Worksport™

NASDAQ: WKSP

Q3 2026 Earnings Call

Quarter ended September 30, 2026 · November 10, 2026

Steven Rossi
Founder & Chief Executive Officer

Jennifer Kartychak
Chief Financial Officer

Earnings release and Form 10-Q: investors.worksport.com/#reports



SAFE HARBOR STATEMENT

Forward-looking statements

During this call, we will make forward-looking statements, including statements regarding our expectations for financial and business trends, our market position, our go-to-market and growth initiatives, and our product programs and their expected benefits.

These statements are predictions based on our current beliefs, expectations and assumptions. Because they relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside our control. Actual results may differ materially, and you should not place undue reliance on them.

These statements are subject to the risks discussed in our SEC filings, including our Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q.

They speak only as of today's date, and we assume no obligation to update them except as required by law.

Any supplemental operating metric discussed today should be considered together with, and not as a substitute for, the underlying GAAP results.

AGENDA

What we'll cover

01	Q3 performance, liquidity and capital resources	Steven Rossi
02	Financial results, monthly sales, and backlog	Jennifer Kartychak
03	Inventory manufacturing and conversion	Jennifer Kartychak
04	Product portfolio outlook	Steven Rossi
05	Terravis Energy's AetherLux certification and next steps	Steven Rossi
06	Strategic priorities	Steven Rossi

Q3 PERFORMANCE

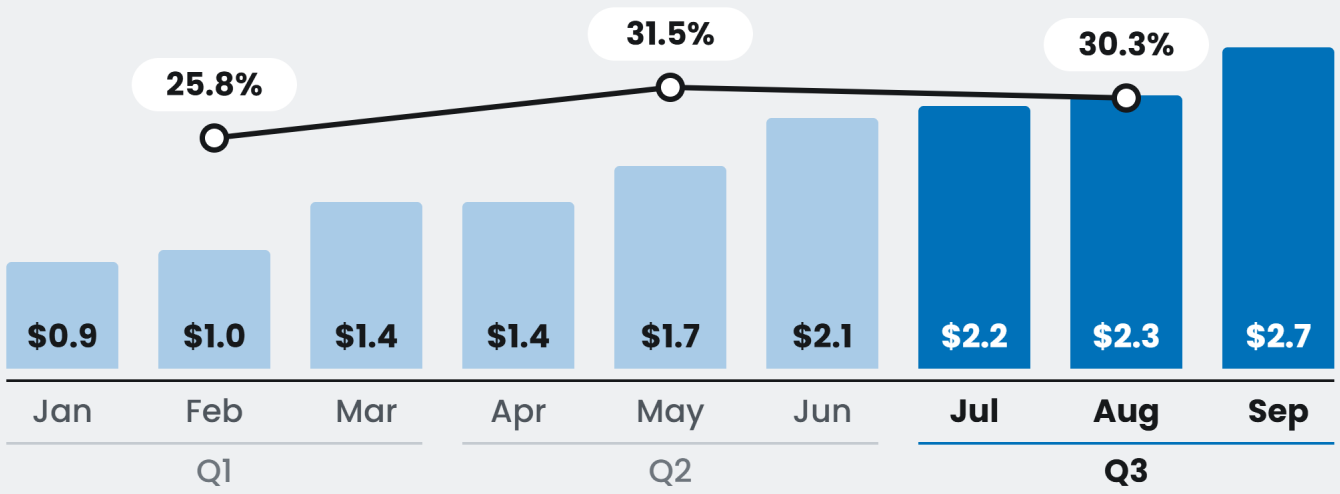
Record sales and a stronger core business

$7.2M
Q3 net sales: our strongest quarter

+44%
Q3 sales vs. Q3 2025 (+38% vs. Q2)

