MONTHLY LENDER AND BOARD PACKAGE

Halvorsen Mechanical Services, Inc.

September 2026 · Period ended September 30, 2026

Prepared for Northfork Equity Partners and lenders under the Credit Agreement

Source systems: NetSuite, First Meridian Bank, CRM

$ in thousands unless noted

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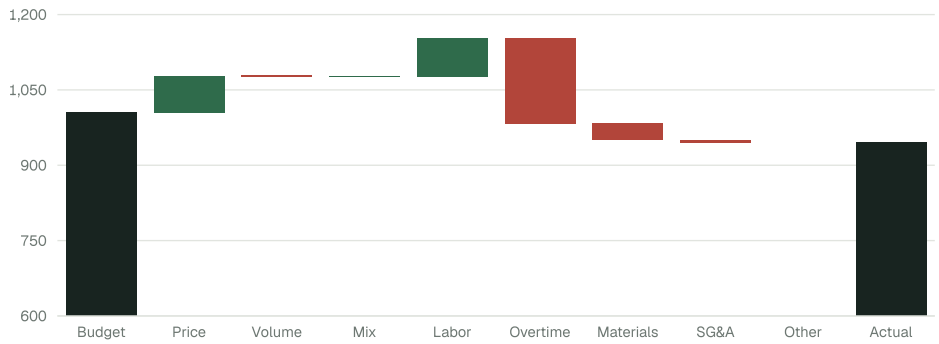
September 2026 Overview

Halvorsen Mechanical Services, Inc. · Closed September 30, 2026 · $ in thousands unless noted

Revenue (Sep)	Adj. EBITDA (Sep)	YTD revenue	YTD Adj. EBITDA
$5.49M	**$0.95M**	**$45.8M**	**$8.2M**
+$65K vs budget · 10.3% vs PY	($60K) vs budget · 17.2% margin	($283K) vs budget · 4.6% vs PY	+$76K vs budget

Gross margin	DSO	Project backlog	Total net leverage
31.3%	**43.3 days**	**$14.0M**	**3.97x**
−1.8 pts vs PY · Project GM 19.1% (PY 24.7%)	+2.7 days vs Aug · June 37.1	+33.8% vs Sep 2025	1.03x headroom · Max 5.00x · liquidity $15.0M

Adjusted EBITDA bridge, September: budget to actual $000s

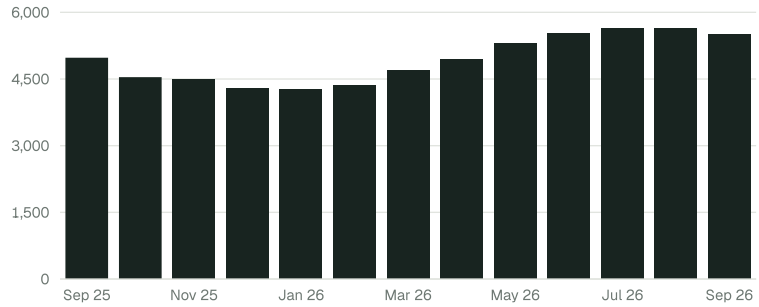


What drove September

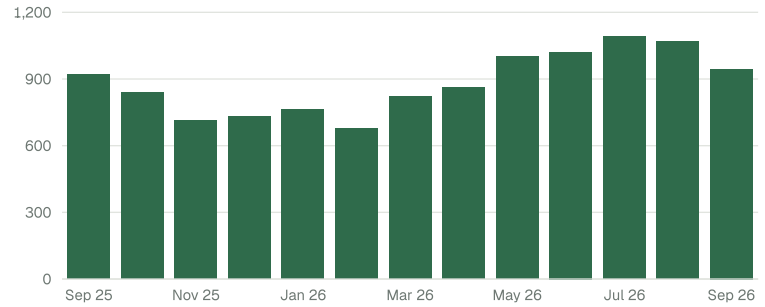
Overtime was $288K vs. budget $119K, ($170K) (143.1%) unfavorable. Service and Repair accounted for $100K of the overrun. Technician turnover in Q2 (16 departures; headcount fell to 222 in June from 236 in March) left summer demand covered with overtime: OT ran 22.0% of straight-time labor in September vs. 8.5% normal. Utilization rose to 85%.

Adjusted EBITDA was $945K vs. budget $1,005K, ($60K) (6.0%) unfavorable. Bridge from budget: overtime ($170K); labor $76K; price $74K; materials and subs ($33K).

Revenue, trailing 13 months $000s



Adjusted EBITDA, trailing 13 months $000s



Financial Statements

Consolidated: Halvorsen Holdings LLC and Halvorsen Mechanical Services, Inc. · $ in thousands

