EARNINGS CALL · THIRD QUARTER 2026

# Q3 / 26

# Transcript

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JOHN BERGER · CHIEF EXECUTIVE OFFICER
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*Prepared from the earnings call recording for clarity and readability. Substantive content and financial figures are unchanged.*

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## Participants

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John Berger · Chief Executive Officer

Jennifer Santoscoy · Chief Financial Officer

Jack Berger · VP, Technology & AI

## Analyst

Phil Shen · Roth Capital Partners

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**EDITORIAL NOTE** *Phil Shen of Roth Capital Partners asked his questions by voice. Questions submitted through the webcast's messaging feature were read by Rodney McMahan. Topic headings are editorial navigation and were not spoken aloud.*

# Prepared remarks

SLIDES 1–2

## Opening & Disclaimer

**RODNEY MCMAHAN · INVESTOR RELATIONS**

Good morning, and welcome to Otovo's third quarter 2026 results presentation. Presenting today are John Berger, Chief Executive Officer, and Jennifer Santoscoy, Chief Financial Officer. Before we begin, please review the disclaimer on slide 2. Today's presentation contains forward-looking statements that involve certain risks and uncertainties; actual results may differ materially. I'll now turn the call over to John.

SLIDES 4–5

## Introduction and Q3 26 Highlights

**JOHN BERGER · CHIEF EXECUTIVE OFFICER**

Thank you, and good morning. I will start with the business highlights from the quarter and why we believe Otovo sits right where three long-term growth trends meet. Jennifer will then take you through the financial results, before I come back to cover our outlook, including our 2027 targets. Then we will open for your questions.

The third quarter marks the completion of the final phase of Otovo's transformation into an AI-enabled energy services platform.

There are four things I want you to take away today.

First, strong growth in Field Services. Field Services revenue grew 70% from the second quarter, and the momentum has carried into the fourth quarter. In October we completed an estimated 4,049 service work orders, at an average of $760 per order and an estimated gross margin of 52%.

Second, AI-led cost reductions. Adjusted opex was down 26% from the second quarter, and down 45% from the same quarter last year. Endurance is what makes this possible. It lets us cut SG&A further while taking on more work orders, and that gives us real scale advantages and operating leverage.

Third, acquisitions. We have closed eight acquisitions since December 2025, and anticipate additional acquisitions to close by the end of the year for those companies that fit the Otovo model.

Fourth, our 2027 targets. We expect to generate approximately $120 million of revenue and approximately $36 million of adjusted EBITDA. That is built on an assumption of 14,200 service work orders a month at $700 per order and a 50% gross margin, with SG&A expected to be between $1.75 million and $2.15 million a month.

And the milestone that ties this together: Otovo has been adjusted EBITDA positive from September 2026. That is a target we set ourselves in the second quarter, and we have delivered it.

SLIDE 6

## Three Secular Investment Theses

**JOHN BERGER · CHIEF EXECUTIVE OFFICER**

I want to remind you why we are so excited about this business. Otovo sits where three long-term trends meet, and each one reinforces the others.

The first is power. We are in a long-term, global bull market in behind-the-meter power, driven by AI, electrification, data centers and reshoring.

The second is consolidation across service industries. Home services – HVAC, pool, pest, plumbing – are consolidating for scale. Our market has a particular gap: there are more than 37 million behind-the-meter power installations across Europe and the United States, and after a wave of installer bankruptcies, more than 13 million of these customers have no one to call.

The third is AI. Applied AI is the next phase of this megatrend, and it is driving major productivity gains in services. Otovo turns this into margin through Endurance: lower cost for us, and easier communication and quicker service for the customer.

SLIDE 7

## Market Opportunity

JOHN BERGER · CHIEF EXECUTIVE OFFICER

The service gap in which we operate is real. We estimate that around half of the residential solar installers operating in 2020 have gone bankrupt or left the industry. That leaves millions of homeowners with no one to call when their systems fail. Across the US and Europe, that is more than 13 million orphaned customers, and an annual service market of more than $60 billion.

The market is also fragmented and primed for consolidation. In the US alone, we estimate there are around 300 service-only companies and more than 10,000 installers with some sort of service operation. Most of them run expensive software stacks and serve only their local market. Valuations are depressed, which makes this an ideal environment for us to buy.

SLIDE 8

## Growth Strategy

JOHN BERGER · CHIEF EXECUTIVE OFFICER

We have three growth channels.

