turnium
TECHNOLOGY GROUP INC.

Turnium Technology Group Reports 276% YoY Revenue Growth for Fiscal Q2 2026

Highlights:

- *Q2 Revenue of $6.44M, up 327.2% QoQ and up 275.9% YoY;*
- *Q2 Gross Margin of $2.17M, up 107.1% QoQ and up 80.2% YoY;*
- *TTGI provides financial outlook for Q3 FY2026, Q4 FY2026 and the 12-month period following the Insentra acquisition*
- *Guidance for Q3 FY2026, ending June 30, 2026: the Company expects Revenue of $7.0M to $7.5M, and Gross Margin of 35 to 45%*
- *Guidance for Q4 FY2026, ending September 30, 2026: the Company expects Revenue of $8.0M to $8.5M, and Gross Margin of 35 to 45%*
- *For the 12 months beginning on March 1, 2026 (post the Insentra acquisition closing), the Company expects Revenue of $28M to $32M, and Gross Margin of $12.1M to $14.7M (which includes 12 months of Insentra results).*

May 14, 2026 – Vancouver, Canada – **Turnium Technology Group Inc.** (**TSX.V: TTGI**) (**FSE: E48**) ("**Turnium**" or "**the Company**"), a global provider of Technology-as-a-Service (TaaS) solutions and channel-driven IT services, announces its financial results for Fiscal Q2 2026. All financial information is provided in Canadian dollars unless otherwise indicated.

Doug Childress, TTGI CEO stated "We expect sequential organic growth to continue, and we have initiated a cost optimization program across the Group that is expected, over time, to contribute potential operating expense reductions in the range of approximately $1.2 million to $2.4 million on an annualized basis. Together with the integration of Insentra and Claratti, these initiatives are intended to narrow our Adjusted EBITDA losses and to support our path toward profitability."

The Consolidated Financial Statements and Management Discussion and Analysis ("MD&A") for the second fiscal quarter ended March 31, 2026, are available on the Company's SEDAR profile at www.sedar.com.

Fiscal Second Quarter 2026 Performance Summary

During the three months ended March 31, 2026, the Company's results reflected the impact of the acquisition of Insentra, effective January 1, 2026, and the divestiture of substantially all of the assets and contractual commitments of TNET on March 18, 2026. Insentra contributed advisory, professional and managed services activity during the quarter across Australia, the United States and the United Kingdom, with continued demand for Microsoft 365, Azure, cloud transformation, security and end-user computing solutions.

The Company also continued to broaden its operating footprint through both channel-based and direct customer relationships. In addition to software and connectivity-related offerings, the Company's combined services now include managed IT services, professional services, cybersecurity, hardware and software procurement, Microsoft-related services and related support offerings delivered through TNSI, Claratti and Insentra. The revenue and gross margin profile for the quarter and year-to-date period reflects this changing mix following the acquisitions of Claratti and Insentra and the disposition of TNET.

Recent Developments

Since December 2024, the Company has advanced several commercial, product and operational initiatives. In the United Kingdom, TTGI expanded its partnership with SDWAN & SASE Solutions (now ATOMNIA), including the launch of new offerings and participation in a long-term managed services deployment of the Omnia platform for a large retail chain. In Australia, the Company secured additional project work, including renewable network projects with Global Power Generation Australia and a contract with Seafarer Connect for CrewMate Lite services, and renewed or extended several existing customer relationships.

The Company also progressed its product roadmap through continued development of its SD-WAN platform, integration of Clavister cybersecurity solutions into its Technology-as-a-Service portfolio, and the initiation of an Intel-based next-generation universal edge device project incorporating features such as AI-based traffic steering and post-quantum cryptography. In parallel, management undertook branding, investor-relations and operational initiatives, including a podcast series, investor-focused webinars and operational changes designed to improve efficiency and support the Company’s profitability objectives.

