Solaris Energy Infrastructure, Inc. (NYSE: SEI)

Second Quarter 2026 Earnings Call Prepared Remarks

August 6, 2026, 8:00 AM Central

Yvonne Fletcher, *Senior Vice President of Finance and Investor Relations*

Thank you, operator. Good morning and welcome to the Solaris Second Quarter 2026 Earnings Conference Call. Joining us today are our Chairman and co-CEO Bill Zartler, our co-CEO and Director Amanda Brock, our President Kyle Ramachandran, and our CFO Steve Tompsett.

Before we begin, I'd like to remind you that some of the statements we will make today are forward-looking and reflect a number of known and unknown risks. Please refer to our press release issued yesterday along with other recent public filings with the Securities and Exchange Commission that outline those risks.

I would like to point out that our earnings release and today's conference call will contain discussion of non-GAAP financial measures. The presentation of this additional information should not be considered in isolation or as a substitute for results prepared in accordance with GAAP. Reconciliations to comparable GAAP measures are available in our earnings release, which is posted in the News section on our website. Additionally, we encourage you to refer to our Earnings Supplement slide deck which was published last night on the Investor Relations section of our website under "Events & Presentations."

I'll now turn the call over to our Chairman and Co-CEO, Bill Zartler.

Bill Zartler, *Chairman and Co-CEO*

Thank you, Yvonne, and thank you, everyone, for joining us this morning.

The second quarter was a record-setting quarter for Solaris and a further step along the significant growth path that is ahead of us. We are executing our strategy at all levels including operationally, commercially and strategically. We continue to provide dedicated power at scale to two data centers consistently achieving high reliability, and we are under construction at two other data center locations, one of which will energize in September. This track record of performance has resulted in the execution of long-term contracts with three leading investment-grade technology companies. Two of those contracts were executed in the last six months, and this quarter we've already expanded the scope of both, in addition to a third expansion of a contract with one of our large energy customers.

These additions and increased contract scope translate directly into improved earnings and cash flow visibility. Which is why we believe there is a significant disconnect between current public market valuations and the fundamentals, performance and positive outlook for our company. We expect the cash flow generated from our current contracts well exceeds our enterprise value today, before including any additional cash flow from assets on order that are not yet contracted.

We have transformed Solaris into a unique and sustainable power and infrastructure solutions company built for the long term. We are collaborating with our customers to identify and work through bottlenecks in the market. We are also pursuing M&A partnerships that strengthen our ability to deliver on these goals.

Our most recent acquisition, Global Energy Services Alliance, extends our capabilities to full-cycle power services, which follows our earlier investment in a selective catalytic reduction, or

SCR, manufacturer and the acquisition of the electrical distribution business that is now Solaris Power Distribution Services. All of these acquisitions enhance our execution capabilities and also create additional earnings streams on top of our existing long-term power projects.

Looking into the future, we've recently made an equity investment in Deployable Energy, an early-stage, nuclear small modular reactor, or SMR, company. We are excited to highlight that since we've made that investment, Deployable Energy has now achieved criticality working under a program with the Department of Energy. Reaching criticality – the point at which a reactor first achieves a controlled, self-sustaining fission reaction – is a foundational milestone that validates the core design and marks a step change from development toward commercial readiness. It also meaningfully de-risks the technology. We will be working with Deployable to help commercialize their technology, which we believe can one day complement our existing power generation capabilities.

Within the power infrastructure and solutions market, the demand for islanded behind-the-meter power, in conjunction with some level of grid connectivity continues to be exceptionally strong. Today we are in active negotiations for multiple gigawatts of additional demand with multiple hyperscalers and AI compute companies. The tailwinds we've described over the past several quarters – grid interconnection delays, the market's focus on speed to compute, and enhanced regulatory focus on protecting consumer prices – all continue to reinforce the significant demand for the bring-your-own-power solutions that Solaris delivers.

