CXAI Reports 77% Sequential Revenue Growth to $3M in Q3 2026

November 4, 2026

Recurring revenue reaches 94% of total revenue, with EngineRoom integration supporting a $12 million-plus annualized revenue run rateCompany advances agentic AI product commercialization and reaffirms target of positive operating cash flow by Q3 2027

PALO ALTO, CA / ACCESS Newswire / November 4, 2026 / CXApp Inc. (Nasdaq:CXAI) ("CXAI" or the "Company"), an enterprise agentic AI platform company, today announced financial and operating results for the third quarter ended September 30, 2026.

The third quarter marked an important step in CXAI's transformation into a larger, highly recurring, capital-efficient AI software business. With a full-quarter contribution from EngineRoom, the Company achieved substantial sequential revenue growth while reducing its underlying operating losses.

Third Quarter 2026 Financial Highlights

- **Revenue increased 77% sequentially** to $3.005 million, compared with $1.694 million in Q2 2026.
- **Recurring revenue reached $2.815 million**, representing 93.68% of total revenue, compared with 91.91% in Q2.
- **Recurring revenue grew approximately 81% quarter over quarter**, with recurring revenue mix improving by 177 basis points.
- **Cash EBITDA loss narrowed to approximately $1.7 million**, compared with $2.7 million in Q2, representing a $1.0 million, or 37%, improvement.
- **EPS: Loss per share improved by $0.08, or 80% net reduction in loss, quarter over quarter**, declining from $0.10 in Q2 2026 to $0.02 in Q3 2026
- **Annualized quarterly revenue run rate exceeded $12 million**, reflecting the Company's expanded operating scale following the EngineRoom acquisition.

"Q3 represents an important operating inflection for CXAI," said **Khurram Sheikh, Chairman and Chief Executive Officer of CXAI.**

"We are generating significantly more revenue while reducing our underlying operating losses. We are not simply building a larger business. We are building a more scalable and financially sustainable AI software company. Our focus is on disciplined execution, with a clear target of achieving positive operating cash flow by the third quarter of 2027

"With EngineRoom now integrated into our business, we have expanded our customer reach from blue-chip enterprises into the mid-market, while strengthening our recurring revenue foundation.

"We believe our combination of enterprise customer relationships, vertical-market distribution and agentic AI technology creates meaningful opportunities for growth."

Expanding the Agentic AI Opportunity

CXAI continues to advance its strategy of building an **agentic operating layer** that helps organizations move beyond AI experimentation toward measurable business outcomes.

The Company's expanded capabilities bring together enterprise workplace intelligence, agentic workflow execution and EngineRoom's established mid-market relationships and specialized vertical-market expertise.

CXAI is focused on three complementary growth opportunities:

- **Enterprise expansion:** Building on established enterprise customer relationships and recurring software and services revenue.
- **Mid-market and vertical growth:** Leveraging EngineRoom's customer relationships and distribution capabilities to pursue specialized AI solutions.
- **Agentic AI commercialization:** Extending CXAI's product portfolio through Workplace AI, Flow, Beat and industry-specific

solutions designed to improve productivity and automate workflows.

The Company continued its customer wins this quarter including two Fortune 500 enterprise renewals and a multi-year, multi-million-dollar financial-services customer agreement this quarter besides strong mid-market customer retention and expansion.

CXAI Beat Advances Toward Commercial Launch

CXAI ***Beat*** has reached beta readiness, with initial user testing started this week after successful customer product demos in October. The product is designed to help software teams and business users identify pending work, prepare next steps and execute actions following human review and approval.

The company is targeting commercial go-live in January 2027, subject to successful testing and launch readiness.

Operating Efficiency and Path to Positive Cash Flow

CXAI is pursuing a capital-efficient software-led strategy that leverages existing cloud and AI infrastructure rather than requiring substantial investment in proprietary computing infrastructure.

