Tecogen, Inc.
Third Quarter 2022 Conference Call
November 11, 2022

Presenters
Jack Whiting - General Counsel & Secretary
Benjamin Locke - Chief Executive Officer
Abinand Rangesh - Chief Financial Officer

Q&A Participants
Bill Church - Tgra Capital
Alex Blanton - Clear Harbor Asset Management
Michael Zuk - Oppenheimer & Co.

Operator
Good morning and welcome to the Tecogen Third Quarter 2022 Conference Call.

At this time, all participants are in a listen-only mode. A question-and-answer session will follow the formal presentation. If anyone should require operator assistance during the conference, please press "*", "0" on your telephone keypad.

Please note this conference is being recorded.

I will now turn the conference over to our host, Jack Whiting, General Counsel and Secretary. Thank you, you may begin.

Jack Whiting
Good morning. This is Jack Whiting, General Counsel and Secretary of Tecogen. Please note this call is being recorded and will be archived on the Investors section of our website at tecogen.com for two weeks.

The press release regarding our third quarter 2022 earnings and the presentation provided this morning are also available in the Investors section on our website, as well.

I'd like to direct your attention to the Safe Harbor statement included in earnings press release and presentation. Various remarks that we make about the company's future expectations, plans and prospects constitute forward-looking statements for purposes of the Safe Harbor provision under the Private Securities Litigation Reform Act of 1995.

Actual results may differ, materially, from those indicated by these forward-looking statements as a result of various important factors, including those discussed in the company's most recent annual report on Form 10-K and quarterly reports on Form 10-Q under the caption Risk Factors,

which are on file with the Securities and Exchange Commission and available in the Investors section of our website, under the heading SEC filings.

While we may elect to update forward-looking statements at some point in the future, we specifically disclaim any obligation to do so. Therefore, you should not rely on any forward-looking statements as representing our views as of any date subsequent to today.

During this call, we will refer to certain financial measures not prepared in accordance with GAAP. Reconciliation of these non-GAAP financial measures to the most directly comparable GAAP measures is provided in the press release regarding our third quarter 2022 earnings and in the Investors section of our website.

I'll now turn the call over to Benjamin Locke.

Benjamin Locke
Thank you, Jack. So, as the agenda on Slide 4 indicates, we'll start with a brief company overview, followed by a detailed review of our third quarter 2'2 results. We will then discuss the key takeaways from the earnings and turn the call over to the operator for questions.

As a reminder, this presentation will be available for download in the presentation section of our Investor page on our website.

Turning to Slide 5, I'd like to provide a short overview of Tecogen's core businesses. Tecogen sells and maintains clean and efficient energy systems that provide resiliency and energy savings to customers, while reducing greenhouse gas emissions for a cleaner environmental footprint.

Our solutions help industries and facilities reach their environmental goals for carbon reduction, while also providing resiliency to grid outages.

Tecogen has deployed thousands of these systems, and we have a steady recurring revenue stream through our 11 service centers that provide long-term operations and maintenance services for Tecogen cogeneration and chiller systems.

Turning to Slide 6. Our distributed generation systems can operate as microgrids for power generation and grid resiliency, as shown on the left here. These features are increasingly important as the grid becomes increasingly burdened, congested, and costly.

In addition to our distributed generation system, Tecogen offers clean cooling solutions for commercial and industrial facilities. Our chillers, shown in the middle of this slide, provide customers with lower operating costs and a reduced greenhouse gas footprint, compared to traditional cooling solutions.

We've had particular success with our clean cooling products for use in controlled environment agriculture. These indoor grow operations use a tremendous amount of power to maintain precise growth conditions.

Our chillers, substantially, reduce the amount of electric capacity needed to operate the facility, while simultaneously providing cooling and heat for facility heating and dehumidification. Our success in the controlled environment agriculture market has led us to expand our business development effort to extend the scope of our participation in CEA facilities in the food production sector. I will talk more about this separate later in the call.

Before I turn the call over to Abinand for a review of our third quarter numbers, I'd like to remind investors of our three main revenue streams, shown here on Slide 7. Our product revenue consists of sales of cogeneration units, microgrid systems, chillers and associated equipment to a range of markets and customers.

Our service revenues primarily consist of our contracted operations and maintenance services with a small component of installation services.

Our energy production revenue stream is from energy sales, including sales of electricity and thermal energy produced by our equipment on site at customers' facilities.

