



Building Next Generation Infrastructure

SECOND QUARTER 2023 FINANCIAL RESULTS

AUGUST 14, 2023

NASDAQ: CRGE

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Presenters



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Safe Harbor

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Any forward-looking statement in this presentation reflects our current view with respect to future events and is subject to these and other risks, uncertainties and assumptions relating to our business, results of operations, industry, and future growth. Given these uncertainties, you should not place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future performance. You should read this presentation and the documents that we reference herein with the understanding that our actual future results may be materially different from any future results expressed or implied by these forward-looking statements. Except as required by law, we assume no obligation to update or revise these forward-looking statements for any reason, even if new information becomes available in the future.

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Throughout this presentation the terms “Charge,” “we,” “our” or “us,” refer to Charge Enterprises, Inc. and its subsidiaries on a consolidated basis, unless stated or the context implies otherwise. The use of the term “partner” or “partnering” in this presentation does not mean or imply a formal legal partnership, and is not meant in any way to alter the terms of Charge’s relationship with any third parties.

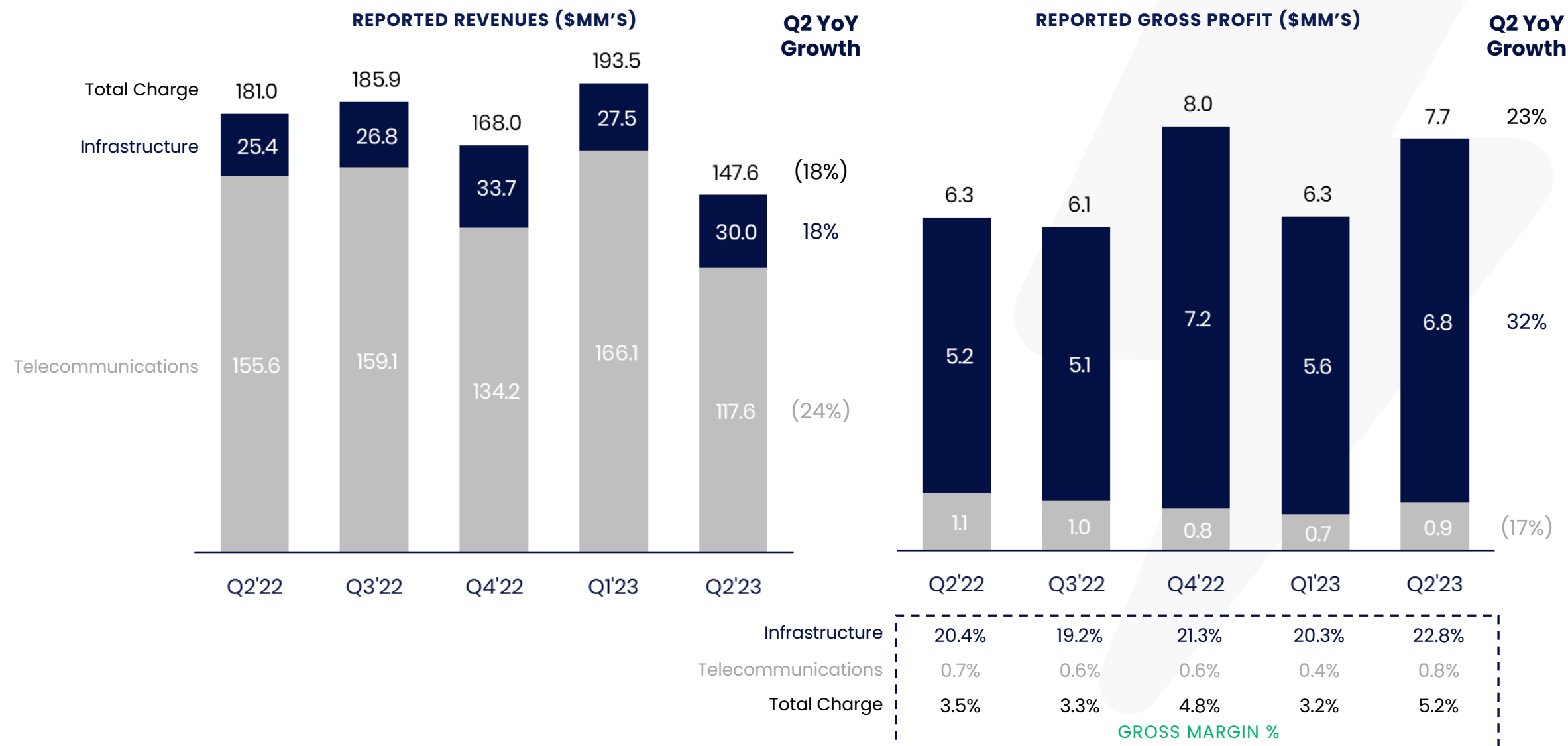
Key Messages

- ⚡ Reported revenues of \$147.6 million; Infrastructure segment revenues +18%
- ⚡ Second consecutive quarter of record backlog; ~\$138 million, +30% sequentially, +43% YoY; EV charging infrastructure business ~28% of total backlog
- ⚡ Growth in our EV charging infrastructure business will be instrumental in transitioning us to profitability
- ⚡ Goal of engagement with 1,000 U.S. retail dealerships by the end of 2025; ~20% of the goal achieved as of June 30, 2023
- ⚡ Strategic acquisition of Greenspeed:
 - Increases backlog of ~\$138 million, by ~\$12 million in the Infrastructure segment
 - Significantly enhances capabilities:
 - Expands geographical reach
 - Enables self-perform work across 25 states
 - Strengthens team with combined workforce of 425 team members, including a significant number of “boots on the ground”
 - ~600 total charging stations; 410 Level 2 and 190 DCFC/Level 3
- ⚡ Actively pursuing opportunities outside of the retail dealership channel; fleets, churches, depots, multi-family, and commercial office spaces



