

Dear Fellow Shareholders,

2025 was a transformational year for Velo3D, one in which we demonstrated that our technology, our team, and our strategy are aligned to capture a generational opportunity in advanced manufacturing.

For the full year, we delivered revenue of \$46 million, representing 12% growth over the prior year, and 28% growth when excluding a one-time licensing item in 2024. This progress was driven by expanding demand for our Rapid Production Solutions (RPS) and growing adoption of our large-format Sapphire XC systems across defense and aerospace programs.

We exited the year with a record backlog of \$31 million, nearly double the \$16 million at the close of 2024, built on the strongest quarterly bookings in our company's history. This backlog is expected to convert within the next twelve months and reflects the accelerating shift from prototyping to sustained, full-rate production among our customers.

In 2025, we achieved several milestones that we believe fundamentally strengthen our competitive position. We became the first additive manufacturing vendor qualified under the U.S. Army's Ground Vehicle Systems Center initiative and entered into a Cooperative Research and Development Agreement with DEVCOM to advance AM solutions for critical defense supply chain challenges. We secured a \$32.6 million contract supporting Project FORGE, aimed at eliminating bottlenecks in defense component production. We also won a multiyear, \$11.5 million full-rate production contract with a major defense prime contractor, a clear signal that our technology has moved beyond development and into mission-critical, volume manufacturing.

On the commercial side, our partnership with Intergalactic, a GE Aerospace company, demonstrated the speed and precision of our platform by going from design to printed IN718 microtube heat exchanger headers in a matter of weeks. These wins underscore a central theme: Velo3D's technology is becoming essential infrastructure for customers who require speed, quality, and resilience in their supply chains.

We substantially strengthened our balance sheet during the year, ending 2025 with \$39 million in cash, compared to \$1.2 million at the close of 2024. In early 2026, we further deleveraged by converting \$15 million of debt into equity, reducing outstanding debt by approximately 60% and positioning the company on a much stronger financial footing.

Looking ahead, the demand signals are clear. Programs that begin with a single system are expanding to multiple systems, sometimes within months, creating a compounding growth dynamic. Based on the contracts we have secured and the trajectory we are seeing across our customer base, we have developed a long-term capacity plan envisioning up to approximately 400 production systems over the next decade. Our near-term Phase 1 expansion will add capacity for approximately 100 systems at a facility near our California headquarters, optimizing operational efficiency while we build the teams and infrastructure needed for future phases.

We are also evaluating selective strategic acquisitions, particularly in feedstock and metal powder, where vertical integration can drive meaningful cost advantages and supply chain resilience as we scale.

For 2026, we expect revenue in the range of \$60 million to \$70 million, with product gross margins projected to exceed 30% in the second half of the year. We expect to achieve EBITDA-positive performance in the second half of 2026, a critical inflection point for the company.

Beyond the near term, we see Velo3D evolving into something larger than a hardware company. Every build, every part, and every material input across our growing fleet generates high-value manufacturing data. Over time, we intend to build a connected digital manufacturing platform capable of delivering real-time insights across materials science, design optimization, and process performance, creating an additional, durable revenue stream on top of our production business.

Velo3D is positioned at the intersection of two powerful forces: the reindustrialization of critical supply chains and the rapid adoption of additive manufacturing at production scale. We intend to be at the forefront of this transformation.

Thank you for your continued confidence and support.

Sincerely,

Arun Jeldi
Chairman & Chief Executive Officer
Velo3D, Inc.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

(Mark One)

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

For the fiscal year ended December 31, 2025

OR

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

Commission File Number: 001-39757

Velo3D, Inc.

(Exact name of registrant as specified in its charter)

Delaware

98-1556965

(State or other jurisdiction of incorporation or organization)

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

2710 Lakeview Court,
Fremont, California

94538

(Address of Principal Executive Offices)

(Zip Code)

(408) 610-3915

Registrant's telephone number, including area code

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 \$0.00001 per share	VELO	The Nasdaq Stock Market LLC

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

Warrants to purchase one share of common stock, each at an exercise price of \$6,037.50 per share

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

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

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

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

Large accelerated filer ☐

Accelerated filer ☐

Non-accelerated filer ☒

Smaller reporting company ☒

Emerging growth company ☐

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

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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

The aggregate market value of the voting and non-voting stock held by non-affiliates of the registrant as of June 30, 2025, the last business day of the registrant's most recently completed second fiscal quarter, based on the closing price of \$7.20 for the registrant's common stock, as reported on the OTCQX Best Market, was approximately \$101.3 million. Shares of common stock beneficially owned by each executive officer, director and holder of more than 10% of the shares of common stock have been excluded in that such persons may be deemed to be affiliates.

As of March 24, 2026, there were 26,216,822 shares of the registrant's common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive proxy statement for its 2026 Annual Meeting of Stockholders, or Proxy Statement, to be filed within 120 days after the end of the fiscal year covered by this Annual Report on Form 10-K, are incorporated by reference in Part III. Except with respect to information specifically incorporated by reference in this Annual Report, the Proxy Statement shall not be deemed to be filed as part hereof.

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Explanatory Note – Certain Defined Terms

Unless otherwise stated in this Annual Report on Form 10-K (this "Annual Report") or the context otherwise requires, references to:

"2022 Private Warrant" means the warrant to purchase up to 134 shares of common stock issued to Silicon Valley Bank in conjunction with the joinder and fourth loan modification agreement.

"Additional Secured Convertible Notes" means up to an additional \$35.0 million in aggregate principal amount of our senior secured convertible notes due 2026 we have granted the holders of the Secured Notes the right to purchase so long as the notice to exercise such option was provided no later than the August 14, 2025.

"Board" or "Board of Directors" means the board of directors of the Company.

"Bylaws" means the amended and restated bylaws of the Company.

"Business Combination Agreement" means that certain Business Combination Agreement, dated as of March 22, 2021, by and among JAWS Spitfire, Merger Sub and Legacy Velo3D, as amended by Amendment #1 to Business Combination Agreement dated as of July 20, 2021.

"Certificate of Incorporation" means the certificate of incorporation of the Company, as amended.

"common stock" means the shares of common stock, par value \$0.00001 per share, of the Company.

"Class A ordinary shares" means the Class A ordinary shares, par value \$0.0001 per share, of JAWS Spitfire, prior to the Domestication, which automatically converted, on a one-for-one basis, into shares of common stock in connection with the Closing.

"Class B ordinary shares" means the Class B ordinary shares, par value \$0.0001 per share, of JAWS Spitfire, prior to the Domestication, which automatically converted, on a one-for-one basis, into shares of common stock in connection with the Closing.

"Closing" means the closing of the Merger.

"Closing Date" means September 29, 2021.

"Code" means the Internal Revenue Code of 1986, as amended.

"Domestication" means the domestication contemplated by the Business Combination Agreement, whereby JAWS Spitfire effected a deregistration and a transfer by way of continuation from the Cayman Islands to the State of Delaware, pursuant to which JAWS Spitfire's jurisdiction of incorporation was changed from the Cayman Islands to the State of Delaware.

"DGCL" means the General Corporation Law of the State of Delaware.

"Earnout Shares" means up to 41,444 shares of our common stock issuable pursuant to the Business Combination Agreement to certain Legacy Velo3D equity holders upon the achievement of certain vesting conditions.

"Equity Incentive Plan" means the Velo3D, Inc. 2021 Equity Incentive Plan.

"ESPP" means the Velo3D, Inc. 2021 Employee Stock Purchase Plan.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"GAAP" means United States generally accepted accounting principles.

“IPO” means the Company’s initial public offering, consummated on December 7, 2020, of 65,715 units (including 8,572 units that were issued to the underwriters in connection with the exercise in full of their over-allotment option) at \$5,250.00 per unit.

“JAWS Spitfire” refers to JAWS Spitfire Acquisition Corporation, a Cayman Islands exempted company, prior to the Closing.

“JOBS Act” means the Jumpstart Our Business Startups Act of 2012.

“Legacy Velo3D” means Velo3D, Inc., a Delaware corporation (n/k/a Velo3D US, Inc.), prior to the Closing.

“Legacy Velo3D equity holder” means certain former stockholders and equity award holders of Legacy Velo3D.

“Merger” and “Reverse Recapitalization” mean the merger contemplated by the Business Combination Agreement, whereby Merger Sub merged with and into Legacy Velo3D, with Legacy Velo3D surviving the merger as a wholly-owned subsidiary of the Company on the Closing Date.

“Merger Sub” means Spitfire Merger Sub, Inc., a Delaware corporation.

“Notes” means the Secured Notes and the Secured Convertible Notes.

“NYSE” means the New York Stock Exchange.

“placement agent warrants” means the warrants to purchase up to 3,429 shares of common stock issued to the placement agent in connection with our Registered Direct Offering.

“private placement warrants” means the 8,477 warrants originally issued to the Sponsor in a private placement in connection with our IPO.

“public shareholders” means holders of public shares.

“public warrants” means the 16,429 warrants included in the units issued in our IPO.

“Registered Direct Offering” means our December 2023 \$18,000,000 registered direct offering of 68,573 shares of common stock and RDO warrants to purchase 68,573 shares of common stock.

“RDO warrants” means the warrants to purchase up to 68,573 shares of common stock issued in our Registered Direct Offering.

“Sarbanes-Oxley Act” means the Sarbanes-Oxley Act of 2002.

“SEC” means the United States Securities and Exchange Commission.

“Secured Notes” means our senior secured notes due 2026, as amended, of which we had approximately \$3.2 million aggregate principal amount outstanding as of December 31, 2025.

“Secured Convertible Notes” means our senior secured convertible notes due 2026, of which we had none outstanding as of December 31, 2025.

“Securities Act” means the Securities Act of 1933, as amended.

“Sponsor” means Spitfire Sponsor LLC, a Delaware limited liability company.

“Subscription Agreements” means, collectively, those certain subscription agreements, entered into on March 22, 2021, between the Company and the PIPE Investors.

“Velo3D” refers to Velo3D, Inc., a Delaware corporation (f/k/a JAWS Spitfire Acquisition Corporation, a Cayman Islands exempted company), and its consolidated subsidiaries following the Closing.

“warrants” mean the 2022 Private Warrant, the private placement warrants, the public warrants, the placement agent warrants and the RDO warrants.

In addition, unless otherwise indicated or the context otherwise requires, references in this Annual Report to the “Company,” “we,” “us,” “our,” and similar terms refer to Legacy Velo3D prior to the Merger and to Velo3D and its consolidated subsidiaries after giving effect to the Merger.

“Velo”, “Velo3D”, “Sapphire” and “Intelligent Fusion” are registered trademarks of Velo3D, Inc; and “Without Compromise”, “Flow”, “Assure” and “Flow Developer” are trademarks of Velo3D, Inc.

MARKET AND INDUSTRY DATA

Information contained in this Annual Report concerning the market and the industry in which we compete, including our market position, general expectations of market opportunity and market size, is based on information from various third-party sources, assumptions made by us based on such sources and our knowledge of the markets for our services and solutions. Any estimates provided herein involve numerous assumptions and limitations, and you are cautioned not to give undue weight to such information. Third-party sources generally state that the information contained in such source has been obtained from sources believed to be reliable but that there can be no assurance as to the accuracy or completeness of such information.

The industry in which we operate is subject to a high degree of uncertainty and risk. As a result, the estimates and market and industry information provided in this Annual Report are subject to change based on various factors, including those described in the section entitled “*Risk Factors - Risks Related to Our Business and Industry*” and elsewhere in this Annual Report.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this Annual Report may constitute “forward-looking statements” for purposes of the federal securities laws. Our forward-looking statements include, but are not limited to, statements regarding our or our management team’s expectations, hopes, beliefs, intentions or strategies regarding the future. In addition, any statements that refer to projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. The words “anticipate,” “believe,” “can,” “contemplate,” “continue,” “could,” “estimate,” “expect,” “forecast,” “intend,” “may,” “might,” “plan,” “possible,” “potential,” “predict,” “project,” “seek,” “should,” “target,” “will,” “would” and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements in this Annual Report may include, for example, statements about:

- our market opportunity;
- our expectations regarding our customers’ growing demand for additive manufacturing solutions;
- our growth strategy, including our plan to rapidly increase the number of customer relationships we have globally in the coming years and our ability to rapidly scale our business model to meet customer demand;
- our ability to execute our business plan, which may be affected by, among other things, competition and our ability to grow and manage growth profitably, raise financing in the near-term, fund our operating expenses, maintain relationships with customers and retain our key employees;
- technological advancements being pursued by our R&D team;
- our ability to service and comply with the terms of our indebtedness;
- our ability to raise financing in the near-term and in the future;
- whether our existing cash and cash equivalents will be sufficient to fund our operating expenses and capital expenditure requirements and our ability to continue as a going concern;
- the potential for our business development efforts to maximize the potential value of our portfolio;
- regulatory developments in the United States and foreign countries;
- our expectations regarding our strategic realignment and related initiatives;
- our expectations to bring and scale parts production with improvements in utilization efficiency and to enhance and advance our portfolio of AM solutions;
- our capital requirements and needs for additional financing;
- our expected financial performance;
- our expectations regarding system sales, gross margin, revenues, and cash used in operating activities;
- our expectations concerning the cost to manufacture new systems and costs of revenue;
- our expectations regarding research and development costs, as well as selling, general and administrative, interest and marketing expenses; and

- our expectations regarding capital expenditures.