With that, I'd like to turn the call over to Abinand to review our numbers in more detail, and then I'll have some additional comments on the takeaways from the quarter and comments about our expectations for the rest of 2022. Abinand.

Abinand Rangesh
Thank you, Ben. Q3 revenue was $6.6 million, compared to $5 million during the same period in 2021. This 31.9% increase was mostly due to the increase in product revenue, but all segments showed growth. I will discuss the revenue by segment in more detail in a later slide.

Our cash balance at the end of the quarter was $2.9 million, which was slightly higher than at the end of Q2 ‘22. Gross margin decreased to 44% from 47%, compared to ‘21, due to the higher cost of materials.

Some of the orders that shipped in Q3 had higher margins because of the price increases instituted earlier in the year. We plan to be making further adjustments to price, over the upcoming quarters.

Operational expenses were 4.3% lower, compared to Q3 2021 at $3.11 million. This was partially due to a reduction in bad debt reserves, and the R&D expenses were higher due to costs associated with the development of the hybrid air cooled chiller.

The operating loss was $214,000, and the net loss was $257,000, or $0.01 per share. The higher net income in Q3 ‘21 was due to the employee retention credit and the forgiveness of the Paycheck Protection loan.

EBITDA. EBITDA loss was $141,000 and adjusted EBITDA loss was $74,000. In Q3 ‘21, EBITDA income was $1.5 million, and adjusted EBITDA was a loss of $197,000. Q3 ‘21 was favorably impacted by the employee retention credit.

Performance by segment. Products revenue increased by 71%. In particular, the chiller revenue increased 329%. Our product margin decreased from 45% to 35% in Q3 ‘22, due to the increased cost of materials, partially offset by price increases.

Service revenue increased 9%, compared to Q3 ‘21, due to the increased number of service contract and price increases, associated with those contracts. Our service margin increased to 52% from 48%.

Energy production revenue increased by 6%. Energy production margin increased to 50%, compared to 47% quarter-to-quarter. The overall gross margin was 44%.

I will now hand the call back to Ben to talk about the earnings takeaway.

Benjamin Locke
Thanks, Abinand. So, turning to Slide 11, I'll discuss what I feel are the important takeaways from the quarter. I think the biggest takeaway, of course, is the revenue growth, up 32% over Q3 of 2021. This was driven by increases in product sales with an even mix of cogeneration and chiller product.

As you've seen through the press releases throughout the quarter, we continue to make progress in key market segments, such as controlled environment agriculture, multiunit residential buildings in large schools or other municipal buildings.

Some of these sales are directly attributable to new sales partnerships established earlier this year. In particular, we were pleased to receive a multiunit order from our large ESCO. This is the first order from this ESCO, and we are expecting additional orders, as the relationship builds.

Next, we are starting to get more definition on the new investment tax credit for both, our cogeneration and chiller systems. The new ITC is worth up to 40% because our products satisfy the domestic content requirements and may be transferable to third parties.

Importantly, the new ITC has a direct pay alternative for nonprofits in municipalities. We, like many others in the clean energy industry, are awaiting the final details from the IRS and how the ITC can be monetized by our customers. We expect this guidance, next month.

Another important takeaway occurred after the quarter ended, but the collaboration with the Gas Technology Institute, announced Tuesday, will help bring our hybrid drive AC chiller through testing in anticipation of commercial launch, later in 2023.

We expect to continue our ongoing effort to work with various gas companies to establish pilot demonstrations for the hybrid drive, after the GTI testing is complete. I hope to have more announcements in this regard in the coming months.

And lastly, we ended the quarter with a backlog of $6.9 million of product and product backlog, as of yesterday, was $9.35 million. And as you can see in the chart, it's a good mix of our core markets, such as CEA and multiunit residential.

As a reminder, we do not include our recurring service and energy production revenues in our backlog calculation.

Turning to slide 12, I'd like to provide a bit of color on our business development efforts in the controlled environment agriculture space. As we had mentioned earlier in the year, one of our focus areas is the controlled environment agriculture where we have already sold over 13,000 tons of cooling to cannabis facilities and are planning on expanding our offering to food crop facilities.

The energy intensity of each type of CEA facility varies, depending on the required level of climate control. In all cases, there is a tremendous energy use for grow lights and, in many cases, there is both the cooling and dehumidification load.

Our solution offers up to 50% reduction in utility energy expenses, especially in cases where there is a large need for cooling and dehumidification.