Income statement $000s · Actual / Budget / Prior Year

	September 2026					Year to Date					LTM	
$000s	Actual	Budget	Var $	Var %	Prior Year	Actual	Budget	Var $	Var %	Prior Year	Actual	Prior Year
Maintenance Contracts	2,179	2,118	61	2.9%	1,893	18,687	18,226	461	2.5%	16,820	24,471	22,336
Project Installations	1,926	1,940	(14)	(0.7%)	1,746	15,758	16,386	(628)	(3.8%)	16,084	20,014	20,417
Service and Repair	1,390	1,369	20	1.5%	1,343	11,416	11,507	(91)	(0.8%)	10,934	14,695	13,966
Credits and allowances	(2)	–	(2)	–	(3)	(24)	–	(24)	–	(20)	(34)	(25)
Total revenue	**5,493**	**5,428**	**65**	**1.2%**	**4,979**	**45,836**	**46,119**	**(283)**	**(0.6%)**	**43,818**	**59,146**	**56,694**
Direct labor	1,311	1,412	102	7.2%	1,294	11,605	11,946	341	2.9%	11,277	15,086	14,696
Overtime	288	119	(170)	(143.1%)	109	1,397	1,062	(335)	(31.6%)	1,001	1,689	1,288
Field payroll taxes and benefits	384	367	(16)	(4.5%)	337	3,120	3,122	1	0.0%	2,947	4,026	3,836
Field supervision and dispatch	172	165	(7)	(4.5%)	151	1,402	1,403	1	0.0%	1,324	1,809	1,723
Materials and parts	1,100	1,086	(15)	(1.3%)	983	8,904	9,205	301	3.3%	8,656	11,438	11,188
Subcontractors	357	345	(12)	(3.4%)	312	2,899	2,930	31	1.1%	2,813	3,709	3,627
Equipment and other direct	161	159	(2)	(1.3%)	145	1,339	1,350	11	0.8%	1,279	1,727	1,663
Total cost of revenue	**3,774**	**3,653**	**(120)**	**(3.3%)**	**3,330**	**30,666**	**31,017**	**351**	**1.1%**	**29,297**	**39,484**	**38,021**
Gross profit	**1,719**	**1,775**	**(55)**	**(3.1%)**	**1,648**	**15,171**	**15,102**	**68**	**0.5%**	**14,521**	**19,662**	**18,673**
Salaries and benefits	470	470	–	(0.1%)	444	4,541	4,189	(351)	(8.4%)	3,907	5,889	5,146
Facilities	114	113	(1)	(1.1%)	107	1,034	1,032	(1)	(0.1%)	987	1,362	1,305

Income statement $000s · Actual / Budget / Prior Year continued

	September 2026					Year to Date					LTM	
$000s	Actual	Budget	Var $	Var %	Prior Year	Actual	Budget	Var $	Var %	Prior Year	Actual	Prior Year
Insurance	45	45	–	0.0%	42	389	404	15	3.8%	367	516	487
Technology	39	39	–	(0.3%)	37	348	348	–	0.1%	326	460	431
Professional fees	23	22	(1)	(6.5%)	21	247	240	(7)	(2.9%)	222	310	283
Sales and marketing	18	17	(1)	(5.4%)	16	151	149	(2)	(1.2%)	141	199	186
Travel and fleet	38	38	–	0.3%	35	332	338	6	1.7%	317	439	420
Other G&A	27	26	(1)	(2.5%)	25	232	230	(2)	(1.0%)	218	304	286
Transaction costs	–	–	–	–	–	–	–	–	–	–	–	–
Sponsor management fees	63	63	–	0.0%	63	563	563	–	0.0%	563	750	750
Total operating expenses	**837**	**832**	**(5)**	**(0.6%)**	**789**	**7,836**	**7,494**	**(342)**	**(4.6%)**	**7,047**	**10,230**	**9,294**
EBITDA	**883**	**943**	**(60)**	**(6.4%)**	**859**	**7,335**	**7,608**	**(274)**	**(3.6%)**	**7,474**	**9,432**	**9,379**
Add: sponsor management fees	63	63	–	0.0%	63	563	563	–	0.0%	563	750	750
Add: transaction costs	–	–	–	–	–	–	–	–	–	–	–	–
Add: severance and restructuring	–	–	–	–	–	210	–	210	–	–	210	–
Add: one-time recruiting	–	–	–	–	–	140	–	140	–	–	140	–
Adjusted EBITDA	**945**	**1,005**	**(60)**	**(6.0%)**	**922**	**8,247**	**8,171**	**76**	**0.9%**	**8,037**	**10,532**	**10,129**
Depreciation	175	176	1	0.4%	152	1,514	1,584	70	4.4%	1,306	1,986	1,708
Amortization of intangibles	147	147	–	0.0%	147	1,325	1,325	–	0.0%	1,325	1,767	1,767
Operating income	**560**	**619**	**(59)**	**(9.6%)**	**560**	**4,495**	**4,699**	**(204)**	**(4.3%)**	**4,844**	**5,680**	**5,904**
Interest expense	403	399	(4)	(1.1%)	401	3,643	3,588	(55)	(1.5%)	3,722	4,870	5,017
Other (income) expense	–	–	–	–	–	–	–	–	–	–	–	–
Pre-tax income	**157**	**221**	**(64)**	**(28.9%)**	**159**	**852**	**1,112**	**(259)**	**(23.3%)**	**1,122**	**810**	**887**
Income tax expense	41	57	17	28.9%	41	222	352	131	37.1%	292	211	292
Net income	**116**	**163**	**(47)**	**(28.9%)**	**117**	**631**	**759**	**(129)**	**(16.9%)**	**830**	**599**	**595**

