

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

FORM 10-Q/A
(Amendment No. 1)

(Mark One)

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

For the quarterly period ended December 31, 2025

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

For the transition period from to

Commission File No. 001-41866

RICHTECH ROBOTICS INC.

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of
incorporation or organization)

88-2870106

(I.R.S. Employer
Identification No.)

2975 Lincoln Rd
Las Vegas, NV 89115

(Address of principal executive offices) (Zip Code)

(866) 236-3835

(Registrant's telephone number, including area code)

4175 Cameron St Ste 1
Las Vegas, NV 89103

(Former name, former address and former fiscal year, if changed since last report)

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

Title of Each Class:	Trading Symbol(s):	Name of Each Exchange on Which Registered:
Class B Common Stock, par value \$0.0001 per share	RR	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 February 11, 2026, there were 39,934,846 shares of our Class A common stock and 183,661,127 shares of our Class B common stock issued and outstanding.

RICHTECH ROBOTICS INC.
Quarterly Report on Form 10-Q/A

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EXPLANATORY NOTE

Restatement Background

In connection with the preparation and review of the Richtech Robotics Inc. (the “Company”) financial statements for the quarter ended March 31, 2026, management identified errors in the Company’s previously issued financial statements for the fiscal year ended September 30, 2024, the interim periods ended December 31, 2024, March 31, 2025, June 30, 2025 during fiscal year 2025, the fiscal year ended September 30, 2025, and the quarter ended December 31, 2025 (collectively, the “Affected Financial Statements”). As a result of these findings, on June 9, 2026, the audit committee, in consultation with the Company’s management, determined that the Affected Financial Statements should no longer be relied upon.

Additionally, the Company determined that any previously issued or filed reports, including financial statements, and other communications describing the Affected Financial Statements and related financial information should no longer be relied upon.

The identified errors primarily relate to the Company’s accounting for warrants issued in connection with equity financing transactions, employee and nonemployee stock-based compensation arrangements, transactions executed under a Standby Equity Purchase Agreement dated as of February 15, 2024, with YA II PN, Ltd. (“SEPA”) and related convertible notes payable, and the classification of certain property and equipment. Specifically, the Company did not appropriately evaluate and record certain warrants, including determining the proper classification between equity, mezzanine equity, and liabilities, and did not appropriately recognize fair value at issuance and in subsequent periods. In addition, certain stock-based compensation awards, including non-employee awards issued in the form of warrants requiring mezzanine equity classification and employee awards issued in the form of restricted stock awards, were improperly accounted for, resulting in misstatements of accrued expenses and other payables, mezzanine equity, additional paid-in capital and compensation expense. The Company also identified errors in its accounting for SEPA-related transactions and convertible notes, including incomplete recognition and misclassification of associated balances and related income statement impacts. Further, certain assets were incorrectly classified as depreciable assets, resulting in overstated depreciation expense. The Company also identified errors related to revenue recognition, including adjustments to decrease revenue and increase deferred revenue, as well as related adjustments to increase inventory and decrease cost of goods sold. Additionally, certain intangible assets were not appropriately accounted for due to revisions to their estimated useful lives, resulting in shorter amortization periods (collectively, the “Errors”).

Restatement of Previously Issued Financial Statements

This Amendment to the Quarterly Report on Form 10-Q/A (“Form 10-Q/A”) for the three months ended December 31, 2025 includes unaudited condensed consolidated financial statements as of and for the three months ended December 31, 2025. The Company has restated certain information within this Form 10-Q/A, including the unaudited condensed consolidated financial statements for the three months ended December 31, 2025 and 2024 and the related comparative prior period financial information for the fiscal years ended September 30, 2025 and 2024.

In addition to the restatement adjustments described above, the Company also evaluated other identified errors that were determined to be immaterial, individually and in the aggregate, to the previously issued financial statements for the impacted periods. Such items have been corrected in the period presented in this Form 10-Q/A. The Company has also issued an amendment to its previously issued Annual Report on Form 10-K for the fiscal year ended September 30, 2025 to reflect the correction of these errors and the related restatement of prior period financial information and interim periods for the fiscal year ended September 30, 2025.

The Company evaluated the identified misstatements in accordance with Accounting Standards Codification (“ASC”) 250, Accounting Changes and Error Corrections, and SEC Staff Accounting Bulletin No. 99 (“SAB 99”), considering both quantitative and qualitative factors. Based on this evaluation, the Company concluded that the errors were material to the previously issued financial statements for the impacted periods. Accordingly, the Company has restated the affected financial statements to reflect correction of these errors.

See Note 2, Restatement of Previously Issued Financial Statements, to the unaudited condensed consolidated financial statements included in Part I, Item 1 of this Form 10-Q/A for additional information regarding the restatement, including a description of the errors and the impact on the Company’s consolidated financial statements and related disclosures.

Except as described above, no other information included in the original Form 10-Q is being amended or updated by this Form 10-Q/A and, other than as described herein, this Form 10-Q/A does not purport to reflect any information or events subsequent to the original Form 10-Q. This Form 10-Q/A continues to describe the conditions as of the date of the original Form 10-Q and, except as expressly contained herein, we have not updated, modified or supplemented the disclosures contained in the original Form 10-Q.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q/A (this “Report”) contains “forward-looking statements” (as defined in Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) that reflect our current expectations and views of future events. The forward-looking statements are contained principally in the section of this Report entitled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*.” Readers are cautioned that significant known and unknown risks, uncertainties and other important factors (including those over which we may have no control and others listed in this Report and in the “*Risk Factors*” section of our Annual Report on Form 10-K for the fiscal year ended September 30, 2025 (“2025 Annual Report”), as filed with the Securities and Exchange Commission (the “SEC”) on January 20, 2026, may cause our actual results, performance or achievements to be materially different from those expressed or implied by the forward-looking statements. You can identify some of these forward-looking statements by words or phrases such as “may,” “will,” “expect,” “anticipate,” “aim,” “estimate,” “intend,” “plan,” “believe,” “is/are likely to,” “potential,” “continue” or other similar expressions. We have based these forward-looking statements on our current expectations and projections about future events that we believe may affect our financial condition, results of operations, business strategy and financial needs.

Our operations and business prospects are always subject to risks and uncertainties including, among others:

- Our ability to secure raw materials and components to manufacture sufficient quantities of robots to match demand;
- Our ability to secure enterprise clients and deals in the face of growing competition;
- Assumptions around the speed of robotic adoption in service environments;
- Assumptions relating to the size of the market for our products and services;
- Unanticipated regulations of robots and automation that add barriers to adoption and have a negative effect on our business;
- Our ability to obtain and maintain intellectual property protection for our products;
- Investigations, claims, disputes, enforcement actions, litigation and/or other regulatory or legal proceedings, including with respect to our intellectual property and our technology;
- Level of product service failures that could lead our customers to use competitors’ services;
- Our estimates of expenses, future revenue, capital requirements and our needs for, or ability to obtain, additional financing
- Our ability to procure inventory and components from China may be affected by geopolitical tensions, conflict, tariffs, trade restrictions, public health issues, and other business interruptions;
- The possibility that we may be adversely affected by other economic, business, and/or competitive factors; and
- Other risks and uncertainties described under the section titled “Risk Factors” in the 2025 Annual Report.

These forward-looking statements involve numerous and significant risks and uncertainties. Although we believe that our expectations expressed in these forward-looking statements are reasonable, our expectations may later be found to be incorrect. Our actual results of operations or the results of other matters that we anticipate herein could be materially different from our expectations. Important risks and factors that could cause our actual results to be materially different from our expectations are generally set forth in the “*Management’s Discussion and Analysis of Financial Condition and Results of Operation*” section contain in this Report and in the “*Risk Factors*” and other sections of the 2025 Annual Report. You should thoroughly read this Report and the documents that we refer to with the understanding that our actual future results may be materially different from, and worse than, what we expect. We qualify all our forward-looking statements by these cautionary statements.

The forward-looking statements made in this Report relate only to events or information as of the date of this Report. Except as required by law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events. You should read this Report completely and with the understanding that our actual future results may be materially different from what we expect.

PART I - FINANCIAL INFORMATION

ITEM 1. Unaudited Financial Statements

RICHTECH ROBOTICS INC. Unaudited Consolidated Balance Sheets (In thousands, except share and per share data)

	December 31, 2025 (Restated)	September 30, 2025 (Restated)
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 138,023	\$ 185,574
Short term investment	190,471	66,363
Accounts receivable, net of allowance for doubtful accounts	1,890	1,780
Inventory	1,707	1,124
Prepaid expenses and other current assets	324	429
Total current assets	332,415	255,270
Property and equipment, net	5,760	5,794
Notes receivable	528	523
Operating lease right-of-use-assets	607	731
Intangible assets, net	10,405	10,715
Other assets, non-current	647	640
Total assets	\$ 350,362	\$ 273,673
LIABILITIES, MEZZANINE EQUITY AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 132	\$ 397
Deferred revenue	434	248
Accrued expenses and other payables	1,854	1,376
Tax payables	92	55
Operating lease liabilities, current	281	301
Warrant liability	4,134	19,285
Total current liabilities	6,927	21,662
Long-term payables	112	118
Operating lease liabilities, non-current	326	429
Total liabilities	7,365	22,209
Commitments and contingencies (Notes 13)		
Mezzanine equity	249	634
Stockholders' equity:		
Class A common stock, \$0.0001 par, 100,000,000 shares authorized as of December 31, 2025 and September 30, 2025; 39,934,846 shares issued and outstanding as of December 31, 2025 and September 30, 2025, respectively	\$ 4	\$ 4
Class B common stock, \$0.0001 par, 1,000,000,000 and 200,000,000 shares authorized as of December 31, 2025 and September 30, 2025, respectively; 174,299,223 shares and 154,656,592 shares issued and outstanding as of December 31, 2025 and September 30, 2025, respectively.	18	16
Additional paid-in capital	402,803	300,701
Accumulated other comprehensive income	356	393
Accumulated deficit	(60,386)	(50,241)
Non-controlling interests	(47)	(43)
Total stockholders' equity	342,748	250,830
Total liabilities, mezzanine equity and stockholders' equity	\$ 350,362	\$ 273,673

See accompanying Notes to Unaudited Financial Statements

RICHTECH ROBOTICS INC.
Unaudited Consolidated Statements of Operations
For the three months ended December 31, 2025 and 2024
(In thousands, except share and per share data)

	2025 (Restated)	2024 (Restated)
Revenue, net	\$ 1,071	\$ 1,257
Cost of revenue, net	1,041	443
Gross profit	<u>30</u>	<u>814</u>
Operating expenses:		
Research and development	1,131	484
Sales and marketing	3,061	245
General and administrative	8,209	4,014
Total operating expenses	<u>12,401</u>	<u>4,743</u>
Income (loss) from operations	(12,371)	(3,929)
Non-operating income(expense):		
Investment income	3,401	333
Other income (loss)	(1,181)	(25,965)
Interest expense, net	<u>(2)</u>	<u>(4)</u>
Total other income / (expense), net	2,218	(25,636)
Loss before income tax expense	(10,153)	(29,565)
Income tax benefit/(expense)	<u>-</u>	<u>-</u>
Consolidated net loss	(10,153)	(29,565)
Less: Net loss attributable to non-controlling interest ("NCI")	<u>(8)</u>	<u>(21)</u>
Net loss attributable to common stockholders	<u>\$ (10,145)</u>	<u>\$ (29,544)</u>
Basic and diluted net loss per share of common stock	<u>\$ (0.05)</u>	<u>\$ (0.31)</u>
Weighted average shares used to compute basic and diluted net loss per share	197,731,671	95,785,054

See accompanying Notes to Unaudited Financial Statements

RICHTECH ROBOTICS INC.
Unaudited Consolidated statements of Comprehensive Income
For the three months ended December 31, 2025 and 2024
(In thousands, except share and per share data)

	2025 (Restated)	2024 (Restated)
Net loss attributable to common stockholders	(10,145)	(29,544)
Other comprehensive income:		
Unrealized net gain (loss) on investments, net of tax	(37)	-
Comprehensive loss	<u>\$ (10,182)</u>	<u>\$ (29,544)</u>

See accompanying Notes to Unaudited Financial Statements

RICHTECH ROBOTICS INC.
Unaudited Consolidated Statements of Equity
For the three months ended December 31, 2025 and 2024
(in thousands, except per share data)

	Common stock*				Additional Paid-in Capital	Accumulated Other Comprehensive Income	Retained earnings (Accumulated deficit)	NCI	Total Shareholders' equity
	Class A		Class B						
	Shares	Amount	Shares	Amount					
Balance at September 30, 2025	39,934,846	\$ 4	154,656,592	\$ 16	\$ 300,701	\$ 393	\$ (50,241)	\$ (43)	\$ 250,830
Issuance of shares upon exercise of warrants for cash	-	-	4,485,946	-	26,530	-	-	-	26,530
Issuance of new shares for cash	-	-	15,156,685	2	69,063	-	-	-	69,065
Net loss attributable to NCI	-	-	-	-	-	-	-	(8)	(8)
Capital contribution from NCI	-	-	-	-	-	-	-	4	4
Stock-based compensation – shares issuable	-	-	-	-	8,202	-	-	-	8,202
Other comprehensive loss	-	-	-	-	-	(37)	-	-	(37)
Tax withholding for employee net share settlement					(1,693)				(1,693)
Net loss attributable to common stockholders	-	-	-	-	-	-	(10,145)	-	(10,145)
Balance at December 31, 2025 (Restated)	39,934,846	\$ 4	174,299,223	\$ 18	\$ 402,803	\$ 356	\$ (60,386)	\$ (47)	\$ 342,748