The exhaust generated can also be used to boost plant growth, by upwards of 30%. We have already equipped--we already have equipment in multiple food crop facilities and are starting to specify sites to utilize the CO2.

Turning to slide 13. To further our CEA ambitions, we established a new business unit. We are creating a new brand known as NetZero Greens for CEA grown produce, and we are working on identifying where we can add value.

We anticipate developing a simple to install modular package for growers to handle their energy needs with the lowest carbon footprint for facility sizes from a single container, upwards of a multi-acre controlled environment agriculture farm.

The focus will be on having the lowest energy intensity and carbon footprint, while also being able to alleviate great capacity constraints or, in some cases, operate off-grid entirely.

As slide 14 indicates, we have already begun testing our real-time optimization algorithms for reducing energy costs for CEA facilities. The same technology for real-time grid controls will also be applied to our hybrid drive air-cooled chiller and other products.

The graphic on the left shows a snapshot of the utility mix from the ISO, New England. Using the carbon intensity of the grid, our algorithm blends power sources, in this case, solar, utility and engine to optimize the cost of operation and greenhouse gas mix.

Working in partnership with growers, we plan to pilot this technology and grow facilities, by building a small-scale prototype. The next step will be to determine the business model for expansion into CEA and build the financing mechanisms to develop this segment.

In conjunction with the investment tax credit, our offering provides growing facilities, a way to reduce operational costs, increased yield and receive a tax incentive to build clean and efficient facilities, using our products.

Finally, I'd like to revisit the pathway to growth shown on Slide 15, that we've been focused on to grow the company.

First, we continue to make progress with our chillers for facilities seeking clean cooling solutions where we are the best technology for energy savings and resiliency, particularly, when the existing electric grid can't meet the facility's power requirements.

Next, as I mentioned, with the GTI collaboration, we are on track in developing our next-generation hybrid drive air-cooled chiller. The hybrid drive will, substantially, expand our sales potential in many markets, particularly CEA, and we expect to showcase it in February at the 2023 AHR Expo in Atlanta, which is the largest HVAC trade show in North America.

We also continue to see promising opportunity for our technology, as a foundation for clean and efficient microgrids. We have shown that a cost-effective combination of our clean cooling systems, combined with our grid resilient microgrid systems, is an effective solution for facilities requiring affordable and reliable power.

We expect grid supply constraints to continue, as the nation's aging electric grid becomes further burdened and overloaded due to increased electricity demand. And as I mentioned earlier, the new ITC contained in the Inflation Reduction Act can result in as much as a 40% tax credit for our systems.

Finally, as discussed, we established a new business unit focused on controlled environment agriculture. Given projected population growth and the impact of climate issues on food production, the need for intensive farming techniques in controlled environments is expected to grow substantially.

As a result of our interactions with numerous industry participants in the CEA market, we believe that Tecogen can have additional opportunities to provide equipment and services that addresses the energy-intensive requirements of CEA facilities.

We are focused on additional roles that Tecogen can play in developing, maintaining and operating CEA facilities and hope to have more updates for investors, as our discussions with participants in the CEA market progresses.

So, in conclusion, I hope to continue showing results against these goals, and I look forward to providing updates over the next few months.

With that, I'd like to turn it over to the operator for questions.

Operator
Thank you. And at this time, we'll conduct our question-and-answer session. If you would like to ask a question, please press "*", "1" on your telephone keypad. A confirmation tone will indicate your line is in the question queue. You may press "*", "2" if you would like to remove your question from the queue. For participants using speaker equipment, it may be necessary to pick up your handset, before pressing the star keys.

Once again, to ask a question, press "*", "1" on your telephone keypad.

Our first question comes from Bill Church with Tgra Capital. Please state your question.

Bill Church
Yes. Good morning. Thank you.

Benjamin Locke
Hi, Bill. Good morning to you.

Bill Church
Hi. Good morning. My question has to do with the CEA market. And if this includes vertical farming, and I think--I'm thinking some of the Canadian companies' crop one and so forth.

Benjamin Locke
So, with CEA, yes, it does include vertical farming. It can include anywhere where--everything from a greenhouse with a controlled and without greenhouses that don't just open windows, to anything that is completely enclosed and have full climate control.

We--right now, most of our facilities have been non-vertical farms, but the energy requirements are pretty much similar, whether it's vertical or whether you're having a single layer. So, we can definitely--our energy solutions can be applied to vertical farming with no issue.