Balance sheet $000s

$000s	Sep 30, 2026	Aug 31, 2026	Dec 31, 2025
Cash	4,980	5,874	5,966
Accounts receivable, net	7,731	7,259	4,494
Contract assets	131	82	130
Inventory	2,640	2,625	2,452
Prepaid and other current assets	613	669	429
Total current assets	**16,095**	**16,510**	**13,470**
Property and equipment, net	6,932	6,997	7,158
Goodwill	39,641	39,641	39,641
Intangible assets, net	13,936	14,083	15,261
Other assets	190	190	190
Total assets	**76,794**	**77,421**	**75,720**
Accounts payable	2,747	2,690	2,045
Accrued payroll and bonus	2,186	1,911	2,621
Accrued interest	13	830	13
Accrued liabilities	120	245	120
Income taxes payable	41	168	(13)
Contract liabilities	725	611	243
Total current liabilities	**5,831**	**6,454**	**5,028**
Revolving credit facility	–	–	–
Term loan	46,800	46,920	47,160
Predecessor credit facility	–	–	–
Total debt	**46,800**	**46,920**	**47,160**
Total liabilities	**52,631**	**53,374**	**52,188**
Member's equity	24,000	24,000	24,000
Retained earnings	(468)	(468)	(1,266)
Current year net income	631	515	799
Total equity	**24,163**	**24,047**	**23,532**
Total liabilities and equity	**76,794**	**77,421**	**75,720**

Cash flow statement (indirect) $000s

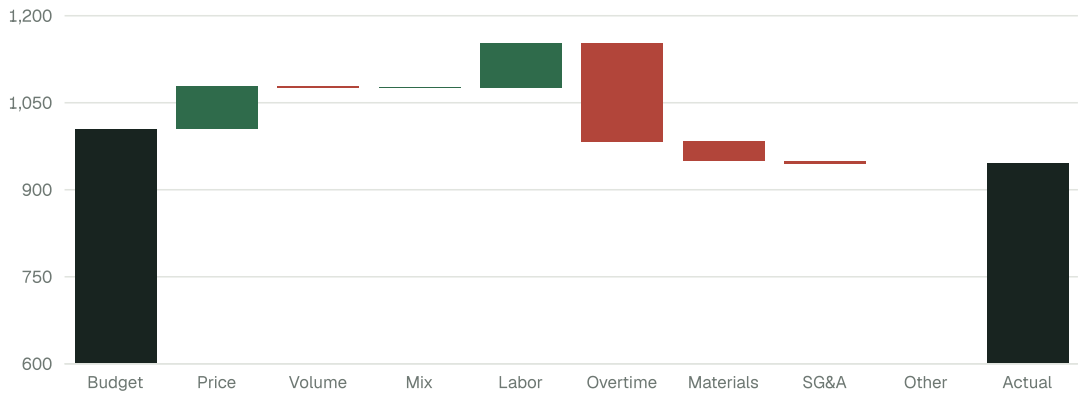
$000s	September	YTD 2026
Operating activities		
Net income	116	631
Depreciation	175	1,514
Amortization of intangibles	147	1,325
Accounts receivable, net	(472)	(3,237)
Contract assets and liabilities, net	65	481
Inventory	(15)	(188)
Prepaid and other current assets	56	(184)
Accounts payable	57	703
Accrued payroll, bonus and other liabilities	150	(435)
Accrued interest	(817)	–
Income taxes payable	(127)	54
Other assets	–	–
Net cash from operating activities	**(663)**	**663**
Investing activities		
Capital expenditures	(111)	(1,289)
Acquisition of Halvorsen (purchase consideration)	–	–
Net cash from investing activities	**(111)**	**(1,289)**
Financing activities		
Term loan borrowings (repayments)	(120)	(360)
Revolver borrowings (repayments), net	–	–
Repayment of predecessor credit facility	–	–
Sponsor equity contribution	–	–
Net cash from financing activities	**(120)**	**(360)**
Net change in cash	**(894)**	**(986)**
Beginning cash	5,874	5,966
Ending cash	**4,980**	**4,980**

Ending cash ties to the balance sheet and reconciles to First Meridian Bank statements

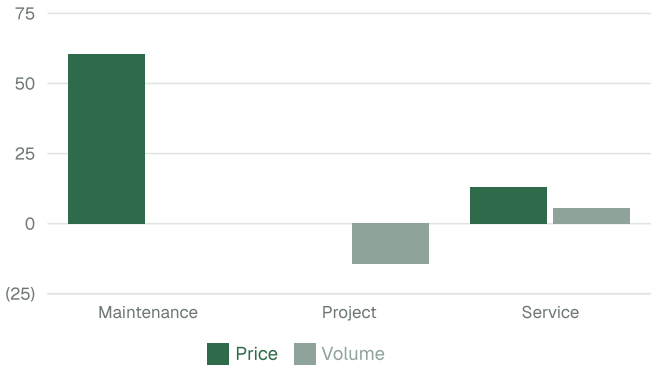
Budget vs Actual

FY2026 board-approved budget · commentary on every line above both $50K and 5%

Adjusted EBITDA bridge, september $000s



Revenue variance: price vs volume $000s



Price uses billed rates vs budget rates at actual volume. July 1 increase was 4.0% vs 2.5% budgeted.

Line-by-line variance, september $000s · favorable / (unfavorable)

$000s	Actual	Budget	Var $	Var %	Commentary
Maintenance Contracts	2,179	2,118	61	2.9%	
Project Installations	1,926	1,940	(14)	(0.7%)	
Service and Repair	1,390	1,369	20	1.5%	
Credits and allowances	(2)	–	(2)	–	
Total revenue	**5,493**	**5,428**	**65**	**1.2%**	
Direct labor	1,311	1,412	102	7.2%	Favorable Straight-time labor tracked volume; the turnover gap in Q2 shifted hours from straight time to overtime rather than reducing total labor cost.
Overtime	288	119	(170)	(143.1%)	Unfavorable Service and Repair accounted for $100K of the overrun. Technician turnover in Q2 (16 departures; headcount fell to 222 in June from 236 in March) left summer demand covered with overtime: OT ran 22.0% of straight-time labor in September vs. 8.5% normal. Utilization rose to 85%.
Field payroll taxes and benefits	384	367	(16)	(4.5%)	
Field supervision and dispatch	172	165	(7)	(4.5%)	
Materials and parts	1,100	1,086	(15)	(1.3%)	
Subcontractors	357	345	(12)	(3.4%)	
Equipment and other direct	161	159	(2)	(1.3%)	
Total cost of revenue	**3,774**	**3,653**	**(120)**	**(3.3%)**	