Our Solaris Logistics segment also continues to perform well, consistently producing over $20 million per quarter of Free Cash Flow that we are investing in our power and infrastructure services business at attractive rates of return. We are effectively sold out of our top fill equipment and we see robust fundamentals for the business.

We are excited about the large and growing opportunities for Solaris. Our execution history, culture and team combined with the integration of additional services and capabilities will continue to enable our success today and in the future. With our premier customer base, some of the best contracts in the industry, and a demonstrated ability to deliver, we are well positioned to continue to execute on the growth opportunities ahead of us.

With that, I'll turn it over to Amanda.

Amanda Brock, *Co-CEO*

Thank you, Bill, and good morning, everyone.

As Bill noted, the most compelling evidence of our strategy's success is that our existing customers are choosing to grow with us and expand relationships and our contracts.

In July, we finalized an amendment to our Hatchbo agreement to convert the original power capacity agreement into a comprehensive capacity and operating agreement which includes additional balance of plant and batteries, as well as full operation & maintenance services for the turnkey, 660-megawatt power plant.

In addition, we have extended the term from up to 15 years to up to 18 years – a 10-year base term with an eight-year extension option. This extension aligns the power contract with other agreements our customer has on this site.

We are making rapid progress under this contract. We commenced civil construction in July, and we have more than 70% of the equipment required to service this contract already available to deploy on time. We will begin earning revenue in January 2027.

Our second contract expansion with our third investment-grade global technology customer relates to the contract we executed in April of this year. We have already expanded the scope from the original 640 megawatts of generation to include incremental balance of plant and energy storage, as well as the procurement, delivery and management of natural gas on a cost-plus basis with no commodity price risk. The first deployment under this contract is on time, under construction, with energization expected next month.

Power shortages, grid, infrastructure and regulatory related delays continue to be widespread. In July, we expanded and extended our contract with one of our large energy customers who has been informed that the grid interconnect time is now 7 to 8 years away. They increased power capacity from 60 MW to approximately 80 MW and extended the term of the contract from 4 to 6 years. These delays are indicative of what medium-to-large-load businesses are experiencing nationwide.

We have a diverse and high-quality customer base. Our proven performance to date gives us confidence that these relationships will continue to strengthen and grow. Our long-term customers have come back to expand their contracts, seeking more capacity and scope, and longer tenor. While our commercial team develops deep relationships resulting in the initial execution of our contracts, it is also our operational performance, engineering and service capabilities that we believe result in the expansions of our contracts as well as opportunities to evaluate new sites.

Looking forward, we have approximately 800 megawatts of open capacity with attractive nearer term delivery timelines and have line of sight to additional capacity both through the traditional OEM channels as well as the secondary market. We continue to make positive progress and are in advanced, detailed discussions with numerous customers related to deployment of this equipment under long-term contracts.

In summary, as a result of the credibility we have earned through two years of at-scale operations, the recent additions to our team who have decades of power and infrastructure experience and the strategic acquisitions we have made, we continue to perform as a leader in the distributed power sector. We are well positioned and pleased with our performance to date, our positive momentum in the market and our overall growth. I’ll now turn it over to Kyle to discuss our M&A and vertical integration strategy.

Kyle Ramachandran, *President*

Thank you, Amanda, and good morning, everyone.

At Solaris, we are building a diversified, integrated power and infrastructure service company – organically and through acquisitions – so that we can deliver the solutions our customers are looking for. Today, we deliver infrastructure and services across the full power asset lifecycle of design, deployment, operations, and maintenance, for our own generation and for generation owned by others. We are targeting growth initiatives that one, derisk our ability to deliver for customers, two, add recurring revenue, and three, create a competitive edge.

We focus on opportunities that bring us capabilities or a scarce resource that enhances our ability to execute for our customers – skilled labor, engineering depth, access to equipment – which enhances the value proposition for our customers and widens the moat both around the contracts we already have and the new ones we are working on. To date, every acquisition we have made has been founder-led, with entrepreneurs taking mostly stock rather than cash, which creates alignment, culturally and financially, to keep building the business after closing.