	Common stock*				Additional Paid-in Capital	Retained earnings (Accumulated deficit)	NCI	Total Shareholders' equity
	Class A		Class B					
	Shares	Amount	Shares	Amount				
Balance at September 30, 2024	39,934,846	\$ 4	53,795,254	\$ 6	\$ 35,044	\$ (1,167)	\$ -	\$ 33,887
Issuance of common shares for Intangible asset acquisition	-	-	5,788,849	-	3,697	-	-	3,697
Issuance of shares upon exercise of warrants for cash	-	-	5,973,667	1	20,405	-	-	20,406
Shares issued to employees	-	-	781,348	-	516	-	-	516
Shares issued for services	-	-	1,126,991	-	928	-	-	928
Net loss attributable to NCI	-	-	-	-	-	-	(21)	(21)
Net loss attributable to common stockholders	-	-	-	-	-	(29,544)	-	(29,544)
Balance at December 31, 2024 (Restated)	39,934,846	\$ 4	67,466,109	\$ 7	\$ 60,590	\$ (30,711)	\$ (21)	\$ 29,870

See accompanying Notes to Unaudited Financial Statements

RICHTECH ROBOTICS INC.
Unaudited Consolidated Statements of Cash Flows
For the three months ended December 31, 2025 and 2024
(In thousands)

	2025 (Restated)	2024 (Restated)
Cash flows from operating activities:		
Consolidated net loss	\$ (10,153)	\$ (29,565)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Change in fair value of warrant liability	1,810	25,965
Accounts receivable	(110)	(755)
Inventory	(583)	(188)
Prepaid expenses and other current assets	105	(20)
Amortization of operating lease right-of-use assets	124	(167)
Accounts payable	(265)	380
Deferred revenue	186	-
Tax payable	37	26
Accrued expenses and other payable	(1,217)	73
Depreciation and amortization	377	281
Stock based compensation	8,202	1,444
Change in operating lease liabilities	(123)	168
Net cash used in operating activities	<u>(1,610)</u>	<u>(2,358)</u>
Cash flows from investing activities:		
Purchase of property and equipment	(71)	(138)
Purchase of short-term investments	(126,220)	(127)
Purchase of long-term investments	(9)	(175)
Proceeds from maturities and sales of short-term investments	2,116	-
Notes receivable	(5)	-
Net cash provided by (used in) investing activities	<u>(124,189)</u>	<u>(440)</u>
Cash flows from financing activities:		
Contributions from non-controlling interests	4	-
Proceeds from warrants exercise	9,184	-
Loans received from third parties	(6)	(4)
Proceeds from issuance of shares of common stock	69,066	8,063
Net cash provided by financing activities	<u>78,248</u>	<u>8,059</u>
Net change in cash and cash equivalents	(47,551)	5,261
Cash and cash equivalents at beginning of the period	\$ 185,574	\$ 14,566
Cash and cash equivalents at end of the period	<u>\$ 138,023</u>	<u>\$ 19,827</u>
Supplemental noncash disclosures:		
Intangible assets acquired in exchange for common shares	<u>\$ -</u>	<u>\$ 3,697</u>

See accompanying Notes to Unaudited Financial Statements

Notes to the Unaudited Financial Statements
(in thousands, unless otherwise stated)

NOTE 1: Nature of Business

Description of Business

Richtech Robotics Inc. (“we”, “us”, “our” or “Richtech”), is a C-Corporation registered in Nevada. Richtech was originally established as Richtech Creative Displays, LLC in Nevada on July 19, 2016, and converted to a Nevada corporation on June 22, 2022. We completed our initial public offering on November 21, 2023, and shares of our Class B common stock began trading on the Nasdaq Capital Market on November 17, 2023 under the symbol “RR.”

We are a robotics and artificial intelligence (“AI”) technology company focused on developing advanced embodied AI systems that aim to improve the efficiency and productivity of U.S. businesses. Richtech trains proprietary artificial intelligence models on in-house data to operate advanced robotic systems in the real world. We design, engineer, manufacture, and deploy next generation embodied AI systems to serve a wide range of industries—including food service, retail, industrial manufacturing, automotive, healthcare, and hospitality. Our robots are designed to be user friendly, reliable, and highly customizable, with the goal of driving tangible profit and loss (“P&L”) improvements for our customers.

Risk and Uncertainties

Our business and operations are sensitive to general business and economic conditions worldwide. These conditions include short-term and long-term interest rates, inflation, fluctuations in debt and equity capital markets and the general condition of the world economy and geopolitical instability, such as the military conflicts in Ukraine, the Middle East and Venezuela. A host of factors beyond our control could cause fluctuations in these conditions. Adverse developments in these general business and economic conditions could have a material adverse effect on our financial condition and the results of our operations. In addition, we compete with many companies that currently have extensive and well-funded projects, marketing and sales operations. We may be unable to compete successfully against these companies. Our industry is characterized by rapid changes in technology and market demands. As a result, our products, services, or expertise may become obsolete or unmarketable. Our future success will depend on our ability to adapt to technological advances, anticipate customer and market demands, and enhance our current technology under development.

Emerging Growth Company Status

We are an emerging growth company, as defined in the Jumpstart Our Business Startups Act of 2012 (the “JOBS Act”). 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.

We have 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 are (1) no longer an emerging growth company or (2) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, our financial statements may not be comparable to companies that comply with the new or revised accounting pronouncements as of public company effective dates.

We will remain an emerging growth company until the earliest of (1) the last day of the first fiscal year (A) following the fifth anniversary of the completion of our initial public offering on November 21, 2023, (B) in which our total annual gross revenue is at least \$1.235 billion or (C) when we are deemed to be a large accelerated filer, which means the market value of our common stock that is held by non-affiliates exceeds \$700.0 million as of our most recently completed second fiscal quarter and (2) the date on which we have issued more than \$1.0 billion in non-convertible debt securities during the prior three-year period.

Notes to the Unaudited Financial Statements
(in thousands, unless otherwise stated)

NOTE 2: Restatement of Previously Issued Financial Statements

We have restated our audited and unaudited consolidated financial statements for all reported periods from September 30, 2024 through December 31, 2025 (collectively, the “Affected Periods”), including the related balance sheets, statements of operations, statements of changes in stockholders’ deficit, and statements of cash flows, along with the applicable notes thereto. We determined that the restatement was necessary following the identification of errors related to the accounting for warrants, depreciation, and stock-based compensation, which were not recognized or measured in accordance with U.S. GAAP in the previously issued financial statements. The restatement corrects these identified errors in the previously issued financial statements for the Affected Periods. The restatement also corrected the number and timing of certain Class A common shares issued during the Affected Periods. The revised share balances are reflected in the accompanying statements of stockholders’ equity and EPS calculations. The specific nature of these errors is described below:

1. Placement warrants – Placement agent warrants which should have been recognized as nonemployee share-based compensation presented within mezzanine equity were not recognized. As a result, the balance sheets did not present mezzanine equity, and subsequent exercises of placement agent warrants were improperly measured within APIC.
2. Pre-funded and common warrants – Pre-funded and common warrants were not correctly recognized as liabilities at issuance or subsequently measured to fair value at each reporting date. The result is that no warrants were recognized at issuance, no other income (loss) was recognized on the consolidated statements of operations due to changes in the fair value, and the accounting for the exercise of pre-funded and common warrants did not appropriately measure APIC.
3. Common inducement warrants – Common inducement warrants were not correctly recognized as liabilities at issuance or subsequently measured to fair value at each reporting date. The result is that no warrants were recognized at issuance, no other income (loss) was recognized on the consolidated statements of operations due to changes in the fair value, and the accounting for the exercise of common inducement warrants did not appropriately measure APIC.
4. Cost of revenue – Certain costs incurred in the sale of our products were incorrectly recognized in general and administrative expenses and sales and marketing expenses.
5. Research and development – Certain costs incurred in our research and development activities related to employee compensation were incorrectly classified in general and administrative expenses.
6. Property and equipment – Depreciation expense was incorrectly recognized due to certain fixed assets being miscategorized.
7. Inventory – Inventory balances were understated due to errors in the timing and recognition of costs associated with certain sales transactions. As a result, adjustments were recorded to increase inventory and decrease cost of goods sold.
8. Intangible Assets – One of our intangible assets was amortized using a useful life that was not appropriate. We revised the estimated useful life to a longer period, resulting in decreased amortization expense in the Affected Periods.
9. Stock based compensation – Certain restricted stock awards were incorrectly classified as liabilities rather than equity-classified awards, resulting in errors in the recognition and measurement of stock-based compensation expense and related balance sheet accounts. In addition, the Company did not properly account for employee tax withholding obligations associated with share-based payment awards, and certain stock-based compensation-related transactions were improperly presented within financing activities in the statement of cash flows.
10. Short-term investments – Certain short-term investments acquired were improperly classified as cash and cash equivalents.
11. Revenue – Revenue was overstated due to the premature recognition of certain sales that did not meet the criteria for recognition under U.S. GAAP. These amounts have been deferred, resulting in adjustments to decrease revenue and increase deferred revenue.
12. Professional and legal fees – Certain professional and legal fees associated with equity transactions were incorrectly recognized in additional paid in capital and should have been recognized in general and administrative expenses.
13. Issuance of shares – The issuance of shares for our intangible asset acquisition, share-based payments to employees and nonemployees, and transfers to (from) ESOP trust were recognized in incorrect interim periods.

As a result of the errors described above, our previously issued unaudited consolidated financial statements for the Affected Periods were materially misstated. We have corrected these errors in the accompanying financial statements for all reported periods from September 30, 2024 through December 31, 2025. The impact of these corrections on our consolidated financial statements for the periods included in this Form 10-Q/A is presented below.

Notes to the Unaudited Financial Statements
(in thousands, unless otherwise stated)

NOTE 2: Restatement of Previously Issued Financial Statements (Cont.)

Restated Audited Consolidated Balance Sheet – As of September 30, 2025

Line item	As Previously Reported on 10-Q	Restatement Adjustment	ID	As Restated
Assets				
Current Assets				
Cash and cash equivalents	\$ 193,629	\$ (8,055)	10	\$ 185,574
Short-term investments	58,308	8,055	10	66,363
Inventory	1,380	(256)	7	1,124
Total current assets	255,526	(256)	*	255,270
Non-current assets				
Property and equipment, net	5,579	215	6	5,794
Intangible assets, net	9,761	954	8	10,715
Other assets, non-current	638	2	*	640
Total assets	\$ 272,758	\$ 915	*	\$ 273,673
Liabilities				
Current liabilities				
Accrued expenses and other payable	\$ 1,377	\$ (1)	*	\$ 1,376
Warrant liability	-	19,285	2,3	19,285
Total current liabilities	2,378	19,284	*	21,662
Total liabilities	2,925	19,284	*	22,209
Mezzanine equity	-	634	1	634
Stockholders' equity				
Additional paid-in capital	293,156	7,545	1,2,3	300,701
Retained earnings	(23,693)	(26,548)	*	(50,241)
Total stockholders' equity	269,833	(19,003)	*	250,830
Total liabilities, mezzanine equity and stockholders' equity	\$ 272,758	\$ 915	*	\$ 273,673

Restated Unaudited Consolidated Balance Sheet – As of December 31, 2025

Line item	As Previously Reported on 10-Q	Restatement Adjustment	ID	As Restated
Assets				
Current Assets				
Cash and cash equivalents	\$ 271,811	\$ (133,788)	10	\$ 138,023
Short-term investments	56,683	133,788	10	190,471
Inventory	1,878	(171)	7	1,707
Prepaid expenses and other current assets	322	2	*	324
Total current assets	332,584	(169)	*	332,415
Non-current assets				
Property and equipment, net	5,541	219	6	5,760
Intangible assets, net	9,477	928	8	10,405
Total assets	\$ 349,384	\$ 978	*	\$ 350,362
Liabilities				
Current liabilities				
Accrued expenses and other payable	\$ 8,444	\$ (6,590)	9	\$ 1,854
Deferred revenue	358	76	11	434
Warrant liability	-	4,134	2,3	4,134
Total current liabilities	9,307	(2,380)	*	6,927
Total liabilities	9,745	(2,380)	*	7,365
Mezzanine equity	-	249	1	249
Stockholders' equity				
Additional paid-in capital	371,403	31,400	1,2,3,9,12	402,803
Retained earnings	(32,095)	(28,291)	*	(60,386)
Total stockholders' equity	339,639	3,109	*	342,748
Total liabilities, mezzanine equity, and stockholders' equity	\$ 349,384	\$ 978	*	\$ 350,362

Notes to the Unaudited Financial Statements
(in thousands, unless otherwise stated)

NOTE 2: Restatement of Previously Issued Financial Statements (Cont.)