First is M&A. We buy local service companies, which gives us vans, technicians and customer contracts in one step. We also buy customer books from failed installers at cents on the dollar. After closing, we deploy Endurance to cut software, dispatch and call-center costs.

Second, OEM and asset-owner deals. We lock in OEM service partnerships across our footprint and sign multi-country contracts. Every new geography adds value to the OEM relationships we already have.

Third, direct organic growth. We have a legacy base of 1.9 million customers inherited from predecessor brands, and it grows with every acquisition. We market directly into that base and convert customers to Otovo Care memberships, upgrades and retail power.

SLIDE 9

## Endurance™: Otovo's AI-Native Operating Platform

JOHN BERGER · CHIEF EXECUTIVE OFFICER

Endurance is our own AI-native operating platform, and it pulls two levers at once.

The first lever is more revenue per technician. AI scheduling packs routes and lifts fleet utilization. We have seen an increase of more than 30% in truck rolls per technician per day.

The second lever is a lower cost base. Automation takes out manual work in sales, operations and back office. Adjusted opex in the third quarter of 2026 was 45% lower than adjusted opex in the same quarter last year.

Put together, this changes the margin profile of the business. The service industry today runs at an EBITDA margin of around 15%. We believe Endurance adds at least 15 percentage points from cost avoidance and scale, taking Otovo to above 30%.

With that, I'll hand over to Jennifer for the financial results.

SLIDES 10–11

## Q3 26 Highlights

JENNIFER SANTOSCOY · CHIEF FINANCIAL OFFICER

Thank you, John. Let me start with the overview.

Revenue in the third quarter was $9.7 million, down 3% from the second quarter. But the mix is what matters. Field Services revenue grew 70% to $5.6 million, on organic growth, higher technician utilization and the consolidation of SST. Newbuild fell 44% to $3.4 million, due to the planned wind-down of the segment. Service revenue – Field Services and Recurring together – is now about two-thirds of group revenue, up from around 40% in the second quarter.

On gross profit, Field Services grew 67% from the second quarter, to $2.5 million. At group level, gross profit was $2.4 million, which includes a negative $0.8 million from Newbuild as a result of the write-off of inventory in connection with the wind-down of the Newbuild business, combined with a prior-period adjustment relating to a warranty accrual in the Italian subsidiary. As Field Services becomes a bigger share of the business and the Newbuild drag falls away, we expect group gross margin to improve.

Adjusted opex was $5.6 million. That is down 26% from the second quarter, even after adding $0.4 million from SST, and down 45% from the third quarter of last year. Lower customer acquisition costs and organic cost cuts more than offset the consolidation of SST.

That takes adjusted EBITDA to minus $3.2 million, an improvement of $1.2 million from the second quarter and $2.9 million from the same quarter last year. Reported EBITDA was minus $9.1 million, after $5.9 million of add-backs. The largest items are $2.4 million of dual-listing costs, $1.2 million of M&A and restructuring costs, and $1.7 million of non-cash items. You will find the full reconciliation in the appendix.

Most importantly, adjusted EBITDA has been positive from September.

SLIDE 12

## Field Services: More Jobs at Higher Prices

JENNIFER SANTOSCOY · CHIEF FINANCIAL OFFICER

This slide shows what is driving Field Services. Revenue is simply work orders times revenue per work order, and both are moving in the right direction.

We grew through the third quarter and continued into the fourth quarter. As the numbers on this slide show, October alone was more than half of Field Services revenue for the whole third quarter. October also includes only a partial month of PV Hawaii.

Gross margin is moving the same way in all months, as technicians have moved from training to billable work.

SLIDE 13

## AI-Enabled Adjusted Opex Reductions

JENNIFER SANTOSCOY · CHIEF FINANCIAL OFFICER

On costs, total adjusted opex fell by $2.0 million, or 26%, from $7.6 million in the second quarter to $5.6 million in the third quarter. Compared to Q3 of 2025, adjusted opex declined $4.6 million, or 45%.

Organic opex – the businesses we already owned – fell from $6.5 million to $5.2 million, down 20%. Inorganic opex, from businesses consolidated for the first time, was $0.4 million in the quarter, compared with $1.1 million in the second quarter.

That means we are already running at around $1.9 million a month, inside the $1.75 million to $2.15 million a month that our 2027 target is built on. And that is before the savings from the SaaS contracts we have terminated, which are still booked as costs today.

