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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2026

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission file number 001-42540

TEAMSHARES INC.
(Exact name of registrant as specified in its charter)

Delaware			**61-2235506**
(State or other jurisdiction of incorporation or organization)			(I.R.S. Employer Identification No.)
214 Sullivan Street,	**3B**	**New York, NY**	**10012**
(Address of Principal Executive Offices)			(Zip Code)

Registrant's telephone number, including area code: **(917) 310-2731**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value $0.0001 per share	TMS	The Nasdaq Stock Market LLC
Warrants, each whole warrant exercisable for one share of Common stock at an exercise price of $11.50 per share	TMSWW	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☐
		Emerging growth company	☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of November 11, 2026, there were 72,498,463 shares of the registrant's common stock, par value $0.0001 per share, outstanding.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (this "Quarterly Report") contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Exchange Act of 1934, as amended (the "Exchange Act"). All statements other than statements of historical facts contained in this Quarterly Report are forward-looking statements. Such statements can be identified by the fact that they do not relate strictly to historical or current facts. When used in this Quarterly Report, words such as "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "might," "plan," "possible," "potential," "predict," "project," "should," "strive," "would," "strategy," "outlook," the negative of these words or other similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking.

These forward-looking statements include, but are not limited to, statements regarding our operations, our financial performance and our industry; our business strategy, business plan, and plans to drive long term sustainable shareholder value; our expectations on revenue and cash generation; our liquidity, capital resources and anticipated uses of cash; and our acquisition pipeline and the anticipated timing and terms of future acquisitions. These forward-looking statements reflect our predictions, projections or expectations based upon currently available information and data. Our actual results, performance or achievements may differ materially from those expressed or implied by the forward-looking statements, and you are cautioned not to place undue reliance on these forward-looking statements. The following important factors and uncertainties, among others, could cause actual outcomes or results to differ materially from those indicated by the forward-looking statements:

- our substantial indebtedness, including our ability to service the Sound Point Term Loan (as defined in Note 10 of the unaudited condensed consolidated financial statements included in this Quarterly Report), comply with its financial and other covenants, and refinance or repay our other indebtedness when due;
- the terms of our shares of perpetual, non-voting, non-convertible preferred stock (the "Series A Preferred Stock"), including our dividend obligations, redemption requirements and restrictive covenants;
- our ability to realize the benefits expected from the SPAC Merger (as defined in Note 1 of the unaudited condensed consolidated financial statements included in this Quarterly Report);
- our ability to maintain the listing of our common stock, par value $0.0001 per share ("Common Stock") on Nasdaq;
- our public securities' potential liquidity and trading, and the volatility of the market price of our Common Stock;
- our ability to raise financing in the future;
- our ability to retain or recruit, or to effect changes required in, our officers, key employees or directors;
- our reliance upon the efforts of our board of directors (the "Board") and key personnel to be successful;
- our limited operating history;
- expectations regarding the time during which we will be an "emerging growth company";
- our ability to manage our growth effectively;
- competition from existing or new companies;
- our ability to successfully acquire, integrate and grow small-to-medium-sized enterprises ("SMEs") and implement our tech-enabled employee ownership platform;
- failure of the market to achieve the growth potential we expect;
- our history of losses and ability to achieve profitability in the future;
- our failure to comply with various laws and regulations relating to various aspects of our business and any changes in the funding levels of various governmental entities with which we do business;
- our failure to protect the confidentiality of our trade secrets and know how;
- our failure to comply with the terms of third-party open source software our systems utilize;
- our ability to maintain an effective system of internal control over financial reporting;
- costs and resources of operating as a public company;
- unfavorable or no analyst research or reports; and

- other factors detailed under the section entitled “Risk Factors” in our definitive proxy statement/prospectus dated May 27, 2026, forming part of our Registration Statement on Form S-4 (File No. 333-294869), which was declared effective by the Securities and Exchange Commission (the “SEC”) on May 27, 2026 (as supplemented on June 3, 2026, the “Proxy Statement/Prospectus”), as updated by Part II, Item 1A of our Quarterly Report on Form 10-Q for the quarter ended June 30, 2026 and Part II, Item 1A of this Quarterly Report, and in our other filings with the SEC.

These forward-looking statements are based on information available as of the date of this Quarterly Report and our management team’s current expectations, forecasts, and assumptions, and involve a number of judgments, known and unknown risks, and uncertainties and other factors, many of which are outside our control and the control of our directors, officers and affiliates. Accordingly, forward-looking statements should not be relied upon as representing our views as of any subsequent date, and we do not undertake any obligation to update, add or to otherwise correct any forward-looking statements to reflect events or circumstances after the date they were made, whether as a result of new information, future events, inaccuracies that become apparent after the date hereof, or otherwise, except as may be required under applicable securities laws.

As a result of a number of known and unknown risks and uncertainties, our actual results or performance may be materially different from those expressed or implied by these forward-looking statements. You should not place undue reliance on these forward-looking statements.

Part I - Financial Information

Item 1. Financial Statements

Teamshares Inc.
CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)
(*dollars in thousands, except share amounts*)

	September 30, 2026	December 31, 2025
Assets		
Current Assets		
Cash and Cash Equivalents	$ 267,222	$ 40,246
Restricted Cash	12,400	13,426
Accounts Receivable, Net	27,462	21,354
Inventories	63,182	46,405
Prepaid Expenses	3,988	2,870
Other Current Assets	2,509	3,052
Total Current Assets	**376,763**	**127,352**
Long-Term Assets		
Restricted Cash	422	425
Property, Plant, and Equipment, Net	31,148	30,043
Operating Lease Right of Use Assets, Net	95,593	93,586
Goodwill, Net	258,618	244,743
Internally Developed Software, Net	4,901	6,769
Trade Names, Net	13,093	11,598
Other Assets	18,598	13,676
Total Long-Term Assets	**422,371**	**400,840**
Total Assets	**$ 799,135**	**$ 528,193**
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts Payable	$ 30,641	$ 22,586
Accrued Expenses	12,800	10,562
Deferred Revenue	12,933	10,051
Contingent Consideration	3,570	3,151
Short-Term Debt and Current Portion of Long-Term Debt	80,241	200,147
Current Portion of Operating Lease Obligations	9,373	8,524
Other Current Liabilities	14,607	9,893
Total Current Liabilities	**164,165**	**264,913**
Long-Term Liabilities		
Warrant Liability	—	2,922
Contingent Consideration	6,821	6,044
Long-Term Debt, Net	174,124	91,399
Long-Term Operating Lease Obligations	88,547	88,144
Earnout Shares and Deferred Founder Shares Liabilities (Note 11)	29,645	—
Forward Purchase Agreement Liability (Note 11)	12,991	—
Other Long-Term Liabilities	6,517	8,687
Total Long-Term Liabilities	**318,645**	**197,196**
Total Liabilities	**482,810**	**462,109**
Redeemable Noncontrolling Interests	1,599	2,451
Perpetual Non-Convertible Preferred Stock, $0.0001 par value, 300,000 shares authorized, 225,000 issued and outstanding as of September 30, 2026 (aggregate liquidation preference of $225.0 million); no shares authorized, issued and outstanding as of December 31, 2025 (Note 14)	216,977	—
Stockholders' Equity		
Common Stock, $0.0001 par value, 450,000,000 shares authorized, 72,416,056 issued and outstanding as of September 30, 2026; 97,899,711 shares authorized, 49,180,937 shares issued and outstanding as of December 31, 2025	7	5
Additional Paid-In Capital	388,747	327,839
Accumulated Deficit	(284,880)	(261,775)
Accumulated Other Comprehensive Loss	(2,197)	(128)
Total Stockholders' Equity	**101,677**	**65,941**
Noncontrolling Interests	(3,928)	(2,308)
Total Equity	**97,749**	**63,633**
Total Liabilities and Stockholders' Equity	**$ 799,135**	**$ 528,193**

See accompanying Notes to Unaudited Condensed Consolidated Financial Statements.

Teamshares Inc.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)
(Dollars in thousands, except per share amounts)

	For the Three Months Ended		For the Nine Months Ended	
	September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
Revenue:				
Products	$ 112,511	$ 81,037	$ 314,597	$ 237,208
Services	35,390	38,187	103,003	108,133
Total Revenue	**147,901**	**119,224**	**417,601**	**345,341**
Cost of Revenue:				
Products	68,942	50,210	191,395	147,038
Services	20,183	23,145	58,068	64,459
Total Cost of Revenue	**89,126**	**73,355**	**249,463**	**211,497**
Gross Profit	**58,776**	**45,869**	**168,137**	**133,845**
Operating Expense				
Depreciation	785	757	2,714	2,416
Amortization	1,618	1,223	5,041	4,105
Selling, General, and Administrative Expenses	58,824	47,924	167,101	141,039
Goodwill Impairment	1,116	819	1,116	7,644
Gain on Disposition of Assets	(389)	(6,921)	(258)	(6,071)
Total Operating Expenses	**61,954**	**43,802**	**175,715**	**149,134**
Income (Loss) from Operations	**(3,178)**	**2,067**	**(7,577)**	**(15,289)**
Non-Operating Expense (Income)				
Interest Expense, Net	9,331	8,367	34,862	23,456
Loss on Extinguishment of Debt	—	2,722	—	2,722
Change in Fair Value of Earnout Shares and Deferred Founder Shares Liabilities (Note 11)	(7,473)	—	(32,356)	—
Change in Fair Value of Forward Purchase Agreement Liability (Note 11)	2,602	—	7,605	—
Loss on the Conversion of SAFE Notes (Note 11)	—	—	2,175	—
Change in Fair Value of Warrant Liability	—	(2,877)	(421)	(3,311)
Change in Fair Value of Contingent Consideration	1,342	504	2,228	764
Other Non-Operating Expense (Income), Net	(170)	(274)	(569)	1,408
Total Non-Operating Expenses, Net	**5,632**	**8,442**	**13,524**	**25,039**
Loss Before Income Taxes	**(8,811)**	**(6,375)**	**(21,101)**	**(40,328)**
Income Tax Expense	493	45	1,453	336
Net Loss	**(9,303)**	**(6,421)**	**(22,554)**	**(40,664)**
Net Income (Loss) Attributable to Noncontrolling Interests	93	(150)	551	(226)
Net Loss Attributable to Teamshares Inc.	**$ (9,396)**	**$ (6,271)**	**$ (23,105)**	**$ (40,438)**
Perpetual Non-Convertible Preferred Stock Cumulative Dividends and Accretion (Note 14)	(825)	—	(825)	—
Rollover Share Adjustments (Note 15)	10	183	74	248
Net Loss Attributable to Common Stockholders	**$ (10,212)**	**$ (6,087)**	**$ (23,857)**	**$ (40,190)**
Basic and Diluted Loss Per Share Attributable to Common Stockholders	$ (0.14)	$ (0.12)	$ (0.41)	$ (0.82)

See accompanying Notes to Unaudited Condensed Consolidated Financial Statements.

Teamshares Inc.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (Unaudited)
(*Dollars in thousands*)

	For the Three Months Ended		For the Nine Months Ended	
	September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
Net Loss	$ (9,303)	$ (6,421)	$ (22,554)	$ (40,664)
Other Comprehensive Income (Loss), net of tax:				
Foreign Currency Translation	(323)	22	(2,069)	(28)
Other Comprehensive Income (Loss)	**(323)**	**22**	**(2,069)**	**(28)**
Comprehensive Loss Including Noncontrolling Interests	**(9,626)**	**(6,399)**	**(24,623)**	**(40,693)**
Comprehensive Income (Loss) Attributable to Noncontrolling Interests	93	(150)	551	(226)
Comprehensive Loss Attributable to Teamshares Inc.	**$ (9,719)**	**$ (6,249)**	**$ (25,175)**	**$ (40,467)**

See accompanying Notes to Unaudited Condensed Consolidated Financial Statements.

Teamshares Inc.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (Unaudited)
For the Three and Nine Months ended September 30, 2026 and 2025
(*In thousands except shares and par value*)

	Redeemable Noncontrolling Interest	Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Equity	Noncontrolling Interests	Total Equity
	Amount	Shares	Par Value	Shares	Par Value						
Balance, December 31, 2024	**$ 4,194**	**7,740,549**	**$ 77**	**1,162,180**	**$ 12**	**$ 324,199**	**$ (195,856)**	**$ (159)**	**$ 128,183**	**$ (476)**	**$ 127,708**
Retroactive application of the recapitalization	**—**	**(7,740,549)**	**(77)**	**47,827,361**	**4,887**	**(5)**	**—**	**—**	**—**	**—**	**—**
Adjusted Balance - January 1, 2025	**4,194**	**—**	**—**	**48,989,541**	**4,899**	**324,194**	**(195,856)**	**(159)**	**128,183**	**(476)**	**127,708**
Exercise of Common Stock Options for Cash	—	—	—	81	—	1	—	—	1	—	1
Issuance of Series E-1 Convertible Preferred Stock, Net (converted to Company Common Stock at the Closing)	—	—	—	99,680	100	1,000	—	—	1,000	—	1,000
Stock-Based Compensation	—	—	—	—	—	611	—	—	611	375	986
Dividends to Noncontrolling Interests	(18)	—	—	—	—	—	—	—	—	(224)	(224)
Noncontrolling Interest Repurchases and Adjustments	(65)	—	—	—	—	—	—	—	—	(409)	(409)
Net Income (Loss)	121	—	—	—	—	—	(21,330)	—	(21,330)	(181)	(21,511)
Other Comprehensive Loss	—	—	—	—	—	—	—	(21)	(21)	—	(21)
Balances, March 31, 2025	**$ 4,232**	**—**	**—**	**49,089,302**	**4,999**	**325,806**	**(217,186)**	**(180)**	**108,444**	**(914)**	**107,530**
Exercise of Common Stock Options for Cash	—	—	—	59	—	—	—	—	—	—	—
Issuance of Series E-1 Convertible Preferred Stock, Net (converted to Company Common Stock at the Closing)	—	—	—	35,309	4	350	—	—	350	—	350
Stock-Based Compensation	—	—	—	—	—	573	—	—	573	391	964
Dividends to Noncontrolling Interests	(29)	—	—	—	—	—	—	—	—	(349)	(349)
Noncontrolling Interest Repurchases and Adjustments	(624)	—	—	—	—	—	—	—	—	(289)	(289)
Net Income (Loss)	14	—	—	—	—	—	(12,838)	—	(12,838)	(30)	(12,868)
Other Comprehensive Loss	—	—	—	—	—	—	—	(29)	(29)	—	(29)
Balances, June 30, 2025	**$ 3,593**	**—**	**—**	**49,124,670**	**5,002**	**326,729**	**(230,024)**	**(210)**	**96,501**	**(1,191)**	**95,310**
Exercise of Common Stock Options for Cash	—	—	—	6,576	1	13	—	—	13	—	13
Stock-Based Compensation	—	—	—	—	—	667	—	—	667	383	1,049
Dividends to Noncontrolling Interests	(22)	—	—	—	—	—	—	—	—	(337)	(337)
Noncontrolling Interest Repurchases and Adjustments	(350)	—	—	—	—	—	—	—	—	(382)	(382)
Net Loss	(70)	—	—	—	—	—	(6,271)	—	(6,271)	(80)	(6,351)
Other Comprehensive Income	$ —	—	—	—	—	—	—	22	22	—	22
Balances, September 30, 2025	**$ 3,150**	**—**	**$ —**	**49,131,245**	**$ 5,003**	**$ 327,409**	**$ (236,295)**	**$ (188)**	**$ 90,932**	**$ (1,607)**	**$ 89,325**

	Redeemable Noncontrolling Interest	Perpetual Non-Convertible Preferred Stock		Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Equity	Noncontrolling Interests	Total Equity
	Amount	Shares	Amount	Shares	Par Value	Shares	Par Value						
Balance, December 31, 2025	**$ 2,451**	**—**	**$ —**	**7,758,235**	**$ 78**	**1,174,429**	**$ 12**	**$ 327,843**	**$ (261,775)**	**$ (128)**	**$ 65,941**	**$ (2,308)**	**$ 63,633**
Retroactive application of the recapitalization	**—**	**—**	**—**	**(7,758,235)**	**(78)**	**48,006,508**	**4,907**	**(5)**	**—**	**—**	**—**	**—**	**—**
Adjusted balances, January 1, 2026	**2,451**	**—**	**—**	**—**	**—**	**49,180,937**	**4,919**	**327,839**	**(261,775)**	**(128)**	**65,941**	**(2,308)**	**63,633**
Stock-Based Compensation	—	—	—	—	—	—	—	627	—	—	627	310	936
Dividends to Noncontrolling Interests	(11)	—	—	—	—	—	—	—	—	—	—	(412)	(412)
Noncontrolling Interest Repurchases and Adjustments	(682)	—	—	—	—	—	—	164	—	—	164	(207)	(43)
Net (Loss) Income	4	—	—	—	—	—	—	—	(22,877)	—	(22,877)	96	(22,781)
Other Comprehensive Loss	—	—	—	—	—	—	—	—	—	(1,170)	(1,170)	—	(1,170)
Balances, March 31, 2026	**1,762**	**—**	**—**	**—**	**—**	**49,180,937**	**4,919**	**328,629**	**(284,652)**	**(1,298)**	**42,684**	**(2,521)**	**40,163**
Merger and PIPE Financing, net (Note 3)	—	—	—	—	—	18,311,605	1,831	112,871	—	—	112,873	—	112,873
Conversion of Live Oak Class B Common Stock (Note 3)	—	—	—	—	—	3,450,000	345	—	—	—	—	—	—
Conversion of SAFE Notes and Issuance of Sponsor Incentive Shares to SAFE Investors (Note 3)	—	—	—	—	—	751,343	75	8,505	—	—	8,505	—	8,505
Issuance of Sponsor Incentive Shares to NRA Investors (Note 3)	—	—	—	—	—	37,136	4	—	—	—	—	—	—
Conversion of Legacy Teamshares Series B Warrants to Legacy Teamshares Common Stock (Note 3)	—	—	—	—	—	220,943	22	2,501	—	—	2,501	—	2,501
Initial Value of Earnout Shares and Deferred Founder Shares (Note 11)	—	—	—	—	—	—	—	(62,001)	—	—	(62,001)	—	(62,001)
Initial Value of the Forward Purchase Agreement Liability (Note 11)	—	—	—	—	—	—	—	(5,386)	—	—	(5,386)	—	(5,386)
Stock-Based Compensation	—	—	—	—	—	—	—	745	—	—	745	334	1,079
Exercise of Common Stock Options for Cash	—	—	—	—	—	33,771	3	10	—	—	10	—	10
Dividends to Noncontrolling Interests	(15)	—	—	—	—	—	—	—	—	—	—	(425)	(425)
Noncontrolling Interest Repurchases and Adjustments	—	—	—	—	—	—	—	—	—	—	—	(808)	(808)
Net (Loss) Income	143	—	—	—	—	—	—	—	9,168	—	9,168	215	9,383
Other Comprehensive Loss	—	—	—	—	—	—	—	—	—	(577)	(577)	—	(577)
Balances, June 30, 2026	**1,890**	**—**	**—**	**—**	**—**	**71,985,735**	**7,199**	**385,873**	**(275,484)**	**(1,875)**	**108,521**	**(3,204)**	**105,318**
Stock-Based Compensation	—	—	—	—	—	—	—	2,805	—	—	2,805	235	3,041
Exercise of Common Stock Options for Cash	—	—	—	—	—	430,321	43	885	—	—	885	—	885
Dividends to Noncontrolling Interests	(9)	—	—	—	—	—	—	—	—	—	—	(453)	(453)
Noncontrolling Interest Repurchases and Adjustments	(291)	—	—	—	—	—	—	10	—	—	10	(592)	(582)

	Redeemable Noncontrolling Interest	Perpetual Non-Convertible Preferred Stock		Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Equity	Noncontrolling Interests	Total Equity
	Amount	Shares	Amount	Shares	Par Value	Shares	Par Value						
Net (Loss) Income	8	—	—	—	—	—	—	—	(9,396)	—	(9,396)	85	(9,312)
Other Comprehensive Loss	—	—	—	—	—	—	—	—	—	(323)	(323)	—	(323)
Issuance of Perpetual Non-Convertible Preferred Stock, net of issuance cost (Note 14)	—	225,000	216,952	—	—	—	—	—	—	—	—	—	—
Accretion of Perpetual Non-Convertible Preferred Stock (Note 14)	—	—	25	—	—	—	—	(25)	—	—	(25)	—	(25)
Perpetual Non-Convertible Preferred Stock Dividends (Note 14)	—	—	—	—	—	—	—	(800)	—	—	(800)	—	(800)
Balances, September 30, 2026	**$ 1,599**	**225,000**	**$ 216,977**	**—**	**$ —**	**72,416,056**	**$ 7,242**	**$ 388,747**	**$ (284,880)**	**$ (2,197)**	**$ 101,677**	**$ (3,928)**	**$ 97,749**

See accompanying Notes to Unaudited Condensed Consolidated Financial Statements.

Teamshares Inc.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)
(Dollars in thousands)

	For the Nine Months Ended	
	September 30, 2026	September 30, 2025
Cash Flows From Operating Activities		
Net Loss	$ (22,554)	$ (40,664)
Adjustments to Reconcile Net Loss to Net Cash Used in Operating Activities:		
Depreciation and Amortization	9,464	8,325
Non-Cash Stock-Based Compensation Expense	5,056	2,999
Non-Cash Interest Expense	10,667	1,740
Goodwill Impairment	1,116	7,644
Gain on Disposition of Assets	(258)	(6,071)
Loss on Extinguishment of Debt	—	2,722
Loss on the Conversion of SAFE Notes	2,175	—
Change in Fair Value of Earnout Shares and Deferred Founder Shares	(32,356)	—
Change in Fair Value of Forward Purchase Agreement Liability	7,605	—
Change in Fair Value of Warrant Liability	(421)	(3,311)
Change in Fair Value of Contingent Consideration, Net of Payments	1,727	(117)
Change in Fair Value of the Former Owner Loan	600	—
Changes in Operating Assets and Liabilities, Net of Acquisitions:		
Inventory	(5,874)	(4,046)
Accounts Receivable	(3,820)	(2,082)
Other Assets	(51)	180
Accounts Payable	4,909	(1,265)
Other Liabilities	5,165	28
Net Cash Used in Operating Activities	**(16,851)**	**(33,917)**
Cash Flows From Investing Activities		
Capital Expenditures	(4,436)	(2,984)
Business Acquisitions, Net of Cash Received	(24,210)	(10,554)
Proceeds from Sale Leaseback, Net	—	31,013
Additions to Internally Developed Software	(1,099)	(2,214)
Other Investing Activity	(187)	—
Net Cash Provided by (Used in) Investing Activities	**(29,931)**	**15,261**
Cash Flows From Financing Activities		
Borrowings Under Credit Facilities	3,000	3,188
Repayments Under Credit Facilities	(37,261)	(19,902)
Borrowings Under Other Debt Instruments	5,598	16,558
Repayments of Other Debt Instruments	(29,143)	(3,579)
Issuance of SAFE Notes	3,330	—
Proceeds from Issuance of Preferred Stock, Net (converted to Company Common Stock at the Closing)	—	1,350
Forward Purchase Agreement Prepayment (Note 11)	(42,240)	—
Proceeds from SPAC Merger, Net (Note 3)	159,487	—
Payment of Transaction Costs Directly Attributable to the SPAC Merger (Note 3)	(1,901)	—
Exercise of Common Stock Options for Cash	894	—
Dividends to Noncontrolling Interests	(1,324)	(979)
Acquisitions of Noncontrolling Interests	(2,415)	(2,272)

	For the Nine Months Ended	
	September 30, 2026	September 30, 2025
Payments of Debt Issuance Costs	(1,214)	—
Proceeds from Issuance of Perpetual Non-Convertible Preferred Stock (Note 14)	222,750	—
Payment of Perpetual Non-Convertible Preferred Stock Issuance Costs (Note 14)	(5,798)	—
Contingent Consideration Payments	(823)	(525)
Net Cash Provided by (Used in) Financing Activities	**272,941**	**(6,162)**
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(212)	—
Net Increase (Decrease) in Cash, Cash Equivalents and Restricted Cash	**225,947**	**(24,818)**
Cash, Cash Equivalents and Restricted Cash at Beginning of Period	54,097	75,509
Cash, Cash Equivalents and Restricted Cash at End of Period	**280,044**	**50,691**
Supplemental Disclosures of Cash Flow Information:		
Interest Paid	$ 25,903	$ 21,465
Income Taxes Paid	$ 815	$ 599
Supplemental Non-Cash Activity:		
Debt Assumed to Acquire Operating Subsidiaries (Note 5)	$ 14,025	$ 25,550
Conversion of Legacy Teamshares Series B Warrants into Legacy Teamshares Common Stock (Note 3)	$ 2,501	$ —
Conversion of SAFE Notes into Company Common Stock and Issuance of Incentive Founder Shares to SAFE Investors (Note 3)	$ 8,505	$ —

See accompanying Notes to Unaudited Condensed Consolidated Financial Statements.

Teamshares Inc.
Unaudited Notes to Condensed Consolidated Financial Statements
For the Three and Nine Months Ended September 30, 2026 and 2025

NOTE 1 — Basis of Presentation

The accompanying unaudited condensed consolidated financial statements of Teamshares Inc. and its subsidiaries ("Teamshares" or the "Company") have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") for interim financial information and with Article 10 of Regulation S-X. In the opinion of management, the condensed consolidated financial statements include all of the adjustments necessary for a fair statement in conformity with U.S. GAAP. Certain reclassifications have been made to prior year financial statements to conform to classifications used in the current year.

