Duos Technologies Group, Inc.

Reports Q2 and maintains very strong 2026 guidance. Very strong demand for data centers should drive stock much higher. Raising P/T to $24.

United States
Technology

September 12, 2026

Edward Woo, CFA
(561) 327-9435
ewoo@ascendiant.com

COMPANY UPDATE

Rating: BUY

Ticker: DUOT

Price: $8.26

Target: $24 (from $22)

Reports Q2: Duos recently (on August 17) reported its fiscal Q2 2026 (ending June) results. Revenue was $6.2 million (+8% y-o-y), compared to our estimates of $4.0 million. EPS was $1.35, compared to our estimate of $1.41. There was no Q2 guidance or consensus estimates.

Q2 ramping to set up huge 2026: Q2 had revenue +8% as the company Duos Edge Ai revenue starts to ramp up. While Duos Edge AI revenue remains small, it is expected to contribute significantly in 2H 2026 and in 2027.

Big gain and cash in Q2: In June 2026, the company received $50 million from the sale of its 5% equity stake in the parent of the AMA, New APR Energy, LLC. Elon Musk (of Tesla and SpaceX) was the acquirer.

Very strong 2026 and 2027 guidance: The company maintained 2026 guidance for revenue above $50 million. The company provided qualitative (framework) guidance for 2027 revenue of $160 million.

Raising estimates: We are raising our 2026 estimates for revenue to $50 million, from $48 million, and for EPS to $1.64 from $1.47. We are raising our 2027 estimates for revenue to $140 million, from $80 million, and for EPS to $0.60 from $0.35.

Now focused on Duos Edge AI: In 2024, the company announced a major push into 2 new businesses (data centers and power) along with its existing railcar inspection (RIP) business. Duos Edge AI, Inc. is a provider of adaptive, versatile, and streamlined Edge Data Center ("EDC") solutions tailored to meet evolving needs in any environment. The company also announced Duos Energy Corporation, aimed at additional market expansion into the increasing demand for power to support new data centers. The company has now focused its business on Duos Edge AI and has divested its railcar inspection (RIP) business and is winding down its Energy business.

Axe Compute deal: In August 2026, Duos Edge AI signed a five-year hosting deal with Axe Compute covering an aggregate of 55 megawatts (MW) of total AI facility capacity across multiple U.S. data center sites valued at over $500 million.

Hydra Host deal: In March 2026, Duos Edge AI signed an agreement with Hydra Host to deploy a high-density NVIDIA GPU cluster for a leading global technology company. The GPU-as-a-Service (GPUaaS) contract is expected to generate ~$176M in revenue over a 36-month term.

Established Duos Technologies Solutions: The company has recently established Duos Technologies Solutions, Inc., a new infrastructure solutions business focused on manufacturer-agnostic sourcing, logistics coordination, and fulfillment services for data center and IT environments. The division has already generated ~$26 million in new backlog within its first two quarter of operations, highlighting strong market demand and early commercial traction.

Market for data centers is very strong: The market for data centers is very strong and there has been some major M&A deals with very strong valuations.

New CFO: In August 2026, the company appointed Christopher "Chris" DeAlmeida as Chief Financial Officer, succeeding retiring CFO Adrian Goldfarb.

Positive risks versus rewards: Duo's EDC business have long commercialization challenges ahead, but we believe the ~billion dollars market potential and massive growth presents high rewards for the risks.

Current valuation attractive: We are maintaining our BUY rating, but raising our 12-month price target to $24 from $22 based on a NPV analysis. This represents significant upside from the current share price and we believe appropriately balances out the high risks with large upside opportunities.

Company Description

Duos Technologies Group, based in Jacksonville, FL, develops, owns, and operates multiple Edge Data Center (EDC)s that provide edge co-location services.

Stock Data

Exchange:	NasdaqCM
52-week Range:	6.17 – 15.28
Shares Outstanding (million):	32
Market cap ($million):	$264
EV ($million):	$152
Debt ($million):	$0
Cash ($million):	$112
Avg. Daily Trading Vol. ($million):	$9
Float (million shares):	26
Short Interest (million shares):	5
Dividend, annual (yield):	$0 (NA%)

Revenues (US$ million)

	2026E (Cur.)	2026E (Old)	2027E (Cur.)	2027E (Old)
Q1 Mar	2.7A		29E	17.7E
Q2 Jun	6.2A	4.0E	28E	13.0E
Q3 Sep	12.8E		36E	20.8E
Q4 Dec	28.6E		47E	28.6E
Total	**50.4E**	**48.2E**	**140E**	**80.0E**
EV/Revs	3x		1x	

Earnings per Share (pro forma)

	2026E (Cur.)	2026E (Old)	2027E (Cur.)	2027E (Old)
Q1 Mar	(0.15)A		0.06E	0.01E
Q2 Jun	1.35A	1.41E	0.06E	0.00E
Q3 Sep	(0.01)E	(0.03)E	0.20E	0.10E
Q4 Dec	0.20E	0.14E	0.27E	0.24E
Total	**1.64E**	**1.47E**	**0.60E**	**0.35E**
P/E	5x		14x	

Important Disclosures

Ascendiant Capital Markets LLC seeks to do business with companies covered by its research team. Consequently, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making an investment decision.

For analyst certification and other important disclosures, refer to the Disclosure Section, located at the end of this report, beginning on page 20.

OVERVIEW

- Duos recently (on August 17) reported its fiscal Q2 2026 (ending June) results.
- Revenue was $6.2 million (+8% y-o-y), compared to our estimates of $4.0 million.
- EPS was $1.35, compared to our estimate of $1.41.
- There was no Q2 guidance or consensus estimates.
- The company maintained 2026 guidance for revenue above $50 million.
- The company provided qualitative (framework) guidance for 2027 revenue of $160 million.
- We are raising our 2026 estimates for revenue to $50 million, from $48 million, and for EPS to $1.64 from $1.47.
- We are raising our 2027 estimates for revenue to $140 million, from $80 million, and for EPS to $0.60 from $0.35.

ADDITIONAL DETAILS

- Gross profit for the quarter was $3.4 million, compared with our estimate of $2.0 million.
- Gross margin for the quarter was 56%, versus 26% last year and our expectation of 50%.
- Operating expenses were $3.4 million, versus our expectation of $5.6 million.
- Operating income was ~$0 million, versus our expectation of a loss of $3.6 million.
- Net income was $47.8 million, versus our expectation of income of $41.4 million.

In November 2024, Duos announced that its operating subsidiary Duos Energy Corporation has signed a two-year Asset Management Agreement ("AMA") to deploy and operate a fleet of mobile gas turbines and balance-of-plant inventory that has a combined generation capacity of 850 megawatts with affiliates of Fortress Investment Group.

This includes the deployment and operation of a fleet of 30 mobile gas-powered turbines collectively capable of generating 850 megawatts of power, which have been acquired by funds managed by affiliates of Fortress Investment Group. Through the AMA, Duos will oversee the management and deployment of the assets. The deal closed in December 2024. The deal is estimated at $42 million in revenue over two years and Duos received a 5% equity stake in the parent of the owners of the assets.

In September 2025, Doug Recker was named as President of the company reporting to Chuck Ferry, Duos' CEO. Mr. Recker, a seasoned telecommunications and data center executive with over 30 years of experience, has been a driving force behind Duos' expansion into the Edge Data Center ("EDC") and colocation markets through the company's Duos Edge AI subsidiary.

In February 2026, Mr. Recker was named as CEO and President of the company. Charles Ferry resigned as CEO, but will remain as a Director of the company.

In November 2025, Adrian Goldfarb retired as Chief Financial Officer. The company appointed Leah Brown as the new CFO. Ms. Brown has served as SVP of Accounting of the company since January 2025 and has been with the company since July 2022.

In Mach 2026, the company announced that it will be divesting its legacy rail inspection business (RIP) to streamline operations and reallocate resources toward higher-growth opportunities. Mr. Goldfarb will be leading the divestiture of the company's RIP business. The divestiture was completed in August 2026.

In June 2026, the company received $50 million from the sale of its 5% equity stake in the parent of the AMA, New APR Energy, LLC. Elon Musk (of Tesla and SpaceX) was the acquirer.

In June 2026, Leah Brown, the company's CFO, resumed her previous position as Senior Vice President of Accounting. Adrian Goldfarb has been appointed Interim CFO and will lead the search to hire a permanent CFO (expected to be announced within 60 to 90 days).