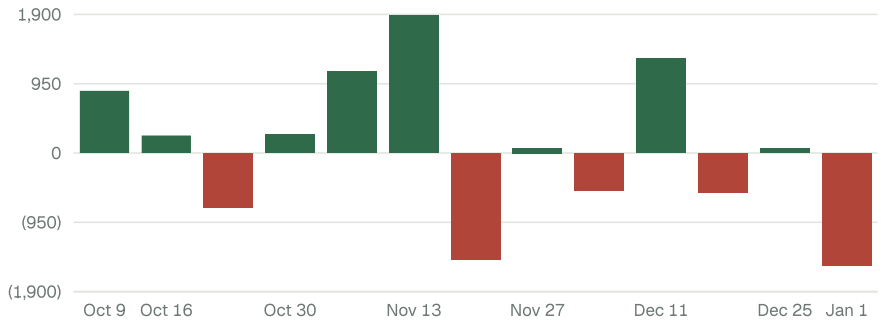
Line-by-line variance, september $000s · favorable / (unfavorable) continued

$000s	Actual	Budget	Var $	Var %	Commentary
Gross profit	**1,719**	**1,775**	**(55)**	**(3.1%)**	
Salaries and benefits	470	470	–	(0.1%)	
Facilities	114	113	(1)	(1.1%)	
Insurance	45	45	–	0.0%	
Technology	39	39	–	(0.3%)	
Professional fees	23	22	(1)	(6.5%)	
Sales and marketing	18	17	(1)	(5.4%)	
Travel and fleet	38	38	–	0.3%	
Other G&A	27	26	(1)	(2.5%)	
Sponsor management fees	63	63	–	0.0%	
Total operating expenses	**837**	**832**	**(5)**	**(0.6%)**	
EBITDA	**883**	**943**	**(60)**	**(6.4%)**	Unfavorable **Bridge from budget: overtime ($170K); labor $76K; price $74K; materials and subs ($33K).**
Add: sponsor management fees	63	63	–	0.0%	
Adjusted EBITDA	**945**	**1,005**	**(60)**	**(6.0%)**	Unfavorable **Bridge from budget: overtime ($170K); labor $76K; price $74K; materials and subs ($33K).**
Depreciation	175	176	1	0.4%	
Amortization of intangibles	147	147	–	0.0%	
Operating income	**560**	**619**	**(59)**	**(9.6%)**	Unfavorable **Bridge from budget: overtime ($170K); labor $76K; price $74K; materials and subs ($33K). Below EBITDA, depreciation was $175K vs. $176K budgeted.**
Interest expense	403	399	(4)	(1.1%)	
Pre-tax income	**157**	**221**	**(64)**	**(28.9%)**	Unfavorable **Bridge from budget: overtime ($170K); labor $76K; price $74K; materials and subs ($33K). Below EBITDA, depreciation was $175K vs. $176K budgeted.**
Income tax expense	41	57	17	28.9%	
Net income	**116**	**163**	**(47)**	**(28.9%)**	

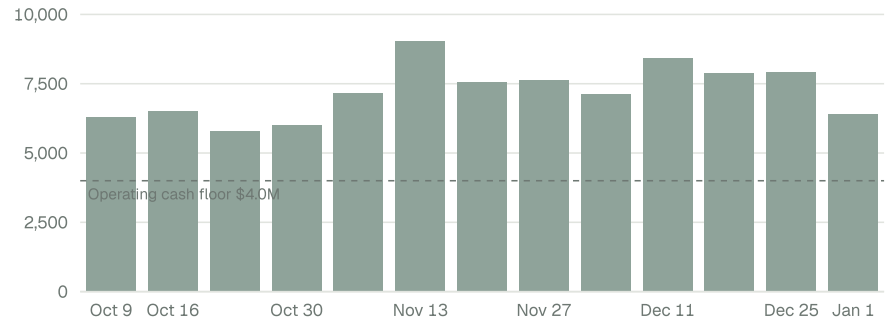
13-Week Cash Flow

Direct method · weeks ending Friday · week 1 combines actuals through Oct 7 with forecast · $ in thousands

Weekly net cash flow before financing $000s



Ending cash by week $000s



13-week cash forecast, base case $000s

$000s	Wk 1 Oct 9	Wk 2 Oct 16	Wk 3 Oct 23	Wk 4 Oct 30	Wk 5 Nov 6	Wk 6 Nov 13	Wk 7 Nov 20	Wk 8 Nov 27	Wk 9 Dec 4	Wk 10 Dec 11	Wk 11 Dec 18	Wk 12 Dec 25	Wk 13 Jan 1	13-wk total
Beginning cash	**5,435**	**6,288**	**6,528**	**5,775**	**6,022**	**7,143**	**9,023**	**7,558**	**7,627**	**7,115**	**8,410**	**7,865**	**7,929**	
Customer receipts														
Brandywine Logistics Park	57	270	21	19	371	6	7	13	26	28	15	15	16	864
Lakeshore Unified School District	229	32	151	117	19	15	129	3	4	10	26	18	23	775
Corliss Health System	4	12	15	4	381	14	8	15	35	38	18	20	20	585
Ridgeview School District	9	100	120	37	94	87	6	7	14	34	38	15	20	580
Prairie Gate Properties	99	83	22	21	23	7	48	8	13	17	32	18	16	408
Ostrander Manufacturing Co.	7	8	88	14	81	9	8	27	43	23	18	20	36	382
Kettleson Office Trust	14	20	82	13	6	20	86	6	7	14	32	35	16	352
Mercer Valley Medical Center	8	8	4	9	79	7	5	12	30	33	15	16	16	241
All other customers	1,974	280	292	356	1,621	1,929	145	479	1,136	1,716	906	347	1,150	12,331
Total receipts	**2,400**	**812**	**794**	**589**	**2,675**	**2,093**	**443**	**568**	**1,309**	**1,915**	**1,100**	**505**	**1,313**	**16,517**

