UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended April 5, 2026

OR

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

For the transition period from__________to __________

Enovix Corporation

(Exact Name of Registrant as Specified in Charter)

Delaware	001-39753	85-3174357
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

3501 W Warren Avenue
Fremont, California 94538
(Address of Principal Executive Offices)
(510) 695-2350
(Registrant's Telephone Number)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.0001 per share	ENVX	The Nasdaq Global Select Market

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, 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 May 8, 2026, 218,153,440 shares of common stock, par value $0.0001 per share, were issued and outstanding.

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FORWARD LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). The statements contained in this Quarterly Report on Form 10-Q that are not purely historical are forward-looking statements. Forward-looking statements generally relate to future events or our future financial or operating performance and can be identified by words such as anticipate, believe, continue, could, estimate, expect, intend, may, might, plan, possible, potential, predict, project, should, would and similar expressions that convey uncertainty about future events or outcomes. In addition, any statements that refer to projections, forecasts, management’s expectations, hopes, beliefs, intentions or strategies regarding the future, are forward-looking statements. Examples of forward-looking statements in this Quarterly Report on Form 10-Q include, without limitation, statements about our:

- ability to respond to customer and market demand;
- ability to build and scale manufacturing lines for our lithium-ion batteries, as well as production and commercialization timelines, and our ability to have adequate capacity to satisfy customer demands;
- ability to meet milestones and customer acceptance of key products, such as AI-1TM and AI class products and MX products, as well as the market readiness of such products, and the effectiveness of our product design;
- expectations and estimations of the total addressable market for our batteries, including the demand for more energy dense batteries and the suitability of our products to address this demand, and the impact of artificial intelligence features on the demand for energy dense batteries and the suitability of our products to address this demand;
- expectations relating to the timing of the launch of commercial smartphone and commercial smart eyewear products, the potential growth in sales to defense customers, and expectations regarding potential customer purchases, results of safety testing and customer qualification of our products;
- ability to manage our expenses and realize our cost savings goals;
- ability to manage and achieve the benefits of our restructuring efforts;
- products, technologies, business model and growth strategy, including commercialization opportunities, market opportunity and the expansion of our customer base;
- product strategy for our conventional lithium-ion battery products;
- ability to meet the expectations of new and current customers, including safety and qualification requirements, and our ability to achieve market acceptance for our products;
- financial performance, including revenue from the sale of batteries and battery pack products and engineering revenue contracts, as well as expenses and projections thereof;
- operational capabilities of our manufacturing lines, including the anticipated growth and improvements in commercialization and R&D activities to support product innovation;
- ability to attract and hire additional personnel, including for our international locations and to facilitate the build-out of existing and additional production lines;
- ability to optimize our manufacturing process and execute on our future product development strategy and roadmap to profitability, including achieving improvements in yield, throughput, dicing processes, performance, cost efficiency and overall production economics;
- expectations regarding our development and other collaboration agreements with potential customers, including in the smartphone, smart eyewear, IoT and defense categories;
- ability to validate the advantages of our cell architecture in the customer markets we are targeting, as well as our expectations relating to the recognition of revenue from these markets, and our ability to expand our relationships with partners in the markets we serve; and
- ability to align with increasing customer demand for geodiversity and supply chain resilience.

The forward-looking statements contained in this Quarterly Report on Form 10-Q are based on our current expectations and beliefs concerning future developments and their potential effects on us. There can be no assurance that future developments affecting us will be those that we have anticipated. These forward-looking statements, and the assumptions underlying such statements, involve a number of risks and uncertainties, some of which are beyond our control. These risks and uncertainties include, but are not limited to, those described in Part II, Item 1A. “Risk Factors” of this Quarterly Report on Form 10-Q. Should one or more of these risks or uncertainties materialize, or should any of our assumptions prove incorrect, actual results may differ materially from those projected in these forward-looking statements. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

ENOVIX CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except share and par value amounts)
(Unaudited)

	As of April 5, 2026	As of December 28, 2025
Assets		
Current assets:		
Cash and cash equivalents	$ 88,751	$ 106,014
Short-term investments	439,985	406,026
Accounts receivable, net	3,943	4,421
Notes receivable, net	—	4,012
Inventory	16,451	13,617
Prepaid expenses and other current assets	9,366	8,120
Total current assets	558,496	542,210
Property and equipment, net	164,952	170,263
Long-term investments	52,104	106,810
Customer relationship intangibles and other intangibles, net	30,357	31,638
Operating lease, right-of-use assets	11,613	11,682
Goodwill	12,217	12,217
Other assets, non-current	4,154	4,155
Total assets	$ 833,893	$ 878,975
Liabilities and Equity		
Current liabilities:		
Accounts payable	$ 14,938	$ 17,818
Accrued expenses	8,761	13,992
Accrued compensation	7,631	6,219
Short-term debt	9,436	9,865
Deferred revenue	4,279	5,015
Warrant liability	181	6,578
Other liabilities	5,668	5,529
Total current liabilities	50,894	65,016
Long-term debt, net	520,160	519,271
Operating lease liabilities, non-current	10,906	11,244
Deferred revenue, non-current	300	300
Deferred tax liability	8,889	9,119
Other liabilities, non-current	14	14
Total liabilities	591,163	604,964
Commitments and Contingencies (Note 7)		
Stockholders’ equity:		
Common stock, $0.0001 par value; authorized shares of 1,000,000,000; issued and outstanding shares of 217,698,339 and 216,556,238 as of April 5, 2026 and December 28, 2025, respectively	22	22
Additional paid-in-capital	1,316,363	1,307,912
Treasury stock, at cost	(58,385)	(58,385)
Accumulated other comprehensive loss	(1,241)	(508)
Accumulated deficit	(1,016,087)	(977,827)
Total Enovix's stockholders’ equity	240,672	271,214
Non-controlling interest	2,058	2,797
Total equity	242,730	274,011
Total liabilities and equity	$ 833,893	$ 878,975

See accompanying notes to these condensed consolidated financial statements.

ENOVIX CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except share and per share amounts)
(Unaudited)

	Fiscal Quarters Ended	
	April 5, 2026	March 30, 2025
Revenue	$ 7,600	$ 5,098
Cost of revenue	6,048	4,837
Gross profit	1,552	261
Operating expenses:		
Research and development	26,528	25,929
Selling, general and administrative	18,919	16,892
Total operating expenses	45,447	42,821
Loss from operations	(43,895)	(42,560)
Other income (expense):		
Change in fair value of common stock warrants	6,397	15,796
Interest income	5,776	2,434
Interest expense	(7,008)	(1,716)
Other income, net	343	2,353
Total other income (expense), net	5,508	18,867
Loss before income tax benefit	(38,387)	(23,693)
Income tax benefit	(129)	(162)
Net loss	(38,258)	(23,531)
Net gain (loss) attributable to non-controlling interest	2	(21)
Net loss attributable to Enovix	$ (38,260)	$ (23,510)
Net loss per share attributable to Enovix shareholders, basic and diluted [1]	$ (0.18)	$ (0.12)
Weighted average number of common shares outstanding, basic and diluted [1]	217,371,926	203,328,890

[1] As required by ASC 260, Earnings Per Share, the share and per share amounts presented in the above table for the fiscal quarter ended March 30, 2025 have been retroactively adjusted to reflect the warrant dividend issued in July 2025 (see Note 12 "Treasury Stock, Warrant Dividend and Warrants" in the Annual Report on Form 10-K for the fiscal year ended December 28, 2025 for more details). For more information on the adjusted net loss per share, refer to Note 9 "Net Loss per Share".

See accompanying notes to these condensed consolidated financial statements.

ENOVIX CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(In thousands)
(Unaudited)

	Fiscal Quarters Ended	
	April 5, 2026	March 30, 2025
Net loss	$ (38,258)	$ (23,531)
Other comprehensive income (loss), net of tax:		
Change in net foreign currency translation adjustments	(5)	2
Net unrealized loss on available-for-sale securities	(728)	(43)
Other comprehensive expense, net of tax	(733)	(41)
Comprehensive loss	(38,991)	(23,572)
Comprehensive income (loss) attributable to non-controlling interest	2	(21)
Comprehensive loss attributable to Enovix	$ (38,993)	$ (23,551)

See accompanying notes to these condensed consolidated financial statements.

ENOVIX CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In thousands, except share amounts)
(Unaudited)

	Common stock		Additional paid-in capital	Treasury stock, at cost	Accumulated other comprehensive loss	Accumulated deficit	Total stockholders' equity	Non-controlling interest	Total equity
	Shares	Amount							
Balance as of December 28, 2025	**216,556,238**	**$ 22**	**$ 1,307,912**	**$ (58,385)**	**$ (508)**	**$ (977,827)**	**$ 271,214**	**$ 2,797**	**$ 274,011**
Net loss	—	—	—	—	—	(38,260)	(38,260)	2	(38,258)
Issuance of common stock upon exercise of stock options	4,730	—	—	—	—	—	—	—	—
RSU vested, net of shares withheld	1,137,371	—	(1,663)	—	—	—	(1,663)	—	(1,663)
Purchase of additional Routejade shares	—	—	—	—	—	—	—	(740)	(740)
Stock-based compensation	—	—	10,114	—	—	—	10,114	—	10,114
Other comprehensive loss, net	—	—	—	—	(733)	—	(733)	(1)	(734)
Balance as of April 5, 2026	**217,698,339**	**$ 22**	**$ 1,316,363**	**$ (58,385)**	**$ (1,241)**	**$(1,016,087)**	**$ 240,672**	**$ 2,058**	**$ 242,730**

	Common stock		Additional paid-in capital	Treasury stock, at cost	Accumulated other comprehensive loss	Accumulated deficit	Total stockholders' equity	Non-controlling interest	Total equity
	Shares	Amount							
Balance as of December 29, 2024	**190,559,335**	**$ 19**	**$ 1,067,951**	**$ —**	**$ (143)**	**$ (821,086)**	**$ 246,741**	**$ 2,662**	**$ 249,403**
Net loss	—	—	—	—	—	(23,510)	(23,510)	(21)	(23,531)
Issuance of common stock upon exercise of stock options	81,621	—	782	—	—	—	782	—	782
RSU vested, net of shares withheld	1,074,758	—	(1,761)	—	—	—	(1,761)	—	(1,761)
Vesting of early exercised stock options	—	—	1	—	—	—	1	—	1
Repurchase of unvested restricted common stock	(597)	—	—	—	—	—	—	—	—
Stock-based compensation	—	—	12,931	—	—	—	12,931	—	12,931
Other comprehensive loss, net	—	—	—	—	(41)	—	(41)	—	(41)
Balance as of March 30, 2025	**191,715,117**	**$ 19**	**$ 1,079,904**	**$ —**	**$ (184)**	**$ (844,596)**	**$ 235,143**	**$ 2,641**	**$ 237,784**

See accompanying notes to these condensed consolidated financial statements.

ENOVIX CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Fiscal Quarters Ended	
	April 5, 2026	**March 30, 2025**
Cash flows used in operating activities:		
Net loss	$ (38,258)	$ (23,531)
Adjustments to reconcile net loss to net cash used in operating activities		
Depreciation, accretion and amortization	9,370	8,448
Stock-based compensation expense	11,765	12,014
Change in fair value of common stock warrants	(6,397)	(15,796)
Others	(386)	479
Changes in operating assets and liabilities:		
Accounts and notes receivables	4,359	430
Inventory	(2,834)	(2,826)
Prepaid expenses and other assets	(1,252)	2,440
Accounts payable	(3,600)	4,420
Accrued expenses and compensation	(4,058)	(4,167)
Deferred revenue	(736)	(457)
Deferred tax liability	(241)	(33)
Other liabilities	(804)	1,672
Net cash used in operating activities	(33,072)	(16,907)
Cash flows from investing activities:		
Purchase of property and equipment	(3,220)	(6,272)
Payment for business acquisition	—	(16)
Purchases of investments	(103,458)	(58,083)
Maturities of investments	125,008	—
Net cash provided by (used in) investing activities	18,330	(64,371)
Cash flows from financing activities:		
Payroll tax payments for shares withheld upon vesting of RSUs	(1,663)	(1,761)
Purchase of Routejade shares from non-controlling interest	(740)	—
Repayment of debt	(55)	—
Proceeds from the exercise of stock options	—	782
Payments of transaction costs related to common stock issuance	—	(512)
Net cash used in financing activities	(2,458)	(1,491)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(147)	(228)
Change in cash, cash equivalents, and restricted cash	(17,347)	(82,997)
Cash and cash equivalents and restricted cash, beginning of period	107,979	274,691
Cash and cash equivalents and restricted cash, end of period	$ 90,632	$ 191,694

See accompanying notes to these condensed consolidated financial statements.

ENOVIX CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)
(In thousands)
(Unaudited)

	Fiscal Quarters Ended	
	April 5, 2026	March 30, 2025
Supplemental cash flow disclosure:		
Cash paid for interest	$ 8,671	$ 128
Cash paid for income taxes	63	39
Supplemental non-cash investing and financing activities:		
Purchase of property and equipment included in liabilities	9,290	11,689

The following presents our cash, cash equivalents and restricted cash by category in the Condensed Consolidated Balance Sheets:

	As of	
	April 5, 2026	March 30, 2025
Cash and cash equivalents	$ 88,751	$ 189,874
Restricted cash included in prepaid expenses, other current assets and other assets, non-current	1,881	1,820
Total cash, cash equivalents, and restricted cash	$ 90,632	$ 191,694

See accompanying notes to these condensed consolidated financial statements.

ENOVIX CORPORATION
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 1. Organization and Basis of Presentation

Organization

Enovix Corporation was incorporated in Delaware in 2006. All references to “Enovix,” “we,” “us,” “our,” or the “Company” mean Enovix Corporation and its subsidiaries. We design, develop, manufacture and commercialize next generation Lithium-ion, or Li-ion, battery cells that significantly increase the amount of energy density and storage capacity relative to conventional battery cells. Our batteries’ mechanical design, or “architecture,” allows us to use high performance chemistries while enabling safety and charge time advantages. Enovix is headquartered in Silicon Valley, a region of California, with offices and facilities in Asia.

Basis of Presentation and Consolidation

The accompanying condensed consolidated financial statements are presented in accordance with accounting principles generally accepted in the United States (“GAAP”). The condensed consolidated financial statements include our accounts, our wholly-owned subsidiaries and majority-owned subsidiaries and the business combinations from the closing dates. All intercompany balances and transactions have been eliminated in consolidation.

Liquidity and Capital Resources

We have incurred operating losses and negative cash flows from operations since our inception through April 5, 2026 and expect to incur operating losses for the foreseeable future. As of April 5, 2026, we had working capital of $507.6 million and an accumulated deficit of $1.02 billion. Based on the anticipated spending and timing of expenditures, we currently expect that our cash will be sufficient to meet our funding requirements over the next twelve months. Going forward, we may require additional financing for our future operations and expansion. The accompanying condensed consolidated financial statements have been prepared assuming we will continue as a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business.

Unaudited Interim Condensed Consolidated Financial Statements

These accompanying unaudited condensed consolidated financial statements have been prepared pursuant to the rules and regulations of the U.S. Securities and Exchange Commission (“SEC”) for interim financial reporting. In the opinion of management, these unaudited condensed consolidated financial statements reflect all adjustments, consisting of normal recurring items, considered necessary to present fairly our financial condition, results of operations, comprehensive income (loss), stockholders’ equity and cash flows for the periods presented above. The results of operations for the fiscal quarter ended April 5, 2026 are not necessarily indicative of the operating results for the full year, and therefore should not be relied upon as an indicator of future results. The Condensed Consolidated Balance Sheet as of December 28, 2025 included herein was derived from the audited consolidated financial statements as of that date and the accompanying consolidated financial statements and related notes are included in our Annual Report on Form 10-K for the fiscal year ended December 28, 2025 (“Annual Report on Form 10-K”).

Use of Estimates

The preparation of condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities in the condensed consolidated financial statements and accompanying notes during the reporting periods. Estimates and assumptions include but are not limited to: depreciable lives for property and equipment and intangible assets, valuation for inventory, valuation allowance on deferred tax assets, assumptions used in income tax provisions, assumptions used in stock-based compensation, incremental borrowing rate for operating right-of-use assets and lease liabilities and estimates to fair value common stock warrants. Management bases its estimates on historical experience and on various other market-specific and relevant assumptions that it believes to be reasonable under the circumstances.

Note 2. Summary of Significant Accounting Policies

Summary of Significant Accounting Policies

There have been no changes to our significant accounting policies disclosed in Note 2 “Summary of Significant Accounting Policies,” of the notes to the consolidated financial statements for the fiscal year ended December 28, 2025, included in Part II, Item 8 of our Form 10-K.

Revenue

We recognize revenue in accordance with Accounting Standards Codification (“ASC”) 606, *Revenue from Contracts with Customers*. We generate revenue from selling lithium-ion batteries or battery packs to commercial customers and military contractors. Product revenue is recognized once we have satisfied the performance obligations as defined in the sales agreement, which is generally satisfied upon transfer of control of goods. Control is transferred upon delivery for our products. For certain customized products with customer acceptance criteria specified in the sales agreement, the performance obligations are generally satisfied upon our customer’s acceptance. Payment terms can vary depending on the contract and it is generally required within 90 days or less from the delivery date or the acceptance date of our product. The amounts of revenue recognized reflect the consideration for the product sold.

For the fiscal quarters ended April 5, 2026 and March 30, 2025, our product revenue was $7.6 million and $5.1 million, respectively. Of our total product revenue for the quarter ended April 5, 2026, approximately 69% and 14%, were from South Korea and Switzerland, respectively, based on the billing location of our customers. Of our total product revenue for the quarter ended March 30, 2025, approximately 47% were from South Korea based on the billing location of our customers.

Recently Issued or Adopted Accounting Pronouncements

Adoption of New Accounting Standards

In July 2025, the FASB issued ASU 2025-05, *Measurement of Credit Losses for Accounts Receivable and Contract Assets*, which simplifies the application of the current expected credit loss model for current accounts receivable and current contract assets under ASC 606. This ASU is effective for annual reporting periods beginning after December 15, 2025, and interim reporting periods within those annual reporting periods. Early adoption is permitted. We adopted this ASU prospectively, effective with our fiscal 2026 interim financial statements and the adoption did not have a material impact on our condensed consolidated financial statements and disclosures.

Accounting Standard Issued But Not Yet Adopted

In November 2024, the FASB issued ASU 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures,* which requires disclosure of certain costs and expenses on an interim and annual basis in the notes to the financial statements. The standard is effective for the annual reporting periods beginning after December 15, 2026 and interim periods beginning after December 15, 2027, with early adoption permitted. We are currently evaluating the potential impact of the adoption of this ASU on our financial statement disclosures.

In September 2025, the FASB issued ASU 2025-06, “Targeted Improvements to the Accounting for Internal-Use Software” (“ASU 2025-06”), which simplifies the capitalization guidance by removing all references to software development project stages so that the guidance is neutral to different software development methods. ASU 2025-06 is effective for annual reporting periods beginning after December 15, 2027, and interim reporting periods within those annual reporting periods. Early adoption is permitted. ASU 2025-06 permits an entity to apply the new guidance using a prospective, retrospective or modified transition approach. The Company is currently evaluating the impact from ASU 2025-06 on its condensed consolidated financial statements.

Note 3. Fair Value Measurement

The fair value of our financial assets and liabilities are determined in accordance with the fair value hierarchy established in ASC 820, *Fair Value Measurements,* issued by the FASB. The fair value hierarchy of ASC 820 requires an entity to maximize the use of observable inputs when measuring fair value and classifies those inputs into three levels:

Level 1:	Observable inputs, such as quoted prices (unadjusted) in active markets for identical assets or liabilities at the measurement date.
Level 2:	Observable inputs, other than Level 1 prices, such as quoted prices in active markets for similar assets and liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
Level 3:	Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Our financial instruments consist primarily of cash and cash equivalents, short-term investments, accounts receivable, notes receivable, accounts payable, short-term and long-term debt, and warrant liabilities. Cash and cash equivalents are reported at their respective fair values on our Condensed Consolidated Balance Sheets. As of April 5, 2026 and December 28, 2025, the carrying values of accounts and notes receivables, accounts payable, short-term debt and accrued liabilities approximated the fair value based on the short maturity of those instruments. As of April 5, 2026 and December 28, 2025, we had cash and cash equivalents of $88.8 million and $106.0 million, respectively.

The following table details the fair value measurements of assets and liabilities that were measured at fair value on a recurring basis based on the following three-tiered fair value hierarchy per ASC 820, *Fair Value Measurement*, as of April 5, 2026 and December 28, 2025 (in thousands).

	Fair Value Measurement using			
	Level 1	Level 2	Level 3	Total
As of April 5, 2026				
Assets:				
Cash equivalents:				
Money Market Funds	$ 62,461	$ —	$ —	$ 62,461
Corporate Notes and Debt Securities	—	5,428	—	5,428
Short-term investments:				
U.S. Treasuries	—	293,824	—	293,824
Corporate Notes and Debt Securities	—	122,656	—	122,656
U.S. Government Agency Debt Securities	—	23,505	—	23,505
Long-term investments:				
U.S. Treasuries	—	38,268	—	38,268
Corporate Notes and Debt Securities	—	11,845	—	11,845
U.S. Government Agency Debt Securities	—	1,991	—	1,991
Total assets measured at fair value	$ 62,461	$ 497,517	$ —	$ 559,978
Liabilities:				
Private Placement Warrants	$ —	$ —	$ 181	$ 181
As of December 28, 2025				
Assets:				
Cash equivalents:				
Money Market Funds	$ 44,279	$ —	$ —	$ 44,279
Short-term investments:				
U.S. Treasuries	—	315,581	—	315,581
Corporate Notes and Debt Securities	—	67,134	—	67,134
U.S. Government Agency Debt Securities	—	23,311	—	23,311
Long-term investments:				
U.S. Treasuries	—	92,905	—	92,905
Corporate Notes and Debt Securities	—	8,044	—	8,044
U.S. Government Agency Debt Securities	—	5,861	—	5,861
Total assets measured at fair value	$ 44,279	$ 512,836	$ —	$ 557,115
Liabilities:				
Private Placement Warrants	$ —	$ —	$ 6,578	$ 6,578

Cash Equivalents and Short-term Investments:

The following is a summary of cash equivalents and short-term investments (in thousands).

	Amortized Cost	Unrealized Gain	Unrealized Loss	Estimated Fair Value	Reported as Cash Equivalents	Reported as Short-term Investments	Reported as Long-term Investments
As of April 5, 2026							
Money Market Funds	$ 62,461	$ —	$ —	$ 62,461	$ 62,461	$ —	$ —
U.S. Treasuries	332,487	—	(395)	332,092	—	293,824	38,268
Corporate Notes and Debt Securities	140,088	—	(159)	139,929	5,428	122,656	11,845
U.S. Government Agency Debt Securities	25,521	—	(25)	25,496	—	23,505	1,991
Total	$ 560,557	$ —	$ (579)	$ 559,978	$ 67,889	$ 439,985	$ 52,104
As of December 28, 2025							
Money Market Funds	$ 44,279	$ —	$ —	$ 44,279	$ 44,279	$ —	$ —
U.S. Treasuries	408,344	142	—	408,486	—	315,581	92,905
Corporate Notes and Debt Securities	75,199	—	(21)	75,178	—	67,134	8,044
U.S. Government Agency Debt Securities	29,144	28	—	29,172	—	23,311	5,861
Total	$ 556,966	$ 170	$ (21)	$ 557,115	$ 44,279	$ 406,026	$ 106,810

As of April 5, 2026, the short-term investments had contractual maturity due within one year.

