



Wrap Technologies Receives Historic ATF Ruling Formally Classifying BolaWrap® 150 as an Instrument of Restraint — Not a Firearm or Weapon Under Federal Law

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ATF Ruling 2026-2 Removes Federal Procurement Barriers Across Corrections, Civilian Safety, International Deployment, and Autonomous Response Markets

MIAMI, July 06, 2026 (GLOBE NEWSWIRE) -- Wrap Technologies, Inc. (Nasdaq: WRAP) ("Wrap" or, the "Company"), a global public safety technology company, today announced that the ATF has issued Ruling 2026-2, formally determining that the BolaWrap® 150 is not a "firearm" under the Gun Control Act (18 U.S.C. § 921(a)(3)) and not an "any other weapon" under the National Firearms Act (NFA).

The ruling, signed by ATF Director Robert Cekada and which was effective as of July 2, 2026, states that the BolaWrap 150 is not a "weapon" because it is not an instrument of offensive or defensive combat. The ATF affirmatively classifies the BolaWrap 150 as "merely an instrument of restraint." The ruling is grounded in the U.S. Supreme Court's 2025 decision in *Bondi v. VanDerStok*, 145 S. Ct. 857 (2025), and explicitly supersedes any prior ATF classification of the BolaWrap 150, removing the federal regulatory ambiguity that the Company believes has historically complicated BolaWrap procurement across multiple market segments.

"This ruling confirms at the federal level what our company has demonstrated in the field: BolaWrap 150 is not regulated as a firearm or an 'any other weapon' under the federal statutes addressed by the ruling. It is a restraint tool designed to give officers a moment of control before an encounter escalates to force. We believe Ruling 2026-2 removes a federal classification framework that complicated BolaWrap procurement across corrections, civilian, and international markets. We also believe it may improve our ability to compete in segments that were structurally inaccessible before this ruling was issued" said Scot Cohen, Founder & CEO

Four Procurement Categories Potentially Affected

- **Corrections and Detention:** BolaWrap 150 can now move through standard non-lethal equipment channels, without weapons-compliance burdens, across more than 5,000 federal and state facilities.
- **Gun-Free and Civilian Safety Environments:** Schools, universities, hospitals, federal buildings, courthouses, and stadiums may evaluate BolaWrap 150 under civilian safety procurement, a channel the Company believes was previously inaccessible under weapons classification.
- **International Deployment Simplification:** Across Wrap's 60+ country distribution network, the ruling removes dual-layer compliance friction at both the U.S. export level and the importing nation's domestic law.
- **Autonomous Response Platforms:** The DFR-X drone-based first responder system, which deploys BolaWrap 150 as its non-lethal payload, potentially may no longer have to navigate weapons-carriage regulatory complexity across FAA, state drone law, and international aviation frameworks.

Quantified Market Access and Shortened Sales Cycles

The Company believes the reclassification may change the operational sales channel itself by reducing certain approval steps from the standard procurement sequence. Prior to Ruling 2026-2, agencies evaluating a device carrying a federal firearms or weapons classification could face additional review steps, and international buyers faced a statutory processing periods before goods could be legally transferred.

Under a restraint classification, that sequence compresses to two to three steps: standard equipment evaluation, purchase order issuance, and approval through a standard non-lethal or safety-equipment budget line, with no FFL dealer requirement or weapons appropriation.

Projected impact:

- Domestic sales cycle: reduced from 3–9 months to 4–8 weeks
- International sales cycle: reduced from 4–6 months to as little as 4–8 weeks

- Combined addressable opportunity across the four unlocked segments: an estimated \$3 billion or more in global addressable spend, structurally inaccessible prior to this ruling

A Potential New Category in the Law Enforcement Response Matrix

ATF Ruling 2026-2 supports the Company's view that BolaWrap 150 occupies a distinct position in the law enforcement use-of-force continuum. The traditional response matrix can present officers with a structural gap: between a verbal command and the application of pain-compliance tools — conducted energy weapons, impact munitions, or physical grappling — there was no dedicated instrument designed to physically restrain a non-compliant subject without causing pain, shock, or injury.

The BolaWrap 150 is designed to help fill that gap — what use-of-force practitioners have termed the "Wrap Window" — as a purpose-built remote restraint category in law enforcement. Operating at distances of 10 to 25 feet, the device is intended to allow officers to physically contain a non-compliant subject before physical contact, before pain compliance, and before an encounter crosses the threshold that creates injury risk for either party. The intended safety benefit is bilateral: officers gain a standoff restraint tool designed to reduce the need for close-quarters contact; subjects are restrained by a Kevlar tether rather than through force.

The ATF's recognition of BolaWrap as "merely an instrument of restraint" is not only a classification ruling — we believe it is the federal government's formal acknowledgment that this category exists, and that Wrap Technologies created it.

The Paradigm Shift Wrap Technologies Is Building

The ruling arrives as Wrap Technologies prepares to launch an integrated detection, response, and command ecosystem designed to deliver autonomous non-lethal restraint capability across multiple operational domains, from the handheld BolaWrap 150 to the DFR-X autonomous drone platform to the command architecture that coordinates response across ground, maritime, aerial, and extended-range environments.