Bill Church
Yes, I was thinking about that, I've been doing some research on some of these Canadian companies, specifically, that have raised a lot of capital in the last year or two. And I guess that would be, apply up in Canada, where the weather is not quite as conducive to growing as it is here, but it looked like that's an interesting opportunity. So, thank you.

Benjamin Locke
Yes. We actually have some equipment at a cucumber farm in Canada.

Jack Whiting
Ontario.

Benjamin Locke
Yeah, in Ontario, yeah.

Bill Church
Well -- well, okay. Okay.

Benjamin Locke
Yeah. I think the crops--again, of course, we've talked about the cannabis stuff. But the food crops that we've been involved with, again, we mentioned the cucumber one. I think the leafy greens is probably the one where we've got--again, from the food crop standpoint, the most exposure in.

And that's the one we're seeing a lot of potential expansion into and is very conducive to vertical farming and all these intensive growing techniques.

And again, what the common denominator on all these things are, Bill, of course, is the energy needed to do it and where the grid is and can the grid give you enough? And if they can't, what are you going to do?

Bill Church
Yeah-yeah-yeah. Okay. Good. Thank you very much.

Benjamin Locke
Yeah. Nice to talk with you, Bill.

Operator
Thank you. And once again, to ask a question, press “*”, “1”.

Our next question comes from Alex Blanton with Clear Harbor Asset Management. Please state your question.

Alex Blanton
Hi. Thank you.

Benjamin Locke
Hello, Alex.

Alex Blanton
Ben, congratulations on a very good quarter and the increase in the backlog.

Benjamin Locke
Thank you.

Alex Blanton
I like the fact that you put a link to the quarterly report on the home page of the website. That's really a very good thing to do, because it makes it easy to find the numbers.

Benjamin Locke
Sure. I'm glad you found that, and I'm glad it was helpful.

Alex Blanton
Very good. On the CEA industry, do you have some references that we could go to, to learn more about that industry, like, trade organizations, industry associations? Do you have anything like that?

Benjamin Locke
Yeah, well, I think, Alex, I'll answer it this way, which is a lot of the art and the technology that goes into intensive growth facilities like CEA is shared, within the cannabis space. The growers and the--as some of the—earlier, we were talking about the hydroponic growing, the intensive growing is really being done by the cannabis folks.

And that's my only way of saying our exposure to all of those things is by proxy via our cannabis trade show interactions.

In fact, next week is a big one. Next week is called MJBiz, you probably don't know it, but it's probably one of the elite—MJBiz--MJBiz. It's one of the leading cannabis shows in the country, each year. And of course, we're going to be there; it’s in Las Vegas. We'll have a whole team of people, there.

But it's not just to make inroads in business development and cannabis which, of course, we're going to be doing. But it's also going to be to build on these relationships with the growers and the greenhouse providers and the guys providing money into these facilities because, again, they're not just investing in cannabis.

They're investing in leafy greens. They're investing in cucumbers and some of these other things. So, even though it's a cannabis-focused event next week, we fully anticipate rubbing elbows with the guys that we want to be rubbing elbows with in the CEA space.

Alex Blanton
Biz? Are you talking B-I-Z?

Benjamin Locke
B-I-Z, MJBiz, yeah, yeah. You might even get an e-mail from us, Alex, because we're going to do a preshow e-mail thing, and I'll make sure that you're on it. You can see what our booth number is, etc. But yeah, MJBiz is probably the biggest trade cannabis trade show in the country.

Alex Blanton
Okay. Thank you. The new ESCO, could you give us a little more color, how did you get that relationship? Why did they take you on? What's the potential from that relationship and so on?

Benjamin Locke
Well, thank you for noticing that, Alex, because it actually is--it's actually a very good development for us. And it is indeed an ESCO that we had not been working with, previously. And in fact, an ESCO that was, for whatever the reasons were at the time, using a competitive product. But that situation doesn't exist any more.

They've decided that they want to focus on using Tecogen products and focusing their efforts on developing projects, around Tecogen products. And so now, we had this initial order with them that we announced, I guess, it was in September, Abinand, right, for a few units. We fully anticipate more orders from them.

In fact, our sales efforts with them are quite collaborative, very collaborative, and it's a really good development for us, where we have somebody that was, in the past, maybe not someone that could drive sales for us, but now is very much driving sales for us. And you throw in the ITC, Alex, and we've got a pretty good winning proposition.