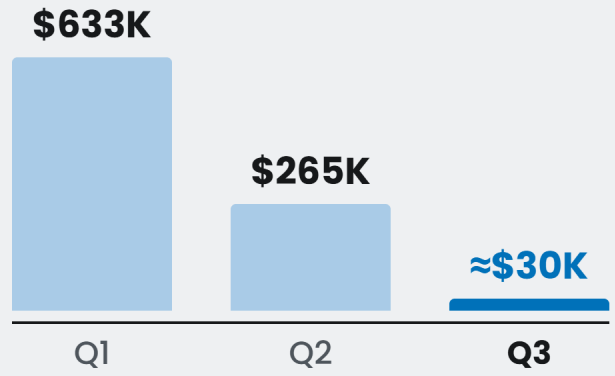
–95%
Weekly operating cash use, Q1 to Q3

MONTHLY NET SALES, 2026



WEEKLY OPERATING CASH USE

Average per week. Q3 was helped by favorable working-capital timing and is not a run rate.



LIQUIDITY AND CAPITAL RESOURCES

Operations needed only $0.4M of cash in Q3

OPERATING CASH USE · Q3 2026

≈$0.4M

vs $3.4M in Q2

The working capital we converted during the quarter also allowed us to reduce the balance on our credit line.

WARRANT INDUCEMENT · AUGUST

≈$2.3M

The main reason cash ended the quarter at $2.5M. Balance-sheet strength, not what carried the quarter's operations.

Ending cash also reflects the credit-line paydown and investing outflows.

PAST CAPITAL COMMITMENTS, LARGELY BEHIND US

≈$0.3M
Investing cash flow through nine months, vs $1.1M

≈$2.7M
Equipment purchase obligation released

Flat
Inventory vs year-end, after last year's build

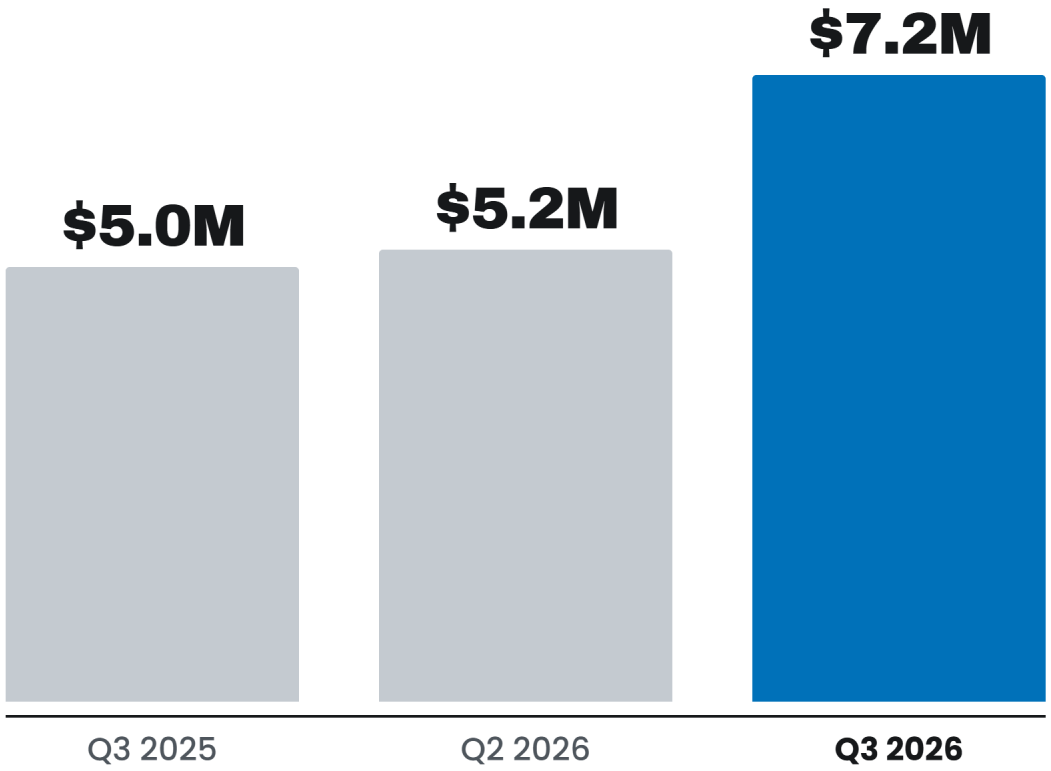
July 2028
Credit facility renewed through