On June 18, 2026, Live Oak Acquisition Corp. V, a Cayman Islands exempted company ("Live Oak") consummated the SPAC Merger (as defined below) with Teamshares Inc., a Delaware corporation ("Legacy Teamshares"), as further described under "Merger and Reverse Recapitalization" below. Unless otherwise noted or the context otherwise requires, references to the "Company," "Teamshares," "we," "us," or "our" refer to the business of Legacy Teamshares and its subsidiaries prior to the consummation of the SPAC Merger and, after the consummation of the SPAC Merger, to Teamshares Inc. and its subsidiaries.

Operating results for interim periods are not necessarily indicative of results that may be expected for the fiscal year as a whole. The preparation of the financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses, and the related disclosures at the date of the financial statements and during the reporting period. Actual results could differ from those estimates.

The accompanying unaudited condensed consolidated financial statements include the accounts of the Company, its wholly-owned subsidiaries, and entities for which the Company has a controlling financial interest. Intercompany transactions and balances have been eliminated in consolidation. Unless otherwise noted, amounts are reported in thousands within this Quarterly Report, and therefore, certain columns and rows within tables in this Quarterly Report may not sum due to rounding.

The accompanying unaudited condensed consolidated financial statements and related notes should be read in conjunction with the audited consolidated financial statements of the Company for the fiscal year ended December 31, 2025 in the Proxy Statement/Prospectus.

There have been no material changes to the Company's significant accounting policies, as disclosed in Note 2 of the audited consolidated financial statements of the Company for the fiscal year ended December 31, 2025 in the Proxy Statement/Prospectus, except as described in Notes 3, 11, 13 and 14.

As of September 30, 2026, Teamshares had 93 active Operating Subsidiaries (as defined in Note 1 of the audited consolidated financial statements of the Company for the fiscal year ended December 31, 2025 in the Proxy Statement/Prospectus), 90 of which are located in the United States and 3 of which are located outside of the United States.

Management evaluated the Company's liquidity, debt maturities, and financing transactions through the date that these unaudited condensed consolidated financial statements were issued. As a result of the September 2026 Series A Preferred Stock issuance (see Note 14), the October 2026 Sound Point Term Loan (see Note 10), the October 2026 repayment of the i80 Facility and the TDC Loans (see Note 10), and available liquidity as of the date that these unaudited condensed consolidated financial statements were issued, management concluded that substantial doubt about the Company's ability to continue as a going concern has been alleviated for the twelve-month period following the issuance date of these unaudited condensed consolidated financial statements.

Merger and Reverse Recapitalization

On November 14, 2025, the Company entered into an agreement and plan of merger (as amended, the "Merger Agreement") with Live Oak, Live Oak Sponsor V LLC, Catalyst Sub Inc. ("Merger Sub"), and Catalyst Sub 2 LLC ("Merger Sub II"). Live Oak was a publicly traded special purpose acquisition company ("SPAC").

Teamshares Inc.
Unaudited Notes to Condensed Consolidated Financial Statements
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On June 18, 2026 (the "Closing Date"), as contemplated by the Merger Agreement, Live Oak, Merger Sub, Merger Sub II, and Legacy Teamshares consummated the transactions contemplated by the Merger Agreement and its related agreements (the "Closing"), culminating in (i) Live Oak de-registering from the Register of Companies in the Cayman Islands and transferring by way of continuation out of the Cayman Islands and into the State of Delaware so as to become a Delaware corporation (the "Domestication"), (ii) Merger Sub merging with and into Legacy Teamshares, with Legacy Teamshares continuing as the surviving corporation (the "Surviving Corporation") as a wholly-owned subsidiary of Live Oak, and (iii) immediately thereafter, the Surviving Corporation merging with and into Merger Sub II, with Merger Sub II continuing as the surviving entity and as a wholly-owned subsidiary of Live Oak (collectively the "SPAC Merger"). On the Closing Date, Live Oak filed a certificate of incorporation and a certificate of corporate domestication with the Secretary of State of the State of Delaware, pursuant to which Live Oak was domesticated and continues as a Delaware corporation, and effective upon the Closing, changing its name to "Teamshares Inc." (the "Company").

Pursuant to the Merger Agreement, the aggregate merger consideration paid to the holders of securities of Legacy Teamshares was $525.0 million, paid in newly issued shares of the combined company ("Company Common Stock") and options to purchase shares of the Company, valued at $10.00 per share. Upon the Closing, all of the issued and outstanding Legacy Teamshares Common Stock and Legacy Teamshares Preferred Stock were automatically cancelled and ceased to exist in exchange for the rights of each holder to receive its pro rata share of merger consideration. Beginning on June 23, 2026, the Company's Common Stock and warrants trade on Nasdaq under the ticker symbols "TMS" and "TMSWW", respectively.

See Note 3 for disclosure of the transactions that occurred in anticipation of the SPAC Merger and upon the Closing.

Accounting for the SPAC Merger

The SPAC Merger was accounted for as a reverse recapitalization in accordance with U.S. GAAP. Under this method of accounting, Live Oak was treated as the acquired company and Legacy Teamshares was treated as the accounting acquirer for financial statement reporting purposes. Accordingly, the SPAC Merger is treated as the equivalent of Legacy Teamshares issuing stock for the net assets of Live Oak, accompanied by a recapitalization. The net assets of Live Oak were stated at historical cost, with no goodwill or other intangible assets recorded. Operations prior to the SPAC Merger are presented as those of Legacy Teamshares.

Emerging Growth Company Status

The Company is an emerging growth company, as defined in Section 2(a) of the Securities Act of 1933, as amended (the "Securities Act"), as modified by the Jumpstart Our Business Startups Act of 2012 ("JOBS Act"). The Company may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirements of holding a non-binding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved.

Under the JOBS Act, emerging growth companies can delay adopting new or revised accounting standards issued subsequent to the enactment of the JOBS Act, until such time as those standards apply to private companies. The Company has elected to use this extended transition period for complying with new or revised accounting standards that have different effective dates for public and private companies until the earlier of the date that we (i) are no longer an emerging growth company or (ii) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, these condensed consolidated financial statements may not be comparable to companies that comply with the new or revised accounting pronouncements as of public company effective dates.

NOTE 2 — New Accounting Pronouncements

New Accounting Pronouncement Not Adopted as of September 30, 2026: In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("*ASU") 2023-09, Improvements to Income Tax Disclosures*, which intends to provide investors with enhanced information about an entity's income taxes by requiring

disclosure of items such as disaggregation of the effective tax rate reconciliation as well as information regarding income taxes paid. ASU 2023-09 is effective for annual reporting periods beginning after December 15, 2025, and will result in additional disclosures beginning with the Company's 2026 annual reporting.

In November 2024, the FASB issued *ASU 2024-03, Disaggregation of Income Statement Expenses*. The guidance requires additional, disaggregated disclosure about certain income statement expense line items. The amendments in ASU 2024-03 are effective for annual reporting periods beginning after December 15, 2026 and interim reporting periods beginning after December 15, 2027, with early adoption permitted, and are required to be applied prospectively with the option of retrospective application. We plan to adopt the provisions of ASU 2024-03 prospectively in the fourth quarter of fiscal year 2027. The Company is currently evaluating the updated disclosure requirements introduced by these amendments. Other than additional disclosure, the Company does not expect the adoption of this guidance to have a material impact on its consolidated financial statements.

NOTE 3 — Reverse Recapitalization

In anticipation of the SPAC Merger, the following transactions occurred prior to the Closing:

1. On November 14, 2025, Live Oak entered into subscription agreements with certain investors (the "Initial PIPE Investors") pursuant to which the Initial PIPE Investors agreed to purchase 13,749,994 Live Oak common shares for aggregate proceeds of approximately $126.5 million, in a transaction to be consummated concurrently with the Closing;

2. Live Oak Sponsor V LLC, in its capacity as SPAC Representative (the "Sponsor") designated 1,150,000 Live Oak Class B Ordinary Shares as incentive founder shares ("Incentive Founder Shares") that were eligible to be used to incentivize commitments from investors. Based on the terms of the Merger Agreement, 50% of unutilized Incentive Founder Shares were forfeited upon the Closing, and 50% of unutilized Incentive Founder Shares are converted to Deferred Founder Shares (as defined below). Utilized Incentive Founder Shares were converted to Company Common Stock upon the Closing;

3. During the period between December 2025 and May 2026 Legacy Teamshares entered into Simple Agreements for Future Equity ("SAFE Notes") for aggregate proceeds of approximately $6.3 million. Refer to Note 11.

4. Live Oak entered into non-redemption agreements (the "Non-Redemption Agreements"), dated as of June 5, 2026, with unaffiliated third-party stockholders of Live Oak (the "NRA Investors"). Pursuant to the Non-Redemption Agreements, the NRA Investors agreed not to redeem an aggregate of 276,646 common shares of Live Oak. In exchange for the NRA Investors' commitment to not redeem these shares, Live Oak agreed to transfer to the NRA Investors, contemporaneously with the Closing, an aggregate of 37,136 Incentive Founder Shares; and

5. On June 1, 2026, Live Oak entered into an agreement (the "Forward Purchase Agreement") with a fund sub-advised by JBA Asset Management LLC (the "FPA Investor") for an over-the-counter equity prepaid forward transaction. Pursuant to the terms of the Forward Purchase Agreement, the FPA Investor purchased 4,000,000 shares of Live Oak common stock (the "FPA Shares") on the open market prior to the Closing. The 4,000,000 shares were not redeemed pursuant to the terms of the Forward Purchase Agreement, and were subsequently converted into Company Common Stock upon the Closing. Upon consummation of the SPAC Merger, a portion of the funds remaining in the trust account established by Live Oak at the time of Live Oak's initial public offering (the "Live Oak Trust Account") were used to make a $42.2 million payment (the "Prepayment Amount") to the FPA Investor. The substance of the Prepayment Amount is akin to a subscription receivable for Company Common Stock, and therefore the payment of the Prepayment Amount has been presented as a reduction of Additional Paid-In Capital. Refer to Note 11.

As a result of the SPAC Merger, and upon the Closing, pursuant to the terms of the Merger Agreement:

1. All of the issued and outstanding Legacy Teamshares Common Stock were automatically cancelled and ceased to exist, in exchange for the rights of each holder to receive shares of Company Common Stock at an exchange ratio of approximately 4.510 (the "Exchange Ratio");

2. All 3,450,000 shares of Live Oak Class B shares were converted into Live Oak Class B common stock pursuant to the Domestication and subsequently converted into Company Common Stock at a one-to-one ratio;

3. All of the issued and outstanding shares of Legacy Teamshares Series Seed-1 Preferred Stock, Series Seed-2 Preferred Stock, Series Seed-AA Preferred Stock, Legacy Series A Preferred Stock, Series B-1 Preferred Stock, Series B-2 Preferred Stock, Series C-2 Preferred Stock, and holders of 1,538,481 shares of Legacy Teamshares Series C-1 Preferred Stock were automatically cancelled and ceased to exist, in exchange for the rights of each holder to receive shares of Legacy Teamshares Common Stock at a one-to-one ratio. The Legacy Teamshares Common Stock was subsequently converted to Company Common Stock at the Exchange Ratio;

4. All of the holders of Legacy Teamshares Series D-1 Preferred Stock, Series D-2 Preferred Stock, Series D-NV Preferred Stock, Series E-1 Preferred Stock, Series E-NV Preferred Stock and holders of 371,357 shares of Legacy Teamshares Series C-1 Preferred Stock made liquidation preference elections to convert their Legacy Teamshares Preferred Stock into a number of shares of Legacy Teamshares Common Stock determined based on the original issue price of the holder's Legacy Teamshares Preferred Shares. Based on the liquidation preference elections, an aggregate of 5,171,149 additional shares of Legacy Teamshares Common Stock, representing a liquidation preference of $233.2 million, were issued to liquidation preference electing holders (the "Liquidation Preference Electing Holders"). The Legacy Teamshares Common Stock was subsequently converted to Company Common Stock at the Exchange Ratio. Liquidation Preference Electing Holders agreed to forfeit participation in any Earnout Shares (as defined below);

5. All outstanding options to purchase equity securities of Legacy Teamshares, whether vested or unvested, were assumed by the Company and replaced with options to purchase Company Common Stock ("Assumed Options"), subject to equitable adjustments to the exercise prices and number of shares for which such Assumed Options are exercisable. See Note 13;

6. All SAFE Notes issued by Legacy Teamshares were automatically converted into 688,043 shares of Company Common Stock. See Note 11. An additional 63,300 Incentive Founder Shares were delivered to holders of SAFE Notes upon the Closing;

7. Holders of 77,258 Series B Warrants issued by Legacy Teamshares exercised their option to convert their Series B Warrants into 48,990 shares of Legacy Teamshares Common Stock. See Note 11. The Legacy Teamshares Common Stock was subsequently converted to Company Common Stock at the Exchange Ratio;

8. All Series C, Series D, and Series E Warrants issued by Legacy Teamshares were terminated and did not receive any consideration in connection with the SPAC Merger because these warrants were out-of-the-money at the Closing (see Note 11);

9. Certain former Legacy Teamshares security holders have the contingent right to receive up to 6,000,000 additional shares of Company Common Stock ("Earnout Shares") during a five-year earnout period (the "Earnout Period") in three equal tranches vesting upon the volume weighted average price ("VWAP") of Company Common Stock equaling or exceeding $12.00, $15.00 and $20.00, respectively, for 20 of any 30 consecutive trading days commencing at least 150 days after the Closing Date (or upon a qualifying change of control at an implied price at or above $12.00) ("Earnout Share Triggering Event(s)") (see Note 11).

   Employees of the Company that are entitled to receive Earnout Shares must remain continuously employed from the Closing Date through immediately before an Earnout Share Triggering Event. Due to the continuous employment requirements, Earnout Shares reserved for employees of the Company are classified as equity and recognized in accordance with ASC 718 - Compensation-Stock Compensation. See Note 13. Earnout Shares assigned to Legacy Teamshares stockholders that are not employees of the Company are classified as liabilities (see Note 11).

10. The Sponsor was issued 1,674,781 additional shares of Company Common Stock ("Deferred Founder Shares") that are subject to vesting and forfeiture during a five-year period (the "Founder Share Earnout Period"). The Deferred Founder Shares will vest and cease to be subject to forfeiture upon the VWAP of Company Common Stock equaling or exceeding $12.00 and $15.00, respectively, for 20 of any 30 consecutive trading days

commencing at least 150 days after the Closing Date (or upon a qualifying change of control at an implied price at or above $12.00). Despite the Deferred Founder Shares being issued upon the Closing, the Deferred Founder Shares are economically similar to an earnout arrangement due to the forfeiture provision, and are therefore classified as liabilities (see Note 11); and

11. Live Oak's 11,500,000 public warrants and 4,500,000 private warrants (collectively, the "Assumed Warrants") that were outstanding immediately prior to the Closing became warrants of the Company. Each Assumed Warrant entitles the holder to purchase one share of Company Common Stock at an exercise price of $11.50 per share. The terms of the public warrants and the private warrants are identical, except that the private warrants were not transferable, assignable or saleable until 30 days after the Closing, except, among other limited exceptions, to Live Oak's officers and directors and other persons or entities affiliated with the Sponsor. After the expiration of the aforementioned transfer restrictions 30 days after the Closing, the terms of the public warrants and the private warrants are identical.

    The Assumed Warrants are exercisable 30 days after the completion of the SPAC Merger and expire five years thereafter (the "Exercise Period"). The Company may redeem all outstanding Assumed Warrants at $0.01 per warrant if the sales price of Company Common Stock for any 20 trading days within a 30 trading-day measurement period equals or exceeds $18.00 per share during the Exercise Period. The Company can elect to require cashless exercise if the Assumed Warrants are exercised pursuant to a redemption notice whereby the holder will receive a number of shares of Company Common Stock equal to: (i) the number of shares of Company Common Stock underlying the Warrants, multiplied by the excess of fair market value of the Company Common Stock over the exercise price, divided by (ii) fair market value of the Company Common Stock. Fair market value is determined based on the average reported closing price of the Company Common Stock during the 10-trading-day period ending on the three trading days before the receipt of an exercise notice. The Assumed Warrants contain anti-dilution protections that may adjust either the exercise price or the number of shares issuable upon the exercise of each Assumed Warrant if certain events occur. The Company may reduce the exercise price before the expiration date in its sole discretion.

    The Assumed Warrants meet all of the requirements for equity classification under ASC 815 and therefore were classified as equity.

The following table summarizes the net proceeds from the SPAC Merger *(dollars in thousands)*:

Sources	**Amount**
Cash - Live Oak Trust Account	$ 48,149
Cash - Live Oak operating account	741
Total cash from Live Oak	**48,890**
Cash - PIPE	126,500
Live Oak transaction and advisory costs paid from the Live Oak Trust Account	(15,903)
Net cash proceeds from the SPAC Merger	**$ 159,487**

Uses	**Amount**
Repayment of the HBC Credit Facility	$ (33,850)
Payment of the Prepayment Amount to the FPA Investor	(42,240)
Total cash used immediately after the SPAC Merger	**(76,090)**
Net cash to Teamshares	**$ 83,397**

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The following table summarizes the impact of the SPAC Merger on the Company Common Stock *(dollars in thousands except shares and par values)*:

	Common Stock		Additional Paid -in Capital
	Number of Shares	Amount	
Balance as of March 31, 2026	**1,174,429**	**$ 12**	**$ 328,629**
Exercise of stock options prior to the SPAC Merger	7,488	—	$ 10
Conversion of Legacy Teamshares Preferred Stock into Legacy Teamshares Common Stock, adjusted for liquidation preferences	9,730,177	97	$ (4)
Conversion of Legacy Teamshares Series B Warrants to Legacy Teamshares Common Stock	48,990	—	$ 2,501
Balance immediately prior to the SPAC Merger	**10,961,084**	**110**	
Exchange Ratio	4.510x		
Company Common Stock Issued to Legacy Teamshares Stockholders	49,435,651	4,944	$ (1)
Merger and PIPE Financing, net (1) (2)	18,311,605	1,831	112,871
Conversion of Live Oak Class B Common Stock	3,450,000	345	—
Conversion of SAFE Notes and Issuance of Sponsor Incentive Shares to SAFE Investors	751,343	75	8,505
Issuance of Sponsor Incentive Shares to NRA Investors	37,136	4	$ —
Balance immediately after the SPAC Merger (3)	**71,985,735**	**$ 7,199**	**$ 452,511**

(1) Includes 4,000,000 FPA Shares held by the FPA Investor that were converted to Company Common Stock at the Closing.
(2) The balance recorded in Additional Paid-in Capital is net of $4.7 million of costs incurred by the Company that were directly attributable to the SPAC Merger. Directly attributable transaction costs consisted primarily of legal and accounting costs that were direct and incremental to the SPAC Merger. $1.9 million of directly attributable transaction costs were paid during the nine months ended September 30, 2026, and $2.7 million directly attributable transaction costs were included in Accounts Payable as of September 30, 2026.
(3) Refer to the Condensed Consolidated Statements of Stockholders' Equity for complete list of transactions that impacted Additional Paid-In Capital during the nine months ended September 30, 2026.

NOTE 4 — Revenue

The Operating Subsidiaries operate in a variety of industries and generate revenue from the sale of a diverse mix of product and service offerings. Operating Subsidiaries are not concentrated in a specific industry or geographical region. The Company disaggregates its revenue between sales of products and sales of services in the Condensed Consolidated Statements of Operations. There are no material extended payment terms extended to Operating Subsidiary customers.

At times, the Company has a right to payment from previous performance that is conditional on something other than the passage of time, such as billings that are contingent on work completed by others, and certain unbilled receivables, which are recognized as Contract Assets. Contract Assets were $2.4 million and $1.8 million as of September 30, 2026 and December 31, 2025, respectively, and are included in Accounts Receivable, Net on the Condensed Consolidated Balance Sheets.

Contract liabilities consist of payments received from customers in advance of the Company providing the product or performing services such that control has not passed to the customer. Contract liabilities were $12.9 million and $10.1 million as of September 30, 2026 and December 31, 2025, respectively, and are included in Deferred Revenue on the Condensed Consolidated Balance Sheets. During the nine months ended September 30, 2026, the Company recognized $8.0 million of revenue that was included in Deferred Revenue as of December 31, 2025.

NOTE 5 — Business Combinations

During the nine months ended September 30, 2026, the Company completed four business combinations. The business combinations were individually insignificant acquisitions of Operating Subsidiaries in the United States.

The Company accounts for business combinations using the acquisition method, and accordingly, the consideration paid for each business combination has been allocated based upon the fair value of the assets acquired and liabilities assumed in the business combination.

The following table summarizes the estimated acquisition date fair values of the aggregate assets acquired and liabilities assumed for the nine months ended September 30, 2026:

	September 30, 2026
Consideration:	
Cash	$ 26,814
Seller Notes at fair value	11,286
Contingent consideration	464
Total consideration transferred	**38,563**
Fair value of assets acquired and liabilities assumed:	
Cash and cash equivalents	3,658
Accounts receivable	2,298
Inventory	8,258
Prepaid expenses & other assets	1,547
Trade names	1,884
Customer related intangibles	4,200
Property, plant, and equipment	1,575
Operating leases right of use assets	5,009
Accounts payable & accrued liabilities	(3,156)
Lease liabilities	(2,709)
Total identifiable assets acquired, net	**22,563**
Goodwill	**$ 16,000**

Seller Notes (as defined in Note 9 of the audited consolidated financial statements of the Company for the fiscal year ended December 31, 2025 in the Proxy Statement/Prospectus) are a form of noncash consideration paid to the sellers of certain businesses, and are therefore disclosed as non-cash investing activities in the Condensed Consolidated Statements of Cash Flows. See Note 10. The principal balance of the Seller Notes included in the table above was $14.0 million.

The Company determined that the assets acquired in one of the business combinations that was completed during the nine months ended September 30, 2026 included two real estate leases with annual rents that were favorable relative to market terms as of the acquisition date. The acquired leases are classified as operating leases, and the Company initially measured the lease liabilities based on the present value of the remaining lease payments, as if the acquired leases were new leases of the Company at the acquisition date. The Company measured the ROU assets as the amount of the lease liabilities adjusted to reflect the favorable terms of the leases when compared with market terms. The Company estimates the fair value of the favorable lease terms as of the acquisition date using an income approach based on the present value of the difference between market rent and contractual rent over the remaining lease term, discounted at the Company's incremental borrowing rate as of the acquisition date. The adjustment for off-market terms increased the ROU assets acquired by $2.3 million as of the acquisition date. The amortization of the favorable lease component of the ROU assets will be recognized within Selling, General, and Administrative Expenses in the Condensed Consolidated Statements of Operations on a straight-line basis over the 15 year remaining lease term.

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The Company initially acquired 100% of the voting equity interests of the Operating Subsidiaries acquired during the nine months ended September 30, 2026. The Company owns preferred stock in each acquired Operating Subsidiary, and the preferred stock owned by the Company has a liquidation preference over common stockholders of each Operating Subsidiary in case of a liquidation event. The liquidation preference is equal to the price per share on the acquisition date adjusted for any additional contributions, stock splits, stock dividends, or similar transactions. The Company also controls the board of directors of each acquired Operating Subsidiary.

Certain historical acquisitions prior to 2023 were acquired for 90% in cash and the issuance of preferred stock to the former owners equal to 10% of all the issued and outstanding stock of the Operating Subsidiaries, calculated on a fully diluted and as-converted basis (the "Rollover Shares"), as of the acquisition date. Rollover Shares are classified as Redeemable Noncontrolling Interests outside of permanent equity in the Company's Condensed Consolidated Balance Sheets. During the nine months ended September 30, 2026, the Company paid $0.8 million to repurchase Rollover Shares held by the former owners of certain Operating Subsidiaries. In comparison, during the nine months ended September 30, 2025, the Company paid $1.0 million to repurchase Rollover Shares held by the former owners of certain Operating Subsidiaries. Rollover Share repurchases are included in Acquisitions of Noncontrolling Interests in the Condensed Consolidated Statements of Cash Flows.

The business combinations completed during the nine months ended September 30, 2026 were funded by cash on hand and the issuance of Seller Notes.

The business combinations completed during the nine months ended September 30, 2026 resulted in goodwill totaling $16.0 million. All of the goodwill that was acquired during the nine months ended September 30, 2026 was assigned to the SME reportable segment. All of the goodwill generated from the business combinations during the nine months ended September 30, 2026 is deductible for tax purposes. The determination of the final purchase price allocation to specific assets acquired and liabilities assumed may be subject to change during the measurement period up to one year following the acquisition date.

During the nine months ended September 30, 2026, the Company recorded measurement period adjustments to Operating Subsidiaries acquired during the year ended December 31, 2025 that increased Goodwill, Net by $0.7 million. See Note 9.

The Company recognized $4.5 million of Revenue and $0.5 million of Net Income Attributable to Teamshares Inc. in the Condensed Consolidated Statements of Operations during the three months ended September 30, 2026, and $8.5 million of Revenue and $0.9 million of Net Income Attributable to Teamshares Inc. during the nine months ended September 30, 2026 related to the four Operating Subsidiaries acquired during the nine months ended September 30, 2026.

