Annual Letter to Shareholders: Data Center Developments

LAS VEGAS, Feb. 02, 2026 (GLOBE NEWSWIRE) -- Jet.AI Inc. ("Jet.AI or the "Company") (NASDAQ: JTAI), an emerging provider of high-performance GPU infrastructure and AI cloud services, today issued a letter to its shareholders highlighting key milestones and recent operational developments reached and its 2026 strategic priorities.

Dear Shareholders,

Over the past year, we put capital to work in three data center development projects, sponsored an AI infrastructure SPAC (NYSE: AIIA), and continued progressing toward the sale of our aviation business to flyExclusive (NYSE: FLYX).

As of this writing, we have approximately $9 million of cash on the balance sheet and no debt. As we see it today, that capital provides a stable platform from which to operate and, more importantly, the flexibility to act.

As a public company, what ultimately matters is not simply the capital we hold, but how we propose to deploy it. We are in a position to execute on a set of projects we believe offer attractive risk-adjusted returns, and the market is free to judge those decisions in real time.

Owning Jet.AI stock is, in effect, a decision to back this portfolio of projects and the team responsible for sourcing and executing others of comparable attractiveness over time. By contrast, ownership of the SPAC we sponsor (AIIA) represents a commitment to a single, defined transaction.

In the pages that follow, I'll explain how we think about the value of the company and where we believe incremental capital can earn the highest returns.

The flyExclusive Transaction

We are in the final stages of selling our aviation business to flyExclusive, one of the largest private jet operators in the United States. When the transaction closes, our shareholders will own two distinct securities: JTAI, focused on AI data center infrastructure, and FLYX, a growing pure-play private aviation company.

The transaction has now been under SEC review for roughly a year, largely due to a single remaining accounting comment related to a technical disclosure at flyExclusive for the 2023 period. It is an edge case, and it has taken longer than anyone would have liked to resolve.

While both parties have worked diligently to address the comment, if the matter continues to linger, it may resolve itself with the passage of time. As flyExclusive files its next Form 10-K to report its 2024-2025 financials it subsequently will also update the S-4 to include the newly filed 10-K, which would eliminate the presentation of 2023 altogether.

We prefer a world with rigorous accounting standards, though ideally one without interruptions. The forty-three-day government shutdown and the backlog that followed reopening the SEC has materially slowed the process, and another shutdown has now occurred. Despite this, both parties remain fully committed to completing the transaction.

By way of example, if we close the deal with the $12 million minimum positive net working capital requirement, JTAI shareholders would receive, as of January 29th, 2026 approximately four million shares of flyExclusive stock at the most recent closing price (which was $3.32 per share on that date). ***That equates to about $13.4 million of value in return for $12 million of assets and working capital, which once transferred will reduce our operating expenses 30%.***

The Investment in AIIA

We own 49.5% of the sponsor entity of AI Infrastructure Acquisition Corp. (NYSE: AIIA), having invested $2.75 million of capital, and that sponsor entity in turn owns approximately 25% of AIIA. I also serve as Chairman and CEO of AIIA. On a mark-to-market basis, our interest in the sponsor entity represents our largest asset.

AIIA currently holds approximately $138 million in trust and has about fifteen months remaining to complete a transaction unless shareholders approve an extension.

Through the sponsor entity, Jet.AI has an indirect interest in approximately 2.3 million Class B shares of AIIA. These shares are convertible into Class A shares, which last traded at $10.00 per share, implying roughly $23 million of gross value. ***Because the shares are only realizable upon the completion of a transaction, and would otherwise expire, we carry our interest at a 25% discount, valuing it at approximately $17 million.***

Incremental Capital

In our estimation, if all three projects discussed in the following pages exited at the powered-land stage, value would reflect megawatts multiplied by $1-2 million per megawatt (~$300 million total). If built and refinanced, the refinancing distribution would reflect stabilized NOI and lower cap rates (~$450 million in distributions *plus residual equity payouts*). If ultimately placed into REIT structures, public-market income multiples apply (~$2.5 billion total). These are illustrations, not forecasts, but the order of magnitude of prospective returns in 1-3 years would clear a demanding corporate hurdle rate.