FINANCIAL RESULTS: REVENUE

Record net sales, with both channels growing

NET SALES

Five consecutive quarters of double-digit year-over-year revenue growth



THROUGH SEPTEMBER

≈$15.8M

Up 39%; nearly as much as all of 2025 ($16.1M)

SEQUENTIAL GROWTH

+48%
Direct to consumer

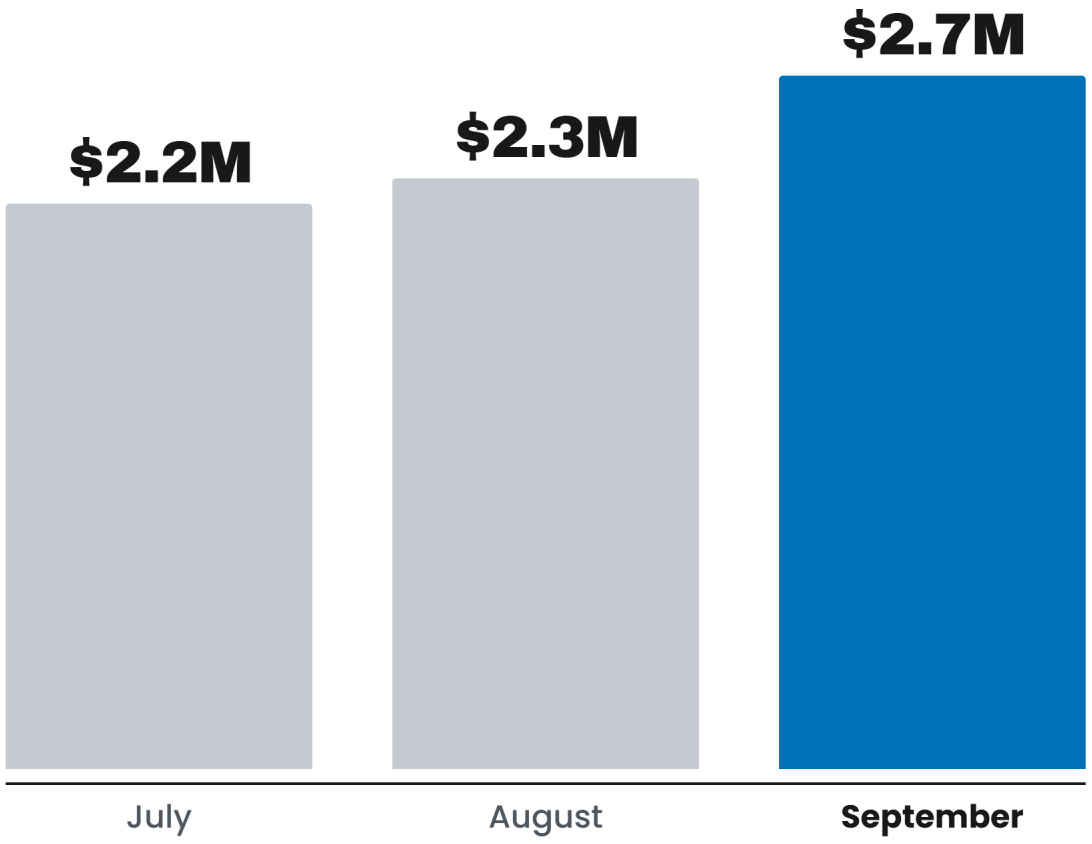
+26%
B2B

B2B AND DISTRIBUTION SHARE

Q2 2026	**45%**
Q3 2026	**≈41%**
June 2026 (month)	**40%**
Sept. 2026 (month)	**≈50%**