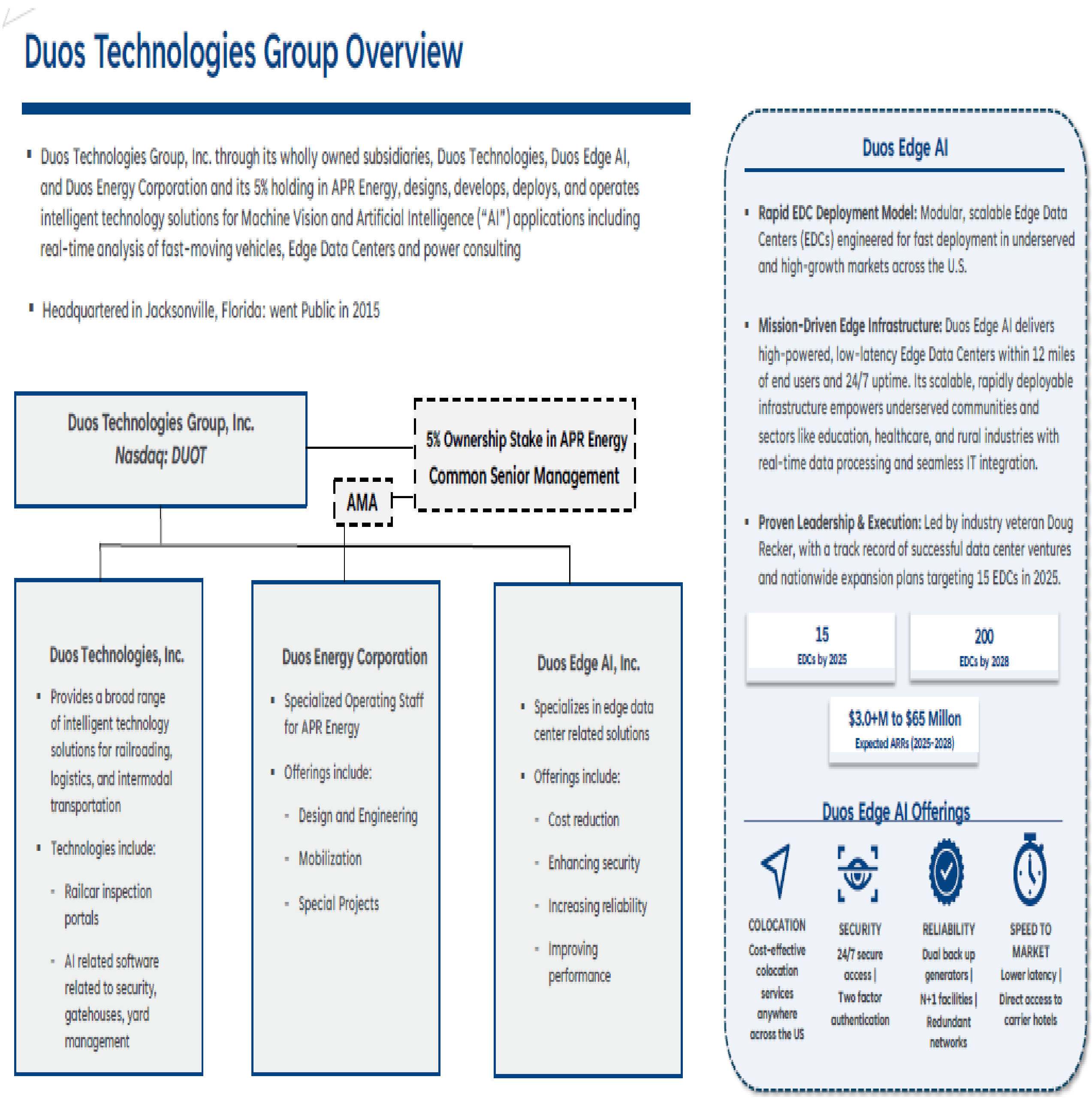
In August 2026, the company appointed Christopher "Chris" DeAlmeida as Chief Financial Officer, succeeding retiring CFO Adrian Goldfarb. Mr. DeAlmeida brings more than 20 years of public company financial leadership including prior CFO experience as well as expertise in financial planning and analysis, SEC compliance, capital markets, M&A, accounting, and investor relations.

The company's balance sheet at Q2 had $112 million in cash and no debt, compared with $33 million in cash and no debt at the end of March. In Q2, the company received $50 million from the sale of its 5% stake in New APR Energy, LLC.

Exhibit 1: Duos Technologies Group Corporate Overview

Source: Company reports.

Exhibit 2: Duos Technologies Group Overview (as of 2025)



Source: Company reports.

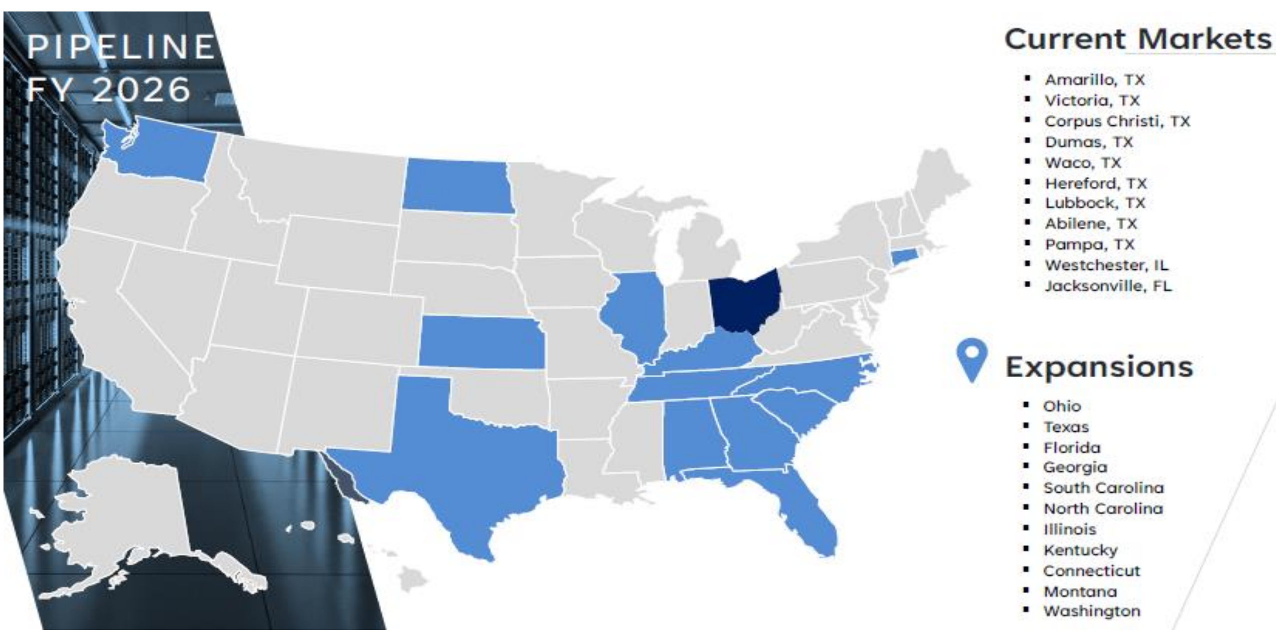
Exhibit 3: Duos Edge AI (as of February 2026)

Source: Company reports.

Exhibit 4: Duos Edge AI Data Center

Source: Company reports.

Exhibit 5: Duos Edge AI Data Center Markets



Source: Company reports.

Exhibit 6: Duos Edge AI Financial Plan

DUOS EDGE AI

2026 – 2028 Plan

Nasdaq: DUOT | duostech

3 Phase Implementation

EDC Power Conversion	2025	2026	2027	2028
Original Metric (# of PODS)	15	65	150	250
Raw Power Deployed (MW)	4.5	19.5	45	75
AI Compute Power	3	13	30	50

Phase 1 — **2025**

Initial Funding — **COMPLETE**

- $45M Equity
- $30M Funded
  - Approximately 4.5 MW of capacity (equivalent to 15 EDC Units, Initial Power Capacity for next 1 – 2.5MW)
  - Build out of two specialized commercial teams

Notes:

- *15 Total standard units built (typically 300KW/Unit)*
- *10 Units deployed per the Tier 3 and 4 Market model*
- *5 Units being deployed for expansion to AI Inferencing Model support*
- *Additional power and cooling ordered and in production*

Phase 2 — **2026**

Growth Funding IN PROCESS

- $50M - $75M Equity and $15M Existing Cash/Cashflow
  - Deploy 1 – 2.5MW High Power EDCs
  - Up to 20MW total by YE
  - Enter GPU as A Service business (Debt funded)

Notes:

- *Intent is to build and deploy the power equivalent of 50 additional EDCs (15MW) using CMPO proceeds and a combination of cashflow and debt funding to fill units in partnership with key companies e.g. HydraHost/Dell*