And it's not just those folks. We established some new relationships on the chiller side of things to different reps, different sales agents, and I don't want to name drop, I can't right now.

But you'll be seeing sales coming forward with these new sales relationships that we've developed, and that's hugely important because again, Alex, I think, as you know, what we do best is support--do technical support of sales.

And to the extent that we've got our partners out there selling and knocking on doors and doing all that and we're doing the backup work, that's a good place for us, in terms of our resourcing.

Alex Blanton
Thank you. One more question. On the pricing side, you mentioned that your margins were affected by material cost increases. I assume there's labor and freight, too. To what extent are your prices constrained by fixed price contracts that might be in the backlog that, going forward, will have a lower effect because you're pricing new contracts with up-to-date costs.

Benjamin Locke
It's a spot-on question, Alex, and I'll answer, and maybe Abinand give some color. But you're right. We committed to pricing on some things and our pricing is good for 30 days, but sometimes you want to give flexibility in that to allow a project to succeed. And right, projects are now going forward with lower margins because the pricing was what it was a few months ago, when it was going forward.

And--but we're slowly getting all those price increases up to speed. New proposals going out are getting the new pricing. And so, you're exactly right, Alex, that come 2023, our hope is that the adjustments that we've made in our pricing will now reflect to the proposals that are out there in the market and get our margins right back up to where they ought to be.

But it's a challenge. I don't need to tell you about what the supply chain issues--it's not just me, it's the entire world--of inflation and price increases and lead times, etc. And I don't want to complain about all those things; we have to deal with it.

And I think we're dealing with it pretty good in terms of timing our price increases and making sure that our inventory levels are so that we can maintain our delivery times for backlog. Anything to add, Abinand?

Abinand Rangesh
Yeah, the only thing I was going to add is, usually, you're--like as you saw in this quarter, right, we saw a little bit of an increase in margin compared to last quarter, but there's going to be part of the next couple of quarters that will have the full new price.

Some of them might have slightly lower prices. Just--but we're starting to see material prices level off but, more fundamentally, what has happened with the investment tax credit is it allows us to actually raise prices further than where we are today, just because of the fact that the customer is going to get a 40% discount on an overall project. So, that gives us a little more pricing flexibility than earlier.

So hopefully, we can--even if we see a little bit of a--some of the projects in the next quarter or so, that might have slightly lower margin, as we get into second and third quarter, once the guidance from the IRS comes out, we'll be able to raise prices commensurate with making sure we get our margins where they were, last year.

Alex Blanton
Thank you. Any problems with supply chain shortages?

Benjamin Locke
How much time do you have? Yes, is the answer. But again, without going into it in detail that's not really needed here, we're managing it. We're finding alternative vendors. We're--the long lead time items we're getting on top of and we're making.

But importantly, we don't want those delays working into our own delays to our customers, right. We want to be able to meet all of our commitments to our backlog. And at this point, we can because we've been planning it. But that's not to say it's been without headache, but we're there.

Hey, Alex, I wanted to mention something else about service, about margins and service in, particular. Just so you know, our--all of our service contracts have escalators that are tied to CPI. And so, as inflation has driven CPI up, so goes our service contracts.

So, that's self-adjusting, which is nice. It's not like the products where we have to initiate a price increase and go to our customers with that. The service contract have those escalators all built in. And so, we feel pretty confident that the inflationary effects are not going to affect our service margins.

Alex Blanton
That's terrific. That's good news. The text—the transcript of this call will be available on your site?

Jack Whiting
I think it takes some time, but eventually, it will be, Alex. We'll make sure you've got it.

Alex Blanton
Yes. That would be very good to have. Okay. Thank you very much and good luck. You're doing a great job.

Jack Whiting
All right. Thanks, Alex. Yeah, bye-bye.

Operator
Thank you. And just a reminder, to ask a question at this time, press "*", "1" on your telephone keypad. To remove yourself from the queue, press "*', "2". Our next question comes from Michael Zuk. Please go ahead.

Benjamin Locke
Hi, Mike.

Michael Zuk
Good morning, everybody. Ben, could you give us an update on the challenges and opportunities still in New York City?

Benjamin Locke
Sure. Yeah, of course. New York City is still a great opportunity for our equipment, if you put aside maybe some political things that go on, there. Electric rates are still high. Gas has gone up, but that's fine.