Private Placement Warrants

Our liabilities are measured at fair value on a recurring basis, including 5,500,000 Private Placement Warrants outstanding that are held by Rodgers Capital, LLC (the "Sponsor"), certain of its board of directors and third-parties (the "Private Placement Warrants"). The fair value of the Private Placement Warrants is considered a Level 3 valuation and is determined using the Black-Scholes valuation model. Each whole Private Placement Warrant became exercisable for one whole share of our common stock at a price of $10.66 per share.

As of April 5, 2026 and December 28, 2025, we had 5,500,000 Private Placement Warrants outstanding. The fair value of the Private Placement Warrants was $0.03 per share as of April 5, 2026 and $1.20 per share as of December 28,
2025. The following tables summarize the changes for Level 3 items measured at fair value on a recurring basis using significant unobservable inputs (in thousands).

	Private Placement Warrants
Fair value as of December 28, 2025	$ 6,578
Change in fair value	(6,397)
Fair value as of April 5, 2026	$ 181

	Private Placement Warrants
Fair value as of December 29, 2024	$ 28,380
Change in fair value	(15,796)
Fair value as of March 30, 2025	$ 12,584

The following table summarizes the key assumptions used for determining the fair value of the Private Placement warrants.

	Private Placement Warrants Outstanding as of April 5, 2026	Private Placement Warrants Outstanding as of December 28, 2025
Expected term (in years)	0.3	0.5
Expected volatility	75.2%	90.8%
Risk-free interest rate	3.7%	3.6%
Expected dividend rate	0.0%	0.0%

Convertible Senior Notes and Long-term Loans

We consider the fair value of our convertible senior notes to be a Level 2 measurement as they are not actively traded in the market. As of April 5, 2026, the fair values of the 2028 Convertible Senior Notes and the 2030 Convertible Senior Notes were approximately $135.1 million and $326.7 million, respectively. As of December 28, 2025, the fair values of the 2028 Convertible Senior Notes and 2030 Convertible Senior Notes were approximately $164.4 million and $359.6 million, respectively. As of April 5, 2026, we consider the fair value of the other long-term loans as approximately equal to their carrying values of $0.4 million.

Note 4. Inventory

Inventory consists of the following components (in thousands).

	As of April 5, 2026	As of December 28, 2025
Raw materials	$ 8,380	$ 6,620
Work-in-process	7,021	6,091
Finished goods	1,050	906
Total inventory	$ 16,451	$ 13,617

Inventory is stated at the lower of cost or net realizable value ("NRV") on a first-in and first-out basis. Inventory costs include direct materials, direct labor, and manufacturing overhead. When the estimated net realizable values are below the manufacturing costs, a charge to cost of revenue is recorded for finished goods and work in process inventories.

As of both April 5, 2026 and December 28, 2025, we had an immaterial amount of inventory reserve, including excess or obsolete inventory reserve.

Note 5. Leases

We have operating lease agreements primarily for offices and manufacturing spaces located in various locations with lease periods expiring between 2026 and 2031, some of which include options to extend the leases for up to five years.

The components of lease costs were as follows (in thousands):

	Fiscal Quarters Ended	
	April 5, 2026	March 30, 2025
Operating lease cost	$ 1,233	$ 1,112

Supplemental lease information:

Operating leases	As of April 5, 2026	As of December 28, 2025
Weighted-average remaining lease term	4.0 years	4.8 years
Weighted-average discount rate	8.7%	8.5%

Supplemental cash flow information related to leases is as follows (in thousands):

	Fiscal Quarters Ended	
	April 5, 2026	March 30, 2025
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	$ 1,299	$ 1,185

Maturities of Lease Liabilities

The following is a schedule of maturities of lease liabilities as of April 5, 2026 (in thousands).

	Operating leases
2026 (remaining nine months)	$ 3,016
2027	4,074
2028	4,142
2029	3,023
2030	1,277
Thereafter	5
Total	15,537
Less: imputed interest	(1,344)
Present value of lease liabilities	$ 14,193

Note 6. Borrowings

Short-Term Debt

Our asset secured loans have fixed and floating interest rates with various maturity dates. From time to time, we renew our short-term loans once they reach the maturity dates. The current portion of long-term loans is recorded as short-term debt based on time remaining until maturity. As of April 5, 2026, short-term debt was $9.4 million, which comprised of $9.2 million of short-term loans with less than one-year term, and $0.2 million of the current portion of long-term loans. As of December 28, 2025, short-term debt was $9.9 million, which comprised of $9.7 million of short-term loans with less than one-year term, and $0.2 million of the current portion of long-term loans. As of April 5, 2026 and December 28, 2025, the weighted average interest rates on the short-term loans were approximately 5.0%. and 4.8%, respectively.

Long-Term Debt

Our long-term debt, net consists of the following (in thousands).

	Annual Interest Rate	Maturity Date	As of April 5, 2026	As of December 28, 2025
2028 Convertible Senior Notes	3.00 %	May 1, 2028	$ 172,500	$ 172,500
2030 Convertible Senior Notes	4.75 %	September 15, 2030	360,000	360,000
Long-term loans				
Floating rate	3.40 %	June 30, 2027	135	173
Floating rate	3.40 %	June 30, 2028	249	287
Total Convertible Senior Notes and other borrowings			532,884	532,960
Less: unamortized debt issuance costs			(12,504)	(13,459)
Long-term debt			520,380	519,501
Current portion of long-term debt			(220)	(230)
Long-term debt, net			$ 520,160	$ 519,271

Long-term Loans

As of April 5, 2026 and December 28, 2025, total long-term loans outstanding were $0.4 million and $0.5 million, respectively, including a current portion of the long-term loans of $0.2 million for both periods, respectively.

2030 Convertible Senior Notes

On September 15, 2025, we issued $360.0 million aggregate principal amount of convertible senior notes (the “2030 Convertible Senior Notes”), pursuant to an indenture, dated as of September 15, 2025 (the “Indenture”), between the Company and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”). The 2030 Convertible Senior Notes are unsecured obligations of the Company and bear interest at a rate of 4.75% per year from September 15, 2025, and will be payable semiannually in arrears on March 15 and September 15 of each year, beginning on March 15, 2026. The 2030 Convertible Senior Notes will mature on September 15, 2030, unless earlier converted, redeemed or repurchased. For both periods ended April 5, 2026 and December 28, 2025, the total principal amount outstanding of the 2030 Convertible Senior Notes was $360.0 million.

2028 Convertible Senior Notes

On April 20, 2023, we issued $172.5 million aggregate principal amount of 3.0% convertible senior notes due 2028 (the “2028 Convertible Senior Notes”), including $10.0 million principal amount of the 2028 Convertible Senior Notes (the “Affiliate Notes”) issued to an entity affiliated with Thurman John Rodgers, Chairman of our Board of Directors, in a concurrent private placement. As of both periods ended April 5, 2026 and December 28, 2025, the total principal amount outstanding of the 2028 Convertible Senior Notes was $172.5 million.

The 2028 Convertible Senior Notes are unsecured obligations of the Company and bear interest at a rate of 3.0% per year from April 20, 2023, and will be payable semiannually in arrears on May 1 and November 1 of each year, beginning on November 1, 2023. The 2028 Convertible Senior Notes will mature on May 1, 2028 unless earlier converted, redeemed or repurchased.

The following table summarizes the interest expenses related to the convertible senior notes and loans, which are recorded within Interest expense in the Condensed Consolidated Statements of Operations (in thousands).

	Fiscal Quarter Ended	
	April 5, 2026	March 30, 2025
Coupon interest	$ 5,933	$ 1,294
Amortization of debt issuance costs	954	280
Total interest expense on Convertible Senior Notes	6,887	1,574
Loan interest	121	142
Total interest expenses related to Convertible Senior Notes and loans	$ 7,008	$ 1,716

As of April 5, 2026 and December 28, 2025, we had $3.2 million and $5.8 million of accrued interest liability, respectively.

Debt Maturity

The following table summarizes our long-term debt maturities, based on outstanding principal by years (in thousands).

	Debt Maturity
2026 (remaining nine months)	$ 165
2027	165
2028	172,554
2029	—
2030	360,000
Total gross amount of long-term debt	$ 532,884

Note 7. Commitments and Contingencies

Purchase Commitments

As of April 5, 2026 and December 28, 2025, our commitments included approximately $4.0 million and $5.3 million, respectively, of our open purchase orders and contractual obligations that occurred in the ordinary course of business, including commitments with contract manufacturers and suppliers for which we have not received goods or services, commitments for capital expenditures and construction-related activities for which we have not received the goods or services. Although open purchase orders are considered enforceable and legally binding, the terms generally allow us an option to cancel, reschedule, and adjust its requirements based on our business needs prior to the delivery of goods or performance of services. For lease obligations, please refer to Note 5 “Leases” for more details. For the Convertible Senior Notes obligation and other borrowings, please refer to Note 6 “Borrowings” for more details.

Performance Obligations

As of April 5, 2026, we had $4.6 million of performance obligations, which comprised of total deferred revenue and customer order deposits. We currently expect to recognize approximately 93% of deferred revenue as revenue within the next twelve months.

Litigation

From time to time, we are subject to a variety of claims, lawsuits, investigations, and proceedings concerning matters arising in connection with our business activities, including product liability, intellectual property, commercial, insurance, securities laws, contract disputes, and employment matters. Certain of these lawsuits and claims are described in further detail below. We intend to vigorously defend against each of these allegations.

A liability and related charge to earnings is recorded in the condensed consolidated financial statements for legal contingencies when the loss is considered probable and the amount can be reasonably estimated. The assessment is re-evaluated each accounting period and is based on all available information, including the impact of negotiations, settlements, rulings, advice of legal counsel, and other information and events pertaining to each case. The outcomes of outstanding legal matters are inherently unpredictable and subject to uncertainties. While there can be no assurance of favorable outcome of these legal matters, we currently believe that the outcome of these matters will not have a material adverse effect on our results of operations, liquidity or financial position.

Securities Class Action Complaint

In January 2023, purported Company stockholders filed securities class action complaints in the U.S. District Court for the Northern District of California against Enovix and certain of its current and former officers and directors (collectively, the "defendants"). The complaints, which were later consolidated, allege violations of Sections 10(b) and 20(a) of the Exchange Act, and Rule 10b-5 promulgated thereunder, relating to alleged material misstatements or omissions in public statements related to our manufacturing scale-ups and testing of new equipment. Following consolidation of the cases and court appointment of two purported Company stockholder lead plaintiffs, a consolidated complaint, In re to Enovix Corp. Securities Litigation, Case No. 23-cv-00071-SI (N.D. Cal.), was filed in July 2023. The consolidated complaint alleges substantially similar claims, including allegations that the defendants made material misstatements or omissions in public statements related to testing of new equipment.

The court granted the motion to dismiss the consolidated complaint in January 2024. The plaintiffs subsequently filed a second amended complaint in March 2024. The plaintiffs seek unspecified damages, interest, fees and costs on behalf of a putative class of persons and entities that purchased and/or acquired shares of Enovix or its predecessor entity's common stock between August 10, 2021 and October 3, 2023.

In July 2024, the court issued an order granting, in part, and denying in part defendants' motion to dismiss. In June 2025, we filed a motion for partial judgment on the pleadings to eliminate certain alleged misstatements currently at issue in the case. In October 2025, the court granted our motion in full and dismissed two of the three remaining statements at issue in the litigation.

The case is now proceeding on the one statement at issue. A hearing on the plaintiffs' renewed motion for class certification was held and on April 21, 2026, the court denied plaintiffs' motion for class certification. On May 5, 2026, plaintiffs filed a petition for leave to appeal the denial of class certification. Defendants will oppose that petition and any subsequent appeal, if the petition is granted.

In November 2024, a related derivative lawsuit was filed in Alameda County, California, which lawsuit has been stayed pending resolution of the securities action. In March 2026, two other derivative lawsuits were filed in the Northern District of California and the District of Delaware alleging substantially similar claims.

In September 2024, we received demands under Section 220 of the Delaware General Corporation Law for corporate books and records ("Section 220 Demand") from two stockholders related to the foregoing matter. However, we received notice in November 2025 from one of the stockholders, and in March 2026 from the second stockholder, that they would no longer be pursuing their Section 220 Demand.

Based on information currently available, we have not recorded a liability related to these matters in our condensed consolidated financial statements as of April 5, 2026, because we cannot reasonably estimate the amount or range of potential losses.

Guarantees and Indemnifications

In the normal course of business, we enter into contracts and agreements that contain a variety of representations and warranties and provide for general indemnifications. In addition, we purchased performance bonds to guarantee our performance obligations for certain projects. Our exposure under these agreements is unknown because it involves claims that may be made against us in the future but have not yet been made. To date, we have not paid any claims or been required to defend any action related to the indemnification obligations. However, we may record charges in the future as a result of these indemnification obligations.

We also have indemnification obligations to our officers and directors for specified events or occurrences, subject to some limits, while they are serving at our request in such capacities. There have been no claims to date and we have director and officer insurance that may enable us to recover a portion of any amounts paid for future potential claims. We believe the fair value of these indemnification agreements is minimal. Accordingly, we have not recorded any liabilities relating to these obligations for the periods presented.

Note 8. Treasury Stock and Warrants

Common Stock Repurchase Plan

In June 2025, our Board of Directors approved a stock repurchase plan authorizing the Company to repurchase up to $60.0 million worth of shares of our common stock (the "Repurchase Plan"), of which $58.4 million was used to repurchase stock during fiscal year 2025. The Repurchase Plan was to initially set to expire on December 31, 2026 and prior to its adoption, we did not have a repurchase plan in place.

In February 2026, our Board of Directors authorized us to repurchase up to an additional $75.0 million worth of shares of the Company's common stock, $0.0001 par value per share, under the Repurchase Plan and also designated that the Repurchase Plan would no longer have an expiration date.

As of April 5, 2026 and December 28, 2025, we had $76.6 million and $1.6 million, respectively, available for repurchases of common stock under the Repurchase Plan.

We may make repurchases from time to time through open market purchases or through privately negotiated transactions. Pursuant to the Repurchase Plan, the timing and number of shares of common stock repurchased will be determined at our discretion. We may modify, suspend or discontinue the Repurchase Plan at any time and we are not obligated to repurchase any specific number of shares of common stock.

Private Placement Warrants

The 5,500,000 Private Placement Warrants outstanding were originally issued in a private placement to the Sponsor and certain of its members on December 5, 2021. Each whole Private Placement Warrant became exercisable for one whole share of our common stock at a price of $10.66 per share.

As of April 5, 2026 and December 28, 2025, we had 5,500,000 Private Placement Warrants outstanding. See Note 3 "Fair Value Measurement" for more information.

Note 9. Net Loss per Share

The following table sets forth the computation of our basic and diluted net EPS of common stock for the periods presented below (in thousands, except share and per share amount).

	Fiscal Quarters Ended	
	April 5, 2026	March 30, 2025
Numerator:		
Net loss attributable to common stockholders - basic and diluted	$ (38,260)	$ (23,510)
Denominator:		
Weighted-average shares outstanding used in computing net loss per share of common stock - basic and diluted	217,371,926	203,328,890
Net loss per share of common stock[(1)]*:*		
Basic and diluted	$ (0.18)	$ (0.12)

[(1)] As required by ASC 260, Earnings Per Share, the share and per share amounts presented in the above table for the fiscal quarter ended March 30, 2025 have been retroactively adjusted to reflect the warrant dividend issued in July 2025 (see Note 12 “Treasury Stock, Warrant Dividend and Warrants” in the Annual Report on Form 10-K for more details).

The following reconciliation table shows the effect of the warrant dividend on the previously reported shares and net loss per share amount (in thousands, except share and per share amount).

	Fiscal Quarter Ended
	March 30, 2025
Numerator:	
Net loss attributable to common stockholders, basic and diluted (as reported)	$ (23,510)
Denominator:	
Weighted-average shares of common stock outstanding, basic and diluted (as reported)	191,304,975
Effect of the Warrants	12,023,915
Weighted-average shares of common stock outstanding, basic (as adjusted)	203,328,890
Net loss per share of common stock:	
Basic and diluted (as reported)	$ (0.12)
Basic and diluted (as adjusted)	(0.12)

The following table discloses shares of the securities that were not included in the diluted EPS calculation above because they are anti-dilutive for the periods presented above.

	Fiscal Quarters Ended	
	April 5, 2026	March 30, 2025
Stock options outstanding	1,157,854	1,656,430
Restricted stock units and performance restricted stock units outstanding	16,381,270	10,292,573
Assumed conversion of Convertible Senior Notes	43,171,560	11,053,800
Private Placement Warrants outstanding	5,500,000	5,500,000
Employee stock purchase plan estimated shares	318,714	238,368

Note 10. Stock-based Compensation

We issue equity awards to our employees and non-employees in the form of stock options, restricted stock units ("RSUs") and performance based RSUs ("PRSUs"). Additionally, we also offer an employee stock purchase plan ("ESPP") to our eligible employees. We use Black-Scholes option pricing model to value our stock options granted and the estimated shares to be purchased under the ESPP. For both RSUs and PRSUs, we use our common stock price, which is the last reported sales price on the grant date to value those securities.

In general, we recognize stock-based compensation expense on a straight-line basis over the requisite service period and record forfeitures as they occur. For PRSUs, we use the graded vesting method to calculate the stock-based compensation expense. At each reporting period, we recognize and adjust the stock-based compensation expense based on its probability assessment in meeting its PRSUs' performance conditions.

Stock-based Compensation Expense

The following table summarizes the total stock-based compensation expense, by operating expense category, recognized in the Condensed Consolidated Statements of Operations for the periods presented below (in thousands).

	Fiscal Quarters Ended	
	April 5, 2026	March 30, 2025
Cost of revenue	$ 445	$ 121
Research and development	5,070	6,355
Selling, general and administrative	6,250	5,538
Total stock-based compensation expense	$ 11,765	$ 12,014

For the fiscal quarter ended April 5, 2026, we capitalized $0.4 million of stock-based compensation as property and equipment, net on the Condensed Consolidated Balance Sheet. No amounts of stock-based compensation were capitalized as property and equipment for the fiscal quarter ended March 30, 2025. There was no recognized tax benefit related to stock-based compensation for the periods presented. In addition, we accrued $2.0 million of bonus to be settled in equity awards as accrued compensation on the Condensed Consolidated Balance Sheet as of April 5, 2026.

As of April 5, 2026, there was approximately $104.9 million of total unrecognized stock-based compensation expense related to unvested equity awards, which are expected to be recognized over a weighted-average period of 2.9 years. As of April 5, 2026, there was approximately $0.4 million of total unrecognized stock-based compensation related to the ESPP, which is expected to be recognized over a period of 1.09 years.

Stock Option Activity

The following table summarizes stock option activities for the fiscal year-to-date ended April 5, 2026 (in thousands, except share, per share and contractual life amounts).

	Number of Options Outstanding	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value [(1) (2)]
Balances as of December 29, 2025	1,206,554	$ 9.69	5.2	$ 219,125
Exercised	(4,730)	0.05		
Forfeited	(43,970)	9.81		
Balances as of April 5, 2026	1,157,854	$ 9.72	5.0	$ 97
Vested and expected to vest at April 5, 2026	1,157,855	$ 9.72	5.0	$ 97
Vested and exercisable at April 5, 2026	1,147,535	$ 9.72	5.0	$ 97
Unvested and exercisable at April 5, 2026	8,860	$ 9.26	5.0	$ —

(1) The intrinsic value of options exercised is based upon the value of our stock at exercise.

(2) The aggregate intrinsic value of the stock options outstanding as of April 5, 2026 represents the value of our closing stock price at $5.06 on the last trading day of the quarter ended April 5, 2026 in excess of the exercise price multiplied by the number of options outstanding.

Restricted Stock Unit and Performance Restricted Stock Unit Activities

The following table summarizes RSUs and PRSUs activities for the fiscal year-to-date ended April 5, 2026 (in thousands, except share and per share amount).

	RSUs		PRSUs	
	Number of Shares Outstanding	Weighted Average Grant Date Fair Value	Number of Shares Outstanding	Weighted Average Grant Date Fair Value
Issued and unvested shares balances as of December 29, 2025	10,336,628	$ 8.75	2,047,638	$ 7.51
Granted	4,957,967	5.09	2,235,107	4.97
Vested	(1,282,956)	9.10	—	—
Forfeited	(1,020,526)	10.17	(892,588)	7.42
Issued and unvested shares outstanding as of April 5, 2026	12,991,113	$ 7.20	3,390,157	$ 5.93

Note 11. Related Parties

Employment Relationship

As of April 5, 2026, we employed one family member of our Chief Executive Officer, who assists with sales in North America.

Affiliate Notes

On April 20, 2023, we issued $172.5 million aggregate principal amount of the 2028 Convertible Senior Notes, which included $10.0 million principal amount of the Affiliate Notes that were issued to an entity affiliated with Thurman John “T.J.” Rodgers, our Chairman, in a concurrent private placement. The Affiliate Notes were recorded in Long-term debt, net on our Condensed Consolidated Balance Sheets. See Note 6 “Borrowings” for more information.

For both the fiscal quarters ended April 5, 2026 and March 30, 2025, we recorded an immaterial amount of interest expense related to the Affiliate Notes in our Condensed Consolidated Statements of Operations.

Note 12. Subsequent Events

In April 2026, we entered into a renewal of tenancy agreement with the landlord of our Fab2 facility. The renewal provides for a term of one year commencing August 1, 2026 and expiring July 31, 2027, with monthly rental payments of approximately RM 962,267 (approximately $0.2 million U.S. dollars per month at current exchange rates). In connection with the renewal, the Company is required to pay an additional security deposit of RM 767,938.30, bringing the total security deposit to RM 2,886,801.30. The renewal is subject to the consent of the Penang Development Corporation and other applicable Malaysian regulatory authorities.

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

The following discussion and analysis of financial condition and results of operations should be read together with the condensed consolidated financial statements and related notes thereto included elsewhere in this Quarterly Report on Form 10-Q. This discussion and analysis contains forward-looking statements based upon our current expectations, estimates and projections that involve risks and uncertainties. Actual results and timing of selected events may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth in the section titled "Risk Factors" and elsewhere in this Quarterly Report on Form 10-Q.

Business Overview

We design, develop and manufacture advanced lithium-ion batteries, including our proprietary silicon-anode architecture that enables higher energy density and performance relative to conventional battery cells, particularly in space-constrained devices such as smartphones, smart eyewear and next generation AI-enabled devices. We have expanded our suite of battery offerings through acquisitions and now also manufacture conventional lithium-ion batteries, primarily serving customers in the defense and industrial sectors.

To date, we have concentrated our operational efforts on researching, developing and commercializing the next generation technology behind our silicon-anode lithium-ion battery cell architecture. Most recently, we launched the AI-1™ product platform, our Artificial Intelligence Class™ batteries for the next generation of mobile smartphones, smart eyewear and other AI-enabled devices that require significantly higher total energy storage and power to perform AI functions locally. We also serve customers in defense and industrial markets through our conventional and silicon-doped graphite battery products across a range of battery sizes and configurations optimized for high discharge rate applications, such as drones, subsea systems, and munitions defense systems.