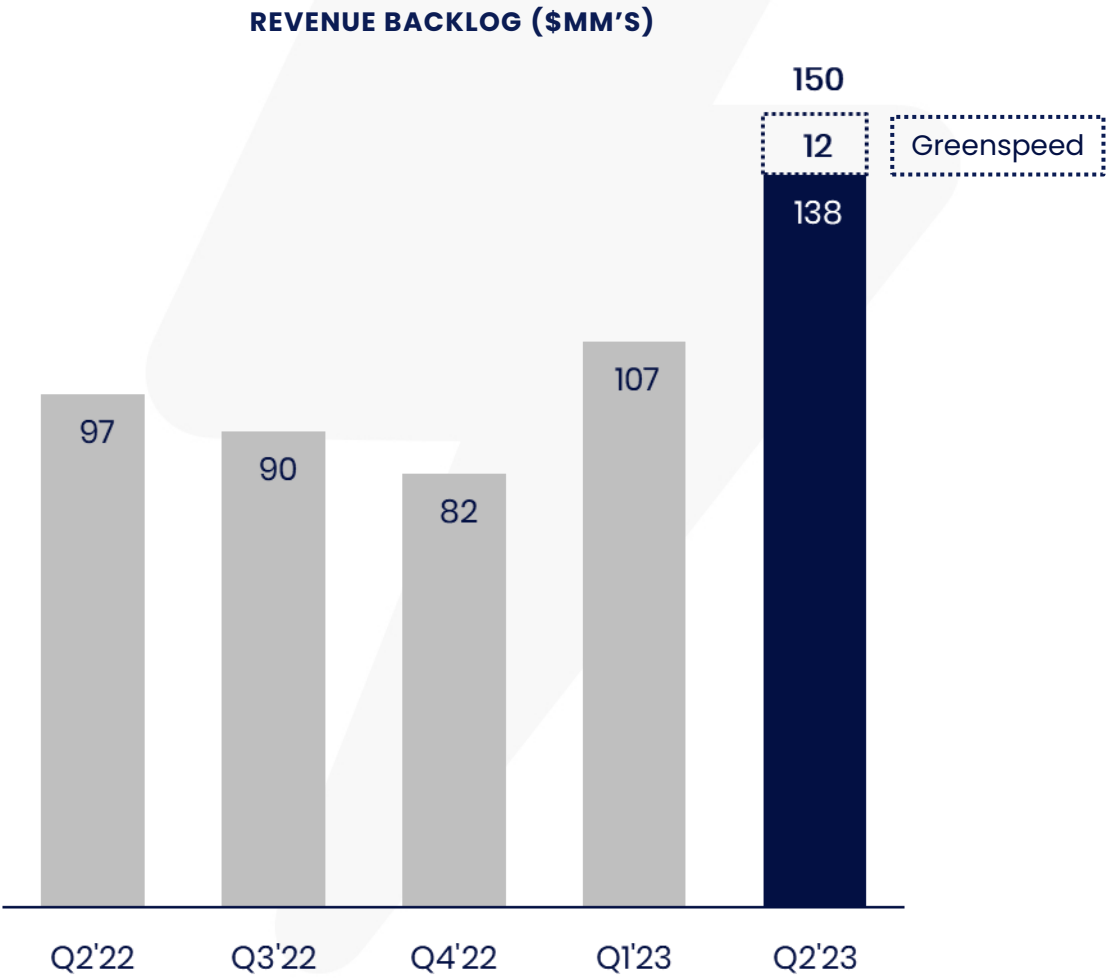