SLIDE 14

## Every 1,000 Extra Work Orders a Month

JENNIFER SANTOSCOY · CHIEF FINANCIAL OFFICER

This slide is, for me, the most important one in the deck, because it shows how the model scales.

At October's numbers, each work order brings in $760 of revenue and $395 of gross profit. So every additional 1,000 work orders a month adds $0.76 million of revenue and $0.40 million of EBITDA a month. Annualized, that is $9.1 million of revenue and $4.7 million of EBITDA.

The key point is that none of our opex scales with volume. Endurance runs dispatch, scheduling, quoting and customer service, so the back-office cost base stays flat as we add technicians. The business is also asset-light: no capitalized costs and limited working capital, so incremental EBITDA turns into cash. And the same math applies to the work orders we acquire, once those businesses are on Endurance.

SLIDE 15

## Balance Sheet

JENNIFER SANTOSCOY · CHIEF FINANCIAL OFFICER

Turning to the balance sheet. Cash was $3.7 million at the end of September, compared with $3.8 million at the end of the second quarter. After the quarter, we raised $2.9 million of equity in October, and we expect another $2.4 million from asset sales. With that, our business plan is fully funded.

Other current liabilities were $22.2 million, up $5.3 million. This includes $8.1 million of trade payables, as well as our EUR 1.5 million credit facility, which has been reclassified from non-current, with no cash effect. Remaining interest-bearing debt is $0.5 million. Non-current assets came down $5.2 million, driven by the EDEA write-down.

With that, I'll hand back to John.

SLIDES 16–17

## Technician Growth Leads to Revenue Growth

JOHN BERGER · CHIEF EXECUTIVE OFFICER

Thank you, Jennifer. Let me finish with where we are heading.

Technicians are the engine of this business. More technicians mean more work orders, and with Endurance, more work orders do not mean more back-office cost.

We started the year with 13 technicians. In early November we had 129. By year-end, we are targeting capacity of around 300 to meet surging demand in our field services business.

SLIDE 18

## 2027 Targets

JOHN BERGER · CHIEF EXECUTIVE OFFICER

That brings me to our 2027 target. We are targeting approximately $120 million of revenue and approximately $36 million of adjusted EBITDA in 2027, an adjusted EBITDA margin of around 30%.

The model is simple, and you can check it yourself. We assume 14,200 service work orders a month, at $700 per work order and a 50% gross margin. Note that both the price and the margin are below what we delivered in October. That gives Field Services revenue of around $10 million a month and gross profit of around $5 million a month. Against adjusted SG&A of $1.75 million to $2.15 million a month, that is adjusted EBITDA of $2.8 million to $3.2 million a month, or $34 million to $39 million for the year, with a midpoint of around $36 million.

This is a Field Services case only. It excludes Newbuild or projects, and it excludes potential CEO compensation, which depends on the company maintaining positive adjusted EBITDA.

SUMMARY

## Summary

JOHN BERGER · CHIEF EXECUTIVE OFFICER

To sum up: now that Otovo has completed its transformation into an AI-enabled energy services platform, it is time to build on our success. Field Services revenue grew 70%, adjusted opex fell 26% in a single quarter, and we have been adjusted EBITDA positive from September. October was our strongest month yet, with more work orders, higher prices and higher margins. As we approach the end of 2026, our focus remains on hiring service technicians to meet the strong demand we see in field service work, closing the right acquisitions to help us achieve our goals, and cutting costs utilizing our Endurance platform.

Thank you for listening. If you'd like to ask a question, please use the messaging feature.

# Question-and-answer session

**JACK BERGER · VP, TECHNOLOGY & AI**

At this point, we're going to take questions. We'll start off with Phil Shen.

TOPIC 01

## Return on capital

**PHIL SHEN · ROTH CAPITAL PARTNERS**

Hi, everyone. Can you hear me okay?

**JOHN BERGER · CHIEF EXECUTIVE OFFICER**

Yes. Hey, Phil, it's John.

**PHIL SHEN · ROTH CAPITAL PARTNERS**

Hey, John. Hey, Jack. Great job on the execution here and on laying out the unit economic model. You've given us this guidance for 2027, your outlook, and it seems like SG&A stays very flat as you grow aggressively. With the 50% gross margin, I was wondering if you could talk through what kind of return on capital that could lead to for 2027 and beyond. It seems like we get to pretty high numbers here, so if you could comment on that, that'd be great. Thanks.