13-week cash forecast, base case $000s continued

$000s	Wk 1 Oct 9	Wk 2 Oct 16	Wk 3 Oct 23	Wk 4 Oct 30	Wk 5 Nov 6	Wk 6 Nov 13	Wk 7 Nov 20	Wk 8 Nov 27	Wk 9 Dec 4	Wk 10 Dec 11	Wk 11 Dec 18	Wk 12 Dec 25	Wk 13 Jan 1	13-wk total
Disbursements														
AP - facilities and utilities	(5)	(5)	(16)	(2)	(9)	(2)	(9)	(7)	(15)	(7)	(7)	(7)	(7)	(98)
AP - fleet and fuel	(49)	(7)	(65)	(5)	(18)	(11)	(54)	(15)	(27)	(17)	(19)	(18)	(18)	(323)
AP - materials and equipment	(272)	(312)	(246)	(260)	(193)	(140)	(367)	(337)	(406)	(322)	(300)	(300)	(300)	(3,756)
AP - other operating	(17)	(17)	(17)	(16)	(17)	(16)	(28)	(21)	(23)	(16)	(12)	(12)	(12)	(222)
AP - professional services	(12)	(12)	(3)	–	(18)	(5)	(6)	(12)	(10)	(8)	(9)	(9)	(9)	(116)
AP - subcontractors	(33)	(31)	(82)	(38)	(111)	(39)	(81)	(97)	(127)	(96)	(89)	(89)	(89)	(1,002)
AP - technology	–	–	(13)	(21)	(1)	–	(16)	(9)	(8)	(6)	(7)	(7)	(7)	(96)
Bank fees and other	(2)	–	–	–	–	–	–	–	–	–	–	–	–	(2)
Capital expenditures	–	–	–	–	–	–	(229)	–	–	(147)	–	–	–	(375)
Income taxes	–	–	–	–	–	–	–	–	–	–	(122)	–	–	(122)
Interest	–	–	–	–	–	–	–	–	–	–	–	–	(1,220)	(1,220)
Payroll	(1,158)	–	(1,103)	–	(1,103)	–	(1,120)	–	(1,120)	–	(1,080)	–	(1,073)	(7,757)
Rent	–	–	–	–	(85)	–	–	–	(85)	–	–	–	–	(170)
Sponsor management fee	–	(188)	–	–	–	–	–	–	–	–	–	–	–	(188)
Term loan amortization	–	–	–	–	–	–	–	–	–	–	–	–	(120)	(120)
Total disbursements	**(1,548)**	**(572)**	**(1,547)**	**(341)**	**(1,554)**	**(213)**	**(1,908)**	**(499)**	**(1,821)**	**(620)**	**(1,644)**	**(442)**	**(2,854)**	**(15,565)**
Net cash flow before financing	**852**	**240**	**(753)**	**248**	**1,121**	**1,880**	**(1,465)**	**69**	**(512)**	**1,295**	**(544)**	**63**	**(1,542)**	**952**
Ending cash	**6,288**	**6,528**	**5,775**	**6,022**	**7,143**	**9,023**	**7,558**	**7,627**	**7,115**	**8,410**	**7,865**	**7,929**	**6,387**	
Revolver drawn	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	
Revolver availability	**10,000**	**10,000**	**10,000**	**10,000**	**10,000**	**10,000**	**10,000**	**10,000**	**10,000**	**10,000**	**10,000**	**10,000**	**10,000**	
Liquidity (cash + availability)	**16,288**	**16,528**	**15,775**	**16,022**	**17,143**	**19,023**	**17,558**	**17,627**	**17,115**	**18,410**	**17,865**	**17,929**	**16,387**	

Prior forecast vs actual: last four weeks $000s · forecast prepared Sep 4, 2026 · weeks ending Sep 11 - Oct 2

Line	Prior forecast	Actual	Variance
Receipts - All other customers	2,602	3,413	811
Receipts - Lakeshore Unified School District	387	9	(378)
Receipts - Corliss Health System	65	424	359
Receipts - Ridgeview School District	247	9	(238)
Receipts - Prairie Gate Properties	261	121	(140)
Capital expenditures	–	(88)	(88)
Receipts - Ostrander Manufacturing Co.	213	135	(78)
Receipts - Mercer Valley Medical Center	117	186	69
AP - fleet and fuel	(102)	(59)	43
Receipts - Brandywine Logistics Park	102	140	38
AP - other operating	(67)	(45)	22
AP - technology	(62)	(51)	11
AP - facilities and utilities	(29)	(22)	6
AP - materials and equipment	(1,229)	(1,223)	6
Receipts - Kettleson Office Trust	103	101	(2)
Interest	(1,232)	(1,233)	(1)
AP - professional services	(24)	(24)	–
AP - subcontractors	(352)	(352)	–
Payroll	(2,335)	(2,335)	–
Income taxes	(168)	(168)	–
Rent	(85)	(85)	–
Term loan amortization	(120)	(120)	–
Net cash flow	**(1,708)**	**(1,268)**	**440**

The Sep 4 forecast assumed first-half payment patterns. Largest shortfalls: Lakeshore Unified School District (378), Ridgeview School District (238), Prairie Gate Properties (140). Offsets: All other customers 811, Corliss Health System 359.