Drones represent another priority area of focus, as we believe our products provide a strong competitive advantage for serving customers that are increasingly prioritizing higher energy density, extended flight time, and supply-chain diversification. In addition to the smartphone, smart eyewear and defense and industrial markets, we are pursuing deployment of our technology across other edge-AI applications, as well as computing and EVs, among others.

We currently lease several facilities, including our headquarters in Fremont, California, and our manufacturing facility in Malaysia. Our manufacturing operations are conducted in Malaysia and South Korea, supporting both our next-generation silicon-anode platform and our conventional lithium-ion battery products. We have transitioned our prior U.S. pilot manufacturing activities to Malaysia and continue to focus on manufacturing execution, operational efficiency, and capacity planning to support commercialization efforts. Our research and development activities are conducted primarily in California, India, and South Korea and are focused on cell architecture, materials integration, and manufacturing process optimization. We also recently opened a sales office in Shenzhen, China.

Key Trends, Opportunities and Uncertainties

We generate revenue from the sale of batteries and battery pack products ("Product Revenue"). Our performance and future success depend on several factors that present significant opportunities, but also pose risks and challenges as described in the section titled "Risk Factors" included elsewhere in this Quarterly Report on Form 10-Q.

Advanced smartphone qualification and commercialization efforts. Advanced smartphone qualification is progressing with our lead smartphone Original Equipment Manufacturer ("OEM") customer, Honor, and a second smartphone OEM. We have aligned with our lead customer on utilizing a silicon-specific evaluation framework for cycle-life testing that we believe better reflects real-world usage conditions for silicon-anode batteries than legacy testing methods. A second smartphone OEM customer has also aligned with the removal of select legacy requirements for silicon-anode batteries and we are in discussions on a replacement qualification framework expected to be consistent with the foregoing silicon-specific evaluation framework. These updated protocols increase testing rigor and duration rather than reduce qualification requirements. However, the ultimate timing on such qualification is outside of our control, and there can be no assurance as to when qualification will be completed.

Expanded customer engagement and commercial traction across end markets. Our engagement with customers continues to expand across AI-powered applications requiring high energy density in compact form factors. We have commenced early production and initial shipments of our smart eyewear platform, representing our first scaled commercial proof point for our 100% silicon-anode architecture.

We have also secured additional design wins in defense, drone, and industrial applications, with deployments expected to begin in 2027. Our global pipeline for products manufactured in South Korea has grown to more than $130 million as of the end of the first quarter of 2026, driven primarily by increased demand in drone applications, where demand for high-performance, non-China supply continues to outpace available Western supply. Our revenue remains concentrated in a small number of South Korean defense customers, and therefore the loss of any such customer would have a material impact on our revenues in the near term. Furthermore, this concentration also exposes us to risks specific to defense procurement, including Korean government budget cycles, procurement decisions, program cancellations or deferrals, and geopolitical factors affecting the Korean Peninsula and broader Northeast Asia region. Changes in South Korean defense priorities or reductions in procurement budgets for unmanned systems, drone platforms, subsea applications, or other programs utilizing our batteries could materially reduce demand from our primary customer base.

Advanced technology development roadmap. We produced our initial AI-2 engineering samples for smart eyewear applications incorporating EX-3M technology innovations, which are expected to deliver more than 20% improved volumetric energy density relative to our AI-1 product. Customer sampling is planned for the second quarter of 2026, with initial commitments from several leading technology companies. We anticipate that these EX-3M innovations will support performance gains for future smartphone batteries. To further support defense, drone, and industrial customers, we are also launching our "Mission Execution" platform (MX-1), a silicon-enhanced battery product line designed for high-performance applications, including aerial drones. We are targeting an MX-2 version of this line in 2027, with a goal of continuing to increase energy density.

Improved manufacturing readiness and execution. We are continuing to advance execution at Fab2 in Malaysia, achieving step-level yields of approximately 80% in Zone 1 dicing operations, with yields in most other production zones nearing or exceeding 90%. We have implemented a hybrid dicing configuration strategy combining laser and mechanical processes to improve throughput and support increasing production volumes as commercialization progresses. Fab2 has not yet produced smartphones at commercial volume, and the transition to high-volume manufacturing involves execution risks that remain unresolved. Capital expenditure payments are expected to increase materially in the future quarters primarily attributable to the settlement of previously deferred Fab2 equipment invoices and initial funding commitments associated with the South Korea capacity expansion initiative.

Delivered strong revenue growth and continued gross margin improvement. First quarter 2026 revenue of $7.6 million increased 49% year-over-year, driven primarily by defense and industrial shipments. Gross margin improved to 20.4% in the first quarter of 2026, up from 5.1% in the first quarter of 2025, representing our sixth consecutive quarter of positive gross profit. Gross margins are subject to fluctuation from period to period based on product mix, as shipments across defense, industrial, and consumer applications carry different margin profiles.

Maintained solid liquidity while investing in growth. Net cash used in operating activities was $33.1 million for the first quarter of 2026, compared to $16.9 million in the first quarter of 2025, reflecting investments in manufacturing scale-up, inventory build in South Korea, the timing of the semi-annual convertible note interest payment, and working capital movements. We ended the quarter with approximately $582.7 million in cash, cash equivalents, and investments to support ongoing qualification and commercialization activities.

Access to Capital. Assuming we do not experience any significant delays in the research and development and manufacturing of our products or any deterioration in our capital efficiency, we believe we will meet our longer-term expected future cash requirements and obligations. We believe we will be able to do this through a combination of available cash, cash equivalents, investments and future debt financings, projected revenues and access to other public or private equity offerings and potential strategic arrangements.

Global Risks. Our manufacturing operations in Malaysia and South Korea, and our supply chain for raw materials and components, are subject to evolving trade policies, tariffs, export restrictions, and geopolitical tensions. We face risks related to significant changes in United States trade policy, including tariffs on products imported from China and other countries and potential retaliatory actions by those countries. Escalating geopolitical tensions, changes in tariff regimes affecting components sourced from or processed in China, or disruptions to our Malaysia-based manufacturing operations could increase our cost of production and adversely affect our margins and competitive position. Although we do not currently anticipate a material change in risk to our near-term outlook from the existing trade environment, the extent and future outcome of these global risks are highly unpredictable and uncertain and may adversely affect our future financial condition, results of operations, and cash flows.

Components of Results of Operations

Revenue

In June 2022, we began to generate revenue from our Fab1 in Fremont, California. In October 2023, we acquired Routejade, a manufacturer of electrode coating and battery packs for customers worldwide. We recognize revenue within the scope of Accounting Standards Codification (“ASC”) 606, *Revenue from Contracts with Customers.*

Our revenue consists of product revenue, resulting from the sale of lithium-ion batteries and battery pack products (“Product Revenue”) to customers. Product Revenue is recognized once we have satisfied the performance obligations as defined in the sales agreement, which is generally satisfied upon transfer of control of goods. Control is transferred upon delivery of the product. For certain customized products with customer acceptance criteria specified in the sales agreement, the performance obligations are generally satisfied upon our customer’s acceptance. Payment terms can vary depending on the contract and it is generally required within 90 days or less from the delivery date or the acceptance date of our product. The amount of revenue recognized reflects the consideration for the product sold.

Cost of Revenue

Cost of revenue includes materials, labor, depreciation and amortization expense, freight costs and other direct costs related to manufacturing our products and service contracts. Labor consists of personnel-related expenses such as salaries, benefits, and stock-based compensation. We anticipate that cost of revenue will continue to increase as we optimize and expand our production line.

Our inventory is stated at the lower of cost or net realizable value (“NRV”) on a first-in and first-out basis. Determining net realizable value of finished goods and work in process inventories involves projecting average selling prices. When the estimated net realizable values are below the manufacturing costs, a charge to cost of revenue is recorded.

Capitalization of certain costs are recognized as an asset if they relate directly to a customer contract, generate or enhance resources of the entity that will be used in satisfying future performance obligations, and are expected to be recovered. If these three criteria are not met, the costs are expensed in the period incurred. Deferred costs are recognized as cost of revenue in the period when the related revenue is recognized.

Operating Expenses

Research and Development Expenses

Research and development expenses consist of engineering services, allocated facilities costs, depreciation, development expenses, materials, labor and stock-based compensation related primarily to our (i) technology development, and (ii) design, construction, and testing of preproduction prototypes and models. Research and development costs are expensed as incurred.

To date, research and development expenses have consisted primarily of personnel-related expenses for scientists, experienced engineers and technicians, as well as costs associated with the expansion and ramp up of our engineering and manufacturing facility, materials and supplies to support the product development and process engineering efforts. As we ramp up our engineering operations to complete the development of batteries and required process engineering to meet customer specifications, we anticipate that research and development expenses will continue to increase as we expand hiring of scientists, engineers and technicians and continue to invest in additional plant and equipment for product development, building prototypes and testing of batteries. We have a research and development center in India to focus on developing machine learning algorithms, battery modeling, material screening and electrolyte optimization. We also have a research and development team in Malaysia.

Selling, General, and Administrative Expenses

Selling, general and administrative expenses consist of personnel-related expenses, marketing expenses, allocated facilities expenses, depreciation expenses, travel expenses, acquisition costs, and professional services expenses, including legal, human resources, audit, accounting and tax-related services. Personnel-related costs consist of salaries, benefits and stock-based compensation. Facilities costs consist of rent and maintenance of facilities.

Other Income (Expense)

Other income and expense primarily consists of dividend income, interest income, interest expense, foreign currency transaction gain or loss and fair value adjustments for outstanding common stock warrants.

Income Tax

Our income tax provision consists of an estimate for U.S. federal, state and foreign income taxes based on enacted rates, as adjusted for allowable credits, deductions, uncertain tax positions, changes in deferred tax assets and liabilities, and changes in the tax law. We maintain a valuation allowance against the full value of our U.S. and state net deferred tax assets because we believe the recoverability of the tax assets is not more likely than not. We are subject to foreign statutory taxation for our international operations.

Results of Operations

Comparison of the fiscal quarter ended April 5, 2026 to the fiscal quarter ended March 30, 2025

The following table sets forth our condensed consolidated operating results for the periods presented below (in thousands):

	Fiscal Quarters Ended			
	April 5 2026	March 30 2025	Change ($)	Change (%)
Revenue:				
Product revenue	$ 7,600	$ 5,098	$ 2,502	49%
Revenue	7,600	5,098	2,502	49%
Cost of revenue:				
Product cost	6,048	4,837	1,211	25 %
Cost of revenue	6,048	4,837	1,211	25 %
Gross profit	1,552	261	1,291	495 %
Operating expenses:				
Research and development	26,528	25,929	599	2 %
Selling, general and administrative	18,919	16,892	2,027	12 %
Total operating expenses	45,447	42,821	2,626	6 %
Loss from operations	(43,895)	(42,560)	(1,335)	3 %
Other income (expense):				
Change in fair value of common stock warrants	6,397	15,796	(9,399)	(60)%
Interest income	5,776	2,434	3,342	137 %
Interest expense	(7,008)	(1,716)	(5,292)	308 %
Other income, net	343	2,353	(2,010)	(85)%
Total other income (expense), net	5,508	18,867	(13,359)	(71)%
Loss before income tax benefit	(38,387)	(23,693)	(14,694)	62 %
Income tax benefit	(129)	(162)	33	(20)%
Net loss	$ (38,258)	$ (23,531)	$ (14,727)	63 %

Revenue

Revenue for the fiscal quarter ended April 5, 2026 was $7.6 million, compared to $5.1 million for the fiscal quarter ended March 30, 2025. The increase in revenue of $2.5 million, or 49%, was principally due to increased product shipments from our South Korea facility to defense contractors, industrial customers, and consumer electronics customers.

As of April 5, 2026 and December 28, 2025, we had $4.6 million and $5.3 million of deferred revenue on our Condensed Consolidated Balance Sheets, respectively.

Cost of Revenue

Cost of revenue for the fiscal quarter ended April 5, 2026 was $6.0 million, compared to $4.8 million for the fiscal quarter ended March 30, 2025. The increase in cost of revenue of $1.2 million, or 25%, was primarily attributable to higher production volume during the fiscal quarter ended April 5, 2026.

Research and Development Expenses

Research and development ("R&D") expenses during the fiscal quarter ended April 5, 2026 were $26.5 million, compared to $25.9 million during the fiscal quarter ended March 30, 2025. The increase of $0.6 million, or 2%, was primarily attributable to higher depreciation expense of $0.8 million related to the assets placed into service for Fab2 and assets acquired from SolarEdge Technology Korea in the second fiscal quarter of 2025, as well as higher materials and tooling expenses of $1.0 million to support the build-out of Fab2. These increases were offset by a decrease of $1.0 million in stock-based compensation expense.

Selling, General and Administrative Expenses

Selling, general and administrative expenses for the fiscal quarter ended April 5, 2026 were $18.9 million, compared to $16.9 million for the fiscal quarter ended March 30, 2025. The increase of $2.0 million, or 12%, was primarily attributable to a $1.2 million increase of stock-based compensation expense, $0.6 million in professional fees and higher depreciation expense of $0.4 million related to the assets acquired from SolarEdge Technology Korea in the second fiscal quarter of 2025. These increases were partially offset by a one-time property tax refund of $0.6 million resulted from a county audit concluded during fiscal quarter ended April 5, 2026.

Change in Fair Value of Common Stock Warrants

For the fiscal quarter ended April 5, 2026, the change in fair value of common stock warrants of $6.4 million was mainly attributable to a decrease in the fair value of the 5,500,000 Private Placement Warrants (as defined in Note 3 “Fair Value Measurement” of our Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q). For the fiscal quarter ended March 30, 2025, the change in fair value of common stock warrants of $15.8 million was attributable to a decrease in the fair value of the 5,500,000 Private Placement Warrants.

The decrease in fair value of the Private Placement Warrants in each of these periods was primarily due to a decrease in our common stock price during the respective fiscal quarter.

Interest Income

Interest income for fiscal quarter ended April 5, 2026 was $5.8 million, compared to $2.4 million during the fiscal quarter ended March 30, 2025. The increase of $3.3 million, or 137%, was primarily attributable to higher average cash balance and yields earned on short-term and long-term investments.

Interest Expense

Interest expense for the fiscal quarter ended April 5, 2026 was $7.0 million, compared to $1.7 million for the fiscal quarter ended March 30, 2025. The increase of $5.3 million, or 308%, was primarily attributable to the issuance of additional convertible senior notes in the third fiscal quarter of 2025.

Other Income, Net

Other income, net for the fiscal quarter ended April 5, 2026 was $0.3 million, which primarily consisted of foreign currency loss resulting from the strengthening of Malaysian ringgit as compared to the U.S. dollar, offset by a weakening of the South Korean won.

Other income, net for the fiscal quarter ended March 30, 2025 was $2.4 million, which primarily consists of a one-time import duty forgiveness of $2.4 million.

Income Tax Benefit

Income tax benefit for the fiscal quarter ended April 5, 2026 was $0.1 million compared to an income tax benefit of $0.2 million for fiscal quarter ended March 30, 2025. The tax benefit was calculated based on the estimated annual effective tax rate. The decrease of $0.1 million in tax benefit was primarily attributable to lower income tax benefit on the losses generated from certain foreign jurisdictions.

Liquidity and Capital Resources

We have incurred operating losses and negative cash flows from operations since inception through April 5, 2026 and expect to continue to incur operating losses for the foreseeable future. As of April 5, 2026, we had cash, cash equivalents, restricted cash, and short-term and long-term investments of $582.7 million, working capital of $507.6 million and an accumulated deficit of $1.02 billion.

Material Cash Requirements

We use cash to fund operations, meet working capital requirements and fund our capital expenditures. For the remainder of fiscal year 2026, we expect that our cost of revenues and operating expenses will continue to increase as we ramp up our Fab2 operations.

For the fiscal year-to-date ended April 5, 2026, we used $3.2 million of our cash to fund our acquisitions of property and equipment. We will continue to increase our property and equipment purchases in the near future to support the build-out of our manufacturing facilities and our battery manufacturing production. For more information regarding our purchase commitments, please see the contractual obligations and commitments section below.

Based on the anticipated spending and timing of expenditures to support operational development and market expansion, we currently expect that our cash will be sufficient to meet our funding requirements over the next twelve months from the date this Quarterly Report on Form 10-Q is filed. We believe we will meet longer-term expected future cash requirements and obligations through a combination of available cash, cash equivalents, operating cash flow improvement as revenue scales, and access to debt or equity capital markets. As of April 5, 2026, $76.6 million remained available under the Company's share repurchase program and the Company intends to evaluate repurchase activity on an opportunistic basis while prioritizing liquidity to support operational growth. We have made our estimates based on historical experience and various other relevant factors and we believe that they are reasonable. Actual results may differ from our estimates, and we could utilize our available capital resources sooner than we expect.

Summary of Cash Flows

The following table provides a summary of cash flow data for the periods presented below (in thousands).

	Fiscal Quarters Ended		
	April 5 2026	March 30 2025	Change ($)
Net cash used in operating activities	$ (33,072)	$ (16,907)	$ (16,165)
Net cash provided by (used in) investing activities	18,330	(64,371)	82,701
Net cash used in financing activities	(2,458)	(1,491)	(967)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(147)	(228)	81
Change in cash, cash equivalents, and restricted cash	$ (17,347)	$ (82,997)	$ 65,650

Fiscal Quarter Ended April 5, 2026 Compared to Prior Fiscal Quarter Ended March 30, 2025

Operating Activities

Our cash flows used in operating activities to date have been primarily comprised of operating expenses as we continue to ramp up our Fab2 operations. We expect our cash used in operating activities to increase significantly before we start to generate any material cash inflows from commercially manufacturing and selling our batteries.

Net cash used in operating activities was $33.1 million for the fiscal quarter ended April 5, 2026. Net cash used in operating activities consisted of a net loss of $38.3 million, adjusted for non-cash items and the effect of changes in working capital. Non-cash adjustments primarily include the change in fair value of the Private Placement Warrants of $6.4 million, stock-based compensation expense of $11.8 million and depreciation and amortization expense, net of accretion of $9.4 million.

Net cash used in operating activities was $16.9 million for the fiscal quarter ended March 30, 2025. Net cash used in operating activities consisted of a net loss of $23.5 million, adjusted for non-cash items and the effect of changes in working capital. Non-cash adjustments primarily include the change in fair value of Private Placement Warrants of $15.8 million, stock-based compensation expense of $12.0 million and depreciation and amortization expense, net of accretion on investments of $8.4 million.

Investing Activities

Our cash flows used in investing activities to date have been primarily comprised of purchases of property and equipment, as well as purchases of short-term and long-term investments. We expect the costs to acquire property and equipment will increase in the future as we continue to build-out our Fab2 facility, evaluate additional or alternative manufacturing capacity options and develop our battery manufacturing production lines in Malaysia.

Net cash provided by investment activities was $18.3 million for the fiscal quarter ended April 5, 2026, which primarily consisted of maturities of $125.0 million of investments, partially offset by $3.2 million of equipment purchases and $103.5 million of investment purchases.

Net cash used by investing activities for the fiscal quarter ended March 30, 2025 was $64.4 million, which primarily consisted of $6.3 million of equipment purchases and $58.1 million of short-term investment purchases.

Financing Activities

Net cash used in financing activities was $2.5 million for the fiscal quarter ended April 5, 2026, which primarily consisted of $1.7 million of payroll tax payments for shares withheld upon vesting of restricted stock units and $0.7 million used to fund the purchase of additional shares of Routejade from a minority shareholder.

Net cash used in financing activities was $1.5 million for the fiscal quarter ended March 30, 2025, which primarily consisted of $0.5 million of transaction costs related to a secondary offering in the fourth quarter of 2024, and $1.8 million of payroll tax payments for shares withheld upon vesting of restricted stock units, partially offset by $0.8 million of proceeds from the exercise of stock options to purchase our common stock.

Contractual Obligations and Commitments

As of April 5, 2026, we had $172.5 million aggregate principal amount of the 2028 Convertible Senior Notes outstanding with an interest rate of 3.0%, which will mature on May 1, 2028 unless earlier converted, redeemed or repurchased, and $360.0 million aggregate principal amount of the 2030 Convertible Senior Notes outstanding with an interest rate of 4.75%, which will mature on September 15, 2030 unless earlier converted, redeemed or repurchased. Please see Note 6 “Borrowings” of the notes to our condensed consolidated financial statements in Part I of this Quarterly Report on Form 10-Q for further information.

We lease our headquarters in Fremont, California and Malaysia, and offices in the Asia Pacific region. For the lease payment schedule, please see Note 5 “Leases” of the notes to our condensed consolidated financial statements in Part I of this Quarterly Report on Form 10-Q.

The lease for our Fab2 manufacturing facility was originally scheduled to expire in July 2026, however, in April 2026, we signed a one-year renewal extending the expiration to July 31, 2027. The monthly rental payments under the terms of the lease are approximately RM962,267 (approximately $0.2 million U.S. dollars per month). See Note 12 “Subsequent Events” of the notes to our condensed consolidated financial statements in Part I of this Quarterly Report on Form 10-Q for further details regarding the lease renewal. The Company is evaluating its alternatives, including facility purchase, alternative manufacturing site options and further extension of the lease to support long-term operational continuity and future growth.

We expect to enter into other commitments to support our product development, the build-out of our manufacturing facilities, and our business development, which are generally cancellable upon notice. Additionally, from time to time, we enter into agreements in the normal course of business with various vendors, which are generally cancellable upon notice. Payments due upon cancellation consist only of payments for services provided or expenses incurred, including non-cancellable obligations of service providers, up to the date of cancellation. As of April 5, 2026, our commitments included approximately $4.0 million of our open purchase orders, including equipment purchase orders, and contractual obligations that occurred in the ordinary course of business. For contractual obligations, please See Note 7 “Commitments and Contingencies” of the notes to our condensed consolidated financial statements in Part I of this Quarterly Report on Form 10-Q for further information.

Critical Accounting Policies and Estimates

The preparation of our condensed consolidated financial statements in conformity with GAAP requires our management to make estimates and assumptions that affect the reported amounts of assets and liabilities in our consolidated financial statements and accompanying notes. We base these estimates on historical experience and on various other assumptions that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

Actual results may differ materially from these estimates. These estimates and assumptions include but are not limited to: valuation of the Private Placement Warrants, the impairment of long-lived assets, the net realizable value of inventory, stock-based compensation relating to performance-based restricted stock units ("PRSUs") and income taxes. We believe that application of these critical accounting estimates involves our subjective judgments and assumptions, which have had, or are reasonably likely to have, a material impact on our condensed consolidated financial statement.

There have been no material changes to our critical accounting policies and estimates disclosed in Part II, Item 7 of our Annual Report on Form 10-K, except for the additions to the accounting policies on investments as noted in Note 2 "Summary of Significant Accounting Policies" of the notes to the condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Recent Accounting Pronouncements

See Note 2 "Summary of Significant Accounting Policies" of the notes to our condensed consolidated financial statements in Part I of this Quarterly Report on Form 10-Q for further information.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to a variety of market and other risks, including the effects of changes in interest rates, and inflation, as well as risks to the availability of funding sources, hazard events, and specific asset risks.