For disclosures of the business combinations completed during the year ended December 31, 2025, refer to Note 4 of the audited consolidated financial statements of the Company for the fiscal year ended December 31, 2025 in the Proxy Statement/Prospectus. The following table summarizes the unaudited pro forma condensed financial information of the Company as if the business combinations during the three and nine months ended September 30, 2026, and all business combinations during the year ended December 31, 2025, had occurred on January 1, 2025 *(dollars in thousands)*:

	Unaudited			
	For the Three Months Ended		For the Nine Months Ended	
	September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
Total Revenue	$ 153,844	$ 151,088	$ 438,479	$ 433,014
Income (Loss) from Operations (1)	(1,753)	9,208	(3,486)	912
Net Loss (2)	(7,911)	(401)	(18,635)	(27,859)

(1) Pro forma adjustments increased Depreciation by $0.1 million and Amortization by $0.1 million during the nine months ended September 30, 2026 compared to the Condensed Consolidated Statement of Operations. Pro forma adjustments increased Depreciation by $0.2 million and $0.7 million, respectively, and Amortization by $0.3 million

and $0.9 million, respectively, during the three and nine months ended September 30, 2025 compared to the Condensed Consolidated Statement of Operations.

(2) Pro forma adjustments increased Interest Expense, Net by $0.2 million during the nine months ended September 30, 2026 compared to the Condensed Consolidated Statement of Operations. Pro forma adjustments increased Interest Expense, Net by $1.1 million and $3.4 million, respectively, during the three and nine months ended September 30, 2025 compared to the Condensed Consolidated Statement of Operations. Pro forma adjustments for the nine months ended September 30, 2025 included the addition of approximately $1.1 million of acquisition-related transaction costs reclassified from the periods in which such costs were incurred to the nine months ended September 30, 2025, as if the acquisitions had occurred on January 1, 2025. Pro forma adjustments did not impact Income Tax Expense during the three and nine months ended September 30, 2026 or 2025.

Contingent Consideration Agreements

The Company has contingent consideration liabilities related to earnout agreements in certain of its business combinations. The terms of the contingent consideration agreements vary but typically consist of a payout equal to a future percentage of a financial metric (typically revenue or a specified profitability metric) for a determined period of time (usually 1-6 years subsequent to the acquisition date). The Company estimates the future consideration payable related to the contingent consideration agreements and includes it as a current or long-term contingent consideration liability in the Condensed Consolidated Balance Sheets. Changes to the fair value of contingent consideration are recognized in Non-Operating Expense (Income) in the Condensed Consolidated Statements of Operations.

As of September 30, 2026 and December 31, 2025, respectively, the fair value of contingent consideration liabilities was $10.4 million and $9.2 million. As of September 30, 2026 and December 31, 2025, respectively, $3.6 million and $3.2 million is considered a current liability expected to be paid out within the next year, and $6.8 million and $6.0 million is considered a long-term liability expected to be paid out more than a year from the reporting date. The Company recognized losses of $1.3 million and $2.2 million related to the changes in fair value of contingent consideration agreements during the three and nine months ended September 30, 2026, respectively. The Company recognized losses of $0.5 million and $0.8 million related to the changes in fair value of contingent consideration agreements during the three and nine months ended September 30, 2025, respectively.

As of September 30, 2026, the Company had 30 Operating Subsidiaries with contingent consideration liabilities, which all contain a cap on the maximum amount payable. As of September 30, 2026, the maximum amount of contingent consideration payable in the future totaled $34.8 million.

During the nine months ended September 30, 2026 and 2025, respectively, the Company made payments related to the contingent consideration agreements of $1.3 million and $1.4 million. Contingent consideration payments were not made soon after the applicable acquisition date and therefore are recognized as financing activities in the Condensed Consolidated Statements of Cash Flows, up to the estimated fair value of the obligation as of the acquisition date. Payments in excess of the original acquisition date fair value are recognized as operating activities in the Condensed Consolidated Statements of Cash Flows. The Company recognized $0.5 million and $0.9 million of payments related to contingent consideration agreements as operating activities, and $0.8 million and $0.5 million of payments related to contingent consideration agreements as financing activities in the Condensed Consolidated Statements of Cash Flows during the nine months ended September 30, 2026 and 2025, respectively.

NOTE 6 — Restricted Cash

As part of the terms of certain of the Company's debt agreements, the Company is required to maintain certain deposit accounts classified as Restricted Cash. As of September 30, 2026, the Company had $10.3 million of Restricted Cash related to debt agreements, including $6.8 million in debt service reserve accounts pledged as collateral ("Collateral Accounts"), and $3.5 million in collection accounts to be used to pay current fees, costs, and interest related to the debt ("Collection Accounts"). As of December 31, 2025, the Company had $11.7 million of Restricted Cash related to debt agreements, including $6.8 million in Collateral Accounts, and $4.9 million in Collection Accounts. Restricted Cash related to debt agreements is included within Long-Term Assets in the Condensed Consolidated Balance Sheets, unless the associated debt obligation matures within the next twelve months, in which case the Restricted Cash balance is included within Current Assets in the Condensed Consolidated Balance Sheets.

All of the cash deposits required by the i80 Facility, including $3.5 million in a Collection Account and $6.4 million in a Collateral Account, were classified as Restricted Cash and included within Current Assets in the Condensed Consolidated Balance Sheets as of September 30, 2026 based on the contractual maturity date of the i80 Facility (see Note 10). Upon the extinguishment of the i80 Facility during October 2026 (see Note 10), $6.4 million of Restricted Cash held in a Collateral Account as of September 30, 2026 was released to the Company.

As part of the terms of the Company's self-insurance program, the Company is required to maintain separate deposit accounts. Distributions from these accounts require regulatory approval, and therefore the deposits are classified as Restricted Cash. As of September 30, 2026 and December 31, 2025, the Company had $2.5 million and $2.1 million, respectively, classified as Restricted Cash related to self-insurance programs. These deposits are included in Current Assets in the Condensed Consolidated Balance Sheets.

NOTE 7 — Inventories

Inventories consisted of the following *(dollars in thousands)*:

	September 30, 2026	December 31, 2025
Raw materials	$ 1,656	$ 1,439
Work in process	1,458	886
Finished goods	60,069	44,079
Total inventories	**$ 63,182**	**$ 46,405**

NOTE 8 — Property, Plant, and Equipment, Net

Property, plant, and equipment, net consisted of the following *(dollars in thousands)*:

	September 30, 2026	December 31, 2025
Vehicles	$ 9,120	$ 9,003
Computers and equipment	13,856	11,697
Furniture and fixtures	4,397	4,228
Third-party software	2,870	2,077
Leasehold improvements	10,709	10,148
Buildings	3,554	3,196
Land	3,357	3,484
Other fixed assets	1,006	905
Total property, plant, and equipment, gross	**48,870**	**44,737**
Less: Accumulated depreciation	(17,722)	(14,694)
Total property, plant, and equipment, net	**$ 31,148**	**$ 30,043**

Depreciation expense related to property, plant and equipment was $1.4 million and $4.0 million for the three and nine months ended September 30, 2026, respectively, and $1.3 million and $3.9 million for the three and nine months ended September 30, 2025, respectively. This includes $0.6 million and $1.3 million of depreciation expense recognized in Cost of Revenue during the three and nine months ended September 30, 2026, respectively, and $0.5 million and $1.5 million during the three and nine months ended September 30, 2025, respectively.

NOTE 9 — Goodwill and Intangible Assets

Goodwill

Goodwill arising from acquisitions primarily relates to the reputation the Operating Subsidiaries have established within local communities, strength of their customer bases, and assembled workforces that will remain after the business combination is completed.

The following table presents the changes in the carrying amount of the Company's Goodwill. All Goodwill is reported within the SME segment *(dollars in thousands)*:

Balance at January 1, 2026	$	244,743
Goodwill as a result of acquisitions		16,000
Purchase accounting adjustments		710
Goodwill Impairment		(1,116)
Currency translation		(1,719)
Balance at September 30, 2026	**$**	**258,618**

During the three months ended September 30, 2026, the Company recognized Goodwill Impairment related to the initiation of a plan to exit one Operating Subsidiary following a significant decline in the subsidiary's financial performance and business outlook during the three months ended September 30, 2026. The Operating Subsidiary is a subscale business that no longer aligns with the Company's underwriting expectations or long-term return thresholds.

Intangible Assets

Intangible assets primarily consist of trade names, customer related intangible assets, and internally developed software. The internally developed software relates to proprietary software platforms utilized by Operating Subsidiaries and corporate. The Company does not have any definitive plans to sell or license these platforms to third parties in the near future. Internally developed software is amortized on a straight-line basis over 3 years. For the three and nine months ended September 30, 2026, respectively, the Company recognized $1.0 million and $3.1 million of amortization expense relating to internally developed software. For the three and nine months ended September 30, 2025, respectively, the Company recognized $0.9 million and $2.8 million of amortization expense relating to internally developed software.

Acquired trade names represent a target's portfolio of marketing intangible assets. The Company values trade name intangible assets using a benchmarking method. Acquired trade names are amortized over a 10-year useful life using the straight-line amortization method. For the three and nine months ended September 30, 2026, respectively, the Company recognized $0.5 million and $1.4 million of amortization expense relating to trade names. For the three and nine months ended September 30, 2025, respectively, the Company recognized $0.4 million and $1.3 million of amortization expense relating to trade names. The amortization expense recognized during the three and nine months ended September 30, 2026, includes $0.1 million of definite-lived intangible asset impairment charges. There were no definite-lived intangible asset impairment charges recognized during the three months ended September 30, 2025. The amortization expense recognized during the nine months ended September 30, 2025, includes $0.3 million of definite-lived intangible asset impairment charges.

Customer related intangible assets consist of contractual and non-contractual customer relationships. The Company estimates the fair values of acquired customer related intangible assets as of their acquisition dates using an income approach. Acquired customer related intangible assets are amortized over their estimated useful lives using the straight-line amortization method. For the three and nine months ended September 30, 2026, respectively, the Company recognized $0.1 million and $0.5 million of amortization expense related to customer related intangible assets. All of the customer related intangible assets were acquired during the nine months ended September 30, 2026, or near the end of the year ended December 31, 2025, and therefore, the Company did not recognize any amortization expense related to customer-related intangible assets during the nine months ended September 30, 2025. Customer related intangible assets are included within Other Assets on the Condensed Consolidated Balance Sheets.

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Intangible assets consisted of the following *(dollars in thousands)*:

	September 30, 2026		
	Gross Carrying Amount	Accumulated Amortization	Net Asset
Trade names	$ 18,157	$ (5,065)	$ 13,093
Internally developed software	17,051	(12,150)	4,901
Customer related intangibles and other intangibles	10,803	(458)	10,345
Total	**$ 46,011**	**$ (17,673)**	**$ 28,338**

	December 31, 2025		
	Gross Carrying Amount	Accumulated Amortization	Net Asset
Trade names	$ 15,453	$ (3,855)	$ 11,598
Internally developed software	15,872	(9,102)	6,769
Customer related intangibles and other intangibles	6,080	—	6,080
Total	**$ 37,405**	**$ (12,957)**	**$ 24,447**

Estimated amortization expense for intangible assets as of September 30, 2026 is as follows *(dollars in thousands)*:

Remainder of 2026	$ 1,711
2027	5,161
2028	4,238
2029	3,413
2030	2,940
2031 and thereafter	10,876
Total	**$ 28,338**

NOTE 10 — Debt

Debt of the Company consisted of the following *(dollars in thousands)*:

	September 30, 2026	December 31, 2025
i80 Facility	$ 149,965	$ 153,377
Single Company Term Loans	54,277	61,510
HBC Credit Facility	—	31,250
TDC Loans	16,227	15,375
Vehicle and equipment notes	6,358	4,838
Seller Notes	34,107	29,840
Other Debt	2,000	10,000
Less: Debt issuance costs	(651)	(2,842)
Less: Discounts	(7,920)	(11,802)
Total debt, net	**254,365**	**291,546**
Current maturities	80,837	206,982
Less: Debt issuance costs	(544)	(1,585)
Less: Discounts	(52)	(5,250)
Total Short-Term Debt and Current Portion of Long-Term Debt	**80,241**	**200,147**
Total Long-Term Debt, Net	**$ 174,124**	**$ 91,399**

i80 Facility

On May 4, 2021, Teamshares Continuity Holdings LLC ("TCH"), a wholly owned subsidiary of the Company, entered into a credit facility with i80 Group LLC, as the lender (as amended, the "i80 Facility") and Westmount Group LLC, a wholly owned subsidiary of i80 Group LLC, as the administrative and collateral agent. The i80 Facility was scheduled to mature on December 5, 2026. During the three months ended September 30, 2026, the Company repaid $3.4 million of the i80 Facility's principal balance. During October 2026, the remaining obligations under the i80 Facility were repaid in full using proceeds from the Sound Point Term Loan (see Notes 1 and 18), along with cash on hand and restricted cash released in connection with the transaction. The Company paid $152.8 million to extinguish the i80 Facility, which included $150.0 million of principal repayments and $2.8 million of accrued interest. Upon payment, all obligations under the i80 Facility were terminated and $6.4 million of restricted cash held in a Collateral Account was released to the Company (see Note 6).

As of September 30, 2026, the carrying value of the i80 Facility was $150.0 million. Although the contractual maturity of the i80 Facility was December 5, 2026, during October 2026 the Company refinanced the i80 Facility on a long-term basis by entering into the Sound Point Term Loan, and therefore the Company has excluded the i80 Facility from Current Liabilities on the Condensed Consolidated Balance Sheet as of September 30, 2026 up to the net proceeds of the Sound Point Term Loan that are payable subsequent to September 30, 2027. Therefore, $47.0 million of obligations due under the i80 Facility are included within Current Liabilities and $103.0 million of obligations due under the i80 Facility are included within Long-Term Liabilities on the Condensed Consolidated Balance Sheets as of September 30, 2026.

As of September 30, 2026 and December 31, 2025, respectively, the weighted average interest rate on borrowings under the i80 Facility was 14.8% and 15.2%.

Sound Point Term Loan

On October 16, 2026, TCH entered into a $130.0 million senior secured term loan with funds affiliated with Sound Point Agency LLC. as the lenders and Sound Point Agency LLC as administrative agent and collateral agent (the "Sound Point

Term Loan"). See Notes 1 and 18. The Sound Point Term Loan matures on October 16, 2030. The Company may voluntarily prepay the Sound Point Term Loan in whole or in part at any time.

Upon the closing of the Sound Point Term Loan, the Company paid the lenders an upfront fee of $2.0 million, resulting in net proceeds of $128.0 million. The upfront fee will be recognized as a debt discount. The proceeds from the Sound Point Term Loan, along with cash on hand and restricted cash released in connection with the transaction, were used to repay the i80 Facility in full. Amounts outstanding under the Sound Point Term Loan accrue interest at the one-month Secured Overnight Financing Rate ("SOFR"), subject to a floor of 3%, plus 9.5% per annum. Interest is payable monthly.

The principal balance of the Sound Point Term Loan is payable in quarterly installments beginning on December 31, 2026, as follows: (i) for the last business day of each fiscal quarter ending December 31, 2026 and on or before September 30, 2027, $6.25 million, (ii) for the last business day of each fiscal quarter ending December 31, 2027 and on or before September 30, 2028, $7.5 million, (iii) for the last business day of each fiscal quarter ending December 31, 2028 and on or before September 30, 2029, $8.75 million and (iv) for the last business day of each fiscal quarter ending December 31, 2029 and on or before September 30, 2030, $10.0 million.

Obligations under the Sound Point Term Loan are secured by a first-priority lien on substantially all of the assets of TCH and the subsidiary guarantors, including 72 Operating Subsidiaries that were initially pledged as collateral under the facility. The Sound Point Term Loan requires that certain cash payments to the Company from Operating Subsidiaries that are pledged as collateral must be deposited into a Collection Account. On each monthly interest payment date, amounts in the Collection Account remaining after fees and interest are automatically applied to principal repayments that reduce the next scheduled quarterly installment payment on a one-for-one basis. Excess prepayments with respect to the next principal installment are applied to succeeding installments.

The Sound Point Term Loan includes affirmative and negative covenants, including, but not limited to financial covenants that require TCH and its subsidiaries to maintain specified leverage ratios and the Company to satisfy minimum liquidity requirements, as well as a covenant that the Company not pay dividends or other distributions on Company Common Stock, or repurchase Company Common Stock or rights to acquire its Company Common Stock, without the administrative agent's consent, subject to certain exceptions. The Sound Point Term Loan does not restrict the Company's ability to incur indebtedness at entities other than TCH and the subsidiary guarantors.

HBC Credit Facility

Upon the Closing, the Company utilized $33.9 million of the proceeds of the SPAC Merger to extinguish the HBC Credit Facility (as defined in Note 9 of the audited consolidated financial statements of the Company for the fiscal year ended December 31, 2025 in the Proxy Statement/Prospectus). The HBC Credit Facility was repaid at its principal balance, and therefore the Company did not recognize a gain or loss on the extinguishment of the HBC Credit Facility.

As additional consideration for entering into the HBC Credit Facility, the Company agreed to pay the lender $1.0 million in cash, or an equivalent value of shares of Company Common Stock, following the closing of the SPAC Merger. The Company had the option to transfer cash or Company Common Stock. During the three months ended September 30, 2026, the Company settled this obligation in cash.

Teamshares Dependable Capital

During the year ended December 31, 2025, Teamshares Dependable Capital LLC, a wholly owned subsidiary of Teamshares, entered into loan agreements ("TDC Loans") with certain parties that resulted in net proceeds of $15.4 million. During October 2026, the Company repaid all TDC Loans, including those held by related parties, in full (see Notes 1, 17 and 18). The counterparties to the TDC Loans were paid $16.7 million in connection with the repayment, which included $16.2 million of principal repayments, $0.2 million of accrued interest, and a $0.2 million prepayment premium. Certain directors and executive officers of the Company, or entities affiliated with them, were lenders under the facility. In the aggregate, these related persons received approximately $6.6 million in connection with the repayment, consisting of principal, accrued and unpaid interest, and prepayment premiums. They were repaid on the same terms as the

other lenders. A special committee of the Board of Directors, consisting of two independent directors, reviewed and approved the repayment in accordance with the Company's related person transaction policy.

Other Debt

During 2025, the acquisition of one Operating Subsidiary was partially financed with a loan from the sellers of the business (the "Former Owner Bridge Loan"). During the three months ended September 30, 2026, the Company repaid $8.0 million of the principal balance of the Former Owner Bridge Loan, as required by the agreement. The remaining principal balance of $2.0 million matures on March 31, 2027. The Former Owner Bridge Loan is included in Short-Term Debt and Current Portion of Long-Term Debt on the Condensed Consolidated Balance Sheets. The loan bears interest at 12.5% per annum, payable monthly in cash.

During the three months ended June 30, 2026, a former owner and current employee of an Operating Subsidiary that was purchased by the Company during 2025 loaned $3.0 million to the Company (the "Former Owner Loan"). The proceeds of the Former Owner Loan were used to purchase an Operating Subsidiary during the three months ended June 30, 2026. The original maturity date of the Former Owner Loan was the earlier of: i) 5 days following the completion of the SPAC Merger or ii) November 1, 2026. Following the completion of the SPAC Merger, the maturity date of the Former Owner Loan was extended to July 15, 2026. The minimum interest payable under the Former Owner Loan was $0.6 million. The Former Owner Loan was repaid in full during the three months ended September 30, 2026.

The Company elected the fair value option to account for the Former Owner Loan. Under the fair value option, changes in the fair value of the Former Owner Loan are recognized in the Condensed Consolidated Statements of Operations. The fair value of the Former Owner Loan is classified as Level 3 in the fair value hierarchy due to the use of pricing inputs that are less observable in the marketplace combined with management judgment required for assumptions underlying the calculation of value. The Company estimated the fair value of the Former Owner Loan taking into account expected cash flow and timing of the repayment.

The fair value of the Former Owner Loan was $3.6 million as of June 30, 2026. The Company recognized a loss of $0.6 million in Other Non-Operating Expense (Income), Net related to the change in fair value of the Former Owner Loan during the three months ended June 30, 2026. The Former Owner Loan did not impact the Condensed Consolidated Statements of Operations during the three months ended September 30, 2026.

The Company made $9.5 million and $9.6 million of principal repayments under Seller Notes during the three and nine months ended September 30, 2026, respectively. Principal repayments under Seller Notes were not material during the year ended December 31, 2025.

Future maturities of long-term debt as of September 30, 2026 are as follows *(dollars in thousands)*:

Remainder of 2026	$	55,573
2027		34,395
2028		43,334
2029		52,282
2030		65,244
2031 and thereafter		12,107
Total	**$**	**262,935**

The table above includes the scheduled maturities of the Sound Point Term Loan and excludes the portion of the i80 Facility that was repaid with the net proceeds of the Sound Point Term Loan. The portion of the i80 Facility that was paid with cash on hand and the release of restricted cash, and the TDC Loans, are included in the future maturities scheduled for the remainder of 2026 in the table above, reflecting the repayment of these obligations by the Company during October 2026.

The Company was in compliance with all debt covenants as of September 30, 2026. If the Company fails to comply with any covenants, payments, or other terms of its debt agreements, and such failure constitutes an event of default, the lender would have the right to declare all borrowings outstanding, together with accrued and unpaid interest and fees, to be immediately due and payable.

NOTE 11 — Fair Value of Financial Instruments

The following table presents assets and liabilities measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation as follows *(dollars in thousands)*:

	September 30, 2026			
	Level 1	**Level 2**	**Level 3**	**Total**
Liabilities:				
Contingent Consideration	$ —	$ —	$ 10,391	$ 10,391
Earnout Shares	—	—	21,727	21,727
Deferred Founder Shares	—	—	7,918	7,918
Forward Purchase Agreement Liability	—	—	12,991	12,991
Total liabilities	**$ —**	**$ —**	**$ 53,027**	**$ 53,027**

	December 31, 2025			
	Level 1	**Level 2**	**Level 3**	**Total**
Liabilities:				
Contingent Consideration	$ —	$ —	$ 9,195	$ 9,195
Warrant Liability	—	—	2,922	2,922
Total liabilities	**$ —**	**$ —**	**$ 12,117**	**$ 12,117**

Earnout Shares and Deferred Founder Shares

Certain former Legacy Teamshares security holders have the contingent right to receive up to 6,000,000 Earnout Shares during the Earnout Period and the Sponsor was issued 1,674,781 Deferred Founder Shares that are subject to vesting and forfeiture during the Founder Share Earnout Period as follows:

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Earnout Tier	Share Price Target	VWAP Condition	Earnout Shares	Deferred Founder Shares
Tier I	$12.00	VWAP ≥ $12.00 for 20 out of 30 consecutive trading days (commencing at least 150 days after Closing but prior to the end of the Earnout Period)	2,000,000	837,391
Tier II	$15.00	VWAP ≥ $15.00 for 20 out of 30 consecutive trading days (commencing at least 150 days after Closing but prior to the end of the Earnout Period)	2,000,000	837,390
Tier III	$20.00	VWAP ≥ $20.00 for 20 out of 30 consecutive trading days (commencing at least 150 days after Closing but prior to the end of the Earnout Period)	2,000,000	N/A
Total			**6,000,000**	**1,674,781**

Upon the Closing, 5,170,903 Earnout Shares were reserved for non-employees of the Company, including holders of Legacy Teamshares Common Stock and Legacy Teamshares Preferred Stock that did not elect a liquidation preference. 829,097 Earnout Shares were reserved for employees of the Company that are subject to continuous employment requirements (see Note 13). Upon termination of employment, Earnout Shares are forfeited and reallocated amongst the remaining holders, including both employees and non-employees (see Note 13). As of September 30, 2026, 5,206,087 Earnout Shares were reserved for non-employees of the Company and 793,913 Earnout Shares were reserved for employees of the Company.

Earnout Shares reserved for non-employees, and Deferred Founder Shares are classified as liabilities, and the change in the fair value of these awards is recognized in the Condensed Consolidated Statements of Operations.

The fair value of Earnout Shares and Deferred Founder Shares are classified as Level 3 in the fair value hierarchy due to the use of pricing inputs that are less observable in the marketplace combined with management judgment required for the

assumptions underlying the calculation of value. The Company calculated the fair value of these liabilities using a Monte Carlo simulation model.