Liquidity and Covenants

Credit Agreement tests: Total Net Leverage, Fixed Charge Coverage, Minimum Liquidity $5.0M · $ in thousands

Net leverage, Q3 2026 (actual)

3.97x

1.03x headroom Max 5.00x

Tightest test, base

1.28x

Clear of 0.50x cushion

Q1 2027: 3.47x vs 4.75x max

EBITDA cushion at tightest test

$3.1M

LTM EBITDA could fall this much before breach

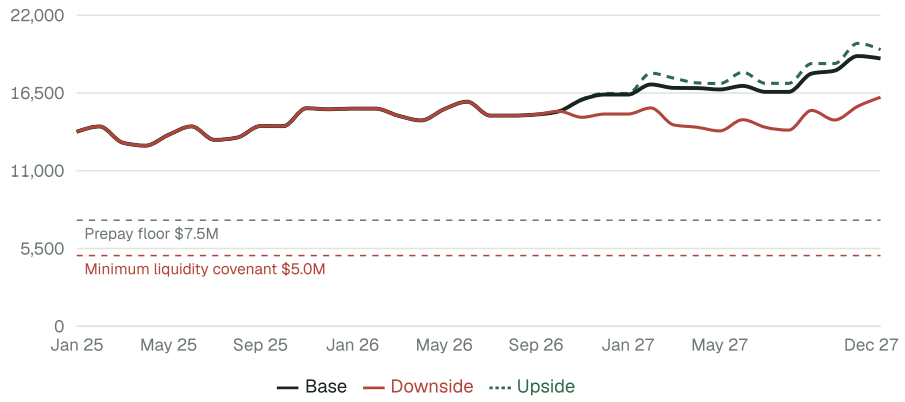
Max Q4 2026 prepayment (base)

$8.75M

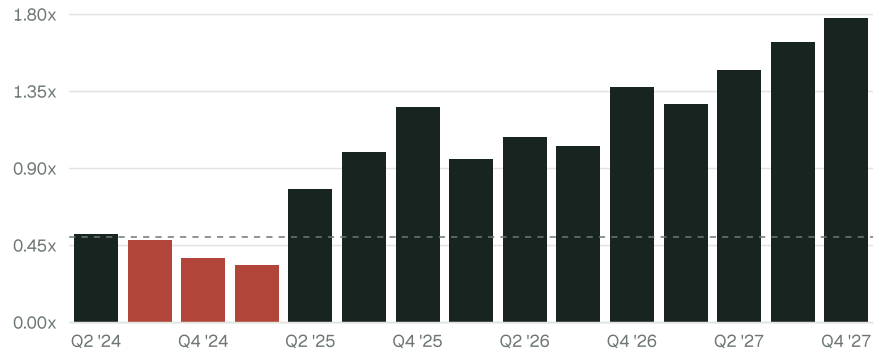
Passes every test

Liquidity binds at $7.6M on Dec 31

Minimum monthly liquidity by scenario $000s · cash + revolver availability



Leverage headroom by test date (base) turns below maximum · dashed = 0.50x cushion · red = below cushion

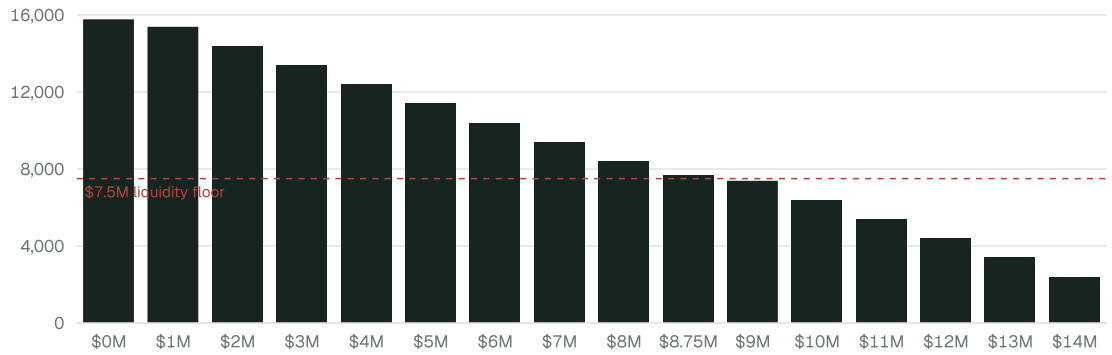


Covenant compliance, base case $000s · Q2 2024 - Q3 2026 actual, Q4 2026 - Q4 2027 forecast