The forward-looking statements contained in this Annual Report are based on 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 involve a number of risks, uncertainties (some of which are beyond our control) or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include, but are not limited to, those factors described under the section entitled “*Risk Factors*”. Should one or more of these risks or uncertainties materialize, or should any of our assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. Some of these risks and uncertainties may in the future be amplified by the impact of macroeconomic factors and there may be additional risks that we consider immaterial or which are unknown. It is not possible to predict or identify all such risks. We do not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

SUMMARY OF RISK FACTORS

Our business is subject to risks of which you should be aware before making an investment decision. The risks described below are a summary of the principal risks associated with an investment in us and are not the only risks we face. You should carefully consider these risk factors, the risk factors described in Part I, Item 1A of this Annual Report, and the other reports and documents that we have filed with the SEC.

Summary of Risk Factors

Risks Related to Our Financial Position and Need for Additional Capital

- We are an early-stage company with a history of operating losses and may not achieve or maintain profitability in the future.
- There is substantial doubt about our ability to continue as a going concern, which could have a material adverse impact on our business.
- Our limited operating history and history of operating losses make it difficult to evaluate our business and prospects, and we may not achieve or maintain profitability.
- We expect to rely on a limited number of customers for a significant portion of our near-term revenue.
- Our use of equipment financing, sale-leaseback arrangements and other asset monetization transactions may increase our fixed obligations, reduce operational flexibility and expose us to default, repossession and refinancing risk.
- We expect to require additional capital to fund our operations, and this capital might not be available on acceptable terms, if at all.
- We have historically invested in research and development efforts that further enhance our products. Such investments may affect our operating results and liquidity, and, if the return on these investments is lower or develops more slowly than we expect, our revenue and operating results may suffer.

Risks Related to Our Business and Industry

- We have in the past and may in the future experience significant delays in the design, production, launch, manufacture, shipment and installation of our additive manufacturing solutions, and we may be unable to successfully commercialize products on our planned timelines.
- We may acquire or make investments in other businesses, patents, technologies, products or services. Our failure to do so successfully could disrupt our business and have an adverse impact on our financial condition.
- We have limited experience in making investments in other entities, and any such investments may not result in strategic benefits for our business or could expose us to other risks.
- Changes in our transaction models and product mix may impact our gross margins and financial performance.
- Our business model is predicated, in part, on building a customer base that will generate a recurring stream of revenues through the use of our additive manufacturing system and service contracts. If that recurring stream of revenues does not develop as expected, or if our business model changes as the industry evolves, our operating results may be adversely affected.
- If demand for additive manufacturing products does not grow as expected, or if market adoption of additive manufacturing technology does not continue to develop, or develops more slowly than expected, our revenues may stagnate or decline, and our business may be adversely affected.
- If we fail to meet our customers' price expectations, demand for our products and product lines could be negatively impacted and our business and results of operations could suffer.
- Declines in the prices of our products and services, or in our volume of sales, together with our relatively inflexible cost structure, may adversely affect our financial results.
- Defects in our additive manufacturing system or in enhancements to our existing additive manufacturing systems that give rise to part failures for our customers, resulting in product liability or warranty or other claims that could result in material expenses, diversion of management time and attention and damage to our reputation.
- Demand from defense, aerospace and government-related customers may increase, but we may be unable to timely and effectively satisfy such demand, and any failure to do so could expose us to operational, contractual, regulatory and reputational risks.
- Our participation in defense and government-related programs may subject us to heightened contractual, regulatory, cybersecurity, export control and audit requirements, and any failure to comply could result in penalties, loss of business and reputational harm.
- The additive manufacturing industry in which we operate is characterized by rapid technological change, which requires us to continue to develop new products and innovations to meet constantly evolving customer demands and which could adversely affect market adoption of our products.
- The additive manufacturing industry is competitive. We expect to face increasing competition in many aspects of our business, which could cause our operating results to suffer.
- Our existing and planned global operations subject us to a variety of risks and uncertainties that could adversely affect our business and operating results. Our business is subject to risks associated with selling machines and other products in non-United States locations.
- There is uncertainty regarding U.S. tariffs and support for existing treaty and trade relationships, and implementation of new legislative or regulatory policies by the U.S. government could impose additional costs on the Company, result in delayed timelines, or otherwise negatively impact the Company, which could have a material adverse impact on the Company's business.
- We are dependent on management and key personnel, and our business would suffer if we fail to retain our key personnel and attract additional highly skilled employees.
- If we fail to grow our business as anticipated, our net sales, gross margin and operating margin will be adversely affected. If we grow as anticipated but fail to manage our growth and expand our operations accordingly, our business may be harmed and our results of operation may suffer.
- We may be unable to realize the level of the anticipated benefits that we expect from restructuring our operations, which may adversely impact our business and results of operations.
- We have identified material weaknesses in our internal control over financial reporting and we may identify additional material weaknesses in the future or otherwise fail to maintain effective internal control over financial reporting, which may result in material misstatements of our consolidated financial statements or cause us to fail to meet our periodic reporting obligations or cause our access to the capital markets to be impaired and have a material adverse effect on our business.
- Some of our arrangements for additive manufacturing solutions contain customer-specific provisions that may impact the period in which we recognize the related revenues under GAAP.
- We rely on our information technology systems to manage numerous aspects of our business and a disruption of these systems could adversely affect our business.
- Our current levels of insurance may not be adequate for our potential liabilities.
- Changes in tax laws or tax rulings could materially affect our financial position, results of operations and cash flows.
- Some members of our management have limited experience in operating a public company.
- Market conditions, economic uncertainty or downturns could adversely affect our business and operating results.
- The ongoing conflict with Iran may affect demand for our products and could create supply chain challenges.
- We may be adversely affected by the effects of inflation or possible stagflation
- Changes in financial accounting standards or practices as well as interpretations thereof may cause adverse, unexpected financial reporting fluctuations and affect our results of operations.

Risks Related to Third Parties

- We could be subject to personal injury, property damage, product liability, warranty and other claims involving allegedly defective products that we supply.
- We depend on independent contractors and third parties to provide key services in our product development and operations, and any disruption of their services, or an increase in cost of these services, could negatively impact our financial condition and results of operations.
- We may rely heavily on future collaborative and supply chain partners.
- If our suppliers become unavailable or inadequate, our customer relationships, results of operations and financial condition may be adversely affected.
- Our facility as well as our suppliers' and our customers' facilities are vulnerable to disruption due to natural or other disasters, strikes and other events beyond our control.

Risks Related to Operations

- We operate primarily at one facility, and any disruption at our facility could adversely affect our business and operating results.
- Maintenance, expansion and refurbishment of our facilities, the construction of new facilities and the development and implementation of new manufacturing processes involve significant risks.

Risks Related to Compliance Matters

- We are subject to U.S. and other anti-corruption laws, trade controls, economic sanctions and similar laws and regulations. Our failure to comply with these laws and regulations could subject us to civil, criminal and administrative penalties and harm our reputation.
- Additive manufacturing technologies have been identified by the U.S. government as sensitive and emerging technologies with potential national security implications, and existing or future export controls, end-use and end-user restrictions, sanctions and other trade regulations could materially limit our ability to sell, service and support our solutions in international markets.
- We are subject to environmental, health and safety laws and regulations related to our operations and the use of our additive manufacturing systems and consumable materials, which could subject us to compliance costs and/or potential liability in the event of non-compliance.
- Aspects of our business are subject to privacy, data use and data security regulations, which could increase our costs.

Risks Related to Intellectual Property

- Our business relies on technological and other innovations embodied in various forms of proprietary information and other intellectual property ("IP") related information. Our failure to protect our IP rights could potentially harm our competitive advantages to an extent (e.g., with respect to the use, manufacturing, lease, sale or other commercialization of our processes, technologies and products), which may have an adverse effect on our results of operations and financial condition.
- The use of artificial intelligence and machine learning technologies in our business operations and product offerings may expose us to risks that could harm our competitive position and have a material adverse effect on our business and results of operations.
- Third-party lawsuits and assertions to which we are subject alleging our infringement of patents, trade secrets or other IP rights may have a significant adverse effect on our financial condition.
- We may incur substantial costs enforcing and defending our IP rights.
- If we are unable to adequately protect or enforce our IP rights, such information may be used by others to compete against us.
- Our additive manufacturing software contains third-party open-source software components, and failure to comply with the terms of the underlying open-source software licenses could restrict our ability to sell our products.

Risks Related to Our Common Stock and Our Public Warrants

- Our Chief Executive Officer and his affiliated entities have significant influence over matters submitted to our stockholders for approval and over our corporate affairs, and their interests may differ from those of our other stockholders.
- Substantial sales of our common stock could cause the price of our common stock to decline.
- Warrant holders may only be able to exercise their public warrants on a "cashless basis" under certain circumstances, and if such warrant holders do so, they will receive fewer shares of common stock from such exercise than if they were to exercise such warrants for cash.
- We are a smaller reporting company within the meaning of the Securities Act, and if we take advantage of certain exemptions from disclosure requirements available to "smaller reporting companies," this could make our securities less attractive to investors and may make it more difficult to compare our performance with other public companies.
- The public warrants and the private placement warrants are accounted for as liabilities and the changes in value of our warrants could have a material effect on our financial results.
- The price of our common stock may be volatile.
- Sales of our common stock either by us or our stockholders could cause the market price of our common stock to drop significantly, even if our business is doing well.
- To the extent any of our outstanding warrants are exercised, it will increase the number of shares eligible for future resale in the public market and result in dilution to our stockholders.
- We may amend the terms of the public warrants and private placement warrants in a manner that may be adverse to holders of public warrants with the approval by the holders of at least 65% of the then outstanding public warrants. As a result, the exercise price of their public warrants could be increased, the exercise period could be shortened and the number of our common stock purchasable upon exercise of a public warrant could be decreased, all without their approval.
- We may redeem the unexpired public warrants prior to their exercise at a time that is disadvantageous to them, thereby making their public warrants worthless.
- A market for our securities may not continue, which would adversely affect the liquidity and price of our securities.
- Reports published by analysts, including projections in those reports that differ from our actual results, could adversely affect the price and trading volume of our common stock.
- We are subject to changing law and regulations regarding regulatory matters, corporate governance and public disclosure will continue to increase our costs and the risk of non-compliance.
- Delaware law and our Certificate of Incorporation and Amended and Restated Bylaws contain certain provisions, including anti-takeover provisions, that limit the ability of stockholders to take certain actions and could delay or discourage takeover attempts that stockholders may consider favorable.
- Our Certificate of Incorporation and our Amended and Restated Bylaws designate a state or federal court located within the State of Delaware as the sole and exclusive forum for substantially all disputes between us and our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, stockholders, employees or agents.
- The warrant agreement governing the public warrants and the private placement warrants designates the courts of the State of New York or the United States District Court for the Southern District of New York as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by holders of our public warrants, which could limit the ability of warrant holders to obtain a favorable judicial forum for disputes with our company.
- Our business and operations could be negatively affected if we become subject to any securities litigation or shareholder activism, which could cause us to incur significant expense, hinder execution of business and growth strategy and impact our stock price.

PART I

Item 1. Business.

Overview

We are a production-focused metal additive manufacturing technology company that develops and manufactures advanced metal additive manufacturing systems and provides production and engineering services that enable customers to manufacture high-value metal parts at scale.

Additive manufacturing (“AM”), also referred to as three-dimensional printing (“3D printing”), has historically been used primarily for prototyping and limited production applications. We believe the industry is transitioning toward production-scale deployment, particularly in defense, aerospace, energy and other industrial markets where supply chain resilience, rapid innovation cycles and complex engineering requirements are critical.

Our business combines two complementary operating models:

- Equipment sales, consisting primarily of our Sapphire family of metal additive manufacturing systems and associated software; and
- Production and engineering services, delivered through our Rapid Production Solutions (“RPS”) offering and Expert Services organization.

Together, these models allow customers to adopt additive manufacturing through printer ownership, service-based production or hybrid manufacturing deployments driven by program requirements, capital availability and manufacturing readiness.

We aim to enable our customers to build resilient supply chains for production parts across industries with a clear, reliable path from concept to production through our RPS offering. RPS utilizes our deep engineering expertise, cutting-edge technology and a fleet of Sapphire XC large-format metal 3D printers to accelerate path to production for our customers. Our ability to match process parameters Machine to Machine ensures repeatability and eliminates the variability that often plagues traditional AM platforms. Our technology supports production of mission-critical components such as propulsion hardware, hypersonic engine parts, thermal management systems, airframe components, and advanced munitions. These capabilities contribute to reduced lead times, minimized labor costs, and enhanced readiness while ensuring secure domestic manufacturing free of foreign technology dependencies.

Our strategy is to serve as a production enabler, helping customers move from early design exploration through qualified manufacturing and into sustained full-rate production using a consistent technology platform.

Our platform combines:

- Flow print preparation software
- The Sapphire family of metal additive manufacturing systems
- Assure quality assurance software
- Our proprietary Intelligent Fusion manufacturing process

These technologies are supported by our Expert Services engineering teams and RPS production capabilities, forming an integrated manufacturing platform designed to deliver scalable, repeatable and economically viable production outcomes.