The tables below summarize the fair value of the Earnout Shares and the Deferred Founder Shares:

Earnout Tier	Earnout Shares	Deferred Founder Shares	Fair Value Per Share as of the Closing Date	Fair Value Per Share as of September 30, 2026
Tier I	2,000,000	837,391	$ 10.36	$ 5.20
Tier II	2,000,000	837,390	$ 9.11	$ 4.25
Tier III	2,000,000	N/A	$ 7.04	$ 3.07
Total	**6,000,000**	**1,674,781**		

The table below summarizes the inputs used to calculate the fair value of the Earnout Shares and the Deferred Founder Shares as of the Closing Date and as of September 30, 2026:

Input	Value as of the Closing Date	Value as of September 30, 2026
Stock Price	$ 11.32	$ 7.26
Expected Remaining Term (in years)	5	4.72
Expected Volatility	35.0 %	40.0 %
Risk-Free Interest Rate	4.2 %	5.1 %

The following table presents the change in the Earnout Shares liability for the nine months ended September 30, 2026 *(dollars in thousands)*:

Fair value as of the Closing Date	$ 45,694
Change in fair value of Earnout Shares	(18,443)
Fair value as of June 30, 2026	**$ 27,251**
Change in fair value of Earnout Shares	(5,524)
Fair value as of September 30, 2026	**$ 21,727**

The following table presents the change in the Deferred Founder Shares liability for the nine months ended September 30, 2026 *(dollars in thousands)*:

Fair value as of the Closing Date	$ 16,308
Change in fair value of Deferred Founder Shares	(6,441)
Fair value as of June 30, 2026	**$ 9,867**
Change in fair value of Deferred Founder Shares	(1,949)
Fair value as of September 30, 2026	**$ 7,918**

Forward Purchase Agreement

On June 1, 2026, in anticipation of the Closing, Live Oak entered into the Forward Purchase Agreement with the FPA Investor. Pursuant to the Forward Purchase Agreement, the Prepayment Amount owed to the FPA Investor upon the Closing was calculated as the product of (i) the 4,000,000 FPA Shares purchased on the open market by the FPA Investor and (ii) the per share redemption price of Live Oak common shares determined as of five business days prior to the closing

(the "Initial Price"). The Initial Price was determined to be $10.56, and therefore the Prepayment Amount paid to the FPA Investor was $42.2 million.

The Forward Purchase Agreement matures 24 months from the Closing, however, the FPA Investor may terminate the agreement at any time, in whole or in part, with respect to any number of FPA Shares that are subject to the Forward Purchase Agreement. Upon termination, the FPA Investor will deliver to the Company a portion of the Prepayment Amount equal to the product of (i) the number of terminated shares ("Terminated Shares") multiplied by (ii) the Reset Price (as defined below) in effect at the time of termination. The Reset Price is initially equal to the Initial Price, but is subject to reduction (and not increase) at any point prior to the maturity of the Forward Purchase Agreement, at the Company's discretion, to the lowest daily VWAP over the preceding 10 trading days. Additionally, the Reset Price will automatically adjust in the event the Company issues securities at effective prices lower than the then-current Reset Price, subject to certain exceptions (the "Dilutive Offering Reset Provision").

During the three months ended September 30, 2026, the Company and the FPA Investor entered into an agreement (the "FPA Waiver Letter") under which the FPA Investor waived the Dilutive Offering Reset Provision of the Forward Purchase Agreement for certain share issuances made in connection with business combinations and asset acquisitions. Specifically, the waiver applies to shares of Company Common Stock issued as consideration for the acquisition of businesses or assets, including contingent consideration payments, post-closing purchase price adjustments, and employment inducement awards granted in connection with such acquisitions (collectively, "Acquisition Share Issuances"). Under the FPA Waiver Letter, Acquisition Share Issuances made at an effective price of at least $5.00 per share (subject to adjustment for stock splits, stock dividends, recapitalizations, and similar events) will not cause an adjustment to the Reset Price.

The waiver is effective until the earlier of (i) December 31, 2026 and (ii) the date on which cumulative Acquisition Share Issuances under the waiver total 1,000,000 shares. The Dilutive Offering Reset Provision continues to apply to Acquisition Share Issuances at effective prices below $5.00 per share, to all issuances that are not Acquisition Share Issuances, and to all issuances after the waiver period expires. All other terms of the Forward Purchase Agreement remain unchanged. This waiver did not impact the fair value of the Forward Purchase Agreement.

If the Forward Purchase Agreement is not fully terminated by the FPA Investor prior to the maturity date, then on the maturity date the FPA Investor shall deliver to the Company the FPA Shares, reduced by any Terminated Shares. The FPA Investor will retain a portion of the Prepayment Amount equal to the product of (i) the FPA Shares reduced by any Terminated Shares and (ii) the Initial Price.

As of September 30, 2026, there have been no full or partial terminations of the Forward Purchase Agreement and the Reset Price continues to equal the Initial Price.

The substance of the Prepayment Amount is akin to a subscription receivable for Company Common Stock, and therefore the payment of the Prepayment Amount has been presented as a reduction of Additional Paid-In Capital. Additionally, the Company recognized a derivative liability (the "Forward Purchase Agreement Liability") that represents the estimated fair value of the Company's settlement obligations under the Forward Purchase Agreement. The change in the fair value of the Forward Purchase Agreement Liability is recognized in the Condensed Consolidated Statements of Operations.

The fair value of the Forward Purchase Agreement Liability is classified as Level 3 in the fair value hierarchy due to the use of pricing inputs that are less observable in the marketplace combined with management judgment required for the assumptions underlying the calculation of value. The Company determined the estimated fair value of the Forward Purchase Agreement Liability using the Black-Scholes option-pricing model.

The table below summarizes the inputs used to calculate the fair value of the Forward Purchase Agreement Liability as of the Closing Date and as of September 30, 2026:

Input	Value as of the Closing Date	Value as of September 30, 2026
Stock Price	$ 11.32	$ 7.26
Expected Remaining term (in years)	2	1.72
Expected Volatility	35.0 %	40.0 %
Risk-free interest rate	4.2 %	4.8 %

The following table presents the change in the Forward Purchase Agreement liability for the nine months ended September 30, 2026 *(dollars in thousands)*:

Fair value as of the Closing Date	$ 5,386
Change in fair value of Forward Purchase Agreement Liability	5,003
Fair value as of June 30, 2026	**$ 10,390**
Change in fair value of Forward Purchase Agreement Liability	2,602
Fair value as of September 30, 2026	**$ 12,991**

Simple Agreements for Future Equity

During the period between December 2025 and May 2026, Legacy Teamshares entered into SAFE Notes for aggregate proceeds of approximately $6.3 million. All SAFE Notes issued by Legacy Teamshares automatically converted into 688,043 shares of Company Common Stock on the Closing Date. An additional 63,300 Incentive Founder Shares were delivered to holders of SAFE Notes upon the Closing. The Company recognized a loss of $2.2 million in the Condensed Consolidated Statements of Operations for the three months ended June 30, 2026 related to the conversion of SAFE Notes to Company Common Stock. There were no SAFE Notes outstanding during the three months ended September 30, 2026.

Legacy Teamshares Warrants

In connection with the SPAC Merger, holders of 77,258 Series B Warrants issued by Legacy Teamshares exercised their option to convert their Series B Warrants into 48,990 shares of Legacy Teamshares Common Stock. The Legacy Teamshares Common Stock was then converted to Company Common Stock at the Exchange Ratio. The Company recognized a $0.2 million loss in the Condensed Consolidated Statements of Operations for the three months ended June 30, 2026 related to the conversion of Series B Warrants to Legacy Teamshares Common Stock.

All Series C, Series D, and Series E Warrants issued by Legacy Teamshares were terminated and did not receive any consideration in connection with the SPAC Merger because these warrants were out-of-the-money at the Closing. The Company recognized a $0.6 million gain in the Condensed Consolidated Statements of Operations for the three months ended June 30, 2026 related to the expiration of the Series C, Series D, and Series E Warrants.

There were no Legacy Teamshares warrants outstanding during the three months ended September 30, 2026.

Contingent Consideration

The Company has contingent consideration clauses embedded within certain purchase agreements for acquired Operating Subsidiaries. The consideration is contingent on certain future financial metrics being achieved for a certain period of time. The contingent consideration liabilities are recorded at fair value as Contingent Consideration in the Condensed

Consolidated Balance Sheets with the changes in fair value recognized in earnings each reporting period. For additional detail regarding the contingent consideration agreements, see Note 5.

The fair value of contingent consideration is classified as Level 3 in the fair value hierarchy due to the use of pricing inputs that are less observable in the marketplace combined with management judgment required for the assumptions underlying the calculation of value. The Company determined the estimated fair value of the contingent consideration using a Monte Carlo simulation model.

The following table presents changes in contingent consideration liabilities for the three and nine months ended September 30, 2026 *(dollars in thousands)*:

	Three Months Ended September 30, 2026	Nine Months Ended September 30, 2026
Balance at beginning of period	$ 8,999	$ 9,195
Contingent consideration for 2026 business combinations	91	463
Change in fair value of earnout consideration	1,342	2,228
Foreign currency impact on earnout consideration	10	(173)
Earnout payments made in period	(52)	(1,323)
Balance at September 30, 2026	**$ 10,391**	**$ 10,391**

There were no transfers of financial instruments between the three levels of the fair value hierarchy during the three and nine months ended September 30, 2026.

NOTE 12 — Leases

Operating leases were included on the Company's Condensed Consolidated Balance Sheets as follows *(dollars in thousands)*:

	September 30, 2026	December 31, 2025
Operating Leases:		
Operating lease right of use assets, net	**$ 95,593**	**$ 93,586**
Current portion of operating lease obligations	$ 9,373	$ 8,524
Long-term operating lease obligations	88,547	88,144
Total lease liability	**$ 97,921**	**$ 96,668**

The components of operating lease expense were as follows *(dollars in thousands)*:

	For the Three Months Ended		For the Nine Months Ended	
	September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
Operating lease cost	$ 5,770	$ 4,267	$ 17,310	$ 12,615
Short-term lease costs	1,066	909	2,411	2,131
Variable lease expense	985	546	2,955	1,889
Total operating lease expense, net	**$ 7,821**	**$ 5,723**	**$ 22,676**	**$ 16,635**

Supplemental cash flow information related to operating leases for the nine months ended September 30, 2026 and 2025 was as follows *(dollars in thousands)*:

	September 30, 2026	September 30, 2025
Cash paid for amounts included in the measurement of operating lease liabilities	$ 15,769	$ 11,910
Right of use assets obtained in exchange for operating lease liabilities	$ 4,243	$ 33,734

NOTE 13 — Stock Compensation

During the three and nine months ended September 30, 2026 and 2025, the Company recognized stock compensation expense as follows *(dollars in thousands)*:

	For the Three Months Ended		For the Nine Months Ended	
	September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
Teamshares Inc. Options	$ 473	$ 667	$ 1,544	$ 1,851
Teamshares Inc. Restricted Stock Units	185	—	185	—
Earnout Shares	2,147	—	2,447	—
Operating Subsidiary Stock Plans	235	383	880	1,148
Total stock compensation expense	**$ 3,040**	**$ 1,049**	**$ 5,056**	**$ 2,999**

Teamshares Inc. Options

Prior to the Closing Date, all of the outstanding awards issued under the Legacy Teamshares 2020 Equity Incentive Plan consisted of options to purchase Legacy Teamshares Common Stock ("Legacy Teamshares Options"). Upon the Closing, all of the Legacy Teamshares Options, whether vested or unvested, were assumed by the Company and converted into Assumed Options. The Assumed Options were subject to equitable adjustments to the exercise prices and number of shares for which such Assumed Options are exercisable, as follows:

1. the number of shares underlying the Assumed Option equals the Legacy Teamshares Option shares multiplied by an exchange ratio of approximately 4.510, rounded down to the nearest whole share;
2. the exercise price of the Assumed Options equals the Legacy Teamshares Option exercise price divided by an exchange ratio of approximately 4.510, rounded up to the nearest cent.

Immediately prior to the Closing there were 1,412,833 Legacy Teamshares Options outstanding with a weighted average exercise price of $20.16. Immediately following the Closing there were 6,371,877 Assumed Options outstanding with a weighted average exercise price of $4.47.

Other than adjustments to the number of shares underlying the Legacy Teamshares Options and the exercise price of each Legacy Teamshares Option, the SPAC Merger did not impact the vesting conditions or any other terms of the Legacy Teamshares Options. The adjustments to Legacy Teamshares Options did not impact the fair value of the awards, and therefore no incremental stock compensation expense was recognized upon the Closing. The Company will continue to account for the Assumed Options in the same manner as the Legacy Teamshares Options. In connection with the completion of the SPAC Merger and the adoption of the 2026 Incentive Award Plan, no further awards will be granted under the Legacy Teamshares 2020 Equity Incentive Plan.

During the three months ended September 30, 2026, 430,321 Assumed Options were exercised in exchange for cash. The Company received $0.9 million of net proceeds during the three months ended September 30, 2026 related to these exercises. Proceeds are recognized as an increase to Additional Paid-in Capital.

Earnout Shares

On the Closing Date, 829,097 Earnout Shares with an aggregate fair value of $7.3 million were reserved for employees of the Company that are subject to continuous employment requirements. Employees of the Company that are entitled to receive Earnout Shares must remain continuously employed from the Closing Date through immediately before an Earnout Share Triggering Event. Due to the continuous employment requirements, Earnout Shares reserved for employees of the Company are classified as equity and recognized in accordance with ASC 718 - Compensation-Stock Compensation. The Closing Date is the initial grant date for Earnout Shares reserved for employees.

Each Earnout Share Triggering Event is considered a market condition, and the grant-date fair value of the Earnout Shares will be recognized as stock-based compensation expense over the period in which each market condition is expected to be satisfied. The requisite service period will not be adjusted for subsequent changes in the Company's stock price unless the market condition is satisfied prior to the end of the estimated period, in which case any remaining grant-date fair value will be recognized immediately.

Upon termination of employment, the individual's Earnout Shares are forfeited and reallocated amongst the remaining holders of Earnout Shares, including both employees and non-employees. Upon forfeiture, any previously recognized stock compensation expense will be reversed during the period of forfeiture. The reallocation of Earnout Shares to remaining employees represents a new grant and the fair value of the reallocated Earnout Shares on the reallocation date will establish the grant-date fair value to be recognized as stock compensation expense over an updated estimated service period. Earnouts reallocated to non-employees are outside the scope of ASC 718, and no further stock compensation expense will be recognized. As of September 30, 2026, 793,913 Earnout Shares were reserved for employees of the Company that are subject to continuous employment requirements. The impact of forfeitures was not material during the three and nine months ended September 30, 2026.

As of September 30, 2026, unrecognized compensation cost related to Earnout Shares was $4.5 million, expected to be recognized over a weighted-average period of approximately 1.0 years.

2026 Incentive Award Plan

On June 18, 2026, the Company's board of directors ratified and approved the Teamshares Inc. 2026 Incentive Award Plan (the "2026 Incentive Plan") under which the Company and its affiliates may grant cash and equity incentive awards in order to attract and retain key personnel. The initial share reserve under the 2026 Incentive Plan was 5,039,004 shares, which is equal to approximately 7% of the number of shares of Company Common Stock outstanding immediately following the Closing, with an annual increase on January 1 of each year from 2027 through 2036 equal to (i) 4% of the aggregate number of shares of Company Common Stock outstanding on the final day of the immediately preceding calendar year, or (ii) such smaller number of shares as determined by the Company's board of directors.

Awards available under the 2026 Incentive Plan may include stock options, stock appreciation rights, restricted stock, restricted stock units, and other equity-based awards.

During September 2026, the Company's compensation committee approved the first grant under the 2026 Incentive Plan, consisting of 1,630,060 restricted stock units ("RSUs") to employees. Each RSU represents the right to receive one share of Company Common Stock upon vesting. Generally, each RSU vests over four years, with a 25% cliff-vest after one year, and ratable monthly vesting thereafter, subject to continued employment. RSUs are expensed over the vesting period and the grant-date fair value of RSUs is based on the closing price of Company Common Stock on the date of grant. RSU holders are also entitled to receive the equivalent value of any cash dividends paid on substantially all shares of Company Common Stock with a record date after the RSU grant date and prior to the date that the applicable RSU is settled, forfeited, or otherwise expires (the "Dividend Equivalents"). Dividend Equivalents will vest upon the vesting of the RSUs to which the Dividend Equivalent relates, and will be forfeited upon the forfeiture of the RSUs with respect to which the Dividend Equivalent relates. The Company has elected to account for forfeitures as they occur and recognizes the impact of forfeitures through a cumulative adjustment to compensation expense in the period the forfeiture occurs. Unvested RSUs are forfeited if employment terminates before the applicable vesting date, and any previously recognized stock compensation expense is reversed in the period of forfeiture.

As of September 30, 2026, unrecognized compensation cost related to unvested RSUs was $11.1 million, expected to be recognized over a weighted-average period of approximately 1.9 years. RSU activity for the period is as follows:

	RSUs (units)	Weighted-Average Grant-Date Fair Value
Nonvested, July 1, 2026	—	$ —
Granted	1,630,060	6.96
Vested	—	—
Forfeited/cancelled	(3,600)	6.94
Nonvested, September 30, 2026	1,626,460	6.96

RSUs granted reduce the shares available for issuance under the 2026 Incentive Plan. Exercises of Assumed Options do not reduce the shares available for issuance under the 2026 Incentive Plan because these options were granted under the 2020 Equity Incentive Plan. As of September 30, 2026, 3,412,544 shares of Company Common Stock remained available for future issuance under the 2026 Incentive Plan.

Operating Subsidiary Stock Plans

The restricted stock awards issued to Employee Owners (as defined in Note 1 of the audited consolidated financial statements of the Company for the fiscal year ended December 31, 2025 in the Proxy Statement/Prospectus) under the Operating Subsidiary Stock Plans (as defined in Note 15 of the audited consolidated financial statements of the Company for the fiscal year ended December 31, 2025 in the Proxy Statement/Prospectus) were not impacted by the SPAC Merger.

Employee Stock Purchase Plans

On June 18, 2026, the Company's board of directors ratified and approved the Teamshares Inc. 2026 Employee Stock Purchase Plan (the "2026 ESPP"). The 2026 ESPP became effective upon the Closing. The initial share reserve under the 2026 ESPP is 1,439,715 shares, with an annual increase on January 1 of each year from 2027 through 2036 equal to (i) 1% of the aggregate number of shares of Company Common Stock outstanding on the final day of the immediately preceding calendar year, or (ii) such smaller number of shares as determined by the Company's board of directors.

Under the terms of the 2026 ESPP, the plan administrator may, from time to time, grant or provide for the grant of rights to purchase shares under the 2026 ESPP by eligible employees of the Company during one or more periods selected by the administrator. As of September 30, 2026, no such grants have occurred, and no shares have been purchased under the 2026 ESPP.

NOTE 14 — Series A Preferred Stock

On September 23, 2026, the Company issued 225,000 shares of perpetual, non-voting, non-convertible preferred stock ("Series A Preferred Stock") to accounts advised by T. Rowe Price Investment Management, Inc. The Series A Preferred Stock were issued at a par value of $0.0001 per share. Each share has an initial liquidation preference of $1,000 (the "Initial Liquidation Preference"), or $225.0 million in the aggregate. The Company received $222.8 million of gross proceeds from the issuance, representing a purchase price of $990 per share. The Company incurred $5.8 million of issuance costs. No other instruments were issued in connection with the issuance.

Dividends on Series A Preferred Stock are cumulative and payable quarterly in arrears on January 1st, April 1st, July 1st and October 1st of each year. For each dividend period, the Company may elect to pay 0%, 25%, 50%, 75% or 100% of the dividend in cash, with the remainder paid in kind ("PIK"). The dividend rate is 16.0% per annum if paid in cash and 18.0% per annum if paid in kind (the "Initial Rate"), decreasing to 14.5% and 17.5%, respectively, for any period in which the Company meets specified profitability, leverage and fixed charge coverage conditions. PIK dividends increase the liquidation preference (the "Accreted Liquidation Preference") and compound quarterly. The Company may not pay cash dividends on Company Common Stock, or pay cash to repurchase Company Common Stock, unless full dividends on the shares of Series A Preferred Stock for the most recently completed dividend period have been declared and paid in full, subject to limited exceptions. Additionally, the Company may not use the proceeds from the issuance of Series A Preferred Stock to fund dividends, distributions to or repurchases of Company Common Stock, or to make payments to affiliates outside of the ordinary course of business, except that the proceeds may be used to repay indebtedness issued by Teamshares Dependable Capital LLC.

The Series A Preferred Stock has no maturity date and is not convertible into or exchangeable for Company Common Stock or any other instrument. The Company may redeem the Series A Preferred Stock, in whole or in part, at any time, subject to the following adjustments (the "Optional Redemption Price"):

- before September 23, 2028 shares may be redeemed at the Accreted Liquidation Preference plus all accumulated and unpaid dividends plus a make-whole amount calculated as the present value, as of the redemption date, of the remaining scheduled dividend payments calculated at the PIK dividend rate that would have been payable from the redemption date through September 23, 2028 plus 2% of the Accreted Liquidation Preference discounted to the redemption date;

- beginning on September 23, 2028 and before September 23, 2029, shares may be redeemed at 102% of the Accreted Liquidation Preference plus all accumulated and unpaid dividends;

- beginning on September 23, 2029 and before September 23, 2030, shares may be redeemed at 101% of the Accreted Liquidation Preference plus all accumulated and unpaid dividends; and

- beginning on September 23, 2030, shares may be redeemed at the Accreted Liquidation Preference plus all accumulated and unpaid dividends.

On or after September 23, 2033, holders of at least a majority of the Series A Preferred Stock may require the Company to redeem all of the outstanding shares of Series A Preferred Stock at the Accreted Liquidation Preference plus accrued and unpaid dividends. The Series A Preferred Stock cannot be partially redeemed by the holders. If the Company fails to complete such a redemption, the dividend rates are adjusted to the Initial Rate plus 200 basis points, any dividends on or repurchases of outstanding shares of junior stock are restricted, and the Company is required to use commercially reasonable efforts to pursue a financing or liquidity process reasonably designed to fund the redemption of Series A Preferred Stock as promptly as practicable. Upon a change of control, the Company must redeem all outstanding shares of Series A Preferred Stock at the Optional Redemption Price that is in effect at the time.

The Series A Preferred Stock has no voting rights, other than customary protective provisions. The Series A Preferred Stock ranks senior to the Company Common Stock. Upon liquidation, holders of Series A Preferred Stock are entitled to receive the Accreted Liquidation Preference plus accrued and unpaid dividends before any distribution to holders of Company Common Stock. While the Series A Preferred Stock is outstanding, the Company may not issue other preferred stock instruments that are senior or equal to Series A Preferred Stock in terms of priority, other than (i) the Company may issue additional Series A Preferred Stock on the same terms up to an aggregate Initial Liquidation Preference of $75.0 million and (ii) certain acquisition-related preferred securities issued by subsidiaries. If the Company issues preferred stock to another investor on more favorable specified terms, it must amend the terms of the Series A Preferred Stock to match the terms of any new issuance. Series A Preferred Stock ranks junior to all indebtedness of the Company, and the terms of the Series A Preferred Stock do not impose restrictions on the amount or type of indebtedness that the Company or its subsidiaries may incur in the future.

The Series A Preferred Stock is classified as mezzanine equity because it is redeemable at the option of the holders. It is not mandatorily redeemable and therefore does not meet the criteria for liability classification. The initial carrying amount is $217.0 million, representing the initial proceeds of $222.8 million less $5.8 million of issuance costs. The initial carrying amount is accreted to the Initial Liquidation Preference through September 23, 2033, the earliest date on which the holders may require redemption. Cumulative dividends increase the carrying amount of the Series A Preferred Stock, until the Company declares its intention to pay the dividends in cash, at which point the dividend payable is reclassified to Other Current Liabilities on the Condensed Consolidated Balance Sheets. In the absence of retained earnings, accretion and dividends on the Series A Preferred Stock are recorded as a reduction to Additional Paid-in Capital. Cumulative dividends and accretion are deducted from Net Loss Attributable to Teamshares Inc. in arriving at Net Loss Attributable to Common Stockholders (see Note 15).

For the three months ended September 30, 2026, the Company recognized an immaterial amount of accretion on the Series A Preferred Stock. As of September 30, 2026, $0.8 million of dividends were due to the holders of Series A Preferred Stock at the cash dividend rate. The Company elected to pay these dividends in cash, and therefore the liability to pay these

dividends was included in Other Current Liabilities on the Condensed Consolidated Balance Sheet as of September 30, 2026. As of September 30, 2026, the carrying value of Series A Preferred Stock was $217.0 million.

NOTE 15 — Loss Per Share

Basic Loss Per Share is computed by dividing Net Loss Attributable to Common Stockholders by the weighted average number of common shares outstanding during the period. Deferred Founder Shares are considered to be participating securities because they are contractually entitled to participate in dividends declared by the Company on a one for one basis. Therefore, the Company applies the two-class method in calculating its Loss Per Share for periods when the Company generates net income. Under the two-class method, earnings of the Company are allocated between common stockholders and participating securities based on the weighted-average number of shares of common stock and participating securities outstanding during the relevant period. Net losses are not allocated to Deferred Founder Shares, as they are not contractually obligated to share in the Company's losses.

Diluted Loss Per Share is computed by dividing Net Loss Attributable to Common Stockholders by the weighted average number of common and dilutive common equivalent shares outstanding for the period using the treasury-stock method or the as-converted method, or the two-class method for participating securities, whichever is more dilutive. Potentially dilutive shares are comprised of Earnout Shares, Deferred Founder Shares, Assumed Warrants, RSUs, and Assumed Options. For the three and nine months ended September 30, 2026, and 2025, there is no difference in the number of shares used to calculate basic and diluted shares outstanding due to the Company's net loss and potentially dilutive shares being anti-dilutive.

During the three months ended September 30, 2026, the Company accrued cumulative dividends and recognized accretion in connection with Series A Preferred Stock (see Note 14). Cumulative dividends and accretion are deducted from Net Loss Attributable to Teamshares Inc. in arriving at Net Loss Attributable to Common Stockholders. Additionally, during the three and nine months ended September 30, 2026 and 2025, the Company repurchased certain Rollover Shares. The difference between the carrying value and the repurchase value on the repurchase date has been included as an adjustment to Net Loss Attributable to Common Stockholders.