Restated Consolidated Statement of Operations – Three Months Ended December 31, 2025

Line item	As Previously Reported on 10-Q	Restatement Adjustment	ID	As Restated
Revenues, net	\$ 1,147	\$ (76)	11	\$ 1,071
Cost of revenues	547	494	4,7	1,041
Gross profit	600	(570)	*	30
Operating expenses				
Research and development	448	683	6	1,131
Sales and marketing	188	2,873	4,5	3,061
General and administrative	11,773	(3,564)	4,5,9,12	8,209
Total operating expenses	12,409	(8)	*	12,401
Loss from operations	(11,809)	(562)	*	(12,371)
Other expenses				
Other income (loss)	-	(1,181)	2,3	(1,181)
Total other expenses	3,399	(1,181)	*	2,218
Loss before income tax expense	(8,410)	(1,743)	*	(10,153)
Consolidated net loss	(8,410)	(1,743)	*	(10,153)
Net loss attributable to common stockholders	\$ (8,402)	\$ (1,743)	*	\$ (10,145)
Basic and diluted net loss per share of common stock	\$ (0.04)			\$ (0.05)

Restated Consolidated Statement of Operations – Three Months Ended December 31, 2024

Line item	As Previously Reported on 10-Q	Restatement Adjustment	ID	As Restated
Cost of revenues	\$ 123	\$ 320	4,7	\$ 443
Gross profit	1,134	(320)	*	814
Operating expenses				
General and administrative	4,303	(289)	4,5,6,13	4,014
Total operating expenses	5,032	(289)	*	4,743
Loss from operations	(3,898)	(31)	*	(3,929)
Other expenses				
Other income (loss)	-	(25,965)	2	(25,965)
Total other expenses	329	(25,965)	*	(25,636)
Loss before income tax expense	(3,569)	(25,996)	*	(29,565)
Consolidated net loss	(3,569)	(25,996)	*	(29,565)
Net loss attributable to common stockholders	\$ (3,548)	\$ (25,996)	*	\$ (29,544)
Basic and diluted net loss per share of common stock	\$ (0.04)			\$ (0.31)

Restated Consolidated Statement of Equity – Three Months Ended December 31, 2025

Line item	As Previously Reported on 10-Q	Restatement Adjustment	ID	As Restated
Additional paid-in capital	\$ 371,403	\$ 31,400	*	\$ 402,803
Additional paid-in capital, issuance of shares upon exercise of warrants for cash	9,184	17,346	1,2,3	26,530
Additional paid-in capital, shares issued to employees	-	8,202	9	8,202
Additional paid-in capital, tax withholding for employee net share settlement	-	(1,693)	9	(1,693)
Retained earnings	(32,095)	(28,291)	*	(60,386)
Net loss attributable to common stockholders	(8,402)	(1,743)	*	(10,145)
Total stockholders' equity	\$ 339,639	\$ 3,109	*	\$ 342,748

Notes to the Unaudited Financial Statements
(in thousands, unless otherwise stated)

NOTE 2: Restatement of Previously Issued Financial Statements (Cont.)

Restated Consolidated Statement of Equity – Three Months Ended December 31, 2024

Line item	As Previously Reported on 10-Q	Restatement Adjustment	ID	As Restated
Additional paid-in capital	\$ 61,366	\$ (776)	*	\$ 60,590
Issuance of common shares for intangible asset acquisition	2,454	1,243	13	3,697
Additional paid-in capital, issuance of shares upon exercise of warrants for cash	8,064	12,341	2	20,405
Shares issued to employees	867	(351)	13	516
Shares issued for services	314	614	13	928
Retained earnings	(11,487)	(19,224)	*	(30,711)
Net loss attributable to common stockholders	(3,548)	(25,996)	*	(29,544)
Total stockholders' equity	\$ 49,869	\$ (19,999)	*	\$ 29,870

Restated Consolidated Statement of Cash Flows – Three Months Ended December 31, 2025

Line item	As Previously Reported on 10-Q	Restatement Adjustment	ID	As Restated
Cash flows from operating activities				
Consolidated net loss	\$ (8,402)	\$ (1,751)	*	\$ (10,153)
Change in fair value of warrant liability	-	1,810	2,3	1,810
Inventory	(498)	(85)	7	(583)
Prepaid expenses and other current assets	107	(2)	*	105
Deferred revenue	110	76	11	186
Accrued expenses and other payable	(1,222)	5	*	(1,217)
Depreciation and amortization	353	24	6,8	377
Stock-based compensation	8,284	(82)	9	8,202
Net cash used in operating activities	(1,605)	(5)	*	(1,610)
Purchase of short-term investments	(454)	(125,766)	10	(126,220)
Proceeds from maturities and sales of short-term investments	2,079	37	*	2,116
Net cash used in investing activities	1,540	(125,729)	*	(124,189)
Proceeds from issuance of shares of common stock	69,065	1	*	69,066
Net cash provided by financing activities	78,247	1	*	78,248
Net change in cash and cash equivalents	78,182	(125,733)	*	(47,551)
Cash, cash equivalents, and restricted cash at beginning of the period	193,629	(8,055)	10	185,574
Cash, cash equivalents, and restricted cash at end of period	\$ 271,811	\$ (133,788)	*	\$ 138,023

Restated Consolidated Statement of Cash Flows – Three Months Ended December 31, 2024

Line item	As Previously Reported on 10-Q	Restatement Adjustment	ID	As Restated
Consolidated net loss	\$ (3,548)	\$ (26,017)	*	\$ (29,565)
Gain/loss on change in fair value of warrant liability	-	25,965	2	25,965
Inventory	(248)	60	7	(188)
Stock based compensation	-	1,444	9,13	1,444
Depreciation and amortization	513	(232)	6,8	281
Net cash used in operating activities	(3,578)	1,220	*	(2,358)
Purchase of property and equipment	(78)	(60)	6	(138)
Net cash used in investing activities	(380)	(60)	*	(440)
Contributions from non-controlling interests	(21)	21	*	-
Proceeds from issuance of shares of common stock	9,244	(1,181)	9	8,063
Net cash used in financing activities	\$ 9,219	\$ (1,160)	*	\$ 8,059

* Represents the downstream effects of the identified restatement adjustments and other individually immaterial changes.

Notes to the Unaudited Financial Statements
(in thousands, unless otherwise stated)

NOTE 3: Summary of Significant Accounting Policies

Basis of Presentation

These financial statements and accompanying notes have been prepared in accordance with accounting principles generally accepted in the United States (“GAAP”), pursuant to the rules and regulations of the Securities and Exchange Commission (“SEC”). All intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Warrants

We have issued certain warrants that are classified as either liabilities or equity. Warrants classified as liabilities are measured at fair value at each reporting period end. Prefunded warrants for which the only valuation input is the quoted price of our common stock are valued using observable market prices and, when outstanding, are classified within Level 1 of the fair value hierarchy. All other liability-classified warrants are valued using an option pricing model, such as the Black-Scholes model, which incorporates inputs including the expected volatility of our common stock, the expected term of the warrant, a risk-free interest rate based on U.S. Treasury yields, and an expected dividend yield of zero. Because these valuations include significant unobservable inputs, such warrants are classified within Level 3 of the fair value hierarchy. Changes in the fair value of liability-classified warrants are recognized in earnings in the period of change.

For equity-classified warrants, fair value is measured at issuance with no subsequent remeasurement.

Segment Reporting

Operating segments are identified as components of an enterprise about which separate financial information is available for evaluation by the chief operating decision-maker in making decisions regarding resource allocation and assessing performance. We view our operations and manage our business as one operating segment.

Cash and Cash Equivalents

We consider all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. We place our cash and cash equivalents in highly liquid instruments with, and in the custody of, financial institutions with high credit ratings.

Investments

Investments may be comprised of a combination of marketable securities, including U.S. government securities, corporate debt securities, commercial paper, time deposits, and certain certificates of deposit, which are all designated as available-for-sale and reported at estimated fair value, with unrealized gains and losses recorded in accumulated other comprehensive income which is included within stockholders' equity.

Notes to the Unaudited Financial Statements
(in thousands, unless otherwise stated)

NOTE 3: Summary of Significant Accounting Policies (Cont.)

Available-for-sale marketable securities with maturities greater than three months at the date of purchase are included in short-term investments in our consolidated balance sheets. Interest, dividends, amortization and accretion of purchase premiums and discounts on these investments are included within interest income in our consolidated statements of operations.

The cost of available-for-sale investments sold is based on the specific identification method. Realized gains and losses on the sale of available-for-sale investments are recorded in other income (expense), net.

We regularly review all of our investments for declines in fair value. The review includes but is not limited to (i) the consideration of the cause of the decline, (ii) any currently recorded expected credit losses and (iii) the creditworthiness of the respective security issuers. The amortized cost basis of our investments approximates its fair value.

Accounts Receivable

Our accounts receivable primarily consist of trade receivables, which represent amounts owed to us by customers for products and services provided. These receivables are presented net of any rebates, price protection adjustments, and an allowance for credit losses. In addition to trade receivables, our accounts receivable also include unbilled receivables. These primarily relate to work completed on development services for which revenue has been recognized but not yet invoiced to customers. We expect these unbilled receivables to be billed and collected within twelve months.

We actively manage our exposure to customer credit risk through various measures, including credit limits, credit lines, ongoing monitoring procedures, and credit approvals. We perform in-depth credit evaluations of all new customers and periodically reassess the creditworthiness of existing customers. If deemed necessary, we may require letters of credit, bank or corporate guarantees, or advance payments to mitigate credit risk.

To account for potential losses from uncollectible accounts, we maintain an allowance for credit losses. This allowance considers both specific troubled accounts and an overall estimate of potential uncollectible receivables based on historical experience and current credit quality assessments. As of December 31, 2025, the allowance for credit losses was \$99, compared to \$103 as of December 31, 2024. We believe that our rigorous credit risk management practices and the allowance for credit losses adequately address the potential risks for uncollectible accounts.

Inventories

We value inventory at standard cost, adjusted to approximate the lower of actual cost or estimated net realizable value using assumptions about future demand and market conditions. In determining excess or obsolescence reserves for our products, we consider assumptions such as changes in business and economic conditions, other-than-temporary decreases in demand for our products, and changes in technology or customer requirements. In determining the lower of cost or net realizable value reserves, we consider assumptions such as recent historical sales activity and selling prices, as well as estimates of future selling prices. We fully reserve for inventories and non-cancellable purchase orders for inventory deemed obsolete. We perform periodic reviews of inventory items to identify excess inventories on hand by comparing on-hand balances and non-cancellable purchase orders to anticipated usage using recent historical activity as well as anticipated or forecasted demand. If estimates of customer demand diminish further or market conditions become less favorable than those projected by us, additional inventory carrying value adjustments may be required.

Notes to the Unaudited Financial Statements
(in thousands, unless otherwise stated)

NOTE 3: Summary of Significant Accounting Policies (Cont.)

Intangible Assets

Our intangible assets consist of multiple systems purchased for our robotic product. These assets are amortized using the straight-line method over their estimated useful life of 10 years.

We assess our intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or asset group may not be recoverable. In addition, a formal review is performed at each fiscal year-end. If such indicators are present, we perform a recoverability test by comparing the asset's carrying amount to the estimated undiscounted future cash flows expected to be generated by the asset or the asset group to which it belongs. If the carrying amount exceeds the estimated undiscounted future cash flows, an impairment loss is recognized for the amount by which the carrying amount exceeds the asset's fair value. Fair value is typically determined based on discounted cash flow models or, when available, observable market data.

Mezzanine Equity

We classify certain equity instruments as mezzanine equity when they contain redemption features that are not solely within our control. Under ASC 480-10-S99-3A and SEC Regulation S-X Rule 5-02, instruments that are redeemable for cash or other assets upon the occurrence of events not solely within our control are presented outside of permanent equity in a separate mezzanine section of the consolidated balance sheets.

Mezzanine equity instruments are initially measured at fair value on the issuance date. Subsequent measurement is based on the estimated redemption value, with changes in the carrying amount recognized through accretion to retained earnings (or additional paid-in capital if retained earnings is insufficient) as redemption becomes probable. We classify mezzanine equity in a separate caption between liabilities and stockholders' equity on the balance sheet and disclose the terms of each issue, including redemption features and dividend rights.

Rights and Privileges of Common Stock

Pursuant to our second amended and restated articles of incorporation, as amended, our authorized capital stock consists of an aggregate of 110,000,000 shares of common stock, including 100,000,000 shares of Class A common stock and 1,000,000,000 shares of Class B common stock, and 10,000,000 shares of "blank check" preferred stock. The following description summarizes the material terms of our securities registered under Section 12 of the Exchange Act and does not purport to be complete. It is subject to, and qualified in its entirety by reference to, our second amended and restated articles of incorporation and our amended and restated bylaws.

Except as otherwise required by Nevada Revised Statutes ("NRS"), each holder of Class A common stock is entitled to ten (10) votes in respect of each share of Class A common stock held by him, her, or it of record on our books, and each holder of Class B common stock is entitled to one (1) vote in respect of each share of Class B common stock held by him, her, or it of record on our books, in connection with the election of directors and on all matters submitted to a vote of our stockholders. Each share of Class A common stock is convertible into one share of Class B common stock at any time at the option of the holder, but Class B common stock shall not be convertible into Class A common stock under any circumstances. Holders of our common stock do not have preemptive, subscription, or redemption rights.