Human nature often leads investors to focus on simpler questions, even when more important ones deserve the time and effort. Instead of asking whether a business has durable economics, sensible pricing, and attractive returns on capital, they ask something simpler. In consumer businesses, that might be whether the company makes a good product. In small-cap investing, it often becomes, "Is this company going to raise money?" If the answer is yes, many investors stop there and sell or avoid the stock entirely.

In our view, that shortcut misses the point. The more important question is why capital might be raised and what return that capital is expected to earn. Raising money to survive is one thing. Raising money to pursue an opportunity with attractive economics is another. Over time, it is that distinction, not the mere fact that capital is raised, that separates good outcomes from poor ones.

For a dollar invested in a deal what return can we expect? In the case of flyExclusive the return is set by the merger premium of between 10-20%, and it comes with a substantial reduction in day-to-day costs. In the case of data centers, the returns are multiples and ultimately orders of magnitude, depending on the scenario. Value created at the project level has a clear and direct path to being reflected in the share price over time.

First, we are not funding full data center construction ourselves. That would require hundreds of millions, and in some cases billions, of dollars. Construction begins only after a project is pre-leased, and typically only after, or alongside, the raising of large amounts of debt and equity secured by the land, the lease, and the equipment. In other words, the heavy project financing arrives only after much of the risk has already been removed. That is precisely why early-stage capital can earn outsized returns.

Our role comes earlier. We invest in what is often called the sweat-equity portion of the capital stack, as a general partner. This is where both the risk and the potential return are highest, and for a small-cap company like ours, we believe this is where it makes the most sense to focus.

Second, in 2026, we have approximately six million dollars of remaining contractual obligations to Consensus Core. Once the two-million-dollar and four-million-dollar milestones are completed, both the Manitoba and Maritimes projects should be positioned to secure hyperscale letters of intent or leases. Only after such an LOI is in hand, and only then, would we be obligated to fund an additional twelve-million-dollar milestone. A shovel-ready data center site with verified hyperscaler interest places us on a path toward distributions that are many times the size of that investment. ***One of the largest private equity funds in the US is outright purchasing data center developments that are shovel ready, before construction even begins and paying a price in between that paid for powered land and fully constructed work.***

Also in 2026, we have a one-hundred-thousand-dollar milestone related to the Moapa project. In 2027, we expect two additional Moapa milestones, one of approximately four point nine million dollars and another of five million dollars. During 2026, our work at Moapa will focus on the power study and other pre-construction steps, much of which depends on third parties such as consultants and local utilities completing their work.

Taken together, this results in a capital plan of ***approximately $6.1 million in 2026 and $9.9 million in 2027. Spending roughly $6 million to help unlock $250-300 million of powered-land value would represent a highly attractive risk-adjusted outcome if achieved***, setting aside the higher construction/refinance and REIT scenarios such investment enables. Moapa is excluded from that estimate, as it is not expected to be powered until 2027.

Pursuing these opportunities will require external financing, and we have several tools available to us. These include a $50 million facility with Hexstone, a $35 million at-the-market equity program, and a $250 million shelf registration. In addition, a financing market is developing that lends directly against powered land. ***To the extent we can use that source of capital, it would allow us to advance our projects past the powered land stage without issuing new shares at all.*** If, after a site is powered, the market values the asset differently than we do, *we retain the option to sell the land and use the proceeds to repurchase our own shares.*

Markets do not operate in isolation. The rapid expansion of the data center industry has already expressed itself in public-market pricing, including dividend yields below 3% at mature data center REITs such as Equinix and Digital Realty, as well as multibillion-dollar valuations for hyperscale data center operators like Fermi and CoreWeave.