**JOHN BERGER · CHIEF EXECUTIVE OFFICER**

Yeah, Phil, thanks for the question. I think you're right. Very clearly, the return on capital is going to be enormous. After we complete the EDEA transaction, we will have no debt except for a few hundred thousand dollars of van debt, and that's about it. So the company is almost completely unlevered. And when you look at the earnings profile relative to the market cap, it's eye-popping, to say the least.

So given where we are right now and the trajectory, we feel that the returns on capital, even at a fraction of what we laid out here – and going back to the execution we demonstrated in our monthly operating report for October, and what we're seeing so far in November towards completing Q4 – make the investment thesis from a shareholder's perspective pretty compelling, to say the least. I'm the largest shareholder. In fact, I'm not aware of anything else that looks this way return-wise.

We will continue to maintain the discipline on SG&A. We will continue to cut where we see opportunities with AI, with Endurance, and we will then reinvest those proceeds into our B2C marketing to continue our growth there, or take that in savings and further add to adjusted EBITDA. And I look forward to not adjusting EBITDA after our listing in the US. We can go through the numbers, if you want, on the amount of money we need to invest in the listing process. But after that, and after any other deals – and we're comfortable with the outlook for the transactions we've identified, or a like substitute – I think we can just look at EBITDA from then on, because the adjustments are primarily dual-listing and deal costs.

TOPIC 02

## Growth by channel and OEM partnerships

**PHIL SHEN · ROTH CAPITAL PARTNERS**

Great. Thanks, John. In terms of the growth strategy slide, slide number eight, you laid out three channels for growth. Can you give us a feel for 2027 growth versus 2026? How much of the volume comes from M&A versus OEM versus direct acquisition – so the mix of incremental new customers by channel? And secondly, John, maybe dive a bit deeper into the OEM channel and give us some color on who you partner

with, if you can talk about anybody publicly now, and maybe even the mix within that channel. When I think of that channel, I think of Enphase, SolarEdge, maybe Tesla and other inverter companies. What does that mix look like? Thanks.

**JOHN BERGER · CHIEF EXECUTIVE OFFICER**

Certainly. Probably the easiest way for folks to look at this is to go back to the October monthly operating report, where we lay out the number of technicians, and we just gave an update on where we are. I'll get into B2B with the OEMs and the asset managers in a moment – that is another big category for us, business-to-business customers that have been highly successful in terms of growth. But we have 129 technicians today, and we see line of sight pretty easily. Many techs are already in a backlog of about 200 for the United States. We see line of sight on organic recruiting of at least 30 techs in Europe, or they're already on staff. And then we have about 112 techs from the acquisitions – that's maybe a little too precise. You add all those up, and somewhere in the range of 325 to 375 is our estimate of the techs needed for 14,200 work orders a month. If you add 112 plus 30 plus 200, about 342 is about the midpoint of that range.

So the vast majority of what we see today is organic hiring that we already have line of sight to, and roughly a third is on the acquisition side. Again, we have line of sight on those acquisitions and expect them to close in the coming weeks.

In terms of B2B, we cannot disclose names; we don't have permission from anybody to do that, so unfortunately I can't. But you know this industry probably better than most, Phil, so I think you've got a pretty good idea of who those folks are. They're valued customers, and as we continue to open more geographies, we're getting more and more of that business. Right now, as the October monthly operating report said, we continue to generate more work orders than we close in a week or a month. We do expect to start chewing into our backlog this month, and next month for sure, as the holidays set upon us, and with the weather. But we continue to see huge amounts of demand for service work across the world, and there really is nobody of scale other than Otovo that can do this work.

**TOPIC 03**

## Customer service quality

**PHIL SHEN · ROTH CAPITAL PARTNERS**

Thank you, John. The next question is on the quality of customer service. Ultimately, your business can succeed only if customers appreciate, value and receive good quality in the service they get from you. As you transition to an AI-dominated platform, how do you ensure quality at a high level? I think you have metrics that you measure, customer satisfaction and so forth. I was wondering if you could give us the trends on those numbers and talk about your philosophy around how you ensure high-quality service. Thanks.

**JACK BERGER · VP, TECHNOLOGY & AI**

Hey, this is Jack here. When designing Endurance – when we look at the old Otovo versus the new Otovo – we emphasize extremely rapid response to customers. On text and email, a lot of times that means AI, and on the phone that means AI as well. But a lot of what we've seen is that customers get their issues resolved with a callback, a physical callback, and we emphasize that through and through. We are emphasizing customer support at every single step, and rapid customer support, because whether your response is AI or human is somewhat immaterial if it doesn't resolve your issue, or if it comes two weeks late, which is what we were looking at in the past.