Outlook and Guidance

Management’s near-term priorities remain focused on integrating recent acquisitions, improving operating efficiency and strengthening the Company’s financial position. Key areas of focus for the remainder of fiscal 2026 include driving organic revenue growth through existing channel partners and direct subsidiaries, optimizing the cost structure, and advancing selected product and service initiatives.

From a commercial perspective, management intends to continue to expand sales activity across SD-WAN, managed IT services, cybersecurity and Microsoft-related services, leveraging the combined capabilities of TNSI, Claratti and Insentra. Efforts will include deepening existing channel relationships, pursuing new channel opportunities and cross-selling services into the Company’s installed customer base, subject to available resources and market conditions.

On the operational side, management plans to continue the deployment and hardening of its next-generation SD-WAN platform, customer premises equipment and related tools, as well as ongoing investments in internal systems and processes to support scalability. These activities are expected to be paced in line with the Company’s capital resources and liquidity profile and may be adjusted as required in response to prevailing economic and financing conditions.

Management intends to take all cost saving measures where possible and to otherwise closely manage operating expenses over the ensuing quarters and will align spending with available resources, and revenue growth opportunities.

Management has also initiated a cost optimization program across the Group and, based on initiatives identified to date, estimates that it may be able to achieve aggregate reductions in operating expenses in the range of approximately $100,000 to $200,000 per month (**equating to approximately $1.2 million to $2.4 million on an annualized basis**). The timing, amount and realization of any such savings will depend on a number of factors, including the pace of integration of acquired businesses, implementation of common systems and processes, and broader market and operating conditions.

The Company’s strategic plan also contemplates evaluating tuck-in acquisition opportunities that are complementary to its existing business, particularly in managed services and adjacent technology offerings. Any such transactions will depend on the availability of suitable targets, satisfactory due diligence outcomes and the Company’s ability to secure appropriate financing on acceptable terms, and there can be no assurance that any acquisitions will be completed.

Management believes that successful execution of these initiatives, together with disciplined cost management, has the potential over time to improve the Company's revenue scale, operating margins and cash flow profile. However, actual results may differ materially from management's expectations due to factors including integration risk, competitive dynamics, customer demand, financing availability and broader macroeconomic conditions, as described under "Caution on Forward-Looking Information".

Fiscal Q3/Q4 2026 Guidance

For Q3 FY2026, ending June 30, 2026, the Company expects Revenue of $7.0M to $7.5M and Gross Margin of 35 to 45%.

For Q4 FY2026, ending September 30, 2026, the Company expects Revenue of $8.0M to $8.5M and Gross Margin of 35 to 45%.

For the 12 months beginning on March 1, 2026 (date of the Insentra acquisition), the Company expects Revenue of $28M to $32M, and Gross Margin of $12.1M to $14.7M (which includes 12 months of Insentra results).

These outlook figures are based on management's current expectations and assumptions and are subject to a number of risks and uncertainties, including integration of recent acquisitions, customer demand, execution by channel partners and general economic conditions.

Fiscal Second Quarter 2026 Highlights:

- **Revenue** increased to $6.44M, up 327.2% compared to $1.51M QoQ and up 275.9% compared to $1.71M YoY;
- **Gross Margin** increased to $2.17M (based on product mix), up 107.1% compared to $1.05M QoQ and up 80.2% compared to $1.20M YoY;
- **Total Expenses** increased to $4.85M, compared to $2.74M QoQ and $1.26M YoY;
- **Net Loss** decreased to ($2.63M), compared to ($3.00M) QoQ and ($0.41M) YoY;
- **Adjusted EBITDA**[(1)] was ($1.85M), compared to ($0.95M) QoQ and ($0.1M) YoY;
- **Number of Common Shares Outstanding (basic)** at the end of the second quarter 2026 were 191,078,686. Current shares outstanding, as of May 14, 2026 are 203,730,657.

