Axe Compute Inc. Reports Third Quarter 2026 Financial Results and Provides Business Update

November 17, 2026

- **Revenue of $7.2 Million, Up 125% Over Previous Quarter; Operating Income of $6.8 Million; Net Income of $11.5 Million; Cash Grew 6.7x to $147.7 Million**
- **Georgia Cluster of 2,304 NVIDIA B300 GPUs Acquired and Customer Contract Extended from Three to Five Years**
- **Helomics Business Sold, Fully Transitioning Axe Compute to GPU-as-a-Service Business**
- **More Than $3 Billion in Signed Contracts Progressing Towards Deployment Across the U.S. and Europe**

MIAMI, Nov. 17, 2026 (GLOBE NEWSWIRE) -- Axe Compute Inc. (NASDAQ: AGPU), a neocloud AI infrastructure company delivering dedicated, bare-metal GPU compute and large-scale AI factory build-outs at global scale, today reported financial results for the third quarter ended September 30, 2026.

"The market is still constrained in demand and delivery of GPU capacity, and the companies that win will be the ones that can fund it and deliver with the right value proposition, execution, and financing model. In its second full quarter as a neocloud business, Axe Compute has delivered strong value to its customers and continued executing against its goals. Revenue grew 125% over the previous quarter to $7.2 million, and we put $313 million to work building GPU infrastructure, primarily funded by our customers' prepayments," said Christopher Miglino, Chief Executive Officer of Axe Compute. "We also finished the transformation of the company. Helomics is sold, our first owned cluster is on the books, and Axe Compute is now a pure-play GPU infrastructure company with more than $3 billion in signed contracts. Our first Build cluster is targeted for deployment in the fourth quarter, and the July contracts move into deployment across the United States and Europe in Q4 of 2026 and into 2027. Our job now is delivery," added Miglino.

THIRD QUARTER 2026 AND RECENT DEVELOPMENTS AT A GLANCE

- Revenue of $7.2 million, up 125% from $3.2 million in Q2 2026 and the second consecutive quarter of triple-digit sequential growth. All revenue was delivered under the Axe Compute Access model; Axe Compute Build contract revenue will begin to be recognized upon deployment of the contracted clusters.
- Operating income of $6.8 million and net income of $11.5 million, or $0.52 per common share on a diluted basis, compared to an operating loss of $16.4 million in Q2 2026, adjusted for discontinued operations, and a net loss of $17.2 million in Q2 2026. Results include $15.0 million of gains, primarily non-cash fair value changes, on digital assets and on the DataMeds securities received in the Helomics sale.
- Cash grew 6.7x to $147.7 million and contract liabilities representing customer prepayments grew to $569.3 million from $60.8 million at June 30, 2026, funding $349.6 million of GPU infrastructure purchases in the quarter. Net cash provided by continuing operating activities was $465.2 million for the first nine months of 2026.
- More than $2.8 billion in new Axe Compute Build contracts signed in July across the United States and Europe, bringing 2026 total contract value ("TCV")[2] to more than $3 billion and expected annualized run rate ("ARR")[3] to more than $700 million upon full deployment.
- Acquired the Georgia cluster of 2,304 NVIDIA B300 GPUs on September 30, 2026 for $124.4 million, the Company's first owned cluster. The cluster is energized and provisioned, and customer acceptance is underway; the customer contract term is now five years, through 2031.
- Completed the sale of Helomics on September 11, 2026, finalizing the Company's transition to a pure-play GPU infrastructure company; Helomics is now reported as discontinued operations.

Q3 2026 AND RECENT BUSINESS HIGHLIGHTS

More Than $2.8 Billion in New Build Contracts Signed (July 2026): During the quarter, the Company secured three new customer contracts across the United States and Europe with a TCV of more than $2.8 billion, all under the Axe Compute Build model. Together with the more than $350 million from our recently extended customer contract on the Georgia Cluster, the Company's 2026 TCV exceeds $3 billion. Execution against these contracts, including facility readiness, equipment procurement and deployment planning, is underway and is reflected in the $225.2 million of infrastructure purchased in the quarter, excluding the cost of acquiring the Georgia cluster. The Company expects that signed TCV to translate to an ARR of more than $700 million upon full deployment.