A key capability underlying our production services and commercial model is our ability to produce repeatable manufacturing outcomes across multiple systems and locations. Through validated manufacturing instructions, sometimes referred to internally as “Golden Print Files,” we capture process parameters, calibration conditions and build instructions required to manufacture a qualified

part. Once established, these validated build files enable customers to reproduce parts across different Sapphire systems while targeting consistent geometry, material properties and performance outcomes.

We believe this repeatability enables a flexible production model in which customers may begin with first article and qualification builds through Velo3D-operated RPS and Expert Services and subsequently scale production through printer ownership, continued production services with Velo3D or deployment across a distributed network of contract manufacturers operating Sapphire systems.

Our Sapphire family of systems (collectively referred to as the “3D Printers”) give our customers who are in space, aviation, defense, automotive, energy and industrial markets the freedom to design and produce metal parts with complex internal features and geometries that had previously been considered impossible for AM. We believe that our part producibility is ahead of our competitors as a result of our tool path generation software namely “Flow” which comprises custom low angle and within part feature based process customization.



Industry Background

Traditional metal manufacturing methods such as casting, forging and machining are optimized for high-volume production but can involve long-lead times, tooling constraints and geographically complex supply chains. These limitations have become increasingly visible in industries supporting national security, aerospace systems and energy infrastructure, where program timelines and supply continuity are critical.

In addition, aerospace and defense manufacturers often face significant and unpredictable costs associated with poor quality in traditional manufacturing processes. Initial casting and tooling quotations may appear economically attractive relative to additive manufacturing; however, once tooling is developed and first articles are delivered, systematic defects can emerge across production batches. These defects may require costly rework, redesign or tooling replacement.

Unlike high-volume industries such as automotive, which can justify redevelopment of tooling and amortize such costs over production volumes in the hundreds of thousands, aerospace and defense programs typically operate at significantly lower volumes. As a result, manufacturers may not have sufficient production scale to support additional tooling investment. In these cases, customers are often forced either to accept lower performance or reliability or to incur unexpected capital expenditures and program delays.

We believe additive manufacturing offers a differentiated value proposition by enabling process validation, digital traceability and repeatable production outcomes. This capability may reduce the risk of systemic defects, improve part performance and provide greater cost predictability over the life of a program.

Additive manufacturing offers the potential to reduce these constraints; however, many legacy AM solutions have remained limited to prototyping due to challenges in repeatability, qualification and scalability.

We believe production adoption requires alignment between technology readiness and manufacturing readiness. Customers must progress from concept validation through qualified production processes before additive manufacturing becomes economically viable at scale.

Production Enablement and Adoption Model

We position our platform as a production enablement solution designed to support customers as they advance through technology readiness level (“TRL”) and manufacturing readiness level (“MRL”) progression.

Customers typically progress through the following stages:

- Design exploration and feasibility
- First article and process development
- Qualification and validation
- Low-rate initial production
- Full-rate production deployment

Historically, progression through these stages required significant capital investment, specialized expertise and extended timelines. Our platform is designed to accelerate this progression by providing access to manufacturing capability, engineering support and validated processes without requiring customers to immediately acquire equipment.

This approach is particularly relevant for customers operating within the U.S. Department of Defense (“DoD”) ecosystem and the broader Defense Industrial Base.

Business Model

We generate revenue through a combination of printer sales and production services.

Printer Sales

We design, manufacture and sell Sapphire family metal additive manufacturing systems to customers operating additive manufacturing capability within their own facilities. Printer sales typically include software licenses, installation services and initial support arrangements. Customers frequently expand deployments over time as additive manufacturing becomes embedded within production programs.

We sell our fully integrated hardware and software AM solutions through two types of transaction models: a 3D Printer sale transaction and a recurring payment transaction. Support services are included with both transaction types. A subsequent Extended Support Agreement is available for renewal after the initial contract period based on the then-fair value of the service, which is paid for separately.

Recurring payment transactions are our leased 3D printer transactions. Under the leased 3D printer transaction, the customer typically pays an amount for a lease which entitles the customer to a base number of hours of usage. For usage above that level, the customer typically pays an hourly usage fee. Most of our leases have a 12-month term, though in certain cases the lease term is longer.

Rapid Production Solutions ("RPS")

Through Rapid Production Solutions, we operate as a production services provider, manufacturing parts for customers using Velo3D-operated systems and engineering resources. RPS enables customers to access additive manufacturing without immediate capital investment and supports development, qualification and production ramp activities.

RPS may serve as:

- An entry point for additive manufacturing adoption
- A pathway toward printer ownership
- Supplemental production capacity
- An ongoing manufacturing solution

Expert Services

Our Expert Services organization provides engineering expertise supporting application identification, design optimization, qualification and production deployment. These services are frequently integrated with both printer sales and RPS engagements.

We believe the combination of equipment sales and services enables customers to adopt additive manufacturing in a manner aligned with technical readiness and economic requirements.

Strategy for Growth

The key elements listed below are the foundation for our growth plan to support innovation and our customers' growing demand for additive manufacturing solutions. We remain committed to our "land-and-expand" strategy, whereby satisfied customers continue to purchase Sapphire printers due to the significant capabilities the technology provides to operations, product, and engineering teams.

Focus on uncontested segments of the market

We focus our sales efforts on customers with a need for high-performance metal parts that require both complex geometries and reliable production scalability. Our proprietary L-PBF technology enables the production of difficult-to-manufacture components, including critical components within jet engines, fuel delivery systems and heat exchangers. While the ability to manufacture complex internal geometries is an important entry point, we believe our primary competitive advantage is enabling customers to scale production in a predictable and repeatable manner.

Our platform is designed to support process validation, qualification and repeatable outcomes across multiple systems and locations. This capability allows customers to transition from early development through sustained production while maintaining consistency in geometry, material properties and performance. In contrast, many legacy additive manufacturing solutions may be able

to produce complex parts but face challenges in scaling production due to variability, limited process control or extended qualification timelines.

We generally do not compete in applications that are already well served by conventional additive manufacturing providers. Instead, we prioritize applications where customers require both technical complexity and production scalability, which we believe supports long-term customer relationships and sustainable margins.

Ensuring customer success

We adopt a two-step approach to customer relationships, whereby we first aim to validate our technology with customers before working to more fully integrate our technology into customers' designs and/or production processes. Upon building a strong customer relationship, our sales personnel and engineers collaborate with their customer counterparts to identify how our technology can add the greatest value to the customer's ultimate product. We have found that this helps customers to best understand the potential for the wide breadth of design freedom that our products can deliver, which often leads to customers fully integrating our technology into their processes and making multiple follow-up purchases. This results in economies of scale, as fewer sales and engineering personnel are able to serve a larger number of machines that are concentrated with a smaller number of customers. In addition, by integrating our technology into customer designs, we effectively expand the uncontested market which we believe we are optimally suited to serve.

Accelerate global acquisition of new customers

We plan to increase the number of customer relationships we have globally in the coming years both organically and through distribution partnerships. In addition to acquiring new customers, we believe a significant driver of international expansion will be the geographic growth of our existing customer base. Many of our customers operate globally, particularly within the aerospace and defense sectors, where production programs are frequently deployed across multiple regions.

As customers successfully validate and scale production within the United States, we believe they may expand deployment of our platform into international facilities and affiliated operations. This land-and-expand dynamic may enable us to grow revenue with existing customers as their programs scale geographically, increasing customer lifetime value and strengthening long-term strategic relationships.

We continue to leverage the success of existing deployments to support adoption across new programs and regions, while also expanding our sales organization to drive new customer acquisition. In addition to our U.S. and European sales teams, we maintain distribution relationships in the Asia-Pacific region and Austria, which support international customer engagement and service capabilities.

Extend competitive advantage with higher quality and new products

We plan to enhance the quality of newly manufactured Sapphire printers in the future to further extend our technological advantage relative to our competitors. Through reliability improvements, system uptime for key customers has increased and we have reduced the time it takes to resolve customer issues. We have increased headcount of our customer service and quality teams to provide on-site support in all major metropolitan areas.

Competition

We compete with other suppliers of 3D printers and parts, materials and software, as well as with suppliers of traditional metal manufacturing solutions. We compete with these suppliers, as well as channel partners, for customers, and for certain of our products. We also compete with businesses and service bureaus that use such equipment to produce models, prototypes, molds and end-user parts. Development of new technologies or techniques not encompassed by the patents that we own may result in additional future competition.

Our competitors operate both globally and regionally, and many of them have well-recognized brands and product lines. Additionally, certain of our competitors are well established and may have greater financial resources than us.

We believe principal competitive factors include technology capabilities, materials, process and application know-how, total cost of operation of solution, product reliability and the ability to provide a full range of products and services to meet customer needs. We believe that our future success depends on our ability to provide high-quality solutions, introduce new products and services to meet evolving customer needs, market opportunities, and extend our technologies to new applications. Accordingly, our ongoing R&D programs are intended to enable us to continue technology advancement and develop innovative new solutions for the marketplace.

Our Competitive Strengths

Disruptive AM platform with the unique ability to produce complex designs

In contrast to other L-PBF technologies, our proprietary L-PBF technology is capable of producing metal parts with complex internal geometries. Manufacturers of high-performance products have looked to AM to improve performance, reduce costs and shorten lead times relative to traditional metal parts manufacturers; however, other AM solutions have been historically limited because they must use internal supports to enable production of the part. Our technology delivers on the promise of AM, allowing customers a wide breadth of freedom to design products with consistently optimal performance characteristics. In addition to greater design freedom, our technology allows customers to consolidate assemblies of multiple metal parts into a single part that delivers a consistently stronger, lighter, better performing part at a lower cost than possible through traditional metal manufacturing techniques. Finally, our solutions enable the production of high-value, low-volume spare parts on demand, which may result in meaningful reductions to requirements for inventory.

Existing relationships with blue chip customers across our target end markets

We have built relationships with blue chip customers across all of our target industries, including space, aviation and defense, automotive, energy and other industrial applications. In addition to our direct OEM customer relationships, we also continue to expand our relationships with our indirect customers who specify our 3D printers for the manufacture of components by CMs that use our 3D printers. While these customers provide no direct revenue, they drive parts volume demand for our CMs and therefore, indirectly, our 3D printer demand. We have built these relationships by demonstrating the value that our differentiated technology can achieve and integrating our solutions into their operations, resulting in repeat sales to multiple customers within a short span of time.

Fully Integrated turnkey solution that can be easily integrated into customer operations

Our fully integrated metal AM solution can be integrated into customer operations with relative ease, facilitating adoption with new customers, as well as the installation of additional systems with existing customers. We typically dedicate one engineer for several weeks around the time of the installation to educate customers as to how to best use our systems and to identify how our technology can most effectively add value to customer processes. After this point, our customers become largely self-supported, requiring only occasional support from our sales and engineering staff. This enables us to effectively reallocate our engineers and sales force to continue to engage with new potential customers, supporting our efforts to scale our operations rapidly.

Deep moat of intellectual property protections

We have a strong, multi-layered portfolio protecting our intellectual property (“IP”) rights, which reinforces our competitive advantage. Our IP protection enables us to prevent organizations and individuals from selling or using our systems, apparatuses, devices, and software, practicing our methods, or trading in our produced parts, as these are all protected by various forms of IP protection including by our patents and trademarks granted in various jurisdictions, by our copyrights, and by our trade secrets.

As of December 31, 2025, we owned 57 issued patents of which 45 are issued U.S. patents, and 12 are issued foreign patents. We also have 34 publicly pending patent applications of which 32 are pending U.S. patent applications and two are pending foreign patent

applications. Our trademarks include six registered U.S. trademarks, and 46 registered foreign trademarks. We also have one U.S. registered copyright.

Capital efficient business model

We have an asset-light business model, which will allow us to scale our operations to meet expected customer demand. Our own manufacturing operations are primarily limited to final assembly, testing and shipment. Further, we believe our units are higher value and lower volume relative to other AM solutions providers, which reduces the burden on our supply chain as we expand. Our final assembly process does not require expensive clean rooms but instead occurs within an assembly facility. We believe that this will enable us to rapidly scale our business model to meet customer demand, without the risks associated with other manufacturing models that require heavy capital expenditures to increase production capacity.

Our Product Platforms

Since our founding in 2014, we have focused development on our primary solution, marketed as Sapphire. Sapphire is a fully integrated solution including the Flow design software and Assure quality validation software. Our software is fully integrated into the design, production and quality validation platform with our Sapphire family of systems. We maintain legal title of our software systems for products sold under both our 3D printer sale transactions and recurring payment transactions.

Sapphire, Sapphire 1MZ, Sapphire XC and Sapphire XC 1MZ

The Sapphire printer system is our first generation production machine. Sapphire uses L-PBF technology and supports a build module of 315 millimeter diameter by 400 millimeter tall, and volume of up to 31 liters.

Sapphire XC is our second generation of printers. The acronym XC stands for “extra capacity” and as compared to Sapphire, has a larger build module of 600 millimeter diameter by 550 millimeter tall, and volume of up to 155 liters. The Sapphire XC printer system is designed so that all recipes and parts designed for the original Sapphire printers are fully compatible with the Sapphire XC printer systems, as the new system line is designed to carry over processes and metrologies.