Test	LTM Cov. EBITDA	Add-backs	Term loan	Revolver	Cash	Net debt	Net leverage	Max	Headroom	EBITDA cushion	FCCR	Min liquidity	Status
Q2 2024	9,487	2,100	47,880	1,500	(4,464)	44,916	**4.73x**	5.25x	0.52x	932	4.15x	12,959	Compliant
Q3 2024	9,325	2,288	47,760	1,750	(5,044)	44,466	**4.77x**	5.25x	0.48x	855	2.27x	12,635	Tight
Q4 2024	8,867	2,475	47,640	250	(4,688)	43,202	**4.87x**	5.25x	0.38x	638	1.44x	13,242	Tight
Q1 2025	9,064	1,400	47,520	1,500	(4,492)	44,528	**4.91x**	5.25x	0.34x	583	1.24x	12,987	Tight
Q2 2025	9,676	750	47,400	500	(4,639)	43,261	**4.47x**	5.25x	0.78x	1,436	1.40x	12,775	Compliant
Q3 2025	10,129	750	47,280	–	(4,170)	43,110	**4.26x**	5.25x	0.99x	1,917	1.45x	13,185	Compliant
Q4 2025	10,322	750	47,160	–	(5,966)	41,194	**3.99x**	5.25x	1.26x	2,475	1.47x	14,152	Compliant
Q1 2026	10,419	750	47,040	–	(4,898)	42,142	**4.04x**	5.00x	0.96x	1,991	1.53x	14,893	Compliant
Q2 2026	10,419	1,070	46,920	–	(6,139)	40,781	**3.91x**	5.00x	1.09x	2,263	1.52x	14,560	Compliant
Q3 2026	10,532	1,100	46,800	–	(4,980)	41,820	**3.97x**	5.00x	1.03x	2,168	1.56x	14,901	Compliant
Q4 2026 F	11,119	1,100	46,680	–	(6,387)	40,293	**3.62x**	5.00x	1.38x	3,060	1.71x	15,204	Compliant
Q1 2027 F	11,429	1,100	46,560	–	(6,859)	39,701	**3.47x**	4.75x	1.28x	3,071	1.73x	16,387	Compliant
Q2 2027 F	11,717	780	45,673	–	(7,305)	38,368	**3.27x**	4.75x	1.48x	3,639	1.75x	16,748	Compliant
Q3 2027 F	12,119	750	45,553	–	(7,873)	37,680	**3.11x**	4.75x	1.64x	4,186	1.80x	16,577	Compliant
Q4 2027 F	12,279	750	45,433	–	(8,938)	36,495	**2.97x**	4.75x	1.78x	4,596	1.79x	18,078	Compliant

Pre-close quarters use deemed Covenant EBITDA ($2.70M Q3 2023, $2.55M Q4 2023) per the Credit Agreement. FCCR = (EBITDA - capex - cash taxes) / (cash interest + scheduled principal), min 1.20x.

Q4 2026 voluntary prepayment analysis (base case, Dec 15, 2026) $000s



Up to $8.75M can be prepaid on December 15.

Liquidity is the binding constraint: the minimum falls dollar-for-dollar with the prepayment and touches the $7.5M floor at $7.6M on Dec 31, the year-end low after Q4 interest and taxes.

Leverage headroom does not tighten. A cash-funded prepayment leaves net debt unchanged, so the tightest 2027 test stays at 1.25x of headroom vs 1.23x without it.

The prepayment is credited against the May 2027 ECF sweep ($767K without it) and saves $454K of 2027 interest.

Forecast and Scenarios

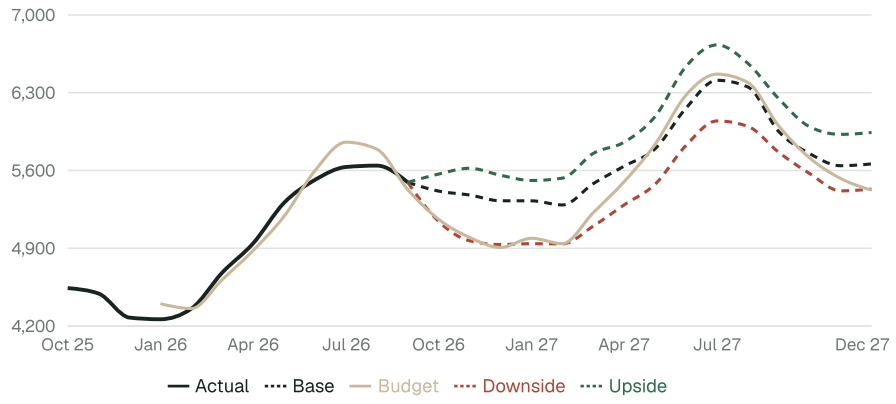
Driver-based rolling forecast through December 2027 · FY2026 = 9 months actual + 3 months forecast · $ in thousands

Scenario summary vs budget $000s

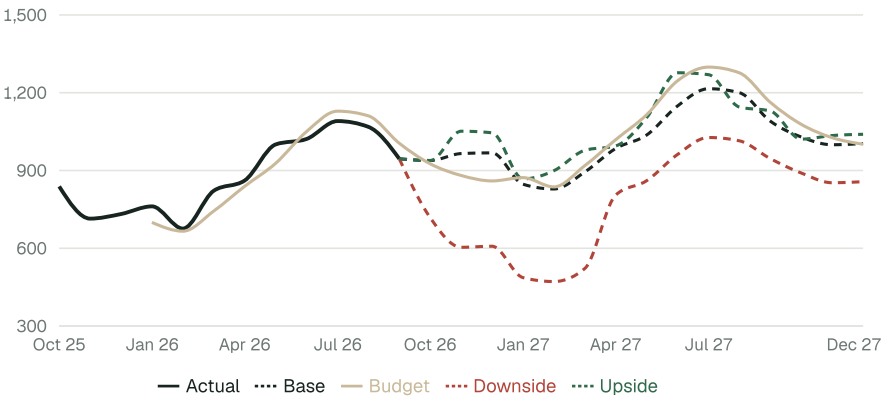
Scenario	Year	Revenue	Growth	Budget	Gross margin	Adj. EBITDA	Margin	Budget	Var	YE net debt	YE leverage
Base	FY2026	61,958	8.5%	61,184	32.8%	**11,119**	17.9%	10,837	281	40,293	3.62x
Base	FY2027	69,462	12.1%	68,290	31.5%	**12,279**	17.7%	12,853	(573)	36,495	2.97x
Downside	FY2026	60,880	6.6%	61,184	31.9%	**10,177**	16.7%	10,837	(661)	41,670	4.09x
Downside	FY2027	65,801	8.1%	68,290	29.3%	**9,696**	14.7%	12,853	(3,157)	39,924	4.12x
Upside	FY2026	62,581	9.5%	61,184	32.8%	**11,282**	18.0%	10,837	445	40,214	3.56x
Upside	FY2027	72,675	16.1%	68,290	30.8%	**12,760**	17.6%	12,853	(93)	35,826	2.81x