Notes to the Unaudited Financial Statements
(in thousands, unless otherwise stated)

NOTE 3: Summary of Significant Accounting Policies (Cont.)

Revenue Recognition

Revenue is recognized when we transfer promised goods or services to our customers, in amounts that reflect the consideration that we expect to receive in exchange for those goods or services. In determining the appropriate amount of revenue to be recognized as we fulfill our obligations under each agreement, we perform the following steps: (i) identification of the promised goods or services in the contract; (ii) determination of whether the promised goods or services are performance obligations, including whether they are distinct in the context of the contract; (iii) measurement of the transaction price, including the constraint on variable consideration; (iv) allocation of the transaction price to the performance obligations; and (v) recognition of revenue when (or as) we satisfy each performance obligation. We only apply the five-step model to contracts when it is probable that we will collect the consideration we are entitled to in exchange for the goods or services we transfer to the customer.

For arrangements that bundle robotic products, maintenance, and technical support services, we exercise significant judgment in determining whether these items are distinct. Robotic products are typically considered distinct performance obligations as customers can benefit from the product on its own. Maintenance and technical support services, which may include scheduled inspections, repairs, remote troubleshooting, and spare parts provisions, are generally considered distinct performance obligations when they are separately priced, optional, and can be performed by another vendor. However, when these services are embedded as a mandatory component of a bundled contract (e.g., a RaaS arrangement) and are integral to the promised continuous operational capability, they are not considered distinct and are combined with the overall service promise as a single performance obligation. We allocate the transaction price to each distinct performance obligation based on its relative standalone selling price, which is determined based on observable standalone sales or, if not available, estimated using expected cost-plus-margin approaches.

We recognize revenue when control of a promised good or service transfers to a customer. Control can transfer at a point in time or over time. Revenue from the sale of robotic products is recognized at a point in time, typically upon shipment or delivery when legal title and the significant risks and rewards of ownership have transferred to the customer. This is assessed based on the terms of sale (e.g., Free On Board shipping point or Free On Board destination) and when the customer obtains physical possession, bears the risk of loss, and has an unconditional obligation to pay. Revenue from Robotics-as-a-Service (“RaaS”) arrangements is recognized over time, as the customer simultaneously receives and consumes the benefits of our continuous provision of robotic functionality, maintenance, and technical support services. We use the straight-line method of recognition over the contract term as the most faithful depiction of the transfer of services, unless evidence suggests another method better reflects the pattern of performance. The assessment of whether control transfers over time is based on the criteria in ASC 606, including whether (a) the customer simultaneously receives and consumes benefits as we perform, or (b) our performance does not create an asset with an alternative use to us and we have an enforceable right to payment for performance completed to date.

The transaction price is the amount of consideration to which we expect to be entitled in exchange for transferring promised goods or services to a customer. Our contracts contain fixed consideration. We do not offer variable consideration elements such as usage-based fees, price concessions, rebates, penalties, or performance bonuses. Therefore, the transaction price for all contracts equals the fixed, non-refundable amount stated in the contract.

At contract inception, we assess the customer’s ability and intent to pay the promised consideration. A contract is only accounted for under ASC 606 if it is probable we will collect substantially all of the consideration to which it is entitled. This collectability assessment involves evaluating the customer’s creditworthiness using both quantitative and qualitative factors. For new customers, this includes reviewing credit ratings (if available), financial statements, and payment history with other parties. For existing customers, we review historical payment patterns, current financial health, and the impact of prevailing economic conditions. If, after contract inception, a significant deterioration in a customer’s creditworthiness indicates that collectability of substantially all of the remaining consideration is no longer probable, we cease to recognize additional revenue and assess the need for a credit loss provision on any recognized contract assets or receivables.

Notes to the Unaudited Financial Statements
(in thousands, unless otherwise stated)

NOTE 3: Summary of Significant Accounting Policies (Cont.)

Product Revenue

We generate revenue through the sale of our branded robotic products directly to customers. We consider customer purchase orders, which in some cases are governed by master sales agreements, to be the contracts with our customers. There is a single performance obligation in all our contracts, which is our promise to transfer our product to customers based on specific payment and shipping terms in the arrangement. The entire transaction price is allocated to this single performance obligation. Product revenue is recognized when a customer obtains control of our product, which occurs at a point in time and may be upon shipment or delivery, based on the terms of the contract.

Revenue from Robots-as-a-Service (RaaS)

As part of our evolving business model, we generate revenue through our Robots-as-a-Service (RaaS) offerings, which provide customers with ongoing access to our robotic solutions under long-term contracts. For RaaS agreements, revenue is recognized over time on a monthly basis as the services are provided and the customer benefits from the use of the robotic solutions.

The transaction price is typically fixed and allocated evenly across the contract term. Revenue recognition begins once the robots are installed and operational at the customer's site. We account for RaaS arrangements under ASC 606, *Revenue from Contracts with Customers*. These contracts provide customers with continuous usage of our robotic products, maintenance, and technical support services, in exchange for a fixed fee. We have determined that these are service contracts, as the customer is contracting for an integrated service output and we retain substantial ownership risks and control over the deployed robotic assets, including responsibility for maintenance, upgrades, and ensuring uptime. The customer does not have the right to direct the use of, nor obtain substantially all the economic benefits from, a specifically identified asset. Revenue from these fixed-fee contracts is recognized on a straight-line basis over the contractual service period as the customer simultaneously receives and consumes the benefits.

Remaining Performance Obligations

Remaining performance obligations represent the aggregate amount of the transaction price allocated to unsatisfied or partially unsatisfied performance obligations as of the balance sheet date. This amount relates primarily to the fixed consideration in non-cancelable RaaS contracts for which revenue is recognized over time.

As of December 31, 2025, the total amount of the transaction price allocated to remaining performance obligations was \$1,722. Of this amount, \$870 is expected to be recognized as revenue within the next 12 months, \$575 is expected to be recognized between 13 and 24 months, and the remaining \$277 is expected to be recognized beyond 24 months.

Contract assets and contract liabilities

We maintain contract-related balance sheet accounts under ASC 606, *Revenue from Contracts with Customers*, which primarily arise from RaaS arrangements.

Contract Assets (Unbilled Receivables) represent revenue recognized for performance obligations satisfied but not yet billed as of the balance sheet date. These assets are generated when revenue is recognized over time under RaaS contracts, while invoicing occurs on a periodic or milestone basis. Contract assets are reclassified to accounts receivable when the right to payment becomes unconditional.

Contract Liabilities (Deferred Revenue) consist of payments received from customers in advance of performance. These liabilities relate primarily to advance payments for RaaS subscriptions and are recognized as revenue as the related services are provided over the contract term. As of December 31, 2025, the balance of contract liabilities was \$434.

Notes to the Unaudited Financial Statements
(in thousands, unless otherwise stated)

NOTE 3: Summary of Significant Accounting Policies (Cont.)

Other Revenue Policies

Sales, value add, and other taxes collected on behalf of third parties are excluded from revenue.

We do not assess whether a contract has a significant financing component if the expectation at contract inception is such that the period between payment by the customer and the transfer of the promised products to the customer will be one year or less, which is the case with substantially all customers.

We recognize the incremental costs of obtaining contracts as an expense when incurred if the amortization period of the assets that we otherwise would have recognized is one year or less. These costs are included in selling expenses.

We account for shipping and handling activities related to contracts with customers as costs to fulfill the promise to transfer the associated products. We record the related costs within cost of goods sold.

Research and Development Costs

Research and development costs primarily consist of employee-related expenses, including salaries and benefits, facilities costs, depreciation, and other allocated expenses. Research and development costs are expensed as incurred.

Income Taxes

We account for income taxes in accordance with income tax accounting guidance (Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 740, Income Taxes). The income tax accounting guidance results in two components of income tax expense: current and deferred. Current income tax expense reflects taxes to be paid or refunded for the current period by applying the provisions of the enacted tax law to the taxable income or excess of deductions over revenues. We determine deferred income taxes using the liability (or balance sheet) method. Under this method, the net deferred tax asset or liability is based on the tax effects of the differences between the book and tax bases of assets and liabilities, and enacted changes in tax rates and laws are recognized in the period in which they occur. Deferred income tax expense results from changes in deferred tax assets and liabilities between periods. Deferred tax assets are reduced by a valuation allowance if, based on the weight of evidence available, it is more likely than not some portion or all of a deferred tax asset will not be realized.

Tax positions are recognized if it is more likely than not, based on the technical merits, the tax position will be realized or sustained upon examination. The term “more likely than not” means a likelihood of more than 50 percent; the terms examined and upon examination also include resolution of the related appeals or litigation processes, if any. A tax position that meets the more-likely-than-not recognition threshold is initially and subsequently measured as the largest amount of tax benefit that has a greater than 50 percent likelihood of being realized upon settlement with a taxing authority that has full knowledge of all relevant information. The determination of whether or not a tax position has met the more-likely-than-not recognition threshold considers the facts, circumstances and information available at the reporting date and is subject to management’s judgment.

We recognize interest and penalties on income taxes as a component of income tax expense.

Recent Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board (“FASB”) or other standard-setting bodies as of specified dates as regulatory standards. Unless otherwise discussed, management believes that the impact of recently issued standards that are not yet effective will not have a material impact on the Company’s condensed consolidated financial statements upon adoption.

There are no newly issued accounting pronouncements that have had or are expected to have a material impact on the Company’s condensed consolidated financial statements and disclosures for the periods covered by this Quarterly Report.

Notes to the Unaudited Financial Statements
(in thousands, unless otherwise stated)

NOTE 3: Summary of Significant Accounting Policies (Cont.)

In May 2020, the FASB issued ASU 2021-04, Earnings Per Share (Topic 260), Debt-Modifications and Extinguishments (Subtopic 470-50), Compensation-Stock Compensation (Topic 718), and Derivatives and Hedging-Contracts in Entity's Own Equity (Subtopic 815-40): Issuer's Accounting for Certain Modifications or Exchanges of Freestanding Equity-Classified Written Call Options ("ASU 2021-04"). ASU 2021-04 provides guidance for a modification or an exchange of a freestanding equity-classified written call option that is not within the scope of another topic. ASU 2021-04 is effective for fiscal years beginning after December 15, 2021. We have determined the adoption of ASU 2021-04 did not have a material impact on our financial statements and disclosures.

NOTE 4: Fair Value of Financial Instruments

ASC 820, Fair Value Measurements ("ASC 820") states that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or a liability. The three-tiered fair value hierarchy, which prioritizes which inputs should be used in measuring fair value, is comprised of: (Level I) observable inputs such as quoted prices in active markets; (Level II) inputs other than quoted prices in active markets that are observable either directly or indirectly and (Level III) unobservable inputs for which there is little or no market data. The fair value hierarchy requires the use of observable market data when available in determining fair value. Our assets and liabilities that were measured at fair value on a recurring basis were as follows:

	December 31, 2025				September 30, 2025			
	Fair Value	Level I	Level II	Level III	Fair Value	Level I	Level II	Level III
U.S. government securities	\$ 21,795	\$ 21,795	\$ -	\$ -	\$ 18,391	\$ 18,391	\$ -	\$ -
Certificates of deposit	195,871	-	195,871	-	47,972	-	47,972	-
Money market funds	5,572	5,572	-	-	45,532	45,532	-	-
Liability-classified Warrants	4,134	-	-	4,134	19,285	-	-	19,285
Total	\$ 227,372	\$ 27,367	\$ 195,871	\$ 4,134	\$ 131,180	\$ 63,923	\$ 47,972	\$ 19,285

Our U.S. government securities are classified within Level I of the fair value hierarchy because their fair values are based on quoted prices in active markets. Our certificates of deposit are classified within Level II of the fair value hierarchy and are measured using observable market inputs.

Our liability-classified warrants are measured at fair value on a recurring basis using Level III inputs. Refer to Note 9 for details on the valuation technique and significant unobservable inputs used and a rollforward of the fair value balance.

Our cash, cash equivalents and investments classified by security type as of December 31, 2025 and September 30, 2025 consisted of the following:

	December 31, 2025					
	Adjusted Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Cash and Cash Equivalents	Short-Term Investments
Cash	\$ 105,255	\$ -	\$ -	\$ 105,255	\$ 105,255	\$ -
U.S. government securities	21,435	360	-	21,795	-	21,795
Certificates of deposit and time deposits	195,871	-	-	195,871	27,196	168,675
Money market funds	5,572	-	-	5,572	5,572	-
Total cash, cash equivalents and short-term investments	\$ 328,133	\$ 360	\$ -	\$ 328,493	\$ 138,023	\$ 190,470

Notes to the Unaudited Financial Statements
(in thousands, unless otherwise stated)

NOTE 4: Fair Value of Financial Instruments (Cont.)

	September 30, 2025					
	Adjusted Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Cash and Cash Equivalents	Short-Term Investments
Cash	\$ 76,441	\$ -	\$ -	\$ 76,441	\$ 76,441	\$ -
U.S. government securities	80,915	393	-	81,308	62,917	18,391
Certificates of deposit and time deposits	48,656	-	-	48,656	684	47,972
Money market funds	45,532	-	-	45,532	45,532	-
Total cash, cash equivalents and short-term investments	<u>\$ 251,544</u>	<u>\$ 393</u>	<u>\$ -</u>	<u>\$ 251,937</u>	<u>\$ 185,574</u>	<u>\$ 66,363</u>

As of December 31, 2025, all of our short-term investments had contractual maturity dates within one year.