Our Data Center Developments

We are investing in three data center projects with seasoned partners in Manitoba, and the Canadian Maritimes, and have signed a term sheet to develop an additional data center project alongside another partner in Moapa NV. Together, these projects represent our largest source of potential long-term value.

Before discussing megawatts and cap rates, it helps to start with something familiar.

When you build a house, you spend money on land and construction, usually with a mortgage. During construction, it often feels like a liability. Once the house is finished, occupied, and producing value, the picture changes. Risk declines. Financing improves. And because uncertainty has been removed, the market often values the house more highly.

Data center development works the same way. We buy land, secure power, pre-lease, finance and build. Once risk is reduced, the market assigns a higher multiple to the finished, income-producing asset. If that asset is ultimately placed into a REIT structure, the multiple can be higher still.

A simple rule of thumb is that one megawatt of capacity can generate about $1 million of annual net operating income (NOI), while costing roughly $10 million to build. Build to a 10% yield and later refinance at a 6.5% yield, and *the same cash flow becomes worth about 50% more. That pattern shows up repeatedly below*. If you're interested in more project specifics please see the link in the body text of the section below for each one.

Manitoba

The Manitoba project sits roughly ten miles south of Winnipeg on approximately 350 contiguous acres. The site benefits from immediate access to electrical infrastructure, natural gas, major east-west fiber routes, and a converter station.

The planned campus supports multi-hundred megawatt development potential, supplied by both grid power and natural gas. We own half of the GP interest, equivalent to 17.5% of the total project equity and are progressing toward finalizing the third milestone, which involves advancing power development for the site.

Scenario 1 - Powered Land Sale

Land without power is just land. Land with reliable, scalable power is something else entirely. In today's market, powered land can command $250,000 per acre or perhaps $1-2 million per megawatt (independent of acreage) even before construction begins. The site profile is consistent with requirements in demand by hyperscalers, as publicly disclosed in our announcement with JV partner Consensus Core.

At this stage, ***the powered-land outcome implies a value of in the range of $100 to $200 million*** for our 17.5% GP stake. That value is created by securing site control and power, without taking on the capital intensity or execution risk of construction.

This is the most direct and predictable scenario. It depends primarily on securing and validating power, never trivial, but far simpler than executing a full build-out.

Scenario 2 - Build, Lease, Refinance

If the project is built and leased, value comes from stable cash flows and a sharp drop in perceived risk. Projects of this size are typically financed with about 80% debt and 20% equity, with limited partners receiving a preferred return and their capital back before the general partner participates. The financing itself is usually the easy part. The hard part is building something of this scale.

It's tempting to talk casually about a gigawatt, but the number deserves respect. A project measured in hundreds of megawatts or gigawatts is not an abstraction. It requires a developer with real experience, a completion bond, and the operational discipline to bring the facility online piece by piece. Total U.S. utility power is on the order of 1,250 gigawatts (500 GW of it based on natural gas). A one-gigawatt project is a ten-billion-dollar infrastructure undertaking, not a spreadsheet exercise. Our respective partners both insist on bringing in a large-scale developer when it's time to build, we could not agree more. Data halls are commissioned and tested in roughly 12-megawatt increments, day after day, as the utility gradually steps up the load. Nothing happens all at once.

In Manitoba a refinancing could bring in an extraordinary amount of cash that would be largely absorbed by the LPs preferred return and return of capital, leaving a residual amount attributable to the GP wherein we own half the GP equity slice (equivalent to 17.5% of the overall equity). ***Under this Scenario 2, the project would support an implied distribution of hundreds of millions of dollars to our GP equity stake based on a standard private equity waterfall***, and we'd be eligible for future distributions as the property level debt eventually amortized or the asset was later sold (or refinanced again). If you would like a walk-through of the math be sure to contact our investor relations team at Gateway for more detail - but more here would be beyond the scope.