September was our strongest month to date

PRELIMINARY MONTHLY NET SALES



MONTHLY NET SALES SINCE JANUARY

Every month

exceeded the month before

ESTIMATED BACKLOG AT QUARTER END

June 30	≈$117K
Sept. 30	**≈$740K**

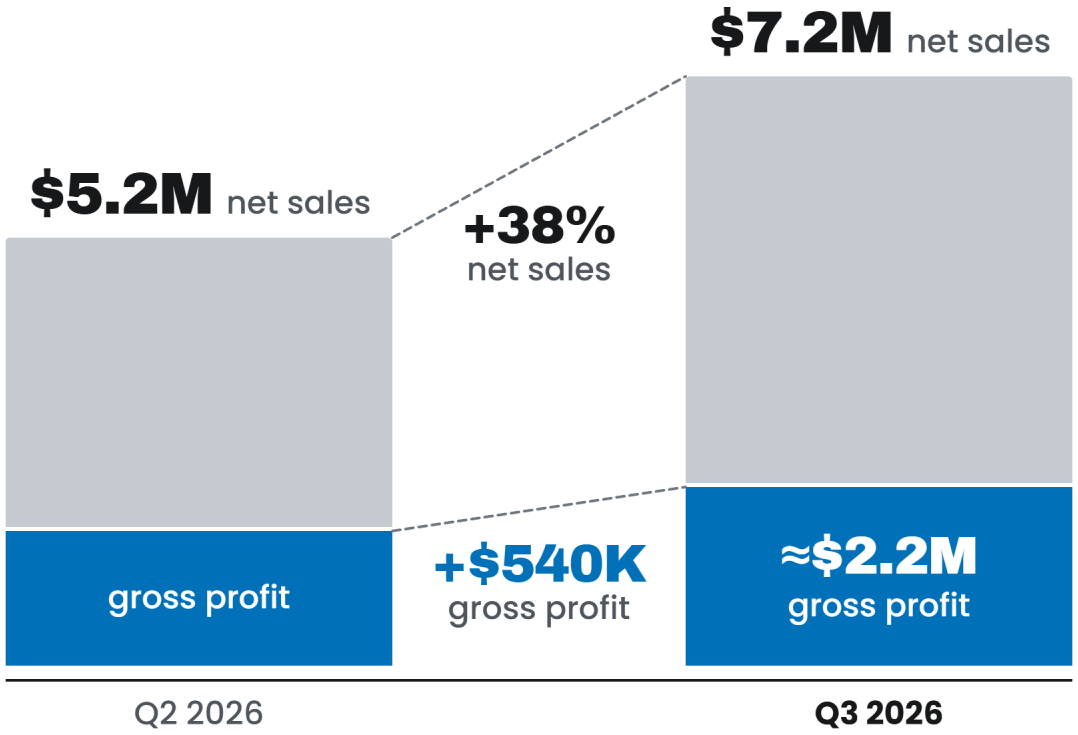
Q3 ORDERS AND NET SALES

Net sales	**$7.2M**
Sales orders	**≈$7.9M**

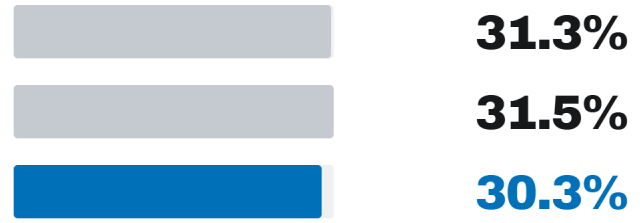
Higher volume brought more gross profit dollars