Disclosure of Fair Values

Our financial instruments that are not re-measured at fair value include accounts receivable, notes receivable, other receivables, accounts payable, accrued expenses, short-term loan and long-term payables. The carrying values of these financial instruments materially approximate their fair values.

NOTE 5: Accounts Receivable

Accounts receivable as of December 31, 2025 and September 30, 2025 are as follows:

	December 31, 2025	September 30, 2025
Accounts receivable, gross	\$ 1,989	\$ 1,919
Allowance for doubtful accounts	(99)	(139)
Accounts receivable, net	<u>\$ 1,890</u>	<u>\$ 1,780</u>

As of December 31, 2025, the allowance for doubtful accounts was \$99, compared to \$103 as of December 31, 2024. We believe that our rigorous credit risk management practices and the allowance for credit losses adequately address the potential for uncollectible accounts.

NOTE 6: Inventories

Inventory as of December 31, 2025 and September 30, 2025 are as follows:

	December 31, 2025	September 30, 2025
Raw materials	\$ 1,109	\$ 811
Finished goods	598	313
Total inventories	<u>\$ 1,707</u>	<u>\$ 1,124</u>

Finished goods inventory includes products-in-transit to fulfill customer orders and robotic products available for sale. We write-down inventory for any excess or obsolete inventory or when we believe that the net realizable value of inventory is less than the carrying value. During the three months ended December 31, 2025 and 2024, we recorded inventory write-downs of nil for both periods.

Notes to the Unaudited Financial Statements
(in thousands, unless otherwise stated)

NOTE 7: Property and Equipment

Property and equipment, net is stated at cost less accumulated depreciation and amortization and is depreciated using the straight-line method over the estimated useful lives of the assets. Estimated useful lives of equipment are two to six years, and leasehold improvements are measured by the shorter of the remaining terms of the leases or the estimated useful economic lives of the improvements.

Property and equipment, as of December 31, 2025 and September 30, 2025 are as follows:

	December 31, 2025	September 30, 2025
Furniture, fixtures & equipment	\$ 1,455	\$ 1,435
Equipment held for lease	595	536
Leasehold improvements	4	4
Building	2,973	2,973
Land	1,109	1,109
	<u>6,136</u>	<u>6,057</u>
Accumulated depreciation	(376)	(263)
Property and equipment, net	<u>\$ 5,760</u>	<u>\$ 5,794</u>

Depreciation expense for the three months ended December 31, 2025 and 2024 were \$113 and \$15, respectively.

NOTE 8: Intangible Assets

Intangible assets, as of December 31, 2025 and September 30, 2025 are as follows:

	December 31, 2025	September 30, 2025
Intangible assets	\$ 11,938	\$ 11,978
Accumulated amortization	(1,533)	(1,263)
Intangible assets, net	<u>\$ 10,405</u>	<u>\$ 10,715</u>

Amortization expense was \$244 and \$499 for the three months ended December 31, 2025 and 2024, respectively.

Estimated amortization expense related to existing finite-lived intangible assets for each of the next five years is as follows:

Fiscal Year	Estimated Amortization Expense
Remainder of 2026 (January 1, 2026 – September 30, 2026)	\$ 950
FY2027	\$ 1,194
FY2028	\$ 1,194
FY2029	\$ 1,194
FY2030	\$ 1,194
Total	<u><u>\$ 5,726</u></u>

For the three months ended December 31, 2025, we concluded that no impairment indicators were identified, and no impairment loss was recognized.

Notes to the Unaudited Financial Statements
(in thousands, unless otherwise stated)

NOTE 9: Warrants

The following table summarizes warrants outstanding as of December 31, 2025 and September 30, 2025:

Instrument	Classification	Exercise Price	Expiration	December 31, 2025	September 30, 2025
Representative's Warrants	Equity	\$ 6.00	Nov-28	105,000	105,000
Public Offering Warrants	Liability	\$ 1.35	Sep-29	411,111	3,013,408
Placement Agent Warrants	Mezzanine equity	\$ 1.69	Sep-29	82,389	616,139
Common Inducement Warrants	Liability	\$ 4.00	Feb-30	1,349,898	2,699,797
Placement Agent Inducement Warrants	Mezzanine equity	\$ 5.00	Mar-30	188,986	188,986
Total warrants outstanding				2,137,384	6,623,330

Liability Classified Warrants

On September 3, 2024, in connection with a registered public offering, we issued warrants to investors (the "Public Offering Warrants") with an exercise price of \$1.35 per share. In connection with the inducement transaction on February 10, 2025, we issued new common stock purchase warrants to certain holders that exercised outstanding warrants (the "Common Inducement Warrants") with an exercise price of \$4.00 per share. The Public Offering Warrants were issued to investors in exchange for capital, and the Common Inducement Warrants were issued in exchange for the exercise of previously outstanding warrants. The terms of the Public Offering Warrants and Common Inducement Warrants include settlement features that, under specified transactions involving a change in control or similar corporate events, could require the Company to settle the warrants for cash in circumstances outside the Company's control. As a result, the warrants do not qualify for equity classification and are recorded as liabilities, measured initially and subsequently at fair value with changes in fair value recognized in earnings.

The following table presents the changes in the liability-classified warrants outstanding.

	Public Offering Warrants	Common Inducement Warrants	Total
Warrants outstanding as of September 30, 2024	15,555,557	—	15,555,557
Issuance	—	2,699,797	2,699,797
Exercises	(12,542,149)	—	(12,542,149)
Warrants outstanding as of September 30, 2025	3,013,408	2,699,797	5,713,205
Exercises	(2,602,297)	(1,349,899)	(3,952,196)
Warrants outstanding as of December 31, 2025	411,111	1,349,898	1,761,009

Both the Public Offering Warrants and the Common Inducement Warrants are included within Level III of the fair value hierarchy. We use a Black-Scholes option pricing model to determine the fair value of our liability-classified warrants. The valuation incorporates both observable inputs, including our stock price and risk-free interest rates, and significant unobservable inputs, including expected stock price volatility. The expected volatility is based on a combination of the implied volatility of our publicly traded common stock and the historical volatility of comparable publicly traded companies with similar expected terms, while the expected term is generally based on the contractual term of the warrants as they are immediately exercisable. The dividend yield is assumed to be zero, consistent with our historical practice on our Class B common stock. Changes in significant unobservable inputs, particularly expected volatility and expected term, could result in a significantly higher or lower fair value measurement.

Notes to the Unaudited Financial Statements
(in thousands, unless otherwise stated)

NOTE 9: Warrants (Cont.)

Key assumptions utilized in the issuance-date valuation of the Public Offering Warrants and Common Inducement Warrants are summarized in the table below:

	Public Offering Warrants	Common Inducement Warrants
Stock price	\$ 1.27	\$ 3.01
Exercise price	\$ 1.35	\$ 4
Expected term (in years)	5	5
Volatility	73.60%	75.20%
Risk-free interest rate	3.62%	4.29%

The following table presents the change in the liability balance associated with the liability-classified warrants. Changes in the fair value of the liability-classified warrants are included within other income (loss) on the consolidated statements of operations.

	Public Offering Warrants	Common Inducement Warrants	Total
Balance as of September 30, 2024	\$ 6,940	\$ -	\$ 6,940
Issuance	-	4,758	4,758
Exercises	(26,585)	-	(26,585)
Change in fair value	30,648	3,524	34,172
Balance as of September 30, 2025	11,003	8,282	19,285
Exercises	(12,849)	(3,483)	(16,332)
Change in fair value	2,957	(1,776)	1,181
Balance as of December 31, 2025	\$ 1,111	\$ 3,023	\$ 4,134

Key assumptions utilized in the valuation of the liability-classified warrants as of the balance sheet dates are summarized in the table below:

	December 31, 2025	September 30, 2025
Stock price	\$3.23	\$4.29
Exercise price	\$1.35 - 4.00	\$1.35 - 4.00
Expected term (in years)	3.68 - 4.11	3.93 - 4.36
Volatility	102.9 - 111.1%	95.1 - 100.8%
Risk-free interest rate	3.58 - 3.62%	3.64 - 3.66%

Mezzanine Equity Classified Warrants

In September 2024, in connection with a registered public offering, we issued warrants to placement agents (the “Placement Agent Warrants”) with an exercise price of \$1.69 per share. In connection with the inducement transaction on February 10, 2025, we issued inducement warrants to certain placement agents with an exercise price of \$5.00 (the “Placement Agent Inducement Warrants,” and together with the Placement Agent Warrants, the “Mezzanine Equity Warrants”). The Placement Agent Warrants were issued on September 3, 2024, and the Placement Agent Inducement Warrants were issued on March 12, 2025. Both were issued in exchange for placement agent services and are accounted for as share-based payment awards. Due to certain settlement features that are not solely within the Company’s control, including a change in control or similar corporate events, the Mezzanine Equity Warrants are classified within mezzanine equity. The warrants were recorded at their issuance-date fair value. As of December 31, 2025 and September 30, 2025, the warrants were not currently redeemable and, therefore, the Company did not adjust the carrying amounts to redemption value. The warrants are exercisable into shares of Class B common stock.

Notes to the Unaudited Financial Statements
(in thousands, unless otherwise stated)

NOTE 9: Warrants (Cont.)

The following table presents the changes in the Mezzanine Equity Warrants.

	Placement Agent Warrants	Placement Agent Inducement Warrants	Total
Warrants outstanding as of September 30, 2024	1,088,889	-	1,088,889
Issuance	-	188,986	188,986
Exercises	(472,750)	-	(472,750)
Warrants outstanding as of September 30, 2025	616,139	188,986	805,125
Exercises	(533,750)	-	(533,750)
Warrants outstanding as of December 31, 2025	82,389	188,986	271,375

Key assumptions utilized in the issuance-date valuation of the Placement Agent Warrants and Placement Agent Inducement Warrants are summarized in the table below:

	Placement Agent Warrants	Placement Agent Inducement Warrants
Stock price	\$ 1.27	\$ 1.98
Exercise price	\$ 1.69	\$ 5.00
Expected term (in years)	5.00	4.95
Volatility	73.60%	82.70%
Risk-free interest rate	3.62%	3.92%

The following table summarizes activity in mezzanine equity:

	Placement Agent Warrants	Placement Agent Inducement Warrants	Total
Balance as of September 30, 2024	\$ 786	\$ -	\$ 786
Issuance	-	189	189
Exercises	(341)	-	(341)
Remeasurement	-	-	-
Balance as of September 30, 2025	\$ 445	\$ 189	\$ 634
Exercises	(385)	-	(385)
Remeasurement	-	-	-
Balance as of December 31, 2025	\$ 60	\$ 189	\$ 249

Because the Placement Agent Warrants and Placement Agent Inducement Warrants were not currently redeemable as of December 31, 2025 or September 30, 2025, no redemption value adjustment was recorded during the three months ended December 31, 2025 or the year ended September 30, 2025.

Notes to the Unaudited Financial Statements
(in thousands, unless otherwise stated)

NOTE 9: Warrants (Cont.)

Equity Classified Warrants

In connection with our initial public offering in November 2023, we issued warrants with an exercise price of \$6.00 per share to the representative of the offering to purchase shares of our common stock (the “Representative’s Warrants”). The Representative’s Warrants were issued as consideration for underwriting services and are accounted for as share-based payment awards. The Representative’s Warrants do not contain any cash settlement or redemption features outside the Company’s control, and are classified in permanent equity. The Representative’s Warrants issued at our initial public offering remained outstanding as of both December 31, 2025 and September 30, 2025, with no issuances, exercises, forfeitures, or expirations during the period from September 30, 2024 through December 31, 2025.

NOTE 10: Stockholders’ Equity

We had 100,000,000 shares of Class A common stock authorized as of December 31, 2025 and September 30, 2025, and 39,934,846 shares of Class A common stock issued and outstanding as of December 31, 2025 and September 30, 2025. We had 1,000,000,000 and 200,000,000 shares of Class B common stock authorized as of December 31, 2025 and September 30, 2025, respectively, and 174,299,223 shares and 154,656,592 shares of Class B common stock issued and outstanding as of December 31, 2025 and September 30, 2025, respectively. During the three months ended December 31, 2025, we issued an aggregate of 19,642,631 shares of Class B common stock and no shares of Class A common stock, including an aggregate of 15,156,685 shares of Class B common stock through our at-the-market (“ATM”) offering program and 4,485,946 shares of Class B common stock pursuant to the exercise of investor warrants.

During the fiscal year ended September 30, 2025, we issued an aggregate of 79,241,455 shares of Class B common stock through at-the-market offerings and 8,721,735 shares of Class B common stock under the Amended and Restated Richtech Robotics, Inc. 2023 Stock Option Plan, consisting of: (i) 5,788,849 shares of Class B common stock issued to consultants as compensation for technology development services, upon completion of which the resulting technology was recognized as an intangible asset in accordance with ASC 350 and ASC 718; (ii) 1,023,040 shares of Class B common stock issued as stock compensation to employees; and (iii) 1,793,095 shares of Class B common stock issued for legal and professional services. As of September 30, 2025, 861,904 shares of Class B common stock remained available under the employee and director equity incentive pool. During the fiscal year ended September 30, 2025, we also issued an aggregate of 13,014,899 shares of Class B common stock pursuant to the exercise of investor warrants. The material issuances of the Company’s Class B common stock are described below.