Downside: revenue -8% through Q1 2027 recovering after, DSO +5 days, DPO -5 days, gross margin -1.5 pts, crews held through the winter trough. Upside: revenue +5%, DSO -2 days, gross margin +0.5 pt.

Monthly revenue: actual, forecast by scenario, budget $000s



Monthly Adjusted EBITDA: actual, forecast by scenario, budget $000s



Forecast income statement by quarter (base) $000s

$000s	Q4 2026	Q1 2027	Q2 2027	Q3 2027	Q4 2027	FY2027	FY27 Budget
Maintenance Contracts	6,569	6,897	6,995	7,093	7,191	28,176	28,423
Project Installations	6,108	6,090	6,361	6,631	6,194	25,275	24,087
Service and Repair	3,445	3,112	4,240	4,990	3,669	16,011	15,780
Total revenue	**16,121**	**16,098**	**17,596**	**18,713**	**17,054**	**69,462**	**68,290**
Direct labor	4,202	4,250	4,609	4,902	4,454	18,215	17,670
Overtime	353	357	408	455	374	1,594	1,547
Field payroll taxes and benefits	1,093	1,106	1,204	1,286	1,159	4,754	4,612
Field supervision and dispatch	491	497	541	578	521	2,136	2,072
Materials and parts	3,267	3,334	3,612	3,819	3,477	14,243	13,563
Subcontractors	1,064	1,094	1,159	1,211	1,126	4,589	4,345
Equipment and other direct	469	482	524	555	508	2,069	2,003
Total cost of revenue	**10,940**	**11,120**	**12,056**	**12,805**	**11,618**	**47,599**	**45,812**

Forecast income statement by quarter (base) $000s continued

$000s	Q4 2026	Q1 2027	Q2 2027	Q3 2027	Q4 2027	FY2027	FY27 Budget
Gross profit	**5,181**	**4,979**	**5,539**	**5,908**	**5,436**	**21,863**	**22,478**
Salaries and benefits	1,416	1,445	1,455	1,465	1,475	5,840	5,840
Facilities	339	358	348	359	350	1,414	1,414
Insurance	135	135	135	143	143	556	572
Technology	117	118	119	120	120	478	483
Professional fees	67	113	67	68	69	317	317
Sales and marketing	50	51	51	52	52	207	207
Travel and fleet	115	116	117	118	119	469	469
Other G&A	72	73	76	78	76	304	325
Sponsor management fees	188	188	188	188	188	750	750
Total operating expenses	**2,497**	**2,596**	**2,556**	**2,590**	**2,591**	**10,334**	**10,375**
EBITDA	**2,684**	**2,383**	**2,983**	**3,318**	**2,845**	**11,529**	**12,103**
Adjusted EBITDA	**2,872**	**2,570**	**3,171**	**3,506**	**3,032**	**12,279**	**12,853**
Depreciation	540	557	576	595	615	2,342	2,376
Amortization of intangibles	442	442	442	442	442	1,767	1,767
Operating income	**1,703**	**1,384**	**1,965**	**2,282**	**1,788**	**7,420**	**7,960**
Interest expense	1,232	1,203	1,207	1,203	1,200	4,813	4,735
Pre-tax income	**471**	**182**	**759**	**1,079**	**588**	**2,607**	**3,225**
Income tax expense	123	47	197	280	153	678	838
Net income	**349**	**134**	**562**	**798**	**435**	**1,929**	**2,386**

Forecast balance sheet (base) $000s

$000s	Dec 2026	Jun 2027	Dec 2027
Cash	6,392	7,310	8,943
Accounts receivable, net	6,535	7,641	7,030
Contract assets	(594)	(594)	(594)
Inventory	2,640	2,640	2,640
Prepaid and other current assets	445	244	461
Property and equipment, net	6,989	6,916	6,806
Goodwill	39,641	39,641	39,641
Intangible assets, net	13,494	12,611	11,728
Other assets	190	190	190
Accounts payable	2,239	2,638	2,468
Accrued payroll and bonus	1,940	2,669	2,135
Accrued interest	12	13	13
Total assets	**75,731**	**76,599**	**76,845**
Accrued liabilities	308	308	308
Income taxes payable	42	91	47
Contract liabilities	–	–	–
Revolving credit facility	–	–	–
Term loan	46,680	45,673	45,433
Predecessor credit facility	–	–	–
Member's equity	24,000	24,000	24,000
Total liabilities	**51,220**	**51,391**	**50,404**
Retained earnings (incl. current year)	512	1,208	2,441
Total equity	**24,512**	**25,208**	**26,441**

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