Going forward, we really see that AI is allowing us to respond to customers within five minutes, consistently. Our internal metrics on customer satisfaction are up and to the right, and we're extremely obsessed with this. I check it every day on Endurance when we come in. We're extremely customer-obsessed here.

**JOHN BERGER · CHIEF EXECUTIVE OFFICER**

And to add to that, Phil, this is John. Look, the sheer amount of demand that we have for our services does sometimes lead to longer service lead times. We are working on that, namely by hiring aggressively in both the US and Europe, as I just laid out. And second, wrapping up the cash install business in Europe in particular will, I think, solve a lot of customer angst and issues, as that business was quite challenged and we never wanted to be a part of it. We've been able to shut it down, and we'll wrap those up and take care of those customers as fast as we can.

**TOPIC 04**

## Endurance and competitive advantage

**PHIL SHEN · ROTH CAPITAL PARTNERS**

Okay. Thanks, John and Jack. As it relates to AI, cynical folks might say that everybody has access to AI, that computer science and software have been democratized, and that anybody can build this platform. What makes this so hard to do? We've talked through some of this in the past, but an update would be very helpful: what is your moat, and how do you maintain it if everybody can build the software that's behind Endurance?

**JACK BERGER · VP, TECHNOLOGY & AI**

There's a difference between the software and the operations. Here at Otovo, Endurance is the operations of the company directly, which allows us to do a lot of things fully automated. But when we're talking about building software with AI and redesigning processes with AI, you can't take an existing process, add AI to it and hope it works. We've tried it before, and I promise you it doesn't work. We've had to redesign entire processes to be able to handle this.

That gives us a significant moat as well, because a lot of these are very hard-fought lessons that are impossible to learn without going through the actual operations. The code itself and the platform – that will be done with AI completely. But the operations with this software are completely different, and I think a lot of people will struggle immensely getting there with just any regular AI, without going through a lot of our learnings on the operations processes.

**JOHN BERGER · CHIEF EXECUTIVE OFFICER**

Phil, this is John, and I would add to that: it takes time to be able to put something like this together. We may end up being the only company, at least that I'm aware of, that has an end-to-end enterprise tech stack of its own. We've got a couple of other modules to do, namely a piece on the HR side, and we're even talking to you today on Endurance. We've displaced the software, and saved the cost for shareholders, even for holding our earnings calls; this is the second earnings call we've held on our Endurance system.

So this is quite complex. It takes the special talent that Jack and his team have put together, and special domain knowledge, to really understand how to do it, put the operations in place and configure the entire company – both with the machines, with AI or superintelligence, however you want to term it, and with

humans. It is not easy to do, and the integration of the acquisitions is not easy to do. So we feel we have quite a big lead, to say the least, in putting together a company that is more efficient than anybody out there, and not by a small amount.

TOPIC 05

## Cost discipline

**PHIL SHEN · ROTH CAPITAL PARTNERS**

I think it takes courage to execute on this. There are a lot of hard decisions that come with it as well, right, John? It's easy to bring in software, but then you have to make some tough decisions in terms of SG&A, opex and headcount. Is there something you want to say about that?

**JOHN BERGER · CHIEF EXECUTIVE OFFICER**

You are correct. We've continued to shut down offices as we've acquired companies. We want to be really lean and focus all of our resources on our valuable technicians in the field: continue to pour more resources, in the form of human resources, into recruiting and retaining those technicians, and do whatever we can to limit overhead cost. So we are very ruthless on costs, in the sense that we are constantly looking to figure out how we can not spend money on SG&A. I think the results speak for themselves.

And I would remind you that Jennifer made a comment in her prepared remarks: of the SG&A you're seeing there, a chunk – SaaS software, payroll, offices and other SG&A – has already been cut. But you're seeing that in the rear-view mirror. I would encourage shareholders to really think about where we are today, because right now our SG&A for October, for instance, is lower than the average for Q3. That is why September is positive in adjusted EBITDA, and that's why we have so much confidence in positive EBITDA in Q4 and beyond. So a lot of what we've been doing is very much in the rear-view mirror, and you'll start to see it come out in the wash. The reason we do the monthly operating reports is that we cannot report our progress and success to you fast enough, so we're endeavoring to get that information out to shareholders in a faster time frame.