Scenario 3 - REIT Spin-Off

Public markets tend to reward long-duration, predictable income streams. As mentioned earlier, data center REITs such as Digital Realty and Equinix are both trading today at dividend yields inside 3%, or roughly 33x distributable cash flow.

Under this scenario, and assuming successful execution and market conditions consistent with current public comparables, ***Manitoba could support an implied value for our GP equity stake that is measured in the billions.*** Here is one approach to computing the value of our stake: *{[(NOI - ((NOI / 6.5%) x 80 % LTV) x 6% Interest) - 1 million pubco costs))]/3%} x 17.5% GP Ownership*

The Maritimes

The Maritimes project is expected to support approximately 500 megawatts of capacity, and we again own 17.5% of the GP equity interest. The economics follow the same progression. We have limited the public disclosure around the Maritimes for competitive reasons but will have more to share on the project in 2026. In the meantime -

Scenario 1 - Powered Land:

Implied value of approximately ***$88 million*** for our GP equity stake.

(500 MW x $1 Million) = $500 Million, $500 Million x 17.5% = ***$88 Million***

Scenario 2 - Build, Lease, Refinance:

Implied value of waterfall distribution at refinancing approximately ***$150 million***.

Scenario 3 - REIT Spin-Off:

Implied value of approximately ***$800 million*** based on the following formula:

Moapa

Moapa is a town of roughly 1,500 people, about an hour north of Las Vegas. The site sits just north of a demolished and remediated coal plant with strong electrical and natural gas connectivity and is expected to support approximately 50 megawatts on about 20 acres.

Our partner to be has a long track record in data center construction and operates one of the largest construction companies in Las Vegas. We have signed a term sheet, are conducting a power study, and are moving toward final documentation. In this project, we have negotiated 25 percentage points of the GP equity.

Scenario 1 - Powered Land: Approximately ***$35 million*** of value for our expected interest.

Scenario 2 - Build, Lease, Refinance: Approximately ***$33 million*** of value for our expected GP interest.

Scenario 3 - REIT Spin-Off: Approximately ***$100 million*** of value, or roughly 10x the expected initial investment.

Closing Thoughts

A trillion announced dollars of spending on data centers in the US last year and two separate executive orders from two presidents on opposite ends of the political spectrum strongly suggest that more than money is at stake. Our opportunities exist because of a rare alignment: a global competition for computing infrastructure and a genuine technological breakthrough in how machines process information. When those forces come together, it can make sense to lean forward, carefully, and with discipline, rather than stand still. Be assured, we'll keep moving.

We thank you for your support and look forward to reporting more progress in the days ahead.

Sincerely,

Mike Winston

Founder and Executive Chairman

About Jet.AI

Jet.AI Inc. is a technology-driven company focused on deploying artificial intelligence tools and infrastructure to enhance decision-making, efficiency, and performance across complex systems. The Company is listed on the Capital Market of the Nasdaq Stock Market LLC under the ticker symbol "JTAI".

Additional Information and Where to Find It

In connection with the transactions contemplated by the Amended and Restated Agreement and Plan of Merger and Reorganization, dated May 6, 2025, between Jet.AI, flyExclusive, FlyX Merger Sub, Inc., and Jet.AI SpinCo, Inc. (as amended, the "Merger Agreement"), flyExclusive has filed a Registration Statement on Form S-4 (File No. 333-284960) (the "Registration Statement") to register the shares of flyExclusive common stock that will be issued in connection with the proposed transactions. The Registration Statement includes a proxy statement of the Company and a prospectus of flyExclusive (the "Proxy Statement/Prospectus"), and flyExclusive may file with the SEC other relevant documents concerning the proposed transaction. BEFORE MAKING ANY VOTING OR INVESTMENT DECISION, INVESTORS AND STOCKHOLDERS ARE URGED TO READ THE REGISTRATION STATEMENT AND PROXY STATEMENT/PROSPECTUS REGARDING THE PROPOSED TRANSACTIONS AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE COMPANY, FLYEXCLUSIVE, AND THE PROPOSED TRANSACTIONS AND RELATED MATTERS.