Acquired Georgia Cluster of 2,304 NVIDIA B300 GPUs; Georgia Cluster Deployment Targeted for Q4 2026: The Company acquired 100% of Duos Edge AI – GPUaaS, LLC (subsequently renamed to Axe Compute Acquisition Co. I, LLC) from Duos Technologies Group, Inc. The cluster consists of 288 Supermicro NVIDIA B300 NVL8 servers containing 2,304 GPUs (the “Georgia Cluster”), located in a Duos-operated data center in Georgia with approximately 5 megawatts of committed power. Consideration included $87.8 million paid in cash at closing plus a $36.6 million deferred purchase price (face amount of $42.9 million, recorded net of a $6.3 million discount as of September 30, 2026) payable to Duos in monthly installments, for a total recorded cost of $124.4 million, with the remaining balance due at the earlier of September 30, 2027, or upon refinancing. Duos owns and operates the facility, bears colocation and power costs over the five-year term, and resells the capacity to its end customer. The cluster was acquired on the last day of the quarter and had not yet been placed in service as of September 30, 2026. The cluster is energized and provisioned, and customer acceptance is underway.

Completed Sale of Helomics (September 2026): The Company sold all of the shares of Helomics Corporation, its legacy oncology drug discovery subsidiary, to DataMeds AI, Inc. in exchange for 636,328 shares of DataMeds common stock, representing 19.99% of DataMeds' shares outstanding before closing, and a $1.4 million convertible promissory note. The sale completes the strategic alternatives process announced earlier this year and

finalizes the Company's strategic shift to GPU compute infrastructure; Axe Compute now operates as a single segment focused on providing customers with GPU compute. The Company recognized a $0.4 million gain on disposal, and Helomics' results are presented as discontinued operations for all periods. The DataMeds securities were carried at a combined $6.3 million at September 30, 2026.

$349.6 Million of Build Infrastructure Purchased: During the quarter the Company purchased $349.6 million of GPU cluster infrastructure for its Build contracts, bringing construction in progress for Build deployments to $366.7 million. These purchases were largely funded by customer prepayments, reflected on the balance sheet as contract liabilities. Customer prepayments funding infrastructure ahead of deployment is the central feature of the Company's capital-efficient operating model.

Headquarters Relocated to Miami (November 2026): The Company relocated its headquarters to 801 Brickell Avenue, Miami, Florida, positioning the Company closer to its international partners and global customer base.

Q3 2026 FINANCIAL HIGHLIGHTS

Revenue: $7.2 million in Q3 2026, up 125% from $3.2 million in Q2 2026. Revenue for the nine months ended September 30, 2026 was $10.5 million. All Q3 revenue was generated from GPU compute services under fixed-term contracts delivered through the Axe Compute Access model. Revenue from the Company's Build contracts is not yet reflected in reported results; recognition will begin upon deployment of the contracted clusters. The current period's margin profile reflects the Access model only and does not reflect the economics of the Build business.

Operating Income: $6.8 million in Q3 2026, compared to an operating loss of $16.4 million in Q2 2026, after adjusting for removal of subsequently discontinued operations. Q3 2026 operating income includes $10.5 million of gains on digital assets, compared to a $13.1 million loss on digital assets in Q2 2026. Q3 2026 cost of revenues was $6.9 million, general and administrative expenses were $2.9 million, and sales and marketing expenses were $1.1 million.

Net Income: $11.5 million, or $0.52 per common share on a diluted basis, in Q3 2026, compared to a net loss of $17.2 million in Q2 2026 and a net loss of $77.7 million in Q3 2025, which included a $74.4 million non-cash loss on derivative instruments. Q3 2026 net income includes $10.5 million of gains on digital assets, primarily non-cash fair-value changes in the Company's ATH holdings and related receivable, and a $4.6 million non-cash unrealized gain on the DataMeds common stock and convertible note received in the Helomics sale.

Adjusted EBITDA[1]: Approximately ($2.3 million), based on income from continuing operations of $11.7 million excluding $0.3 million of net interest income, $0.7 million of stock-based compensation, $9.9 million of unrealized gains on digital assets, and $4.5 million of unrealized gains on equity securities and the convertible note receivable, compared to approximately ($1.9 million) in Q3 2025, as recast.