The Sapphire 1MZ and Sapphire XC 1MZ systems have the same functionality as the Sapphire and Sapphire XC, respectively. However, the 1MZ printers are larger having a 1000 millimeter (one meter) height build module as compared to the 400 millimeter and 550 millimeter height build module for Sapphire and Sapphire XC, respectively.

Our machines have the ability to make parts from various metals including aluminum, titanium, nickel-alloys, nickel super alloys, copper alloys, stainless steel and steel alloys. In principle, any metal that is cold-weldable is able to be used as a base metal alloy in our machines.

We currently have recipes to print from 16 different metals (e.g., alloys) and add recipes for additional metals based on customer demand. Our team of materials and metallurgy experts qualify new materials on our Sapphire family of printers based on customer requirements and feedback. Flow Developer allows companies to develop parameters for their alloys.



Assure

Assure is an advanced quality validation software platform that includes process metrologies to ensure repeatable, consistent part quality. The platform works with a myriad of complex sensors, which enables a path towards control modulation also known as “Closed Loop Control” of the laser systems of the Sapphire printer line, to calibrate production outcomes within prescribed tolerances.

Flow

Flow software powers the whole family of Sapphire AM printers. Our systems rely on a similar manufacturing process for all of our printer solutions. Flow is a highly advanced and proprietary software platform, which generates custom laser tool paths and process strategies in part design for unique geometric features resulting in high part producibility. It uses advanced computational algorithms to prescribe specific manufacturing laser tool paths and processes specific to the Sapphire production systems, ensuring that the 3D object is produced within the required specifications.

Flow Developer is available for users of Flow 7.0, the latest version of our print preparation software that turns traditional design files into print files. Flow Developer grants controlled editor-level access to print parameters, enabling customers to tailor process settings within validated process boundaries. This approach is designed to preserve process integrity, support repeatable production outcomes and maintain compatibility with our Golden Print File methodology.

With this access, users can import proven parameters, optimize default settings for specific applications and develop parameter sets to support new materials and novel solutions, while maintaining the ability to scale production across multiple Sapphire systems and locations. We believe this framework differentiates our platform from legacy additive manufacturing solutions, where parameter customization may reduce process consistency and limit production scalability.

Intelligent Fusion

Intelligent Fusion is the underlying manufacturing process that binds and facilitates all aspects of the Velo3D fully integrated solution, which includes our print preparation software (Flow), advanced metal 3D printers (Sapphire line), and quality assurance

software (Assure). Intelligent Fusion unifies and manages all of the above, including the information flow, sensor data from approximately 1,000 sensors, and the advanced printing technology for precision control of the entire print.

Customers

Our customers range from small- and medium-sized enterprises to Fortune 500 companies in the space, aviation, defense, automotive, energy, semiconductor and other industrial markets.

For the year ended December 31, 2025, approximately 56% of our revenue was derived from defense-related programs, 24% from aerospace and aviation programs, and the remaining 20% from energy, semiconductor and other industrial and contract manufacturing applications. Revenue concentration may fluctuate between reporting periods due to the capital equipment nature of printer sales and the program-driven timing of production services engagements.

Our customers include both original equipment manufacturers (“OEMs”) and contract manufacturers (“CMs”) who provide parts and manufacturing services on behalf of OEMs. We have provided products and services supporting programs associated with branches of the U.S. military, including the U.S. Navy, U.S. Army and U.S. Air Force. We have also engaged with companies operating in aerospace, defense, space systems, semiconductor and industrial markets, including RTX Corporation, Honeywell International Inc., Lockheed Martin Corporation, Ursa Major Technologies Inc., Vast Space LLC, Avio S.p.A., and Lam Research Corporation. These references reflect current or prior customer relationships and do not imply endorsement, exclusivity or long-term contractual commitments.

Sales of our Sapphire family systems generally occur under purchase orders governed by our standard terms and conditions of sale. Our terms and conditions with our largest customer are materially consistent with those applicable to other customers and typically permit termination under specified conditions, including notice provisions and other contractual requirements.

We only sell to production customers. Our systems are subject to contractual restrictions designed to protect our intellectual property and support compliance with export control and defense regulations. These restrictions include limitations on resale without our consent and restrictions on the transfer of software licenses to certain geographic markets to protect our IP.

Research and Development

The high-value metal parts and AM segments are undergoing technological advancements across hardware, software and materials. Specifically, our R&D team is focused on continuing advances in technology that include, but are not limited to:

- Safety and System Reliability evolution enhancements of the Sapphire family of systems via machine sub-system refactoring;
- Radical Machine utilization improvement via rapid build module exchange development through engineering innovation to improve productivity of the Sapphire family of systems;
- Innovate autonomous Tool path Print File preparation using *intelligent* software architectures and software Technologies that enable part producibility efficacy at speed with Flow software AI integration, and via partnering with Dyndrite, a GPU-accelerated software platform, to enable larger format print file producibility;
- Expand Machine Materials portfolio generation with near autonomous velocity through the implementation of Rapid Process Engineering Qualification Methodologies that deliver *intelligent* powder qualification workflows at speed.
- Innovate a trajectory to generate, software-edge-compute-sensor architecture to enable feature-based AI-driven process closed-loop control.

We have historically invested a significant amount of our resources in R&D because we believe that superior technology is a key to maintaining a leading market position. For the years ended December 31, 2025 and 2024, our R&D expenses were approximately \$10.7 million and \$15.5 million, respectively.

Sales and Marketing

We sell our AM solutions directly, as well as through a network of multiple distribution partners. Together, these relationships span much of the world, including the United States, the EU, Australia, and Japan.

Our marketing strategy is oriented around building deep and lasting relationships with leading global manufacturers. We seek to compete by maximizing the value we create for our customers. To that end, our engineers engage with customers to identify the specific parts and processes where our solutions can add the most immediate value. At the time of the installation, our engineers will typically engage with customers for several weeks to educate them on the system, after which point customers are typically able to operate the system without our direct engagement.

Our sales and customer service team consists of 28 employees remains engaged with customers after initial validation of our technology with a goal of integrating our technology into other customer processes.

In recent years, we have successfully demonstrated the utility of our technology across multiple target markets, including the highest performance application in the space, aviation, semiconductor, defense, automotive, energy and industrial end markets. We believe these successful deployments have seeded the market and will enable increased acquisition of new customers in those segments.

We rely on our own sales team, as well as multiple distribution partners, including Taiyo Nippon Sanso (Japan), and SBO (Austria). These relationships have helped to extend our reach into overseas markets and essentially function as extensions of our sales team.

We have entered into partnership agreements with each of our distribution partners, which grant the distribution partner the right to market our products in a specified territory on either an exclusive or nonexclusive basis, depending on the distribution partner; however, all sales contracts for our products are entered into between us and our customers. Certain of these distribution partners also provide maintenance services to customers in their specified territories.

Business Segments

We operate in a single reporting segment. Our revenues are primarily derived from the sale of 3D printers. See Note 2, *Summary of Significant Accounting Policies—Segment Information* in the accompanying notes to our consolidated financial statements for further detail. Management is monitoring our RPS business growth and will expand the business segments reporting accordingly in 2026.

Manufacturing and Suppliers

We design, assemble, test and ship all of our products and rely on outside manufacturers for component and select subsystems. Production of our systems requires approximately 8 to 15 weeks depending on the Sapphire product within our family of systems. We employ several third-party vendors to supply our core hardware subsystems and components. Following receipt of these subsystems and components, we assemble and calibrate the system. We then conduct a series of process tests culminating in a final factory acceptance test. We have internal teams focused on technology development, engineering and manufacturing. The teams coordinate the design, construction, assembly, testing and shipment of our products.

We currently rely on numerous external suppliers, which we believe have ample capacity to increase supply of our critical components. For the majority of these suppliers, we believe we can readily source components from competing suppliers on short notice. For several critical subsystems, we have developed multiple suppliers to ensure surety of supply.

We manage our inventory based on sales and production forecasts and anticipated lead times for sourcing components and assembly.

Intellectual Property

Our leadership in the high-value metal parts AM segment depends largely on our differentiated technology, which we seek to protect through a multi-layered IP approach. Our IP protection enables us to prevent organizations and individuals from selling or using our systems, apparatuses, devices, and software, practicing our methods, or trading in our produced parts (e.g., 3D objects), as these are all protected by various forms of IP protection including by our patents and trademarks granted in various jurisdictions, by our copyrights, and by our trade secrets.

We attempt to protect our IP rights, in various jurisdictions (e.g., United States and abroad), through a combination of patents, trademarks, copyrights and trade secrets, nondisclosure and invention assignment agreements with our consultants and employees, and nondisclosure agreements with our contractors, vendors and other business partners.

We pursue patent protection when we believe it is possible and consistent with our overall strategy for safeguarding IP.

Our patent profile includes a broad portfolio across our systems, apparatuses, devices, methods (e.g., of production), software, and composition of matter (e.g., 3D objects). Metal parts produced using our system technology have a signature that is readily recognizable and traceable.

We have a strong, multi-layered portfolio protecting our intellectual property (“IP”) rights, which reinforces our competitive advantage. As of December 31, 2025, we owned 57 issued patents of which 45 are issued U.S. patents, and 12 are issued foreign patents. We also have 34 publicly pending patent applications of which 32 are pending U.S. patent applications and two pending foreign patent applications. Our issued patents will expire at different times in the future, with the earliest expiring in 2035 and the latest expiring in 2047. Our currently pending patent applications will generally remain in effect for 20 years from the date of filing of the initial patent application of each. Our eight trademark types worldwide include six registered U.S. trademarks and 46 registered foreign trademarks. We also have one U.S. registered copyright.

Human Capital Resources

We have a strong team of employees who contribute to our success. As of December 31, 2025 and 2024, we had 134 and 105 full-time employees, respectively, the majority of them based at our headquarters and manufacturing facility in Fremont, California. We rely on consultants and outside contractors in roles and responsibilities that include engineering, operations and finance.

To date, we have not experienced any work stoppages and consider our relationship with our employees to be in good standing. None of our employees are subject to a collective bargaining agreement or are represented by a labor union.

Our Board of Directors oversees matters relating to managing our human capital resources. Our human capital resources objectives include identifying, recruiting, and hiring qualified talent. We then focus on training, developing, and retaining talent, while ensuring fair compensation and incentives for global employees. We focus heavily on ensuring compliance and workplace safety. We review our compensation and benefit policies and programs regularly through industry benchmarks. We believe we offer competitive benefits and total compensation packages, of which the principal purposes are to attract, retain and motivate our employees.

Government Regulations

We are subject to various laws, regulations and permitting requirements of U.S. federal, state and local and foreign authorities. These include:

- regulations promulgated by environmental and health agencies, as described below under “- *Environmental Matters*”;

- the U.S. Occupational Safety and Health Administration;
- the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act and the anti-corruption laws of other countries;
- laws pertaining to the hiring, treatment, safety and discharge of employees; and
- import and trade restrictions and export control regulations, including the U.S. International Traffic in Arms Regulations and the U.S. Export Administration Regulations.

We believe that we are in material compliance with all such laws, regulations and permitting requirements.

Environmental Matters

We are subject to various environmental, health and safety laws, regulations and permitting requirements, including those governing the emission and discharge of hazardous materials into ground, air or water; noise emissions; the generation, storage, use, management and disposal of hazardous and other waste; the import, export and registration of chemicals; the cleanup of contaminated sites; and the health and safety of our employees. Based on information currently available to us, we do not expect environmental costs and contingencies to have a material adverse effect on our operations. The operation of our facility, however, entails risks in these areas. Significant expenditures could be required in the future to comply with environmental or health and safety laws, regulations or other requirements. Certain of these compliance requirements are imposed by our customers, who at times require us to be registered with U.S. health or safety regulatory agencies, whether on the federal or state level.

Under environmental laws and regulations, we are required to obtain environmental permits from governmental authorities for certain operations.

In the European marketplace, among others, electrical and electronic equipment is required to comply with the Directive on Waste Electrical and Electronic Equipment of the EU, which aims to prevent waste by encouraging reuse and recycling, and the EU Directive on Restriction of Use of Certain Hazardous Substances, which restricts the use of various hazardous substances in electrical and electronic products. Our products and certain components of such products “put on the market” in the EU (whether or not manufactured in the EU) are subject to these directives. Additionally, we are required to comply with certain laws, regulations and directives governing chemicals, including the U.S. Toxic Substances Control Act, Registration, Evaluation, Authorization and Restriction of Chemicals (“*REACH*”), the Restriction of Hazardous Substances Directive (“*RoHS*”) and Classification, Labelling and Packaging Regulation (“*CLP*”) in the EU. These and similar laws and regulations require, among others, the registration, evaluation, authorization and labeling of certain chemicals that we use and ship.

Strategic Review

In December 2023, we announced that our Board of Directors had commenced a strategic business review process to explore alternatives in order to maximize stockholder value. The potential strategic alternatives explored or evaluated by our Board of Directors included a potential merger, business combination or sale. The Company's strategic review was concluded on December 24, 2024 at the close of the debt for equity exchange transaction. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments—Recent Debt and Equity Transactions and Change in Majority Ownership.”