Interest Rate Risk

The market risk inherent in our financial instruments and financial position represents the potential loss arising from adverse changes in interest rates. As of April 5, 2026, we had cash, cash equivalents, restricted cash, and short-term and long-term investments totaling $582.7 million. Our cash, cash equivalents, and restricted cash are held in cash deposits, money market funds and U.S. treasury bills. The primary objectives of our investment activities are the preservation of capital and the fulfillment of liquidity needs. Our short-term and long-term investments consist of highly liquid fixed-income securities and we do not enter into investments for trading or speculative purposes. Due to the short-term nature of these instruments, we do not believe that an immediate 10% increase or decrease in interest rates would have a material effect on the fair value of our investment portfolio.

As of April 5, 2026, we had $172.5 million of the 2028 Convertible Senior Notes with an annual interest rate of 3.00%, and $360.0 million of the 2030 Convertible Senior Notes with an annual interest rate of 4.75%, which accounted for approximately 98% of our total debt before debt issuance costs, and the other borrowings are mostly with fixed interest rates. As such, we do not believe that we are exposed to any material interest rate risk as a result of our borrowing activities.

Uncertain financial markets could result in a tightening in the credit markets, a reduced level of liquidity in many financial markets, and extreme volatility in fixed income and credit markets.

Foreign Currency Risk

For the fiscal year-to-date ended April 5, 2026, we conducted operations primarily in the U.S. and in Asia. The majority of our expenses, and capital purchasing activities are transacted in U.S. dollars. Our operations outside of the U.S. are subject to risks typical of operations outside of the U.S. including, but not limited to, differing economic conditions, changes in political climate, differing tax structures, other regulations and restrictions, and foreign exchange rate volatility. If a hypothetical 10% adverse change in foreign currency exchange rate was applied to our monetary assets and liabilities as of April 5, 2026, the effect of such change would not be material to our condensed consolidated financial condition or our results of operations.

Given the impact of foreign currency exchange rates has not been material to our historical operating results, we have not entered into derivative or hedging transactions, but we may do so in the future if our exposure to foreign currency should become more significant. As our international operations grow, we will continue to reassess our approach to managing risk relating to fluctuations in foreign currency rates.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and our Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based on the evaluation, our Chief Executive Officer and our Chief Financial Officer concluded, as of April 5, 2026, that our disclosure controls and procedures were effective at a reasonable assurance level.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting during the quarter ended April 5, 2026, which were identified in connection with management's evaluation required by paragraph (d) of Rules 13a-15 and 15d-15 under the Exchange Act, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

Refer to the heading "Litigation" in Note 7 "Commitments and Contingencies" of the notes to the condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q for information regarding our legal proceedings.

Item 1A. Risk Factors.

Investing in our securities involves a high degree of risk. Before you make a decision to buy our securities, you should carefully consider the risks and uncertainties described below together with all of the other information contained in this Quarterly Report on Form 10-Q, including our unaudited condensed consolidated financial statements and related notes and in the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations." If any of the events or developments described below were to occur, our business, prospects, operating results and financial condition could suffer materially, the trading price of our securities could decline and you could lose all or part of your investment. The risks and uncertainties described below are not the only ones we face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business. The risks facing our business have not changed substantively from those discussed in our Annual Report on Form 10-K, except for those risks marked with an asterisk (*).

SUMMARY OF RISK FACTORS

Below is a summary of material factors that make an investment in our securities speculative or risky. Importantly, this summary does not address all of the risks and uncertainties that we face. Additional discussion of the risks and uncertainties summarized in this risk factor summary, as well as other risks and uncertainties that we face, can be found under Part II, Item 1A of this Quarterly Report on Form 10-Q below.

- We will need to continue to improve our energy density, cycle life, fast charging, capacity roll off and gassing metrics in order to satisfy customer requirements and stay ahead of competition over time, which is difficult and we may not be able to do.
- We rely on a new and complex manufacturing process for our operations, and achieving volume production involves a significant degree of risk and uncertainty in terms of operational performance such as yield and costs.
- If we cannot successfully scale our manufacturing facilities to produce our lithium-ion battery cell in sufficient quantities to meet expected demand, improve productivity and bring additional facilities online, we may be unable to achieve our profitability targets and our business will be negatively impacted and could fail.
- We may be unable to adequately control the costs associated with our operations and the components necessary to build our lithium-ion battery cells.

- We rely on a manufacturing agreement with a Malaysia-based company for some of the facilities, procurement, and personnel needs of our operations. Changes to our relationship with such third-party contract manufacturer, expected or unexpected, may result in delays or disruptions that could harm our business.
- Our operations in international markets, including our manufacturing operations, expose us to operational, financial and regulatory risks, as well as risks relating to geopolitical tensions and conflicts, including changes to trade policies and regulations.
- Changes in global trade policies, tariffs, export controls and other cross-border restrictions could materially adversely affect our revenues, operating results and ability to source materials and equipment.
- We rely on third-party suppliers for critical components and equipment, and disruptions in these relationships could delay production and harm our business, results of operations, financial condition and cash flows.
- Increases in raw material costs and supply disruptions resulting from global market and geopolitical conditions could increase our product costs and adversely affect our business and results of operations.
- Lengthy sales cycles, unpredictable safety risks and certain provisions of defense and other customer contracts may negatively impact our ability to maintain and grow our customer base, which could adversely affect our business and future prospects.
- If our batteries fail to perform as expected, our ability to develop, market and sell our batteries could be harmed.
- We have significant customer concentration in key market sectors and dependence on these customers creates a risk to our business and financial condition.
- Our future growth and success depend on our ability to qualify new customers and the customer qualification cycles can take years to complete.
- We may not be able to accurately estimate the future supply and demand for our batteries, which could result in a variety of inefficiencies in our business and hinder our ability to generate revenue. If we fail to accurately predict our manufacturing requirements, we could incur additional costs or experience delays.
- We have a history of financial losses and expect to incur significant expenses and continuing losses for the foreseeable future.
- If we are unable to develop our business and effectively commercialize our products as anticipated, we may not be able to generate revenue or achieve profitability.
- We face significant barriers in our attempts to produce our products, our products are still under development, and we may not be able to successfully develop our products at commercial scale. If we cannot successfully overcome those barriers, our business will be negatively impacted and could fail.
- We have acquired and may continue to acquire other businesses, which could require significant management attention, disrupt our business, and dilute stockholder value.
- Fluctuations in foreign currency exchange rates or interest rates have had, and could continue to have, an adverse impact on our financial condition and results of operations.
- Operational problems with our manufacturing equipment subject us to safety risks which, if not adequately addressed, could have a material adverse effect on our business, results of operations, cash flows, financial condition or prospects.
- The battery market continues to evolve and is highly competitive, and we may not be successful in competing in this industry or establishing and maintaining confidence in our long-term business prospects among current and future partners and customers.
- We may become subject to product liability claims, which could harm our financial condition and liquidity if we are not able to successfully defend or insure against such claims.

- Our failure to keep up with rapid technological changes and evolving industry standards may cause our batteries to become less marketable or obsolete, resulting in a decrease in demand for our batteries and harm our ability to grow revenue and expand margins.
- If we are unable to attract and retain key employees and qualified personnel on a global basis, our business and prospects could be harmed.
- We have previously been, currently are, and may in the future be involved in class-action lawsuits and other litigation matters, including commercial and other contractual disputes, that are expensive and time-consuming. If resolved adversely, lawsuits and other litigation matters could seriously harm our business.
- We may not have adequate funds to finance our operating needs and our growth, and may need to raise additional capital, which we may not be able to do.
- Servicing our debt requires a significant amount of cash, and we may not have sufficient cash flow from our business to pay our substantial debt.
- We rely heavily on our intellectual property portfolio. If we are unable to protect our intellectual property rights, our business and competitive position would be harmed.
- The trading price of our common stock may be volatile, and the value of our common stock may decline.
- Changes in tax laws or regulations that are applied adversely to us or our customers may have a material adverse effect on our business, cash flow, financial condition or results of operations.

Item 1A. Risk Factors

Risks Related to Our Manufacturing and Scale-Up

We will need to continue to improve our energy density, cycle life, fast charging, capacity roll off and gassing metrics in order to satisfy customer requirements and stay ahead of competition over time, which is difficult, and we may not be able to do.

Our roadmap to improve our energy density, cycle life, fast charging, capacity roll off and gassing metrics requires us to implement higher energy density materials for both cathodes and anodes, and electrolyte and separator materials. To successfully use these materials, we will have to optimize our cell designs including, but not limited to, formulations, thicknesses, geometries, materials, chemistries and manufacturing tolerances and techniques. It could take us longer than we anticipate to incorporate these new materials or achieve certain cell performance specifications required by customers, particularly in instances where legacy battery testing methods may not adequately reflect real-world usage conditions for silicon-anode batteries, such as cycle life. In instances where alternative qualification frameworks are deemed necessary or certain metrics continue to show progress but do not meet required thresholds, customer acceptance may be delayed for an extended period of time, if obtained at all.

Further, we will need to make improvements in our technology to achieve our energy density, cycle life, fast charge, capacity roll off and gassing metrics improvement roadmap. These improvements may not be possible, or could take longer, or be more difficult than forecasted. If we are unable to improve our packaging technology, this could reduce the performance of our products and delay the availability of products to customers, which would negatively impact our competitive potential.

We rely on a new and complex manufacturing process for our operations, and achieving volume production involves a significant degree of risk and uncertainty in terms of operational performance such as yield and costs.

Although we have developed our lithium-ion battery technology, we rely heavily on a new and complex manufacturing process for the production of our lithium-ion battery cells, which is not currently operating at scale. To meet our projected future demand, we need to increase our manufacturing throughput and yield metrics. We expect that meeting our goals to improve throughput and yield will be a multi-quarter or potentially longer endeavor. We have in the past, and may in the future, experience delays in meeting these goals. We have more than one solution to improve manufacturing throughput and yield metrics, and it is uncertain which solution will be optimized for commercial scale. We use numerous vendors for subcomponents of the battery; changes in materials or vendor selection, or the failure of our solutions to improve yield, could negatively impact our ability to meet our throughput and yield metric goals.

The work required to develop these manufacturing processes and integrate equipment into the production of our lithium-ion battery cells, including achieving our goals for throughput and yield, is time intensive and requires us to work closely with numerous equipment and tooling providers to ensure that the equipment works properly for our unique battery technology. The integration of new equipment into our production process involves a significant degree of uncertainty and risk, and we have not in the past and may not in the future be able to achieve our goals for throughput and yield. Further, integration work may result in the delay in the scaling up of production or result in additional costs to our battery cells, particularly if we encounter issues with performance or if we are unable to customize products for certain of our customers. Certain customers will likely require several months or longer to complete technology qualification before determining whether to accept a product that is manufactured at high volume, if at all. In addition, even if we are able to achieve volume production for the existing uses of our batteries, we may face challenges relating to the scaling up of production for new uses of our batteries, including in the EV market and the market for AI-powered devices.

Our large-scale Gen2 manufacturing lines require large-scale machinery. We need one or more tooling vendors to produce custom products for our customers. Such machinery or tooling equipment has in the past suffered, and may in the future suffer, unexpected malfunctions from time to time and will require repairs and spare parts to resume operations, which may not be available when needed. Our tooling vendors may be new to the battery space or to producing silicon batteries and it may take longer to qualify and effectively utilize such tooling to make custom batteries. Further, our tooling may not be adequate for the various products our customers may demand and we may have to procure new or additional tooling to make products suitable for the market.

In addition, unexpected malfunctions of our production equipment have in the past significantly affected, and may in the future significantly affect, the intended operational efficiency. Qualified labor is needed to remedy any such equipment malfunction, which may not be readily available. Because this equipment has not previously been used to build lithium-ion battery cells, the operational performance and costs associated with the maintenance and repair of this equipment can be difficult to predict and may be influenced by factors outside of our control, such as, but not limited to, (i) failures by suppliers to deliver necessary components of our products in a timely manner and at prices and volumes acceptable to us, (ii) environmental hazards and remediation, (iii) difficulty or delays in obtaining governmental permits, (iv) damages or defects in systems, (v) cybersecurity intrusion and related disruptions; and (vi) industrial accidents, fires, seismic activity and other natural disasters. Further, we have in the past experienced power outages at our facilities and may again in the future. If outages are more frequent or longer in duration than expected, it could impact our ability to manufacture batteries in a timely manner. If our production equipment does not achieve the projected levels of its output or our production equipment becomes obsolete, it may be necessary to record an impairment charge to reduce the carrying value of our machinery and equipment, which would adversely affect our results of operations and financial condition.

Even if we are able to successfully complete development of and modify, as necessary, this new and complex manufacturing process, we may not be able to produce our lithium-ion batteries in commercial volumes in a cost-effective manner.

If we cannot successfully scale our manufacturing facilities to produce our lithium-ion battery cell in sufficient quantities to meet expected demand, improve productivity and bring additional facilities online, we may be unable to achieve our profitability targets, and our business will be negatively impacted and could fail.

In 2024, we relocated our Fab1 manufacturing operations from Fremont, California to Fab2 in Malaysia. We also completed site acceptance testing (“SAT”) and began production of batteries on our Agility line and completed factory acceptance testing (“FAT”), and SAT, for our High-Volume Manufacturing (“HVM”) line in Malaysia. However, our profitability targets rely on our ability to aggressively reduce the capital costs of our production lines and implement productivity improvements. If such efficiency gains are unsuccessful, we may be unable to achieve our target margin and profitability goals. We expect that our current manufacturing lines will be sufficient to produce batteries on a commercial scale, but not in high enough volumes to meet our long-term expected customer demand. Therefore, we are working to bring additional facilities online at Fab2 and in Korea, including evaluating additional or alternative manufacturing locations, as well as further refine our approach to improve yields over time.

To the extent we continue to experience manufacturing challenges, which can impact our ability to improve yields, we may have difficulty accepting additional customer demand due to capacity constraints, which could delay our growth. Furthermore, our current manufacturing operations in Malaysia are conducted in facilities that we are leasing from a third party, which may subject us to risks associated with renewals and potentially increased costs associated with such renewals. If we are unable to successfully build, manage, renew or expand our existing manufacturing lines and any additional lines we may establish, or otherwise further refine our approach to improve yields, our prospects, financial condition and results of operations will be negatively impacted and our business could fail.

Even if we overcome the manufacturing challenges and achieve volume production of our lithium-ion battery, if the cost, performance characteristics or other specifications of the battery fall short of our or our customers' expectations and targets, our sales, product pricing and margins would likely be adversely affected. Our long-term target economics at scale assume we are able to obtain certain pricing levels for our batteries. If these assumptions are incorrect and/or customer demand is lower than expected, we may fail to achieve our target revenue and profitability goals and our results of operations and financial condition could be materially adversely affected.

We may be unable to adequately control the costs associated with our operations and the components necessary to build our lithium-ion battery cells.

We require significant capital to develop and grow our business and expect to incur significant expenses, including those relating to raw material procurement, leases, sales and distribution as we build our brand and market our batteries, and general and administrative costs as we scale our operations. Our ability to become profitable in the future will not only depend on our ability to successfully market our lithium-ion batteries and services, but also to control our costs. A large fraction of the cost of our battery, like most commercial batteries, is driven by the cost of component materials, such as anode and cathode powder, separator, pouch material, and current collectors. It also includes machined parts that are part of the package. Our cost reduction initiatives are based on a variety of factors, including extensive discussions with vendors, customers, industry analysts and independent research; however, an assumed cost reduction over time may be inaccurate if our forecasted demand does not materialize as planned. These estimates may prove inaccurate, which would adversely affect the expected profitability margins for our batteries.

If we are unable to cost-efficiently manufacture, market, sell and distribute our lithium-ion batteries and services, our margins, profitability and prospects would be materially and adversely affected. We have not yet produced any lithium-ion battery cells at significant volume, and our forecasted cost advantage for the production of these cells at scale, compared to conventional lithium-ion cells, will require us to achieve certain goals in connection with rates of throughput, use of electricity and consumables, yield and rate of automation demonstrated for mature battery, and battery material and manufacturing processes, that we have not yet achieved and may not achieve in the future. We intend to improve productivity and reduce the costs of our production lines compared to the first line we built. In addition, we are planning continuous productivity improvements going forward. If we are unable to achieve these targeted rates or productivity improvements, our business will be adversely impacted.

Additionally, we have previously undertaken restructuring plans to manage our operating expenses and we may do so again in the future. Most recently, we completed a restructuring in 2024 designed to reduce our operating costs and support our strategic goals. As part of the restructuring plan, we relocated our manufacturing operations from our Fab1 facility in Fremont, California to Malaysia, resulting in a plan of workforce reduction in the U.S., as well as significant restructuring charges associated with equipment disposals as part of the relocation. Thus, we may in the future incur material costs and charges in connection with restructuring plans and initiatives and there can be no assurance that any such plans and initiatives will be successful, or that we will be able to adequately manage our operating expenses. Any restructuring plans may adversely affect our operations and ability to recruit and retain skilled and motivated personnel, result in a loss of continuity and accumulated knowledge, or inefficiency during the transition period, and will likely require a significant amount of employees' time and focus, all of which may divert attention away from operating and growing our business. If we fail to achieve some or all of the expected benefits of any restructuring plans, which may be impacted by factors outside of our control, our business, operating results, and financial condition could be adversely affected. For more information, see Note 15 "Restructuring Costs" of our Consolidated Financial Statements in our Annual Report on Form 10-K.

We rely on a manufacturing agreement with a Malaysia-based company for some of the facilities, procurement, and personnel needs of our operations. Changes to our relationship with such third-party contract manufacturer, expected or unexpected, may result in delays or disruptions that could harm our business. *

In July 2023, we entered into a 10-year manufacturing agreement (as amended, the "YBS Agreement") with YBS International Berhad ("YBS"), a Malaysia-based investment holding company with operational segments including electronic manufacturing and assembly, high-precision engineering, precision machining and stamping, among others. If we are able to overcome the challenges in designing and refining our manufacturing process, we expect to operate multiple manufacturing lines, with YBS providing certain facility, staffing, and procurement support services, to meet our expected customer demands.

In October 2024, we entered into an amendment to the YBS Agreement, which modified certain payment terms and responsibilities of the parties. Pricing under the YBS Agreement is set on a cost-plus basis and we are subject to a minimum purchase commitment. We are obligated to pay a certain threshold amount each month over the term of the YBS Agreement depending on the level of orders we make to YBS for manufacturing. The ten-year term of the YBS Agreement expires in July 2033, subject to customary termination provisions.

Our manufacturing arrangement with YBS creates risks due to our reliance on YBS for various aspects of our manufacturing operations, including staffing, procurement and certain support services. Further, manufacturing in Malaysia is subject to possible disruptions due to power outages, equipment malfunction and failures, and supply chain disruptions relating to raw materials or components, among others. Our manufacturing operations may also be adversely affected by natural disasters and climate change. Other events, including political or public health crises, may affect our production capabilities or that of our suppliers, including lack of supplies. As a result, in addition to disruptions to operations, our insurance premiums may increase, or we may not be able to fully recover any sustained losses through insurance. If this manufacturing arrangement does not perform as expected, it may materially and adversely affect our results of operations, financial condition and prospects.

We also lease our Fab2 manufacturing facility from an affiliate of YBS under a lease that was originally scheduled to expire in July 2026. In April 2026, we signed a one-year renewal extending the expiration to July 31, 2027. We regularly evaluate alternatives, including facility purchase, alternative manufacturing site options and further extension of the lease to support long-term operational continuity and future growth. However, if we fail to secure further lease extensions or otherwise timely implement alternatives with respect to our Fab2 manufacturing facility, we may experience disruptions in the operation of Fab2.

In addition, the YBS Agreement exposes us to risks because certain operational aspects are managed by YBS, which may reduce our direct control over the management of manufacturing processes, capacity constraints, delivery timetables, product quality assurance and costs. If we fail to effectively manage our relationship with YBS; if YBS is unable to meet our manufacturing requirements in a timely manner; or if we experience delays, disruptions or quality control problems, it may materially and adversely affect our business, prospects, financial condition and results of operations.

Our operations in international markets, including our manufacturing operations, expose us to operational, financial and regulatory risks, as well as risks relating to geopolitical tensions and conflicts, including changes to trade policies and regulations.

Over the last three years, we have expanded our global footprint through acquisitions as well as a restructuring of our manufacturing operations. Namely, in South Korea, we acquired a battery manufacturer in 2023, Routejade, as well as a second manufacturing facility and certain other related assets in 2025. During this time, we have also established a research and development center in Hyderabad, India, which supports the product and manufacturing teams in our other locations, and relocated all of our manufacturing activities from Fremont, California to Malaysia, as well as established a subsidiary in Shenzhen, China. Following the shift of our manufacturing facilities to Malaysia and a reduction in force that primarily affected our U.S. operations, a higher percentage of our employees and a significant portion of our business operations are located overseas, while our leadership team is primarily located in the U.S. Additionally, relationships with customers and potential customers outside of the U.S. accounted for a significant portion of our revenues during 2025.

While we are continuing to adapt to and develop strategies to address international markets and to manage our international activities and geographically diverse workforce, there is no guarantee that such efforts will have the desired effect. We have in the past and may continue to experience operational challenges associated with global business operations and a globally dispersed workforce, such as coordinating activities across multiple time zones and cultures and maintaining consistent operations standards across diverse locations. In addition, effective collaboration between R&D and manufacturing teams located overseas, and other parts of the organization, may be hindered by distance, language and cultural differences, which may have a negative impact on product innovation and overall operational efficacy.

We expect that our international activities will continue to grow for the foreseeable future as we continue to pursue opportunities in existing and new international markets, which will require significant dedication of management attention and financial resources.

As a result of having significant international operations, including our manufacturing operations, we are subject to a number of risks, including:

- burdens of complying with a wide variety of laws and regulations;
- unexpected changes in regulatory requirements;
- exposure to political or economic instability and general economic fluctuations in the countries we operate;
- changes in currency exchange rates;
- changes in diplomatic and trade relationships;
- trade restrictions;
- terrorist activities, natural disasters, epidemics, pandemics and other outbreaks, including the regional or local impacts of any such activity;
- political, economic and social instability, war or armed conflict;
- differing employment practices and laws and labor disruptions, including strikes and other work stoppages, strains on the available labor pool, labor unrest, changes in labor costs and other employment dynamics;
- the imposition of government controls;
- lesser degrees of intellectual property protection;
- tariffs and customs duties, or other barriers to some international markets, and the classifications of our goods by applicable governmental bodies; and
- a legal system subject to undue influence or corruption.

The current geopolitical climate and certain actions by the U.S. administration have created uncertainty regarding and fluctuations in trade policies, and our operations and business are subject to these uncertainties given the extent of our international operations and dependencies on international supply chains and access to international employees. These factors and risks could negatively affect our international business operations, increase the difficulty or cost of selling our products in (or restrict our access to) certain foreign markets, divert management's attention, and increase our costs, which would adversely affect our business, operating results, growth prospects and financial condition.

Changes in global trade policies, tariffs, export controls and other cross-border restrictions could materially adversely affect our revenues, operating results and ability to source materials and equipment.

