

SATO Technologies Corp. Reports Audited Fiscal Year 2025 Results

Toronto, Ontario--(Newsfile Corp. - April 29, 2026) - SATO Technologies Corp. (TSXV: SATO) (OTCQB: CCPU.F) ("SATO" or the "Company") today announced its audited financial results for the year ended December 31, 2025.

Audited financial statements, AIF and MD&A are filed on SEDAR+ (www.sedarplus.ca) and available at www.bysato.com. All amounts are in Canadian dollars.

Key Highlights

- Pivot to AI compute infrastructure advancing.
- 20 MW hydro-powered facility at Center One, fully built and grid-connected, positioning SATO as one of the few publicly-listed Canadian platforms with operational capacity at this scale
- Forbearance arrangement entered into with the Company's long-term lender subsequent to year-end, providing flexibility during the strategic review
- \$1.375 million private placement completed subsequent to year-end

Fiscal Year 2025 Highlights

- Revenue of \$11.66 million, down 28% from \$16.10 million in 2024
- 82 BTC mined, compared with 190 BTC in 2024
- Gross profit of \$189,093, compared with \$3.05 million in 2024
- Net loss of \$(4,373,241), compared with net income of \$1,174,647 in 2024
- Compute Power Profit^[1] of \$2,268,978 (2024: \$5,956,446)
- Adjusted EBITDA^[2] of \$(186,067) (2024: \$2,827,330)

Liquidity and Capital Allocation

Reflecting the post-halving environment and the Company's pivot to AI infrastructure, management has taken steps to preserve cash and align operations with its strategic plan:

- Temporarily down-clocked approximately 40% to 50% of the mining fleet to reduce power consumption while improving daily profitability per active hash
- Implemented broad-based cost optimization, including executive compensation deferral and a review of non-core assets
- Worked with the Company's long-term lender, Sygnum Bank AG, to align the loan repayment schedule with the Company's restructuring plan, including a three-month payment deferral commencing November 2025 and a related accommodation entered into following December 31, 2025

The Company's working capital position reflects these measures, with a deficiency of \$2,491,270 at December 31, 2025 (December 31, 2024 - \$108,648). Liquidity initiatives, including financing alternatives currently under review, are described under "Liquidity and Capital Resources" in the MD&A.

Advancing the AI Transition

SATO continues to advance a multi-phase plan to repurpose a portion of Center One into high-density AI compute capacity. The Company is engaging with prospective clients in a Canadian market shaped by three converging catalysts:

- Growing demand for 20 MW-class AI compute capacity, matching the scale of SATO's existing hydro-powered footprint at Center One

- International investor and operator interest in Québec's renewable hydroelectric energy
- Canadian technology companies actively seeking domestic sites for sovereign AI data centre deployments

The Company continues to evaluate debt and equity financing alternatives to fund the transition.

Subsequent Events

Subsequent to year-end, the Company completed tranches of a non-brokered private placement for aggregate gross proceeds of approximately \$1.375 million, subject to TSX Venture Exchange final acceptance.

The Company settled approximately USD \$25,000 of indebtedness through the issuance of equity units, improving its short-term balance sheet position.

CEO Comment

"2025 was a defining year for SATO," said Romain Nouzareth, Chairman & CEO. "We responded to the post-halving environment by reducing costs, working with our lender, and accelerating our pivot to AI and high-density compute. We are seeing real demand for 20 MW-class hydro-powered AI compute in Québec - from international capital looking for Canadian exposure and from Canadian champions seeking sovereign deployments. Our priority now is execution and securing the capital required to deliver on that plan."

On behalf of the Board,

Romain Nouzareth

Chairman & CEO, SATO Technologies Corp.

About SATO

SATO, founded in 2017, is a publicly listed company providing efficient computing power. The Company currently operates one data center tailored to provide computing power for Bitcoin Mining, but may look to expand or add additional data centers for computing power for Bitcoin Mining, High Power Computing ("HPC"), Artificial Intelligence ("AI"). The Company is listed on TSXV: SATO & OTCQB: CCPU.F. To learn more about SATO, visit www.bysato.com.

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Non-IFRS Financial Measures

This release refers to Adjusted EBITDA and Compute Power Profit, which are non-IFRS measures. They have no standardized IFRS meaning and may not be comparable to similarly titled measures of other issuers. They complement, but do not replace, IFRS measures.

Adjusted EBITDA - net income excluding finance income/expense, income taxes, depreciation, share-based compensation, impairment, gains/losses on use and revaluation of digital assets, and unrealized FX gains/losses.

Compute Power Profit - gross profit excluding (i) depreciation, (ii) hosting-attributable revenue and site operating costs, and (iii) other revenue. Previously called "Mining Profit."

Reconciliation of Net Loss to Adjusted EBITDA

	2025 (\$)	2024 (\$)
Net income (loss)	(4,373,241)	1,174,647
<i>Add (deduct):</i>		
Finance expense	694,032	1,033,486
Deferred income taxes	-	(102,279)
Depreciation	2,101,005	2,953,057
EBITDA	(1,578,204)	5,058,911
Share-based compensation	265,677	176,997
Impairment of property, plant and equipment	877,853	16,102
Impairment of intangible assets	-	83,144
Gain on use of digital assets	(320,385)	(918,356)
Unrealized foreign exchange loss	568,992	24,074
Unrealized gain on revaluation of digital assets	-	(1,613,542)
Adjusted EBITDA	(186,067)	2,827,330

Reconciliation of Gross Profit to Compute Power Profit

	2025 (\$)	2024 (\$)
Gross profit	189,093	3,047,000
<i>Add (deduct):</i>		
Other revenue	(21,120)	(43,611)
Depreciation	2,101,005	2,953,057
Compute Power Profit	2,268,978	5,956,446

Cautionary Statement Regarding Forward-Looking Information

This release contains forward-looking statements regarding, among other things, the Company's strategic review, AI transition plan, Critical AI Inc., availability of financing, the lender's grace-period and forbearance accommodations, the working capital deficiency and going-concern considerations, the Bitcoin mining environment, and other future events. These are based on assumptions management considers reasonable, but are subject to risks and uncertainties - including financing risk, lender accommodations not continuing, Bitcoin price and network-difficulty volatility, GPU supply, regulatory change, operational disruption, and execution risk in the AI transition - that could cause actual results to differ materially. Additional risk factors are described in the Company's most recent Annual Information Form. Forward-looking statements are made as of the date of this release, and SATO disclaims any obligation to update them other than as required by law.

[1] Compute Power Profit is a non-IFRS financial measure. See Non-IFRS Financial Measures above.

[2] Adjusted EBITDA is a non-IFRS financial measure. See Non-IFRS Financial Measures above.

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