Phase 3 — **2027/28**

Business Expansion

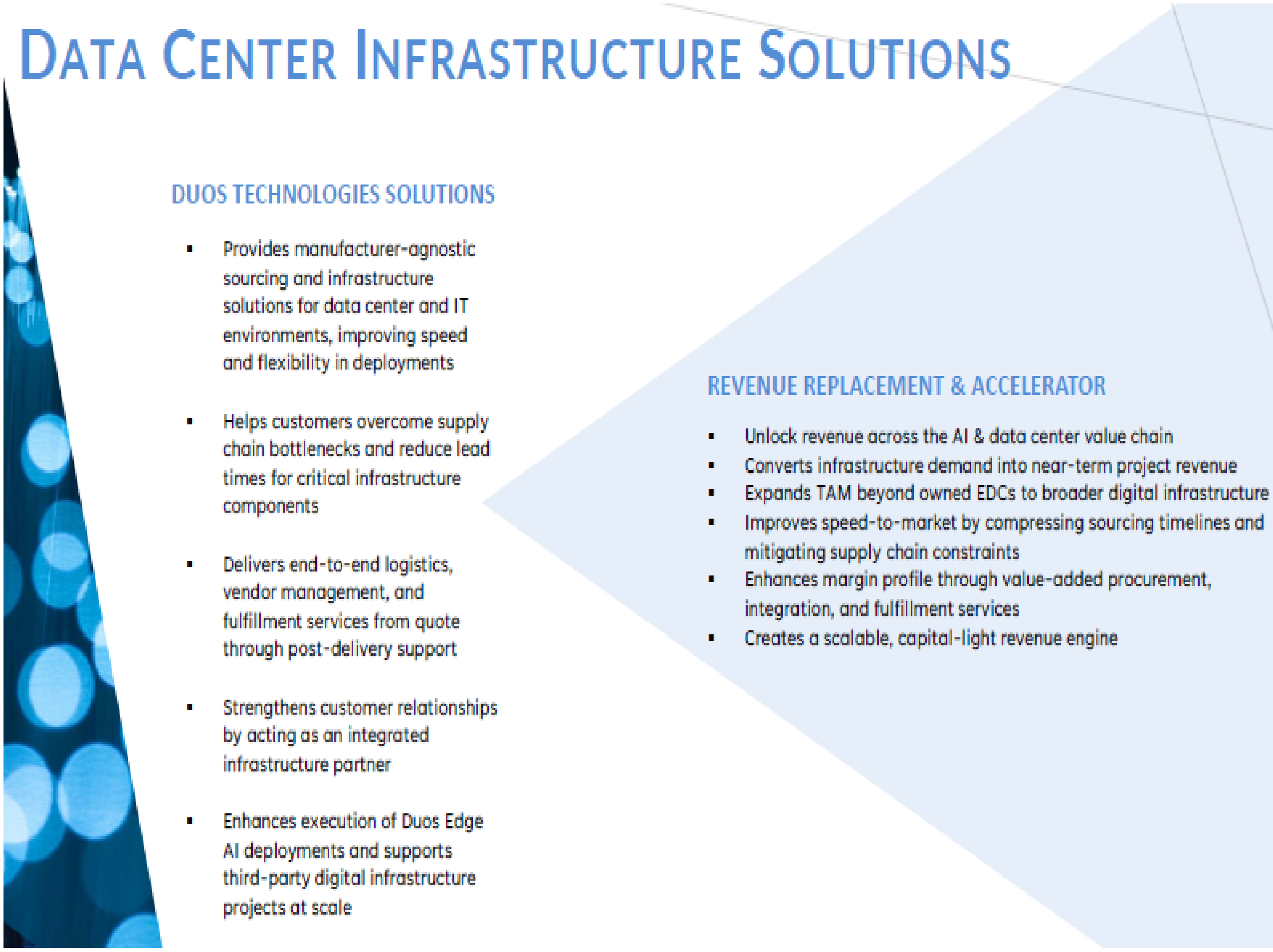
- Build, deploy and fill a further 45 – 75 MW of EDCs
- Establish recognized expertise as top Edge Data Center supplier and operator

Notes:

- *Objective is to build a recognized platform in key markets, secure significant contracts sufficient to support steady cashflow from operations.*
- *Attractive acquisition candidate.*

Source: Company reports.

Exhibit 7: Duos Data Center Infrastructure Solutions



Source: Company reports.

Exhibit 8: Duos Edge AI agreement with Hydra Host (March 13, 2026)

Duos Technologies Group Executes Definitive Agreement with Hydra Host

Contract expected to deliver $50M+ in Annual Revenue and $40M+ in Annual EBITDA
Contract includes additional 4.3MW deployment under new high power EDC model

JACKSONVILLE, Fla., March 13, 2026 (GLOBE NEWSWIRE) -- Duos Technologies Group, Inc. ("Duos" or the "Company") (Nasdaq: DUOT), through its operating subsidiaryDuos Edge AI, Inc. , a provider of advanced digital infrastructure solutions, today announced it has executed a definitive contract with Hydra Host, pursuant to the previously announced letter of intent, to deploy a high-density NVIDIA GPU cluster for a leading global technology company. The project establishes Duos Edge AI as an emerging provider of distributed AI infrastructure supporting large-scale compute workloads. The GPU-as-a-Service ("GPUaaS") contract is expected to generate approximately $176M in revenue over a 36-month term, an initial $18M customer pre-payment, projected gross margins exceeding 80% and expected annual EBITDA of approximately $40 million.

Duos and its operating subsidiary Duos Edge AI, Inc. have entered into a commercial partnership with Hydra Host to deliver GPU hosting and GPU-as-a-Service solutions at scale. The partnership is fully funded through the Company's recently completed $65 million public offering and hardware financing arrangements already in place, ensuring deployment can commence immediately without reliance on additional equity financing.

"The initial deployment will be located at a strategic site and will consist of multiple high-density modular Edge Data Centers ("EDCs") which are specifically designed to support large-scale AI workloads," said Doug Recker, newly appointed CEO effective April 1st, 2026. "Manufacturing of the EDCs is currently underway, with critical power modules already ordered to support deployment timelines."

The first phase also includes an initial 4.3+ MW colocation commitment from a leading global technology company, which will serve as the project's anchor tenant. This deployment represents the largest Edge Data Center project in Company history, with additional colocation revenue expected alongside the GPUaaS contract as the site scales toward its full power capacity.

Key Highlights:

- $176 million GPUaaS contract, gross margins expected to exceed 80%, projected annual revenue of $50M+ and annual EBITDA of $40M+
- Contract also includes an $18M customer prepayment at inception
- Contract includes an additional 4.3MW High-Power EDC deployment, offering meaningfully improved economics over the Company's legacy model
- Additional high-density power sites under active evaluation, providing significant runway to scale colocation opportunity

Source: Company reports.

Exhibit 9: Duos Edge AI Five-Year, 55 MW Hosting Agreements with Axe Compute (August 17, 2026)

Duos Technologies Signs Five-Year, 55 MW Hosting Agreements with Axe Compute Valued at Over $500 Million

Record agreements represent a significant commercial milestone in Duos' strategy to develop and operate high-density AI infrastructure

JACKSONVILLE, Fla., Aug. 17, 2026 (GLOBE NEWSWIRE) -- Duos Technologies Group, Inc. ("Duos" or the "Company") (Nasdaq: DUOT), a leading provider of adaptive, modular, and scalable Edge Data Center ("EDC") solutions, today announced that two of its project entities have executed five-year hosting service orders with Axe Compute Inc. ("Axe Compute") (Nasdaq: AGPU), a neocloud AI infrastructure platform delivering dedicated enterprise GPU compute capacity at global scale. The agreements cover an aggregate of 55 megawatts ("MW") of total AI facility capacity across multiple U.S. data center sites.

The agreements are valued at over $500 million, representing aggregate contractual base payments over their initial five-year terms, including annual escalators and excluding electricity and other usage-based charges. Billing under each agreement is subject to successful completion, ready-for-service testing, and Axe Compute's written acceptance of the applicable deployment.

Initial project readiness is targeted to begin in late 2026 and continue into early 2027, subject to construction, commissioning, performance testing, and Axe Compute's written acceptance.

"These executed agreements represent an important advancement of our AI infrastructure strategy and demonstrate our ability to translate development opportunities into long-term commercial relationships," said Doug Recker, Chief Executive Officer of Duos. "Axe Compute brings a clear vision for deploying high-performance AI capacity at scale. We believe the combination of Axe Compute's platform and Duos' infrastructure development and operating capabilities create a strong foundation for these projects and potential future expansion."

The agreements reserve an aggregate of 55 MW of total facility capacity for Axe Compute and include renewal options and rights supporting potential future expansion.

"It is a significant milestone in the growth of Axe Compute's AI infrastructure platform," said Chris Miglino, Chief Executive Officer of Axe Compute. "We align with partners that can deliver on efficient timeframes at the highest quality for our customers. These projects are being designed around the density, cooling, and availability requirements of next-generation GPU systems. We look forward to working with Duos to bring this capacity online and support the growing compute requirements of our customers."

Source: Company reports.

Exhibit 10: Duos Edge AI Agreement with Hyperscaler (July 16, 2026)

Duos Edge AI Signs Five-Year, 10 MW Colocation Agreement with Investment-Grade Hyperscaler Valued at $111 Million in Contracted Revenue

Agreement Expands Capacity to 20 MW By Q4 2026 at Duos' new Columbus, Georgia AI Campus

JACKSONVILLE, Fla., July 16, 2026 (GLOBE NEWSWIRE) -- **Duos Edge AI, Inc.**, a subsidiary of Duos Technologies Group, Inc. ("Duos" or the "Company") (Nasdaq: DUOT), today announced that it has entered into a five-year customer agreement to provide 10 MW of critical IT-load capacity at its Columbus, Georgia data center campus.

The agreement is valued in excess of $111 million over a five-year term and is expected to become available in the fourth quarter of 2026. In addition, the Company's previously announced initial 10 MW deployment at the Columbus campus is expected to begin generating revenue in August 2026. The agreement is expected to expand critical IT-load capacity at the campus to 20 MW by the end of the fourth quarter of 2026. With these Columbus additions, Duos Edge AI has now confirmed 20MW in total contracted deployment in 2026.