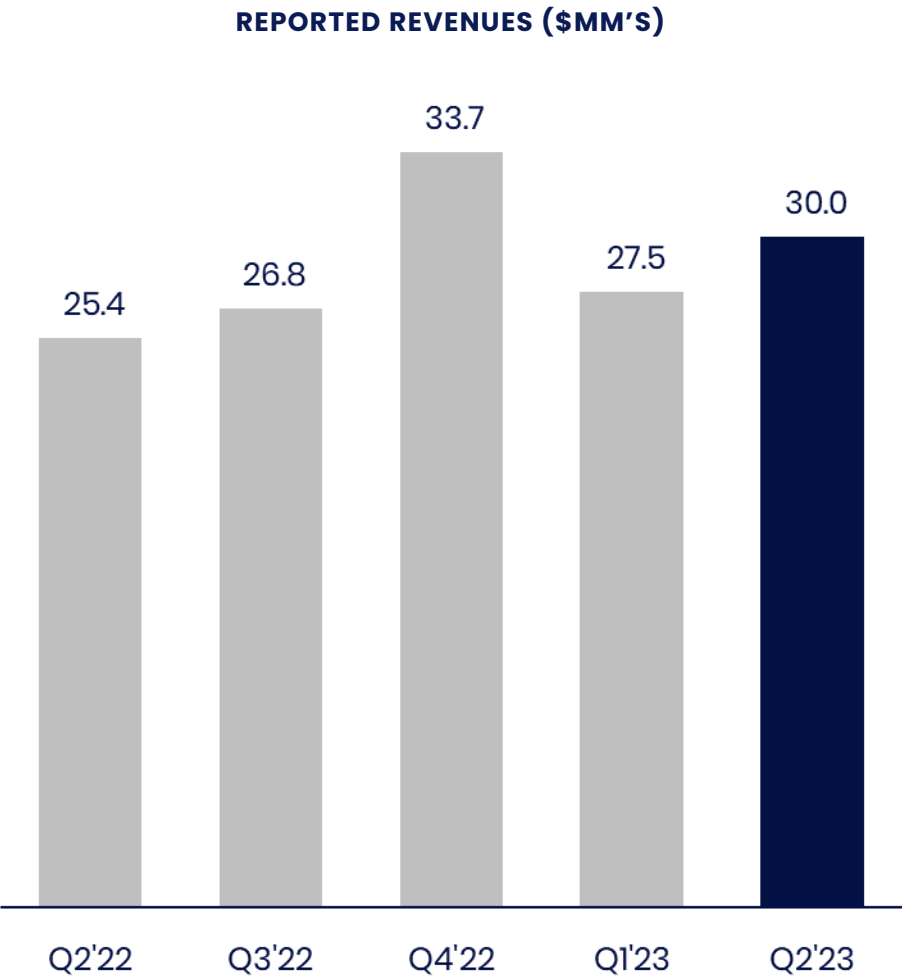
Financial Results