Global Energy Services Alliance or GESA is the latest and largest example. In early July we acquired GESA, which was formed from the combination of Baseload Power, a U.S. provider of generation aftermarket, installation, and commissioning services, and Pro-Per Energy Services, a global installation and operations-and-maintenance provider with project experience in more than 30 countries.

GESA supports a wide range of customers, including utilities and IPPs, governments, and OEMs, and services a wide range of generation technologies, including large gas turbines. GESA also brings in-house installation and commissioning, long-term operations and maintenance, repair, refurbishment, and 24/7 emergency response across aeroderivative, heavy-duty industrial, hydroelectric, and steam turbine classes.

Following the acquisition of GESA, we now have a team of over 600 skilled and experienced colleagues installing, commissioning, operating and maintaining power infrastructure. This workforce provides several key strategic benefits for us, including derisking our own execution, at a time when the market for experienced and skilled labor is exceptionally tight.

As the global installed base of turbines matures, GESA is also well positioned to benefit from significant aftermarket opportunities. Additionally, GESA provides “boots on the ground” to identify equipment available for refurbishment, which we can add to our own capacity or market. Finally, it strengthens how we earn new business. Providing turnkey installation, commissioning, and long-term operations under one roof enhances our execution capabilities and eliminate multi-contractor handoff risks. That gives customers greater schedule and performance certainty.

We are excited about additional opportunities that we are actively evaluating that we believe will strengthen Solaris over the long run.

I'll now hand it over to Steve.

Steve Tompsett, *Chief Financial Officer*

Good morning, everyone.

In the second quarter, we generated revenue of approximately $219 million, up 12% sequentially from the first quarter, and Adjusted EBITDA of approximately $108 million, up 30% sequentially. Adjusted EBITDA attributable to Solaris, excluding the impact of the non-controlling interest in our Stateline joint venture, was approximately $111 million. Net income was $25 million, and Adjusted pro forma net income was $37 million, or $0.39 per fully diluted share.

In Power Solutions, we averaged approximately 950 megawatts of capacity earning revenue during the quarter, up 4% from approximately 910 megawatts in the first quarter. Segment revenue of approximately $158 million was up 23% sequentially, and Segment Adjusted EBITDA of approximately $96 million increased 34%, driven primarily by increased ancillary service revenue. In Logistics, segment revenue of $61 million was down 10% on lower last-mile transportation activity, while Segment Adjusted EBITDA of $25 million increased 7% on higher activity and a more favorable project mix.

We have increased our third quarter Adjusted EBITDA guidance to $90 to $105 million, reflecting the contribution of the GESA acquisition as well as our expectations for continued execution. We are also establishing initial fourth quarter Adjusted EBITDA guidance of $100 to $120 million, reflecting the ramp of energization at our Stateline Joint Venture as well as the first location for our third hyperscaler customer. I'd also note that our guidance excludes any potential benefits from additional ancillary services. These services, which include third-party engineering studies, start-up, commissioning, or decommissioning costs, option payments, and, now with GESA, third-party equipment sales, can be both short-cycle and difficult to precisely predict, but the earnings and cash impact could be meaningful.

During the second quarter, we transformed our capital structure by successfully issuing $1.3 billion of senior unsecured notes and securing a new $650 million, five-year revolving credit facility. In connection with these financings, we were assigned corporate credit ratings of BB- from S&P, Ba3 from Moody's, and BB from Fitch. We ended the quarter with over $800 million in cash and a fully undrawn revolver. This approximately $1.4 billion of liquidity, combined with our operating cash flow, supports our current projected growth.

We also remain committed to our dividend program, and on August 4th, our board approved a third quarter dividend of $0.12 per share – which, once paid, will represent our 32nd consecutive dividend.

In summary, the Solaris team delivered another great quarter, and following a successful financing, our balance sheet is in great shape and our growth plan is on track.

With that, we'd be happy to take your questions.