A reconciliation of the numerator and denominator used in the calculation of basic and diluted Loss per share for the three and nine months ended September 30, 2026 and 2025 is as follows *(dollars in thousands, except per share data):*

	For the Three Months Ended		For the Nine Months Ended	
	September 30, 2026	**September 30, 2025**	**September 30, 2026**	**September 30, 2025**
Numerator:				
Net Loss Attributable to Teamshares Inc.	$ (9,396)	$ (6,271)	$ (23,105)	$ (40,438)
Series A Preferred Stock cumulative dividends and accretion	(825)	—	(825)	—
Rollover Share adjustments	10	183	74	248
Net Loss Attributable to Common Stockholders	**$ (10,212)**	**$ (6,087)**	**$ (23,857)**	**$ (40,190)**
Denominator:				
Weighted Average Shares Outstanding	72,086,463	49,130,022	57,985,575	49,100,371
Net Loss Per Share Attributable to Common Stockholders, Basic and Diluted	$ (0.14)	$ (0.12)	$ (0.41)	$ (0.82)

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The following potentially dilutive securities were excluded from the calculation of Diluted Loss Per Share Attributable to Common Stockholders for the periods presented because the impact of including them would have been anti-dilutive or because the relevant share price targets had not been achieved as of the reporting date:

	For the Three Months Ended		For the Nine Months Ended	
	September 30, 2026	**September 30, 2025**	**September 30, 2026**	**September 30, 2025**
Earnout Shares	6,000,000	—	6,000,000	—
Deferred Founder Shares	1,674,781	—	1,674,781	—
Assumed Warrants	16,000,000	—	16,000,000	—
Teamshares Inc. Restricted Stock Units	1,626,460	—	1,626,460	—
Assumed Options	5,885,684	5,594,691	5,885,684	5,594,691
Total	**31,186,925**	**5,594,691**	**31,186,925**	**5,594,691**

Loss per share calculations and potentially dilutive security amounts for all periods prior to the Closing have been retrospectively adjusted to the equivalent number of shares outstanding immediately after the SPAC Merger to effect the reverse recapitalization. Historically reported weighted average shares outstanding have been multiplied by the Exchange Ratio.

NOTE 16 — Segment Reporting and Geographic Information

The Company has one reportable segment: small-to-medium-sized enterprises ("SME"). The SME reportable segment was previously referred to as "Small Business Acquisitions" in the audited consolidated financial statements of the Company for the fiscal year ended December 31, 2025 in the Proxy Statement/Prospectus. The chief operating decision maker ("CODM") is the Company's Chief Executive Officer.

SME includes all of the Operating Subsidiaries owned by the Company. The Company's CODM regularly reviews Operating Subsidiary performance in the aggregate for the purpose of making operating decisions, allocating resources, and evaluating financial performance.

The CODM also regularly reviews the performance of other products and services that the Company offers to Operating Subsidiaries. These products primarily consist of the Company's self-funded health insurance and business insurance programs that certain Operating Subsidiaries utilize, and the Company's portfolio of real estate assets, which are owned by the Company and leased to Operating Subsidiaries on an intercompany basis. The insurance premiums and rent payments that are paid to the Company by Operating Subsidiaries are eliminated in consolidation. None of the financial products that are regularly reviewed by the CODM meet the quantitative criteria to be disclosed as a reportable segment as of September 30, 2026.

Prior to March 31, 2026, the Real Estate operating segment met the quantitative criteria to be disclosed as a reportable segment. Real Estate includes land and buildings that are owned by the Company and leased to Operating Subsidiaries on an intercompany basis. Rent payments that are paid to the Company by Operating Subsidiaries are eliminated in consolidation. The Company sold substantially all of its Real Estate segment during the year ended December 31, 2025 in connection with the Sale Leaseback. See Note 2 of the audited consolidated financial statements of the Company for the fiscal year ended December 31, 2025 in the Proxy Statement/Prospectus. Real Estate no longer meets the quantitative criteria to be disclosed as a reportable segment as of March 31, 2026, and therefore is included within All Other Operating Segments in the disclosures below. All prior periods have been recast accordingly.

The CODM measures and evaluates segment performance and allocates resources based on segment earnings before interest, taxes, depreciation, and amortization ("Segment EBITDA"). Segment EBITDA includes revenues from external customers and revenues and associated expenses from transactions with other operating segments of the Company. Segment expense categories include Cost of Revenue (excluding depreciation), Selling, General, and Administrative Expenses, and Other Non-Operating Expense (Income), Net.

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The CODM is not regularly provided with segment assets or segment expenditures for long-lived assets, as these metrics are not used to assess segment performance. The accounting policies of the SME reportable segment are the same as those described in Note 2 of the audited consolidated financial statements of the Company for the fiscal year ended December 31, 2025 in the Proxy Statement/Prospectus.

(dollars in thousands)	For the Three Months Ended September 30, 2026	For the Nine Months Ended September 30, 2026
Revenue from External Customers	$ 147,901	$ 417,601
Less:		
Cost of Revenue, Excluding Depreciation	88,565	249,158
Selling, General, and Administrative Expense	41,583	122,024
Other Non-Operating Income	(44)	(573)
SME Segment EBITDA	**$ 17,798**	**$ 46,991**
Less:		
Depreciation	(1,557)	(4,418)
Amortization	(1,618)	(5,041)
Goodwill Impairment	(1,116)	(1,116)
Stock Compensation Expense	(3,040)	(5,056)
Gain on Disposition of Assets	389	258
Interest Expense, Net	(9,331)	(34,862)
Change in Fair Value of Earnout Shares and Deferred Founder Shares	7,473	32,356
Change in Fair Value of Forward Purchase Agreement Liability	(2,602)	(7,605)
Loss on the Conversion of SAFE Notes	—	(2,175)
Change in Fair Value of Warrant Liability	—	421
Change in Fair Value of Contingent Consideration	(1,342)	(2,228)
Other Non-Operating Expense	125	(5)
All Other Operating Segments	(296)	(897)
Corporate, Other Expenses, and Eliminations	(13,694)	(37,726)
Loss Before Income Taxes	**$ (8,811)**	**$ (21,101)**

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(dollars in thousands)	For the Three Months Ended September 30, 2025	For the Nine Months Ended September 30, 2025
Revenue from External Customers	$ 119,224	$ 345,341
Less:		
Cost of Revenue, Excluding Depreciation	73,067	210,982
Selling, General, and Administrative Expense	35,411	105,012
Other Non-Operating Income	(217)	(617)
SME Segment EBITDA	**$ 10,963**	**$ 29,964**
Less:		
Depreciation	(1,398)	(4,220)
Amortization	(1,223)	(4,105)
Goodwill Impairment	(819)	(7,644)
Stock Compensation Expense	(1,049)	(2,999)
Gain on Disposition of Assets	6,921	6,071
Interest Expense, Net	(8,367)	(23,456)
Loss on Extinguishment of Debt	(2,722)	(2,722)
Change in Fair Value of Warrant Liability	2,877	3,311
Change in Fair Value of Contingent Consideration	(504)	(764)
Other Non-Operating Income (Expense)	57	(2,025)
All Other Operating Segments	(207)	1,107
Corporate, Other Expenses, and Eliminations	(10,904)	(32,845)
Loss Before Income Taxes	**$ (6,375)**	**$ (40,328)**

Geographic Information

Revenue is attributed to a geographic region based on the location of the customer taking possession of the products or services. Long-lived assets are attributed to the geographic region based on the physical location of the assets.

A summary of the Company's Revenue for the three and nine months ended September 30, 2026 and Long-lived assets as of September 30, 2026 is as follows:

(dollars in thousands)	**Revenue**		**Long-lived Assets**
	For the Three Months Ended September 30, 2026	**For the Nine Months Ended September 30, 2026**	**September 30, 2026**
United States	$ 134,050	$ 375,785	$ 110,821
International	13,851	41,816	15,920
Total	**$ 147,901**	**$ 417,601**	**$ 126,740**

Teamshares Inc.
Unaudited Notes to Condensed Consolidated Financial Statements
For the Three and Nine Months Ended September 30, 2026 and 2025

A summary of the Company's Revenue for the three and nine months ended September 30, 2025 and Long-lived assets as of December 31, 2025 is as follows:

(dollars in thousands)	Revenue		Long-lived Assets
	For the Three Months Ended September 30, 2025	For the Nine Months Ended September 30, 2025	December 31, 2025
United States	$ 114,130	$ 331,614	$ 107,239
International	5,094	13,728	16,389
Total	**$ 119,224**	**$ 345,341**	**$ 123,628**

Long-lived assets include Property, Plant, and Equipment, Net and Operating Lease Right of Use Assets, Net.

NOTE 17 — Related Party Transactions

Certain executives of the Company own a direct and indirect minority interest in a customer of the Company. For the three and nine months ended September 30, 2026 and 2025, the revenue earned by the Company from this customer was immaterial.

As of September 30, 2026, the counterparties to $6.3 million of TDC Loans include $5.8 million of principal owed to four executives of the Company (two of which are also members of the board of directors) and $0.5 million of principal owed to a member of the board of directors. During October 2026, the Company repaid all TDC Loans, including those held by related parties, in full. (See Note 10).

During September 2026, the Company issued 225,000 shares of Series A Preferred Stock for gross proceeds of $222.8 million to accounts advised by T. Rowe Price Investment Management, Inc., which are affiliates of a beneficial owner of more than 10% of outstanding Company Common Stock. (See Note 14).

NOTE 18 — Subsequent Events

Sound Point Term Loan and i80 Facility Extinguishment

During October 2026, the Sound Point Term Loan was executed and the proceeds, along with cash on hand and restricted cash released in connection with the transaction, were used to repay the i80 Facility in full. See Notes 1 and 10.

TDC Loan Extinguishment

During October 2026, the Company used cash on hand to repay all TDC Loans, including those held by certain directors and executive officers of the Company (see Notes 10 and 17).

Business Combinations Subsequent to September 30, 2026

Subsequent to September 30, 2026, the Company completed five business combinations in the United States and one international business combination in which the acquired entity is domiciled in Japan for total purchase consideration of $71.5 million. The Company paid $47.7 million in cash upon the close of these business combinations, and the remaining purchase consideration was paid in the form of Seller Notes. A portion of the cash purchase price for the entity acquired in Japan was financed with a term loan. The term loan has a principal balance of $6.5 million, carries an interest rate of the

short-term prime-linked lending rate plus 1.125%, and matures in 2033. The interest rate was 4% at the time of borrowing. The principal balance of the Seller Notes is $23.8 million.

Due to the close proximity of the closing of these business combinations to the issuance of the Company's financial statements for the period ended September 30, 2026, the Company's initial assessment of the assets acquired and the liabilities assumed has not been completed, and therefore these business combinations have not been included in any of the disclosures in Note 5.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of the financial condition and results of operations of Teamshares includes information that Teamshares' management believes is relevant to an assessment and understanding of Teamshares' consolidated results of operations and financial condition. You should read the following discussion and analysis of our financial condition and results of operations together with (i) our unaudited condensed consolidated financial statements and related notes included in this Quarterly Report, (ii) our unaudited condensed consolidated financial statements as of and for the three months ended March 31, 2026 included in our Current Report on Form 8-K filed with the SEC on June 25, 2026, (iii) our Quarterly Report on Form 10-Q for the quarter ended June 30, 2026 filed with the SEC on August 14, 2026 (the "Q2 Form 10-Q"), and (iv) the audited consolidated financial statements of Legacy Teamshares as of and for the year ended December 31, 2025 and related notes, and the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations of Teamshares" included in the definitive proxy statement/prospectus filed with the SEC pursuant to Rule 424(b)(3) on May 27, 2026 (as supplemented on June 3, 2026, the "Proxy Statement/Prospectus"), which forms a part of our Registration Statement on Form S-4 (File No. 333-294869). This discussion may contain forward-looking statements based upon current expectations that involve risks and uncertainties. Teamshares' actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth in the section titled "Cautionary Note Regarding Forward-Looking Statements" in this Quarterly Report and the section titled "Risk Factors" in the Proxy Statement/Prospectus, as updated by the factors disclosed in the section titled "Risk Factors" in our Quarterly Report on Form 10-Q and in this Quarterly Report.

On June 18, 2026 (the "Closing Date"), we consummated the transactions contemplated by the Agreement and Plan of Merger, dated as of November 14, 2025 (as amended by the First Amendment dated April 1, 2026 and the Second Amendment dated May 13, 2026, the "Merger Agreement"), by and among Live Oak Acquisition Corp. V, a Cayman Islands exempted company ("Live Oak"), Teamshares Inc., a Delaware corporation ("Legacy Teamshares") and the other parties thereto (such transactions, collectively, the "SPAC Merger"). In connection with the SPAC Merger, Legacy Teamshares merged with and into a wholly owned subsidiary of Live Oak, which survived as Teamshares LLC, and Live Oak domesticated as a Delaware corporation and changed its name to "Teamshares Inc." The SPAC Merger was accounted for as a reverse recapitalization, with Legacy Teamshares treated as the accounting acquirer. Accordingly, financial information for periods prior to the Closing Date reflects the historical results of Legacy Teamshares, and our results for the three and nine months ended September 30, 2026 reflect the effects of the SPAC Merger. See Note 3 to our unaudited condensed consolidated financial statements included in this Quarterly Report.

Unless the context otherwise requires, all references in this section to "we", "us", "our", "Teamshares", or the "Company" refer to Legacy Teamshares and its subsidiaries prior to the consummation of the SPAC Merger, and after the consummation of the SPAC Merger, Teamshares Inc. and its subsidiaries.

Overview

Teamshares is a technology-enabled acquirer and operator of SMEs. Our acquisition criteria are primarily focused on companies for sale by retiring owners with approximately $0.5 million to $5.0 million or more of earnings before interest, taxes, depreciation and amortization ("EBITDA"). We leverage proprietary software to source and evaluate thousands of SME acquisition opportunities annually. The purchase multiples for our acquisitions typically range from 4x to 6x EBITDA and acquisitions are partially funded with debt financing. The Company's acquisition strategy intentionally targets a diversified mix of businesses across industries and geographies, which is intended to create resilient financial performance across different economic conditions.

We derive revenue and generate cash flow from the financial performance of our subsidiaries. Excess cash flow is systematically upstreamed to the platform and redeployed for new acquisitions and organic growth opportunities across our Operating Subsidiaries, which is expected to create a self-funding flywheel that compounds over time while continuing to diversify industry and geographic exposure. While our Operating Subsidiaries have historically generated positive cash flow, our consolidated free cash flow has been negative due to our investment in corporate platform capabilities, technology, and growth initiatives. As the scale of our Operating Subsidiaries increases relative to these platform-level expenses, we expect the cash flow generated by our Operating Subsidiaries to increasingly fund acquisitions and other growth initiatives over time. We believe our ability to deploy capital towards highly accretive acquisition opportunities, successfully transition and operate acquired companies, and scale overhead through our tech-enabled infrastructure will allow us to create significant value for our stakeholders.

Key Factors Affecting Our Business and Results of Operations

The growth and future success of our business depend on many factors. While each of these factors presents significant opportunities for our business, they also pose important challenges that we must successfully address in order to sustain our growth, improve our results of operations and achieve and maintain our long-term profitability. Key factors include:

- **Ability to complete acquisitions and effect on comparability.** Acquisitions are a core driver of our growth, and our pace depends on our ability to source and integrate transactions through our proprietary technology-enabled platform and our availability of capital. Under accounting principles generally accepted in the United States of America ("U.S. GAAP"), the results of acquired companies are included in our condensed consolidated financial statements from the acquisition date. As a result, the timing of acquisition closings can affect period-to-period comparability. Newly acquired businesses may have revenue models, cost structures, working capital dynamics and seasonality profiles that differ from our existing operations. Shifts in the relative contribution of recently acquired companies, particularly those with financial characteristics that differ meaningfully from our existing base, may drive period-to-period fluctuations that reflect portfolio mix rather than organic changes in underlying performance.
- **Ability to retain key personnel and recruit new leaders into our platform.** Our growth depends on attracting, developing and retaining high-caliber presidents and employee owners, particularly during transitions from retiring founders. Newly acquired companies may experience near-term variability in results during such transitions, including from turnover, wage inflation or elevated hiring activity, which may not be indicative of future performance.
- **Ability to scale our platform efficiently.** Our success depends largely on our ability to expand our platform without proportionately increasing our corporate cost structure as we grow both organically and through acquisitions. We rely on proprietary software and technology to support scalable growth. We expect that continued investment in our technology platform, shared services and operating playbooks will increase automation, reduce unit costs and improve selling, general and administrative leverage as revenue scales.
- **Ability to balance third-party debt and seller notes to optimize cost of capital.** The proceeds from the issuance of perpetual, non-voting, non-convertible preferred stock ("Series A Preferred Stock") provide sufficient capital to fund our near-term acquisition plans; however, we intend to blend down the overall cost of this instrument through the use of lower cost debt financing, including senior secured debt and Seller Notes (as defined in Note 9 of the audited consolidated financial statements of the Company for the fiscal year ended December 31, 2025 in the Proxy Statement/Prospectus). Continued access to debt financing on commercially reasonable terms is critical to our ability to achieve attractive returns on invested capital and sustain our anticipated growth through acquisitions. We are pursuing opportunities to refinance certain existing debt instruments and secure additional debt financing to support these objectives. However, there can be no assurance that we will be able to obtain additional debt financing on terms more favorable than those of our existing debt instruments, or at all. Our inability to access debt financing on attractive terms could adversely affect our expected acquisition returns and our ability to execute our programmatic acquisition strategy on the currently anticipated timelines and terms.
- **Seasonality and impact on comparability.** Our consolidated results are subject to seasonal patterns and other periodic variability arising from the diversified nature of our subsidiaries across industries and geographies, as well as from the timing and mix of our acquisitions. Historically, SME Segment EBITDA has been lowest in our first fiscal quarter, representing 10% to 15% of full fiscal year total, reflecting lighter seasonal consumer spending and winter weather-related operating constraints. In addition, certain subsidiaries maintain inventories or advance purchase commitments to support peak seasonal demand; building inventory ahead of such periods or drawing down inventory thereafter can impact interim gross margins and operating cash flows. Because we acquire companies throughout the year and the resulting portfolio mix continues to evolve, the contribution of recently acquired subsidiaries may reflect only a partial seasonal cycle or a different seasonal profile than our existing base, which can affect period-to-period comparability. As a result, fluctuations in our consolidated revenue, profitability and cash flows between periods may reflect seasonal dynamics, acquisition timing and portfolio mix rather than changes in the underlying performance of our businesses and investors should avoid drawing conclusions about underlying trends based solely on short-term movements in our reported results.

Components of Operations

Revenue

Our revenue consists of both product sales and service revenue from our Operating Subsidiaries (as defined in Note 1 of the audited consolidated financial statements of the Company for the fiscal year ended December 31, 2025 in the Proxy Statement/Prospectus). Our Operating Subsidiaries operate across a broad range of industries and revenues are generated from a diverse mix of product and service offerings. In addition, our Operating Subsidiaries are located in numerous geographical regions primarily across the United States. This geographic and industry diversity reduces reliance on any particular customer segment, economic cycle, or local market and is expected to result in a more stable and resilient

consolidated revenue profile. Future acquisitions are expected to continue to expand the industry and geographic diversity of our revenue streams.

Cost of Revenue

Cost of revenue includes the direct cost of products and services sold. The direct cost of products sold primarily includes purchases of raw materials and finished goods from suppliers, adjusted for supplier rebates, personnel costs for employees that directly contribute to the production of goods, packaging materials, shipping costs and depreciation of assets associated with the distribution and delivery of products. Amounts billed to customers for shipping and handling are recorded in revenue, with the related shipping and handling costs recognized in cost of revenue. The direct cost of services sold primarily includes personnel cost for employees that directly contribute to the execution of the services being sold. The personnel costs included in cost of revenue include salaries, wages, benefits and contractor fees.

We expect cost of revenue to increase in future periods as we continue to grow through acquisitions of new businesses. However, the Company's gross margins may not change proportionally with increases in cost of revenue, as the mix of acquired businesses can differ from the Company's historical operations. Acquisitions may include businesses with higher or lower gross margins, which could result in changes to overall consolidated gross margin percentages. Consequently, future gross margins may fluctuate based on the types of businesses acquired and the relative contribution of their revenues and costs to total operations.

Depreciation

Depreciation expense is computed using the straight-line method over the estimated useful life of the related asset. Depreciation expense includes amounts related to vehicles, computers, machinery, and equipment, furniture and fixtures, third-party software, buildings and leasehold improvements used in the Company's operations.

Amortization

Amortization expense is computed using the straight-line method over the estimated useful life of the related asset. We amortize definite-lived intangible assets, including trade names, customer related intangible assets and internally developed software. Amortization expense also includes the impairment of definite-lived intangibles.

Selling, General and Administrative Expenses

Selling, General, and Administrative expenses ("SG&A") include personnel costs for employees that support corporate initiatives, and for employees at our Operating Subsidiaries that are involved in selling and marketing functions, management, accounting, administration and human resources. The personnel costs included in selling, general and administrative expenses includes salaries, wages, benefits and contractor fees. Selling, general and administrative expenses also include rent, professional service fees, stock compensation, advertising and marketing costs, and allocated overhead. We expect SG&A expenses to increase in the near term due to increased compliance and reporting costs associated with being a public company, including increased legal, accounting, compliance and investor relations related costs. Additionally, we expect SG&A expenses to increase in the future due to additional personnel and operational costs from newly acquired businesses as the Company continues its growth through acquisitions. However, we expect the incremental earnings from acquisitions and organic growth to materially exceed the increases in corporate overhead.

Goodwill Impairment

Goodwill impairment is recognized when the carrying amount of the reporting unit's net assets exceeds the estimated fair value of the reporting unit. Goodwill impairment primarily relates to persistent declines in the financial performance of certain Operating Subsidiaries.

See Note 2, "Summary of Significant Accounting Policies—Goodwill and Intangible Assets" of the audited consolidated financial statements of the Company for the fiscal year ended December 31, 2025 in the Proxy Statement/Prospectus for a more detailed discussion of our goodwill impairment policy.

Interest Expense, Net

Interest expense, net consists primarily of interest expense related to our long term debt as well as interest income related to our cash and cash equivalents. This includes both cash-based interest expense and income, as well as non-cash interest expense such as PIK Interest, amortization of discounts on debt instruments, and the amortization of deferred debt

issuance costs. Historically, our interest expense primarily related to borrowings under the i80 Facility and our prior Sound Point facility, which was repaid in December 2025. These instruments had elevated interest rates compared to recently issued single company term loans and seller notes. On October 16, 2026, the Company entered into the $130.0 million Sound Point Term Loan, the proceeds of which, together with cash on hand and restricted cash released in connection with the transaction, were used to repay the i80 Facility in full. The Sound Point Term Loan has a lower interest rate than the i80 Facility. In addition to lower outstanding borrowings as a result of this refinancing, we repaid $27.2 million of principal outstanding under certain debt instruments during the three months ended September 30, 2026 and $16.2 million of principal outstanding under the loans issued by Teamshares Dependable Capital LLC (the "TDC Loans") in October 2026. The lower average outstanding borrowings as a result of these repayments are expected to reduce our interest expense in the future. However, interest expense in future periods will also be impacted by any additional debt financing incurred to fund growth through acquisitions.

Change in Fair Value of Earnout Shares and Deferred Founder Shares Liabilities

Change in fair value of earnout shares and deferred founder shares liabilities consists of the change in fair value of the contingent right of Legacy Teamshares security holders to receive up to 5,206,087 additional shares of Common Stock (the "Earnout Shares"), and the 1,674,781 shares of Company Common Stock that were issued to the Sponsor that are subject to vesting and forfeiture during a five-year period (the "Deferred Founder Shares"). The calculation of the fair value and the nature of these instruments is discussed in Note 11 of the unaudited condensed consolidated financial statements included in this Quarterly Report.

Change in Fair Value of Forward Purchase Agreement Liability

Change in fair value of forward purchase agreement liability consists of the change in fair value of the liability associated with the agreement dated June 1, 2026 with a fund sub-advised by JBA Asset Management LLC (the "FPA Investor") for an over-the-counter equity prepaid forward transaction (the "Forward Purchase Agreement"). The calculation of the fair value and the nature of this instrument is discussed in Note 11 of the unaudited condensed consolidated financial statements included in this Quarterly Report.

Loss on the Conversion of SAFE Notes

Loss on the conversion of SAFE Notes consists of the loss on the conversion of the Simple Agreements for Future Equity Legacy Teamshares entered into between December 2025 and May 2026 (the "SAFE Notes"). The nature of these instruments is discussed in Note 11 of the unaudited condensed consolidated financial statements included in this Quarterly Report.

Income Tax Expense

The Company is subject to U.S. federal and state income taxes and foreign taxes and files its U.S. federal income tax return on a consolidated basis. Income tax expense consists of current and deferred components, reflecting taxes payable or refundable for the current year and the expected future tax effects of temporary differences between the financial statement and tax bases of assets and liabilities. We aggregate certain tax attributes when calculating consolidated taxable income for federal and state purposes. The Company's primary current tax exposure relates to state and foreign income taxes, which are recorded as a component of current income tax expense.