Charge Revenues and Gross Profit Quarterly Trend

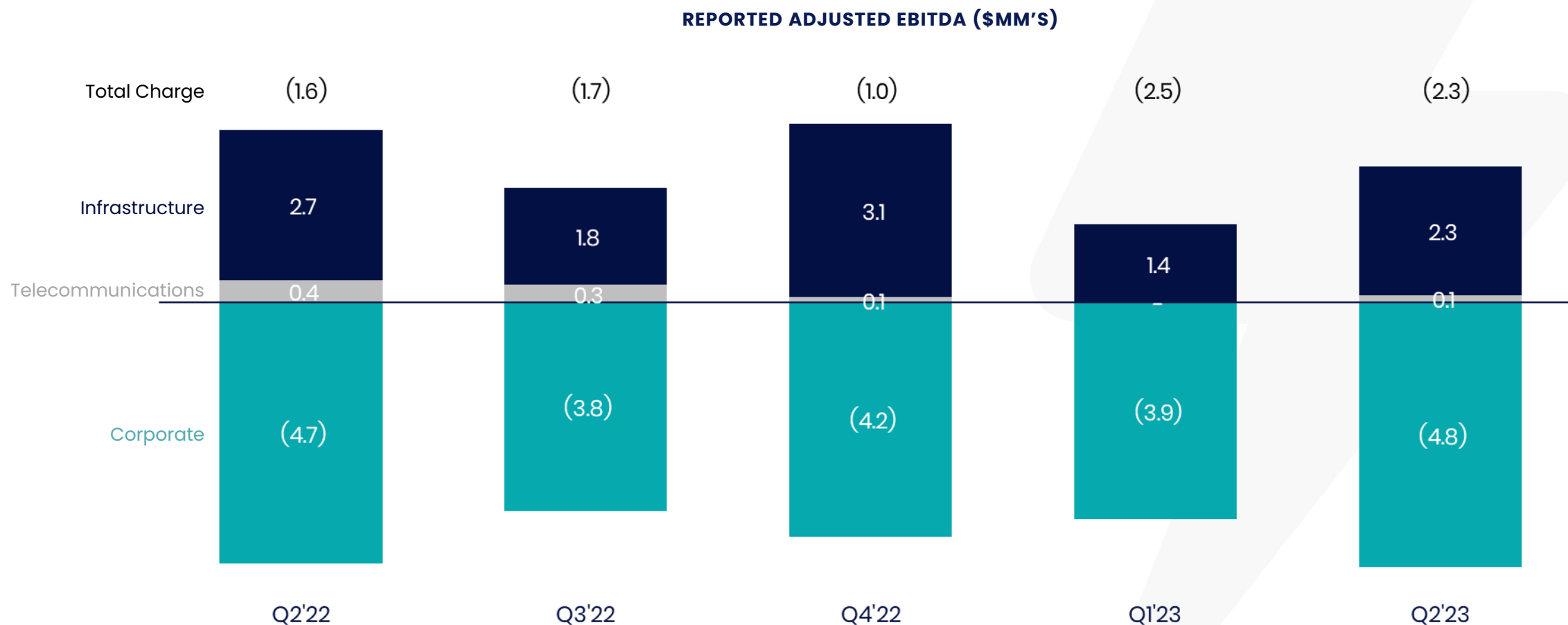


*Totals may not sum due to rounding

Infrastructure **Revenues & Backlog** Quarterly Trend



Charge **Adjusted EBITDA** Quarterly Trend



*See Appendix for Non-GAAP Reconciliation for Adjusted EBITDA

*Totals may not sum due to rounding

*2022 results as adjusted

Q2 2023 & 2022 Reported Financials

(\$ in 000s)	Q2'23	Q2'22	YOY INC/(DEC)	
			\$	%
Revenues	147,586	181,041	(33,455)	(18%)
Gross Profit	7,748	6,274	1,474	23%
General and Administrative	5,433	6,452	(1,019)	(16%)
Salaries and Related Benefits	9,156	7,799	1,357	17%
Professional Fees	446	848	(402)	(47%)
Depreciation and Amortization Expense	1,192	1,103	89	8%
Income (Loss) from Operations	(8,479)	(9,928)	1,449	15%
Other Income (Expense), net	(125)	(7,187)	7,062	98%
Income Tax (Expense) Benefit	(242)	(45)	(197)	#
Net Income (Loss)	(8,846)	(17,160)	8,314	48%
Adjusted EBITDA	(2,323)	(1,602)	(721)	(45%)

*See Appendix for Non-GAAP Reconciliation for Adjusted EBITDA

*# denotes a variance of 100% or more

*2022 results As Adjusted - As Adjusted represents the Company's change in accounting principle for recognizing stock-based compensation expense from a graded vesting attribution method to a straight-line attribution method. The effects of the change have been retrospectively applied to all periods effective from January 1, 2023, as presented in the Management's Discussion and Analysis of Financial Condition and Results of Operations in the Company's 10-Q filed with the SEC on August 14, 2023.