On November 21, 2023, the Company issued an aggregate of 2,100,000 shares of Class B common stock at a price of \$5.00 per share in connection with the closing of its initial public offering (“IPO”). On December 22, 2023, the Company issued an additional 42,563 shares of Class B common stock at a price of \$5.00 per share pursuant to the partial exercise of the underwriters’ over-allotment option. In connection with the IPO, the Company also issued warrants to the representative of the offering to purchase shares of common stock (the “Representative’s Warrants”). The Representative’s Warrants were issued as consideration for underwriting services, are accounted for as share-based payment awards, and are classified in permanent equity.

On February 15, 2024, the Company entered into a Standby Equity Purchase Agreement (the “SEPA”) with YA II PN, Ltd. (“Yorkville”), pursuant to which Yorkville agreed to purchase up to \$50,000 million of the Company’s Class B common stock over a 24-month period. The purchase price for shares issued under the SEPA is equal to 96% of the lowest volume weighted average price (“VWAP”) of the Company’s Class B common stock during the three trading days immediately following delivery of an advance notice by the Company. Each issuance and sale under the SEPA (an “Advance”) is subject to a maximum amount equal to 100% of the daily trading volume of the Company’s Class B common stock, as reported by Bloomberg L.P., during the five trading days immediately preceding an Advance notice. On April 22, 2024, the Company issued 259,350 commitment shares to Yorkville pursuant to the SEPA. As of September 30, 2024, the Company had issued an aggregate of 8,776,211 shares of Class B common stock under the SEPA. For a more detailed description of the SEPA, refer to the Company’s Current Report on Form 8-K/A filed with the SEC on March 15, 2024.

Notes to the Unaudited Financial Statements
(in thousands, unless otherwise stated)

NOTE 10: Stockholders' Equity (Cont.)

On September 3, 2024, the Company completed a public offering pursuant to a Securities Purchase Agreement, dated August 29, 2024, with certain institutional investors and a prospectus dated August 29, 2024, filed with the SEC on August 30, 2024, relating to certain retail purchasers (collectively, the "Investors"). In connection with the offering, the Company issued (i) 13,242,963 shares of Class B common stock, (ii) pre-funded warrants to purchase up to 2,312,594 shares of Class B common stock (the "Pre-Funded Warrants"), and (iii) warrants to purchase up to 15,555,557 shares of Class B common stock (the "Common Warrants"), at a purchase price of \$1.35 per share and accompanying Common Warrant. The Pre-Funded Warrants were immediately exercisable at an exercise price of \$0.00001 per share and remain exercisable until exercised in full. The Common Warrants were immediately exercisable at an exercise price of \$1.35 per share and expire five years from the date of issuance.

On December 4, 2025, our board approved the grant of restricted stock awards ("RSAs") to our employees and non-employees. These RSAs were fully vested upon grant and amounted to a total of 1,785,006 shares, with a grant-date fair value of \$4.59 per share, based on the closing price of our common stock on December 4, 2025. The total compensation expense of \$8,202 was recognized in selling, general, and administrative expenses in our condensed consolidated statement of operations for the three months ended December 31, 2025, with a corresponding credit to additional paid-in capital – stock compensation. The impact on cash flows is reflected in the operating section of our cash flow statement. The RSAs will be settled by the issuance of common shares under our 2023 Stock Option Plan. Although the shares were not issued until the second quarter of 2026, the grants were made in the first quarter of 2026; the subsequent issuance represents only a reclassification within equity (to common stock at par value and additional paid-in capital in excess of par). No additional compensation expense was recognized upon issuance. The majority of shares issued were net of applicable withholding taxes, which we paid on behalf of the award recipients. As a result, the actual number of shares issued to award recipients was less than the number of vested shares underlying the RSA grants.

NOTE 11: Earnings/Loss per Share

Because we reported a net loss for all periods presented, no potentially dilutive securities have been included in the computation of diluted net loss per share.

The following potential common shares outstanding were excluded from the computation of diluted net loss per share because including them would have been anti-dilutive:

	December 31, 2025	December 31, 2024
Warrants to purchase Class B common stock	2,137,384	10,775,779
	Three Months Ended December 31,	
	2025	2024
Numerators:		
Net loss attributable to common stockholders	\$ (10,145)	\$ (29,544)
Denominator:		
Weighted Average shares of common stock used in computing	197,731,671	95,785,054
Basic and diluted net loss per share	\$ (0.05)	\$ (0.31)

NOTE 12: Income Taxes

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment.

Based upon the level of historical losses and projections for future taxable losses over the periods in which the deferred tax assets are deductible, management believes it is more likely than not that we will not realize the benefits of these deductible differences. Accordingly, we have maintained a full valuation allowance against its net deferred tax assets as of December 31, 2025. As a result of the full valuation allowance, there was no income tax benefit or expense recognized in the consolidated statements of operations, and no net deferred tax asset or liability recorded on the consolidated balance sheets for the three months ended December 31, 2025.

Notes to the Unaudited Financial Statements
(in thousands, unless otherwise stated)

NOTE 13: Commitments and Contingencies

Legal Proceedings

From time to time, we may be involved in judicial or administrative proceedings concerning matters arising in the ordinary course of business. Although the ultimate aggregate amount of monetary liability or financial impact with respect to these matters is subject to many uncertainties and is therefore not predictable with assurance, management believes that any monetary liability or financial impact to the Company from these matters, individually and in the aggregate, would not be material to the Company's consolidated financial position, results of operations or cash flows.

On June 2, 2025, a civil action was filed against the Company and certain of our officers in the Supreme Court of the State of New York, County of Kings (Index No. 517888/2025). The complaint asserts claims for breach of contract, breach of express and implied warranties, fraud, and joint venture liability. The plaintiff seeks damages in excess of \$600,000, including compensatory and punitive damages. On September 26, 2025, we filed a motion to dismiss the case. On April 28, 2026, the parties entered into a joint stipulation adjourning oral argument on the motion to dismiss to July 15, 2026. We believe the claims are meritless and are vigorously defending the action. Based on the current stage of litigation and consultation with outside counsel, management has concluded that a loss is not probable.

Lease

We lease office facilities and retail space under noncancelable operating lease agreements. Following the purchase of the new corporate headquarters in April 2025, the existing facilities at 4175 Cameron St, Las Vegas, Nevada, continue to be leased and are now utilized for dedicated Research and Development ("R&D") laboratory space and overflow administrative support. We closed our second office space in Austin, Texas, in April 2024. The total operating lease liabilities primarily relate to the Cameron Street R&D facility and the Clouffee & Tea retail space (Town Square Las Vegas). As of December 31, 2025, our operating lease liabilities were measured using a weighted average remaining lease term of approximately 2.5 years and a weighted average discount rate of approximately 4.0%.

The components of leases and lease costs are as follows (in thousands):

	As of December 31, 2025	As of September 30, 2025
Operating leases		
Operating lease right-of use assets	\$ 607	\$ 731
Operating lease liabilities, current portion	\$ 281	\$ 301
Operating lease liabilities, non-current portion	326	429
Total operating lease liabilities	<u>\$ 607</u>	<u>\$ 730</u>

Future minimum lease payments under these leases as of December 31, 2025, are approximately as follows:

Fiscal Year	Amount
2026	\$ 207
2027	273
2028	54
2029	56
2030	19
Total future minimum lease payments	\$ 609
Less: Imputed interest	(2)
Present value of lease payments	<u>\$ 607</u>

Notes to the Unaudited Financial Statements
(in thousands, unless otherwise stated)

NOTE 14: Segment Information

We operate as a single reportable segment, which is the design, development, and commercialization of robotic systems and related solutions. Our Chief Executive Officer has been identified as our Chief Operating Decision Maker (“CODM”). The CODM manages the business on a consolidated basis and evaluates performance based on consolidated net loss, as reported in our condensed consolidated statements of operations.

Our single reportable segment’s results are the same as those presented in our condensed consolidated financial statements. For information regarding our revenue, expenses, and net loss, refer to the condensed consolidated statements of operations included in this Quarterly Report.

The significant segment expenses regularly provided to the CODM and included in the measure of segment profit or loss consist of cost of revenues. Other segment items consist of all operating expenses not separately identified as significant segment expenses, including research and development, selling, general and administrative expenses, and other operating expenses. No single customer accounted for 10% or more of our revenue for the periods presented. Substantially all of our long-lived assets are located in the United States. The measure of segment assets is reported on the balance sheet as total consolidated assets, and concentrated in the United States.

NOTE 15: Subsequent Events

On January 27, 2026, we entered into a securities purchase agreement (the “Purchase Agreement”) with an institutional investor. Pursuant to the Purchase Agreement, we agreed to issue and sell to the investor, and the investor agreed to purchase from us, in a private placement (the “Private Placement”), 8,500,000 shares of our Class B common stock, at a purchase price of \$4.55 per share, for aggregate gross proceeds of \$38,675,000, prior to deducting placement agent’s fees and other offering expenses payable by us. The Private Placement closed on January 29, 2026. The net proceeds from the Private Placement were approximately \$36.2 million, after deducting placement agent fees and estimated offering expenses payable by us. We intend to use the net proceeds for working capital, general corporate purposes, including the further development of our product capabilities, and the procurement of inventory, specifically for robotic hardware.

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

The following discussion should be read in conjunction with our consolidated financial statements and the related notes contained elsewhere in this Report and in our other filings with the SEC. The following discussion may contain predictions, estimates, and other forward-looking statements that involve a number of risks and uncertainties, including those discussed under "Risk Factors" in our 2025 Annual Report and elsewhere in this Report. These risks could cause our actual results to differ materially from any future performance suggested below. Amounts are in thousands of dollars unless otherwise stated in this section.

Overview

We are a robotics company focused on the development of embodied AI systems for manufacturing, retail, hospitality, and other sectors. We develop proprietary hardware and software that employ the latest robotics and AI innovations. Our goal is to deploy robotics at scale in business operations across our target markets.

Recent Developments

On January 27, 2026, we entered into the Purchase Agreement with an institutional investor. Pursuant to the Purchase Agreement, we agreed to issue and sell to the investor, and the investor agreed to purchase from us, in the Private Placement, 8,500,000 shares of our Class B common stock, at a purchase price of \$4.55 per share, for aggregate gross proceeds of \$38,675,000, prior to deducting placement agent's fees and other offering expenses payable by us. The Private Placement closed on January 29, 2026. The net proceeds from the Private Placement were approximately \$36.2 million, after deducting placement agent fees and estimated offering expenses payable by us. We intend to use the net proceeds for working capital, general corporate purposes, including the further development of our product capabilities, and the procurement of inventory, specifically for robotic hardware.

Key Business Highlights for the First Quarter of Fiscal Year 2026

Strategic and Operational Milestones

- **RaaS Contract Acceleration:** Successfully expanded our Robots-as-a-Service (RaaS) footprint, demonstrating continued market adoption of our recurring revenue model. This growth validates our long-term strategy to shift away from one-time hardware sales toward a high-quality, predictable revenue base.
- **Continued Investment in Research and Development:** During the first quarter of fiscal year 2026, we continued to invest in research and development focused on artificial intelligence, system autonomy, and intelligent human-machine interaction across our robotic platforms. As a member of the NVIDIA Connect program, we have continued to utilize NVIDIA-based AI computing platforms and robotics software frameworks to enhance real-time perception, decision-making, and on-device autonomy. In addition, during the quarter, we continued development activities under a previously disclosed non-commercial technology collaboration agreement with Microsoft Corporation through the Microsoft AI Co-Innovation Lab, supporting the evaluation and development of certain artificial intelligence workflows. Subsequent to the end of the quarter, Microsoft published a blog post on its website referencing this engagement. These efforts are intended to enhance product functionality and support scalable commercial deployment across multiple industry verticals.
- **Expansion of Hospitality Management Segment (AlphaMax):** Advanced the strategic rollout of our proprietary hospitality concepts by commencing development of a new Clouffee and Tea location in the San Francisco Financial District. Site preparation and operational workflows are currently in progress, with the location scheduled to officially commence operations in the second quarter of fiscal year 2026.

Financial and Capital Milestones

- **Net loss attributable to common stockholders** was \$(10.1) million for the quarter ended December 31, 2025, compared to \$(29.3) million in the prior year period. The improvement was primarily attributable to the absence of the substantial non-cash loss related to changes in the fair value of warrant liabilities recognized in the prior year period. Basic and diluted net loss per share improved to \$(0.05) from \$(0.31) per share in the prior year quarter.
- **Balance Sheet Strengthening:** We successfully utilized our ATM offering program and exercise of warrants to raise \$46.5 million in gross proceeds, substantially strengthening our liquidity and providing capital to accelerate the build-out of the RaaS asset fleet. A portion of these proceeds was generated through a direct sale of shares to a large institutional investor under the ATM program.