Cash and Digital Assets: Cash and cash equivalents grew to $147.7 million at September 30, 2026, up from $21.9 million at June 30, 2026 and $10.8 million at December 31, 2025. The Company also held $15.3 million in digital assets, primarily approximately 2.6 billion Aethir ("ATH") tokens, and $16.3 million in digital asset receivables, for a total of $31.6 million in digital assets.

Operating Cash Flow: Net cash provided by operating activities of continuing operations was $465.2 million for the nine months ended September 30, 2026, compared to net cash used of $3.4 million in the prior year period, driven by $569.2 million of customer prepayments under compute contracts, partially offset by $92.7 million of prepayments to compute vendors. Net cash used in investing activities was $334.7 million, primarily consisting of $242.3 million of GPU infrastructure purchases for Build contracts and $87.8 million paid at closing for the Georgia Cluster.

Balance Sheet: Total assets were $686.1 million at September 30, 2026, compared to $52.9 million at December 31, 2025, including $366.7 million of property and equipment, all of which is construction in progress that has not yet been placed in service. Depreciation is expected to begin in the fourth quarter of 2026 as Build equipment is placed in service. In connection with the acquisition of the Georgia Cluster, the Company recognized a deferred purchase price payable of $36.6 million, net of discount, owed to Duos. The deferred purchase price is secured by the cluster and is payable upon the earlier of September 30, 2027 or the Company’s refinancing of the cluster.

[1] Adjusted EBITDA is a non-GAAP financial measure. See "Non-GAAP Financial Measures" and the reconciliation table in the Financial Statements section below.

[2] Total contract value (“TCV”) is an operating metric representing the aggregate estimated contractual spend under signed customer contracts, and may not represent revenue recognized in any particular period as separately determined in accordance with US GAAP.

[3] Annualized run rate (“ARR”) is an operating metric representing annualized monthly revenue upon full deployment of signed contracts. Annualized run rate is an estimate and does not represent revenue recognized in a particular period as separately determined in accordance with US GAAP.

OUTLOOK

The Company does not provide formal financial guidance. The following forward-looking context is provided to assist investors in understanding management's operational priorities, and is subject to the risks and uncertainties described under "Cautionary Statement Regarding Forward-Looking Statements" below.

Management's deployment roadmap and operational priorities:

Fourth quarter 2026 and first quarter 2027: (i) complete customer acceptance and place the Georgia cluster of 2,304 NVIDIA B300 GPUs into service; and (ii) continue progress toward subsequent Build deployments under its July 2026 customer contracts, including commissioning infrastructure ahead of go-live.

2027: (i) execute against the more than $2.8 billion in Build contracts signed in July 2026, including facility readiness, equipment procurement and deployment across the United States and Europe, supported by the Penguin Solutions operating partnership; (ii) bring additional Access capacity online under vendor agreements already signed and prepaid; and (iii) continue to pursue opportunities in the Company's pipeline.

CONFERENCE CALL AND WEBCAST

Management will host a conference call and webcast to discuss the Company's third quarter 2026 results on Tuesday, November 17, 2026 at 8:30 a.m. Eastern Time. Participants may join by dialing +1 301 715 8592 (Meeting ID: 88188227988, Passcode: 457947) or via live webcast at https://bit.ly

/AxeComputeQ32026. A replay of the webcast will be available on the Company's investor relations website at investors.axecompute.com following the call.