Q&A



Appendix

Non-GAAP Reconciliations

Reconciliations of **Non-GAAP Financial Measures**

In this presentation, the Company has supplemented the presentation of its financial results calculated in accordance with U.S. generally accepted accounting principles (“GAAP”) with the following financial measures that are not calculated in accordance with GAAP: EBITDA and Adjusted EBITDA. Management uses both GAAP and non-GAAP measures to assist in making business decisions and assessing overall performance. The Company’s measurement of these non-GAAP financial measures may be different from similarly titled financial measures used by others and therefore may not be comparable. These non-GAAP financial measures should not be considered superior to the GAAP measures in the tables included within this material.

Certain information presented in this presentation reflects adjustments to GAAP measures such as EBITDA and Adjusted EBITDA as an additional way of assessing certain aspects of the Company’s operations that, when viewed with the GAAP financial measures, provide a more complete understanding of its on-going business. EBITDA is defined as income (loss) before interest, income taxes, depreciation and amortization, and amortization of debt discount and debt issue costs. Adjusted EBITDA represents EBITDA adjusted for stock-based compensation, income (loss) from investments, net, other (income) expense, net, and foreign exchange adjustments.

As it related to future projections for the Company’s Adjusted EBITDA described above, the Company has not provided guidance for comparable GAAP measure or a quantitative reconciliation of forward-looking non-GAAP financial measures because it is unable to determine with reasonable certainty the ultimate outcome of certain significant items necessary to calculate such measures without unreasonable effort. These items include but are not limited to income or loss from investments, change in fair value of derivative liabilities and foreign exchange adjustments.

Reconciliations of Non-GAAP Financial Measures

CONSOLIDATED CHARGE ENTERPRISES

(\$ in 000s)	As Adjusted Q2 2022	As Adjusted Q3 2022	As Adjusted Q4 2022	Reported Q1 2023	Reported Q2 2023
Adjusted EBITDA:					
Net income (loss)	\$ (17,160)	\$ 16,181	\$ (9,296)	\$ (9,212)	\$ (8,846)
Income tax expense (benefit)	45	(8)	513	110	242
Interest expense	7,159	1,015	1,966	1,538	1,488
Depreciation & Amortization	1,103	433	4,632	1,210	1,192
EBITDA	(8,853)	17,621	(2,185)	(6,354)	(5,924)
Adjustments:					
Stock based compensation	7,223	5,867	5,985	5,902	4,964
Loss on impairment	-	-	797	-	58
(Income) loss from investments, net	972	201	(221)	(296)	(666)
Change in fair value of derivative liabilities	-	(28,669)	(5,252)	(1,376)	(280)
Other (income) expense, net	(774)	3,288	(73)	(391)	(637)
Foreign exchange adjustments	(170)	(1)	(51)	7	162
Adjusted EBITDA	\$ (1,602)	\$ (1,693)	\$ (1,000)	\$ (2,508)	\$ (2,323)

* 2022 results As Adjusted - As Adjusted represents the Company's change in accounting principle for recognizing stock-based compensation expense from a graded vesting attribution method to a straight-line attribution method. The effects of the change have been retrospectively applied to all periods effective from January 1, 2023, as presented in the Management's Discussion and Analysis of Financial Condition and Results of Operations in the Company's 10-Q filed with the SEC on August 14, 2023.

Reconciliations of Non-GAAP Financial Measures

INFRASTRUCTURE

(\$ in 000s)	As Adjusted Q2 2022	As Adjusted Q3 2022	As Adjusted Q4 2022	Reported Q1 2023	Reported Q2 2023
Adjusted EBITDA:					
Net income (loss)	\$ (1,982)	\$ (1,335)	\$ (1,018)	\$ (2,151)	\$ (891)
Income tax expense (benefit)	(15)	91	(3,823)	110	242
Interest expense	(6)	36	73	63	14
Depreciation & Amortization	1,061	391	4,590	1,190	1,183
EBITDA	(942)	(817)	(178)	(788)	548
Adjustments:					
Stock based compensation	3,289	2,515	2,501	2,410	1,823
Loss on impairment	-	-	797	-	58
(Income) loss from investments, net	377	81	15	(209)	(86)
Change in fair value of derivative liabilities	-	-	-	-	-
Other (income) expense, net	(6)	1	(4)	-	(15)
Foreign exchange adjustments	-	(26)	-	-	-
Adjusted EBITDA	\$ 2,718	\$ 1,754	\$ 3,131	\$ 1,413	\$ 2,328