Corporate Information

We were incorporated on September 11, 2020 as a special purpose acquisition company and a Cayman Islands exempted company under the name JAWS Spitfire Acquisition Corporation. On December 7, 2020, JAWS Spitfire completed its initial public offering. On September 29, 2021, JAWS Spitfire consummated the Merger with Legacy Velo3D pursuant to the Business Combination Agreement. In connection with the Merger, JAWS Spitfire’s jurisdiction of incorporation was changed from the Cayman Islands to the State of Delaware, and JAWS Spitfire changed its name to Velo3D, Inc.

Our address is 2710 Lakeview Court, Fremont, CA 94538. Our telephone number is (408) 610-3915. Our website address is <https://www.velo3d.com>. Information contained on our website or connected thereto does not constitute part of, and is not incorporated by reference into, this Annual Report.

Available Information

We file annual, quarterly and current reports, proxy statements and other information with the U.S. Securities and Exchange Commission (the "SEC"). Our website is www.velo3d.com and our Investor Relations webpage is ir.velo3d.com. The SEC maintains a website, www.sec.gov, that contains annual, quarterly and current reports, proxy and information statements and other information that issuers file electronically with the SEC. Our electronic SEC filings are available to the public at the SEC's website. We make available free of charge, on or through our Investor Relations webpage, our proxy statements on Schedule 14A, Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and any amendments to those reports filed or furnished pursuant to the Securities Exchange Act of 1934, as amended (the "*Exchange Act*"), as soon as reasonably practicable after such material is electronically filed with, or furnished to, the SEC.

We use our investor relations website, our X handle (www.X.com/VELO3DMetal), LinkedIn profile (www.linkedin.com/company/velo3d) and YouTube (@Velo3d) as a means of disseminating or providing notification of, among other things, news or announcements regarding our business or financial performance, investor events, press releases, and earnings releases and as a means of disclosing material non-public information and for complying with our disclosure obligations under Regulation FD. The content of our websites and information that we may post on or provide to online and social media channels, including those mentioned above, and information that can be accessed through our websites or these online and social media channels are not incorporated by reference into this Annual Report or in any other report or document we file with the SEC, and any references to our websites or these online and social media channels are intended to be inactive textual references only.

Item 1A. Risk Factors.

Investing in our securities involves risks. You should consider carefully the risks and uncertainties described below, together with all of the other information in this Annual Report, including the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our audited consolidated financial statements and related notes included elsewhere in this Annual Report, before deciding whether to purchase any of our securities. Our business, results of operations, financial condition, and prospects could also be harmed by risks and uncertainties that are not presently known to us or that we currently believe are not material. If any of these risks actually occur, our business, results of operations, financial condition, and prospects could be materially and adversely affected. Unless otherwise indicated, references in these risk factors to our business being harmed will include harm to our business, reputation, brand, financial condition, results of operations, and prospects. In such event, the market price of our securities could decline, and you could lose all or part of your investment.

Risks Related to Our Financial Position and Need for Additional Capital

We are an early-stage company with a history of operating losses and may not maintain profitability in the future.

We experienced loss from operations of \$54.9 million and \$78.8 million for the years ended December 31, 2025 and 2024, respectively. We anticipate incurring operating losses and negative cash flow in the near-term as we continue to invest significantly in our business, in particular across our sales and marketing programs. These investments may not result in increased revenue or growth in our business.

Servicing our indebtedness requires a significant amount of cash and, as a public company, we incur significant legal, accounting and other expenses. These obligations and expenditures may make it harder for us to achieve and maintain future profitability. Revenue growth and growth in our customer base may not be sustainable, and we may not achieve sufficient revenue to achieve or maintain profitability. For example, during the year ended December 31, 2025, we experienced less annual revenue growth than expected due to the impact of delayed shipments and customer order delays. While we have generated revenue in the past, it is difficult for us to predict our future operating results. We may incur significant losses in the future for a number of reasons, including due to the other risks described in this Annual Report, and we may encounter unforeseen expenses, difficulties, complications and delays and other unknown events. As a result, our losses may be larger than anticipated, we may incur significant losses for the foreseeable future, and we may not achieve profitability when expected, or at all, and even if we do, we may not be able to maintain or increase profitability. Furthermore, if our future growth and operating performance fail to meet investor or analyst expectations, or if we have future negative cash flow or losses resulting from our investment in acquiring customers or expanding our operations, this could make it difficult for them to evaluate our current business and our future prospects and have a material adverse effect on our business, financial condition and results of operations.

There is substantial doubt about our ability to continue as a going concern, which could have a material adverse impact on our business.

As described in Note 1, *Description of Business and Basis of Presentation—Going Concern, Financial Condition and Liquidity and Capital Resources* in the notes to the audited consolidated financial statements included elsewhere in this Annual Report, we believe there is substantial doubt about our ability to continue as a going concern for the twelve-month period following the filing date of this Annual Report.

Our conclusion that there is substantial doubt about our ability to continue as a going concern may be viewed unfavorably by current and prospective investors, as well as by analysts and creditors. As a result, this conclusion may make it more difficult for us to raise the additional financing necessary to continue to operate our business and satisfy our obligations. In addition, this conclusion may make it more difficult for us to sell our products and meet our sales forecasts or retain employees, which may further impede our ability to raise additional financing. If we become unable to continue as a going concern, we may find it necessary to file a petition for reorganization under Title 11 of the U.S. Code in order to provide us additional time to identify an appropriate solution to our financial situation and implement a plan of reorganization aimed at improving our capital structure.

This conclusion has caused customers to delay 3D printer orders until our financial condition improves, resulting in delays in 3D printer sales and difficulty building our bookings and backlog pipeline. Additionally, due to our inability to satisfy our accounts payable obligations, we are unable to secure credit terms and volume discounts with our suppliers, causing us to have to pay a premium and/or in advance, for components of our products and/or source components from alternate suppliers at unfavorable terms. Further delaying payments to our suppliers may cause them to terminate our business relationship or pursue legal action against our Company for amounts owed. The Company will need to consider and implement significant cost cutting measures, including further reductions in force. These activities may limit our ability to conduct or grow our business, and may make retaining our employees more difficult, resulting in further employee attrition.

Our limited operating history and history of operating losses make it difficult to evaluate our business and prospects, and we may not achieve or maintain profitability.

We are an early-stage company with a limited operating history and a history of operating losses, and we may not achieve or maintain profitability in the future. We experienced losses from operations of \$54.9 million and \$78.9 million for the years ended December 31, 2025 and 2024, respectively. We anticipate incurring operating losses and negative cash flow in the near-term as we continue to invest significantly in our business, in particular across our sales and marketing programs. These investments may not result in increased revenue or growth in our business, and, as a result, our losses may be larger than anticipated and we may incur significant losses for the foreseeable future.

Servicing our indebtedness requires a significant amount of cash and, as a public company, we incur significant legal, accounting and other expenses. These obligations and expenditures may make it more difficult for us to achieve and maintain future profitability. Our revenue growth and growth in our customer base may not be sustainable, and we may not generate sufficient revenue to achieve or maintain profitability. For example, during the year ended December 31, 2025, we experienced less annual revenue growth than expected due to the impact of delayed shipments and customer order delays. While we have generated revenue in the past, it is difficult for us to predict our future operating results. We may incur significant losses in the future for a number of reasons, including due to the other risks described in this Annual Report, and we may encounter unforeseen expenses, difficulties, complications and delays and other unknown events. As a result, we may not achieve profitability when expected, or at all, and even if we do, we may not be able to maintain or increase profitability.

Our limited operating history and rapid growth make it difficult to evaluate our current business and future prospects and may increase the risk of an investment in our securities. Much of our growth has occurred in recent periods, and our ability to forecast our future operating results is subject to a number of uncertainties, including our ability to plan for and model future growth. We have encountered, and will continue to encounter, risks and uncertainties frequently experienced by growing companies in rapidly evolving industries as we continue to grow our business. If our assumptions regarding these uncertainties, which we use to plan our business, are incorrect or change in reaction to changes in our markets, or if we do not address these risks successfully, our operating and financial results could differ materially from our expectations.

It is difficult for us to predict our future revenues and appropriately budget for our expenses, and we have limited insight into trends that may emerge and affect our business. If actual results differ from our estimates or we adjust our estimates in future periods, our operating results and financial condition could be materially adversely affected. Furthermore, if our future growth and operating performance fail to meet investor or analyst expectations, or if we have future negative cash flow or losses resulting from our investments in acquiring customers or expanding our operations, this could make it difficult for investors to evaluate our current business and our future prospects and could have a material adverse effect on our business, financial condition and results of operations, as well as cause the trading price of our securities to decline.

We expect to rely on a limited number of customers for a significant portion of our near-term revenue.

We currently have purchase orders with a limited number of customers, from which we expect to generate most of our revenues in the near future. For the years ended December 31, 2025 and 2024, sales to the top three customers accounted for 33.2% and 47.0%

of our revenue, respectively. Of the top three customers for the year ended December 31, 2025, all three customers were different from the top three customers for the comparable period in 2024. We continue to diversify our customer base.

Our customer base has continued to diversify, reducing historical concentration. As of December 31, 2025, over 50% of our customers have multiple Sapphire family of systems products.

Further, as we enter defense and government-related markets, our opportunities and customers may be further concentrated in a limited number of agencies, funded initiatives, prime contractors, qualification pathways, platforms or programs of record. Since these kinds of opportunities may be individually significant and may require substantial investment to pursue, any reduction, delay, restructuring, unsuccessful qualification, change in customer preference, failure of a prime contractor relationship, or inability to convert an initial engagement into production work could have a disproportionate effect on our expected revenue, backlog, utilization and strategic positioning. Our potential dependence on a limited number of government or defense-related opportunities could make our results more volatile and expose us to greater customer and program concentration risk than would exist with a broader commercial customer base.

Our customers typically make significant capital expenditures to acquire and deploy our metal additive manufacturing systems, and their purchasing decisions may be affected by factors beyond our control, including budget constraints, financing availability, liquidity pressures, broader economic conditions, inflation, supply chain disruptions, project delays, changes in production schedules, internal approval processes, facility readiness, qualification timelines and uncertainty in the end markets they serve, including aerospace, defense, energy and other industrial sectors. In addition, some of our customers, or prospective customers, may be early-stage, privately funded or otherwise have limited operating history, limited resources or less predictable access to capital, which may make them more vulnerable to economic downturns, program cancellations, delays in raising additional funds, insolvency or operational shutdowns. Even larger or more established customers may delay, reduce or cancel purchases, seek to renegotiate terms, defer installations, postpone acceptance or otherwise slow the pace of deployment of our systems in response to changes in their own businesses or market conditions.

Our 3D printer sales occur under purchase orders that are largely governed by our terms and conditions of sale. Our terms and conditions permit the customer to terminate services at any time (subject to notice and certain other provisions). Accordingly, the loss of one or more of our significant customers, the renegotiation of a significant customer contract, a substantial reduction in their orders, their failure to exercise customer options, their unwillingness to extend contractual deadlines if we are unable to meet production requirements, their inability to perform under their contracts or a significant deterioration in their financial condition could harm our business, results of operations and financial condition. If we fail to perform under the terms of these agreements, the customers could seek to terminate these agreements and/or pursue damages against us, including liquidated damages in certain instances, which could harm our business.

Because we rely on a limited number of customers for a significant portion of our revenues, we depend on the creditworthiness of these customers. If the financial condition of our customers declines due to factors outside our control (e.g., reputational harm or otherwise), our credit risk could increase. Should one or more of our significant customers declare bankruptcy, be declared insolvent or otherwise be restricted by state or federal laws or regulation from continuing in some or all of their operations, this could adversely affect our ongoing revenues, the collectability of our accounts receivable and our net income. Further, some of our customers are early-stage, startup companies that are privately funded, have limited resources, and do not have a history of creditworthiness that we can audit to determine reliability. These customers may be more susceptible to negative impacts from economic downturns, recession, inflation, supply chain shortages or the outbreak of epidemic diseases than larger, more established businesses, and if they fail to raise enough capital, they may have to shut down operations.

Our use of equipment financing, sale-leaseback arrangements and other asset monetization transactions may increase our fixed obligations, reduce operational flexibility and expose us to default, repossession and refinancing risk.

We may from time to time use equipment financing, sale-leaseback arrangements and other asset monetization transactions to generate liquidity, support operations, fund capacity expansion or otherwise manage our capital needs. These transactions can provide

near-term cash proceeds, but they also may increase our fixed payment obligations, reduce our ownership or control over important equipment, and limit our operational and strategic flexibility. In December 2025, we entered into a \$10.0 million sale-leaseback transaction covering assorted Velo3D Sapphire and Sapphire XC metal 3D printers and related post-processing tools and equipment, and we may also engage in potential asset-backed financing in connection with our future capacity plans. As a result, this risk may become more significant if we pursue similar or such transactions in the future.