ABOUT AXE COMPUTE

Axe Compute Inc. (NASDAQ: AGPU) is a neocloud AI infrastructure platform built on a fundamental premise: AI innovation should not be constrained by hardware choice or availability. The company provides enterprises and AI innovators with flexibility across hardware, geography, and deployment models through two core offerings: Axe Compute Access, delivering a wide range of the latest high-performance GPU infrastructure across global locations, and Axe Compute Build, enabling the design, deployment, ownership, and operation of large-scale, dedicated AI infrastructure worldwide. All solutions are supported by enterprise-grade SLAs and operational expertise. Axe Compute is headquartered in Miami, Florida. For more information, visit axecompute.com.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This press release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, as well as Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements include, but are not limited to, statements regarding the deployment timeline and revenue expectations for the Georgia Cluster, the execution and deployment against the Company's signed contracts, signed contract value, customer prepayments, the Company's commercial strategy, pipeline and contract goals, the expected evolution of the Company's revenue mix and economics as Build contracts come online, the expected annualized run rate in future periods, the Company's ability to pay or refinance the deferred purchase price for the Georgia cluster, the value and conversion of the DataMeds securities, the Company's liquidity and capital resources, and the market opportunity for GPU compute infrastructure. These statements are based on management's current expectations and beliefs as of the date of this press release and are subject to significant risks and uncertainties that could cause actual results to differ materially, including but not limited to: risks related to the execution, enforceability, and customer performance under the Company's contracts; customer acceptance and deployment timing; the Company's dependence on certain counterparties, including Duos as reseller, facility operator and secured creditor with respect to the Georgia cluster; hardware supply chain constraints and facility readiness; the capital-intensive nature of owning GPU infrastructure and the Company's ability to obtain financing on acceptable terms, if at all; technological obsolescence and the estimated useful lives of GPU infrastructure; the highly volatile and unpredictable price of ATH and digital assets generally; the Company's ability to generate and grow Compute Services revenue; risks associated with the Aethir network and decentralized physical infrastructure; the Company's ability to maintain Nasdaq listing compliance; and those risks and uncertainties described in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2025, filed with the SEC on March 31, 2026, the Company's Current Report on Form 8-K furnishing supplemental risk factors filed on September 9, 2026, and the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2026. The Company undertakes no obligation to update or revise any forward-looking statements, except as required by applicable law.

NON-GAAP FINANCIAL MEASURES

This press release includes "Adjusted EBITDA," which is a non-GAAP financial measure. The Company defines Adjusted EBITDA as net income (loss) from continuing operations adjusted to exclude: (i) interest expense (income), net; (ii) income tax expense (benefit); (iii) depreciation and amortization; (iv) stock-based compensation expense; (v) unrealized (gains) losses on digital assets; and (vi) unrealized (gains) losses on equity securities and the convertible note receivable. Unrealized (gains) losses on digital assets represent mark-to-market, fair value adjustments related to digital assets and digital asset receivables, and do not include realized gains and losses on digital assets, including from ATH used to pay for compute the Company then sells to customers. Adjusted EBITDA is not a substitute for income (loss) from continuing operations, net income (loss) or any other measure of financial performance prepared in accordance with U.S. GAAP and may not be comparable to similarly titled measures used by other companies. Management believes Adjusted EBITDA is useful to investors because it provides a supplemental measure of the Company's core operating performance by excluding the effects of capital structure decisions (such as interest expense), non-cash charges (such as depreciation, amortization and stock-based compensation), unrealized fair value adjustments (such as changes in the volatile market price of digital asset holdings and of equity securities received as sale consideration) and tax impacts that can vary significantly between periods and across companies. Management uses Adjusted EBITDA to evaluate the Company's performance, compare performance across periods, and assist in the allocation of resources. Investors are cautioned that Adjusted EBITDA has limitations as an analytical tool and should not be considered in isolation or as a substitute for analysis of the Company's results as reported under U.S. GAAP.

A reconciliation of Adjusted EBITDA to the most directly comparable U.S. GAAP financial measure is included in the tables accompanying this press release. To the extent the Company provides forward-looking Adjusted EBITDA guidance in connection with this release or the related earnings call, a reconciliation of such forward-looking non-GAAP measure to the most directly comparable U.S. GAAP measure may not be available without unreasonable effort due to the inherent difficulty in forecasting and quantifying certain amounts, including but not limited to fair value adjustments on digital asset holdings, stock-based compensation expense, and other non-cash or non-recurring items, the timing and magnitude of which may be significant.