A copy of the Registration Statement, Proxy Statement/Prospectus, as well as other filings containing information about the Company, may be obtained, free of charge, at the SEC's website at www.sec.gov when they are filed. You will also be able to obtain these documents, when they are filed, free of charge, from the Company by accessing the Company's website at investors.jet.ai. Copies of the Registration Statement, the Proxy Statement/Prospectus and the filings with the SEC that will be incorporated by reference therein can also be obtained, without charge, by directing a request to the Company at 10845 Griffith Peak Drive, Suite 200, Las Vegas, NV 89135, Attention: Board Secretary, or by phone at (702) 747-4000. The information on the Company's website is not, and shall not be deemed to be, a part of this communication or incorporated into other filings either company makes with the SEC.

Participants in the Solicitation of Proxies

Jet.AI, flyExclusive, and certain of their respective directors and officers may be deemed participants in the solicitation of proxies from Jet.AI's stockholders in connection with the proposed transactions. Jet.AI's stockholders and other interested persons may obtain, without charge, more detailed information regarding the names and interests in the proposed transactions of Jet.AI's directors and officers in the parties' filings with the SEC, including Jet.AI's annual reports on Form 10-K and quarterly reports on Form 10-Q. Information regarding the persons who may, under SEC rules, be deemed participants in the solicitation of proxies to Jet.AI's stockholders in connection with the proposed transactions and a description of their direct and indirect interests will be included in the definitive proxy statement/prospectus relating to the proposed transactions when it becomes available. Stockholders, potential investors and other interested persons should read the definitive proxy statement/prospectus carefully before making any voting or investment decisions. You may obtain free copies of these documents from the sources indicated above.

No Offer or Solicitation

This communication is for information purposes only and is not intended to and does not constitute, or form part of, an offer, invitation or the solicitation of an offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the proposed transactions or otherwise, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. The proposed transactions are expected to be implemented solely pursuant to the legally binding definitive agreement, and which contains the material terms and conditions of the proposed transactions. No offer of securities shall be made except by means of a prospectus meeting the requirements of the Securities Act of 1933, as amended, or an exemption therefrom.

Forward-Looking Statements

This press release contains certain statements that may be deemed to be "forward-looking statements" within the meaning of the federal securities laws, including the safe harbor provisions under the Private Securities Litigation

Reform Act of 1995, with respect to the products and services offered by Jet.AI and the markets in which it operates, Jet.AI's projected future results, and Jet.AI's perception of market conditions. Statements that are not historical are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements relate to future events or our future performance or future financial condition. These forward-looking statements are not historical facts, but rather are based on current expectations, estimates and projections about our Company, our industry, our beliefs and our assumptions. These forward-looking statements generally are identified by the words "believe," "project," "expect," "anticipate," "estimate," "intend," "strategy," "future," "opportunity," "plan," "may," "should," "will," "would," "will be," "will continue," "will likely result," and similar expressions or the negative of these terms or other similar expressions, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements are predictions, projections and other statements about future events that are based on current expectations and assumptions and, as a result, are subject to risks and uncertainties that could cause the actual results to differ materially from the expected results. As a result, caution must be exercised in relying on forward-looking statements, which speak only as of the date they were made. Factors that could cause actual results to differ materially from those expressed or implied in forward-looking statements can be found in the Company's most recent Annual Report on Form 10-K and subsequent reports filed with the Securities and Exchange Commission. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Readers are cautioned not to put undue reliance on forward-looking statements, and Jet.AI assumes no obligation and does not intend to update or revise these forward-looking statements, whether because of new information, future events, or otherwise, except as provided by law.

Jet.AI Investor Relations:
Gateway Group, Inc.
949-574-3860
Jet.AI@gateway-grp.com

JET.AI

2/2/2026 8:30:00 AM