We currently have significant net operating loss ("NOL") carryforwards, which are reflected as deferred tax assets. The realizability of these deferred tax assets is evaluated periodically and is dependent on the generation of future taxable income. Management establishes valuation allowances as necessary to reduce deferred tax assets to the amounts expected to be realized. The Company is in the process of evaluating the extent to which any such NOLs may be available to the Company to offset tax liabilities after the Closing; as of the date hereof, this analysis is ongoing.

Results of Operations

The following table sets forth our consolidated results of operations of Teamshares Inc. and its subsidiaries for the periods presented. All intercompany balances and transactions have been eliminated in consolidation. Organic changes

described within this section are calculated as the period-over-period change from operating subsidiaries owned for the full duration of both comparable periods.

	Three Months Ended September 30,				Nine Months Ended September 30,			
(in thousands, except for percentages)	2026	2025	$ Change	% Change	2026	2025	$ Change	% Change
Revenue	**$ 147,901**	**$ 119,224**	**$ 28,677**	**24%**	**$ 417,601**	**$ 345,341**	**$ 72,259**	**21%**
Cost of Revenue	89,126	73,355	15,770	21%	249,463	211,497	37,967	18%
Gross Profit	**58,776**	**45,869**	**12,907**	**28%**	**168,137**	**133,845**	**34,293**	**26%**
Operating Expenses (Income)								
Depreciation	785	757	27	4%	2,714	2,416	298	12%
Amortization	1,618	1,223	395	32%	5,041	4,105	935	23%
Selling, General, and Administrative Expenses	58,824	47,924	10,900	23%	167,101	141,039	26,062	18%
Goodwill Impairment	1,116	819	298	36%	1,116	7,644	(6,528)	(85%)
Gain on Disposition of Assets	(389)	(6,921)	6,532	(94%)	(258)	(6,071)	5,813	(96%)
Total Operating Expenses	**61,954**	**43,802**	**18,152**	**41%**	**175,715**	**149,134**	**26,581**	**18%**
Income/(Loss) from Operations	**(3,178)**	**2,067**	**(5,245)**	**(254%)**	**(7,577)**	**(15,289)**	**7,712**	**(50%)**
Non-Operating Expenses (Income)								
Interest Expense, Net	9,331	8,367	965	12%	34,862	23,456	11,406	49%
Loss on Extinguishment of Debt	—	2,722	(2,722)	(100%)	—	2,722	(2,722)	(100%)
Change in Fair Value of Earnout Shares and Deferred Founder Shares Liabilities	(7,473)	—	(7,473)	N/A	(32,356)	—	(32,356)	N/A
Change in Fair Value of Forward Purchase Agreement Liability	2,602	—	2,602	N/A	7,605	—	7,605	N/A
Loss on the Conversion of SAFE Notes	—	—	—	N/A	2,175	—	2,175	N/A
Change in Fair Value of Warrant Liability	—	(2,877)	2,877	(100%)	(421)	(3,311)	2,890	(87%)
Change in Fair Value of Contingent Consideration	1,342	504	838	166%	2,228	764	1,464	192%
Other Non-Operating Expense (Income), Net	(170)	(274)	104	(38%)	(569)	1,408	(1,977)	(140%)
Total Non-Operating Expenses (Income)	**5,632**	**8,442**	**(2,809)**	**(33%)**	**13,524**	**25,039**	**(11,515)**	**(46%)**
Loss Before Income Taxes	**(8,811)**	**(6,375)**	**(2,435)**	**38%**	**(21,101)**	**(40,328)**	**19,227**	**(48%)**
Income Tax Expense	493	45	447	983%	1,453	336	1,117	333%
Net Loss	**$ (9,303)**	**$ (6,421)**	**$ (2,883)**	**45%**	**$ (22,554)**	**$ (40,664)**	**$ 18,110**	**(45%)**
Net Income/(Loss) Attributable to Noncontrolling Interests	93	(150)	243	(162%)	551	(226)	777	(344%)
Net Loss Attributable to Teamshares Inc.	**$ (9,396)**	**$ (6,271)**	**$ (3,126)**	**50%**	**$ (23,105)**	**$ (40,438)**	**$ 17,333**	**(43%)**

Three Months Ended September 30, 2026 compared to Three Months Ended September 30, 2025

Revenue

Total revenue increased $28.7 million to $147.9 million for the three months ended September 30, 2026 from $119.2 million for the three months ended September 30, 2025, primarily driven by acquisitions. Revenue increased $21.5 million due to certain businesses acquired in 2025 contributing a full quarter of revenue in the three months ended September 30, 2026. Additionally, revenue increased $4.5 million due to businesses acquired in 2026. Organic changes in revenue resulted in an increase of $4.3 million primarily driven by higher sales volumes across certain consumer products and initiatives that resulted in an expanded customer base. These increases were partially offset by lower revenue at certain Operating Subsidiaries that made strategic decisions to scale back or exit lower-margin products and services in favor of higher-margin opportunities.

The overall increase in revenue was partially offset by the impact of Operating Subsidiaries that have ceased operations. During the three months ended September 30, 2025, Operating Subsidiaries that have ceased operations based on the Company's assessment of their business performance and outlook contributed $1.6 million of revenue.

Cost of Revenue

Total cost of revenue increased $15.8 million to $89.1 million for the three months ended September 30, 2026 from $73.4 million for the three months ended September 30, 2025. The overall increase in cost of revenue was primarily driven by $13.7 million from acquisitions and an increase of $2.6 million from organic changes, partially offset by a decrease of $1.2 million from Operating Subsidiaries that ceased operations. Gross margin increased by 1% to 40% for the three months ended September 30, 2026 from 39% for the three months ended September 30, 2025. The increase in gross margin was primarily driven by acquisitions, which included businesses with higher gross margins relative to existing Operating Subsidiaries. Businesses acquired in 2026 and 2025 that did not have a full comparative period in prior year, collectively had average gross margins of 47% for the three months ended September 30, 2026. Additionally, gross margins benefited from ceasing operations at certain Operating Subsidiaries with lower gross margins relative to existing Operating Subsidiaries.

Operating Expenses

Total operating expenses increased $18.2 million to $62.0 million for the three months ended September 30, 2026 from $43.8 million for the three months ended September 30, 2025. Total operating expenses include depreciation, amortization, selling, general and administrative expenses, goodwill impairment and gain on disposition of assets.

Selling, general and administrative expenses increased $10.9 million to $58.8 million for the three months ended September 30, 2026 from $47.9 million for the three months ended September 30, 2025. The increase in selling, general and administrative expenses was driven by an increase of $6.2 million related to our Operating Subsidiaries. This included an increase of $6.1 million due to acquisitions and an increase of $0.8 million at our existing Operating Subsidiaries that was partially offset by a decrease of $0.7 million due to Operating Subsidiaries that ceased operations. Selling, general and administrative expenses from our Operating Subsidiaries as a percentage of revenue decreased 2% to 28% for the three months ended September 30, 2026 from 30% for the three months ended September 30, 2025 primarily due to acquisitions having historically lower selling, general and administrative expenses as a percentage of revenue than existing Operating Subsidiaries. Businesses acquired in 2025 and 2026 that did not have a full comparative period in prior year collectively had selling, general and administrative expenses as a percentage of revenue of 24% for the three months ended September 30, 2026.

The increase in selling, general and administrative expenses also included an increase of $2.3 million in corporate costs (excluding transaction costs and costs directly related to the SPAC Merger). The increases in corporate costs were driven by increased accounting and legal costs associated with public company readiness and compliance activities in 2026 as well as costs associated with debt financing options not pursued by the Company. Additionally, year-over-year comparability was affected by the earlier commencement of audit procedures in 2026 and higher acquisition-related activity during the current-year quarter. Selling, general and administrative expenses from corporate costs (excluding transaction costs and costs directly associated with the SPAC Merger) as a percentage of revenue remained consistent at 8% for the three months ended September 30, 2026 compared to the three months ended September 30, 2025. Transaction costs directly attributable to acquisitions were $0.5 million and $0.1 million for the three months ended September 30, 2026 and 2025, respectively. Transaction costs are primarily related to legal, consulting, and contingent transaction fees. Costs related to the SPAC Merger were $0.5 million and $0.6 million for the three months ended September 30, 2026 and 2025, respectively, which primarily related to non-recurring legal and consulting fees incurred related to regulatory matters associated with the SPAC Merger. Additionally, costs related to real estate increased by $0.5 million, primarily driven by the divestiture of predominantly all of the Company's real estate holdings during the third quarter of 2025 that resulted in increased rent expense with the remaining increase relating to other financial products and other expenditures.

The increase in selling, general and administrative expenses also included an increase of $2.0 million in stock compensation expense to $3.0 million for the three months ended September 30, 2026 from $1.0 million for three months ended September 30, 2025. The increase was primarily related to the Earnout Shares that were reserved for employees that held stock options in Legacy Teamshares as part of the consideration for the SPAC Merger. The nature of these awards is discussed in Note 13 of the unaudited condensed consolidated financial statements included in this Quarterly Report.

Goodwill impairment increased $0.3 million to $1.1 million for the three months ended September 30, 2026 from $0.8 million for three months ended September 30, 2025. The goodwill impairment recorded during the three months ended September 30, 2026 related to the initiation of a plan to exit one Operating Subsidiary following a significant decline in its financial performance and business outlook during the three months ended September 30, 2026. The Operating Subsidiary is a subscale business that no longer aligns with the Company's underwriting expectations or long-term return thresholds. The goodwill impairment recorded in the three months ended September 30, 2025 was primarily attributable to Operating Subsidiaries that ceased operations during the period, reflecting management's decision to exit certain businesses whose performance and outlook no longer aligned with the Company's underwriting expectations or long-term

return thresholds. The Company periodically evaluates the performance and long-term prospects of its Operating Subsidiaries as part of its ongoing portfolio management and capital allocation process. Subsidiaries may be impaired when operating performance falls below initial underwriting expectations or when management determines that capital and management resources can be more effectively deployed toward higher-return opportunities.

Gain on disposition of assets decreased $6.5 million to $0.4 million for the three months ended September 30, 2026 from $6.9 million for the three months ended September 30, 2025. The decline primarily related to the gain recorded upon the divestiture of substantially all of our real estate assets in connection with a sale leaseback transaction during three months ended September 30, 2025.

Non-Operating Expenses (Income)

Total non-operating expenses (income) decreased $2.8 million to $5.6 million for the three months ended September 30, 2026 from $8.4 million for the three months ended September 30, 2025. Non-operating expenses (income) include interest expense, net, the loss on extinguishment of debt, the change in fair value of Earnout Shares and Deferred Founder Shares liabilities, the change in fair value of the Forward Purchase Agreement liability, the loss on the conversion of SAFE Notes, the change in fair value of warrant liabilities, the change in fair value of contingent consideration and other non-operating expense (income).

Interest expense, net increased $1.0 million to $9.3 million for the three months ended September 30, 2026 from $8.4 million for the three months ended September 30, 2025. The increase in interest expense, net was primarily attributable to the $1.1 million increase in interest expense excluding amortization of deferred financing costs and discounts to $8.9 million for the three months ended September 30, 2026 from $7.8 million for the three months ended September 30, 2025 due to higher average borrowings which were primarily single company term loans and seller notes used to finance acquisitions completed during the fourth quarter of 2025.

There was no loss on extinguishment of debt for the three months ended September 30, 2026. There was a $2.7 million loss on extinguishment of debt recorded during the three months ended September 30, 2025 related to the extinguishment of loans secured by the Company's real estate assets. These loans were extinguished in connection with the disposition of substantially all of the Company's real estate assets as part of a sale leaseback transaction during the three months ended September 30, 2025.

Change in fair value of Earnout Shares and Deferred Founder Shares resulted in income of $7.5 million for the three months ended September 30, 2026. The non-cash gain was due to the decline in our share price during the three months ended September 30, 2026. The calculation of the fair value and the nature of these shares is discussed in Note 11 of the unaudited condensed consolidated financial statements included in this Quarterly Report.

Change in fair value of the Forward Purchase Agreement liability resulted in a loss of $2.6 million for the three months ended September 30, 2026. The non-cash loss was due to the decline in our share price during the three months ended September 30, 2026. The calculation of the fair value and the nature of this agreement is discussed in Note 11 of the unaudited condensed consolidated financial statements included in this Quarterly Report.

Change in fair value of warrant liability resulted in income of $2.9 million for the three months ended September 30, 2025. The change in fair value related to Legacy Teamshares warrants that were classified as liabilities. These instruments were either converted or terminated in connection with the SPAC Merger; therefore, there was no similar gain or loss during the three months ended September 30, 2026.

Income Tax Expense

Income tax expense increased $0.4 million to $0.5 million for the three months ended September 30, 2026 from less than $0.1 million for the three months ended September 30, 2025. The increase in income tax expense is primarily attributable to an increase in foreign tax expense related to international acquisitions, increase in domestic state tax expense due to higher earnings from Operating Subsidiaries, and an increase in domestic deferred tax liabilities.

Nine Months Ended September 30, 2026 compared to Nine Months Ended September 30, 2025

Revenue

Total revenue increased $72.3 million to $417.6 million for the nine months ended September 30, 2026 from $345.3 million for the nine months ended September 30, 2025, primarily driven by acquisitions. Revenue increased $58.3 million due to businesses acquired in 2025 contributing to revenue in the nine months ended September 30, 2026. Additionally, revenue increased $8.5 million due to businesses acquired in 2026. Organic changes in revenue resulted in an increase of $13.5 million primarily driven by higher sales volumes across certain consumer products and initiatives that resulted in an expanded customer base. Increases were partially offset by softening revenue for companies with exposure to the residential construction market and lower revenue at certain Operating Subsidiaries that made strategic decisions to scale back or exit lower-margin products and services in favor of higher-margin opportunities.

The increase in revenue was partially offset by the impact of Operating Subsidiaries that have ceased operations. During the nine months ended September 30, 2025, Operating Subsidiaries that have ceased operations based on the Company's assessment of their business performance and outlook contributed $8.0 million of revenue.

Cost of Revenue

Total cost of revenue increased $38.0 million to $249.5 million for the nine months ended September 30, 2026 from $211.5 million for the nine months ended September 30, 2025. The overall increase in cost of revenue was primarily driven by $36.1 million from acquisitions and $7.7 million from organic changes, partially offset by a decrease of $6.4 million from Operating Subsidiaries that ceased operations. Gross margin increased by 1% to 40% for the nine months ended September 30, 2026 from 39% for the nine months ended September 30, 2025. The increase in gross margin was primarily driven by acquisitions, which included businesses with higher gross margins relative to existing Operating Subsidiaries. Businesses acquired in 2026 and 2025 that did not have a full comparative period in prior year, collectively had average gross margins of 46% for the nine months ended September 30, 2026. Additionally, gross margins benefited from ceasing operations at certain Operating Subsidiaries with lower gross margins relative to existing Operating Subsidiaries.

Operating Expenses

Total operating expenses increased $26.6 million to $175.7 million for the nine months ended September 30, 2026 from $149.1 million for the nine months ended September 30, 2025. Total operating expenses include depreciation, amortization, selling, general and administrative expenses, goodwill impairment and gain on disposition of assets.

Selling, general and administrative expenses increased $26.1 million to $167.1 million for the nine months ended September 30, 2026 from $141.0 million for the nine months ended September 30, 2025. The increase in selling, general and administrative expenses was driven by an increase of $17.0 million related to our Operating Subsidiaries. This included an increase of $17.0 million due to acquisitions and an increase of $3.3 million at our existing Operating Subsidiaries that was partially offset by a decrease of $3.3 million due to Operating Subsidiaries that ceased operations. Selling, general and administrative expenses from our Operating Subsidiaries as a percentage of revenue decreased 1% to 29% for the nine months ended September 30, 2026 from 30% for the nine months ended September 30, 2025 primarily due to acquisitions having historically lower selling, general and administrative expenses as a percentage of revenue than existing Operating Subsidiaries. Businesses acquired in 2026 and 2025 that did not have a full comparative period in prior year, collectively had selling, general and administrative expenses as a percentage of revenue of 25% for the nine months ended September 30, 2026.

The increase in selling, general and administrative expenses included an increase of $2.6 million in corporate costs (excluding transaction costs and costs directly related to the SPAC Merger) primarily driven by increased accounting and legal costs associated with public company readiness and compliance activities in 2026. Selling, general and administrative expenses from corporate costs (excluding transaction costs and costs directly associated with the SPAC Merger) as a percentage of revenue decreased 1% to 8% for the nine months ended September 30, 2026 from 9% for the nine months ended September 30, 2025. Transaction costs directly attributable to acquisitions were $1.0 million and $1.3 million for the nine months ended September 30, 2026 and 2025, respectively, which primarily related to legal, consulting, and contingent transaction fees. Costs related to the SPAC Merger were $2.6 million and $0.6 million for the nine months ended September 30, 2026 and 2025, respectively, which primarily related to non-recurring legal and consulting fees incurred related to regulatory matters associated with the SPAC Merger. Additionally, costs related to real estate increased by $2.1 million, primarily driven by the divestiture of real estate during the third quarter of 2025 that resulted in increased rent expense with the remaining increase relating to other financial products and other expenditures.

The increase in selling, general and administrative expenses also included an increase of $2.1 million in stock compensation expense to $5.1 million for the nine months ended September 30, 2026 from $3.0 million for nine months ended September 30, 2025. The increase was primarily related to the Earnout Shares that were reserved for employees that held stock options in Legacy Teamshares as part of the consideration for the SPAC Merger. The nature of these awards is discussed in Note 13 of the unaudited condensed consolidated financial statements included in this Quarterly Report.

Goodwill impairment decreased $6.5 million to $1.1 million for the nine months ended September 30, 2026 from $7.6 million for nine months ended September 30, 2025, reflecting improvements in the Company's acquisition underwriting practices and ongoing support of its Operating Subsidiaries. The goodwill impairment recorded during the three months ended September 30, 2026 related to the initiation of a plan to exit one Operating Subsidiary following a significant decline in its financial performance and business outlook during the three months ended September 30, 2026. The Operating Subsidiary is a subscale business that no longer aligns with the Company's underwriting expectations or long-term return thresholds. The goodwill impairment recorded in the nine months ended September 30, 2025 was primarily attributable to Operating Subsidiaries that ceased operations during the period, reflecting management's decision to exit certain businesses whose performance and outlook no longer aligned with the Company's underwriting expectations or long-term return thresholds.

Gain on disposition of assets decreased $5.8 million to $0.3 million for the nine months ended September 30, 2026 from $6.1 million for the nine months ended September 30, 2025. The decline primarily related to the gain recorded upon the divestiture of substantially all of our real estate assets in connection with a sale leaseback transaction during nine months ended September 30, 2025.

Non-Operating Expenses (Income)

Total non-operating expenses decreased $11.5 million to $13.5 million for the nine months ended September 30, 2026 from $25.0 million for the nine months ended September 30, 2025. Non-operating expenses (income) include interest expense, net, the loss on extinguishment of debt, the change in fair value of Earnout Shares and Deferred Founder Shares liabilities, the change in fair value of the Forward Purchase Agreement liability, the loss on the conversion of SAFE Notes, the change in fair value of warrant liabilities, the change in fair value of contingent consideration and other non-operating expense (income).

Interest expense, net increased $11.4 million to $34.9 million for the nine months ended September 30, 2026 from $23.5 million for the nine months ended September 30, 2025. The increase in interest expense, net is primarily attributable to the $8.2 million increase in amortization of deferred financing costs and discounts to $9.9 million during the nine months ended September 30, 2026 from $1.7 million during the nine months ended September 30, 2025. This increase was predominantly driven by amortization of deferred financing costs and discounts related to the HBC Credit Facility of $6.9 million during the nine months ended September 30, 2026, which was a short-term debt instrument to provide acquisition financing prior to the close of the SPAC Merger. The HBC Credit Facility contained a significant original issue discount and was extinguished prior to the commencement of cash interest payments during the nine months ended September 30, 2026, see further information regarding the HBC Credit Facility in Note 10 of the unaudited condensed consolidated financial statements included in this Quarterly Report. The increase in interest expense, net was also partially attributable to the $4.2 million increase in interest expense excluding amortization of deferred financing costs and discounts to $26.1 million for the nine months ended September 30, 2026 from $22.0 million for the nine months ended September 30, 2025 due to higher average borrowings incurred to finance acquisitions.

There was no loss on extinguishment of debt for the nine months ended September 30, 2026. There was a $2.7 million loss on extinguishment of debt for the nine months ended September 30, 2025 related to the extinguishment of loans secured by the Company's real estate assets. These loans were extinguished in connection with the disposition of substantially all of the Company's real estate assets as part of a sale leaseback transaction during nine months ended September 30, 2025.

Change in fair value of Earnout Shares and Deferred Founder Shares resulted in income of $32.4 million for the nine months ended September 30, 2026. The non-cash gain was due to the decline in our share price from the Closing Date to September 30, 2026. The calculation of the fair value and the nature of these shares is discussed in Note 11 of the unaudited condensed consolidated financial statements included in this Quarterly Report.

Change in fair value of the Forward Purchase Agreement liability resulted in a loss of $7.6 million for the nine months ended September 30, 2026. The non-cash loss was due to the decline in our share price from the Closing Date to

September 30, 2026. The calculation of the fair value and the nature of this agreement is discussed in Note 11 of the unaudited condensed consolidated financial statements included in this Quarterly Report.

Loss on conversion of SAFE Notes was $2.2 million for the nine months ended September 30, 2026. The non-cash loss was due to the fair value of Company Common Stock delivered to holders of SAFE Notes exceeding the carrying value of the SAFE Notes at the time of conversion. The nature of SAFE Notes is discussed in Note 11 of the unaudited condensed consolidated financial statements included in this Quarterly Report.

Change in fair value of warrant liability decreased $2.9 million to income of $0.4 million for the nine months ended September 30, 2026 from income of $3.3 million for the nine months ended September 30, 2025. The gain during the nine months ended September 30, 2026 was due to the conversion or termination of Legacy Teamshares warrants in connection with the SPAC Merger.

Other non-operating expenses (income), net decreased $2.0 million to income of $0.6 million for the nine months ended September 30, 2026 from an expense of $1.4 million for the nine months ended September 30, 2025. The decrease in other non-operating expenses is primarily attributable to settlement of performance and payments bonds issued by an Operating Subsidiary that ceased operations during the nine months ended September 30, 2025. There were no similar expenses during the nine months ended September 30, 2026.

Income Tax Expense

Income tax expense increased $1.1 million to $1.5 million for the nine months ended September 30, 2026 from $0.3 million for the nine months ended September 30, 2025. The increase in income tax expense is primarily attributable to an increase in foreign tax expense related to international acquisitions, increase in domestic state tax expense due to higher earnings from Operating Subsidiaries, and an increase in domestic deferred tax liabilities.

Segment Performance

The Company has one reportable segment: small-to-medium-sized enterprises ("SME"). Segment EBITDA is our chief operating decision maker's primary measure of segment performance. Segment EBITDA only includes post-acquisition results and excludes certain non-cash expenses such as depreciation, amortization, goodwill impairment, share-based compensation and gains/(losses) from disposition of assets. Segment Revenues and Segment EBITDA include the impact of intercompany transactions that are eliminated in consolidation. Segment EBITDA includes all expenses directly attributable to the operations of the reportable segment and considered as part of the measure of segment profit or loss evaluated by the chief operating decision maker. Corporate costs that are not directly attributable to those operations are presented separately in the reconciliation to Loss Before Income Taxes. These corporate expenses primarily include personnel and other costs incurred by the Company's parent entity to perform corporate and enterprise-wide functions, including executive leadership, finance, accounting, legal, acquisitions, human resources, and information technology. Although these functions support the Company on a consolidated basis, the associated costs cannot be allocated on any basis that is meaningful, consistent, or reflective of actual resources consumed by each subsidiary, and therefore corporate expenses are not meaningful to the Company's chief operating decision maker for performance assessment or resource allocation to the Company's reportable segment. See further information regarding the Company's segment reporting and other reportable revenue within the Notes to our unaudited condensed consolidated financial statements included in this Quarterly Report. The tables below summarize the revenue and Segment EBITDA for our reportable segment:

	For the Three Months Ended September 30,				For the Nine Months Ended September 30,			
(in thousands, except for percentages)	**2026**	**2025**	**$ Change**	**% Change**	**2026**	**2025**	**$ Change**	**% Change**
SME Revenue from External Customers	$ 147,901	$ 119,224	$ 28,677	24%	$ 417,601	$ 345,341	$ 72,259	21%
SME Segment EBITDA	$ 17,798	$ 10,963	$ 6,835	62%	$ 46,991	$ 29,964	$ 17,027	57%

Three Months Ended September 30, 2026 compared to Three Months Ended September 30, 2025

Segment Revenues

The Company's consolidated revenue relates solely to the SME segment. See further information on changes in the Company's condensed consolidated revenues within the "Results of Operations" section.

Segment EBITDA

SME Segment EBITDA increased $6.8 million to $17.8 million for the three months ended September 30, 2026 from $11.0 million for the three months ended September 30, 2025. The increase was due to acquisitions of $6.3 million, dispositions of $0.3 million, and organic increases of $0.3 million. The increase due to acquisitions was primarily driven by contributions from Operating Subsidiaries acquired during the fourth quarter of 2025. The Operating Subsidiaries acquired during 2026 contributed $0.6 million of Segment EBITDA during the three months ended September 30, 2026. The contribution from acquisitions during the three months ended September 30, 2026 was limited given the transactions closed late in the reporting period. The increase due to dispositions was a result of Operating Subsidiaries that experienced losses in the prior comparable period and subsequently ceased operations. The organic increase was driven by higher revenues and consistent gross margin partially offset by an increase in operating expenses.