In connection with the deployment, the Company's recently completed a $55 million raise intended to support the acquisition of the Columbus facility and infrastructure to fulfill contracted customer deployments and expand the campus. By owning the underlying real estate and developing the supporting infrastructure, Duos is seeking to convert deployed capital into long-term contracted recurring revenue.

"This agreement shows how we are investing in infrastructure in key markets so we can quickly add capacity for our customers." said Duos CEO Doug Recker. "The Columbus campus gives us the ability to rapidly deploy high-density AI infrastructure while generating durable recurring revenue. We believe this model positions Duos to meet growing customer demand and create meaningful long-term value for our shareholders."

The Columbus campus now supports a growing portfolio of contracted customer deployments, including previously announced AI infrastructure agreements, reinforcing the Company's strategy of developing owned, high-density infrastructure backed by long-term customer demand.

Source: Company reports.

Exhibit 11: Duos Energy (as of 2025)

DUOS ENERGY

- **Duos Energy Corporation** (a subsidiary of Duos Technologies Group, Inc.) will primarily build, own, and operate environmentally-friendly energy projects to support small, medium and large Edge Data Centers in the US, where utility-level electric capacity is struggling to keep up with demand
- Our offerings include clean-burning natural gas generation assets and other complementary green solutions, including PV solar and battery energy storage
- We enable fast-track data center project commissioning by locating our dedicated power plants directly next to the fuel source, bypassing the requirement, cost and wait for utility power
- Bolstering our primary off-grid data center power solution, Duos Energy will also engage in offering similar hybrid dedicated power plants to other industrial customers (e.g. manufacturing, chemicals, oil & gas, mining, microgrids) and fast-track power plants to address near-term demands due to emergencies
- Duos is prepared to execute multiple power projects in the United States to support the demand of Data Center expansion

DUOS ENERGY DATA CENTER USE CASE

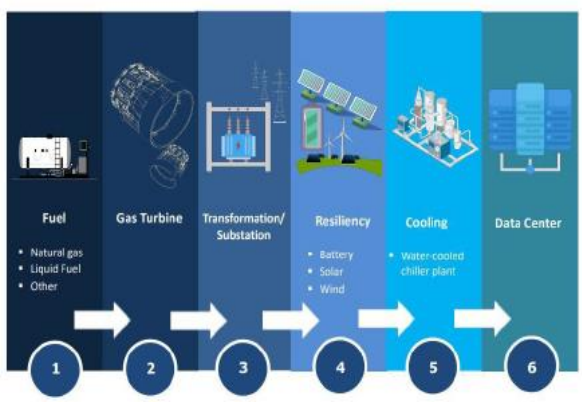
Data Center Demand and Utility Issues

- Upward pressure on industrial utility prices from surging data center power demands
- Competition between data centers and commercial & residential customers for utility power

Duos Solution

- Dedicated off-grid power plant adjacent to gas supply eliminates utility reliance
- Improves data center construction speed and adds reliability from colocation enabling efficient management of both power plant and data center assets
- Off-grid power plants can be constructed in < 12 months as opposed to several years for traditional utilities
- Duos Energy's access to currently-available generating equipment couples with our experience constructing fast- track power plants in less than 12 months
- Innovative solution focuses on generation of clean energy without the need to connect to the grid
- Duos Energy's solutions guarantees N+1 or N+2 redundancy from gas source to the data center
- The power plants can be combined with solar, battery and green hydrogen to create clean hybrid solutions

Duos Energy Solution



Modular Approach

© 2024 - ALL RIGHTS RESE

Source: Company reports.

Exhibit 12: Duos Energy Management Deal with Fortress

DUOS CLOSES ASSET MANAGEMENT DEAL WITH FORTRESS INVESTMENT GROUP

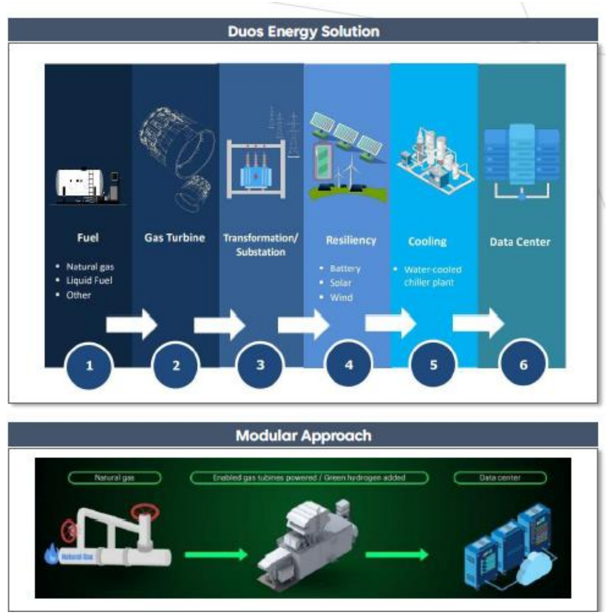
JANUARY 06, 2025 8:00AM EST

Download as PDF

Deal estimated at $42 Million revenue over two years and a 5% equity stake in the new venture

JACKSONVILLE, Fla., Jan. 06, 2025 (GLOBE NEWSWIRE) -- Duos Technologies Group, Inc. ("Duos" or the "Company") (Nasdaq: DUOT), is excited to announce the successful closing of an Asset Management Agreement ("AMA") through its operating subsidiary, Duos Energy Corporation. The AMA – announced on November 20, 2024 – encompasses the deployment and operation of a fleet of 30 mobile gas-powered turbines and associated balance-of-plant inventory ("the Assets"), collectively capable of generating 850 megawatts of power, which have been acquired by funds managed by affiliates of Fortress Investment Group ("Fortress").

The assets will be managed in partnership with affiliates of Fortress, and are immediately deployable, providing a fast-track solution to meet the urgent energy demands of data centers and other industries. The transaction was finalized on December 31, 2024, following



DUOS CLOSES ASSET MANAGEMENT DEAL WITH FORTRESS INVESTMENT GROUP

JANUARY 06, 2025 8:00AM EST

Download as PDF

Deal estimated at $42 Million revenue over two years and a 5% equity stake in the new venture

JACKSONVILLE, Fla., Jan. 06, 2025 (GLOBE NEWSWIRE) -- **Duos Technologies Group, Inc.** ("Duos" or the "Company") (Nasdaq: DUOT), is excited to announce the successful closing of an Asset Management Agreement ("AMA") through its operating subsidiary, Duos Energy Corporation. The AMA – announced on November 20, 2024 – encompasses the deployment and operation of a fleet of 30 mobile gas-powered turbines and associated balance-of-plant inventory ("the Assets"), collectively capable of generating 850 megawatts of power, which have been acquired by funds managed by affiliates of Fortress Investment Group ("Fortress").

The assets will be managed in partnership with affiliates of Fortress, and are immediately deployable, providing a fast-track solution to meet the urgent energy demands of data centers and other industries. The transaction was finalized on December 31, 2024, following the fulfillment of customary closing conditions and regulatory approvals.

Fortress has entered into this strategic agreement with Duos Energy Corporation, whose leadership includes the former executive management team of APR Energy – from which the Assets were acquired. Duos Energy will oversee the management and deployment of the mobile gas-powered turbine fleet to meet growing energy demands across critical sectors, including Data Centers such as those deployed by subsidiary Duos Edge AI as well as emergency power solutions.

Further solidifying this partnership, Duos has secured a 5% equity stake in the parent of the owner of the assets. This equity position reflects Duos' integral role in the commercialization, operation and management of these critical power assets.

Source: Company reports.

Exhibit 13: Q2 2026 Results and Recent Highlights (as of August 17, 2026)

Duos Technologies Reports Second Quarter 2026 Results

Q2 2026 Revenue Increases Nearly 30%, Driven by Initial Ramp in AI and Data Center Deployments

Over $100 Million in Growth Capital Secured Through Multiple Transactions

Company Reaffirms 2026 Guidance for 25 MW Deployed and Over $50 Million in Revenue

JACKSONVILLE, Fla., Aug. 17, 2026 (GLOBE NEWSWIRE) -- **Duos Technologies Group, Inc.** ("Duos" or the "Company") (Nasdaq: DUOT), a leading provider of adaptive, modular, and scalable Edge Data Center solutions, reported financial results for the second quarter ("Q2 2026") ended June 30, 2026.