TOPIC 06

## Software packages removed

**PHIL SHEN · ROTH CAPITAL PARTNERS**

Thanks. On that, we hosted a webinar with you and Jack maybe four or five months ago, and in that webinar you had a slide that highlighted the SaaS graveyard, to use that term. On that slide, I think at least 20 to 25 packages had been dropped from your system, and there might have been a total of 50 that you were working to eliminate from the platform. There are some notable names there – AWS, Box, Dropbox, DocuSign, et cetera – and you could probably add this conference call software from today; I don't know what the brand name there is. What's the latest count of SaaS packages, or software packages, that have been removed from the platform? I have another question after this, but let's talk about this first. Thanks.

**JACK BERGER · VP, TECHNOLOGY & AI**

The best estimate we have is above 70. I will say the progress in AI models has surprised even us. We have very optimistic views of the future on this, but it continues to defy the curve, and it doesn't look like it's slowing down, according to what we see. We've cut out more than we expected, by a long shot. My internal predictions of what we would be able to cut keep getting one-upped by the reality of our situation and the reality of what the models look like in Q4 and Q1 and beyond.

TOPIC 07

## Bare metal infrastructure

**PHIL SHEN · ROTH CAPITAL PARTNERS**

Thanks, Jack. There's a term I recently learned from John called "bare metal." Can you walk us through what that means, how it might be a trend for others, and how you are perhaps leading that trend? Thanks.

**JACK BERGER · VP, TECHNOLOGY & AI**

There are different layers to the SaaS and expense stack. One layer is the SaaS software itself – your Salesforce, your HubSpot, what have you. Then you have your AWS, your Google Cloud, your Oracle Cloud, anything like that. And below that are the actual computers. So there are multiple layers, and companies have been built on top of each of them. We are at the bare metal: we own the computers, we own the rack, we own every single part of this, and we built our system right on top of that.

That's very important for cost savings, because part of the reason SaaS has worked so well is that these companies aggregate huge compute contracts. So even if you are building your own software – and you have all these companies building their own software now – if you don't go all the way down to the bare metal, you often don't get most of your expense returned to you. We started day one, back in June of 2025, with this in mind, and it's gone pretty well for us.

**PHIL SHEN · ROTH CAPITAL PARTNERS**

And is this a trend you're seeing with others? And from a percentage-of-savings standpoint, how much does bare metal give you, versus not going after bare metal but still employing AI?

**JACK BERGER · VP, TECHNOLOGY & AI**

We're starting to see really big banks do this – your JPMorgans of the world, Jane Street and the like – that are doing their own compute, or have done it for a while. But I haven't seen anyone at our market cap size, anyone below a pretty significant amount of capitalization. This has been incredibly important to us. For our hardware in the US, estimated AWS prices would be about $50,000 to $60,000 a month, and our purchase price has been a one-time cost of around $20,000. So it is a very, very dramatic difference, and as we add more customers, add more users and monitor more systems, that advantage compounds. It doesn't shrink.

I will say it is by far the hardest part of what we do on the AI side, building our own system down to the bare metal. It also gives us much greater security. We can monitor our own systems, we can see everything coming in, and we have very granular control over them – versus a case where another system in AWS is hacked at the root and we can't really control that. Here, we control every aspect of it, down to who enters the room we have the servers in.

TOPIC 08

## Infrastructure cost and redundancy

**PHIL SHEN · ROTH CAPITAL PARTNERS**

Jack, I just want to echo back what you just said. Building the hardware and platform that your AI Endurance platform runs on cost you $20,000, one time. That compares with what would be $50,000 a month in the marketplace, or $600,000 a year on a recurring basis – and that could go higher or lower, depending on supply and demand. It's just a stark contrast. Can you confirm that? And when you think about these large cloud providers, you think of redundancy and security. You just addressed the security part, but from a redundancy standpoint, are you able to match what they provide?

**JACK BERGER · VP, TECHNOLOGY & AI**

Absolutely. This is a great question, and we get questions on data security as well – I know you didn't ask, but I'll volunteer it. We have four layers of backups. We have compliance backups. We have multiple regions that we've built, because we operate in Europe and the US, and we will be expanding our fleet as we grow.

Part of that, too, is that we're a very physical business. We have warehouses to put this equipment in. So we have a unique advantage: we already have a warehouse, it already has power going to it, and we have technicians to handle the power. That's a very unique position, so we can get that and also get the data security. I think we go much further than you normally would with a cloud provider, because we are very focused on how good the architecture is.