NET SALES AND GROSS PROFIT, Q2 TO Q3 2026

Gross profit up about 40% year over year



GROSS MARGIN



FIRST NINE MONTHS

29.8%

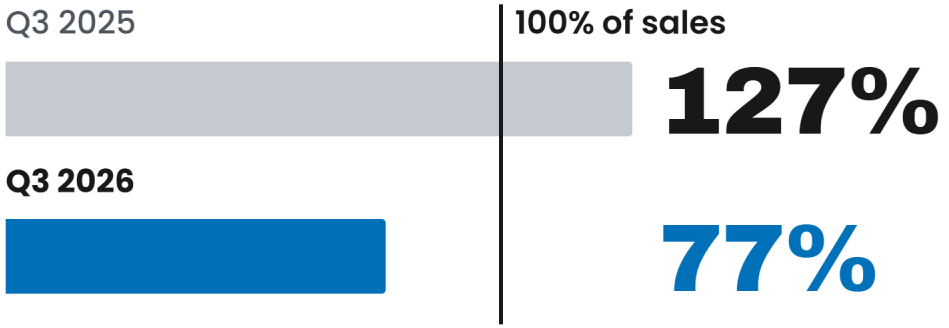
Gross margin, up from 26.8%

SALES AND MARKETING, SHARE OF NET SALES



Operating expenses fell to about 77% of sales

OPERATING EXPENSES AS A SHARE OF SALES



$5.6M IN Q3, DOWN 12% FROM $6.4M A YEAR AGO



G&A
$3.6M
Down from $3.7M

Sales and marketing
$1.8M
Down from $2.4M

R&D
$213K
Down from $301K

OPERATING LOSS

≈$3.4M

Narrowed 28% year over year

NET LOSS

$3.6M

$4.9M a year ago; $4.0M in Q2

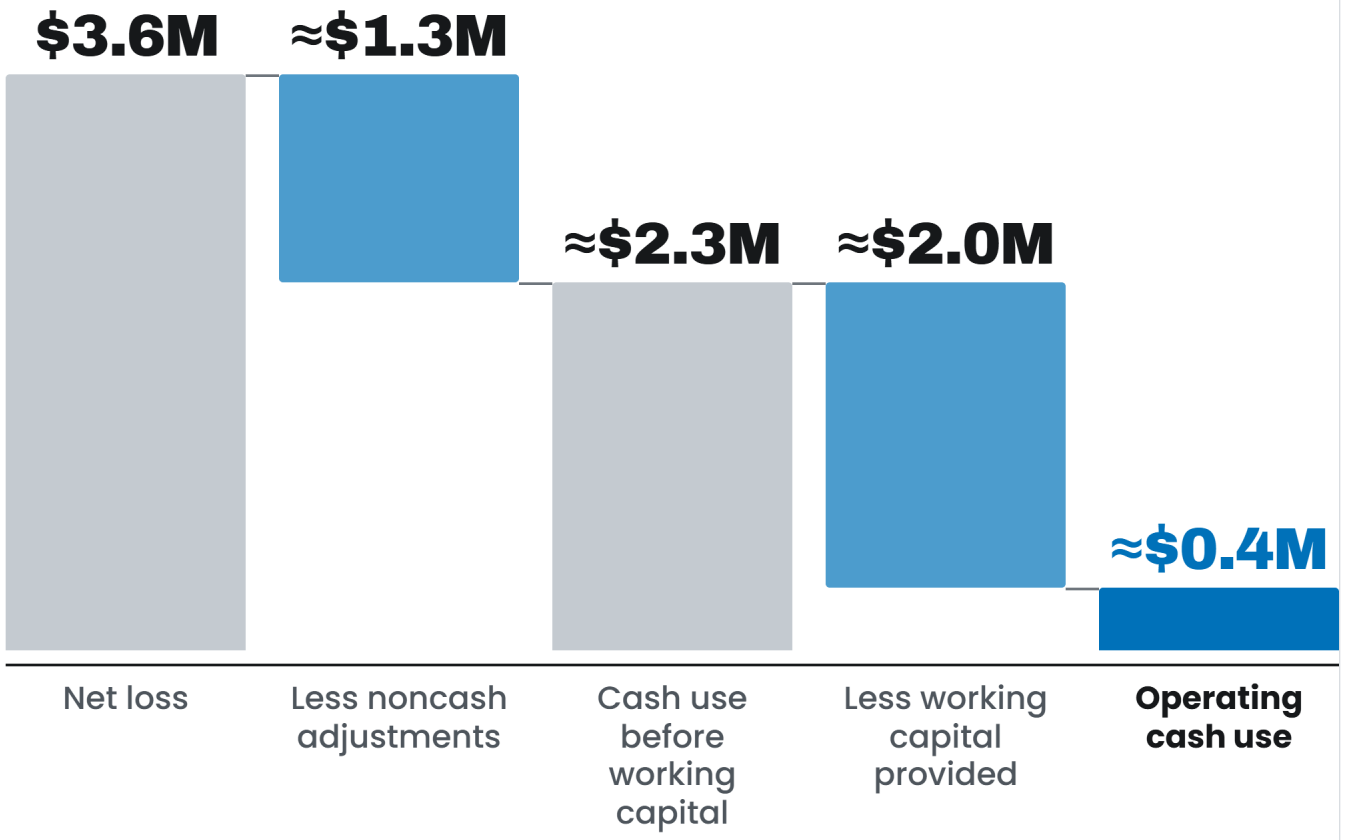
LOSS PER SHARE

$0.26

$0.75 a year ago; also reflects a higher weighted-average share count

Operating cash use fell to about $0.4M