As you know, Mike, we naturally hedge with gas because if gas goes up, the gas that they would have needed to run their boilers would have gone up and, of course, we're supplying heat to them as, well.

So, we're naturally hedged with gas. And of course, the gas prices going up drives electric rates up, which creates the natural environment for our equipment.

And so, New York still remains to be a prime opportunity for us. We've had a couple of orders there, this quarter. Local law, this mandate that they have, Local Law 97, you might have heard us talk about it before, that requires people to reduce their carbon footprint of their building by certain amounts, each year.

And then in '25 or '26, I suppose they're going to start handing out parking tickets, and you're going to have to start paying those parking tickets. And so, our cogeneration systems help that situation. It reduces your carbon footprint.

So, even though there is no incentives, and even though there's not all the support that used to be for cogeneration back in the day, it's still the natural market forces for cogeneration are very strong in New York, and we still continue to have sales, there.

Michael Zuk
And then to change the subject slightly, how competitive is our equipment, if we have the opportunity to use hydrogen as a stoker fuel?

Benjamin Locke
Well, that's a question. The hydrogen question has come up a lot, and the way I always think about it, Mike, is I'm going to burn what comes out of the pipeline. And if the pipeline gets to the point where they've got a 5% hydrogen injection, that's fine. I can live with that.

As long as all the other equipment at the end of that pipeline can burn that fuel, so can I. If they start filling the pipeline with so much hydrogen that all those other appliances can't burn it, well, I'm just like them, right, And so, the assumption I have is that the hydrogen addition to

the pipeline is going to be somewhere it can handle it and appliances can handle it-10%, 15% perhaps.

And I'm just fine with that, and I'll go along with that. But I'm not going to be developing, just so you know, Mike, I mean, you can count on my word on this, I'm not developing 100% hydrogen engineer because I'm fundamentally believing that the pipeline gas that comes out and the percentage of hydrogen that goes into that is going to be fine with me, because it's going to be fine with every other appliance at the other end of the pipeline.

Michael Zuk
Got you. And then what's the status on opportunities in California?

Benjamin Locke
Yeah. Well, interesting you asked that. California, distributed generation in California is a little tricky because they don't like a fossil fuel burning generation assets. But our chillers, I think what we continue to really focus on in California--because you don't have to get an interconnect permit for the chiller--you have to get an air permit.

But of course, we have our Ultera emissions. So, we're not too concerned about that. So the opportunity in California in the near term is still with chillers.

Mike, we're trying to understand some of the aspects of the--again, this Inflation Reduction Act had a whole lot of incentives for microgrid controllers.

And the green cabinet on our box is a microgrid controller. If I wasn't getting the ITC because we're CHP, I'd get that ITC through the back door of my microgrid controller. So,

I think there's going to be more opportunity there. But again, we really need to see the IRS guidance on how they're going to lay it out and what the opportunity is to see if we might even be able to do more in California than we're doing, now.

Abinand Rangesh
The only thing I wanted to add on that, Mike, would be the hybrid drive is likely to also unlock some projects in California just because of the fact that you could treat our hybrid drive chiller as an electric chiller with a gas backup or a gas chiller with an electric backup.

And in that sense, California, at least the way the regulation seems to be moving, is they seem okay with using diesel generators for peak demand events and those kind of things and using a chiller that could run on a renewable source or a clean grid when it's available.

And then basically, maybe using the engine for just short periods of time could be a good way for clients to save money, but not necessarily have an issue with running an engine-driven product.

And the second piece is there's still various cannabis opportunities that are still being developed in that space that we're starting to see some potential there, so, which might also create some other opportunities that we haven't always seen in California.

Michael Zuk
Well, again, congratulations on the progress that's being made, especially in the CEA area and with the new electric chiller, and I look forward to continued progress. Keep up the good work. Thanks.

Benjamin Locke
Appreciate it, Mike. Take care.

Operator
Thank you. There are no further questions, at this time. I'll turn the floor back over to Benjamin Locke for closing remarks.

Benjamin Locke
Yeah. So thank you, all, for joining our call. Our next call won't be until for year-end call in March, but I anticipate that we'll have further updates as the months go on, particularly in our core markets and our CEA space.

So, thank you for all your investments. I'm feeling really confident about our prospects for the future, and I hope to share them with you, going forward.

Operator
Thank you. This concludes today's conference. All parties may disconnect. Have a great day.