Due to our international operations, we face heightened risks relating to trade policies and disputes that result in increased tariffs, trade barriers, retaliatory tariffs and other trade restrictions and protectionist measures, including export controls, licensing requirements and other regulatory restrictions on cross-border trade. For example, the United States has recently imposed or proposed significant new tariffs on a large number of products and components imported into the U.S. and could propose additional tariffs or increases to those already in place. It is unknown whether and to what extent these tariffs will remain in place or whether other new laws or regulations will be adopted. While there is currently a trade pact with China, additional or new tariffs may be imposed reciprocally. It is difficult to predict what further trade-related actions governments may take, including the extent of retaliatory actions, and our business may be negatively impacted if we are unable to quickly and effectively react to any such actions.

The overall tension in U.S.-China trade relations and the possibility of additional tariffs has created uncertainty in our industry and may negatively affect certain of our suppliers, as well as our ability to source components or raw materials. In particular, our facilities are located in Malaysia, India and South Korea and our products require materials and equipment manufactured outside these countries, including China. If such materials and equipment do not fall under any exemption to the newly imposed tariffs or reciprocal tariffs, or are subject to other trade barriers or restrictions, such as China's Regulation on Export Control of Dual-Use Items, it could materially impact our ability to obtain materials and equipment, or effective alternative sources of such items, on commercially reasonable terms or at all.

Due to the broad uncertainty regarding the timing, content and extent of global trade policy changes in the U.S. and internationally, we cannot accurately predict the full extent to which these changes will affect our business, financial condition and results of operations. We believe the direct impact of tariffs on our business is currently manageable given the location of our international operations; however, the indirect effects of U.S. tariffs on products containing our batteries could be significant. Any failure by us to adapt quickly to changes in global trade policy could materially and adversely affect our business, financial condition and results of operations.

We rely on third-party suppliers for critical components and equipment, and disruptions in these relationships could delay production and harm our business, results of operations, financial condition and cash flows.

We rely on third-party suppliers for components and equipment necessary to develop and manufacture our lithium-ion batteries, including key supplies such as anode, cathode, electrolyte and separator materials, as well as specialized manufacturing equipment. If we are unable to enter into or maintain supply arrangements on acceptable terms, if our suppliers experience delays or capacity constraints, or if they fail to meet our quality, cost or volume requirements, we could experience delays in product development and manufacturing timelines.

The unavailability of key components or equipment could result in delays in constructing manufacturing equipment, idle manufacturing facilities, product design changes and loss of access to important technology and tools for producing and supporting our lithium-ion batteries production, as well as reduced manufacturing capacity. We have in the past experienced, and may continue to experience, suppliers that are unwilling or unable to meet our timing, cost, quality or volume needs, which may require us to identify alternative suppliers, potentially at higher cost or with additional delays. There can be no assurance that alternative sources will be available in a timely manner or at all.

In addition, our suppliers may experience financial distress or business continuity issues, including bankruptcy or receivership, which could further disrupt our production timelines and our ability to configure equipment to operate at target performance levels. For example, one of our equipment suppliers went into receivership in the first half of 2024. To the extent our equipment suppliers experience business continuity challenges in the future, it may disrupt our production timelines, negatively impact our ability to successfully configure the equipment to run at its target performance and limit our ability to operate such equipment. Any failure by our suppliers to deliver critical components or equipment in a timely and reliable manner, at the cost and quality we require, could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows.

Increases in raw material costs and supply disruptions resulting from global market and geopolitical conditions could increase our product costs and adversely affect our business and results of operations.

Our manufacturing processes depend on raw materials such as lithium, silicon, graphite, nickel, cobalt, copper and other metals, the prices and availability of which are subject to significant volatility and uncertainty. These materials are affected by global market conditions and supply and demand dynamics, including as a result of increased global production of EVs and energy storage products, inflationary pressures, supply chain disruptions, pandemics or other public health crises, and war or other armed conflicts. We have also experienced increased logistics and freight costs as a result of supply chain challenges in the past, and we may not be able to negotiate purchase agreements and delivery lead-times for such materials on advantageous terms in the future.

Reduced availability of these materials or significant price increases could raise the cost of our components and consequently, the cost of our products. We may be unable to negotiate favorable supply terms or pass through increased costs to customers, which could negatively affect our margins and operating results. In addition, certain materials and components may be produced internally or treated as proprietary by large battery manufacturers, limiting their availability to third parties.

Finally, global economic, political and regulatory developments may further constrain the availability of these raw materials or increase procurement and logistics costs. Because our facilities are located in Malaysia, India and South Korea and our products depend on materials and equipment sourced from multiple countries, disruptions affecting upstream suppliers or transportation networks could have a disproportionate impact on our cost structure. Any disruption in the supply or significant increase in the cost of raw materials or logistics could materially and adversely affect our business, financial condition, results of operations and prospects.

Risks Related to Our Customers

Lengthy sales cycles, unpredictable safety risks and certain provisions of defense and other customer contracts may negatively impact our ability to maintain and grow our customer base, which could adversely affect our business and future prospects.

Our customers' products are typically on yearly or longer refresh cycles. Due to the lengthy sales cycles, if we miss qualification timing by even a small amount, the impact to our production schedule, revenue and profits could be large and may mean that our guidance or revenue forecasts for fiscal year do not materialize as expected. While we intend to meet all qualification criteria, some field reliability risks remain such as cycle life, long-term high-temperature storage capacity and swelling, among others. Batteries are known in the market to have historically faced risks associated with safety, and therefore customers can be reluctant to take risks on new battery technologies. Since new battery technologies have not been widely adopted by customers in the battery market, it may be difficult for us to overcome customer risk objections. If unanticipated product safety problems arise, it may raise warranty costs and adversely affect revenue and profit.

Our sales to defense customers often involve standard form contracts, which may not be subject to negotiation. In particular, certain of these contracts involve unlimited damages provisions that could result in large-scale liabilities.

If our batteries fail to perform as expected, our ability to develop, market and sell our batteries could be harmed.

We have experienced a limited number of returns of batteries that have failed to perform as expected. As commercial production of our lithium-ion battery cells increases, our batteries have in the past and may in the future contain defects in design and manufacture that may cause them to not perform as expected or that may require repairs, recalls and design changes. Our batteries are inherently complex and incorporate technology and components that have not been used for other applications and that may contain defects and errors, particularly when first introduced. We have a limited frame of reference from which to evaluate the long-term performance of our lithium-ion batteries. There can be no assurance that we will be able to detect and fix any defects in our lithium-ion batteries prior to the sale to potential consumers. If our batteries fail to perform as expected, we could lose design wins and customers may delay deliveries, terminate further orders or initiate product recalls, each of which could adversely affect our sales and brand and could adversely affect our business, prospects and results of operations.

Our cell architecture is different than other batteries and may behave differently in certain customer use applications that we have not evaluated. This could limit our ability to deliver to certain applications, including, but not limited to smartphones, IoT, smart eyewear, action cameras, portable gaming and smartwatches, and other AI-powered devices. In addition, we have limited historical data on the performance and reliability of our batteries over time. If our batteries fail unexpectedly in the field, such failures could result in significant warranty costs and/or reputational harm. For example, the electrodes and separator structure of our battery are different from traditional lithium-ion batteries and therefore could be susceptible to different and unknown failure modes, leading our batteries to fail and cause a safety event in the field, which could further result in the failure of our end customers' products as well as the loss of life or property. Any safety event in the field, but in particular, one in which the end product failure results in significant loss, could result in severe financial penalties for us, including the loss of revenue, cancellation of supply contracts and the inability to win new business due to the reputational harm that results. In addition, some of our supply agreements require us to fund some or all of the cost of a recall and replacement of end products affected by our batteries.

We have significant customer concentration in key market sectors and dependence on these customers creates a risk to our business and financial condition.

We face risks associated with customer concentration, which could adversely affect our financial condition, results of operations, and business prospects. Our current revenue stream is derived largely from a limited number of key customers, particularly those in the defense sector. One customer, a defense subcontractor in South Korea, accounted for the majority of our total revenue for the fiscal quarter ended April 5, 2026 and fiscal year 2025. As a result of this customer concentration, our financial performance is highly sensitive to the retention, performance, and ongoing demand from our significant customers. The loss, or material reduction in business, from any significant customer, whether due to strategic shifts, sourcing decisions, financial distress, bankruptcy, or other factors, could result in a sudden and material decline in our revenue and cash flows. Moreover, the terms and conditions of contracts with these key customers may not provide us with sufficient protection against fluctuations in demand, changes in pricing, or competitive pressures, which could have a material adverse impact on our business, financial condition, and results of operations.

In addition, we rely on a single supplier for components to manufacture products for our defense customers and any disruption in the supply of components would negatively impact our ability to perform under such contracts and significantly negatively impact our revenues and profit margin. Should we have to replace our single supplier, or renegotiate the terms of our current supplier agreement, we may be unable to establish or obtain competitively favorable terms, which would also negatively impact our revenues and profit margin under our defense customer contracts. Furthermore, government contracts associated with customers in the defense sector are often subject to a variety of complex procurement laws and regulations relating to the award, administration and performance of those contracts. Changes in government procurement policy, priorities, regulations, technology initiatives and/or technical and compliance requirements may negatively impact our ability to continue to earn revenue from government and defense customers. Furthermore, government entities may implement policies that restrict or negatively affect our ability to sell our products and services.

Lack of diversification increases our susceptibility to adverse events affecting our key customers. For example, the expiration, termination, or renegotiation of contracts, whether from the integration of these customers as a result of the acquisition or otherwise, could lead to uncertainty and volatility in our revenue stream. While we may seek to mitigate the risks associated with customer concentration through diversification efforts, expanded market reach, and enhanced customer relationship management, there can be no assurance that such measures will be successful in offsetting the potential adverse impacts of customer concentration. The loss of a significant customer or a substantial reduction in business volume from key accounts could have a material adverse effect on our financial performance, cash flows, and ability to fund our operations, capital expenditures, and strategic initiatives.

Our future growth and success depend on our ability to qualify new customers and the customer qualification cycles can take years to complete.

Our growth will depend in large part on our ability to qualify new customers. We have invested heavily in qualifying our customers and plan to continue to do so. We are in the early stages of growth in our existing markets, and we expect to substantially raise brand awareness by connecting directly with our customers. We anticipate that these activities will lead to additional deliveries, and, as a result, increase our base of qualified customers. An inability to attract new customers would substantially impact our ability to grow revenue or improve our financial results.

Customer qualification cycles are long and it can take many years for our products to qualify for customer shipment. There are numerous and rigorous safety, performance and other tests that we need to pass to achieve a customer design win. If we fail to qualify new customers in a timely manner, our business, financial condition and operating results may be harmed.

Our future growth and success depend on our ability to sell effectively to, and manage relationships with large enterprise and defense customers.

Our potential customers are manufacturers of products that tend to be large enterprises and organizations, including defense customers. Therefore, our future success will depend on our ability to effectively sell our products to such large customers. Sales to these end-customers involve risks that may not be present (or that are present to a lesser extent) with sales to smaller customers. These risks include, but are not limited to, increased purchasing power and leverage held by large customers in negotiating contractual arrangements with us and longer sales cycles and the associated risk that substantial time and resources may be spent on a potential end-customer that elects not to purchase our lithium-ion battery solutions.

Large organizations often undertake a significant evaluation process that results in a lengthy sales cycle. In addition, product purchases by large organizations are frequently subject to budget constraints, multiple approvals and unanticipated administrative, processing and other delays. Finally, large organizations typically have longer implementation cycles, require greater product functionality and scalability, require a broader range of services, demand that vendors take on a larger share of risks, require acceptance provisions that can lead to a delay in revenue recognition and expect greater payment flexibility. All of these factors can add further risk to business conducted with these potential customers.

We may not be able to accurately estimate the future supply and demand for our batteries, which could result in a variety of inefficiencies in our business and hinder our ability to generate revenue. If we fail to accurately predict our manufacturing requirements, we could incur additional costs or experience delays.

It is difficult to predict our future revenue and therefore accurately budget for our expenses, and we may have limited insight into trends that may emerge and affect our business. We anticipate being required to provide forecasts of our demand to our current and future suppliers prior to the scheduled delivery of products to potential customers. Currently, there is no historical basis for making judgments on the demand for our batteries or our ability to develop, manufacture and deliver batteries, or our profitability in the future. If we overestimate our requirements, our suppliers may have excess inventory, which would indirectly increase our costs. If we underestimate our requirements, our suppliers may have inadequate inventory, which could interrupt manufacturing of our products and result in delayed shipments and revenue. Factors outside our control may also affect the demand for our batteries. For example, many of the expected end products for our batteries are manufactured in China. If the political situation between China and the U.S. were to deteriorate, it could prevent our customers from purchasing our batteries.

Lead times for materials and components that our suppliers order may vary significantly and depend on factors such as the specific supplier, contract terms and demand for each component at a given time. If we fail to order sufficient quantities of product components in a timely manner, the delivery of batteries to our potential customers could be delayed, which would harm our business, financial condition and operating results.

Increases in sales of our lithium-ion battery cells may expose us to the risks associated with manufacturing batteries for unique customer specifications and increase our dependency upon specific customers, including due to the costs to develop and qualify our system solutions.

The development of our lithium-ion battery cells is dependent, in part, upon successfully identifying and meeting our customers' specifications for those products. Developing and manufacturing lithium-ion batteries with specifications unique to a customer increases our reliance upon that customer for purchasing our products at sufficient volumes and prices in a timely manner. If we fail to identify or develop products on a timely basis, or at all, that comply with our customers' specifications or achieve design wins with customers, we may experience a significant adverse impact on our revenue and margins. Even if we are successful in selling lithium-ion batteries to our customers in sufficient volume, we may be unable to generate sufficient profit if per-unit manufacturing costs exceed per-unit selling prices. Manufacturing lithium-ion batteries to customer specifications requires a longer development cycle, as compared to discrete products, to design, test and qualify, which may increase our costs. We have limited experience with this customer design process and currently have limited capacity at our manufacturing facilities. If we are unsuccessful in meeting customer specifications, scaling our manufacturing capabilities and/or providing anticipated post-delivery product support services, we may be unable to effectively manage and grow our business, including developing products for multiple customers' design specifications in a timely manner, which could harm our business, prospects, financial condition and operating results.

Risks Related to Our Business

We have a history of financial losses and expect to incur significant expenses and continuing losses for the foreseeable future.

We incurred net loss attributable to Enovix of approximately $38.3 million and $23.5 million, respectively, for the fiscal quarters ended April 5, 2026 and March 30, 2025, and had an accumulated deficit of approximately 1.02 billion as of April 5, 2026. We believe that we will continue to incur operating and net losses each quarter until at least the time we begin significant production of our lithium-ion batteries.

We currently expect that we will continue to incur losses in future periods as we, among other things: (i) continue to incur additional expenses in connection with the development of our manufacturing process and the manufacturing of our batteries; (ii) secure additional manufacturing lines and invest in manufacturing capabilities; (iii) build up inventory of components for our batteries; (iv) build up supplies of batteries for projected demand; (v) increase our sales and marketing activities; (vi) develop our distribution infrastructure; and (vii) increase our general and administrative functions to support our growing operations. We may find that these efforts are more expensive than we currently anticipate or that these efforts may not result in substantial increase in our revenue, which would further increase our losses.

If we are unable to develop our business and effectively commercialize our products as anticipated, we may not be able to generate revenue or achieve profitability.

For our silicon batteries, the growth and development of our operations will depend on the successful commercialization and market acceptance of our products and our ability to manufacture products at scale while timely meeting customers' demands. Our silicon batteries are in the early stages of commercialization and certain aspects of our technology have not been fully field tested. For example, there is no certainty that, once shipped, our products will operate as expected, and we may not be able to generate sufficient customer confidence in our latest designs and ongoing product improvements. For our graphite batteries, we may not be able to maintain or sustain our existing customers. Our customers' battery needs are dependent on their end market demand, and they may place purchase orders and cancel them due to lack of demand. There are inherent uncertainties in our ability to predict future demand for our products and, as a consequence, we may have inadequate production capacity to meet demand, or alternatively, have excess available capacity. Our inability to predict the extent of customer adoption of our proprietary technologies makes it difficult to evaluate our future prospects.

If we experience significant delays or order cancellations from these customers, or if we fail to develop our products in accordance with contract specifications, then our operating results and financial condition will be adversely affected. In addition, there is no assurance that if we alter or change our products in the future, that the demand for these new products will develop, which could adversely affect our business and any possible revenue. If our products are not deemed desirable and suitable for purchase and we are unable to establish a customer base, we may not be able to generate revenue or attain profitability. In addition, if we are unable to deliver our engineering services on a timely basis, we may be unable to attract and engage new or existing customers for engineering service contracts and we may not be able to generate revenue or attain profitability.

We face significant barriers in our attempts to produce our products, our products are still under development, and we may not be able to successfully develop our products at commercial scale. If we cannot successfully overcome those barriers, our business will be negatively impacted and could fail.

Producing lithium-ion batteries that meet the requirements for wide adoption by industrial and consumer applications is a difficult undertaking. We are still in the early stages of commercialization and face significant challenges achieving the long-term energy density targets for our products and producing our products in commercial volumes. Some of the challenges that could prevent the widespread adoption of our lithium-ion batteries include difficulties with (i) increasing the volume, yield and reliability of our cells, (ii) increasing manufacturing capacity to produce the volume of cells needed to meet demand, (iii) optimizing higher volume manufacturing equipment for scale, (iv) packaging our batteries to ensure adequate cycle life, (v) material cost reductions, (vi) qualifying new vendors, (vii) expanding supply chain capacity, (viii) the completion of rigorous and challenging battery safety testing required by our customers or partners, including but not limited to, performance, cycle life and abuse testing and (x) the development of the final manufacturing processes for optimal yield and throughput.

We may encounter yield, material cost, performance and manufacturing process challenges as we develop products from the AI-1 platform and ramp to volume commercial production. Further, we are likely to encounter engineering challenges as we increase the capacity of our batteries and efficiency of our manufacturing process. If we are unable to overcome these challenges in producing our batteries, our business could fail.

The Gen2 manufacturing equipment requires qualified labor to inspect the parts to ensure proper assembly. We have already experienced equipment malfunctions, and the lack of qualified labor to inspect our batteries may further slow our production and impact our manufacturing costs and production schedule.

Even if we complete development and achieve volume production of our lithium-ion batteries, if the cost, performance characteristics or other specifications of the batteries fall short of our targets, our sales, product pricing and margins will be adversely affected.

We have acquired and may continue to acquire other businesses, which could require significant management attention, disrupt our business, and dilute stockholder value.

In October 2023, we acquired Routejade, a manufacturer of lithium-ion batteries in South Korea, and in April 2025, acquired a second manufacturing facility in South Korea from SolarEdge. Although we have limited experience with acquisitions, we may in the future undertake acquisitions of other companies, products or technologies for the ongoing development and expansion of our operations. We may be unable to identify suitable acquisition candidates and/or complete acquisitions on favorable terms, if at all. If we do complete acquisitions, we may not ultimately strengthen our competitive position or achieve our goals, and any acquisitions we complete could be viewed negatively by existing and potential customers, vendors, suppliers, business partners or investors. For example, while we believe that the SolarEdge assets and facility expansion in South Korea will support capacity expansion at Fab2 and add production capacity for South Korean defense programs, there is no assurance that we will be able to realize these strategic benefits from the SolarEdge acquisition. In addition, we may not be able to integrate acquired businesses successfully or effectively manage the combined company following an acquisition. If we fail to successfully integrate our acquisitions, or the people or technologies associated with acquisitions, into our company, the results of operations of the combined company could be adversely affected.

Any integration process will require significant time and resources, attention from management and will likely disrupt the ordinary functioning of our business, and we may not be able to manage the process successfully, which could harm our business. In addition, we may not successfully evaluate or utilize the acquired technology and accurately forecast the financial impact of an acquisition transaction, including accounting charges. We may not be able to fully realize the anticipated profits or other benefits of any particular transaction in the timeframe we expect or at all due to competition, market trends, additional costs or investments, the actions of advisors, suppliers or other third parties, or other factors. Future acquisitions may result in significant costs and expenses. Further, if we fail to identify significant issues with any acquisition target during the due diligence process, we may be liable for significant and unforeseen liabilities.

We have previously, and may in the future, pay cash, incur debt or issue equity securities to pay for any such acquisition, any of which could negatively affect our financial condition or the value of our capital stock. The sale of our equity to finance any such acquisitions could result in dilution to our stockholders. If we incur more debt, it will result in increased fixed obligations and could also subject us to covenants or other restrictions that would impede our ability to flexibly operate our business.

Fluctuations in foreign currency exchange rates and interest rates have had, and could continue to have, an adverse impact on our financial condition and results of operations.

We are exposed to the effects of changes in both foreign currency exchange rates and interest rates. Because a significant portion of our cash and investments are held in U.S. Treasury securities and other interest-bearing instruments, movements in interest rates can materially affect our investment income and the fair value of our marketable securities. Rising rates generally increase interest income on new investments, while falling rates could reduce interest income. In addition, we conduct a material portion of our operations outside of the United States, including South Korea, Malaysia and other countries in Asia. Fluctuations in foreign currency exchange rates, particularly for the Korean won, Indian rupee, and Malaysian ringgit, could have an adverse impact our financial condition and results of operations.

Operational problems with our manufacturing equipment subject us to safety risks which, if not adequately addressed, could have a material adverse effect on our business, results of operations, cash flows, financial condition or prospects.

Operational problems with our manufacturing equipment subject us to safety risks which, if not adequately addressed, could result in the personal injury to or death of workers, the loss of production equipment, damage to manufacturing facilities, monetary losses, delays and unanticipated fluctuations in production. From time to time, we have experienced fires at our manufacturing facilities. While we have retained industry experts and designed our factories with appropriate safety precautions to address the fire risk of manufacturing batteries and to minimize the impact of any such event, if these precautions are inadequate or an event larger than expected, such occurrences could result in significant equipment, product or facility damage that could lead to manufacturing delays, adversely affect the timing of deliveries to customers and require additional cash to recover.

In addition, operational problems may result in environmental damage, administrative fines, increased insurance costs and potential legal liabilities. All of these operational problems could have a material adverse effect on our business, results of operations, cash flows, financial condition or prospects. Further, if other battery manufacturers experience fire hazards that result in personal injury or death, it may lead to public perception challenges and unfavorable conditions for all industry participants, regardless of their individual safety records.

Lithium-ion battery modules in the marketplace have been observed to catch fire or vent smoke and flame, and such events have raised concerns over the use of such batteries.

We develop lithium-ion battery cells for industrial and consumer equipment and intend to supply these lithium-ion battery cells for industrial and consumer applications. Historically, lithium-ion batteries in laptops and cellphones have been reported to catch fire or vent smoke and flames, and more recently, news reports have indicated that several EVs that use high-power lithium-ion batteries caught on fire. Any such adverse publicity or reports reflecting fire and other safety hazards associated with the use of high-power batteries in automotive or other industrial or consumer applications will negatively affect our business and prospects. In addition, any failure of our battery cells may cause damage to the industrial or consumer equipment or lead to personal injury or death and may subject us to lawsuits.