Nine Months Ended September 30, 2026 compared to Nine Months Ended September 30, 2025

Segment Revenues

The Company's consolidated revenue relates solely to the SME segment. See further information on changes in the Company's condensed consolidated revenues within the "Results of Operations" section.

Segment EBITDA

SME Segment EBITDA increased $17.0 million to $47.0 million for the nine months ended September 30, 2026 from $30.0 million for the nine months ended September 30, 2025. The increase was due to acquisitions of $14.2 million, dispositions of $1.7 million, and organic increases of $1.2 million. The increase due to acquisitions was primarily driven by contributions from Operating Subsidiaries acquired during the fourth quarter of 2025. The Operating Subsidiaries acquired during 2026 contributed $1.1 million of Segment EBITDA during the nine months ended September 30, 2026 and had pre-acquisition EBITDA of $5.4 million during the twelve months preceding September 30, 2026. The increase due to dispositions was a result of Operating Subsidiaries that experienced losses in the prior comparable period and subsequently ceased operations. The organic increase was driven by higher revenues and consistent gross margins partially offset by higher operating expenses and primarily came during the first quarter of 2026, in which SME Segment EBITDA experienced an organic increase of $0.8 million followed by increases during the second and third quarters of $0.1 million and $0.3 million, respectively.

Liquidity and Capital Resources

Sources and Uses of Cash

Selected cash flows for the nine months ended September 30, 2026 and 2025 were as follows:

(in thousands)	**September 30, 2026**	**September 30, 2025**
Net Cash Used in Operating Activities	$ (16,851)	$ (33,917)
Net Cash Provided by (Used in) Investing Activities	$ (29,931)	$ 15,261
Net Cash Provided by (Used in) Financing Activities	$ 272,941	$ (6,162)

Nine Months Ended September 30, 2026 compared to Nine Months Ended September 30, 2025

Operating Activities

For the nine months ended September 30, 2026, net cash used in operating activities improved by $17.1 million compared to the nine months ended September 30, 2025. The improvement in cash used in operating activities was primarily driven by acquisitions, improved organic performance and favorable changes in working capital, partially offset by higher cash interest payments. The contributions from acquisitions reflect the Company's strategy to acquire businesses with the ability to generate strong cash flows. This was partially offset by an increase in cash interest payments of $4.4 million during the nine months ended September 30, 2026 compared to the nine months ended September 30, 2025 due to higher average outstanding borrowings used to finance acquisitions. Also, changes in working capital improved Net Cash Used in Operating Activities by $0.3 million for the nine months ended September 30, 2026 compared to an unfavorable impact of $7.2 million for the nine months ended September 30, 2025. This was primarily due to the timing of receipts and

payments related to corporate functions and Operating Subsidiaries. Additionally, an Operating Subsidiary acquired during the fourth quarter of 2025 collects a significant amount of customer deposits during the first fiscal quarter related to annual maintenance contracts that are billed entirely in January, which provided $1.2 million of cash from operating activities during the nine months ended September 30, 2026. Customer deposits are included in Deferred Revenue on the Condensed Consolidated Balance Sheets until they are recognized as revenue as services are performed over time.

Investing Activities

For the nine months ended September 30, 2026, net cash used in investing activities increased by $45.2 million compared to the nine months ended September 30, 2025. During the nine months ended September 30, 2025 the Company received net proceeds of $31.0 million related to the divestiture of substantially all of its real estate assets in connection with a sale leaseback transaction. Cash used for business acquisitions, net of cash acquired, was $24.2 million in the nine months ended September 30, 2026 reflecting the acquisition of four Operating Subsidiaries, compared to $10.6 million for the nine months ended September 30, 2025 reflecting the acquisition of five Operating Subsidiaries. Although fewer Operating Subsidiaries were acquired during the nine months ended September 30, 2026, cash used for business acquisitions increased, reflecting a higher average acquisition size in the current period and higher use of seller financing in the prior period. Cash used for business acquisitions, net of cash acquired, excludes debt issued to the sellers of Operating Subsidiaries or assumed as part of the purchase consideration for the Operating Subsidiaries acquired, which totaled $14.0 million and $25.6 million for the nine months ended September 30, 2026 and 2025, respectively, as presented in Debt Assumed to Acquire Operating Subsidiaries within the supplemental non-cash activity disclosures in the Condensed Consolidated Statements of Cash Flows.

Financing Activities

For the nine months ended September 30, 2026, net cash provided by financing activities increased by $279.1 million compared to the nine months ended September 30, 2025. For the nine months ended September 30, 2026, cash provided by financing activities was $272.9 million, which consisted of $222.8 million in gross proceeds from the issuance of Series A Preferred Stock, $159.5 million in net proceeds from the SPAC Merger, $3.3 million of proceeds from the issuance of SAFE Notes, $3.0 million of borrowings under the HBC Credit Facility and a $3.0 million loan to the Company made by a former owner and current employee of an Operating Subsidiary during 2026 (the “Former Owner Loan”), the proceeds of which were used to finance the acquisition of Operating Subsidiaries, $2.6 million of borrowings under other debt instruments, primarily vehicle and equipment loans at Operating Subsidiaries, and $0.9 million of proceeds from stock option exercises. These inflows were partially offset by the $42.2 million Forward Purchase Agreement Prepayment Amount, $33.9 million to entirely repay the HBC Credit Facility, $32.6 million of repayments of other debt instruments, primarily amortization of single company term loans, the i80 Facility and Seller Notes, $5.8 million of equity issuance costs in connection with the issuance of Series A Preferred Stock, and $1.9 million of transaction costs incurred by the Company that were directly attributable to the SPAC Merger. Additional financing uses of cash during the nine months ended September 30, 2026 included $1.3 million of dividends paid to noncontrolling interests, $1.2 million of debt issuance costs, $0.8 million of contingent consideration payments related to earnouts for historical acquisitions, and $2.4 million related to acquisitions of noncontrolling interests, of which $0.8 million was related to repurchases of rollover equity held by former owners of Operating Subsidiaries.

For the nine months ended September 30, 2025, net cash used for financing activities was $6.2 million, which primarily consisted of $3.2 million of borrowings under credit facilities, $16.6 million of borrowings under other debt instruments, primarily single company term loans and TDC Loans and $3.0 million of loans from executives of the Company, and $1.3 million of net proceeds from the issuance of preferred stock in connection with the Company’s Series E financing. All Series E preferred stock was converted to Common Stock upon the Closing. These inflows were partially offset by $19.9 million of debt repayments, primarily the extinguishment of a term loan in connection with the divestiture of substantially all of the Company’s real estate assets in connection with a sale leaseback transaction, $3.6 million of repayments of other debt instruments, $1.0 million of dividends paid to noncontrolling interests, $0.5 million of contingent consideration payments related to earnouts for historical acquisitions, and $2.3 million related to acquisitions of noncontrolling interests, of which $1.0 million was related to repurchases of rollover equity held by former owners of Operating Subsidiaries.

Liquidity and Capital Resources

Teamshares evaluates its liquidity and capital resources in terms of its ability to meet the cash requirements of its operations, including working capital needs, capital expenditures, debt service, acquisitions and other contractual commitments, through cash flows from operations and other sources of financing. The Company’s investment in building its platform to scale has created operating leverage, which has resulted in growth in earnings from Operating Subsidiaries

at a faster rate than corporate-level expenses during the year ended December 31, 2025 and the nine months ended September 30, 2026. The growth in earnings from Operating Subsidiaries was primarily driven by acquisitions and the Company plans to continue to be highly acquisitive. However, Teamshares has incurred net losses under U.S. GAAP in recent historical periods as corporate-level expenses and interest expense have exceeded earnings generated by its Operating Subsidiaries. Management believes continued growth in earnings from Operating Subsidiaries through the execution of its programmatic acquisition strategy will improve the Company's consolidated profitability, strengthen its cash flow profile and support greater access to capital on more attractive terms. Continued access to capital on reasonable terms is therefore critical to the Company's ability to sustain its programmatic acquisition strategy and realize the anticipated benefits of increased scale and operating leverage.

During the three months ended September 30, 2026 and through the issuance date of these financial statements, the Company completed several transactions that strengthened its capital position, reduced interest expense, and extended its debt maturity profile. In September 2026, the Company issued Series A Preferred Stock for gross proceeds of $222.8 million. During the three months ended September 30, 2026, the Company repaid $3.4 million of principal under the i80 Facility, $8.0 million of principal under the Former Owner Bridge Loan (as defined in Note 10 to the unaudited condensed consolidated financial statements), $3.6 million to extinguish the Former Owner Loan (as defined in Note 10 to the unaudited condensed consolidated financial statements) and $9.5 million of principal under seller notes. The weighted average interest rate on these debt instruments was 12.8% based on the principal repaid. In October 2026, the Company refinanced the i80 Facility, which was scheduled to mature in December 2026, with the Sound Point Term Loan that matures in October 2030, and repaid $16.7 million to extinguish the TDC Loans, which were scheduled to mature in June 2027. The interest rate on the Sound Point Term Loan represents a 1.5 percentage point reduction in the applicable spread compared to the i80 Facility. The TDC Loans had an interest rate of 18%, which included 12% cash and 6% paid in kind. Collectively, these transactions have established a more durable capital structure that provides the Company with greater financial flexibility to execute its growth strategy. As a result of these transactions, management concluded that substantial doubt about the Company's ability to continue as a going concern has been alleviated for the twelve-month period following the issuance date of the unaudited condensed consolidated financial statements included in this Quarterly Report.

As of September 30, 2026, Teamshares had $267.2 million of cash and cash equivalents and $12.8 million of restricted cash, including $10.3 million related to debt agreements ($6.8 million in debt service reserve accounts and $3.5 million in collection accounts) and $2.5 million related to self-insurance programs. Upon extinguishment of the i80 Facility in October 2026, $6.4 million of restricted cash held in debt service reserve accounts as of September 30, 2026 was released to the Company. See Note 6 to the unaudited condensed consolidated financial statements included in this Quarterly Report for further information related to restricted cash.

Historically, Teamshares has funded its acquisition program through a combination of debt and equity financing. The debt financing primarily consisted of the i80 Facility, single company term loans and seller notes. As of September 30, 2026, the i80 Facility had $150.0 million of outstanding borrowings and was scheduled to mature in December 2026. On October 16, 2026, Teamshares Continuity Holdings LLC ("TCH"), a wholly owned subsidiary of the Company, entered into the $130.0 million Sound Point Term Loan, the proceeds of which, together with cash on hand and restricted cash released in connection with the transaction, were used to repay the i80 Facility in full. The Sound Point Term Loan matures on October 16, 2030. The Sound Point Term Loan requires quarterly principal installments beginning December 31, 2026, which increase from $6.25 million per quarter through September 30, 2027 to $10.0 million per quarter beginning December 31, 2029, such that the principal balance is fully repaid through scheduled installments prior to maturity. The Sound Point Term Loan is secured by the assets of TCH and its subsidiaries, including the 72 Operating Subsidiaries initially pledged as collateral. Operating Subsidiaries acquired beginning in the third quarter of 2026 are not included in the Sound Point Term Loan collateral package. The Sound Point Term Loan does not restrict the Company's ability to obtain debt financing secured by the assets of these Operating Subsidiaries. In addition, the Company may prepay or refinance the Sound Point Term Loan at any time, providing flexibility to pursue alternative financing arrangements as its scale and credit profile evolve.

The Company has funded certain of its acquisitions through single company term loans. As of September 30, 2026, the Company had outstanding borrowings under single company term loans of $54.3 million. Outstanding amounts bear interest at market-based rates ranging from 3% to 12%. These single company term loans have maturity dates ranging from 2027 to 2032. The Company plans to continue to utilize single company term loans as a source of debt financing for certain acquisitions. In September 2026, the Company terminated the non-binding term sheet for a proposed warehouse facility that was intended to provide committed capacity to fund the closing of acquisitions until the Company could find long-term financing through single company term loans or other sources. Following the issuance of the Series A Preferred Stock,

management determined that the Company's capital position was sufficient to fund its anticipated near-term acquisition closings without the committed capital contemplated as part of the warehouse facility.

The Company also utilizes seller notes to supplement third-party debt financing and equity capital used to fund acquisitions. As of September 30, 2026, the Company had $34.1 million of seller notes outstanding. The seller notes are issued at the parent level of Teamshares Inc. and bear fixed interest between 5% - 12% with maturity dates ranging from 2026 to 2035. The Company has increased its use of seller notes as a percentage of acquisition purchase consideration in 2026 and plans to continue utilizing seller notes to supplement other sources of acquisition financing and reduce its blended cost of capital.

In addition to its debt financing arrangements, the Company has raised equity capital to support its acquisition strategy and other capital requirements. On June 18, 2026, the Company completed the SPAC Merger, which resulted in gross proceeds of $132.4 million. The proceeds were utilized to pay transaction costs incurred by Live Oak and the Company, reduce indebtedness and provide cash to fund the Company's growth strategy. On September 23, 2026, the issuance of the Series A Preferred Stock resulted in gross proceeds of $222.8 million. The Company intends to use the proceeds primarily to fund acquisitions of Operating Subsidiaries, together with senior debt financing and seller notes. The Series A Preferred Stock accrues dividends that are payable quarterly in cash or in kind at the Company's election, which provides flexibility to preserve liquidity for acquisitions, debt service or other corporate purposes. The Series A Preferred Stock ranks junior to all indebtedness of the Company, and its terms do not impose restrictions on the amount or type of indebtedness that the Company or its subsidiaries may incur. Management believes the subordinated structure of the Series A Preferred Stock and additional liquidity from the issuance strengthen the Company's ability to obtain senior debt financing on more attractive terms. The Company retains the ability to redeem the Series A Preferred Stock at any time, subject to applicable make-whole or redemption premiums. This structure provides a long-term source of capital to support acquisition growth while preserving the Company's ability to refinance or redeem the instrument as alternative sources of capital become available on more attractive terms. See Note 14 to the unaudited condensed consolidated financial statements included in this Quarterly Report for additional information regarding the terms of the Series A Preferred Stock. The Company may also issue up to $75.0 million of Series A Preferred Stock to third parties on the same terms. Additionally, the Company may opportunistically seek additional capital to support its growth strategy through public or private issuances of other common equity or common equity-linked securities, including issuances for cash or as consideration in connection with acquisitions. Any future equity issuances would be subject to market conditions, the availability and cost of capital and other relevant considerations.

The Company's growth strategy is driven primarily by the acquisition of small-to-medium-sized enterprises, and its ability to execute this strategy is highly dependent on its access to sufficient debt and equity capital on acceptable terms. The Company has entered into non-binding letters of intent with respect to a significant number of potential acquisitions. Such letters of intent do not obligate the Company or the applicable sellers to consummate an acquisition and remain subject to, among other matters, satisfactory completion of due diligence, the negotiation and execution of definitive agreements, the availability of financing and the satisfaction of applicable closing conditions. As a result, there can be no assurance regarding the number or timing of such potential acquisitions, if any, that the Company will consummate. The Company has the ability to fund acquisitions under letters of intent with cash on hand; however, the Company intends to finance a portion of the purchase consideration for acquisitions with senior debt financing and seller notes to reduce its blended cost of capital and enhance returns on invested capital. While the Company believes its existing capital resources are sufficient to support its near-term acquisition plans, continued execution of its longer-term growth strategy will depend on its ability to access additional financing on acceptable terms. Such financing may include additional debt, equity or equity-linked securities, which may not be available on acceptable terms or at all, and future equity issuances could result in dilution to existing stockholders.

Contractual Obligations and Other Commitments

The table below summarizes the maturity profile of the Company's contractual obligations and commitments as of September 30, 2026.

(in thousands)	Total	2026	2027	2028	2029	2030	2031 & Thereafter
Debt obligations	$ 262,935	$ 55,573	$ 34,395	$ 43,334	$ 52,282	$ 65,244	$ 12,107
Finance leases	3,144	309	875	737	621	422	181
Operating leases	215,928	5,293	20,553	19,985	19,050	17,951	133,096
Other liabilities[1]	16,512	4,854	3,547	2,325	1,193	1,505	3,089
Total	**$ 498,519**	**$ 66,029**	**$ 59,370**	**$ 66,380**	**$ 73,145**	**$ 85,123**	**$ 148,472**

1. Other liabilities include:

- ***Redeemable Noncontrolling Interest***

  Certain former owners who retained approximately 10% equity interests in connection with historical acquisitions, hold put options that permit them to require Teamshares to repurchase their remaining interests in the applicable subsidiaries. Teamshares discontinued the inclusion of rollover equity as part of purchase consideration for acquisitions during 2023; therefore, the impact of rollover equity on our contractual obligations and commitments is expected to decrease in future periods as we continue to repurchase these shares. As of September 30, 2026, the remaining amounts owed under these arrangements totaled $1.6 million, and all of the put options held by former owners are currently exercisable.

- ***Contingent Consideration***

  The Company has contingent consideration liabilities related to earnout agreements in certain of its business acquisitions. The terms of the earnout agreements vary but typically consist of a payout equal to a future percentage of a financial metric (i.e., revenue or profitability measure) for a determined period of time. Contingent consideration is included in the table above at its undiscounted estimated value. As of September 30, 2026, the fair value of the contingent consideration liability related to the earnout agreements was $10.4 million.

- ***Series A Preferred Stock Dividends***

  As of September 30, 2026, $0.8 million of dividends were due to the holders of Series A preferred stock at the cash dividend rate. The Company elected to pay these dividends in cash, and therefore the liability to pay these dividends was included in Other Current Liabilities on the Condensed Consolidated Balance Sheet as of September 30, 2026.

Critical Accounting Policies and Estimates

Our condensed consolidated financial statements have been prepared in accordance with U.S. GAAP, which requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses as of and during the reporting period, respectively. Our estimates are based on historical experience, current conditions, and various other assumptions that we believe to be reasonable under the circumstances. We evaluate our critical estimates and assumptions on an ongoing basis. Actual results may differ from these estimates under different assumptions or conditions.

The critical accounting estimates, assumptions, and judgments that we believe to have the most significant impact on our condensed consolidated financial statements are described below. This discussion is provided to supplement the descriptions of our accounting policies included in our Proxy Statement/Prospectus and our other public filings filed with the SEC.

Merger and Reverse Recapitalization

The SPAC Merger was structured as an exchange of equity; therefore, U.S. GAAP required management to evaluate which of the two companies should be treated as the "accounting acquirer," a determination that does not always match the legal structure of the deal and instead depends on factors such as a comparison of the relative size of each party to the transaction, and which party holds majority voting power, board and management control.

Management concluded that Legacy Teamshares, rather than Live Oak, was the accounting acquirer. Although Live Oak is the legal acquirer and issued its equity to effect the SPAC Merger, management determined that Legacy Teamshares' equity holders as a group hold the majority of the voting rights in the combined company, that Legacy Teamshares' directors constitute a majority of the combined company's board, that Legacy Teamshares' senior management team continues to lead the combined company, and that Legacy Teamshares is substantially larger than Live Oak as measured by total assets, revenues, and other financial metrics. As a result, the SPAC Merger is accounted for as a reverse recapitalization, whereby the net assets of Live Oak are stated at historical cost, with no goodwill or other intangible assets recorded.

Consistent with this conclusion, Legacy Teamshares has also been determined to be the predecessor for financial reporting purposes, and the Company's historical financial statements for periods prior to the Closing reflect the historical financial statements of Legacy Teamshares rather than those of Live Oak. The net assets of the combined entity are stated at historical cost, and the shares and per-share information presented in the condensed consolidated financial statements were retroactively adjusted to reflect the Exchange Ratio established in the Merger Agreement.

Earnout Shares and Deferred Founder Shares

In connection with the SPAC Merger, the Company reserved Earnout Shares for former Legacy Teamshares stockholders and employees, and Deferred Founder Shares for the Sponsor. Certain of these shares vest if the Company's stock reaches $12.00, $15.00, or $20.00 per share within five years, or immediately upon a qualifying change of control.

Management evaluated whether each group of Earnout Shares and Deferred Founder Shares should be classified as a liability or as equity. Both the Earnout Shares that are reserved for Legacy Teamshares stockholders that are not employees of the Company and the Deferred Founder Shares contain a change-of-control acceleration feature that require the shares to be recorded as liabilities and remeasured to fair value each period, with changes in fair value recorded in earnings. Earnout Shares reserved for employees of the Company, which require continued employment to vest, are recorded as equity awards that are expensed over an estimated service period as stock compensation expense.

The valuation of these Earnout Shares and Deferred Founder Shares requires management to develop inputs to a Monte Carlo simulation model, including expected volatility of the Company's stock price, expected term, and the probability and timing of achieving the share price targets. These estimates are critical to our results of operations because changes in the fair value of these shares are recognized in earnings each reporting period and may result in significant volatility that does not correlate with our underlying operating performance.

Forward Purchase Agreement

In connection with the SPAC Merger, Live Oak entered into the Forward Purchase Agreement with the FPA Investor. The Forward Purchase Agreement matures 24 months after the Closing, unless earlier terminated, in whole or in part, at the FPA Investor's sole discretion.

Management concluded that, from the Company's perspective, the Forward Purchase Agreement is comprised of two features: (i) a share subscription receivable for Common Stock, and (ii) an embedded written put option that represents the estimated fair value of the Company's settlement obligations under the Forward Purchase Agreement.

Based on this analysis, the Prepayment Amount is presented as a reduction to Additional Paid-In Capital as akin to a subscription receivable, and the written put feature is bifurcated and recognized as a derivative liability, which is remeasured at fair value each reporting period, with changes in fair value recognized in earnings. The fair value of the written put liability is estimated using a Black-Scholes option-pricing model that requires management to estimate certain unobservable inputs, including the expected volatility of the Company's stock price. This estimate is critical to our results of operations because changes in the fair value of the written put liability are recognized in earnings each reporting period and may result in significant volatility that does not correlate with our underlying operating performance.

Series A Preferred Stock

On September 23, 2026, the Company issued 225,000 shares of Series A Preferred Stock to accounts advised by T. Rowe Price Investment Management, Inc. Each share has an initial liquidation preference of $1,000 (the "Initial Liquidation Preference"), or $225.0 million in the aggregate. Dividends on Series A Preferred Stock are cumulative and payable quarterly in arrears. For each dividend period, the Company may elect to pay 0%, 25%, 50%, 75% or 100% of the dividend in cash, with the remainder paid in kind ("PIK"). PIK dividends increase the liquidation preference (the "Accreted Liquidation Preference") and compound quarterly.

On or after September 23, 2033, holders of at least a majority of the Series A Preferred Stock may require the Company to redeem all of the outstanding shares of Series A Preferred Stock at the Accreted Liquidation Preference plus accrued and unpaid dividends. Additionally, upon a change of control, the Company must redeem all outstanding shares of Series A Preferred Stock.

The Series A Preferred Stock is classified as mezzanine equity because it is redeemable at the option of the holders or upon a change of control. The initial carrying amount of the Series A Preferred Stock is accreted to the Initial Liquidation Preference through September 23, 2033, the earliest date on which the holders may require redemption. Cumulative dividends increase the carrying amount of the Series A Preferred Stock, until the Company declares its intention to pay the dividends in cash, at which point the dividend payable is reclassified to Other Current Liabilities on the Consolidated Balance Sheets. In the absence of retained earnings, accretion and dividends on the Series A Preferred Stock are recorded as a reduction to Additional Paid-in Capital. Cumulative dividends and accretion are deducted from Net Loss Attributable to Teamshares Inc. in arriving at Net Loss Attributable to Common Stockholders.

Emerging Growth Company Status

Section 102(b)(1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies but any such election to opt out is irrevocable. We, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard, until such time as we are no longer considered to be an emerging growth company. At times, we may elect to early adopt a new or revised standard.

Recent Accounting Pronouncements

See Note 2 to the unaudited condensed consolidated financial statements included in this Quarterly Report for more information.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to market risk in the ordinary course of business. Market risk represents the risk of economic losses due to adverse changes in financial market prices and rates. Our market risk exposure is primarily a result of fluctuations in interest rates.

Interest Rate Risk

Borrowings under the i80 Facility as well as certain single company term loans bear interest at floating rates and are therefore subject to interest rate risk. As of September 30, 2026, the outstanding balance under the i80 Facility was $150.0 million. In addition, the Company had three single company term loans subject to variable rates with an aggregate principal balance of approximately $41.1 million as of September 30, 2026. Borrowings under these credit facilities and term loans accrue interest based on a floating benchmark rate plus an applicable spread.

Based on the outstanding variable rate borrowings as of September 30, 2026, a hypothetical 1% increase or decrease in interest rates, with all other variables held constant, would result in a change in quarterly interest expense of approximately $0.5 million.

On October 16, 2026, the Company entered into the $130.0 million Sound Point Term Loan, the proceeds of which, together with cash on hand and restricted cash released in connection with the transaction, were used to repay the i80 Facility in full. Using the entire $130.0 million principal and holding all other variable rate borrowings constant, a hypothetical 1% increase or decrease in interest rates, with all other variables held constant, would result in a change in quarterly interest expense of approximately $0.4 million.