**PHIL SHEN · ROTH CAPITAL PARTNERS**

And on the cost again, can you just confirm the annual cost versus your one-time cost?

**JACK BERGER · VP, TECHNOLOGY & AI**

It's actually probably a little more than $50,000 a month, but that's a pretty good estimate.

**JOHN BERGER · CHIEF EXECUTIVE OFFICER**

About 60.

**PHIL SHEN · ROTH CAPITAL PARTNERS**

So, back of the envelope, that would be about three-quarters of a million dollars compared with your $20,000. Wow. Non-trivial. I think that does it for me, guys. Keep up the good work; this is going to be a very fun story to follow. Thank you.

**TOPIC 09**

## Cash position and path to positive cash flow

**RODNEY MCMAHAN · INVESTOR RELATIONS**

Thank you. Now we have a few questions that have come through the chat. The first one: "You had NOK 35 million in cash at the end of September, and your operating cash outflow was NOK 58 million in the third quarter. How much cash do you have today, and when do you expect the company to become cash flow positive without raising additional equity?"

**JENNIFER SANTOSCOY · CHIEF FINANCIAL OFFICER**

Thank you. We ended September with about $3.7 million in cash. Since then, we've added $2.9 million from the October placement, and we expect an additional $2.4 million from the EDEA sale in December. While we don't give intra-quarter cash balances, I would say that those steps fully fund our current business plan.

Regarding the outflow, the $6 million in the third quarter is not really our run rate. It includes significant cash costs that we don't expect to occur at that level, specifically related to dual listing, M&A, restructuring and severance. The business has been adjusted EBITDA positive from September, and because Field Services carries little working capital and almost no capex, you should expect that, as we turn into the new year, EBITDA will be indicative of what cash looks like as these one-time items roll off.

TOPIC 10

## Sources of 2027 work-order growth

**RODNEY MCMAHAN · INVESTOR RELATIONS**

Thank you, Jennifer. Next question: "Your 2027 target assumes 14,200 monthly service work orders, compared with approximately 4,000 in October. How much of that increase is expected from acquisitions already completed or under agreement, and how much depends on additional acquisitions or organic growth?"

**JOHN BERGER · CHIEF EXECUTIVE OFFICER**

I'll take this; this is John. It goes back to my previous answer on the technician side of things. If you look at the number of techs we have today and the number we expect from organic hiring, versus the number we expect from inorganic – the acquisitions, or like acquisitions – roughly a third of our growth is expected to be inorganic and two-thirds organic at this point in time. And again, to highlight what Jennifer said, we have a fully funded plan in terms of the acquisitions. There may be one or two other deals we'd be able to do after the listing in the US, but for the most part, we feel we can hit this target with what we have, mostly with the organic growth we have been experiencing and seeing.

TOPIC 11

## Membership and Newbuild contribution

**RODNEY MCMAHAN · INVESTOR RELATIONS**

Next question: "Your 2027 financial target excludes Membership and Newbuild, while you also highlight significant membership growth opportunities in both Europe and the US. Can you quantify the expected contribution from these businesses in 2027, and clarify whether the planned acquisitions and US dual listing can be financed without substantial additional share dilution?"

**JOHN BERGER · CHIEF EXECUTIVE OFFICER**

I would say that membership and projects are included in the earnings forecast. We're taking a very conservative view on membership. It's roughly three-quarters of a million dollars of cash a quarter, and we just assume that, although we are growing membership, and projects are a little bit on top of that. We've basically been very conservative in this forecast and consider that to be extra, in terms of the membership cash and the project cash. So we feel the best job we can do on the forecast and on execution is to focus on the core work-order business and let the other two lines of business generate additional cash, to make up any potential shortfall or increase what we've laid out here.

TOPIC 12

## M&A pace and financing

**RODNEY MCMAHAN · INVESTOR RELATIONS**

Thank you, John. Next question: "Given that M&A remains your primary growth strategy, should investors expect acquisitions to continue at the current pace throughout 2027? How do you intend to finance these acquisitions, and what safeguards do you have in place to ensure that growth creates value per share rather than primarily increasing the number of outstanding shares?"