These arrangements may require us to make substantial periodic lease, financing or other fixed payments regardless of our operating performance, cash flow or the level of customer demand for our products and services. They may also contain covenants, cross-default provisions, purchase options, end-of-term obligations, restrictions on transfers or use of equipment, and other terms that could constrain our ability to operate, relocate, upgrade, sell, pledge or otherwise use critical assets in the manner we believe is most efficient. If we experience liquidity constraints, fail to make required payments, breach covenants or otherwise default under these arrangements, the counterparty may be entitled to exercise remedies against the financed or leased equipment, including repossession, foreclosure, termination of our rights to use the equipment, acceleration of amounts due or other enforcement actions. Any such event could disrupt our manufacturing, internal production, testing, support, demonstration or other operational capabilities, particularly if the affected assets are important to our engineering, production or commercial activities.

In addition, asset monetization transactions may be more expensive over time than alternative financing sources, may require us to continue bearing maintenance, insurance, tax and operating costs with respect to assets we no longer own, and may expose us to refinancing or renewal risk at the end of the applicable term. If we are unable to refinance, replace or extend these arrangements on acceptable terms, or at all, we may be required to devote additional cash to retain access to important equipment or replace it at a time when our liquidity is constrained. As we have recently relied on secured and other financing transactions, any increased dependence on sale-leasebacks, equipment financing or similar asset-backed structures could heighten our fixed-charge burden, reduce our flexibility in responding to changes in market conditions and could adversely affect our business, financial condition and results of operations.

We expect to require additional capital to fund our operations in the near-term, and such capital might not be available on acceptable terms, if at all.

We expect that we will need to engage in additional financings to fund our operations and satisfy our substantial debt obligations in the near-term as well as to respond to business challenges and opportunities, including the need to repay our Secured Notes, provide working capital, continuing to fund payroll, develop new features or enhance our products, expand our manufacturing capacity, improve our operating infrastructure or acquire complementary businesses and technologies. Accordingly, subject to our compliance with the covenants in the Secured Notes, we need to engage in equity or debt financings to secure additional funds, including seeking additional capital from public or private offerings of our equity or debt securities, electing to repay, restructure or refinance our existing indebtedness, or electing to borrow additional amounts under new credit lines or from other sources. However, our recent and projected financial results, and the related conditions that raise substantial doubt about our ability to continue as a going concern, and general concerns among potential investors and creditors about our financial well-being may make taking such actions on commercially reasonable terms especially difficult.

If we raise additional funds through future issuances of equity or convertible debt securities, our existing stockholders could suffer significant dilution, and any new equity securities we issue could have rights, preferences and privileges superior to those of holders of our common stock. Any debt financing that we may secure in the future could involve restrictive covenants relating to our capital raising activities and other financial and operational matters, which may make it more difficult for us to obtain additional capital and to pursue business opportunities, including potential acquisitions. We may not be able to obtain additional financing on terms favorable to us, if at all. Our ability to raise additional capital may be adversely affected by external factors beyond our control, including changes in the political climate, geopolitical actions, changes in market interest rates or foreign exchange rates, market volatility in the trading prices for our common stock and other technology companies, a recession, depression, high inflation or other sustained adverse market event, and the outbreak of epidemic disease. If we are unable to obtain adequate financing or financing on terms satisfactory to us in the near term, we will not be able to continue operations. If we are otherwise unable to obtain additional financing, our ability to respond to business challenges and opportunities could be significantly impaired, and our business may be

adversely affected and we may be required to liquidate and/or file for bankruptcy protection.

We have historically invested in research and development efforts that further enhance our products. Such investments may affect our operating results and liquidity, and, if the return on these investments is lower or develops more slowly than we expect, our revenue and operating results may suffer.

We have historically invested in research and development efforts that further enhance our products. These investments involve significant time, risks and uncertainties, including the risk that the expenses associated with these investments may affect our margins, operating results and liquidity and that such investments may not generate sufficient revenues to offset liabilities assumed and expenses associated with these new investments. The AM industry changes rapidly as a result of technological and product developments, which may render our solutions less effective. If we do not achieve the benefits anticipated from these investments, if the achievement of these benefits is delayed, our business, operating results and prospects may be materially adversely affected.

Risks Related to Our Business and Industry

We have in the past and may in the future experience significant delays in the design, production, launch, manufacture, shipment and installation of our additive manufacturing solutions, and we may be unable to successfully commercialize products on our planned timelines.

There are significant technological and logistical challenges associated with producing, marketing, selling and delivering additive manufacturing systems such as ours that make high-value component parts for customers, and we may not be able to resolve all of the difficulties that arise in a timely or cost-effective manner, or at all. While we believe that we understand the engineering and process characteristics necessary to successfully design and produce additive manufacturing systems to make high-value metal parts for our customers, our assumptions may prove to be incorrect, and we may be unable to consistently produce additive manufacturing products in an economical manner in commercial quantities.

Certain additive manufacturing solutions are still under development. We have experienced, and may experience in the future, delays in the design, testing, manufacture and commercial release of new products, and any delay in the launch of our products could materially damage our brand, business, growth prospects, financial condition and operating results. Even if we successfully complete the design, testing and manufacture for one or all of our products under development, we may fail to develop a commercially successful product on the timeline we expect for a number of reasons, including:

- misalignment between the products and customer needs;
- lack of innovation of the product;
- failure of the product to perform in accordance with the customer's industry standards;
- ineffective distribution and marketing;
- delay in obtaining any required regulatory approvals;
- unexpected production costs; or
- release of competitive products.

We have also experienced, and may experience in the future, delay in the manufacture, shipment and installation of products we have launched.

Our success in the market for the products we develop will depend largely on our ability to prove our products' capabilities in a timely manner. Upon demonstration, our customers may not believe that our products and/or technology have the capabilities they

were designed to have or that we believe they have. Furthermore, even if we do successfully demonstrate our products' capabilities, potential customers may be more comfortable doing business with another larger and more established company or may take longer than expected to make the decision to order our products. Significant revenue from new product investments may not be achieved for a number of years, if at all. If the timing of our launch of new products and/or of our customers' acceptance of such products is different than our assumptions, our revenue and results of operations may be adversely affected.

In particular, we may fail to develop a commercially successful offering if we are unable to meet customer needs or industry standards, if we fail to meet customer price expectations or if our marketing and distribution strategy proves ineffective. If we are unable to establish such an offering, sales of our additive manufacturing solutions and our overall operating results could suffer.

We may acquire or make investments in other businesses, patents, technologies, products or services. Our failure to do so successfully could disrupt our business and have an adverse impact on our financial condition.

We may enter into agreements to acquire or invest in other companies. To the extent we seek to grow our business through acquisitions, we may not be able to successfully identify attractive acquisition opportunities or consummate any such acquisitions if we cannot reach an agreement on commercially favorable terms, if we lack sufficient resources to finance the transaction on our own and cannot obtain financing at a reasonable cost or if regulatory authorities prevent such transaction from being consummated. In addition, competition for acquisitions in the markets in which we operate during recent years has increased, and may continue to increase, which may result in an increase in the costs of acquisitions or cause us to refrain from making certain acquisitions. We may not be able to complete future acquisitions on favorable terms, if at all.

If we do complete future acquisitions, we cannot assure that they will ultimately strengthen our competitive position or that they will be viewed positively by customers, financial markets or investors. Furthermore, future acquisitions could pose numerous additional risks to our operations, including:

- diversion of management's attention from their day-to-day responsibilities;
- unanticipated costs or liabilities associated with the acquisition;
- increases in our expenses;
- problems integrating the purchased business, products or technologies;
- challenges in achieving strategic objectives, cost savings and other anticipated benefits;
- inability to maintain relationships with key customers, suppliers, vendors and other third parties on which the purchased business relies;
- the difficulty of incorporating acquired technology and rights into our platform and of maintaining quality and security standards consistent with our brand;
- difficulty in maintaining controls, procedures and policies during the transition and integration;
- challenges in integrating the new workforce and the potential loss of key employees, particularly those of the acquired business; and
- use of substantial portions of our available cash or the incurrence of debt to consummate the acquisition.

If we proceed with a particular acquisition, we may have to use cash, issue new equity securities with dilutive effects on existing stockholders, incur indebtedness, assume contingent liabilities or amortize assets or expenses in a manner that might have a material adverse effect on our financial condition and results of operations. Acquisitions will also require us to record certain acquisition-

related costs and other items as current period expenses, which would have the effect of reducing our reported earnings in the period in which an acquisition is consummated. In addition, we could also face unknown liabilities or write-offs due to our acquisitions, which could result in a significant charge to our earnings in the period in which they occur. We will also be required to record goodwill or other long-lived asset impairment charges (if any) in the periods in which they occur, which could result in a significant charge to our earnings in any such period.

Achieving the expected returns and synergies from future acquisitions will depend, in part, upon our ability to integrate the products and services, technology, administrative functions and personnel of these businesses into our product lines in an efficient and effective manner. We cannot assure that we will be able to do so, that our acquired businesses will perform at levels and on the timelines anticipated by our management or that we will be able to obtain these synergies. In addition, acquired technologies and IP may be rendered obsolete or uneconomical by our own or our competitors' technological advances. Management resources may also be diverted from operating our existing businesses to certain acquisition integration challenges. If we are unable to successfully integrate acquired businesses, our anticipated revenues and profits may be lower. Our profit margins may also be lower, or diluted, following the acquisition of companies whose profit margins are less than those of our existing businesses.

We have limited experience in making investments in other entities, and any such investments may not result in strategic benefits for our business or could expose us to other risks.

From time to time, we may consider and may pursue strategic investments. These transactions could include, among other things, investments in, partnerships or joint ventures with other AM technology related companies, among other types of entities. These types of investments involve significant challenges and risks, including that the investment may not advance our business strategy, that we may not realize a satisfactory return on our investment, that we may acquire unknown liabilities, or that management's attention may be diverted from our core business. These events could harm our operating results or financial condition. Any investments in other entities may also subject us to the operating and financial risks of such entities, and we will rely on the internal controls and financial reporting controls of such entities.

We have made in the past, and may make in the future, minority investments in entities in which we do not have sole control, which present risks in addition to those that apply to other investments or acquisitions. We may not have the ability to control the policies, management or affairs of these entities, and generally we would not have that ability in any minority investment in an entity. The interests of persons who control the entities in which we may invest may differ from our interests, and they may cause such entities to take actions that are not in our best interest, and we may become involved in disputes with such persons. Our inability to control entities in which we make minority investments could negatively affect our ability to realize the strategic benefits of those investments.

We cannot ensure that we will realize any strategic benefits from these investments in the near-term or at all. To the extent that the strategic benefits of any investment are not timely realized, or the investment otherwise underperforms, we may wish to dispose of the investment. Because our interests in entities will be highly illiquid and not traded in any public market, we may not be able to timely dispose of these interests or may have to sell at less than our carrying value. Further, should the value of these investments become impaired, we may be required to reduce the carrying value of these investments.

Our inability to dispose of our interest in such an entity, or a reduction in the carrying value of such an entity on our books, would negatively affect our operating results.

Changes in our transaction models and product mix may impact our gross margins and financial performance.

Our financial performance may be affected by the mix of transaction models under which we sell during a given period. Different transaction models have different margins in the period in which the transaction occurs and in subsequent periods. Therefore our gross margins may fluctuate based on the mix of sale, sale and utilization fee (variable consideration) and operating lease transactions in a given period. If our product mix shifts too far into lower gross margin transactions in a given period and we are not able to sufficiently reduce the engineering, production and other costs associated with those transactions or substantially increase the sales of our higher

gross margin transactions, our profitability could be reduced. Additionally, the introduction of new products or services may further heighten quarterly fluctuations in gross profit and gross profit margins due to manufacturing ramp-up and start-up costs as well as new product introduction pricing strategies. We may experience significant quarterly fluctuations in gross profit margins or operating income or loss due to the impact of the mix of products, channels or geographic areas in which we sell our products from period to period.

Our business model is predicated, in part, on building a customer base that will generate a recurring stream of revenues through the use of our additive manufacturing system and service contracts. If that recurring stream of revenues does not develop as expected, or if our business model changes as the industry evolves, our operating results may be adversely affected.

Our business model is dependent, in part, on our ability to maintain and increase sales of our additive manufacturing products and service contracts as they generate recurring revenues. Existing and future customers of our systems may not purchase our products or related service contracts at the same rate at which customers currently purchase those products and services.

If demand for additive manufacturing products does not grow as expected, or if market adoption of additive manufacturing technology does not continue to develop, or develops more slowly than expected, our revenues may stagnate or decline, and our business may be adversely affected.

The industrial manufacturing market, which today is dominated by conventional manufacturing processes that do not involve 3D printing technology, is undergoing a shift towards additive manufacturing. We may not be able to develop effective strategies to raise awareness among potential customers of the benefits of additive manufacturing technologies or our products may not address the specific needs or provide the level of functionality required by potential customers to encourage the continuation of this shift towards additive manufacturing. If additive manufacturing technology does not continue to gain broader market acceptance as an alternative to conventional manufacturing processes, particularly with regard to high value parts, or if the marketplace adopts additive manufacturing technologies that differ from our technologies, we may not be able to increase or sustain the level of sales of our products, and our operating results would be adversely affected as a result.

If we fail to meet our customers' price expectations, demand for our products and product lines could be negatively impacted and our business and results of operations could suffer.

Demand for our product lines is sensitive to price. We believe our competitive pricing has been an important factor in our results to date. Therefore, changes in our pricing strategies can have a significant impact on our business and ability to generate revenue. Many factors, including our new product launches, our production and personnel costs and our competitors' pricing and marketing strategies, can significantly impact our pricing strategies. If we fail to meet our customers' price expectations in any given period, demand for our products and product lines could be negatively impacted and our business and results of operations could suffer.