Q3 BRIDGE FROM NET LOSS TO OPERATING CASH USE



OPERATING CASH USE

≈$0.4M

Compared with $3.4M in Q2

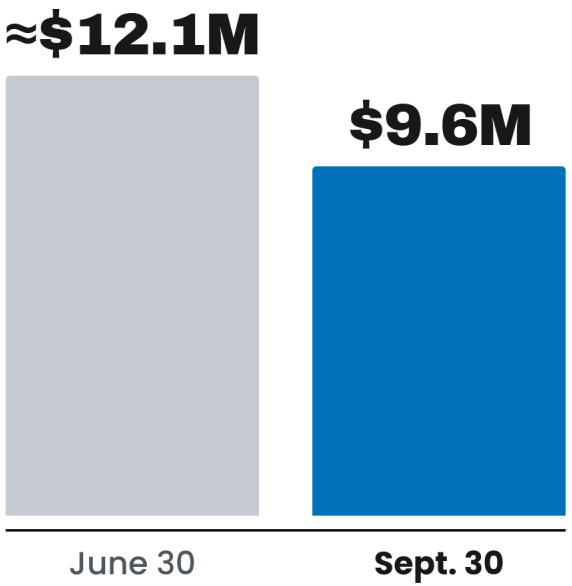
WITHIN Q3, BY MONTH (APPROXIMATE)

July	$34K
August	$278K
Sept.	$75K

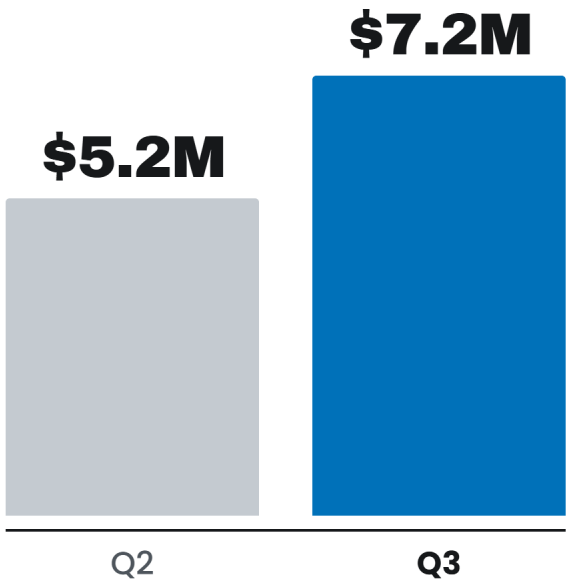
First nine months: $12.0M, compared with $11.2M a year ago. Most came in the first half, when we invested about $3.5M in working capital.

Inventory came down while quarterly sales went up

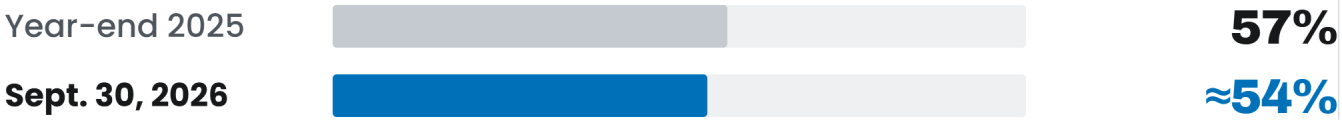
INVENTORY, DOWN ABOUT 21%



QUARTERLY SALES, UP 38%



RAW MATERIALS, SHARE OF TOTAL INVENTORY



SHIFTING TOWARD JUST-IN-TIME FULFILLMENT

01 Aligned with demand

Purchasing and manufacturing aligned more closely with B2C sell-through and B2B distributor reorders.