Our risks in this area are particularly pronounced given our lithium-ion batteries and BrakeFlow™ technology have not yet been commercially tested or mass produced. We may have to recall our battery cells, which would be time-consuming and expensive. A product liability claim could generate substantial negative publicity about our batteries and business and inhibit or prevent commercialization of other future battery candidates, which would have a material adverse effect on our brand, business, prospects and operating results. Our insurance coverage might not be sufficient to cover all potential product liability claims. Any lawsuit seeking significant monetary damages either in excess of our coverage, or outside of our coverage, may have a material adverse effect on our reputation, business and financial condition. We may not be able to secure additional product liability insurance coverage on commercially acceptable terms or at reasonable costs when needed, particularly if we do face liability for our products and are forced to make a claim under our policy.

Further, product liability claims, injuries, defects or other problems experienced by other companies in the lithium-ion battery market could lead to unfavorable market conditions for the industry as a whole, and may have an adverse effect on our ability to attract new customers, thus harming our growth and financial performance.

The battery market continues to evolve and is highly competitive, and we may not be successful in competing in this industry or establishing and maintaining confidence in our long-term business prospects among current and future partners and customers.

The battery market in which we compete continues to evolve and is highly competitive. Our current competitors have, and future competitors may have, greater resources than we do and may also be able to devote greater resources to the development of their current and future technologies. These competitors also may have greater access to customers and may be able to establish cooperative or strategic relationships amongst themselves or with third parties that may further enhance their resources and competitive positioning. Furthermore, existing and potential customers have developed, and may in the future develop, their own battery technologies with improvements in energy density faster than they have historically and what we have assumed, continue to reduce cost and expand supply of conventional batteries and therefore reduce our energy density advantage and price premium, which would negatively impact the prospects for our business or negatively impact our ability to sell our products at a market-competitive price and sufficient margins.

Developments in alternative technologies, improvements in batteries technology made by competitors, or changes in our competitors' respective business models may materially adversely affect the sales, pricing and gross margins of our batteries. If a competing technology is developed that has superior operational or price performance, our business will be harmed. Further, our financial modeling assumes that, in addition to improving our core architecture over time, we are able to retain access to state-of-the-art industry materials as they are developed. If industry battery competitors develop their own proprietary materials, we would be unable to access these and would lose our competitive advantage in the market. If we fail to accurately predict and ensure that our battery technology can address customers' changing needs or emerging technological trends, or if our customers fail to achieve the benefits expected from our lithium-ion batteries, our business will be harmed.

We must continue to commit significant resources to develop our battery technology in order to establish a competitive position, and these commitments will be made without knowing whether such investments will result in products potential customers will accept. There is no assurance we will successfully identify new customer requirements or develop and bring our batteries to market on a timely basis, or that products and technologies developed by others will not render our batteries obsolete or noncompetitive, any of which would adversely affect our business and operating results. Further, if we are unable to improve our energy density at a rate faster than the industry, our competitive advantage will erode. In addition, if we fail to produce batteries in large scale volume production at reduced unit cost, it may negatively impact our competitive advantage in the industry.

Customers will be less likely to purchase our batteries if they are not convinced that our business will succeed in the long term. Similarly, suppliers and other third parties will be less likely to invest time and resources in developing business relationships with us if they are not convinced that our business will succeed in the long term. Accordingly, in order to build and maintain our business, we must maintain confidence among current and future partners, customers, suppliers, analysts, ratings agencies and other parties in our long-term financial viability and business prospects. Maintaining such confidence may be particularly complicated by certain factors including those that are largely outside of our control, such as our limited operating history, market unfamiliarity with our products, any delays in scaling manufacturing, delivery and service operations to meet demand, competition and uncertainty regarding our production and sales performance compared with market expectations. In addition, due to competition, we may face pricing pressure and may not be able to charge the prices we would like or achieve profitability on the timeline we plan.

We could face state-sponsored competition from overseas and may not be able to compete in the market on the basis of price.

One or more foreign governments, including the Chinese government, have concluded that battery technology and battery manufacturing is a national strategic priority and therefore have instituted official economic policies meant to support these activities. These policies may provide our competitors with artificially lower costs. If these lower costs materialize and enable competitive products to be sold into our markets at prices that, if applied to us, would cause us to become unprofitable, our ability to continue operating could be threatened.

Our failure to keep up with rapid technological changes and evolving industry standards may cause our batteries to become less marketable or obsolete, resulting in a decrease in demand for our batteries and harm our ability to grow revenue and expand margins.

The lithium-based battery market is characterized by changing technologies and evolving industry standards, which are difficult to predict. This, coupled with frequent introduction of new products and models, has shortened product life cycles and may render our batteries less marketable or obsolete. Also, our ability to grow revenue and expand margins will depend on our ability to develop and launch new product designs that are attractive to our customers. If we fail to invest in the development of new products and technologies, we may lose the opportunity to compete effectively or at all. Third parties, including our competitors, may improve their technologies or even achieve technological breakthroughs that could decrease the demand for our batteries. Our ability to adapt to evolving industry standards and anticipate future standards and market trends will be a significant factor in maintaining and improving our competitive position and our prospects for growth.

We may become subject to product liability claims, which could harm our financial condition and liquidity if we are not able to successfully defend or insure against such claims.

Highly publicized incidents of laptop computers and cell phones bursting into flames have focused attention on the safety of lithium-ion batteries. If one of our products were to cause personal injury or property damage, including as a result of product malfunctions, defects or improper installation leading to a fire or other hazardous condition, we may become subject to product liability claims, even those without merit, which could harm our business, prospects, operating results and financial condition. We face inherent risk of exposure to claims in the event our batteries do not perform as expected or malfunction resulting in personal injury or death. Our risks in this area are particularly pronounced given our batteries have a limited history of commercial testing and mass production. A successful product liability claim against us could require us to pay a substantial monetary award. Moreover, a product liability claim could generate substantial negative publicity about our batteries and business and inhibit or prevent commercialization of other future battery product candidates, which would have material adverse effect on our brand, business, prospects and operating results. Any insurance coverage might not be sufficient to cover all potential product liability claims. Any lawsuit seeking significant monetary damages either in excess of our coverage, or outside of our coverage, may have a material adverse effect on our reputation, business and financial condition. We may not be able to secure additional product liability insurance coverage on commercially acceptable terms or at reasonable costs when needed, particularly if we do face liability for our products and are forced to make a claim under our policy.

If we are unable to attract and retain key employees and qualified personnel on a global basis, our business and prospects could be harmed.

Our success depends on our ability to attract and retain our executive officers, key employees and other qualified personnel on a global basis, and, as a relatively small company with key talent residing in a limited number of employees, our operations and prospects may be severely disrupted if we lose any one or more of their services. There have been, and may continue to be, changes in our management team resulting from the departure or onboarding of executives and key employees, which could disrupt our business. For example, in addition to turnover of key executive positions in 2023, our Chief Financial Officer stepped down in December 2024, we created a new role and appointed a Chief Accounting Officer at the end of December 2024, appointed a new Chief Financial Officer in April 2025 and our Chief Operating Officer announced his retirement, effective February 2026. Such changes in our executive management team or workforce may be disruptive to our business, divert management's attention, result in a loss of knowledge and negatively impact employee morale.

If we encounter further turnover or difficulties associated with the transition or departure of our executive officers and key employees, or if we are unsuccessful in recruiting new personnel or in retaining and motivating existing personnel, our operations may be disrupted, which could harm our business. We are dependent on the continued service of our senior technical and management personnel because of the complexity of our products. Our senior management and key employees are employed on an at-will basis. We cannot ensure you that we will be able to retain the services of our senior management team or other key employees, or that we will be able to timely replace such employees. The loss of one or more of our senior management or other key employees could harm our business.

Labor is subject to external factors that are beyond our control, including our industry's highly competitive market for skilled workers and leaders, cost inflation, and workforce participation rates. As we build our brand and become more well known and grow globally, there is increased risk that competitors or other companies will seek to hire our personnel. While some of our employees are bound by non-competition agreements, these may prove to be unenforceable. The failure to attract, integrate, train, motivate and retain these personnel could seriously harm our business and prospects.

If we are unable to maintain effective internal control over financial reporting in the future, or implement or integrate effective internal control over financial reporting with respect to any acquired entities or subsidiaries, investors may lose confidence in the accuracy and completeness of our financial reports, and the market price of our common stock may be materially adversely affected.

In the past, we and our independent registered public accounting firm identified two material weaknesses in our internal control over financial reporting, all of which have since been remediated. We did not identify any material weakness in the periods covered by this report. With respect to any future acquisition, we may encounter unexpected integration challenges, and such integration process may take longer than anticipated, which may have a negative impact on our ability to report effectively on our internal controls. If we are unable to successfully integrate any future acquisition into our existing internal control over financial reporting processes in a timely manner, our ability to accurately report our financial results could be negatively impacted.

Furthermore, if, in the future, we have a material weakness in our internal controls over financial reporting, we may not detect errors on a timely basis and our financial statements may be materially misstated. We or our independent registered public accounting firm may not be able to conclude on an ongoing basis that we have effective internal control over financial reporting, which could harm our operating results, cause investors to lose confidence in our reported financial information and cause the trading price of our stock to fall. In addition, as a public company, we are required to file accurate and timely quarterly and annual reports with the SEC under the Exchange Act. Any failure to report our financial results on an accurate and timely basis could result in sanctions, lawsuits, delisting of our shares from the Nasdaq Global Select Market or other adverse consequences that would materially harm our business. In addition, we could become subject to investigations by the stock exchange on which our securities are listed, the SEC and other regulatory authorities and litigation from investors and stockholders, which could harm our reputation and our financial condition, and/or divert financial and management resources from our core business.

We have incurred and will continue to incur significant increased expenses and administrative burdens as a public company, which could negatively impact our business, financial condition and results of operations.

We face increased legal, accounting, administrative and other costs and expenses as a public company that we would not incur as a private company. The Sarbanes-Oxley Act of 2002, including the requirements of Section 404, as well as rules and regulations subsequently implemented by the SEC, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and the rules and regulations promulgated and to be promulgated thereunder, the PCAOB and the securities exchanges, impose additional reporting and other obligations on public companies. Compliance with public company requirements will increase costs and make certain activities more time consuming. A number of those requirements require us to carry out activities that we had not done previously as a private company. For example, we created new board committees and adopted new internal controls and disclosure controls and procedures.

Furthermore, if any issues in complying with those requirements are identified (for example, if we identify a material weakness or significant deficiency in the internal control over financial reporting), we could incur additional costs rectifying those issues, and the existence of those issues could adversely affect our reputation or investor perceptions of us. It may also be more expensive to obtain director and officer liability insurance. Risks associated with our status as a public company may make it more difficult to attract and retain qualified persons to serve on our Board of Directors or as executive officers. As a public company, we have additional reporting and other obligations, which lead to higher legal, accounting and administrative costs for supporting regulatory compliance requirements. These increased costs require us to divert a significant amount of money that could otherwise be used to expand the business and achieve strategic objectives. Advocacy efforts by stockholders and third parties may also prompt additional changes in governance and reporting practices, which could further increase our compliance costs.

In addition, we are working to upgrade our enterprise resource planning ("ERP") system in order to further streamline the management of our financial, accounting, human resources, sales and marketing and other functions and enable us to manage our operations and performance more effectively. However, an upgrade of our ERP system will likely require significant resources for us to complete the implementation effectively, which may result in substantial costs. Additionally, any disruptions or difficulties in using an ERP system could adversely affect our controls and harm our business, including our ability to forecast or make sales and collect our receivables, any of which could have a material adverse affect on our business, operations and financial condition. Moreover, such disruption or difficulties could result in unanticipated costs and diversion of management attention.

We have previously been, currently are, and may in the future be involved in class-action lawsuits and other litigation matters, including commercial and other contractual disputes, that are expensive and time-consuming. If resolved adversely, lawsuits and other litigation matters could seriously harm our business.

We have previously been, currently are, and may in the future be subject to litigation, such as putative class action and shareholder derivative lawsuits brought by stockholders. We may also be involved in other legal proceedings and commercial or contractual disputes that, from time to time, are significant. These are typically claims that arise in the normal course of business including, without limitation, warranty claims and other disputes with potential customers and suppliers, intellectual property matters, personal injury claims, environmental issues, and tax and employment matters. See Note 7 "Commitments and Contingencies" of our Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q for a discussion of pending litigation.

It is difficult to predict the outcome, duration or ultimate financial exposure, if any, represented by these matters, and there can be no assurance that any such exposure will not be material. Any litigation to which we are a party may result in an onerous or unfavorable judgment that may not be reversed on appeal, or we may decide to settle lawsuits on similarly unfavorable terms. Any such negative outcome could result in payments of substantial monetary damages, which would negatively impact our business and stock price, and to the extent such damages are paid in stock rather than cash, would result in dilution to our current stockholders. Regardless of the final outcome, defending litigation is costly and can impose a significant burden on management and employees. Legal proceedings, contractual disputes and claims may also divert management's attention away from our business operations, negatively affect our reputation and/or result in increased compliance costs. We have in the past, and may in the future, receive unfavorable preliminary, interim, or final rulings in pending matters, which could damage our reputation and seriously harm our business.

Risks Related to Our Capital Needs and Capital Strategy

We may not have adequate funds to finance our operating needs and our growth, and may need to raise additional capital, which we may not be able to do.

The design, manufacture and sale of batteries is a capital-intensive business. As a result of the capital-intensive nature of our business, we can be expected to continue to sustain substantial operating expenses without generating sufficient revenue to cover expenditures. We may need to raise additional capital to expand our current production capabilities or to acquire additional manufacturing lines and facilities in the jurisdictions in which we operate. Adequate additional funding may not be available to us on acceptable terms or at all, and if the financial markets become difficult or costly to access, including due to rising interest rates, fluctuations in foreign currency exchange rates or other changes in economic conditions, our ability to raise additional capital may be negatively impacted. Our failure to raise capital in the future would have a negative impact on our ability to expand our existing manufacturing facilities for additional production lines or improve the production line capability, which would in turn negatively impact our ability to pursue our business strategies. The amount of capital that we will be required to raise, and our ability to raise substantial additional capital, will depend on many factors, including, but not limited to:

- our ability and the cost to develop our new and complex manufacturing process that will produce lithium-ion batteries in a cost-effective manner;
- our ability to continue to scale our Malaysia manufacturing facility in a timely and cost-effective manner;
- our ability to locate and acquire new, larger manufacturing facilities on commercially reasonable terms;
- our ability to build out our new, larger manufacturing facilities in a cost-effective manner;
- the cost of preparing to manufacture lithium-ion batteries on a larger scale;
- the costs of commercialization activities including product sales, marketing, manufacturing and distribution;
- our ability to hire additional personnel;
- the demand for our lithium-ion batteries and the prices for which we will be able to sell our lithium-ion batteries, including as may be affected by the recent imposition of new and increased tariffs and global trade disruptions;
- the emergence of competing technologies or other adverse market developments; and
- volatility in the equity markets, including as a result of global trade disruptions, the imposition of new and increased tariffs, rising interest rates, inflation or war or other armed conflict.

Our long-term financial model assumptions include both expanding on our own and by partnering with other battery companies. Should we not be able to achieve these partnering goals, we would have to expand purely on our own. This would require additional capital and could impact how fast we can ramp revenue and achieve profitability. It could also impact our ability to service some customers that require second sources for supply. Additionally, if we can achieve these partnerships but not on the financial terms we are assuming, it could impact our financial performance.

Further, we cannot guarantee that our business will generate sufficient cash flow from operations to fund our capital expenditures or other liquidity needs. Over time, we expect that we will need to raise additional funds through the issuance of equity, equity-related or debt securities or through obtaining credit from financial institutions to fund, together with our principal sources of liquidity, ongoing costs such as research and development relating to our batteries, any significant unplanned or accelerated expenses and new strategic investments.

As discussed elsewhere in these risk factors and in the Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q, we are not profitable and have incurred losses in each year since our inception. We anticipate these losses will continue and likely increase as we continue our manufacturing scale up, add additional manufacturing capacity, continue commercialization and continue to operate as a public company and comply with legal, accounting and other regulatory requirements. We cannot be certain that additional capital will be available on attractive terms, if at all, when needed, which could be dilutive to stockholders, and our financial condition, results of operations, business and prospects could be materially and adversely affected.

Raising additional funds may cause dilution to existing stockholders and/or may restrict our operations or require us to relinquish proprietary rights.

To the extent that we raise additional capital by issuing equity or convertible debt securities, our existing stockholders may experience substantial dilution, and the terms of these issued securities may include liquidation or other preferences that adversely affect the rights of our existing common stockholders. We may issue debt or equity securities under our shelf registration statement filed with the SEC in August 2023, including in an at-the-market ("ATM") offering under our ATM facility, or we may issue debt or equity securities in private transactions. For example, during the third quarter of 2025, we declared and issued a special dividend in the form of publicly-traded common stock warrants (the "Warrants"), which were distributed on or about July 21, 2025 (the "Warrant Dividend") and raised gross proceeds of $232.1 million from the exercise of Warrants, and we issued 26,526,344 shares of our common stock in connection with the exercise of the Warrants. We also issued $360.0 million of our 2030 Convertible Senior Notes in September 2025, which are convertible into shares of our common stock (see Note 6 "Borrowings" of our Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q for further details).

Any agreements for future debt or preferred equity financings, if available, may involve covenants limiting or restricting our ability to take specific actions, such as raising additional capital, incurring additional debt, making capital expenditures or declaring dividends. In addition, if we raise additional funds through collaborations, strategic alliances or marketing, distribution or licensing arrangements with third parties, we may be required to relinquish valuable rights to our technologies or future revenue streams. If we incur additional debt, the debt holders, together with holders of our outstanding Convertible Senior Notes, would have rights senior to holders of common stock to make claims on our assets, and the terms of any future debt could restrict our operations, including our ability to pay dividends on our common stock.

Risks Related to Our Convertible Senior Notes

Servicing our debt requires a significant amount of cash, and we may not have sufficient cash flow from our business to pay our substantial debt.

Our ability to make scheduled payments of the principal of, to pay interest on or to refinance our indebtedness, including the Convertible Senior Notes, depends on our future performance, which is subject to economic, financial, competitive and other factors beyond our control. Our business may not continue to generate cash flow from operations in the future sufficient to service our debt and make necessary capital expenditures. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as selling assets, restructuring debt or obtaining additional equity capital on terms that may be onerous or highly dilutive. Our ability to refinance our indebtedness will depend on the capital markets and our financial condition at such time. We may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on our debt obligations, including the Convertible Senior Notes.

The conditional conversion feature of the Convertible Senior Notes, if triggered, may adversely affect our financial condition and operating results.

In the event the conditional conversion feature of the Convertible Senior Notes is triggered, holders of the Convertible Senior Notes will be entitled to convert their notes at any time during specified periods at their option. If one or more holders elect to convert their notes, unless we elect to satisfy our conversion obligation by delivering solely shares of our common stock (other than paying cash in lieu of delivering any fractional share), we would be required to settle a portion or all of our conversion obligation through the payment of cash, which could adversely affect our liquidity. In addition, even if holders do not elect to convert their notes, we could be required under applicable accounting rules to reclassify all or a portion of the outstanding principal of the Convertible Senior Notes as a current rather than long-term liability, which would result in a material reduction of our net working capital.

Certain provisions in the indenture governing the Convertible Senior Notes may delay or prevent an otherwise beneficial takeover attempt of us.

Certain provisions in the indenture governing the Convertible Senior Notes may make it more difficult or expensive for a third party to acquire us. For example, the indenture governing the Convertible Senior Notes will require us to repurchase the Convertible Senior Notes for cash upon the occurrence of a fundamental change and, in certain circumstances, to increase the conversion rate for a holder that converts its notes in connection with a make-whole fundamental change. A takeover of us may trigger the requirement that we repurchase the Convertible Senior Notes and/or increase the conversion rate, which could make it costlier for a potential acquirer to engage in such takeover. Such additional costs associated with these and other provisions of the indenture governing our Convertible Senior Notes may have the effect of delaying or preventing a takeover of us that would otherwise be beneficial to investors.

Conversion of the Convertible Senior Notes may dilute the ownership interest of our stockholders or may otherwise depress the price of our common stock.

The conversion of some or all of the Convertible Senior Notes may dilute the ownership interests of our stockholders. Upon conversion of the Convertible Senior Notes, we have the option to pay or deliver, as the case may be, cash, shares of our common stock, or a combination of cash and shares of our common stock. If we elect to settle our conversion obligation in shares of our common stock or a combination of cash and shares of our common stock, any sales in the public market of our common stock issuable upon such conversion could adversely affect prevailing market prices of our common stock. In addition, the existence of the Convertible Senior Notes may encourage short selling by market participants because the conversion of the Convertible Senior Notes could be used to satisfy short positions, or anticipated conversion of the Convertible Senior Notes into shares of our common stock could depress the price of our common stock.

The accounting method for the Convertible Senior Notes could adversely affect our reported financial condition and results.

The accounting method for reflecting the Convertible Senior Notes, including our Affiliate Notes (each as defined in Note 6 “Borrowings” of our Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q, accruing interest expense for the Convertible Senior Notes and reflecting the underlying shares of our common stock in our reported diluted earnings per share may adversely affect our reported earnings and financial condition.

In August 2020, the Financial Accounting Standards Board published Accounting Standards Update 2020-06 (“ASU 2020-06”), which simplified certain of the accounting standards that apply to convertible notes. ASU 2020-06 eliminated the cash conversion and beneficial conversion feature modes used to separately account for embedded conversion features as a component of equity. Instead, an entity would account for convertible debt or convertible preferred stock securities as a single unit of account, unless the conversion feature requires bifurcation and recognition as derivatives. Additionally, the guidance requires entities to use the “if-converted” method for all convertible instruments in the diluted earnings per share calculation and to include the effect of potential share settlement for instruments that may be settled in cash or shares. ASU 2020-06 became effective for us beginning on January 1, 2022.

In accordance with ASU 2020-06, we recorded the Convertible Senior Notes as a liability on our consolidated balance sheets, with the initial carrying amount equal to the principal amount of the Convertible Senior Notes, net of issuance costs. The issuance costs are treated as a debt discount for accounting purposes, which are amortized into interest expense over the term of the Convertible Senior Notes. As a result of this amortization, the interest expense that we recognize for the Convertible Senior Notes for accounting purposes is greater than the cash interest payments we will pay on the Convertible Senior Notes, which will result in lower reported income.

In addition, the shares of common stock underlying the Convertible Senior Notes are reflected in our diluted earnings per share using the “if converted” method, if dilutive, in accordance with ASU 2020-06. Under that method, diluted earnings per share are generally calculated assuming that all the Convertible Senior Notes were converted solely into shares of common stock at the beginning of the reporting period, unless the result would be anti-dilutive. The application of the if-converted method may reduce our reported diluted earnings per share to the extent we are profitable in the future, and accounting standards may change in the future in a manner that may adversely affect our diluted earnings per share.

Furthermore, if any of the conditions to the convertibility of the Convertible Senior Notes is satisfied, then we may be required under applicable accounting standards to reclassify the liability carrying value of the Convertible Senior Notes as a current, rather than a long-term, liability. This reclassification could be required even if no noteholders or holders of Affiliate Notes convert their Convertible Senior Notes or Affiliate Notes, respectively, following the satisfaction of those conditions and could materially reduce our reported working capital.

The capped call transactions may affect the value of the Convertible Senior Notes and our common stock.