Management's operating plan combines continued recurring revenue expansion with AI-enabled automation, shared technology infrastructure, streamlined delivery and disciplined cost management.

The Company continues to target **positive Cash EBITDA and positive operating cash flow by Q3 2027.**

Capital Structure and Financial Discipline

As previously announced, CXAI's Board authorized a share repurchase program of up to $1 million, and the Company entered into a conditional 90-day standstill agreement with financing partner Avondale Capital, LLC.

These initiatives are intended to support disciplined capital allocation and greater financial flexibility as the Company continues executing its operating plan.

The standstill is temporary and subject to defined conditions. Existing financing obligations remain outstanding, and potential dilution continues. Any share repurchases remain discretionary and subject to liquidity requirements, market conditions and applicable restrictions.

About CXApp Inc.

CXApp Inc. is an enterprise agentic AI platform company focused on helping organizations improve productivity, automate workflows and enhance business performance through artificial intelligence.

The Company's platform combines operational intelligence, analytics, workplace technologies and intelligent automation to deliver measurable business outcomes across enterprise and mid-market organizations.

CXAI serves customers across technology, financial services, healthcare, media and other industries while expanding its AI capabilities through both organic growth and strategic acquisitions.

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Forward-Looking Statements

This press release includes "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. The expectations, estimates, and projections of the Company may differ from its actual results and consequently, you should not rely on these forward-looking statements as predictions of future events. Words such as "expect," "estimate," "project," "budget," "forecast," "anticipate," "intend," "plan," "may," "will," "could," "should," "believes," "predicts," "potential," "continue," "target," "goal," or the negative or other variations thereof and similar expressions are intended to identify such forward-looking statements. These forward-looking statements include, without limitation, statements regarding the Company's targets of achieving positive Cash EBITDA and positive operating cash flow by the third quarter of 2027; the Company's annualized revenue run rate; the integration of EngineRoom; the timing of testing and commercial launch of CXAI Beat; the Company's share repurchase program and standstill agreement with Avondale Capital, LLC; expectations with respect to future performance of the Company, including projected financial information (which is not audited or reviewed by the Company's auditors), and the future plans, operations and opportunities for the Company and other statements that are not historical facts. These statements are based on the current expectations of the Company's management and are not predictions of actual performance. These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from the expected results. Factors that may cause such differences include, but are not limited to: a history of operating losses and the ability to achieve and sustain profitability, including the ability to achieve Cash EBITDA and cash flow targets; the ability to obtain additional financing on acceptable terms, and the dilution that has resulted and may result from existing and future financing arrangements, including issuances of common stock to Avondale Capital, LLC; the ability to successfully integrate completed and any future acquisitions, including EngineRoom, and to realize their anticipated benefits; the ability to retain existing customers, including major customers, increase sales to existing customers and obtain new customers; the ability to develop, launch and achieve market acceptance of new products and features, including CXAI Beat; competition in a rapidly evolving industry; the ability to attract and retain members of the management team and other key personnel; the ability to protect intellectual property; security breaches, cyber incidents and other disruptions affecting products and systems; changes in applicable laws or regulations, including data privacy laws; general economic, political and market conditions; and the ability to maintain compliance with Nasdaq's continued listing requirements, including the minimum bid price requirement. Additional factors are described under "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2025, filed with the Securities and Exchange Commission on March 30, 2026, and in its subsequent Quarterly Reports on Form 10-Q and other reports (including all amendments to those reports) filed with the Securities and Exchange Commission. The Company cautions that the foregoing list of factors is not exclusive. You should not place undue reliance upon any forward-looking statements, which speak only as of the date made. The Company does not undertake or accept any obligation or

undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in its expectations or any change in events, conditions, or circumstances on which any such statement is based, except as required by law. These forward-looking statements should not be relied upon as representing the Company's assessments as of any date subsequent to the date of this communication.

SOURCE: CXApp Inc.

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