FINANCIAL STATEMENTS

SUMMARY CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)

	September 30, 2026	December 31, 2025
ASSETS		

Cash and cash equivalents	$147,710,376	$10,756,507
Compute prepayments (current)	28,629,743	-
Digital assets and receivable	28,703,212	31,666,073
Other current assets	2,929,501	224,841
Current assets of discontinued operations	-	122,526
Total current assets	**207,972,832**	**42,769,947**
Compute prepayments, net of current portion	64,026,232	-
Digital asset receivable, net of current portion	2,920,242	8,258,681
Property and equipment, net	366,739,691	936
Other non-current assets	44,397,417	4,031
Non-current assets of discontinued operations	-	1,854,751
Total assets	**$686,056,414**	**$52,888,346**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Deferred purchase price payable, net of discount	36,597,577	-
Contract liabilities (current)	100,881,687	-
Other current liabilities	19,414,792	2,655,724
Current liabilities of discontinued operations	-	1,611,172
Total current liabilities	**156,894,056**	**4,266,896**
Contract liabilities, net of current portion	468,457,286	-
Lease liability, net of current portion	14,435,540	-
Non-current liabilities of discontinued operations	-	904,495
Total liabilities	**639,786,882**	**5,171,391**
Total stockholders' equity	**46,269,532**	**47,716,955**
Total liabilities and stockholders' equity	**$686,056,414**	**$52,888,346**

SUMMARY CONDENSED CONSOLIDATED STATEMENTS OF NET INCOME (LOSS) (Unaudited)

	Three Months Ended, September 30		Nine Months Ended, September 30	
	2026	**2025**	**2026**	**2025**
Revenue	$7,243,043	$ -	$10,457,323	$ -
Gains (losses) on digital assets	10,477,971	-	(6,943,649)	-
Total operating costs and expenses	(10,895,117)	(2,282,129)	(19,837,731)	(5,462,938)
Total operating income (loss)	**6,825,897**	**(2,282,129)**	**(16,324,057)**	**(5,462,938)**
Other income (expense), net	352,687	(874)	480,667	5,041
Unrealized gain on equity securities and convertible note receivable	4,557,443	-	4,557,443	-
Loss on derivative instruments	-	(74,366,000)	-	(74,366,000)
Income (loss) from continuing operations	**11,736,027**	**(76,649,003)**	**(11,285,947)**	**(79,823,897)**
Loss from discontinued operations	(591,266)	(1,002,841)	(2,484,118)	(2,341,282)
Gain on disposal of discontinued operations	358,846	-	358,846	-
Net income (loss)	**$11,503,607**	**$(77,651,844)**	**$(13,411,219)**	**$(82,165,179)**
Net income (loss) per share, basic	$0.54	$(107.26)	$(0.64)	$(136.13)
Weighted avg. shares outstanding, basic	21,370,333	723,998	20,893,225	603,605
Net income (loss) per share, diluted	$0.52	$(107.26)	$(0.64)	$(136.13)
Weighted avg. shares outstanding, diluted	21,956,645	723,998	20,893,225	603,605

SUMMARY STATEMENTS OF CASH FLOWS (Unaudited)

	Nine Months Ended September 30,	
	2026	**2025**
Net cash provided by (used in) continuing operating activities	$465,234,067	$(3,415,038)
Net cash (used in) continuing investing activities	(334,699,558)	—
Net cash provided by continuing financing activities	10,445,774	4,555,905
Net cash (used in) discontinued operations	(4,029,259)	(1,693,873)
Net increase (decrease) in cash and cash equivalents	**$136,951,024**	**$(553,006)**

RECONCILIATION OF INCOME (LOSS) FROM CONTINUING OPERATIONS TO ADJUSTED EBITDA (Unaudited)

	Three Months Ended September 30,	
('000s)	**2026**	**2025***
Income (loss) from continuing operations	$11,736	$(76,649)
Net interest (income) expense	(268)	1
Income tax (benefit) expense	-	-
Depreciation and amortization	-	1
Stock-based compensation expense	721	405
Unrealized (gains) losses on digital assets	(9,907)	-
Unrealized (gains) losses on derivative instruments	-	74,366
Unrealized (gain) on equity securities and convertible note receivable	(4,557)	-
Adjusted EBITDA	**$(2,275)**	**$(1,876)**

*Prior period amounts above have been recast to remove the Company's legacy business that has subsequently been discontinued.