Fiscal Second Quarter Financial Highlights:

During the three months ended March 31, 2026, revenue increased by 276% over the prior period, while direct costs increased by 738% over the prior period. This sharp increase was caused by Insentra acquisition on January 1, 2026, with Insentra's results included in the consolidated financial statements from that date. The Company reported gross margin for the period of 34% compared with gross margin of 70% for the prior comparable period, reflecting lower margin mix and higher cost intensity associated with the revenue generated by Insentra. Direct costs are comprised of commissions, service and support labour, and cost of goods sold.

During the six months ended March 31, 2026, revenue increased by 149% over the prior period, while direct costs increased by 480% over the prior period. The Company reported gross margin for the period of 40% compared with gross margin of 74% for the prior comparable period.

Acquisition of Claratti in August 2024 and Insentra in January 2026 affected the revenue and gross margin changes. Management believes that, over time, organic growth and cross-selling into the customer base should support improvements in overall profit margin; however, margins may continue to fluctuate in the near term as the Company integrates the recent acquisitions and optimizes its cost structure.

Canadian Dollars	Three months ended March 31, 2026 Consolidated	Three months ended March 31, 2025 Consolidated	Six months ended March 31, 2026 Consolidated	Six months ended March 31, 2025 Consolidated
Total revenue	6,443,506	1,714,323	7,951,893	3,193,280
Gross margin	2,169,746	1,204,422	3,217,547	2,377,018
Total Expenses	4,844,936	1,259,780	7,318,712	3,975,543
Net income (loss)	(2,633,357)	(414,163)	(5,631,808)	(2,633,357)

Weighted average number of common shares outstanding	191,078,686	164,962,446	187,865,527	164,962,446
Weighted average number of diluted shares outstanding	306,810,333	164,962,446	291,599,820	231,889,550
Basic and diluted loss per common share	(0.01)	(0.00)	(0.03)	(0.01)

Special Notes:

It is anticipated that revenues and expenses may vary, perhaps materially, from quarter to quarter due to several factors, including changes in product mix, costs related to planned increase in market share, global expansion costs and ongoing corporate development initiatives. Although revenues may fluctuate from quarter to quarter, and such fluctuations may be material, management expects that revenues will increase year over year. There are no known trends or seasonal impacts on the Company's business although seasonal trends may develop as the Company grows.

Fiscal Second Quarter Financing and Corporate Update Summary

During the quarter, the Company undertook the following financing initiatives:

February 3, 2026 – The Company completed a non-brokered private placement of secured, non-convertible debentures for aggregate gross proceeds of $4.65 million through the issuance of units at $1,000 per unit. Each unit consisted of one debenture with a principal amount of $1,000 and 4,000 non-transferable share purchase warrants, bearing interest at 16% per annum and secured by a first-ranking security interest over substantially all of the Company's assets (excluding Tenacious Networks Inc.). Net proceeds were used for repayment of secured debt, funding of a proposed acquisition, professional fees and general working capital.

March 31, 2026 – The Company announced its intention to complete a non-brokered private placement of up to 85,714,285 units at $0.07 per unit for aggregate gross proceeds of up to $6.0 million, each unit consisting of one common share and one-half of one common share purchase warrant. The proposed offering is subject to TSX Venture Exchange approval and is expected to be completed in multiple tranches, with net proceeds intended for repayment of existing debt facilities and working capital to support growth initiatives.

(1) Non-IFRS Financial Measures – Adjusted EBITDA

The MD&A references adjusted EBITDA, which is a non-IFRS financial measure. Adjusted EBITDA is not a recognized measure under IFRS, has no standardized meaning prescribed by IFRS and is therefore unlikely to be comparable to adjusted EBITDA presented by other companies. Rather, it is provided as additional information to complement IFRS measures by providing further understanding of the Company's results of operations from management's perspective. Accordingly, adjusted EBITDA should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS.