Second Quarter 2026 and Recent Operational Highlights

- Signed five-year, 55 MW hosting agreements with Axe Compute valued at more than $500 million, representing a significant commercial milestone in the Company's strategy to develop and operate high-density AI infrastructure
- Entered into an exclusive term sheet with 0Lat LLC for a proposed structured lease across a 15-site, 225-cabinet Edge Data Center portfolio in Texas and Georgia, initiating a 90-day exclusivity and confirmatory diligence period
- Completed the sale of the Company's wholly owned rail technology subsidiary, Duos Technologies, Inc. The divestiture marks the completion of a broader strategic repositioning and enables the Company to fully concentrate its resources on its Edge Data Center and AI infrastructure businesses through Duos Edge AI, Inc. and Duos Technology Solutions, Inc.
- Secured $111 million in contracted revenue with an investment-grade hyperscaler to provide 10 MW of critical IT-load capacity for five years at its Columbus, Georgia data center campus
- The Company now has 25 MW contracted with all 25 MW planned for deployment in 2026, demonstrating accelerating demand and an ability to rapidly design, manufacture, and deploy modular infrastructure in underserved Tier 3 and Tier 4 markets
- Received $50.4 million in proceeds from the sale of substantially all the assets of New APR Energy, LLC, in which the Company held a 5% minority stake of the parent company
- Closed $55 million registered direct offering with a single large institutional investor, providing additional financial support for the Company's growth plans, including the acquisition of its Columbus facility and related infrastructure investments to fulfill contracted customer deployments and expand the campus
- Hosted six (6) open houses with additional events and grand openings planned, showcasing the continued expansion of the Company's EDC pipeline to support increasing demand for AI inference, training, and high-performance computing workloads
- Added to the Russell 2000® Index as part of the 2026 Russell indexes annual reconstitution

Source: Company reports.

Exhibit 14: Q3 and 2026 Outlook (as of August 17, 2026)

Financial Outlook

At the end of the second quarter, the Company's bookings represented approximately $43.5 million in revenue, of which all is expected to be recognized during the year, including contracted backlog and near-term anticipated awards. In addition, approximately $1.1 million of contracted Technology Solutions deferred revenue recorded in 2025 will be recorded as revenue in 2026, further supporting near-term performance. Duos Technology Solutions continues to add new customers and has approximately $28 million in backlog so far in 2026.

Based on these committed contracts and near-term pending orders that are already performing or scheduled to be executed throughout the course of 2026, the Company is reconfirming its expectation for total revenue in 2026 to exceed $50 million. A significant portion of this revenue is anticipated to be recognized in the second half of the year, aligned with project timing and infrastructure deployments, supporting continued operating leverage and progression toward the Company growth strategy.

Adjusted EBITDA for the second quarter of 2026 was $0.5 million. The Company did not report adjusted EBITDA in the prior-year period. Adjusted EBITDA was positive for the quarter, and the Company expects profitability to continue to improve as revenue ramps over the coming quarters and anticipates achieving positive adjusted EBITDA for the full year 2026.

Management Commentary

"In the second quarter and over the last several weeks, we have made tremendous progress both in operational execution and the fundamental repositioning of our business as a standalone AI infrastructure provider," said Duos CEO Doug Recker. "Financially, we began to see the early stages of the substantial performance ramp we expect to build over the course of this year, highlighted by a 30% increase in revenue and a material improvement in profitability. We also secured over $100 million in growth capital through two major transactions: a $55 million direct investment with a single institutional investor and an additional $50.4 million in proceeds resulting from New APR's sale of substantially all its assets.

"Operationally, we recently announced the successful divestiture of our legacy rail operations, which will now enable us to fully concentrate our resources on the Edge Data Center and AI infrastructure businesses. We also agreed to terms on a new $111 million, 10 MW contract with an investment-grade hyperscaler to provide critical IT-load capacity, adding to our already-substantial backlog and supporting our reaffirmed outlook to provide 25 MW of compute and generate north of $50 million in revenue by the end of this year."

Source: Company reports.

Exhibit 15: Duos Technologies Group, Inc. Stock Price (5-Years)

Source: https://www.nasdaq.com/, Chart IQ, EDGAR ONLINE.

FINANCIAL MODEL

Duos Technologies Group, Inc.

Income Statement ($ mils)	Mar-24	Jun-24	Sep-24	Dec-24	2024	Mar-25	Jun-25	Sep-25	Dec-25	2025	Mar-26	Jun-26	Sep-26	Dec-26	2026	Mar-27	Jun-27	Sep-27	Dec-27	2027
Fiscal Year End: December 31	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E
Total Revenue	**1.1**	**1.5**	**3.2**	**1.5**	**7.3**	**5.0**	**5.7**	**6.9**	**9.5**	**27.0**	**2.7**	**6.2**	**12.8**	**28.6**	**50.4**	**28.9**	**28.3**	**36.0**	**47.0**	**140.2**
Cost of Revenues	1.0	1.7	2.3	1.8	6.8	3.6	4.2	4.4	6.9	19.1	1.1	2.7	5.8	11.5	21.1	10.1	9.9	12.6	16.4	49.1
Gross Profit	0.1	(0.2)	0.9	(0.3)	0.5	1.3	1.5	2.5	2.5	7.9	1.6	3.4	7.1	17.2	29.3	18.8	18.4	23.4	30.5	91.1
Sales & marketing	0.6	0.7	0.5	0.4	2.1	0.3	0.4	0.3	0.3	1.2	0.5	0.3	1.0	1.4	3.2	4.3	4.2	3.6	5.2	17.4
Research & development	0.4	0.4	0.4	0.4	1.5	0.4	0.3	0.1	0.0	0.8			1.2	1.7	2.9	4.3	4.2	3.2	3.3	15.1
General and administration	1.9	1.9	2.0	2.0	7.8	2.4	4.2	3.3	5.7	15.6	4.8	3.1	5.1	7.7	20.8	8.1	7.9	10.1	13.2	39.3
Restructuring and other					0.0					0.0					0.0					0.0
Total operating expenses	2.9	3.0	2.8	2.8	11.5	3.1	5.0	3.6	5.9	17.6	5.2	3.4	7.3	10.9	26.8	16.8	16.4	16.9	21.6	71.7
Operating income (loss)	**(2.8)**	**(3.2)**	**(1.9)**	**(3.1)**	**(11.0)**	**(1.8)**	**(3.4)**	**(1.1)**	**(3.4)**	**(9.8)**	**(3.6)**	**0.0**	**(0.3)**	**6.3**	**2.5**	**2.0**	**2.0**	**6.5**	**8.9**	**19.4**
Interest income (expense)	(0.0)	(0.0)	(0.1)	(0.2)	(0.3)	(0.3)	(0.1)	0.2	0.2	0.0	0.1	0.4	(0.0)	(0.0)	0.5	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Other income (expense)	0.0	0.0	0.6	(0.2)	0.5	0.0	0.0	(0.1)	(0.0)	(0.1)	0.1	52.4	0.0	0.0	52.4	0.0	0.0	0.0	0.0	0.0
Income before income taxes	(2.8)	(3.2)	(1.4)	(3.4)	(10.8)	(2.1)	(3.5)	(1.0)	(3.2)	(9.8)	(3.5)	52.8	(0.3)	6.3	55.4	2.0	2.0	6.5	8.9	19.4
Income taxes					0.0					0.0		5.0	0.0	0.0	5.0	0.0	0.0	0.0	0.0	0.0
Net income (loss)	(2.8)	(3.2)	(1.4)	(3.4)	(10.8)	(2.1)	(3.5)	(1.0)	(3.2)	(9.8)	(3.5)	47.8	(0.3)	6.3	50.4	2.0	2.0	6.5	8.9	19.4
Nonrecurring/noncash adjustments					0.0					0.0					0.0					0.0
Net income (pro forma)	**(2.8)**	**(3.2)**	**(1.4)**	**(3.4)**	**(10.8)**	**(2.1)**	**(3.5)**	**(1.0)**	**(3.2)**	**(9.8)**	**(3.5)**	**47.8**	**(0.3)**	**6.3**	**50.4**	**2.0**	**2.0**	**6.5**	**8.9**	**19.4**
EBITDA	(2.3)	(2.4)	(1.3)	(2.1)	(8.2)	0.1	(1.4)	0.5	(1.8)	(2.5)	(1.9)	0.5	0.3	6.9	5.8	2.6	2.6	7.1	9.5	21.8
Shares, Basic	7.3	7.5	7.7	8.4	7.7	11.4	11.8	17.3	20.5	15.3	23.6	30.1	32.0	32.1	29.5	32.2	32.3	32.4	32.5	32.4
Shares, Diluted	7.3	7.5	7.7	8.4	7.7	11.4	11.8	17.3	20.5	15.3	23.6	35.5	32.0	32.1	30.8	32.2	32.3	32.4	32.5	32.4
EPS Basic (pro forma)	**($0.38)**	**($0.43)**	**($0.18)**	**($0.41)**	**($1.39)**	**($0.18)**	**($0.30)**	**($0.06)**	**($0.16)**	**($0.64)**	**($0.15)**	$1.59	**($0.01)**	$0.20	$1.71	$0.06	$0.06	$0.20	$0.27	$0.60
EPS Diluted (pro forma)	($0.38)	($0.43)	($0.18)	($0.41)	($1.39)	($0.18)	($0.30)	($0.06)	($0.16)	($0.64)	($0.15)	**$1.35**	($0.01)	**$0.20**	**$1.64**	**$0.06**	**$0.06**	**$0.20**	**$0.27**	**$0.60**
Margins																				
Gross margin	9%	-14%	28%	-23%	6%	27%	26%	37%	27%	29%	59%	56%	55%	60%	58%	65%	65%	65%	65%	65%
Sales & marketing	52%	47%	15%	27%	29%	6%	7%	4%	3%	5%	18%	4%	8%	5%	6%	15%	15%	10%	11%	12%
Research & development	36%	26%	12%	25%	21%	9%	5%	2%	0%	3%	0%	0%	9%	6%	6%	15%	15%	9%	7%	11%
General and administration	179%	126%	61%	136%	107%	48%	74%	47%	60%	58%	175%	51%	40%	27%	41%	28%	28%	28%	28%	28%
Operating margin	-258%	-213%	-59%	-211%	-151%	-36%	-60%	-16%	-36%	-36%	-133%	1%	-2%	22%	5%	7%	7%	18%	19%	14%
Tax rate, GAAP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	9%	0%	0%	9%	0%	0%	0%	0%	0%
Net margin	-257%	-212%	-43%	-233%	-148%	-42%	-61%	-15%	-34%	-36%	-128%	775%	-2%	22%	100%	7%	7%	18%	19%	14%
Y/Y % change																				
Total Revenue	-60%	-15%	112%	-4%	-3%	363%	280%	112%	547%	271%	-45%	8%	87%	203%	86%	963%	358%	180%	64%	178%
Gross margin	-82%	-189%	306%	-209%	-64%	1288%	-808%	174%	-866%	1579%	23%	127%	181%	580%	272%	1068%	434%	231%	78%	211%
Sales & marketing	-63%	29%	-34%	-15%	43%	-86%	42%	-39%	3%	-43%	-60%	-48%	305%	39%	161%	36%	-2%	-15%	43%	442%
Research & development	-79%	2%	2%	-9%	-16%	-72%	-28%	-63%	-100%	-45%	-100%	#DIV/0!	#DIV/0!	49%	239%	51%	-2%	-24%	1%	426%
General and administration	-80%	-1%	4%	1%	-18%	-69%	78%	-23%	74%	100%	-69%	-34%	63%	50%	33%	-61%	-2%	27%	30%	89%
Operating income (loss)	29%	2%	-35%	-3%	-4%	-35%	7%	-42%	11%	-11%	103%	-101%	-77%	-284%	-125%	-156%	3934%	-2622%	42%	689%
Net income (loss)	28%	7%	-52%	8%	-4%	-24%	10%	-26%	-6%	-9%	68%	-1460%	-75%	-297%	-612%	-158%	-96%	-2557%	42%	-62%
EPS Diluted (pro forma)	26%	3%	-55%	-7%	-11%	-52%	-31%	-67%	-62%	-54%	-19%	-553%	-86%	-226%	-354%	-142%	-95%	-2527%	40%	-63%