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Reconciliations of Non-GAAP Financial Measures

TELECOMMUNICATIONS

(\$ in 000s)	As Adjusted Q2 2022	As Adjusted Q3 2022	As Adjusted Q4 2022	Reported Q1 2023	Reported Q2 2023
Adjusted EBITDA:					
Net income (loss)	\$ 509	\$ (79)	\$ 11	\$ 141	\$ 347
Income tax expense (benefit)	(67)	255	(6)	-	-
Interest expense	-	-	-	-	-
Depreciation & Amortization	42	42	42	20	9
EBITDA	484	218	47	161	356
Adjustments:					
Stock based compensation	120	101	116	120	124
Loss on impairment	-	-	-	-	-
(Income) loss from investments, net	-	-	-	-	-
Change in fair value of derivative liabilities	-	-	-	-	-
Other (income) expense, net	(31)	(20)	(13)	(288)	(506)
Foreign exchange adjustments	(170)	25	(51)	7	162
Adjusted EBITDA	\$ 403	\$ 324	\$ 99	\$ -	\$ 136

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Reconciliations of Non-GAAP Financial Measures

NON-OPERATING CORPORATE

(\$ in 000s)	As Adjusted Q2 2022	As Adjusted Q3 2022	As Adjusted Q4 2022	Reported Q1 2023	Reported Q2 2023
Adjusted EBITDA:					
Net income (loss)	\$ (15,687)	\$ 17,595	\$ (8,289)	\$ (7,202)	\$ (8,302)
Income tax expense (benefit)	127	(354)	4,342	-	-
Interest expense	7,165	979	1,893	1,475	1,474
Depreciation & Amortization	-	-	-	-	-
EBITDA	(8,395)	18,220	(2,054)	(5,727)	(6,828)
Adjustments:					
Stock based compensation	3,814	3,251	3,368	3,372	3,017
Loss on impairment	-	-	-	-	-
(Income) loss from investments, net	595	120	(236)	(87)	(580)
Change in fair value of derivative liabilities	-	(28,669)	(5,252)	(1,376)	(280)
Other (income) expense, net	(737)	3,307	(56)	(103)	(116)
Foreign exchange adjustments	-	-	-	-	-
Adjusted EBITDA	\$ (4,723)	\$ (3,771)	\$ (4,230)	\$ (3,921)	\$ (4,787)

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Stock Compensation Expense Disaggregation

(\$ in 000s)	As Adjusted Q2 2022	As Adjusted Q3 2022	As Adjusted Q4 2022	Reported Q1 2023	Reported Q2 2023
<u>CONSOLIDATED CHARGE ENTERPRISES</u>					
Cost of Sales	\$ 704	\$ 506	\$ 489	\$ 432	\$ 301
General and Administrative	2,704	1,775	1,773	1,760	1,350
Salaries and Related Benefits	3,815	3,586	3,723	3,710	3,313
Total Stock Compensation Expense	\$ 7,223	\$ 5,867	\$ 5,985	\$ 5,902	\$ 4,964
<u>INFRASTRUCTURE</u>					
Cost of Sales	\$ 704	\$ 506	\$ 489	\$ 432	\$ 301
General and Administrative	574	51	50	49	51
Salaries and Related Benefits	2,011	1,958	1,962	1,929	1,471
Total Stock Compensation Expense	\$ 3,289	\$ 2,515	\$ 2,501	\$ 2,410	\$ 1,823
<u>TELECOMMUNICATIONS</u>					
Cost of Sales	\$ -	\$ -	\$ -	\$ -	\$ -
General and Administrative	69	46	61	70	74
Salaries and Related Benefits	51	55	55	50	50
Total Stock Compensation Expense	\$ 120	\$ 101	\$ 116	\$ 120	\$ 124
<u>NON-OPERATING CORPORATE</u>					
Cost of Sales	\$ -	\$ -	\$ -	\$ -	\$ -
General and Administrative	2,061	1,678	1,662	1,641	1,225
Salaries and Related Benefits	1,753	1,573	1,706	1,731	1,792
Total Stock Compensation Expense	\$ 3,814	\$ 3,251	\$ 3,368	\$ 3,372	\$ 3,017

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