Item 4. Controls and Procedures

Limitations of Effectiveness of Controls and Procedures

In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource

constraints, and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are controls and other procedures designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer (together, the "Certifying Officers"), to allow timely decisions regarding required disclosure.

Our management, with the participation of our Certifying Officers, carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act as of September 30, 2026.

Based on that evaluation, our Certifying Officers concluded that our disclosure controls and procedures were effective as of September 30, 2026 at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

There was no change in our internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act, that occurred during the quarterly period ended September 30, 2026 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Part II - Other Information

Item 1. Legal Proceedings

From time to time, we may be involved in various legal proceedings arising from the ordinary course of business activities. We are not presently a party to any litigation the outcome of which we believe, if determined adversely to us, would individually or taken together have a material adverse effect on our business, financial condition and results of operations.

Item 1A. Risk Factors

Investing in our securities involves a high degree of risk. You should carefully consider the risks described under the heading "Risk Factors" in the Proxy Statement/Prospectus, the other information in this Quarterly Report, including our unaudited condensed consolidated financial statements and the related notes, as well as our other public filings with the SEC, before deciding to invest in our securities. Except as set forth below, there have been no material changes to the risk factors disclosed under "Risk Factors" in the Proxy Statement/Prospectus, as updated by Part II, Item 1A of our Quarterly Report on Form 10-Q for the quarter ended June 30, 2026. The occurrence of any of the events described herein and therein could harm our business, financial condition, results of operations, liquidity or prospects. In such an event, the market price of our common stock could decline, and you may lose all or part of your investment.

Substantial doubt about our ability to continue as a going concern existed as recently as the second quarter of 2026, and if we are unable to generate sufficient cash flow or access capital, we may again face substantial doubt about our ability to continue as a going concern.

The report of our independent registered public accounting firm on our audited consolidated financial statements as of and for the years ended December 31, 2025 and 2024 included an explanatory paragraph regarding, and the notes to our unaudited condensed consolidated financial statements for the period ended June 30, 2026 disclosed, substantial doubt about our ability to continue as a going concern, primarily due to the scheduled maturity of the i80 Facility in December 2026, as well as scheduled maturities of other indebtedness. In September 2026, we issued $225.0 million in aggregate liquidation preference of Series A Preferred Stock. On October 16, 2026, we repaid the i80 Facility in full with the proceeds of the Sound Point Term Loan, cash on hand and released restricted cash. Based on these transactions, as well as management's evaluation of the Company's liquidity, future debt maturities, and financing transactions through the date these condensed consolidated financial statements were issued, management has concluded that substantial doubt about our ability to continue as a going concern has been alleviated. However, we have a history of losses and negative cash flows from operations, and we will need to generate sufficient cash flow to service the Sound Point Term Loan and our other indebtedness. If we are unable to do so or to obtain additional financing on acceptable terms, substantial doubt about our ability to continue as a going concern could arise again, which could adversely affect the market price of our Common Stock and our ability to obtain future financing.

Our substantial indebtedness could adversely affect our business and financial condition, and the Sound Point Term Loan contains restrictions that limit our flexibility in operating our business.

On October 16, 2026, Teamshares Continuity Holdings LLC, a wholly owned subsidiary of the Company ("TCH"), entered into a credit agreement providing for a $130.0 million senior secured term loan maturing in October 2030 (the "Sound Point Term Loan"). Amounts outstanding under the Sound Point Term Loan accrue interest at the one-month Secured Overnight Financing Rate ("SOFR"), subject to a floor of 3%, plus 9.5% per annum, payable monthly in cash, so our interest rate will be at least 12.50% per annum. Increases in SOFR will increase our interest expense. The Sound Point Term Loan limits the ability of TCH and the subsidiary guarantors to incur additional indebtedness, grant liens, make investments, dispose of assets, merge or consolidate, and enter into transactions with affiliates. These limits could restrict our ability to pursue Operating Subsidiary acquisitions on our planned timeline or terms. The Sound Point Term Loan also requires us to comply with quarterly financial covenants, including maximum net leverage, minimum EBITDA yield, free cash flow yield and minimum liquidity tests. It requires us to prepay the Sound Point Term Loan with the net proceeds of certain asset sales unless reinvested within specified periods. We may not pay dividends or other distributions on, or repurchase, our Common Stock without the agent's consent, subject to certain exceptions, and TCH and the subsidiary guarantors are restricted in their ability to make distributions to us. These restrictions could limit the cash available to us to pay cash dividends on the Series A Preferred Stock, service our parent-level indebtedness, including Seller Notes, and fund corporate expenses.

Our ability to comply with these covenants depends on the performance of our Operating Subsidiaries, which may be affected by factors beyond our control. A breach of any covenant, a cross-default to other indebtedness in excess of $5.0 million, a change of control or another event of default could permit the lenders to accelerate the Sound Point Term Loan

and foreclose on the collateral, which includes the equity of the entities that own our Operating Subsidiaries. If that occurred, we may not have sufficient assets to repay our indebtedness, and holders of our Common Stock could lose all or part of their investment.

Our Series A Preferred Stock ranks senior to our Common Stock, and our obligations to its holders could reduce the cash available for our business, restrict our operations and limit the value available to holders of our Common Stock.

On September 23, 2026, we issued 225,000 shares of Series A Preferred Stock with an aggregate liquidation preference of $225.0 million. The Series A Preferred Stock ranks senior to our Common Stock with respect to dividends and distributions upon liquidation and junior to all of our existing and future indebtedness, including the Sound Point Term Loan. It accrues cumulative dividends at 16.0% per annum if paid in cash or 18.0% per annum if paid in kind. Cash dividends will reduce funds available for our operations, debt service and acquisitions, and our ability to pay cash dividends may be restricted by the Sound Point Term Loan. Dividends paid in kind will increase the liquidation preference, and with it the amount that must be paid to holders of Series A Preferred Stock before holders of our Common Stock receive anything upon a liquidation or redemption. We may not pay dividends on, or repurchase, our Common Stock, subject to limited exceptions, unless full dividends on the Series A Preferred Stock for the most recently completed dividend period have been declared and paid in full.

Holders may require us to redeem the Series A Preferred Stock beginning in 2033, and we must redeem it upon a change of control. We may not have sufficient funds to do so. The terms of the Series A Preferred Stock also restrict our ability to issue senior or parity preferred stock, other than additional Series A Preferred Stock as described below and certain preferred securities issued by our subsidiaries solely to us or our wholly owned subsidiaries in connection with acquisitions. These restrictions, together with the covenants of the Sound Point Term Loan, could limit our ability to finance future acquisitions. We may also issue up to $75.0 million in additional liquidation preference of Series A Preferred Stock on the same terms, which would further increase the dividend obligations and senior claims ahead of our Common Stock. The purchasers are affiliates of a significant holder of our Common Stock, and their interests as preferred holders may differ from those of other holders of our Common Stock.

The issuance of Earnout Shares and the vesting of Deferred Founder Shares would dilute our stockholders, and changes in the fair value of these arrangements may cause significant volatility in our reported results.

Certain former Legacy Teamshares security holders have the contingent right to receive up to 6,000,000 additional shares of our Common Stock. The shares are issuable in three equal tranches if the volume-weighted average price of our Common Stock equals or exceeds $12.00, $15.00 and $20.00, respectively, for 20 of any 30 consecutive trading days. The measurement period began on November 15, 2026 (150 days after the Closing) and runs through June 18, 2031, and the shares are also issuable upon a qualifying change of control. In addition, our Sponsor holds 1,674,781 Deferred Founder Shares. These shares are outstanding but are subject to forfeiture unless specified stock price targets are achieved during a five-year measurement period.

Any issuance of Earnout Shares would dilute the ownership interests of our existing stockholders. The resulting sales of those shares, or the vesting of Deferred Founder Shares, could depress the market price of our Common Stock. Changes in the market price of our Common Stock have caused, and are expected to continue to cause, material non-cash gains and losses in our results of operations that do not reflect the performance of our business. This could make our results difficult to compare across periods and could adversely affect the market price of our Common Stock.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Unregistered Sales of Equity Securities

Other than as disclosed in the Company's Current Report on Form 8-K filed with the SEC on September 23, 2026, the Company has not sold equity securities in a transaction that is not registered under the Securities Act during the fiscal quarter ended September 30, 2026.

Use of Proceeds

In connection with the closing of the SPAC Merger on June 18, 2026, approximately $194.6 million was paid from the trust account to holders of 18,438,659 Class A ordinary shares who exercised redemption rights, and the remaining approximately $48.1 million was released to the Company. Concurrently, the Company received $126.5 million of

proceeds from investors that had previously entered into subscription agreements with Live Oak. The Company used these funds to pay a $42.2 million prepayment to a forward purchase agreement investor, to repay a $33.9 million credit facility in full, and to pay $15.9 million of transaction expenses incurred by Live Oak, with the balance used for general corporate purposes. There has been no material change in the planned use of proceeds from the SPAC Merger as described in the related prospectus.

Issuer Purchases of Equity Securities

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

a) Disclosure in lieu of reporting on a Current Report on Form 8-K.

None.

b) Material changes to the procedures by which security holders may recommend nominees to the board of directors.

None.

c) Insider trading arrangements and policies.

During the three months ended September 30, 2026, no director or officer of the Company adopted or terminated any "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement" (as such terms are defined in Item 408(a) of Regulation S-K).

2027 Annual Meeting of Stockholders.

The Company currently expects to hold its 2027 annual meeting of stockholders (the "2027 Annual Meeting") in the second quarter of 2027. The Company's board of directors has not yet set the date, time or location of the 2027 Annual Meeting. Because the Company did not hold an annual meeting of stockholders in 2026, the Company is providing the following information regarding stockholder proposals and director nominations for the 2027 Annual Meeting.

Stockholder Proposals for Inclusion in the Proxy Statement. Stockholders who wish to submit a proposal for inclusion in the Company's proxy materials for the 2027 Annual Meeting under Rule 14a-8 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), must ensure that the proposal is received by the Company's Corporate Secretary at 214 Sullivan Street, Suite 3B, New York, NY 10012 no later than 5:00 p.m., Eastern Time, on December 28, 2026. The Company has determined this to be a reasonable time before it begins to print and send its proxy materials. Any such proposal must also comply with all applicable requirements of Rule 14a-8, and the Company's receipt of a proposal does not guarantee its inclusion in the proxy materials. Any proposal received after that date will be considered untimely.

Other Stockholder Proposals and Director Nominations. Stockholders who wish to nominate a person for election to the Company's board of directors, or to propose business other than under Rule 14a-8, at the 2027 Annual Meeting must comply with the advance notice deadlines and other requirements of the Company's Amended and Restated Bylaws. Stockholders who intend to solicit proxies in support of director nominees other than the Company's nominees must also comply with Rule 14a-19 under the Exchange Act, including by providing the notice required by Rule 14a-19(b) within the time period required by the Bylaws.

Item 6. Exhibits

The following exhibits are filed or furnished with this Quarterly Report:

Exhibit No.	Description
3.1	Amended and Restated Certificate of Incorporation of Teamshares Inc. (including Certificate of Corporate Domestication) (incorporated by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K filed with the SEC on June 25, 2026).
3.2	Amended and Restated Bylaws of Teamshares Inc. (incorporated by reference to Exhibit 3.2 of the Company's Current Report on Form 8-K filed with the SEC on June 25, 2026).
3.3	Certificate of Designations, Preferences and Rights of the Series A Perpetual, Non-Voting, Non-Convertible Preferred Stock ($1,000 Liquidation Preference Per Share) of Teamshares Inc. (incorporated by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K filed with the SEC on September 23, 2026).
10.1	Preferred Stock Purchase Agreement, dated as of September 23, 2026, by and among Teamshares Inc. and the Purchasers party thereto (incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K filed with the SEC on September 23, 2026).
10.2+*	Teamshares Inc. Non-Employee Director Compensation Program, adopted on September 29, 2026.
10.3*	Waiver under the Forward Purchase Agreement, dated August 28, 2026, between Teamshares Inc. and HB Strategies LLC.
31.1*	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	Inline XBRL Instance Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Labels Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

+ Indicates a management contract or compensatory plan or arrangement.
* Filed herewith.
** Furnished herewith.

The agreements and other documents filed as exhibits to this report are not intended to provide factual information or other disclosure except for the terms of the agreements or other documents themselves, and you should not rely on them for other than that purpose. In particular, any representations and warranties made by the Company in these agreements or other documents were made solely within the specific context of the relevant agreement or document and do not apply in any other context or at any time other than the date they were made.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

TEAMSHARES INC.

Date: November 16, 2026

By: /s/ Michael Brown
Name: Michael Brown
Title: Chief Executive Officer
(Principal Executive Officer)

Date: November 16, 2026

By: /s/ Brian Gaebe
Name: Brian Gaebe
Title: Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

TEAMSHARES INC.

NON-EMPLOYEE DIRECTOR COMPENSATION PROGRAM

Eligible Directors (as defined below) on the board of directors (the "***Board***") of Teamshares Inc. (the "***Company***") shall be eligible to receive cash and equity compensation as set forth in this Non-Employee Director Compensation Program (this "***Program***"). The cash and equity compensation described in this Program shall be paid or be made, as applicable, automatically as set forth herein and without further action of the Board, to each member of the Board who is not an employee of the Company or any of its parents or subsidiaries, and who is determined by the Board to be eligible to receive compensation under this Program (each, an "***Eligible Director***"), unless such Eligible Director declines the receipt of such cash or equity compensation by written notice to the Company.

This Program shall become effective upon the approval by the Board (the "***Effective Date***") and shall remain in effect until it is revised or rescinded by further action of the Board. This Program may be amended, modified or terminated by the Board at any time in its sole discretion. No Eligible Director shall have any rights hereunder, except with respect to equity awards granted pursuant to Section 2 of this Program.

1. Cash Compensation.

a. Annual Retainers. Each Eligible Director shall be eligible to receive an annual cash retainer of $60,000 for service on the Board.

b. Additional Annual Retainers. An Eligible Director shall be eligible to receive the following additional annual cash retainers, as applicable:

(i) Non-Executive Chair. An Eligible Director serving as the Non-Executive Chair of the Board shall be eligible to receive an additional annual retainer of $40,000 for such service.

(ii) Lead Director. An Eligible Director serving as Lead Director of the Board shall be eligible to receive an additional annual retainer of $20,000 for such service.

(iii) Committee Chair. An Eligible Director serving as Chair of the Audit Committee, the Compensation Committee, or the Nominating and Corporate Governance Committee shall be eligible to receive an additional annual retainer of $20,000, $15,000 or $10,000, respectively, for such service on such committee.

(iv) Committee Member. An Eligible Director serving as a Member of the Audit Committee, the Compensation Committee, or the Nominating and Corporate Governance Committee shall be eligible to receive an additional annual retainer of $10,000, $7,500 or $5,000, respectively, for such service on such committee.

c. Payment of Retainers. The annual cash retainers described in this Section 1 shall be earned on a quarterly basis based on a calendar quarter and shall be paid by the Company in arrears not later than 30 days following the end of each calendar quarter. In the event an Eligible Director does not serve as a director, or in the applicable positions described in Section 1(b), for an entire calendar quarter, the retainer(s) paid to such Eligible Director shall be prorated for the portion of such calendar quarter actually served as a director and/or in such position, as applicable.

2. Equity Compensation.

a. General. Eligible Directors shall be granted the equity awards described below without further action from the Board. The awards described below shall be granted under and shall be subject to the terms and provisions of the Company's 2026 Incentive Award Plan or any other applicable Company equity incentive plan then-maintained by the Company (such plan, as may be amended from time to time, the "***Equity Plan***"), subject to the execution and delivery of award agreements, including attached exhibits, in substantially the forms approved by the Board prior to or in connection with such grants. All applicable terms of the Equity Plan apply to this Program as if fully set forth herein, and all grants of equity awards hereby are subject in all respects to the terms of the Equity Plan. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Equity Plan.

b. 2026 Award. An Eligible Director who is serving on the Board as of the Effective Date shall be granted a Restricted Stock Unit award (the "***2026 Award***"). Each 2026 Award shall be granted on the later of (i) the date on which the Form S-8 Registration Statement with respect to the Company's common stock issuance under the Equity Plan becomes effective and (ii) the Effective Date. The number of Restricted Stock Units subject to a 2026 Award will be determined by dividing $140,000 by the price per share to the public of the Company's common stock as determined on the pricing date of the Company's initial public offering. Each 2026 Award shall vest in full on the earlier to occur of (x) the one-year anniversary of the Effective Date and (y) the date of the Annual Meeting (as defined below) for calendar year 2027, subject to continued service through the applicable vesting date.

c. Annual Awards. An Eligible Director who is serving on the Board as of the date of the annual meeting of the Company's stockholders (the "***Annual Meeting***") each calendar year beginning with calendar year 2027 shall be granted a Restricted Stock Unit award with a value of $140,000 (an "***Annual Award***"). The number of Restricted Stock Units subject to an Annual Award will be determined by dividing $140,000 by the closing price for the Company's common stock on the applicable grant date. Each Annual Award shall be granted on the applicable Annual Meeting date and shall vest in full on the earlier to occur of (x) the one-year anniversary of the applicable grant date and (y) the date of the next Annual Meeting following the grant date, subject to continued service through the applicable vesting date.

d. Initial Awards. An Eligible Director who is initially elected or appointed to serve on the Board after the Effective Date shall be granted a Restricted Stock Unit award (the "***Initial Award***" and, together with the 2026 Award and the Annual Award, the "***Equity Awards***"). Each Initial Award shall be granted on the date on which such Eligible Director is appointed or elected to serve on the Board (the "***Election Date***"), and shall vest in full on the earlier to occur of (x) the one-year anniversary of the applicable Election Date and (y) the date of the next Annual Meeting following the Election Date, subject to continued service through the applicable vesting date. The number of Restricted Stock Units subject to an Initial Award will be determined by dividing the Pro-Rated Value (as defined below) by the closing price for the Company's common stock on the applicable grant date. The "***Pro-Rated Value***" shall equal $140,000, multiplied by a fraction, (i) the numerator of which is the difference between 365 and the number of days from the immediately preceding Annual Meeting date (or the Effective Date, if there is no preceding Annual Meeting date) through the Election Date and (ii) the denominator of which is 365.

e. Accelerated Vesting Events. Notwithstanding the foregoing, an Eligible Director's Equity Award(s) shall vest in full immediately prior to the occurrence of a Change in Control, death, or disability, to the extent outstanding at such time.

3. Compensation Limits. Notwithstanding anything to the contrary in this Program, all compensation payable under this Program will be subject to any limits on the maximum amount of non-employee Director compensation set forth in the Equity Plan, as in effect from time to time.

August 28, 2026

HB Strategies LLC
c/o Hudson Bay Capital Management LP 290 Harbor Dr, 3rd Floor
Stamford, CT 06902 Attn: Richard Allison

Re: **Waiver of Dilutive Offering Reset Provision — Forward Purchase Agreement**

Reference is made to that certain Forward Purchase Agreement, dated as of June 1, 2026 (as amended, modified or supplemented from time to time, the "***Confirmation***"), by and among HB Strategies LLC ("***Seller***"), Teamshares Inc., a Delaware corporation ("***Counterparty***"), and, for purposes of certain provisions thereof, Teamshares Inc. as Target. Capitalized terms used but not defined in this letter agreement (this "***Waiver Letter***") have the meanings given to them in the Confirmation.

The Confirmation provides, among other things, that a Secondary Transaction resulting in a Dilutive Offering will cause the Reset Price to be modified to the Reduced Price, as set forth in the section of the Confirmation captioned "Dilutive Offering Reset" (the "***Dilutive Offering Reset Provision***").

Counterparty has advised Seller that, in the ordinary course of its serial acquisition business, Counterparty and/or its subsidiaries expect to issue Shares as consideration in connection with the acquisition of businesses or assets, including earnout payments, post-closing purchase price adjustments, and employment inducement awards granted in connection with any such acquisition (each, an "***Acquisition Share Issuance***"), and Counterparty has requested that Seller waive application of the Dilutive Offering Reset Provision to such issuances on the terms set forth below. Seller is willing to grant such waiver on the following terms and conditions.

In consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each party, the parties agree as follows:

1. *Waiver*. Subject to the terms and conditions of this Waiver Letter, Seller hereby waives the application of the Dilutive Offering Reset Provision solely with respect to any Acquisition Share Issuance (the "***Waived Issuances***"), such that no Acquisition Share Issuance occurring during the Waiver Period (as defined below) shall constitute a Dilutive Offering or otherwise give rise to a Reduced Price under the Confirmation, provided that the effective price per Share of such Acquisition Share Issuance is equal to or greater than $5.00 per Share (subject to appropriate adjustment for any stock split, reverse stock split, stock dividend, recapitalization or similar event affecting the Shares after the date hereof, the "***Floor Price***").

2. *Floor Price Not Waived*. For the avoidance of doubt, this waiver does not apply to, and the Dilutive Offering Reset Provision shall continue to apply in full force and effect with respect to (i) any Acquisition Share Issuance at an effective price per Share below the Floor Price, and (ii) any issuances that are not Acquisition Share Issuances at any price.

3. *Waiver Period*. This waiver shall be effective from the date of this Waiver Letter until the earliest to occur of (i) December 31, 2026, and (ii) the date on which the aggregate number of Shares issued by Counterparty in Waived Issuances, cumulatively from the date of this Waiver Letter, equals 1,000,000 Shares (such period, the "***Waiver Period***"). Upon the expiration of the Waiver Period, the Dilutive Offering Reset Provision shall automatically, and without any further action by either party, apply in full force and effect to any subsequent issuances in accordance with the terms of the Confirmation.

4. *Rule 10b5-1(c) Representation*. Counterparty acknowledges that, pursuant to Other Provisions, Section (a)(iii) of the Confirmation, this Waiver Letter constitutes an amendment, modification and/or waiver of the Confirmation that must be effected in accordance with the requirements for the amendment or termination of a "plan" under Rule 10b5-1(c) promulgated under the Securities Exchange Act of 1934, as amended ("***Rule 10b5-1***"). Accordingly, Counterparty represents and warrants, as of the date of this Waiver Letter, that (i) Counterparty is entering into this Waiver Letter in good faith and not as part of a plan or scheme to evade the prohibitions of Rule 10b-5, and (ii) neither Counterparty, nor any officer, director, manager or similar person of Counterparty involved in the negotiation, approval or execution of this Waiver Letter, is aware of any material non-public information regarding Counterparty or the Shares as of the date hereof.

5. *Reservation of Rights; No Other Waiver*. Except as expressly set forth in this Waiver Letter, the Dilutive Offering Reset Provision and all other terms, conditions, rights and remedies under the Confirmation remain unmodified and in full force and effect. This Waiver Letter relates solely to the specific matter described herein and shall not be construed as a waiver of any other provision of the Confirmation, or of any Secondary Transaction other than a Waived Issuance meeting the conditions set forth herein.

6. *No Course of Dealing*. This Waiver Letter is a one-time accommodation applicable solely to the Waived Issuances described herein. Nothing in this Waiver Letter shall be construed as an agreement or commitment by Seller to grant any similar or further waiver, consent or accommodation in the future, whether with respect to the Dilutive Offering Reset Provision or otherwise, and no course of dealing between the parties shall be deemed to arise from this Waiver Letter.

7. *Governing Law*. This Waiver Letter shall be governed by New York law (without reference to choice of law doctrine), consistent with the governing law provision of the Confirmation.

8. *Counterparts*. This Waiver Letter may be executed in counterparts (including by electronic signature or PDF), each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

9. *MNPI*. The Counterparty hereby represents and warrants to Seller that the Seller will not be in possession of material non-public information regarding the Counterparty as of 8:00 am, Eastern time, on the first business day follow the date of this Waiver Letter.

Please indicate your agreement to the foregoing by countersigning below, whereupon this Waiver Letter shall constitute a binding agreement of the parties.

A copy of this Waiver Letter is being sent concurrently, for information purposes and not to constitute notice, to Loeb & Loeb LLP (as counsel to Seller) and Latham & Watkins LLP (as counsel to Counterparty).

[Signature page follows]

Very truly yours,

TEAMSHARES INC.

By: /s/ Brian Gaebe
Name: Brian Gaebe
Title: CFO

Agreed and accepted as of the date first written above:

HB STRATEGIES LLC

By: Hudson Bay Capital Management LP,

not individually, but solely as Investment Advisor to HB Strategies LLC

By: /s/ Richard Allison
Name: Richard Allison
Title: Authorized Signatory

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Michael Brown, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Teamshares Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

November 16, 2026

/s/ Michael Brown
Michael Brown
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Brian Gaebe, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Teamshares Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

November 16, 2026

/s/ Brian Gaebe
Brian Gaebe
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Teamshares Inc. (the "Company") on Form 10-Q for the period ended September 30, 2026 (the "Report"), as filed with the Securities and Exchange Commission on the date hereof, I, Michael Brown, Chief Executive Officer of the Company, do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

1. the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the periods presented therein.

November 16, 2026

/s/ Michael Brown
Michael Brown
Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Teamshares Inc. (the "Company") on Form 10-Q for the period ended September 30, 2026 (the "Report"), as filed with the Securities and Exchange Commission on the date hereof, I, Brian Gaebe, Chief Financial Officer of the Company, do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

1. the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the periods presented therein.

November 16, 2026

/s/ Brian Gaebe
Brian Gaebe
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)