**JOHN BERGER · CHIEF EXECUTIVE OFFICER**

The purpose of the US listing is to raise capital for additional acquisitions. We have quite a robust pipeline in the backlog, so if anything ever happens to a deal, we can pull another deal up in any part of the world. We're primarily interested in a lot of the commercial business and growing that in the United States, and in acquiring companies to build out the platform we have in Europe. There may be some other

opportunities elsewhere, but right now we're happy with what we've got. We're going to move forward on the US listing, and at that point in time – whenever that occurs – we can talk about shifting gears and starting to acquire again. But at this point, I think we've identified the targets, we have what we need, and we're seeing a lot of organic growth.

TOPIC 13

## Operating cash flow and liquidity

**RODNEY MCMAHAN · INVESTOR RELATIONS**

Thank you, John. Next question: "You achieved positive adjusted EBITDA in September, but operating cash flow was still significantly negative in Q3. When do you expect to become operating cash flow positive, and do you believe your current liquidity is sufficient to reach that point without additional equity financing?"

**JENNIFER SANTOSCOY · CHIEF FINANCIAL OFFICER**

Sure, this is Jennifer. There's a pretty big difference between the two, and again it's the items that we adjust for. Q3 operating cash flow was minus $6 million, and that includes cash we spent on dual listing, M&A, restructuring and severance, all of which sits outside adjusted EBITDA. The quarter as a whole was still loss-making on an adjusted EBITDA basis; only September was positive, which we expect to continue.

From here, two things really close the gap. Adjusted EBITDA grows as we add technicians, and since the back-office costs stay flat, we expect that to translate into cash flow. And the one-time items we have identified for you are going to fall away, with opex expected to be lower again in the fourth quarter, as John mentioned. Field Services carries very little working capital and almost no capex, so operating cash flow should follow adjusted EBITDA through 2027.

On liquidity: with the $3.7 million we ended the quarter with, the $2.9 million we raised in October, and about $2.4 million we expect from the EDEA transaction completing in December, our business plan is fully funded.

TOPIC 14

## SG&A run rate exiting 2026

**RODNEY MCMAHAN · INVESTOR RELATIONS**

Thank you, Jennifer. Next question: "What monthly adjusted SG&A run rate do you expect to exit 2026 with, after the remaining SaaS cancellations, layoffs and office closures?"

**JOHN BERGER · CHIEF EXECUTIVE OFFICER**

We've laid out our expected range for SG&A. We are running towards the low end of that range at this point in time, and we have line of sight on further reductions in spending, as I laid out in answering a prior question. We are also seeing a lot of opportunity to increase the B2C marketing budget to go towards meeting the growth targets, which answers a couple of the questions on the growth targets. So I would assume we fall within that range. I personally use something around $1.92 million per month, and that's inclusive of our B2C marketing.

So whatever we can cut and then use intelligently to grow the business profitably on the B2C side, we will do. This is a range we feel pretty comfortable in, and we'll maintain the discipline to stay within it, even with acquisitions. There may be a blip up as we do an acquisition, but we'll make the associated cuts and get back into that range very quickly.

TOPIC 15

## Technician assumption in the 2027 target

**RODNEY MCMAHAN · INVESTOR RELATIONS**

Thank you, John. Our final question: “An average of 14,200 work orders per month gives less than 400 operators on average in work for 2027. What holds you back from assuming a higher number?”

**JOHN BERGER · CHIEF EXECUTIVE OFFICER**

Well, look, the demand is clearly there for a much higher number. Look at the market size: roughly a $50 billion a year market, as estimated by very well-informed third parties. Candidly, what we have heard over and over again is that we’re underestimating the market quite a bit. We’ve said the number of installs is roughly 37 million in Europe and the United States, behind the meter, residential and commercial; we are hearing it would be well in excess of 40 million. So the total addressable market is not the problem. The challenge is to continue to execute.

And as we execute towards what we’ve laid out, or even a fraction of it – just look at what we’re doing right now – it is an extremely compelling case. We feel very proud of what we’ve been able to accomplish very quickly. The transformation from the old Otovo to the new Otovo is now here, and now it’s a question of how much money we can generate and how much growth we can generate on a forward basis. We look forward to proving that out and getting us as high as we can for shareholders.

One other comment I’ll tack on here: we’re very pleased to have a new Chief Operating Officer join us. He brings a wealth of experience in service, global service operations and OEM relationships, so we know he can bring a lot to the table. We’re quite excited to welcome him in the coming weeks and months, and we look forward to growing the business strongly with him on the leadership team.

CLOSE

**RODNEY MCMAHAN · INVESTOR RELATIONS**

Thank you, everybody, for joining us today. This ends our call for the third quarter.