Factors and Trends Affecting Our Business and Results of Operations

The following trends and uncertainties either affected our financial performance historically or are likely to impact our results of operations in the future:

- As our robotic products' market potential is seen by others, more competitors could enter the market, which may lead to price competition and a decline in profit margins;
- A recession could lead to a decline in customer demand in our robotic products and services;
- Some of the products are currently assembled by suppliers in China, which may delay the supply if they are affected by international shipping, epidemic, geopolitical conflicts and other factors;
- We anticipate that our general and administrative expenses will continue to increase in the future as a result of increased costs associated with being a public company. These increases will likely include increased costs related to the hiring of additional personnel and fees to outside consultants, attorneys, and accountants, and personnel-related stock-based compensation costs, among other expenses, and, in the case of public company-related expenses, services associated with strengthening our internal control over financial reporting, maintaining compliance with Nasdaq listing and SEC reporting requirements, director and officer liability insurance costs, and investor and public relations costs, among other expenses; and
- Inflationary pressures are also a concern as it is difficult to make reliable projections for the cost of components. This means profit margins could be affected, and our pricing would need to be re-evaluated on a regular basis.

Results of Operations

Comparison of the three months ended December 31, 2025 and 2024

The following table summarizes our results of operations (in thousands) for the three months ended December 31, 2025 and 2024, together with the dollar change in those items from period to period:

	Three Months ended December 31,		Change
	2025	2024	
Revenue, net	\$ 1,071	\$ 1,257	\$ (186)
Cost of revenue, net	1,041	443	598
Gross profit	30	814	(784)
Operating expenses:			
Research and development	1,131	484	647
Sales and marketing	3,061	245	2,816
General and administrative	8,209	4,014	4,195
Total operating expenses	12,401	4,743	7,658
Income/ (loss) from operations	(12,371)	(3,929)	(8,442)
Non-operating income(expense):			
Investment Income	3,401	333	3,068
Other income (loss)	(1,181)	(25,965)	24,784
Interest expense, net	(2)	(4)	2
Total other expenses	2,218	(25,636)	27,854
Loss before income tax expense	(10,153)	(29,565)	19,412
Consolidated net loss	(10,153)	(29,565)	19,412
Less: Net loss Attributable to Non-Controlling Interest	(8)	(21)	13
Net loss attributable to common stockholders	\$ (10,145)	\$ (29,544)	\$ 19,399
Adjusted net loss attributable to common stockholders (non-GAAP)	(1,943)	(29,544)	27,601
Adjusted basic and diluted net loss per share (in each dollar, non-GAAP)	\$ (0.01)	\$ (0.31)	\$ 0.30

Adjusted net loss attributable to common stockholders and adjusted basic and diluted net loss per share are non-GAAP financial measures. Refer to the Non-GAAP Financial Measures section below for a reconciliation of our financial results reported in accordance with GAAP to non-GAAP financial results.

Revenue

Revenue, net, for the three months ended December 31, 2025 was \$1,071 thousand, a decrease of \$186 thousand, or approximately 14.7%, compared to \$1,257 thousand for the three months ended December 31, 2024.

This decrease was primarily due to a reduction in one-time product sales and other revenue, partially offset by significant growth in our recurring revenue streams, including leasing, services, and RaaS.

The breakdown of revenue is as follows:

	Three Month ended December 31,		Change
	2025	2024	
Product Sales	\$ 281	\$ 538	\$ (257)
Leasing/Service/Rental	405	133	272
RaaS	319	243	76
Other	66	343	(277)
Total	<u>\$ 1,071</u>	<u>\$ 1,257</u>	<u>\$ (186)</u>

Business Model Transition and Revenue Recognition

Historically, we generated revenue primarily through Product Revenue (outright hardware sales), resulting in immediate revenue and immediate Cost of Revenue recognition.

During fiscal 2025, we fundamentally shifted our approach to emphasize long-term relationships and recurring revenue through leasing and service arrangements.

This strategic change significantly impacts the financial statements:

1. Revenue: Upfront product revenue is reduced.
2. Assets: The cost of leased robots is capitalized as a long-term asset (Assets held for Lease), not immediately expensed.
3. Profitability: This results in a materially lower Cost of Revenue and an expanded Gross Margin, as the cost is recognized over the lease term via depreciation instead of immediate Cost of Goods Sold.

The decrease in Product Sale revenue for the three months ended December 31, 2025, compared to the same period in 2024, was directly attributable to our strategic focus on reducing one-time hardware transactions in favor of recurring contracts. This activity aligns with our long-term revenue strategy.

Our long-term focus remains on expanding recurring revenue through service, rental, and leasing arrangements. The increases in Leasing, Service, and RaaS revenue during the three months ended December 31, 2025, were driven by the successful deployment of robots under these recurring models. Underlying adoption of these recurring arrangements continues to increase, validating our transition away from capital-intensive direct sales.

Detailed Revenue Streams and Recognition

Our revenue is classified into four primary streams:

1. Product Revenue

- Description: Revenue from traditional, outright sales of hardware where the customer takes ownership.
- Recognition: Recognized at a point in time (transfer of control, per ASC 606).
- Impact: The decrease for the three months ended December 31, 2025, was driven by our strategic shift away from one-time hardware sales. We anticipate this mix will continue to stabilize at lower levels as we prioritize long-term recurring revenue models.

2. Leasing/Service/Rental Revenue

- Description: Revenue from short-term rentals, maintenance contracts, subscriptions, and installation services.
- Recognition: Recognized over time or at a point in time, based on contract specifics.
- Impact: This category experienced substantial growth, increasing to \$405 thousand for the three months ended December 31, 2025. The increase was primarily attributable to the expansion of our event robot rental services, as we supported a higher volume of short-term deployments across promotional and commercial events.

3. RaaS Revenue

- Description: Revenue from long-term operating agreements for the robotics fleet.
- Recognition: Recognized over the term of the lease agreement.
- Impact: This stream increased to \$319 thousand for the three months ended December 31, 2025, demonstrating accelerated adoption. As our primary long-term growth engine, RaaS continues to drive predictable, recurring revenue, central to our long-term value creation strategy.

4. AlphaMax (Cloutea)

- Description: Revenue generated from the AlphaMax subsidiary, which operates as a hospitality management company overseeing various cafes and restaurants.
- Recognition: Recognized according to the performance obligations outlined in the specific management or operating contracts.
- Impact: This segment contributed \$166 thousand in total revenue for the three months ended December 31, 2025. This revenue is non-robotics related, and the decrease compared to the prior year period reflects fluctuations in the specific hospitality operations managed by this subsidiary.

Clouffee and Tea Restaurant Brand

Clouffee and Tea is our first self-owned restaurant brand, designed to showcase our RaaS model directly to consumers. The concept seamlessly blends innovative robotic technology with a vibrant coffee and tea culture to create an engaging customer experience. We are currently in the process of opening a new store in the San Francisco Financial District, which is scheduled to officially open in the second quarter of fiscal 2026. There are three stores open in the San Francisco area as of December 31, 2025.

Cost of Revenue

Cost of revenue, net, increased by \$598 thousand, or approximately 135.0%, from \$443 thousand for the three months ended December 31, 2024 to \$1,041 thousand for the three months ended December 31, 2025. This increase was primarily driven by the expansion of our service and support infrastructure to support the growing RaaS fleet, as well as increased depreciation expenses associated with deployed assets.

Depreciation of Rental Assets: For the three months ended December 31, 2025, depreciation expense attributable to our RaaS fleet was approximately \$47 thousand. We expect this non-cash expense to increase in future periods as our installed base of leased robots expands, creating a predictable cost structure that scales with recurring revenue. We continue to focus on optimizing our manufacturing and supply chain processes to maintain a competitive cost structure.

Gross Profit

Gross profit decreased by \$784 thousand, or approximately 96.03%, to \$30 thousand for the three months ended December 31, 2025, from \$814 thousand for the three months ended December 31, 2024. Gross margin was 2.80% for the three months ended December 31, 2025, compared to 64.8% for the three months ended December 31, 2024.

The variance in gross margin is primarily attributable to the structural difference in our operating model between the two fiscal periods:

- **Comparison to Prior Year Low Cost Base:** The gross margin in the first quarter of fiscal 2025 (ended December 31, 2024) was exceptionally high, reflecting a leaner cost structure with minimal fixed overhead. During that period, revenue was derived primarily from direct sales that did not require the extensive service, support, and fleet maintenance infrastructure we have since established.
- **Current Period Infrastructure Investment:** In the current quarter (fiscal 2026), our Cost of Revenue includes significant upfront investments in the technical support and field service teams necessary to support our growing Robots-as-a-Service (RaaS) fleet. While these costs dampen margins in the near term, they are essential scalability investments that do not scale linearly with revenue.

We expect gross margins to remain below the exceptional levels seen in the first quarter of fiscal 2025 as we continue to scale our RaaS operations. However, we anticipate margin stabilization and improvement over the long term as our recurring revenue base grows to absorb these expanded infrastructure costs.

Research and Development Expenses

R&D expenses increased by \$647 thousand, or approximately 133.7%, to \$1,131 thousand for the three months ended December 31, 2025, from \$484 thousand for the three months ended December 31, 2024. This increase primarily reflects higher personnel and development-related costs incurred to support ongoing product development activities, including software and technology enhancements associated with our robotic solutions. Consistent with our accounting policy, certain costs incurred during the preliminary project phase of software development are expensed as research and development.

Sales and Marketing Expenses

Sales and marketing (S&M) expenses increased \$2,816 thousand, or approximately 1,149.0%, to \$3,061 thousand for the three months ended December 31, 2025, from \$245 thousand for the three months ended December 31, 2024. The increase was primarily attributable to higher stock-based compensation expense recognized during the period, including amounts associated with restricted stock awards granted during December 2025.

General and Administrative Expenses

General and administrative (G&A) expenses increased by \$4,458 thousand, or approximately 118.8%, to \$8,209 thousand for the three months ended December 31, 2025, from \$3,751 thousand for the three months ended December 31, 2024.

The increase was primarily attributable to:

- **Stock-Based Compensation:** We recognized approximately \$6.8 million in stock-based compensation expense related to equity grants for employees, reflecting our commitment to retaining top talent and aligning employee incentives with shareholder value.
- **Professional Services:** We incurred approximately \$1.4 million in contract and consultant service fees, driven by increased requirements for legal, audit, and strategic consulting services associated with our status as a public company and our ongoing business transformation.

Investment Income

Investment income increased significantly by \$3,068 thousand to \$3,401 thousand for the three months ended December 31, 2025, from \$333 thousand for the three months ended December 31, 2024. This increase was primarily driven by higher returns on our cash equivalents and short-term investment holdings, reflecting the effective management of our capital resources following recent financing activities.

Non-operating income (Expense)

Interest expense, net, decreased by \$2 thousand to \$2 thousand for the three months ended December 31, 2025, from \$4 thousand for the three months ended December 31, 2024. Nominal changes from period to period are primarily due to the repayment of outstanding interest-bearing debt during the fiscal year.

Other income (loss) increased \$24,784 thousand, from a loss of \$25,965 thousand for the three months ended December 31, 2024 to a loss of \$1,181 thousand for the three months ended December 31, 2025, which is due to the change in fair value of the warrant liability. The Company's warrant liability is remeasured at fair value at each reporting period, and the resulting non-cash gain or loss is recognized within other income (loss). The change was driven by fluctuations in the underlying inputs to the fair value measurement for the warrant liability for the three months ended December 31, 2025 compared to the three months ended December 31, 2024.

Non-GAAP Financial Measures

Adjusted net loss attributable to common stockholders and adjusted basic and diluted net loss per share are non-GAAP financial measures which exclude share-based compensation for employees from general and administrative expense. Share-based compensation is considered non-cash expense. We believe these non-GAAP measures aid investors by providing additional insight into our financial performance and help clarify trends affecting our business. For comparability of reporting, management considers non-GAAP measures in conjunction with GAAP financial results in evaluating business performance. These non-GAAP financial measures presented should not be considered a substitute for, or superior to, the measures of financial performance prepared in accordance with GAAP.

The following table reconciles our financial results reported in accordance with GAAP to non-GAAP financial results:

	Three Months Ended December 31,	
	2025	2024
Numerators:		
Net loss attributable to common stockholders	\$ (10,145)	\$ (29,544)
Stock based compensation expense	8,202	-
Adjusted net loss attributable to common stockholders (non-GAAP)	(1,943)	(29,544)
Denominator:		
Weighted Average shares of common stock used in computing	197,731,671	95,785,054
Basic and diluted net loss per share (in each dollar)	(0.05)	(0.31)
Adjusted basic and diluted net loss per share (in each dollar, non-GAAP)	\$ (0.01)	\$ (0.31)

Liquidity and Capital Resources

Our primary sources of liquidity are cash and cash equivalents, which consist of cash on hand and short-term investments that are readily convertible to cash. As of December 31, 2025, our cash and cash equivalents totaled \$271.80 million. This represents a significant increase from \$19.80 million at the end of December 31, 2024. The substantial increase in our cash position is primarily attributable to the net proceeds received from issuance of shares of Class B common stock and from the exercise and issuance of warrants. These proceeds significantly strengthened our balance sheet and provided us with financial flexibility to invest in our growth initiatives, including expanding our R&D team, and purchasing property and equipment to support our expanding operations. This increase was partially offset by cash used in operating activities, primarily due to our net loss and investments in working capital.

During the three months ended December 31, 2025, we issued an aggregate of 15,156,685 shares of Class B common stock through our ATM offering program for aggregate proceeds of \$69.10 million, and 4,485,946 shares of Class B common stock pursuant to the exercise of investor warrants for aggregate proceeds of \$9.20 million.