In connection with the pricing of the Convertible Senior Notes and the exercise by the initial purchasers of their option to purchase additional Convertible Senior Notes, we entered into capped call transactions (the “Capped Call Transactions”) with certain of the initial purchasers or affiliates thereof and/or other financial institutions (the “Option Counterparties”). The Capped Call Transactions will cover, subject to customary adjustments, the number of shares of our common stock initially underlying the Convertible Senior Notes. The Capped Call Transactions are expected generally to reduce the potential dilution to our common stock upon any conversion of notes and/or offset any cash payments we are required to make in excess of the principal amount of converted notes, as the case may be, with such reduction and/or offset subject to a cap.

In connection with establishing their initial hedges of the Capped Call Transactions, the Option Counterparties or their respective affiliates likely entered into various derivative transactions with respect to our common stock and/or purchased shares of our common stock concurrently with or shortly after the pricing of the Convertible Senior Notes, including with, or from, as the case may be, certain investors in the Convertible Senior Notes.

In addition, the Option Counterparties and/or their respective affiliates may modify their hedge positions by entering into or unwinding various derivatives with respect to our common stock and/or purchasing or selling our common stock or other securities of ours in secondary market transactions prior to the maturity of the Convertible Senior Notes (and are likely to do so on each exercise date of the Capped Call Transactions, or, to the extent we exercise the relevant election under the Capped Call Transactions, following any repurchase, redemption, or conversion of the Convertible Senior Notes).

We cannot make any prediction as to the direction or magnitude of any potential effect that the transactions described above may have on the price of the Convertible Senior Notes or the shares of our common stock. Any of these activities could adversely affect the value of the Convertible Senior Notes and our common stock.

We are subject to counterparty risk with respect to the Capped Call Transactions.

The Option Counterparties are financial institutions, and we will be subject to the risk that any or all of them might default under the Capped Call Transactions. Our exposure to the credit risk of the Option Counterparties will not be secured by any collateral.

If an Option Counterparty becomes subject to insolvency proceedings, we will become an unsecured creditor in those proceedings with a claim equal to our exposure at that time under the capped call transaction with such Option Counterparty. Our exposure will depend on many factors but, generally, an increase in our exposure will be correlated to an increase in the market price and in the volatility of our common stock. In addition, upon a default by an Option Counterparty, we may suffer more dilution than we currently anticipate with respect to our common stock. We can provide no assurances as to the financial stability or viability of the Option Counterparties.

Risks Related to Our Intellectual Property

We rely heavily on our intellectual property portfolio. If we are unable to protect our intellectual property rights, our business and competitive position would be harmed.

We may not be able to prevent unauthorized use of our intellectual property, which could harm our business and competitive position. We rely upon a combination of the intellectual property protections afforded by patent, copyright, trademark and trade secret laws in the U.S. and other jurisdictions, as well as license agreements and other contractual protections, to establish, maintain and enforce rights in our proprietary technologies. In addition, we seek to protect our intellectual property rights through nondisclosure and invention assignment agreements with our employees and consultants and through non-disclosure agreements with business partners and other third parties. Despite our efforts to protect our proprietary rights, third parties may attempt to copy or otherwise obtain and use our intellectual property or be able to design around our intellectual property. Monitoring unauthorized use of our intellectual property is difficult and costly, and the steps we have taken or will take to prevent misappropriation may not be sufficient. Any enforcement efforts we undertake, including litigation, could be time-consuming and expensive and could divert management’s attention, which could harm our business, results of operations and financial condition. Moreover, our intellectual property is stored on computer systems that could be penetrated by intruders and potentially misappropriated. There is no guarantee that our efforts to protect our computer systems will be effective. In addition, existing intellectual property laws and contractual remedies may afford less protection than needed to safeguard our intellectual property portfolio.

Patent, copyright, trademark and trade secret laws vary significantly throughout the world. A number of foreign countries do not protect intellectual property rights to the same extent as do U.S. laws. Therefore, our intellectual property rights may not be as strong or as easily enforced outside the U.S., and efforts to protect against the unauthorized use of our intellectual property rights, technology and other proprietary rights may be more expensive and difficult outside the U.S. Further, we have not established our intellectual property rights in all countries in the world, and competitors may copy our designs and technology and operate in countries in which we have not prosecuted our intellectual property. Failure to adequately protect our intellectual property rights could result in our competitors using our intellectual property to offer products, and competitors' ability to design around our intellectual property would enable competitors to offer similar or better batteries, in each case potentially resulting in the loss of some of our competitive advantage and a decrease in our revenue, which would adversely affect our business, prospects, financial condition and operating results.

We may need to defend ourselves against intellectual property infringement claims, which may be time-consuming and could cause us to incur substantial costs.

Companies, organizations or individuals, including our current and future competitors, may hold or obtain patents, trademarks or other proprietary rights that would prevent, limit or interfere with our ability to make, use, develop or sell our products, which could make it more difficult for us to operate our business. From time to time, we may receive inquiries from holders of patents or trademarks inquiring whether we are infringing their proprietary rights and/or seek court declarations that they do not infringe upon our intellectual property rights. Companies holding patents or other intellectual property rights relating to batteries, electric motors or electronic power management systems may bring suits alleging infringement of such rights or otherwise asserting their rights and seeking licenses. In addition, if we are determined to have infringed upon a third party's intellectual property rights, we may be required to do one or more of the following:

- cease selling, incorporating or using products that incorporate the challenged intellectual property;
- pay substantial damages;
- obtain a license from the holder of the infringed intellectual property right, which license may not be available on reasonable terms or at all; or
- redesign our batteries.

In the event of a successful claim of infringement against us and our failure or inability to obtain a license to the infringed technology, our business, prospects, operating results and financial condition could be materially adversely affected. In addition, any litigation or claims, whether or not valid, could result in substantial costs and diversion of resources and management's attention.

We may also license patents and other intellectual property from third parties, and we may face claims that our use of this intellectual property infringes the rights of others. In such cases, we may seek indemnification from our licensors under our license contracts with them. However, our rights to indemnification may be unavailable or insufficient to cover our costs and losses, depending on our use of the technology, whether we choose to retain control over conduct of the litigation and other factors.

Our patent applications may not result in issued patents or our patent rights may be contested, circumvented, invalidated or limited in scope, any of which could have a material adverse effect on our ability to prevent others from interfering with our commercialization of our products.

Our patent applications may not result in issued patents, which may have a material adverse effect on our ability to prevent others from commercially exploiting products similar to ours. The status of patents involves complex legal and factual questions and the breadth of claims allowed is uncertain. As a result, we cannot be certain that the patent applications that we file will result in patents being issued or that our patents and any patents that may be issued to us will afford protection against competitors with similar technology. Numerous patents and pending patent applications owned by others exist in the fields in which we have developed and are developing our technology. In addition to those who may claim priority, any of our existing or pending patents may also be challenged by others on the basis that they are otherwise invalid or unenforceable. Furthermore, patent applications filed in foreign countries are subject to laws, rules and procedures that differ from those in the U.S., and thus we cannot be certain that foreign patent applications related to issued U.S. patents will be issued.

Even if our patent applications succeed and we are issued patents in accordance with them, it is still uncertain whether these patents will be contested, circumvented, invalidated or limited in scope in the future. The rights granted under any issued patents may not provide us with meaningful protection or competitive advantages, and some foreign countries provide significantly less effective patent enforcement than in the U.S. In addition, the claims under any patents that issue from our patent applications may not be broad enough to prevent others from developing technologies that are similar or that achieve results similar to ours. The intellectual property rights of others could also bar us from licensing and exploiting any patents that issue from our pending applications. In addition, patents issued to us may be infringed upon or designed around by others, and others may obtain patents that we need to license or design around, either of which would increase costs and may adversely affect our business, prospects, financial condition and operating results.

Risks Related to Our Regulatory Compliance

We may encounter regulatory approval difficulties which could delay our ability to launch our lithium-ion battery cells, and compliance with regulatory laws may limit their usefulness.

Any delay in the development and manufacturing scale-up of our lithium-ion battery cells would negatively impact our business as it will delay time to revenue and negatively impact our customer relationships. For example, although we plan to successfully pass all required regulatory abuse testing, because our design is new and has very high energy density, there may be unanticipated failure modes that occur in the field which could delay or prevent us from launching our batteries. Further, there are current limits on the amount of energy that can be transported using different delivery methods, particularly air travel. These limits on battery transportation have historically been based on the energy of batteries currently on the market. If battery transportation regulations remain static or the energy capacity of new batteries is deemed unsafe at certain levels, our transportation options may be limited, which could increase the costs and duration of shipping of our finished product and reduce customer use of our batteries in certain locations. This could increase our inventory costs and limit sales of our batteries in some markets.

We are subject to substantial regulation, and unfavorable changes to, or our failure to comply with, these regulations could substantially harm our business and operating results.

Our batteries are subject to substantial regulation under international, federal, state and local laws, including export control laws. We expect to incur significant costs in complying with these regulations. Regulations related to the battery and alternative energy are currently evolving, and we face risks associated with changes to these regulations.

To the extent the laws change, our products may not comply with applicable international, federal, state or local laws, which would have an adverse effect on our business. Compliance with changing regulations could be burdensome, time consuming and expensive. To the extent compliance with new regulations is cost prohibitive, our business, prospects, financial condition and operating results would be adversely affected.

Internationally, there may be laws in jurisdictions we have not yet entered or laws we are unaware of in jurisdictions we have entered that may restrict our sales or other business practices. The laws in this area can be complex, difficult to interpret and may change over time. Continued regulatory limitations and other obstacles that may interfere with our ability to commercialize our products could have a negative and material impact on our business, prospects, financial condition and results of operations.

We are subject to a variety of laws and regulations related to the safety and transportation of our batteries. Our failure to comply with these laws and regulations may have a material adverse effect on our business and results of operations.

Many federal, state and local authorities require certification by Underwriters Laboratory, Inc., an independent, not-for-profit corporation engaged in the testing of products for compliance with certain public safety standards, or other safety regulation certification prior to marketing battery cells. Foreign jurisdictions also have regulatory authorities overseeing the safety of consumer products. Our products may not meet the specifications required by these authorities. A determination that any of our products are not in compliance with these rules and regulations could result in the imposition of fines or an award of damages to private litigants.

In addition, lithium batteries have been identified as a Class 9 dangerous good during transport. To be safely transported (by air, sea, rail or roadways), they must meet various international, national, state and local authorities, including, for example, the provisions laid out in United Nations standard UN 38.3. This standard applies to batteries transported either on their own or installed in a device. UN 38.3 has been adopted by regulators and competent authorities around the world, thus making it a requirement for global market access. Any failure to fully comply with such international or other transportation safety standards could subject us to increased costs or future liabilities.

We are subject to requirements relating to environmental and safety regulations and environmental remediation matters which could adversely affect our business, results of operations and reputation.

We are subject to numerous federal, state and local environmental laws and regulations governing, among other things, solid and hazardous waste storage, treatment and disposal and remediation of releases of hazardous materials. There are significant capital, operating and other costs associated with compliance with these environmental laws and regulations. Environmental laws and regulations may become more stringent in the future, which could increase costs of compliance or require us to manufacture with alternative technologies and materials.

Federal, state and local authorities also regulate a variety of matters, including, but not limited to, health, safety and permitting in addition to the environmental matters discussed above. New legislation and regulations may require us to make material changes to our operations, resulting in significant increases to the cost of production.

Our manufacturing process will have hazards such as, but not limited to, hazardous materials, machines with moving parts and high voltage and/or high current electrical systems typical of large manufacturing equipment and related safety incidents. There may be safety incidents that damage machinery or product, slow or stop production or harm employees. Consequences may include litigation, regulation, fines, increased insurance premiums, mandates to temporarily halt production, workers' compensation claims or other actions that impact the company brand, finances or ability to operate.

We have expended significant resources as a public company to comply with Section 404(a)of the Sarbanes-Oxley Act of 2002, which compliance costs may increase as our operations expand. Any failure to maintain effective controls and procedures could negatively impact our business.

We are subject to Section 404 of the Sarbanes-Oxley Act of 2002. The standards required for a public company under Section 404(a) of the Sarbanes-Oxley Act of 2002 are significantly more stringent than those that were required of us as a privately held company. Management may not be able to maintain effective controls and procedures that adequately respond to these increased regulatory compliance and reporting requirements. Further, we need to incorporate any future acquired acquisitions into our existing system of internal controls and procedures, which will further increase our compliance costs, may require additional staff, and will likely divert the attention of management in the transition and integration period. If we are not able to maintain the requirements of Section 404(a) in a timely manner or with adequate compliance, we may not be able to assess whether our internal controls over financial reporting are effective, which may subject us to adverse regulatory consequences and could harm investor confidence and the market price of our securities.

We are required, pursuant to Section 404 of the Sarbanes-Oxley Act of 2002, to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting. This assessment includes disclosure of any material weaknesses identified by our management in our internal control over financial reporting. In addition, our independent registered public accounting firm is required to attest to the effectiveness of our internal control over financial reporting. Our compliance with Section 404 requires that we incur substantial expenses and expend significant management efforts. As we continue to expand our operations, including into international locations, we use a combination of our in-house Internal Audit team and third party service providers to assess and improve effectiveness of our internal controls over financial reporting, and we will likely expend more resources to hire additional accounting and finance staff with appropriate public company experience, technical accounting knowledge, and local knowledge, to update and refine the process documentation and internal controls for Section 404 compliance at each of our operational locations.

Risks Related to Ownership of Our Securities

The trading price of our common stock may be volatile, and the value of our common stock may decline.

Historically, our stock price has been volatile and the trading price of our securities could continue to be volatile. The trading price of our common stock is subject to wide fluctuations in response to various factors, many of which are beyond our control. Any of the factors listed below could have a material adverse effect on your investment in our securities and our securities may trade at prices significantly below the price you paid. In such circumstances, the trading price of our securities may not recover and may experience a further decline.

Factors affecting the trading price of our securities:

- actual or anticipated fluctuations in our quarterly financial results or the quarterly financial results of companies perceived to be similar to us;
- changes in the market's expectations about our operating results;
- market perception and speculation regarding announcements of new product or customer agreements;
- success of competitors;
- our operating results failing to meet the expectation of securities analysts or investors in a particular period;
- changes in financial estimates and recommendations by securities analysts concerning us or the market in general;
- operating and stock price performance of other companies that investors deem comparable to us;
- our ability to develop product candidates;
- changes in laws and regulations affecting our business;
- commencement of, or involvement in, litigation involving us;
- changes in our capital structure, such as future issuances of securities or the incurrence of additional debt;
- the volume of shares of our securities available for public sale;
- any major change in our board of directors or management;
- sales of securities convertible into shares of our capital stock by us;
- sales of substantial amounts of common stock by our directors, executive officers or significant stockholders or the perception that such sales could occur; and
- general economic and political conditions such as recessions, interest rates, fuel prices, international currency fluctuations and acts of war or other armed conflict or terrorism.

Broad market and industry factors may materially harm the market price of our securities irrespective of our operating performance. The stock market in general and the Nasdaq Global Select Market in particular have experienced price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of the particular companies affected. The trading prices and valuations of these stocks, and of our securities, are not predictable. A loss of investor confidence in the market for battery company stocks or the stocks of other companies which investors perceive to be similar to us could depress our stock price regardless of our business, prospects, financial conditions or results of operations. A decline in the market price of our securities also could adversely affect our ability to issue additional securities and our ability to obtain additional financing in the future.

Furthermore, short sellers may engage in manipulative activity intended to drive down the market price of target company stock. We have in the past been the subject of a short seller report containing certain allegations against us. While we reviewed the allegations in such report and believe them to be unsubstantiated, we may in the future become subject to additional unfavorable reports, which may cause us to expend a significant number of resources to investigate such allegations and may lead to increased volatility in the price of our common stock.

If securities or industry analysts do not publish or cease publishing research or reports about us, our business, or our market, or if they change their recommendations regarding our securities adversely, the price and trading volume of our securities could decline.

The trading market for our securities is influenced by the research and reports that industry or securities analysts may publish about us, our business, our market, or our competitors. If any of the analysts who currently cover us change their recommendation regarding our stock adversely, or provide more favorable relative recommendations about our competitors, the price of our securities would likely decline. If any analyst who currently covers us were to cease coverage of us or fail to regularly publish reports on us, we could lose visibility in the financial markets, which could cause our stock price or trading volume to decline. If we obtain additional coverage and any new analyst issues an adverse or misleading opinion regarding us, our business model, our intellectual property or our stock performance, or if our operating results fail to meet the expectations of analysts, our stock price could decline.

The future sales of shares by existing stockholders may adversely affect the market price of our common stock.

Sales of a substantial number of shares of our common stock in the public market could occur at any time. If our stockholders sell, or the market perceives that our stockholders intend to sell, substantial amounts of our common stock in the public market, the market price of our common stock could decline. We have a total of 218,153,440 shares of common stock outstanding as of May 8, 2026. All of our outstanding shares are eligible for sale in the public market, other than shares and options held by directors, executive officers, and other affiliates that are subject to volume limitations under Rule 144 of the Securities Act, various vesting agreements, and restrictive legends that limit sales other than under an effective registration statement. Additionally, the shares of common stock subject to outstanding options and restricted stock unit awards under our equity incentive plans and the shares reserved for future issuance under our equity incentive plans will become eligible for sale in the public market upon issuance, subject to the applicable provisions of our insider trading policy.

Private Placement Warrants are exercisable for our common stock, which would increase the number of shares eligible for future resale in the public market and result in dilution to our stockholders.

In connection with the initial public offering of our predecessor entity, Rodgers Silicon Valley Acquisition Corp. (“RSVAC”), RSVAC issued and sold 6,000,000 private placement warrants (the “Private Placement Warrants”) to Rodgers Capital, LLC, which entity subsequently distributed the Private Placement Warrants to its Series B Unit holders. Each Private Placement Warrant is exercisable for one share of common stock at an exercise price of $10.66 per share. There are 5,500,000 Private Placement Warrants outstanding following the exercise of warrants by one warrant holder in July 2024.

To the extent Private Placement Warrants are exercised, additional shares of our common stock will be issued, which will result in dilution to our existing common stockholders, and increase the number of our shares eligible for resale in the public market.

Sales of a substantial number of these shares in the public market, or the perception of such sales, could adversely affect the market price of our common stock. The Private Placement Warrants expire on July 14, 2026, or earlier upon redemption or liquidation, as more fully described in the Warrant Agreement, dated July 31, 2021, filed as an exhibit to our Annual Report on Form 10-K.

An active trading market for our securities may not continue, which would adversely affect the liquidity and price of our securities.

The price of our securities may fluctuate significantly due to general market and economic conditions and an active trading market for our securities may not be sustained. In addition, the price of our securities can vary due to general economic conditions and forecasts, our general business condition and the release of our financial reports. If our securities are not listed on, or for any reason become delisted from, the Nasdaq Global Select Market and are quoted on the OTC Bulletin Board, an inter-dealer automated quotation system for equity securities that is not a national securities exchange, the liquidity and price of our securities will be adversely affected. You may be unable to sell your securities if an active trading market for our securities cannot be sustained and/or the securities are no longer listed on the Nasdaq Global Select Market or other national securities exchange.

There can be no assurance that we will be able to comply with the continued listing standards of the Nasdaq Global Select Market.

If the Nasdaq Global Select Market delists our securities from trading on its exchange for failure to meet the listing standards, we and our stockholders could face significant material adverse consequences including:

- a limited availability of market quotations for our securities;

- a determination that our common stock is a “penny stock” which will require brokers trading in our common stock to adhere to more stringent rules, possibly resulting in a reduced level of trading activity in the secondary trading market for our common stock;
- a limited amount of analyst coverage; and
- a decreased ability to issue additional securities or obtain additional financing in the future.

Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware and U.S. federal district courts will be the exclusive forums for certain disputes between us and our stockholders, which could limit our stockholders’ ability to choose the judicial forum for disputes with us or our directors, officers or employees.

Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware (or, if and only if the Court of Chancery of the State of Delaware lacks subject matter jurisdiction, any state court located within the State of Delaware or, if and only if all such state courts lack subject matter jurisdiction, the federal district court for the District of Delaware) is the exclusive forum for:

- any derivative action or proceeding brought on our behalf;
- any action asserting a claim of breach of fiduciary duty owed by any of our current or former directors, officers or other employees to us or our stockholders;
- any action asserting a claim against us by any of our current or former directors, officers or other employees to us or our stockholders arising under the Delaware General Corporation Law, our amended and restated certificate of incorporation or our amended and restated bylaws;
- any action or proceeding to interpret, apply, enforce or determine the validity of the amended and restated certificate of incorporation or the amended or restated bylaws (including any right, obligation or remedy thereunder);
- any action or proceeding as to which the General Corporation Law of the State of Delaware confers jurisdiction to the Court of Chancery of the State of Delaware; and
- any action asserting a claim against us or any of our current or former directors, officers or other employees that is governed by the internal affairs doctrine, in all cases to the fullest extent permitted by law and subject to the court’s having personal jurisdiction over the indispensable parties named as defendants.

This exclusive-forum provision would not apply to suits brought to enforce a duty or liability created by the Securities and Exchange Act of 1934, as amended (the “Exchange Act”) or any other claim for which the federal courts have exclusive jurisdiction, or the Securities Act of 1933, as amended (the “Securities Act”). In addition, to prevent having to litigate claims in multiple jurisdictions and the threat of inconsistent or contrary rulings by different courts, among other considerations, our amended and restated certificate of incorporation provides that, unless we consent in writing to the selection of an alternative forum, to the fullest extent permitted by law, U.S. federal district courts will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act. However, Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all suits brought to enforce any duty or liability created by the Securities Act or the rules and regulations thereunder. Accordingly, both state and federal courts have jurisdiction to entertain such claims. As noted above, our amended and restated certificate of incorporation provides that U.S. federal district courts will be the exclusive forum for the resolution of any complaint asserting a cause of action under the Securities Act. Due to the concurrent jurisdiction for federal and state courts created by Section 22 of the Securities Act over all suits brought to enforce any duty or liability created by the Securities Act or the rules and regulations thereunder, there is uncertainty as to whether a court would enforce the exclusive form provision. Our amended and restated certificate of incorporation further provides that any person or entity holding, owning or otherwise acquiring any interest in any of our securities shall be deemed to have notice of and consented to these provisions. Investors also cannot waive compliance with the federal securities laws and the rules and regulations thereunder.

These exclusive-forum provisions may limit a stockholder’s ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees. While the Delaware courts have determined that such choice of forum provisions are facially valid, a stockholder may nevertheless seek to bring such a claim arising under the Securities Act against us or our directors, officers or other employees in a venue other than in U.S. federal district courts. In such instance, we would expect to vigorously assert the validity and enforceability of the exclusive forum provisions of our amended and restated certificate of incorporation. This may require significant additional costs associated with resolving such action in other jurisdictions and we cannot assure you that the provisions will be enforced by a court in those other jurisdictions. If a court were to find either exclusive-forum provision in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur further significant additional costs associated with resolving the dispute in other jurisdictions, all of which could harm our business.

General Risk Factors

Global conflicts could adversely impact our business, costs, supply chain, sales, financial condition or results of operations.