Source: Company reports and Ascendiant Capital Markets estimates.

Duos Technologies Group, Inc.

Balance Sheet ($ mils) Fiscal Year End: December 31	Mar-24 Q1A	Jun-24 Q2A	Sep-24 Q3A	Dec-24 Q4A	Mar-25 Q1A	Jun-25 Q2A	Sep-25 Q3A	Dec-25 Q4A	Mar-26 Q1A	Jun-26 Q2A	Sep-26 Q3E	Dec-26 Q4E	Mar-27 Q1E	Jun-27 Q2E	Sep-27 Q3E	Dec-27 Q4E
Assets																
Cash and cash equivalents	3.0	0.5	0.6	6.3	3.8	1.5	33.2	15.5	33.0	112.3	81.2	38.5	73.9	50.7	37.4	26.3
Short term investments											0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable, net	0.6	0.1	1.6	0.4	2.0	1.5	2.2	6.0	3.2	3.3	5.7	12.7	12.9	12.6	16.0	20.9
Contract assets	0.9	1.1	0.6	0.6	0.7	0.7	0.7	0.7	3.8	2.6	2.6	2.6	2.6	2.6	2.6	2.6
Subscription receivable						0.1					0.0	0.0	0.0	0.0	0.0	0.0
Lease receivable						0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Inventory	1.5	1.1	1.0	0.6	0.5	0.5	0.5	0.3	0.3	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Deferred income taxes											0.0	0.0	0.0	0.0	0.0	0.0
Prepaid expenses and other	0.4	0.6	0.5	0.2	0.5	0.5	0.5	0.5	1.0	11.5	23.9	53.2	10.7	10.5	13.3	17.4
Total current assets	6.4	3.4	4.4	8.1	7.5	4.8	37.2	23.1	41.4	129.7	113.4	107.1	100.1	76.4	69.3	67.2
Property and equipment, net	0.6	1.7	2.3	2.8	3.3	3.6	12.0	27.7	27.6	29.7	49.6	69.5	89.4	109.3	129.2	149.1
Deposit on equipment									41.2	74.6	74.6	74.6	74.6	74.6	74.6	74.6
Inventory					0.2	0.2	0.2	0.4	0.4		0.0	0.0	0.0	0.0	0.0	0.0
Lease receivable						0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Leases	4.3	4.2	4.1	6.0	5.9	5.7	4.0	4.0	4.2	0.6	0.6	0.6	0.6	0.6	0.6	0.6
Intangibles, net	0.7	11.3	10.7	10.1	9.5	8.9	8.5	0.2	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Equity Investment				7.2	7.2	7.2	7.2	7.2	7.2		0.0	0.0	0.0	0.0	0.0	0.0
Deferred income tax											0.0	0.0	0.0	0.0	0.0	0.0
Other	0.7	0.5	0.5	0.7	0.5	0.5	0.5	0.5	0.5	6.4	6.4	6.4	6.4	6.4	6.4	6.4
Total assets	**12.7**	**21.2**	**22.0**	**35.0**	**34.1**	**31.1**	**69.8**	**63.4**	**122.9**	**241.3**	**244.9**	**258.5**	**271.4**	**267.6**	**280.4**	**298.1**
Liabilities and stockholders' equity																
Accounts payable	0.2	0.8	1.7	1.0	0.7	0.9	0.9	4.9	4.4	1.4	3.0	6.7	16.2	15.8	20.2	26.3
Accounts payable - related party											0.0	0.0	0.0	0.0	0.0	0.0
Accrued expenses	0.2	0.3	0.3	0.4	0.5	0.6	0.5	0.3	0.5	0.8	2.6	5.7	11.6	5.7	7.2	9.4
Leases				1.2	1.3	1.3	0.8	0.9	0.9	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Deferred revenue											0.0	0.0	0.0	0.0	0.0	0.0
Deferred income tax										5.0	5.0	5.0	0.0	0.0	0.0	0.0
Contract liabilities	1.7	3.7	3.0	11.8	10.4	9.0	7.4	5.1	5.9	7.7	7.7	7.7	7.7	7.7	7.7	7.7
Warrant liabilities											0.0	0.0	0.0	0.0	0.0	0.0
Other	0.8	0.8	0.8								0.0	0.0	0.0	0.0	0.0	0.0
Short term debt	0.2	0.2	0.1	1.8	1.2	1.3	0.0	0.0	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Total current liabilities	**3.1**	**5.8**	**6.0**	**16.1**	**14.0**	**13.1**	**9.7**	**11.1**	**12.2**	**15.3**	**18.7**	**25.5**	**35.9**	**29.6**	**35.5**	**43.8**
Deferred income taxes											0.0	0.0	0.0	0.0	0.0	0.0
Warrant liabilities											0.0	0.0	0.0	0.0	0.0	0.0
Other long term liabilities										4.5	4.5	4.5	4.5	4.5	4.5	4.5
Contract liabilities		8.5	7.9	11.0	9.6	8.1	6.8			13.6	13.6	13.6	13.6	13.6	13.6	13.6
Leases	4.1	4.1	4.0	5.6	5.4	5.2	3.8	3.8	3.9	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Deferred revenue											0.0	0.0	0.0	0.0	0.0	0.0
Long term debt			1.6								0.0	0.0	0.0	0.0	0.0	0.0
Total other liabilities	**4.1**	**12.5**	**13.6**	**16.6**	**15.0**	**13.3**	**10.6**	**3.8**	**3.9**	**18.6**	**18.6**	**18.6**	**18.6**	**18.6**	**18.6**	**18.6**
Preferred stock	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Common stock	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.5	1.0	1.5	2.0	2.5	3.0
Additional paid-in capital	72.0	72.6	73.6	76.8	81.7	84.8	130.6	132.9	194.7	247.2	247.2	247.2	247.2	247.2	247.2	247.2
Retained earnings	(66.4)	(69.6)	(71.0)	(74.4)	(76.4)	(80.0)	(81.0)	(84.2)	(87.7)	(39.9)	(40.1)	(33.8)	(31.8)	(29.8)	(23.4)	(14.4)
Other	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)		0.0	0.0	0.0	0.0	0.0	0.0
Accumulated other comprehensive income											0.0	0.0	0.0	0.0	0.0	0.0
Total stockholders' equity	**5.5**	**2.9**	**2.5**	**2.3**	**5.2**	**4.7**	**49.5**	**48.6**	**106.9**	**207.4**	**207.6**	**214.4**	**216.9**	**219.4**	**226.3**	**235.7**
Total stockholders' equity and liabil	**12.7**	**21.2**	**22.0**	**35.0**	**34.1**	**31.1**	**69.8**	**63.4**	**122.9**	**241.3**	**244.9**	**258.5**	**271.4**	**267.6**	**280.4**	**298.1**