"Combat is one category. Restraint is another. BolaWrap has always belonged in the restraint category. Now the ATF ruling says so explicitly" said Scot Cohen, Founder & CEO

About Wrap Technologies, Inc.

Wrap Technologies, Inc. (Nasdaq: WRAP) a global leader in innovative public safety technologies and non-lethal tools, delivering cutting-edge technology with exceptional people to address the complex, modern day challenges facing public safety organizations.

WRAP's complete public safety portfolio includes the non-lethal BolaWrap® 150 device, Wrap Reality® immersive training platform, WrapVision™ body-worn camera system, WrapTactics™ training programs, and next-generation C-UAS solutions like PAN-DA and the 1KC Kinetic Anti-Drone Cassette, all of which supports the Company's mission to provide safer, scalable, and cost-effective technologies for public safety, defense, and critical infrastructure markets.

With a growing demand for non-lethal tools and techniques to create time, distance and tactical advantage in non-criminal calls, Wrap's BolaWrap® 150 incorporates a multi-sensory distraction of sight and sound as a first response, followed by a non-lethal restraint if further escalation is required. This approach reduces the risk of injury to officers, subjects, and the community.

Wrap's BolaWrap® 150 solution is intended to provide law enforcement with a safer choice for nearly every phase of a critical incident. This innovative, patented device deploys a multi-sensory, cognitive disruption to expand the pre-escalation period and gives officers the advantage and critical time to manage non-compliant subjects before resorting to higher-force options. The BolaWrap® 150 is not pain-based compliance. It does not shoot, strike, shock, or incapacitate, instead, it helps officers strategically operate pre-escalation on the force continuum, reducing the risk of injury to both officers and subjects. Used by over 1,000 agencies across the U.S. and in 60 countries, BolaWrap® is backed by training certified by the International Association of Directors of Law Enforcement Standards and Training (IADLEST), reinforcing Wrap's commitment to public safety through cutting-edge technology and expert training.

WrapReality™ VR is a fully immersive training simulator to enhance decision-making under stress.

As a comprehensive public safety training platform, it provides first responders with realistic, interactive scenarios that reflect the evolving challenges of modern law enforcement. By offering a growing library of real-world situations, WrapReality™ is intended to equip officers with the skills and confidence to navigate high stakes encounters effectively, which we believe leads to safer outcomes for both responders and the communities they serve.

WrapVision is an all-new body-worn camera and evidence management system built for efficiency.

Designed for efficiency, security, and transparency to meet the rigorous demands of modern law enforcement, WrapVision captures, stores, and helps manage digital evidence, ensuring operational security, regulatory compliance, and enhanced video picture quality and field of view.

The WrapVision camera, powered by IONODES, boasts streamlined cloud integration and final North American assembly, with a critical made-in-America roadmap projected for early 2026. This track helps ensure data integrity and helps eliminate critical concerns over unauthorized access or foreign surveillance risks.

Trademark Information

WRAP, the Wrap logo, BolaWrap®, Non-Lethal Response™, WrapReality™, Wrap Training Academy, and Non-Lethal Response™ are trademarks of WRAP Technologies, Inc., some of which are registered in the U.S. and abroad. All other trade names used herein are either trademarks or registered trademarks of the respective holders.

Cautionary Note on Forward-Looking Statements - Safe Harbor Statement

This release contains "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. 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, but are not limited to, statements relating to the expected benefits, effects, and implications of ATF's determination regarding BolaWrap®; potential changes in law enforcement policy, training, procurement, adoption, deployment, and use of the Company's products; the Company's ability to advance response-to-resistance frameworks; the intended performance, benefits, and safety outcomes of the Company's products and training solutions; expected market opportunities; and the Company's planned future products, technologies, integrations, product designs, and related benefits. The Company's actual results could differ materially from those stated or implied in forward-looking statements due to a number of factors, including but not limited to: the Company's ability to maintain compliance with the Nasdaq Capital Market's listing standards; the Company's ability to successfully implement training programs for the use of its products; the Company's ability to manufacture and produce products for its customers; the Company's ability to develop sales for its products; market acceptance of existing and future products; changes in law enforcement budgets, policies, procurement practices, and use-of-force standards; the availability of funding to continue to finance operations; the complexity, expense, and time associated with sales to law enforcement and government entities; the lengthy evaluation and sales cycle for the Company's product solutions; product defects; litigation risks from alleged product-related injuries; risks of government regulations and changes in regulatory classifications or interpretations; the impact resulting from geopolitical conflicts and any resulting sanctions; the ability to obtain export licenses for countries outside of the United States; the ability to obtain patents and defend intellectual property against competitors; the impact of competitive products and solutions; and the Company's ability to maintain and enhance its brand, as well as 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. Except as required by law, the Company undertakes no duty or obligation to update any forward-looking statements contained in this release as a result of new information, future events, or changes in its expectations.

Investor Relations Contact:

(800) 583-2652

ir@wrap.com

wrap.com