of the private security ecosystem rather than requiring WRAP to reach the market one officer or one security provider at a time.

Under this model, WRAP is positioned not simply to sell a response technology into another vertical, but to establish a broader operating standard that can potentially be adopted by the organizations that carry the risk, purchase security services, establish contractual requirements, and ultimately determine how security is delivered across their properties and operations.

One Standard, Four Parties

The Safe Response Program is built around a single certified standard adopted by four parties, each in a defined role.

- **WRAP owns, certifies, and audits the standard.** WRAP provides the doctrine, curriculum, certification, documentation, quality assurance, and supporting technology. The standard is anchored in WRAP's Response to Resistance framework and its Lowest Reasonable Response™ doctrine: the correct response is the least amount of force reasonably capable of resolving the encounter, applied as early as possible.
- **The client organization adopts the standard and mandates it.** Hospitals and health systems, hotels and resorts, entertainment venues, commercial property owners, manufacturing and industrial operators, retailers, campuses, ports, corporate facilities, and large event operators carry the underlying risk and hold the demand. They can adopt the standard and require it within their security operations or contracts, receiving an integrated program rather than assembling training, technology, documentation, and risk management practices separately.
- **Security services providers certify to the standard and deliver it in the field.** Providers retain supervision, post orders, and real time deployment decisions. Officers are certified to the standard, and responses are documented consistently. For providers, certification can become a differentiator in competitive bids and establish a defensible, auditable standard of care.
- **XINSURANCE prices the risk.** XINSURANCE writes specialty commercial liability nationwide, covering both security services firms and commercial enterprises whose operations create security exposure. Within the Program, XINSURANCE is responsible for all insurance activity contemplated, including product design, underwriting, pricing, placement, binding, policy servicing, and claims, conducted solely through appropriately licensed personnel. In return, underwriters can gain

access to documented, structured loss and response data of a kind not consistently available in this class of risk today.

Why XINSURANCE

Much of the exposure the Program addresses ultimately sits not only with security companies, but with the organizations that hire them, contract with them, and operate the environments in which security encounters occur.

XINSURANCE underwrites commercial liability across many of the same sectors where security personnel interact with the public, including hospitality and resorts, entertainment venues, healthcare, commercial property, manufacturing and industrial operations, corporate campuses, ports, and large events, as well as security services firms themselves.

Those are the two populations the Safe Response Program is designed to align: the enterprise that carries the risk and sets the standard, and the provider and personnel that operate to it.

That overlap is why the Program is structured around the entire security ecosystem rather than any single provider.

An organization evaluating how it manages security exposure is answering an operating question and a risk management question at the same time. The Safe Response Program is designed to create a common framework connecting both.

Executive Commentary

"On our second quarter call, I said this was the first quarter where you could see the device becoming a business: recurring, multi-market, and platform-scale," said Scot Cohen, Chief Executive Officer of WRAP Technologies. "This partnership is what that looks like in practice. We are not simply entering a new vertical. We are working with a partner built around understanding and pricing risk to establish a standard that an entire market can operate against."

"Law enforcement has been our market. It is no longer the boundary of our market," said Jared Novick, President and Chief Operating Officer of WRAP Technologies. "What makes this particularly compelling is that we do not have to reach this market one officer at a time. We can start with the organizations that carry the risk. Enterprises establish the standard across their properties and contracted security operations, creating demand for security providers to certify their workforces against it. An insurance partner can connect that operating standard directly to risk management. That is how we scale beyond law enforcement, and how a product opportunity becomes a platform opportunity."

"Organizations rely on security personnel to help protect people and property, creating complex liability exposures," said Rick J. Lindsey, President, CEO and Chairman of XINSURANCE. "The WRAP Safe Response Program brings training, technology, and risk management together under a consistent operating standard designed to help organizations manage risk and resolve situations before they escalate."

About WRAP Technologies, Inc.
WRAP Technologies, Inc. (NASDAQ: WRAP) is developing WrapShield™, an autonomous public safety platform intended to unify threat detection, classification, command-and-control, and non-lethal response in a single operating architecture. At the platform's core is the principle that the technology layer between situational awareness and human force application should be trustworthy, accountable, and — wherever tactically appropriate — non-lethal. Building on the foundation of BolaWrap®, the Company's flagship restraint tool deployed across more than 1,000 agencies in over 60 countries, WRAP is building an operating layer between perception and response.

About XINSURANCE
XINSURANCE is a specialty liability insurance provider offering customized coverage for risks that standard homeowners, business, and employer policies exclude or leave underinsured. It operates as a DBA of Evolution Insurance Brokers, LC (EIB), an excess and surplus lines brokerage licensed in all 50 states and the U.S. Virgin Islands. XINSURANCE structures tailored limits, terms, deductibles, and pricing for commercial and personal risks that traditional carriers find difficult to place. The company reports more than 90,000 policies issued across over 1,000 risk classes, supported by an underwriting team with more than 40 years of combined experience. Its commercial liability business operates nationwide, with particular focus on high-liability, hard-to-place exposures across sectors including hospitality, healthcare, commercial property, manufacturing, entertainment, and large events, as well as security services firms.

Trademark Information

Cautionary Note on Forward-Looking Statements - Safe Harbor Statement
This press release contains "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, and Section 21E of the Securities Exchange Act of 1934. Words such as "expect," "anticipate," "should", "believe", "target", "project", "goals", "estimate", "potential", "predict", "may", "will", "could", "intend", and variations of these terms or the negative of these terms and similar expressions are intended to identify these forward-looking statements. Forward-looking statements include, among others, statements regarding the development, capabilities, structure, timing, and commercial readiness of the WRAP Safe Response Program; the strategic

partnership between WRAP and XINSURANCE, including its scope, structure, and timing and whether it results in a commercially available program, adoption, orders, or revenue; the anticipated size, growth, and addressable opportunity of the U.S. private security market; whether enterprises, risk owners, security services providers, and their personnel adopt or certify to the Safe Response standard; the design, availability, underwriting, pricing, placement, and terms of any insurance products contemplated in connection with the Program; and the expected effects of ATF Ruling 2026-2. These statements are based on current expectations and are subject to risks and uncertainties, including but not limited to WRAP's ability to develop and commercialize the Safe Response Program on expected timelines, the difference between a planned program and a commercially available offering, the possibility that the partnership with XINSURANCE does not proceed as contemplated or does not result in adoption, orders, or revenue, the possibility that enterprises and security services providers do not adopt or require the Safe Response standard, the regulatory and licensing requirements applicable to insurance activities, competition, supply-chain and manufacturing constraints, and changes in law, regulation, or agency policy. ATF Ruling 2026-2 addresses the classification of the BolaWrap® 150 only, and no assurance can be given that any similar classification will apply to any other product. The Company's actual results could differ materially from those stated or implied in forward-looking statements due to a number of factors including other risk factors mentioned in the Company's most recent annual report on Form 10-K, subsequent quarterly reports on Form 10-Q, and other Securities and Exchange Commission filings. These forward-looking statements are made as of the date of this release and were based on current expectations, estimates, forecasts, and projections as well as the beliefs and assumptions of management. WRAP assumes no obligation to update any forward-looking statement except as required by applicable law.

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A photo accompanying this announcement is available at https://www.globenewswire.com/NewsRoom/AttachmentNg/6034eb5e-01b6-4fd5-a53f-3525dc9c593c