Balance Sheet Drivers

	Mar-24 Q1A	Jun-24 Q2A	Sep-24 Q3A	Dec-24 Q4A	Mar-25 Q1A	Jun-25 Q2A	Sep-25 Q3A	Dec-25 Q4A	Mar-26 Q1A	Jun-26 Q2A	Sep-26 Q3E	Dec-26 Q4E	Mar-27 Q1E	Jun-27 Q2E	Sep-27 Q3E	Dec-27 Q4E
Prepaid as % of total rev	37%	39%	16%	12%	9%	8%	8%	5%	36%	186%	186%	186%	37%	37%	37%	37%
A/P as % of total rev	17%	56%	53%	66%	14%	16%	13%	51%	163%	23%	23%	23%	56%	56%	56%	56%
Accrued exp related as % of total rev	22%	17%	10%	26%	9%	10%	7%	3%	18%	12%	20%	20%	40%	20%	20%	20%
Activity Ratios																
A/R Days Sales Outstanding	50	8	44	25	36	23	29	57	107	48	40	40	40	40	40	40
Book & Cash Value (per share)																
Book Value per Share (diluted)	$0.76	$0.38	$0.33	$0.27	$0.45	$0.40	$2.86	$2.37	$4.53	$5.84	$6.49	$6.68	$6.74	$6.79	$6.99	$7.25
Cash per Share (diluted)	$0.41	$0.07	$0.08	$0.75	$0.33	$0.12	$1.92	$0.75	$1.40	$3.16	$2.54	$1.20	$2.30	$1.57	$1.15	$0.81
Net cash per Share (diluted)	$0.38	$0.04	-$0.15	$0.53	$0.23	$0.01	$1.92	$0.75	$1.38	$3.15	$2.53	$1.19	$2.28	$1.56	$1.14	$0.80

Source: Company reports and Ascendiant Capital Markets estimates

Duos Technologies Group, Inc.

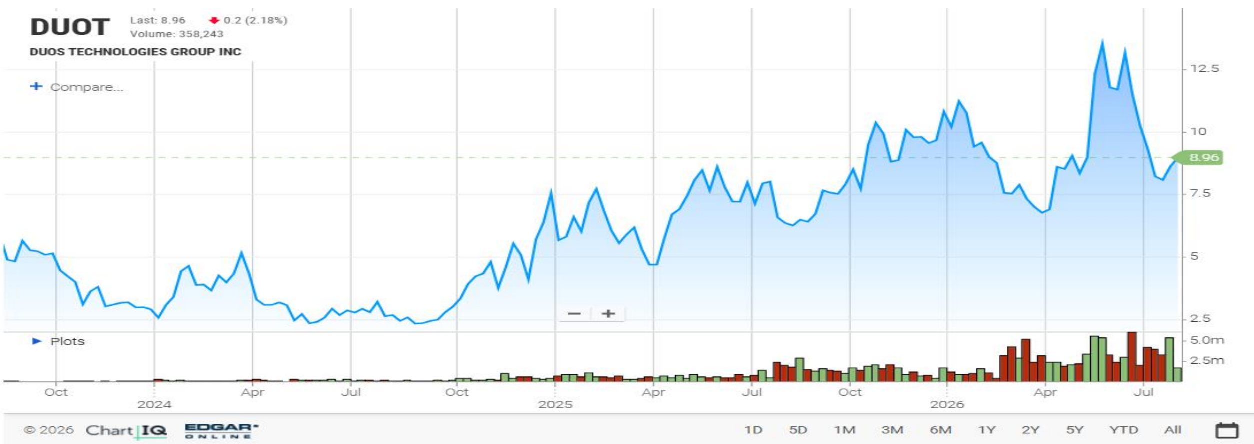
Cash Flow Statement ($ mils) Fiscal Year End: December 31	Mar-24 Q1A	Jun-24 Q2A	Sep-24 Q3A	Dec-24 Q4A	2024 FY-A	Mar-25 Q1A	Jun-25 Q2A	Sep-25 Q3A	Dec-25 Q4A	2025 FY-A	Mar-26 Q1A	Jun-26 Q2A	Sep-26 Q3E	Dec-26 Q4E	2026 FY-E	Mar-27 Q1E	Jun-27 Q2E	Sep-27 Q3E	Dec-27 Q4E	2027 FY-E
Cash flow from operating activities																				
Net income	(2.8)	(3.2)	(1.4)	(3.4)	(10.8)	(2.1)	(3.5)	(1.0)	(3.2)	(9.8)	(3.5)	47.8	(0.3)	6.3	50.4	2.0	2.0	6.5	8.9	19.4
Depreciation	0.2	0.6	0.7	0.7	2.2	0.7	0.7	0.5	0.1	2.1	0.1	(0.0)	0.1	0.1	0.3	0.1	0.1	0.1	0.1	0.4
Amortization	0.1	0.1	(0.2)	0.4	0.4	0.2	0.2	0.1	0.1	0.5	0.1	(0.1)			0.0					0.0
Debt related amortization expense					0.0	0.3	0.1	0.0	0.0	0.3					0.0					0.0
Dividend					0.0					0.0					0.0					0.0
Stock comp	0.2	0.1	0.1	(0.1)	0.3	1.0	1.2	1.0	1.4	4.6	1.5	0.5	0.5	0.5	2.9	0.5	0.5	0.5	0.5	1.9
Deferred rent					0.0					0.0					0.0					0.0
A/R reserves				0.2	0.2					0.0	0.1	(0.0)			0.0					0.0
Deferred income taxes					0.0					0.0			0.0	0.0	0.0	(5.0)	0.0	0.0	0.0	(5.0)
Change in fair value of warrant liability			(0.2)	(0.3)	(0.4)					0.0					0.0					0.0
Writedowns and impairments				0.1	0.1	0.0		0.1	0.0	0.1					0.0					0.0
Other gains/losses			(0.4)	0.4	0.0			0.1	0.0	0.1	(0.1)	0.1			0.0					0.0
Other			0.3	(0.3)	0.0				(0.0)	(0.0)		(53.2)			(53.2)					0.0
Changes in operating assets and liabilities:																				
Accounts receivable	0.9	0.5	(1.5)	1.1	1.0	(1.6)	0.5	(0.8)	(3.8)	(5.6)	2.7	(0.2)	(2.4)	(7.0)	(6.9)	(0.1)	0.3	(3.4)	(4.9)	(8.1)
Contract assets	(0.3)	(0.2)	0.5	(0.0)	0.0	(0.1)	(0.0)	0.0	(0.0)	(0.1)	(3.0)	0.5			(2.6)					0.0
Inventory	0.0	0.1	0.0	(0.1)	0.1	0.0	0.1	(0.1)	0.0	0.0		(0.1)			(0.1)					0.0
Prepaid expenses & other curre	0.1	(0.1)	0.3	0.1	0.4	(0.0)	0.2	(0.1)	0.1	0.2	0.2	(0.4)	(12.4)	(29.3)	(42.0)	42.5	0.2	(2.9)	(4.1)	35.8
Income tax					0.0					0.0					0.0					0.0
Other assets	(0.0)	0.0	(0.0)	0.1	0.1		0.1	(0.1)	0.0	0.0	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts payable	(0.4)	0.6	1.0	(0.8)	0.4	(0.3)	0.2	0.0	3.9	3.9	(0.4)	(2.7)	1.6	3.7	2.1	9.5	(0.4)	4.3	6.1	19.6
Accrued expenses	0.1	0.3	(0.2)	0.0	0.2	0.1	0.1	(0.1)	(0.1)	(0.0)	0.2	5.4	1.8	3.2	10.5	5.8	(5.9)	1.5	2.2	3.7
Contract liabilities	0.0	(0.7)	(1.2)	4.7	2.8	(2.9)	(2.8)	(3.2)	(0.8)	(9.6)	0.8	15.7			16.5					0.0
Deferred revenue					0.0					0.0					0.0					0.0
Other liabilities	(0.1)	(0.1)	(0.1)	(0.1)	(0.3)	(0.1)	(0.1)	0.2	(0.4)	(0.4)	(0.1)	(0.4)	0.0	0.0	(0.5)	0.0	0.0	0.0	0.0	0.0
Net cash (used in) provided by	**(2.0)**	**(1.9)**	**(2.3)**	**2.7**	**(3.5)**	**(4.673)**	**(3.202)**	**(3.156)**	**(2.716)**	**(13.748)**	**(1.4)**	**12.7**	**(11.1)**	**(22.6)**	**(22.4)**	**55.4**	**(3.2)**	**6.6**	**8.9**	**67.7**
Cash flow from investing activities																				
Purchases of property and equi	(0.0)	(0.9)	(0.7)	(0.3)	(1.8)	(0.6)	(0.8)	(6.4)	(15.8)	(23.7)	(41.2)	38.7	(20.0)	(20.0)	(42.5)	(20.0)	(20.0)	(20.0)	(20.0)	(80.0)
Purchases of short-term investments					0.0					0.0	0.1	50.4			50.4					0.0
Acquisitions	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(0.0)	0.0			0.0					0.0
Other					0.0					0.0		(74.6)			(74.6)					0.0
Net cash used in investing acti	**(0.0)**	**(0.9)**	**(0.7)**	**(0.3)**	**(1.8)**	**(0.6)**	**(0.8)**	**(6.5)**	**(15.9)**	**(23.7)**	**(41.2)**	**14.5**	**(20.0)**	**(20.0)**	**(66.7)**	**(20.0)**	**(20.0)**	**(20.0)**	**(20.0)**	**(80.0)**
Cash flow from financing activities																				
Issuance of debt				2.2	2.2					0.0			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Repayment of debt	(0.1)	(0.1)	(0.1)	(0.1)	(0.4)	(1.1)	(0.1)	(3.5)	(0.0)	(4.8)	(0.2)	(0.2)			(0.4)					0.0
Issuance of stock	2.7	0.3	2.1	1.2	6.3	3.8	1.7	44.9	(0.0)	50.4	60.3	51.8	0.0	0.0	112.1	0.0	0.0	0.0	0.0	0.0
Proceeds from stock option exercises		0.1	1.1	(0.1)	1.1	0.1	0.2	0.0	0.9	1.1	0.0	0.4			0.4					0.0
Other					0.0					0.0					0.0					0.0
Dividends and distributions					0.0					0.0					0.0					0.0
Cash provided by (used in) fina	**2.6**	**0.3**	**3.1**	**3.2**	**9.2**	**2.788**	**1.684**	**41.368**	**0.8**	**46.7**	**60.1**	**52.0**	**0.0**	**0.0**	**112.1**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Effect of exchange rate on cash					0.0					0.0					0.0					0.0
Net increase (decrease) in cash	**0.5**	**(2.5)**	**0.1**	**5.6**	**3.8**	**(2.5)**	**(2.3)**	**31.7**	**(17.7)**	**9.2**	**17.6**	**79.3**	**(31.1)**	**(42.6)**	**23.1**	**35.4**	**(23.2)**	**(13.4)**	**(11.1)**	**(12.3)**
Beginning cash and equivalents	**2.4**	**3.0**	**0.5**	**0.6**	**2.4**	**6.3**	**3.8**	**1.5**	**33.2**	**6.3**	**15.5**	**33.0**	**112.3**	**81.2**	**15.5**	**38.5**	**73.9**	**50.7**	**37.4**	**38.5**
Ending cash and equivalents	**3.0**	**0.5**	**0.6**	**6.3**	**6.3**	**3.8**	**1.5**	**33.2**	**15.5**	**15.5**	**33.0**	**112.3**	**81.2**	**38.5**	**38.5**	**73.9**	**50.7**	**37.4**	**26.3**	**26.3**