We use, and plan to continue using, different pricing models for different products. For example, we lease our 3D printer to certain customers and we also use a sale and utilization fee (variable consideration) model with certain other customers. Our sale and utilization fee model is still relatively new to some of our customers and may not be attractive to them, especially in regions where the model is less common. If customers resist this or any other new pricing models we introduce, our revenue may be adversely affected, and we may need to restructure the way in which we charge customers for our products.

Declines in the prices of our products and services, or in our volume of sales, together with our relatively inflexible cost structure, may adversely affect our financial results.

Our business is subject to price competition. Such price competition may adversely affect our results of operation, especially during periods of decreased demand. Decreased demand also adversely impacts the volume of our additive manufacturing systems sales. If our business is not able to offset price reductions resulting from these pressures, or decreased volume of sales due to contractions in the market, by improved operating efficiencies and reduced expenditures, then our operating results will be adversely affected.

Certain of our operating costs are fixed and cannot readily be reduced, which diminishes the positive impact of our restructuring programs on our operating results. To the extent the demand for our products slows, or the additive manufacturing market contracts, we may be faced with excess manufacturing capacity and related costs that cannot readily be reduced, which will adversely impact our financial condition and results of operations.

Defects in our additive manufacturing system or in enhancements to our existing additive manufacturing systems that give rise to part failures for our customers, resulting in product liability or warranty or other claims that could result in material expenses, diversion of management time and attention and damage to our reputation.

Our additive manufacturing solutions are complex and may contain undetected defects or errors when first introduced or as enhancements are released that, despite testing, are not discovered until after an additive manufacturing system has been used. This could result in delayed market acceptance of those additive manufacturing systems or claims from customers or others, which may result in litigation, increased end user warranty, support and repair or replacement costs, damage to our reputation and business, or significant costs and diversion of support and engineering personnel to correct the defect or error. We may from time to time become subject to warranty or product liability claims related to product quality issues that could lead us to incur significant expenses.

We attempt to include provisions in our agreements and purchase orders with customers that are designed to limit our exposure to potential liability for damages arising from defects or errors in our products. However, it is possible that these limitations may not be effective as a result of unfavorable judicial decisions or laws enacted in the future.

The sale and support of our products entails the risk of product liability claims. Any product liability claim brought against us, regardless of our merit, could result in material expense, diversion of management time and attention, damage to our business and reputation and brand, and cause us to fail to retain existing customers or to fail to attract new customers.

Demand from defense, aerospace and government-related customers may increase, but we may be unable to timely and effectively satisfy such demand, and any failure to do so could expose us to operational, contractual, regulatory and reputational risks.

As a supplier of metal additive manufacturing solutions used in defense, aerospace and other highly regulated industrial applications, we may experience increased demand for our products and services as government agencies, prime contractors and other participants in the defense industrial base seek to expand domestic manufacturing capacity, accelerate qualification of advanced components and support programs involving munitions and munition support components, hypersonic propulsion and thermal management systems, aerospace propulsion and other mission-critical applications. While increased participation in these markets create opportunities for growth, such demand may also place significant strain on our operations, including our production capacity, supply chain, engineering resources, installation and support capabilities, and our ability to satisfy stringent customer specifications, qualification requirements and delivery schedules.

Our ability to capitalize on demand from defense and aerospace customers, including the United States Department of Defense, may be constrained by a number of factors, including long procurement and qualification cycles, limited production capacity, availability of critical components and materials, the need to scale manufacturing and service operations, and the requirement to comply with heightened contractual, technical, cybersecurity, export control and other regulatory obligations applicable to defense-related and government-supported programs. In addition, defense-related contracts often require exacting performance standards, extensive testing and validation, rigorous documentation, and strict adherence to delivery milestones, quality controls and traceability requirements. If we are unable to satisfy these requirements, scale our operations appropriately, or deliver our solutions on the timelines expected by such customers, we could face delayed or canceled orders, withheld or deferred payments, contract disputes, liquidated damages or other penalties, increased warranty or remediation costs, reputational harm and the loss of future program opportunities.

Since our systems are often intended for highly sensitive and performance-critical end uses, any manufacturing shortfall, supply disruption, quality issue, installation delay, failure to achieve customer acceptance, or inability to maintain compliance with applicable requirements could have amplified consequences for our business and reputation. Moreover, increased focus on defense-related

demand may require us to devote substantial management and technical resources to a limited number of strategic programs, which could increase customer concentration risk and divert attention from other commercial opportunities. As a result, although demand from defense, aerospace and government-related customers may present meaningful growth opportunities, our inability to manage the operational, regulatory and contractual complexities associated with such demand could materially adversely affect our business, financial condition and results of operations.

Our participation in defense and government-related programs may subject us to heightened contractual, regulatory, cybersecurity, export control and audit requirements, and any failure to comply could result in penalties, loss of business and reputational harm.

As we increase our participation in defense, aerospace and government-related work, we may become subject to a broader and more demanding set of contractual and regulatory requirements than those applicable to many of our purely commercial arrangements. These requirements may include specialized procurement rules, flow-down provisions from prime contracts, cost and record keeping obligations, domestic sourcing considerations, cybersecurity and controlled-information requirements, export controls, sanctions, end-use and end-user restrictions, and government rights to review or audit aspects of our performance, pricing, processes, systems and compliance controls. Our defense-related work already intersects with sensitive manufacturing, national security and government-customer environments, which increases the likelihood that we will face additional compliance burdens as those relationships expand.

Compliance with these requirements may be costly, time-consuming and operationally disruptive. If we fail, or are alleged to have failed, to comply with applicable obligations, we could face withheld payments, contract disputes, repayment obligations, penalties, investigations, termination of awards, loss of eligibility for future opportunities, reputational harm or other adverse consequences. Even when no formal violation has occurred, compliance reviews, audits, customer concerns or regulatory scrutiny may divert management attention, delay program execution and increase our costs. If we increase manufacturing capacity, invest in equipment, hire specialized personnel, commit to long-lead materials or otherwise scale our operations to support anticipated defense, aerospace or government demand, we may incur substantial upfront costs and fixed obligations before revenue is realized.

Our ability to recover those investments will depend on a number of factors beyond our control, including program timing, award scope, customer acceptance, production ramp assumptions, supply chain availability, appropriations and the pace at which defense-related opportunities move from development or qualification phases into repeatable production. If expected demand is delayed, reduced or canceled, or if we are unable to execute efficiently at increased scale, we may experience underutilized capacity, inventory build-up, margin compression, working capital strain and additional financing needs which could adversely affect our operating results.

The additive manufacturing industry in which we operate is characterized by rapid technological change, which requires us to continue to develop new products and innovations to meet constantly evolving customer demands and which could adversely affect market adoption of our products.

Our revenues are derived from the sale of additive manufacturing systems, parts and services. We have encountered and will continue to encounter challenges experienced by growing companies in a market subject to rapid innovation and technological change. While we intend to invest substantial resources to remain on the forefront of technological development, continuing advances in additive manufacturing technology, changes in customer requirements and preferences and the emergence of new standards, regulations and certifications could adversely affect adoption of our products either generally or for particular applications. Our ability to compete in the additive manufacturing market depends, in large part, on our success in developing and introducing new additive manufacturing systems and technology, in improving our existing products and technology and qualifying new materials which our systems can support. We believe that we must continuously enhance and expand the functionality and features of our products and technologies in order to remain competitive. However, we may not be able to:

- develop cost effective new products and technologies that address the increasingly complex needs of prospective customers;
- enhance our existing products and technologies;

- respond to technological advances and emerging industry standards and certifications on a cost-effective and timely basis;
- adequately protect our IP as we develop new products and technologies;
- identify the appropriate technology or product to which to devote our resources; or
- ensure the availability of cash resources to fund R&D.

Even if we successfully introduce new additive manufacturing products and technologies and enhance our existing products and technologies, it is possible that these will eventually supplant our existing products or that our competitors will develop new products and technologies that will replace our own. As a result, any of our products may be rendered obsolete or uneconomical by our or our competitors' technological advances, leading to a loss in market share, decline in revenue and adverse effects to our business and prospects.

The additive manufacturing industry is competitive. We expect to face increasing competition in many aspects of our business, which could cause our operating results to suffer.

The additive manufacturing industry in which we operate is fragmented and competitive. We compete for customers with a wide variety of producers of additive manufacturing and/or 3D printing equipment that creates 3D objects and end-use parts, as well as with providers of materials and services for this equipment. Some of our existing and potential competitors are researching, designing, developing and marketing other types of products and services that may render our existing or future products obsolete, uneconomical or less competitive. Existing and potential competitors may also have substantially greater financial, technical, marketing and sales, manufacturing, distribution and other resources than we do, including name recognition, as well as experience and expertise in IP rights and operating within certain international markets, any of which may enable them to compete effectively against us. For example, a number of companies that have substantial resources have announced that they are beginning production of 3D printing systems, which will further enhance the competition we face. We may lose market share to, or fail to gain market share from, producers of products that can be substituted for our products, which may have an adverse effect on our results of operations and financial condition.

Future competition may arise from the development of allied or related techniques for equipment, materials and services that are not encompassed by our patents, from the issuance of patents to other companies that may inhibit our ability to develop certain products and from improvements to existing technologies.

We intend to continue to follow a strategy of continuing product development and distribution network expansion to enhance our competitive position to the extent practicable. However, we cannot assure that we will be able to maintain our current position or continue to compete successfully against current and future sources of competition. If we do not keep pace with technological change and introduce new products and technologies, demand for our products may decline, and our operating results may suffer.

Our existing and planned global operations subject us to a variety of risks and uncertainties that could adversely affect our business and operating results. Our business is subject to risks associated with selling machines and other products in non-United States locations.

Our products and services, and product outputs from CMs who use our 3D printer and parts systems, are distributed in more than a dozen countries around the world, primarily in North America and Europe. Accordingly, we face significant operational risks from doing business internationally. For current and potential international customers whose contracts are denominated in U.S. dollars, the relative change in local currency values creates relative fluctuations in our product pricing. These changes in international end-user costs may result in lost orders and reduce the competitiveness of our products in certain foreign markets. As we realize our strategy to expand internationally, our exposure to currency risks may increase.

Other risks and uncertainties we face from our global operations include:

- limited protection for the enforcement of contract and IP rights in certain countries where we may sell our products or work with suppliers or other third parties;
- potentially longer sales and payment cycles and potentially greater difficulties in collecting accounts receivable;
- costs and difficulties of customizing products for foreign countries;
- challenges in providing solutions across a significant distance, in different languages and among different cultures;
- laws and business practices favoring local competition;
- being subject to a wide variety of complex foreign laws, treaties and regulations and adjusting to any unexpected changes in such laws, treaties and regulations;
- compliance with U.S. laws affecting activities of U.S. companies abroad, including the U.S. Foreign Corrupt Practices Act (“FCPA”), and compliance with anti-corruption laws in other countries, such as the UK Bribery Act (“Bribery Act”);
- tariffs, trade barriers and other regulatory or contractual limitations on our ability to sell or develop our products in certain foreign markets;
- operating in countries with a higher incidence of corruption and fraudulent business practices;
- changes in regulatory requirements, including export controls, tariffs and embargoes, other trade restrictions, competition, corporate practices and data privacy concerns;
- potential adverse tax consequences arising from global operations;
- rapid changes in government, economic and political policies and conditions; and
- political or civil unrest or instability, terrorism or epidemics and other similar outbreaks or events.

In addition, additive manufacturing has been identified by the U.S. government as an emerging technology and is currently being further evaluated for national security impacts. We expect additional regulatory changes to be implemented that will result in increased and/or new export controls related to 3D printing technologies, components, and related materials and software. These changes, if implemented, may result in our being required to obtain additional approvals and/or licenses to sell 3D printer and parts in the global market.

Our failure to effectively manage the risks and uncertainties associated with our global operations could limit the future growth of our business and adversely affect our business and operating results.

There is uncertainty regarding U.S. tariffs and support for existing treaty and trade relationships, and implementation of new legislative or regulatory policies by the U.S. government could impose additional costs on the Company, result in delayed timelines, or otherwise negatively impact the Company, which could have a material adverse impact on the Company’s business.

The recent imposition by the United States of tariffs, sanctions and other restrictions on goods imported into the United States, and countermeasures imposed by foreign countries in response to such government actions, if not significantly and promptly moderated or eliminated, may increase the cost of goods for our products or reduce our ability to sell products, which may, in turn, adversely affect our operating results and financial condition. The ultimate impact of these trade measures on our business operations and financial results is uncertain and may be affected by various factors, including whether and when such trade measures are

implemented, the timing of when such measures may become effective, and the amount, scope, or nature of such trade measures, and our ability to execute strategies to mitigate the negative impacts.

Political tensions as a result of trade policies could reduce trade volume, investment, technological exchange, and other economic activities between major international economies, resulting in a material adverse effect on global economic conditions and the stability of global financial markets, which could, in turn, have a material adverse impact on our business and financial condition.

