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Applied Digital Announces New \$50 Million Loan to Accelerate Growth

DALLAS, May 19, 2023 (GLOBE NEWSWIRE) -- [Applied Digital Corporation](#) (Nasdaq: **APLD**) ("**Applied Digital**" or the "**Company**"), a designer, builder and operator of next-generation digital infrastructure that is designed for High Performance Computing ("HPC") applications, today announced that the Company has reached an agreement for a loan with a maximum principal amount of \$50.0 million. The Company intends to use the loan, which has a 2-year term and 9.0% interest rate, to provide additional liquidity to fund the buildout of its AI Cloud platform and datacenters.

"We are happy to secure this commitment which allows us to accelerate our growth in high performance computing digital infrastructure and our new Sai Computing AI Cloud platform for which we continue to see unprecedented demand," said Applied Digital CEO and Chairman, Wes Cummins. "This additional funding is a continued endorsement of the strength of our business and illustrates our ability to secure low-cost, non-dilutive financing to fund a portion of our growth capital needs."

Earlier this week Applied Digital announced the launch of its Artificial Intelligence (AI) Cloud services that will provide high-performance computing power for AI applications. The Company also recently signed its first major AI customer with an agreement worth up to \$180 million over a 24-month period.

Applied Digital's next-generation datacenters are ideal hosting sites for HPC applications that can offer lower cost, high compute power solutions compared to traditional datacenters that are typically higher cost and do not have the ability in most current facilities to provide the power density required for AI/ML workload.

About Applied Digital

Applied Digital (Nasdaq: APLD) designs, develops and operates next-generation datacenters across North America to provide digital infrastructure solutions to the rapidly growing high-performance computing (HPC) industry. Find more information at www.applieddigital.com. Follow us on Twitter at @APLDdigital.

About Sai Computing

Sai Computing Holdings LLC. provides GPU compute solutions to help customers more cost-effectively execute critical AI, ML, rendering, web3, and other HPC workloads. Our infrastructure is purpose-built for high-performance at ultra-low cost.

Forward-Looking Statements

This release contains "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995 regarding, among other things, future operating and financial performance, product development, market position, business strategy and objectives.

These statements use words, and variations of words, such as "continue," "build," "future," "increase," "drive," "believe," "look," "ahead," "confident," "deliver," "outlook," "expect," and "predict." Other examples of forward-looking statements may include, but are not limited to, (i) statements of Company plans and objectives, including our evolving business model, or estimates or predictions of actions by suppliers, (ii) statements of future economic performance, and (iii) statements of assumptions underlying other statements and statements about the Company or its business. You are cautioned not to rely on these forward-looking statements. These statements are based on current expectations of future events and thus are inherently subject to uncertainty. If underlying assumptions prove inaccurate or known or unknown risks or uncertainties materialize, actual results could vary materially from the Company's expectations and projections. These risks, uncertainties, and other factors include: decline in demand for our products and services; the volatility of the crypto asset industry; the inability to comply with developments and changes in regulation; cash flow and access to capital; and maintenance of third party relationships. Information in this release is as of the dates and time periods indicated herein, and the Company does not undertake to update any of the information contained in these materials, except as required by law.

Investor Relations Contacts

Matt Glover or Alex Kovtun

Gateway Group, Inc.

(949) 574-3860

APLD@gatewayir.com

Media Contact

Robert Collins or Brenlyn Motlagh

Gateway Group, Inc.

(949) 899-3135

APLD@gatewayir.com



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