Source: Company reports and Ascendiant Capital Markets estimates

ANALYST CERTIFICATION

Each analyst hereby certifies that the views expressed in this report reflect the analyst's personal views about the subject securities or issuers. Each analyst also certifies that no part of the analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in this report. The analyst who prepared this report is compensated based upon the overall profitability of Ascendiant Capital Markets, LLC, which may, from time to time, include the provision of investment banking, financial advisory and consulting services. Compensation for research is based on effectiveness in generating new ideas for clients, performance of recommendations, accuracy of earnings estimates, and service to clients.

Duos Technologies Group, Inc.



Source: https://www.nasdaq.com/, Chart IQ, EDGAR ONLINE.

Report	Report Date Date	Rating	Price Target
1	1/18/2023	Buy	5.00
2	4/2/2023	Buy	5.25
3	6/1/2023	Buy	8.50
4	10/5/2023	Buy	8.25
5	12/17/2023	Buy	6.50
6	4/30/2024	Buy	6.00
7	6/6/2024	Buy	5.75
8	9/10/2024	Buy	6.00
9	12/16/2024	Buy	7.50
10	4/27/2025	Buy	9.00
11	6/14/2025	Buy	11.00
12	9/23/2025	Buy	11.50
13	12/29/2025	Buy	14.00
14	4/16/2026	Buy	17.00
15	6/14/2026	Buy	22.00

- Ascendiant Capital Markets, LLC has received compensation for advisory or investment banking services from the company in the past 12 months.

IMPORTANT DISCLOSURES

This report has been distributed by Ascendiant Capital Markets, LLC and is for the sole use of our clients. This report is based on current public information that we consider reliable, but we do not represent it is accurate or complete, and it should not be relied on as such. This report contains information from various sources, including United States government publications, The Wall Street

Journal and other periodicals, Yahoo! Finance and other sources, and is for informational purposes only and is not a recommendation to trade in the securities of the companies mentioned within the report. We seek to update our research and recommendations as appropriate, but the large majority of reports are published at irregular intervals as we consider appropriate and, in some cases, as constrained by industry regulations.

We may have a business relationship with companies covered in this report. Ascendiant Capital Markets, LLC may make a market in the securities of the subject company. We and our affiliates, officers, directors, and employees will from time to time have long or short positions in, act as principal in, and buy or sell, the securities or derivatives (including options and warrants) thereof of covered companies referred to in this report. This report is not an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Clients should consider whether any information in this report is suitable for their particular circumstances and, if appropriate, seek professional advice, including tax advice. The price and value of the investments referred to in this report may fluctuate.

Following are some general risks that can adversely impact future operational and financial performance and share price valuation: (1) industry fundamentals with respect to legislation, mandates, incentives, customer demand, or product pricing; (2) issues relating to competing companies or products; (3) unforeseen developments with respect to management, financial condition or accounting policies or practices; or (4) external factors that affect the interest rates, currency, the economy or major segments of the economy. Past performance is not a guide to future performance, future returns are not guaranteed, and loss of original capital may occur. Certain transactions, including those involving futures, options, and other derivatives, give rise to substantial risk and are not suitable for all investors. Our report is disseminated primarily electronically, and, in some cases, in printed form. The information contained in this report is not incorporated into the contents of our website and should be read independently thereof. Copyright Ascendiant Capital Markets, LLC. No part of this material may be copied, photocopied or duplicated by any means or redistributed without the prior written consent of Ascendiant Capital Markets, LLC.

Risks & Considerations

Risks to attainment of our share price target include balance sheet/liquidity risks, technological changes, customer demand for software, AI, and inspection technologies, investor sentiment for investing in technology stocks, enterprise sentiment and industry growth for technology companies, competition, changing macroeconomic factors, and changes in government regulations.

Ascendiant Capital Markets, LLC Rating System

BUY: We expect the stock to provide a total return of 15% or more within a 12-month period.

HOLD: We expect the stock to provide a total return of negative 15% to positive 15% within a 12-month period.

SELL: We expect the stock to have a negative total return of more than 15% within a 12-month period.

Total return is defined as price appreciation plus dividend yield.

Ascendiant Capital Markets, LLC Distribution of Investment Ratings (as of July 18, 2026)

			Investment Banking Services Past 12 months	
Rating	**Count**	**Percent**	**Count**	**Percent**
Buy	49	98%	19	39%
Hold	0	0%	0	0%
Sell	1	2%	0	0%
Total	50	100%	19	38%

Other Important Disclosures

Our analysts use various valuation methodologies including discounted cash flow, price/earnings (P/E), enterprise value/EBITDAS, and P/E to growth rate, among others. Risks to our price targets include failure to achieve financial results, product risk, regulatory risk, general market conditions, and the risk of a change in economic conditions.

Dissemination of Research

Ascendiant Capital Markets, LLC research is distributed electronically via the Thomson Reuters platforms, Bloomberg, Capital IQ and FactSet. Please contact your investment advisor or institutional salesperson for more information.

General Disclaimer

The information and opinions in this report were prepared by Ascendiant Capital Markets, LLC. This information is not intended to be used as the primary basis of investment decisions and because of individual client objectives it should not be construed as advice designed to meet the particular investment needs of any investor. This material is for information purposes only and is not an offer or solicitation with respect to the purchase or sale of any security. The reader should assume that Ascendiant Capital Markets, LLC may have a conflict of interest and should not rely solely on this report in evaluating whether or not to buy or sell securities of issuers discussed herein. The opinions, estimates, and projections contained in this report are those of Ascendiant Capital Markets, LLC as of the date of this report and are subject to change without notice. Ascendiant Capital Markets, LLC endeavors to ensure that the contents have been compiled or derived from sources that we believe are reliable and contain information and opinions that are accurate and complete. However, Ascendiant Capital Markets, LLC makes no representation or warranty, express or implied, in respect thereof, takes no responsibility for any errors and omissions contained herein, and accepts no liability whatsoever for any loss arising from any use of, or reliance on, this report or its contents. Information may be available to Ascendiant Capital Markets, LLC, or its affiliates that is not reflected in this report. This report is not to be construed as an offer or solicitation to buy or sell any security.

Additional Disclosures

Ascendiant Capital Markets, LLC is a broker-dealer registered with the United States Securities and Exchange Commission (SEC) and a member of the FINRA and SIPC. Ascendiant Capital Markets, LLC is not a Registered Investment Advisor nor is it an investment advisor registered with the Securities and Exchange Commission or with the securities regulators of any state, and at the present time is not eligible to file for federal registration.