02 Controlled in our factory

What we purchase, what we build, and when we replenish finished goods.

03 Available without excess capital

Keep products available without committing more working capital to finished goods ahead of demand.

PRODUCT PORTFOLIO OUTLOOK: HARD TONNEAU COVERS

NEXUS is now our largest product revenue contributor

Q3 NEXUS NET SALES

≈$4.8M

Up 150% from Q2, and roughly two-thirds of quarterly net sales



A GOOD-BETTER PAIRING, NOT COMPETING PRODUCTS

GOOD

AL4

Value-focused tri-fold, flip-up cover for daily work use

→

BETTER

NEXUS

Premium auto flip-up that opens and locks from one side

One platform · built in our own factory · shared components

+47% **Hard tonneau cover sales year over year, to $7.2M**

PROPOSED ACQUISITION

Non-binding term sheet, announced November 4

For a business selling a patented, American-made truck-bed accessory. If completed, it would add a complementary product that could be sold independently or bundled with our hard tonneau covers, including AL3, AL4, HD3 and NEXUS.

What we already have

- Manufacturing capacity
- Dealer relationships
- More than 50,000 targetable customers

The transaction remains subject to due diligence, definitive agreements, and closing conditions.

SOLIS and COR extend us into portable energy



SOLIS

Adds solar energy generation to our hard tonneau covers.

≈$96K Q3 sales, more than **quadrupled** from Q2. Still a small share of revenue.



COR

Stores power and works with SOLIS or independently.

UL + CSA Certified. Available on Amazon since September.

TERRAVIS ENERGY: AETHERLUX CERTIFICATION & NEXT STEPS

AetherLux is moving toward field deployment

COMMERCIAL DISCUSSIONS INCLUDE

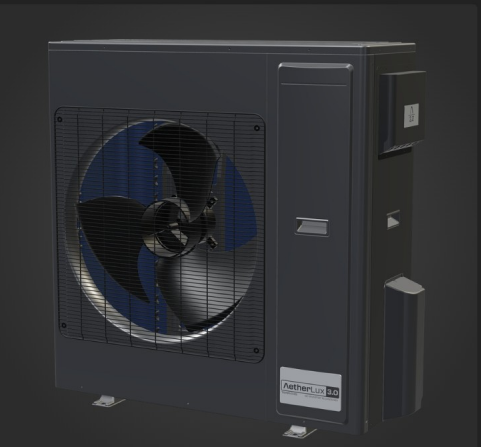
- **Government organizations**
- **Larger distributors**
- **Major installers**

PATENTED ZEROFROST TECHNOLOGY

In cold weather, defrost cycles consume energy and interrupt heating.

ZeroFrost is designed to reduce or eliminate those cycles.

More consistent heating when customers need it most.



AetherLux Multi-S

Q4 2026
Certification targeted

Before year-end
First production expected

Q1 2027
Initial pilot installations targeted, continental United States

Subject to certification, testing and production readiness. Installations follow certification and initial production.

STRATEGIC OUTLOOK

Our objective is sustained operating cash flow positivity

Reaching it would allow us to fund more growth internally and reduce our dependence on equity financing.

PROGRESS WILL DEPEND ON

01 Revenue
Continue increasing contribution from the cover business

02 Margins
More gross profit toward the remaining cash-flow gap

03 Recurring cash requirements
Without expanding spend at the same pace

04 Working-capital discipline
Inventory conversion releasing committed capital

We are not providing a new calendar target today. Complementary products and the AetherLux pilot are managed against available resources and milestones.

CLOSING REMARKS

Turning what we built into a business that can increasingly support itself



$7.2M
Record quarter
Our second consecutive quarterly sales record

≈$4.8M
NEXUS
Our largest product revenue contributor

≈$0.4M
Operating cash use
Down from $3.4M in Q2

Thank you to our employees, customers, partners, and shareholders.

Worksport

QUESTION & ANSWER SESSION

Q&A

We'll now take questions from analysts.

Followed by live and submitted questions from our shareholders.

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