Comparison of the three months ended December 31, 2025 and 2024

The following table summarizes our cash flow information (in thousands) for the three months ended December 31, 2025 and 2024, together with the dollar change in those items from period to period:

	Three Months ended December 31,		Change
	2025	2024	
Net Cash provided by (used in):			
Operating activities	\$ (1,610)	\$ (2,358)	\$ 748
Investing activities	(124,189)	(440)	(123,749)
Financing Activities	78,248	8,059	70,189
Net increase (decrease) in cash	<u>\$ 47,551</u>	<u>\$ 5,261</u>	<u>\$ 42,290</u>

Operating Activities

Net cash used in operating activities for the three months ended December 31, 2025 was \$1,610 thousand, driven by a net loss of \$10,153 thousand, offset by non-cash charges of \$10,389 thousand and a negative net change in operating assets and liabilities of \$1,846 thousand. Non-cash charges primarily included \$8,202 thousand of stock based compensation expense and \$1,810 thousand of loss on the change in the fair value of the warrant liability. The cash flow impact from changes in net operating assets and liabilities was mainly driven by a decrease in accrued expenses and other payable of \$1,217 thousand and an increase to inventory of \$583 thousand.

Net cash used in operating activities for the three months ended December 31, 2024 was \$2,358 thousand, primarily due to a net loss of \$29,302 thousand which is offset by non-cash charges of \$27,427 thousand and a negative net change in operating assets and liabilities of \$483 thousand. Non-cash charges primarily include a \$25,965 thousand increase in the fair value of the warrant liability. The cash flow impact from changes in net operating assets and liabilities of \$483 thousand was primarily driven by a decrease in accounts receivable of \$755 thousand, offset by an increase in accounts payable of \$380 thousand.

Investing Activities

Net cash used in investing activities was \$124,189 thousand for the three months ended December 31, 2025, primarily driven by \$126,220 thousand in purchases of short-term investments and \$71 thousand in purchase property and equipment, partially offset by \$2,116 thousand in proceeds from maturities and sales of short-term investments.

Net cash used for investing activities was \$440 thousand for the three months ended December 31, 2024, primarily due to \$175 thousand in purchases of long-term investments, \$138 thousand in purchases of property and equipment and \$127 thousand in purchases of short-term investments.

Financing Activities

Net cash provided by financing activities totaled \$78,248 thousand for the three months ended December 31, 2025, mainly due to \$69,066 thousand from issuance of shares of common stock and \$9,184 thousand from proceeds from warrants exercise.

Net cash provided by financing activities totaled \$8,059 thousand for the three months ended December 31, 2024. We received \$8,063 thousand from issuance of common stock.

Contractual Obligations

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information under this item.

Trend Information

Other than as disclosed elsewhere in this report, we are not aware of any trends, uncertainties, demands, commitments, or events that are reasonably likely to have a material effect on our net revenues, income from continuing operations, profitability, liquidity or capital resources, or that would cause reported financial information not necessarily to be indicative of future operating results or financial condition.

Seasonality

Seasonality does not materially affect our business or the results of our operations.

Off-Balance Sheet Arrangements

We do not have off-balance sheet arrangements.

Recent Accounting Pronouncements Not Yet Adopted

See Note 3 to our audited financial statements included elsewhere in this report for more information.

Critical Accounting Policies and Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States (“GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates. Management bases its estimates on historical experience, market and other conditions, and various other assumptions it believes to be reasonable. See Note 3 to our audited financial statements included elsewhere in this Report for more information.

JOBS Act

Section 107 of the JOBS Act also provides that an “emerging growth company” can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards. In other words, an “emerging growth company” can delay the adoption of new or revised accounting standards until those standards would otherwise apply to private companies. We have elected to avail ourselves of this extended transition period.

For as long as we remain an “emerging growth company” under the recently enacted JOBS Act, we will, among other things:

- be exempt from the provisions of Section 404(b) of the Sarbanes-Oxley Act, which requires that our independent registered public accounting firm provide an attestation report on the effectiveness of our internal controls over financial reporting;
- be permitted to omit the detailed compensation discussion and analysis from proxy statements and reports filed under the Exchange Act and instead provide a reduced level of disclosure concerning executive compensation; and
- be exempt from any rules that may be adopted by the Public Company Accounting Oversight Board requiring mandatory audit firm rotation or a supplement to the auditor’s report on the financial statements.

Although we are still evaluating the JOBS Act, we currently intend to take advantage of some or all of the reduced regulatory and reporting requirements that will be available to us so long as we qualify as an “emerging growth company,” including the extension of time to comply with new or revised financial accounting standards available under Section 102(b) of the JOBS Act. Among other things, this means that our independent registered public accounting firm will not be required to provide an attestation report on the effectiveness of our internal control over financial reporting so long as we qualify as an emerging growth company, which may increase the risk that weaknesses or deficiencies in our internal control over financial reporting go undetected. Likewise, so long as we qualify as an emerging growth company, we may elect not to provide you with certain information, including certain financial information and certain information regarding compensation of our executive officers, that we would otherwise have been required to provide in filings we make with the SEC, which may make it more difficult for investors and securities analysts to evaluate our company. As a result, investor confidence in our company and the market price of our common stock may be materially and adversely affected.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Not required for smaller reporting companies.

Item 4. Controls and Procedures.

(a) Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer, Chief Financial Officer, and Vice President of Finance (our “Certifying Officers”), evaluated 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 Securities Exchange Act of 1934, as amended) as of December 31, 2025.

In our Annual Report on Form 10-K for the fiscal year ended September 30, 2025 (“2025 Annual Report”), management concluded that our disclosure controls and procedures were not effective due to a material weakness in internal control over financial reporting. This material weakness related to the design and operation of controls over the identification, evaluation, and accounting for complex and non-routine transactions, including equity-linked financial instruments and derivative accounting, as well as certain controls over financial statement account classification and disclosures, and the controls over the application of U.S. GAAP to specific transactions and account balances.

Based on the evaluation performed as of December 31, 2025, and notwithstanding the remediation measures implemented during the quarter as described below, our Certifying Officers have concluded that our disclosure controls and procedures were not effective as of the end of the period covered by this Report because the material weakness had not been fully remediated and sufficient time had not elapsed to test the operating effectiveness of the enhanced controls.

(b) Changes in Internal Control over Financial Reporting

During the fiscal quarter ended December 31, 2025, we continued implementing remediation measures to address the material weakness previously identified in our 2025 Annual Report. These remediation measures include enhancing technical accounting resources and review procedures; strengthening controls over the evaluation and accounting for complex and non-routine transactions, including equity-linked financial instruments, derivative accounting matters, and significant estimates and judgments; improving documentation standards; implementing additional review and approval controls over financial reporting and account classifications; and providing additional training to personnel responsible for the preparation and review of financial information.

While these remediation efforts are ongoing, the material weakness cannot be considered remediated until the applicable controls have operated for a sufficient period of time and management has concluded, through testing, that these controls are operating effectively.

Other than the continued implementation of the remediation activities described above, there were no changes in our internal control over financial reporting during the quarter ended December 31, 2025, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

(c) Ongoing Monitoring

Management recognizes the importance of ongoing monitoring and continuous improvement of our internal control over financial reporting. We have established a process for regularly evaluating the effectiveness of our controls, including periodic self-assessments, internal audits, and ongoing monitoring activities. This process allows us to identify and address any emerging risks or control deficiencies in a timely manner.

Changes in Internal Control over Financial Reporting

Other than as disclosed above, there were no changes in the Company’s internal control over financial reporting during the quarter ended December 31, 2025 that have materially affected, or are reasonably likely to materially affect, the Company’s internal control over financial reporting.

Inherent Limitations on Internal Controls

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness for future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. No evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

On June 2, 2025, a civil action was filed against Richtech and certain of our officers in the Supreme Court of the State of New York, County of Kings (Index No. 517888/2025). The complaint asserts claims for breach of contract, breach of express and implied warranties, fraud, and joint venture liability. The plaintiff seeks damages in excess of \$600,000, including compensatory and punitive damages. On September 26, 2025, we filed a motion to dismiss the case. We believe the claims are meritless and are vigorously defending the action. While the outcome of litigation is inherently uncertain, we do not believe this matter will have a material adverse effect on our financial condition, results of operations, or cash flows.

On February 2, 2026, a putative securities class action lawsuit was filed against Richtech and certain of its officers in the United States District Court for the District of Nevada, captioned Luiz Gonzalez Diez v. Richtech Robotics Inc., et al., No. 2:26-cv-00231 (D. Nev.). The complaint asserts claims for alleged violations of federal securities laws related to statements made in a press release issued by Richtech on January 27, 2026. The plaintiff seeks to represent a class of persons and entities who purchased or otherwise acquired Richtech's publicly traded securities during the period from January 27, 2026 through 12:00 PM EST on January 29, 2026 and seeks unspecified damages and other relief. We dispute the allegations in the complaint and intend to defend the case vigorously. The case is at an early stage and we cannot reasonably estimate the amount of any potential financial loss or cost that could result from this lawsuit.

Item 1A. Risk Factors.

As a smaller reporting company under Rule 12b-2 of the Exchange Act, we are not required to include risk factors in this Report. However, as of the date of this Report, there have been no material changes with respect to those risk factors previously disclosed in our (i) registration statement for our initial public offering and (ii) 2025 Annual Report. Any of these factors could result in a significant or material adverse effect on the results of our operations or financial condition. Additional risks could arise that may also affect our business or ability to consummate an initial business combination. We may disclose changes to such risk factors or disclose additional risk factors from time to time in our future filings with the SEC.

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

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Trading Arrangements

No director or Section 16 officer adopted or terminated a trading arrangement intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or a "non-Rule 10b5-1" trading arrangement during the periods reported in this Report.

Other Information

None.

Item 6. Exhibits

The following exhibits are filed as part of, or incorporated by reference into, this Report.

No.	Description of Exhibit
3.1	<u>Articles of Amendment to Articles of Incorporation of Richtech Robotics Inc. (incorporated by reference to Exhibit 3.1 to Richtech's Current Report on Form 8-K filed on November 17, 2025).</u>
10.1	<u>Second Amended and Restated Richtech Robotics Inc. 2023 Stock Option Plan (incorporated by reference to Exhibit 10.1 to Richtech's Current Report on Form 8-K filed on November 17, 2025).</u>
31.1*	<u>Certification of Principal Executive Officer Pursuant to Securities Exchange Act Rules 13a-14(a) and 15(d)-14(a), as adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
31.2*	<u>Certification of Principal Financial Officer Pursuant to Securities Exchange Act Rules 13a-14(a) and 15(d)-14(a), as adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
32.1**	<u>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.</u>
32.2**	<u>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.</u>
101.INS*	Inline XBRL Instance Document.
101.SCH*	Inline XBRL Taxonomy Extension Schema Document.
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB*	Inline XBRL Taxonomy Extension Label 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).

* Filed herewith.

** Furnished.

Certain portions of this exhibit have been omitted because the omitted information is (i) not material and (ii) would likely cause competitive harm to Richtech if publicly disclosed.

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

RICHTECH ROBOTICS INC.

Date: August 7, 2026

By: /s/ Zhenwu Huang
Name: Zhenwu Huang
Title: Chief Executive Officer
(Principal Executive Officer)

Date: August 7, 2026

By: /s/ Zhenqiang Huang
Name: Zhenqiang Huang
Title: Chief Financial Officer
(Principal Financial and Accounting Officer)

CERTIFICATION OF THE PRINCIPAL EXECUTIVE OFFICER PURSUANT TO RULE 13a-14(a) AND RULE 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Zhenwu Huang, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q/A of Richtech Robotics 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 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 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.

August 7, 2026

/s/ Zhenwu Huang

Name: Zhenwu Huang
Title: Chief Executive Officer
(Principal Executive Officer)

CERTIFICATION OF THE PRINCIPAL FINANCIAL OFFICER PURSUANT TO RULE 13a-14(a) AND RULE 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Zhenqiang Huang, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q/A of Richtech Robotics 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 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 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.

August 7, 2026

/s/ Zhenqiang Huang

Name: Zhenqiang Huang
Title: Chief Financial Officer
(Principal Financial Officer)

CERTIFICATION OF THE PRINCIPAL EXECUTIVE OFFICER 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 Richtech Robotics Inc. (the “Company”) on Form 10-Q/A for the period ended December 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), Zhenwu Huang, as Chief Executive Officer and principal executive officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of the undersigned’s knowledge and belief, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and
2. Information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods expressed in the Report.

/s/ Zhenwu Huang

Zhenwu Huang

Chief Executive Officer and Principal Executive Officer

Dated: August 7, 2026

This certification accompanies this Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

CERTIFICATION OF THE PRINCIPAL FINANCIAL OFFICER 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 Richtech Robotics Inc. (the “Company”) on Form 10-Q/A for the period ended December 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), Zhenqiang Huang, as Chief Financial Officer and principal financial officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of the undersigned’s knowledge and belief, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and
2. Information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods expressed in the Report.

/s/ Zhenqiang Huang

Zhenqiang Huang

Chief Financial Officer and Principal Financial Officer

Dated: August 7, 2026

This certification accompanies this Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.