We use non-IFRS financial measures to provide investors with supplemental measures of our operating performance and thus highlight trends in our core business that may not otherwise be apparent when relying solely on IFRS financial measures. We believe that securities analysts, investors, and other interested parties frequently use non-IFRS financial measures in the evaluation of issuers. There are certain limitations related to the use of non-IFRS financial measures versus their nearest IFRS equivalents. Investors are encouraged to review our financial statements and disclosures in their entirety and are cautioned not to put undue reliance on any non-IFRS financial measure and view it in conjunction with the most comparable IFRS financial measures. In evaluating non-IFRS financial measures, you should be aware that in the future we will continue to incur expenses similar to those adjusted in non-IFRS financial measures.

Adjusted EBITDA is a non-IFRS financial measure that we calculate as net income (loss) before tax excluding depreciation and amortization expense, share based expense, gain/loss on change on fair value of derivatives, loss on debt settlement, government grants, foreign exchange gain/loss, interest and accretion and SRED refund. Adjusted EBITDA is used by management to understand and evaluate the performance and trends of the Company's operations. The following table shows a reconciliation of adjusted EBITDA to net income (loss) before tax, the most comparable IFRS financial measure, for the three and six months ended March 31, 2026 and 2025:

	3 Months ended Mar 31, 2026	**3 Months ended Mar 31, 2025**	**6 Months ended Mar 31, 2026**	**6 months ended Mar 31, 2025**
	$	$	**$**	$
Loss before tax	(2,622,916)	(444,542)	(5,587,492)	(2,314,384)
Amortization	225,415	131,744	357,965	266,939
Amortization of right-of-use assets	31,531	40,484	67,965	78,842
Share-based compensation	126,398	9,175	189,419	32,839
Gain on change in fair value of the conversion option liabilities	(1,159,824)	-	(54,197)	-
Loss on change in FV of derivative	-	27,744	-	39,253
Gain on lease surrender	-	-	(32,552)	-
Government Grant	-	-	-	-
Foreign exchange gain	(37,915)	(51,450)	(32,011)	(52,852)
Interest and accretion expense	1,122,666	382,511	1,616,163	770,950
M&A and financing related one-time transaction costs	467,953	-	601,991	11,751
Adjusted EBITDA	**(1,846,692)**	95,666	**(2,872,749)**	(1,166,662)

About Insentra, a TTGI Company

Insentra is a collaborative IT services partner delivering specialized Advisory, Professional, and Managed Services exclusively through the IT channel. Founded in Sydney, Australia, with offices in the United States and the United Kingdom, Insentra provides partners and their clients with deep expertise across artificial intelligence, modern workplace, cloud, data, security, and end-user computing.

For more information, visit www.insentragroup.com.

About Turnium Technology Group Inc. (TTGI)

TTGI acquires companies that complement its Technology-as-a-Service (TaaS) strategy, integrates them to generate efficiencies, and delivers their solutions through a global partner-led program to customers worldwide. TTGI's mission is to provide IT providers with a complete, white-labelled portfolio of business technology solutions, enabling them to quickly add new services in response to customer demand.

TTGI is focused on building a TaaS platform that incorporates all the services, platforms, and capabilities that ISPs, MSPs, IT Providers, VoIP/UCaaS, CCaaS, or Cloud Providers might need. Additionally, TTGI provides deployment resources, hardware, delivery, support, and marketing and sales enablement to help channel partners go to market quickly and deliver exceptional quality.

TTGI delivers secure, cost-effective, uninterrupted, and scalable global IT solutions to its partners and their end-customers—because *"Connectivity Matters."*

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CAUTIONARY NOTES

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Forward-Looking Information

This press release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain acts, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company, as the case may be, to be materially different from those expressed or implied by such forward-looking information. Some of these risks are described under the "Caution on Forward-Looking Information" section and "Risk Factors" section of the MD&A. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. Actual results and developments may differ materially from those contemplated by these statements. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.