Recent global conflicts, such as the conflicts in the Middle East and Russia's invasion of Ukraine, have led the U.S. and certain other countries to impose significant sanctions and trade actions and have slowed down shipping options. The U.S. and other countries could impose further sanctions, trade restrictions and other retaliatory actions, and affect shipment of products. It is not possible to predict the broader consequences of the conflicts, including related geopolitical tensions, and the measures and retaliatory actions taken by the U.S. and other countries in respect thereof, as well as any counter measures or retaliatory actions taken in response, have caused and are likely to continue to cause regional instability and geopolitical shifts. Further, such conflicts have in the past, and will likely continue to, materially adversely affected global trade, currency exchange rates, regional economies and the global economy. While it is difficult to anticipate the impact of any of the foregoing on the Company, such conflicts, and any similar future conflicts, including as a result of rising tensions between China and Taiwan, and actions taken in response to any conflict, could increase our costs, disrupt our supply chain, reduce our sales and earnings, impair our ability to raise additional capital when needed on acceptable terms, if at all, or otherwise adversely affect our business, financial condition and results of operations.

If our batteries, our website, systems or data we maintain are or were compromised we could experience adverse consequences resulting from such compromise, including but not limited to regulatory investigations or actions; litigation; fines and penalties; disruptions of our business operations; reputational harm; loss of revenue or profits; loss of customers or sales; and other adverse consequences.

In the ordinary course of business, we collect, receive, store, process, generate, use, transfer, disclose, make accessible, protect, secure, dispose of, transmit, and share (collectively, process) personal data and other sensitive information, including proprietary and confidential business data, trade secrets, intellectual property, and sensitive third-party data. cyberattacks, malicious internet-based activity, online and offline fraud, and other similar activities threaten the confidentiality, integrity, and availability of our sensitive information and information technology systems, and those of the third parties upon which we rely. Such threats are prevalent and continue to rise, are increasingly difficult to detect, and come from a variety of sources, including traditional computer "hackers," threat actors, "hacktivists," organized criminal threat actors, personnel (such as through theft or misuse), sophisticated nation states, and nation-state-supported actors. Some actors now engage and are expected to continue to engage in cyber-attacks, including without limitation nation-state actors for geopolitical reasons and in conjunction with military conflicts and defense activities. During times of war and other major conflicts, we, the third parties upon which we rely, and our customers may be vulnerable to a heightened risk of these attacks, including retaliatory cyber-attacks, that could materially disrupt our systems and operations, supply chain, and ability to produce, sell and distribute our goods and services.

We and the third parties upon which we rely are subject to a variety of evolving threats, including but not limited to social-engineering attacks (including through deep fakes, which may be increasingly more difficult to identify as fake, and phishing attacks), malicious code (such as viruses and worms), malware (including as a result of advanced persistent threat intrusions), denial-of-service attacks, credential stuffing attacks, credential harvesting, personnel misconduct or error, ransomware attacks, supply-chain attacks, software bugs, server malfunctions, software or hardware failures, attacks facilitated or enhanced by artificial intelligence, loss of data or other information technology assets, adware, telecommunications failures, earthquakes, fires, floods, and other similar threats. In particular, severe ransomware attacks are becoming increasingly prevalent – particularly for companies like ours that are engaged in manufacturing – and can lead to significant interruptions in our operations, loss of sensitive data and income, reputational harm, and diversion of funds. Extortion payments may alleviate the negative impact of a ransomware attack, but we may be unwilling or unable to make such payments due to, for example, applicable laws or regulations prohibiting such payments.

Remote work has become more common and has increased risks to our information technology systems and data, as more of our employees utilize network connections, computers and devices outside our premises or network, including working at home, while in transit and in public locations. Additionally, future or past business transactions (such as acquisitions or integrations) could expose us to additional cybersecurity risks and vulnerabilities, as our systems could be negatively affected by vulnerabilities present in acquired or integrated entities' systems and technologies. Furthermore, we may discover security issues that were not found during due diligence of such acquired or integrated entities, and it may be difficult to integrate any acquired companies into our information technology environment and security program.

We rely on third-party service providers and technologies to operate critical business systems to process sensitive information in a variety of contexts, including, without limitation, cloud-based infrastructure, data center facilities, encryption and authentication technology, employee email, and other functions. Our ability to monitor these third parties' information security practices is limited, and these third parties may not have adequate information security measures in place. If our third-party service providers experience a security incident or other interruption, we could experience adverse consequences. For example, the Crowdstrike-Microsoft outage in July 2024 caused temporary disruptions to our systems and servers at our U.S., Malaysia and India locations. While we may be entitled to damages if our third-party service providers fail to satisfy their privacy or security-related obligations to us, or we may be entitled to reimbursement under our insurance policies, any award may be insufficient to cover our damages, or we may be unable to recover such award.

Any of the previously identified or similar threats could cause a security incident or other interruption that could result in unauthorized, unlawful, or accidental acquisition, modification, destruction, loss, alteration, encryption, disclosure of, or access to our sensitive information or our information technology systems, or those of the third parties upon whom we rely. A security incident or other interruption could disrupt our ability (and that of third parties upon whom we rely) to provide our products. We may expend significant resources or modify our business activities to try to protect against security incidents. Certain data privacy and security obligations may require us to implement and maintain specific security measures or industry-standard or reasonable security measures to protect our information technology systems and sensitive information.

While we have implemented security measures designed to protect against security incidents, there can be no assurance that these measures will be effective. We take steps to detect, mitigate, and remediate vulnerabilities in our information systems (such as our hardware and/or software, including that of third parties upon which we rely), but we may not be able to detect and remediate all vulnerabilities on a timely basis because the threats and techniques used to exploit the vulnerability change frequently and are often sophisticated in nature. Therefore, such vulnerabilities could be exploited but may not be detected until after a security incident has occurred. These vulnerabilities pose material risks to our business. Further, we may experience delays in developing and deploying remedial measures designed to address any such identified vulnerabilities. Vulnerabilities could be exploited and result in a security incident.

Applicable data privacy and security obligations may require us to notify relevant stakeholders, including affected individuals, customers, regulators, and investors, of security incidents. For example, new SEC rules require disclosure on Form 8-K of the nature, scope and timing of any material cybersecurity incident and the reasonably likely impact of such incident. Such disclosures are costly, and the disclosure or the failure to comply with such requirements could lead to adverse consequences. If we (or a third party upon whom we rely) experience a security incident or are perceived to have experienced a security incident, we may experience adverse consequences, such as government enforcement actions (for example, investigations, fines, penalties, audits, and inspections); additional reporting requirements and/or oversight; restrictions on processing sensitive information (including personal data); litigation (including class claims); indemnification obligations; negative publicity; reputational harm; monetary fund diversions; diversion of management attention; interruptions in our operations (including availability of data); financial loss; and other similar harms. Security incidents and attendant consequences may cause customers to stop using our products, deter new customers from using our products, and negatively impact our ability to grow and operate our business.

Our contracts may not contain limitations of liability, and even where they do, there can be no assurance that limitations of liability in our contracts are sufficient to protect us from liabilities, damages, or claims related to our data privacy and security obligations. We cannot be sure that our insurance coverage will be adequate or sufficient to protect us from or to mitigate liabilities arising out of our privacy and security practices, that such coverage will continue to be available on commercially reasonable terms or at all, or that such coverage will pay future claims.

Additionally, sensitive information of the Company or our customers could be leaked, disclosed, or revealed as a result of or in connection with the use by our employees, personnel, or vendors of generative artificial intelligence ("AI") technologies.

We are subject to stringent and evolving U.S. and foreign laws and other obligations related to data privacy and security. Our actual or perceived failure to comply with such obligations could harm our reputation and expose us to increased liability and other adverse business consequences.

We collect, store, use, transfer and share (collectively, "process") personal data and other sensitive information. Our data processing activities may subject us to various laws and contractual requirements. A number of U.S. states have enacted comprehensive privacy laws that impose certain obligations on covered businesses. For example, the California Consumer Privacy Act of 2018, as amended by the California Privacy Rights Act of 2020 (collectively, "CCPA") applies to personal data of California residents and requires businesses to provide specific disclosures in privacy notices and honor requests of such individuals to exercise certain privacy rights.

Outside the U.S., the U.K. and EU General Data Protection Regulation ("GDPR") applies to some of our operations in Europe. Our data processing activities in Asia are subject to new and emerging data privacy regimes, including China's Personal Information Law 2021 ("PIPL") and in India's Digital Personal Data Protection Act ("DPDPA").

Our employees are instructed by Enovix IT not to use unauthorized generative AI and machine learning ("ML") technologies to perform their work. However, employees' indirect use of generative AI in unapproved third-party software and services may still occur, risking the inadvertent disclosure of personal data and sensitive company information to third parties. As Governments have passed and are likely to pass additional laws regulating generative AI, our use of this technology could result in additional compliance costs, regulatory investigations and actions, and lawsuits. If we are unable to use generative AI, it could make our business less efficient and result in competitive disadvantages.

Obligations related to data privacy and security are quickly changing, becoming increasingly stringent, and creating regulatory uncertainty. Preparing for and complying with these obligations requires us to devote significant resources, which may necessitate changes to our services, information technologies, systems, and practices, and to those of any third parties that process personal data on our behalf. If we or the third parties on which we rely fail, or are perceived to have failed, to address or comply with applicable data privacy and security obligations, we could face significant consequences, including government enforcement investigations, fines, penalties, audits, and inspections, additional reporting requirements, and litigation. Any of these events could have a material adverse effect on our reputation, business, or financial condition.

We are exposed to risks related to the use of AI by us and others in our industry.

We are working to incorporate AI and GenAI tools into various aspects of our business operations, including research and development, battery design, manufacturing optimization and other testing applications. AI-based technologies are complex, rapidly evolving and may not produce the intended benefits. Algorithms, models or training data may be flawed, biased or incomplete, which could result in inaccurate analyses or design decisions. If AI-assisted outputs are relied upon in product development, performance modeling, safety analysis or manufacturing processes and prove to be incorrect, our product performance, reliability, safety profile or regulatory compliance could be adversely affected, potentially resulting in delays, increased costs, product liability exposure or reputational harm.

The use of AI may also increase the risk of intellectual property infringement, trade secret exposure or unauthorized disclosure of confidential information, including proprietary battery designs and manufacturing processes. In addition, our suppliers, partners or competitors may more effectively leverage AI technologies, which could impair our competitive position. The evolving regulatory landscape governing AI may impose additional compliance obligations or restrict our ability to deploy AI tools. Any of these risks could adversely affect our business, financial condition and results of operations.

Our facilities or operations could be damaged or adversely affected as a result of natural disasters and other catastrophic events.

Our facilities or operations could be adversely affected by events outside of our control, such as natural disasters, wars or other armed conflicts, health epidemics, pandemics and other outbreaks, the long-term effects of climate change and other calamities. Our headquarters is located in Fremont, California, which is prone to earthquakes. We cannot assure you that any backup systems will be adequate to protect us from the effects of fire, floods, typhoons, earthquakes, power loss, telecommunications failures, break-ins, war, riots, terrorist attacks or similar events. Any of the foregoing events may give rise to interruptions, breakdowns, system failures, technology platform failures or internet failures, which could cause the loss or corruption of data or malfunctions of software or hardware as well as adversely affect our ability to provide services.

Any financial or economic crisis, or perceived threat of such a crisis, including a significant decrease in consumer confidence, may materially and adversely affect our business, financial condition and results of operations.

Financial or economic crisis, inflation and other macroeconomic pressures in the U.S. and global economy, such as rising interest rates and recession fears, can create a complex and challenging environment for us and our customers. In particular, our operations could be adversely impacted by inflation due to higher material, labor, and construction costs. Even in instances where the U.S. and foreign governments may take actions intended to address and rectify extreme market and economic conditions, such as by providing liquidity and stability to the financial markets, these actions may not be successful.

Extended periods of high inflation or adverse economic conditions may negatively impact the demand for our lithium-ion battery cells and may negatively impact our ability to raise capital, if needed, on a timely basis and on acceptable terms or at all. Further, if we are not able to fully offset higher costs from inflation through price increases or other corrective measures, this may adversely affect our business, financial condition and results of operations.

Our ability to utilize our net operating losses and certain other tax attributes to offset future taxable income and taxes may be subject to certain limitations.

Under the Internal Revenue Code of 1986, as amended, (the “Code”), a corporation is generally allowed a deduction for net operating losses (“NOLs”) carried over from a prior taxable year. Under the Code, we can carryforward our NOLs to offset our future taxable income, if any, until such NOLs are used or expire. The same is true of other unused tax attributes, such as tax credits. Under current U.S. federal income tax law, U.S. federal NOLs generated in taxable years beginning after December 31, 2017, may be carried forward indefinitely, but the deductibility of such U.S. federal NOLs is limited to 80 percent of taxable income. Many U.S. states do not conform to current U.S. federal income tax law regarding NOLs carried forward and deductibility, and generally have more restrictive rules which limit the use of NOLs for state income tax purposes. In addition, there may be periods during which states suspend or otherwise limit the use of NOLs for state income tax purposes.

In addition, under Sections 382 and 383 of the Code and corresponding provisions under state law, a corporation that undergoes an “ownership change” is subject to limitations on its ability to use its pre-change NOL carryforwards and other pre-change tax attributes to offset future taxable income and taxes. The limitations apply if a corporation undergoes an “ownership change,” which is generally defined as a greater than 50 percentage point change (by value) in its equity ownership by certain stockholders over a three-year period. We have experienced ownership changes and are subject to limitations on our ability to utilize a portion of our NOLs and other tax attributes to offset taxable income or tax liability. In addition, future changes in our stock ownership, which may be outside of our control, may trigger additional ownership changes and further limitations. Similar provisions of state tax law may also apply to suspend or otherwise limit our use of accumulated state tax attributes. As a result, even if we earn net taxable income in the future, our ability to use our or Legacy Enovix’s NOL carryforwards and other tax attributes to offset such taxable income or tax liability may be subject to limitations, which could potentially result in increased future income tax liability to us.

Changes in tax laws or regulations that are applied adversely to us or our customers may have a material adverse effect on our business, cash flow, financial condition or results of operations.

New or amended income, sales, use or other tax laws, statutes, rules, regulations or ordinances could be enacted at any time, which could adversely affect our business operations and financial performance. Further, existing tax laws, statutes, rules, regulations or ordinances could be interpreted, changed, modified or applied adversely to us. For example, the One Big Beautiful Bill Act (OBBBA) enacted in July 2025 introduced significant changes to the federal tax code. such as restoring immediate expensing for domestic research and experimental expenses instead of capitalization and amortization over five years. Further guidance from the Internal Revenue Service and other tax authorities with respect to such legislation may affect us, and certain aspects of such legislation could be repealed or modified in future legislation. In addition, it is uncertain if and to what extent various states will conform to federal tax laws. Future tax reform legislation could have a material impact on the value of our deferred tax assets and could increase our future U.S. tax expense.

We are subject to anti-corruption, anti-bribery, anti-money laundering, import and export controls, financial and economic sanctions and similar laws, and non-compliance with such laws can subject us to administrative, civil and criminal fines and penalties, collateral consequences, remedial measures and legal expenses, all of which could adversely affect our business, results of operations, financial condition and reputation.

We are subject to anti-corruption, anti-bribery, anti-money laundering, import and export controls, financial and economic sanctions and similar laws and regulations in various jurisdictions in which we conduct or in the future may conduct activities, including the U.S. Foreign Corrupt Practices Act ("FCPA"), the U.K. Bribery Act 2010 and other anti-corruption laws and regulations. The FCPA and the U.K. Bribery Act 2010 prohibit us and our officers, directors, employees and business partners acting on our behalf, including agents, from directly or indirectly corruptly offering, promising, authorizing or providing anything of value to foreign government officials for the purposes of influencing official decisions or obtaining or retaining business or otherwise obtaining favorable treatment. The FCPA also requires companies to make and keep books, records and accounts that accurately reflect transactions and dispositions of assets and to maintain a system of adequate internal accounting controls. The U.K. Bribery Act also prohibits non-governmental "commercial" bribery and soliciting or accepting bribes. A violation of anti-corruption laws or regulations could adversely affect our business, results of operations, financial condition and reputation. Our policies and procedures designed to ensure compliance with these regulations may not be sufficient and our directors, officers, employees, representatives, consultants, agents and business partners could engage in improper conduct for which we may be held responsible.

We are also subject to import and export control laws and regulations, including the U.S. Export Administration Regulations, U.S. Customs regulations, and various economic and trade sanctions regulations administered by the U.S. Treasury Department's Office of Foreign Assets Control, and similar laws in other jurisdictions in which we conduct business. Exports of our products must be made in compliance with these laws and regulations. In addition, these laws may restrict or prohibit altogether the provision or supply of certain of our products to certain governments, persons, entities, countries, and territories, including those that are the target of comprehensive sanctions, unless there are license exceptions that apply or specific licenses are obtained. Any changes in import, export control, or sanctions laws and regulations, shift in the enforcement or scope of existing laws and regulations, or change in the countries, governments, persons, or technologies targeted by such laws and regulations, could result in decreased ability to export our products internationally.

Significant increases in import and excise duties or other taxes on, as well as any tariffs, particularly on our products to China, could materially increase our costs of our products and have an adverse effect on our business, liquidity, financial condition, and/or results of operations.

Non-compliance with anti-corruption, anti-bribery, anti-money laundering, import and export control, or financial and economic sanctions laws could subject us to whistleblower complaints, adverse media coverage, investigations, and severe administrative, civil and criminal sanctions, collateral consequences, remedial measures and legal expenses, all of which could materially and adversely affect our business, results of operations, financial condition and reputation.

Our insurance coverage may not be adequate to protect us from all business risks.

We may be subject, in the ordinary course of business, to losses resulting from products liability, accidents, acts of God and other claims against us, for which we may have no insurance coverage. As a general matter, the policies that we do have may include significant deductibles or self-insured retentions, and we cannot be certain that our insurance coverage will be sufficient to cover all future losses or claims against us. A loss that is uninsured or which exceeds policy limits may require us to pay substantial amounts, which could adversely affect our financial condition and operating results.

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

Issuer Purchases of Equity Securities

The following table provides information about purchases we made during the quarter ended April 5, 2026 of equity securities that are registered by us pursuant to Section 12 of the Exchange Act (in thousands, except per share data):

Fiscal periods	(a) Total Number of Shares Purchased	(b) Average Price Paid Per Share	(c) Shares Purchased as Part of Publicly Announced Plans or Programs	(d) Approximate Dollar Value of Shares That May Yet be Purchased Under the Plans or Programs (in thousands) (1) (2)
December 29, 2025 - January 25, 2026	—	$ —	—	$ 1,615
January 26 - March 1, 2026	—	—	—	76,615
March 2 - April 5, 2026	—	—	—	76,615
Total	—		—	

(1) In June 2025, our Board of Directors approved a stock repurchase plan authorizing up to $60.0 million in common stock repurchases (the “Repurchase Plan”) which expires on December 31, 2026. Prior to the adoption of the Repurchase Plan, we did not have a repurchase plan in place. During the third quarter of 2025, we repurchased 5,437,556 shares of our common stock for $58.4 million pursuant to the Repurchase Plan. The costs for these common stock repurchases are recorded in Treasury Stock, at Cost, on our Condensed Consolidated Balance Sheet.

(2) In February 2026, our Board of Directors authorized the repurchase up to $75.0 million worth of shares of the Company’s common stock, $0.0001 par value per share.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

None.

Item 5. Other Information

None.

Insider Trading Arrangements

During the quarter ended April 5, 2026, no directors or officers (as defined in Rule 16a-1(f) under the Exchange Act) adopted, modified or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement” as defined in Item 408(a) of Regulation S-K.

Item 6. Exhibits.

The documents listed in the Exhibit Index of this Quarterly Report on Form 10-Q are incorporated by reference or are filed or furnished with this Quarterly Report on Form 10-Q, in each case as indicated therein:

Exhibit Number	Description	Incorporated by Reference				Filed Herewith
		Schedule/Form	File No.	Exhibit	Filing Date	
3.1	Amended and Restated Certificate of Incorporation	8-K	001-39753	3.1	July 19, 2021	
3.2	Amended and Restated Bylaws	8-K	001-39753	3.2	July 19, 2021	
4.1	Indenture, dated as of April 20, 2023, by and between Enovix Corporation and U.S. Bank Trust Company, National Association, as Trustee	8-K	001-39753	4.1	April 21, 2023	
4.2	Form of Global Note, representing Enovix Corporation's 3.00% Convertible Senior Notes due 2028 (included as Exhibit A to the Indenture filed as Exhibit 4.1)	8-K	001-39753	4.2	April 21, 2023	
4.3	Indenture, dated as of September 15, 2025, by and between Enovix Corporation and U.S. Bank Trust Company, National Association, as Trustee	8-K	001-39753	4.1	September 15, 2025	
4.4	Form of Global Note, representing Enovix Corporation's 4.75% Convertible Senior Notes due 2030 (included as Exhibit A to the Indenture filed as Exhibit 4.1)	8-K	001-39753	10.1	September 15, 2025	
31.1	Certification of Chief Executive Officer (Principal Executive Officer) Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					X
31.2	Certification of Chief Financial Officer and Treasurer (Principal Financial and Accounting Officer) Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					X
32.1*	Certification of Chief Executive Officer (Principal Executive Officer) Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.					
32.2*	Certification of Chief Financial Officer and Treasurer (Principal Financial and Accounting Officer) Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.					
101.INS	Inline XBRL Instance Document					X
101.SCH	Inline XBRL Taxonomy Extension Schema Document					X

101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document	X
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document	X
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document	X
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document	X
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibits 101)	

* The certifications attached as Exhibit 32.1 and Exhibit 32.2 that accompany this Quarterly Report on Form 10-Q are deemed furnished and are not filed with the SEC for purposes of the Exchange Act nor shall they be deemed incorporated by reference into any filing of Enovix Corporation under the Exchange Act or the Securities Act whether made before or after the date of this Quarterly Report on Form 10-Q, irrespective of any general incorporation language contained in such filing.

SIGNATURES

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

Dated: May 13, 2026	Enovix Corporation	
	By:	/s/ Raj Talluri
		Dr. Raj Talluri
		President and Chief Executive Officer *(Principal Executive Officer)*
	By:	/s/ Ryan Benton
		Ryan Benton
		Chief Financial Officer *(Principal Financial Officer and Principal Accounting Officer)*

EXHIBIT 31.1

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

I, Raj Talluri, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Enovix Corporation;

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.

Date: May 13, 2026

By: /s/ Raj Talluri
Raj Talluri
President and Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

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

I, Ryan Benton, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Enovix Corporation;
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.

Date: May 13, 2026

By: /s/ Ryan Benton

Ryan Benton
Chief Financial Officer
(*Principal Financial Officer and Principal Accounting Officer*)

EXHIBIT 32.1

**CERTIFICATION OF CHIEF 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 Enovix Corporation (the "Company") on Form 10-Q for the quarterly period ended April 5, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Raj Talluri, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) the Report, to which this Certification is attached as Exhibit 32.1, fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 13, 2026

/s/ Raj Talluri

Raj Talluri

President and Chief Executive Officer
(*Principal Executive Officer*)

EXHIBIT 32.2

CERTIFICATION OF CHIEF 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 Enovix Corporation (the "Company") on Form 10-Q for the quarterly period ended April 5, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Ryan Benton, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) the Report, to which this Certification is attached as Exhibit 32.2, fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 13, 2026

/s/ Ryan Benton

Ryan Benton
Chief Financial Officer
(*Principal Financial Officer and Principal Accounting Officer*)

This certification accompanies the Report to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Report), irrespective of any general incorporation language contained in such filing.