In February 2026, the U.S. Supreme Court (the "Court") issued a ruling holding that tariffs imposed under the International Emergency Economic Powers Act ("IEEPA") are not legally authorized. The Court only ruled on IEEPA tariffs and did not invalidate any other tariffs. Although the ruling has been issued, its implications for trade policy and related administrative actions remain uncertain. A number of tariff-related matters continue to be challenged that could impact the continued utilization of certain tariffs and the manner in which tariff costs. Adverse rulings, or the replacement or implementation of new tariffs or trade restrictions, could adversely impact our business, financial condition and results of operations.

We are dependent on management and key personnel, and our business would suffer if we fail to retain our key personnel and attract additional highly skilled employees.

Our success depends on the specialized skills of our management team and key operating personnel. This may present particular challenges as we operate in a highly specialized industry sector, which may make replacement of our management team and key operating personnel difficult. A loss of our managers or key employees, or their failure to satisfactorily perform their responsibilities, could have an adverse effect on our business, financial condition, results of operations and prospects.

Our success has been dependent, and will continue to depend, on our ability to identify, hire, develop, motivate and retain highly qualified personnel for all areas of our organization, particularly R&D, recycling technology, operations and sales. Trained and experienced personnel are in high demand and may be in short supply. Many of the companies that we compete with for experienced employees have greater resources than us and may be able to offer more attractive terms of employment. In addition, we invest significant time and expense in training employees, which increases their value to competitors that may seek to recruit them. We may not be able to attract, develop and maintain the skilled workforce necessary to operate our business, and labor expenses may increase as a result of a shortage in the supply of qualified personnel, which will negatively impact our business, financial condition, results of operations and prospects. Each member of senior management as well as our key employees may terminate employment without notice and without cause or good reason. The members of our senior management are not subject to non-competition agreements. Accordingly, the adverse effect resulting from the loss of certain members of senior management could be compounded by our inability to prevent them from competing with us.

If we fail to grow our business as anticipated, our net sales, gross margin and operating margin will be adversely affected. If we grow as anticipated but fail to manage our growth and expand our operations accordingly, our business may be harmed and our results of operation may suffer.

Throughout our history, we had focused our business on generating rapid growth through the increase in system sales across its customer base, and we are attempting to continue to grow our business substantially. To this end, we have made, and expect to continue to make investments in our business, including investments in our infrastructure, technology, marketing and sales efforts. If our business does not generate the level of revenue required to support our investment, our net sales and profitability will be adversely affected.

We may not manage our growth effectively. For example, during the year ended December 31, 2024, we experienced less annual revenue growth than expected due to the impact of delayed shipments, the going concern with the Company, and customer order delays, resulting in an overall decrease in system sales and backlog in the fourth quarter of 2024. As a result, we determined that our focus on revenue growth had come at the expense of our cash flow and profitability and our commitment to the highest level of customer service and, in the first quarter of 2025, we made a strategic decision to realign our operations to pivot from emphasizing revenue growth to optimizing our profitability, maximizing customer success, reducing expenditures, and improving our operational

efficiency. We are undertaking expense reduction and cash savings initiatives as part of a company-wide restructuring and strategic realignment plan to help conserve working capital.

Our ability to effectively manage our anticipated growth and expansion of our operations will also require us to enhance our operational, financial and management controls and infrastructure, human resources policies and reporting systems. This expansion will place a significant strain on our management, operational and financial resources. To manage the growth of our operations and personnel, we must establish appropriate and scalable operational and financial systems, procedures and controls and establish and maintain a qualified finance, administrative and operations staff. We may be unable to hire, train, retain and manage the necessary personnel or to identify, manage and exploit potential strategic relationships and market opportunities, which will negatively impact our business, financial condition, results of operations and prospects.

We may be unable to realize the level of the anticipated benefits that we expect from restructuring our operations, which may adversely impact our business and results of operations.

In August and October 2024, we announced a reduction in force to streamline our business operations, reduce costs and create further operating efficiencies, which combined impacted approximately 45% of our workforce. In addition, we have closed three facilities, maintaining only the headquarters today in Fremont, California. In connection with these actions, we have incurred and may continue to incur restructuring costs in the near term, including cash expenditures related to severance payments and other benefits. These actions may result in unintended consequences, including employee attrition beyond our intended reduction in force, damage to our corporate culture and decreased employee morale among our remaining employees, diversion of management attention, adverse effects to our reputation as an employer, loss of continuity, institutional knowledge and expertise, and potential failure or delays to meet operational and growth targets. Further, our business may ultimately not be more efficient or effective and we may be unable to achieve anticipated operating enhancements or cost reductions, which would adversely affect our business, competitive position, operating results and financial condition.

We have identified material weaknesses in our internal control over financial reporting and we may identify additional material weaknesses in the future or otherwise fail to maintain effective internal control over financial reporting, which may result in material misstatements of our consolidated financial statements or cause us to fail to meet our periodic reporting obligations or cause our access to the capital markets to be impaired and have a material adverse effect on our business.

We have identified material weaknesses in our internal control over financial reporting. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of the annual or interim consolidated financial statements will not be prevented or detected on a timely basis. The material weaknesses are as follows:

- We did not design and maintain an effective control environment commensurate with our financial reporting requirements. Specifically, we did not maintain a sufficient complement of personnel with an appropriate degree of internal controls and accounting knowledge, experience, and training commensurate with our accounting and financial reporting requirements. Additionally, the lack of a sufficient complement of personnel resulted in an inability to consistently establish appropriate authorities and responsibilities in pursuit of our financial reporting objectives, as demonstrated by, among other things, insufficient segregation of duties in our finance and accounting functions. This material weakness contributed to the following additional material weaknesses.
- We did not design and maintain effective controls over the accounting for inventory and related accounts. Specifically, we did not design and maintain effective controls over verifying the existence of inventory, the accuracy of purchases, manufacturing costs, and write-offs and the financial statement presentation of inventory and related accounts.
- We did not design and maintain effective controls over the accounting for contract assets and liabilities. Specifically, we did not design and maintain effective controls over the accuracy and the financial statement presentation of contract assets and liabilities, including variable consideration.

- We did not design and maintain effective controls over financial statement preparation, presentation and disclosure commensurate with our financial reporting requirements. Specifically, we did not design and maintain effective controls over the appropriate classification and presentation of accounts and disclosures in the consolidated financial statements.
- We did not design and maintain effective controls over the accounting for stock-based compensation. Specifically, we did not design and maintain effective controls over the accuracy and existence of the shared based compensation related to the earnout for eligible employees impacting the years ended 2025 and 2024, respectively.
- We did not design and maintain effective controls over the depreciation of equipment subject to equipment lease, net. Specifically, we did not design and maintain effective controls over the completeness of depreciation related to the equipment subject to equipment lease.
- We did not design and maintain effective controls over certain information technology (“IT”) general controls for information systems that are relevant to the preparation of our consolidated financial statements. Specifically, we did not design and maintain effective:
 - o user access controls to ensure appropriate segregation of duties and that adequately restrict user and privileged access to financial applications, programs, and data to appropriate company personnel; and
 - o program change management controls to ensure that information technology program and data changes affecting certain financial IT applications and underlying accounting records are identified, tested, authorized and implemented appropriately.

These IT deficiencies did not result in a misstatement to the consolidated financial statements, however, the deficiencies, when aggregated, could impact maintaining effective segregation of duties, as well as the effectiveness of IT dependent controls (such as automated controls that address the risk of material misstatement to one or more assertions, along with the IT controls and underlying data that support the effectiveness of system-generated data and reports) that could result in misstatements potentially impacting all consolidated financial statement accounts and disclosures that would not be prevented or detected. Accordingly, management has determined these deficiencies in the aggregate constitute a material weakness.

These material weaknesses resulted in adjustments to contract assets, equipment subject to operating lease, net, contract liabilities and other noncurrent liabilities and additional paid-in capital which were recorded prior to the issuance of the consolidated financial statements as of and for the year ended December 31, 2025. These material weaknesses resulted in the revision of our consolidated financial statements for the year ended December 31, 2024 and as of and for the interim periods ended March 31, 2025 and 2024, June 30, 2025 and 2024, and September 30, 2025 and 2024. Also, these material weaknesses resulted in adjustments to contract assets, equipment subject to operating lease, net, contract liabilities and other noncurrent liabilities and additional paid-in capital, and stock-based compensation recorded in operating expenses under research and development, selling and marketing and general and administrative, which were recorded prior to the issuance of the audited consolidated financial statements as of and for the year ended December 31, 2025. Additionally, these material weaknesses could result in a misstatement of substantially all of our accounts or disclosures that would result in a material misstatement to the annual or interim consolidated financial statements that would not be prevented or detected.

Although we intend to take measures to remediate these material weaknesses, there can be no assurance that the material weaknesses will be remediated on a timely basis or at all, or that additional material weaknesses will not be identified or occur in the future, which could result in material misstatements of our interim or annual consolidated financial statements. If we are unable to remediate the material weaknesses or additional material weaknesses are identified in the future, our ability to record, process and report financial information accurately, and to prepare consolidated financial statements within the time periods specified by the rules and forms of the SEC, could be adversely affected which, in turn, may adversely affect our reputation and business and the market price of our securities. In particular, if our consolidated financial statements are not accurate, investors may not have a complete understanding of our operations. Likewise, if our consolidated financial statements are not filed on a timely basis, we could be subject

to sanctions or investigations by the stock exchange on which our securities are listed, the SEC or other regulatory authorities. In either case, this could result in a material adverse effect on our business. Failure to timely file will cause us to be ineligible to utilize short form registration statements on Form S-3, which may impair our ability to obtain capital in a timely fashion to execute our business strategies or issue shares to effect an acquisition.

Some of our arrangements for additive manufacturing solutions contain customer-specific provisions that may impact the period in which we recognize the related revenues under GAAP.

Certain customers that purchase additive manufacturing solutions from us require specific, customized factors relating to their intended use of the solution or the installation of the product in the customers' facilities. These specific, customized factors are occasionally required by our customers to be included in our commercial agreements relating to the purchases. As a result, our responsiveness to our customers' specific requirements has the potential to impact the period in which we recognize the revenue relating to that additive manufacturing system sale.

Similarly, some of our customers must build or prepare facilities to install a subset of our additive manufacturing solutions, and the completion of such projects can be unpredictable, which can impact the period in which we recognize the revenue relating to that additive manufacturing solution sale.

We rely on our information technology systems to manage numerous aspects of our business and a disruption of these systems could adversely affect our business.

We rely on our information technology systems to manage numerous aspects of our business, including to efficiently purchase products from our suppliers, provide procurement and logistic services, ship products to our customers, manage our accounting and financial functions, including our internal controls, and maintain our R&D data. Our information technology systems are an essential component of our business and any disruption could significantly limit our ability to manage and operate our business efficiently. A failure of our information technology systems to perform properly could disrupt our supply chain, product development and customer experience, which may lead to increased overhead costs and decreased sales and have an adverse effect on our reputation and our financial condition.

Although we take steps and incur significant costs to secure our information technology systems, including our computer systems, intranet and internet sites, email and other telecommunications and data networks, our security measures may not be effective and our systems may be vulnerable to damage or interruption. The failure of any such systems or the failure of such systems to scale as our business grows could adversely affect our results of operations. Disruption to our information technology systems could result from power outages, computer and telecommunications failures, computer viruses, cyber-attack or other security breaches, catastrophic events such as fires, floods, earthquakes, tornadoes, hurricanes, acts of war, terrorism and usage errors by our employees.

We have engaged with third-party auditors to identify risk factors based on the NIST SP 800-171 framework (which provides recommended requirements for protecting the confidentiality of controlled unclassified information) that affect data security within our internal network and external products, and a foundation requirement for Cybersecurity Maturity Model Certification (CMMC 2.0). These audits include compliance reviews and penetration tests where applicable. A prioritized list of remediations to strengthen our security posture are in progress, and there are risks associated with unaddressed vulnerabilities in the meantime including risk of data loss, malware, and ransomware. We have taken steps to protect customer data within our products by applying strong encryption to files both in transit and at rest.

Our reputation and financial condition could be adversely affected if, as a result of a significant cyber-event or otherwise:

- our operations are disrupted or shut down;
- our or our customers' or employees' confidential, proprietary information is stolen or disclosed;

- we incur costs or are required to pay fines in connection with stolen customer, employee or other confidential information;
- we must dedicate significant resources to system repairs or increase cyber security protection; or
- we otherwise incur significant litigation or other costs.

If our computer systems are damaged or cease to function properly, or, if we do not replace or upgrade certain systems, we may incur substantial costs to repair or replace them and may experience an interruption of our normal business activities or loss of critical data. Any such disruption could adversely affect our reputation and financial condition.

We also rely on information technology systems maintained by third parties, including third-party cloud computing services and the computer systems of our suppliers for both our internal operations and our customer-facing infrastructure related to our additive manufacturing solutions. These systems are also vulnerable to the types of interruption and damage described above but we have less ability to take measures to protect against such disruptions or to resolve them if they were to occur. Information technology problems faced by third parties on which we rely could adversely impact our business and financial condition as well as negatively impact our brand reputation.

Our current levels of insurance may not be adequate for our potential liabilities.

We maintain insurance to cover our potential exposure for most claims and losses, including potential product and non-product related claims, lawsuits and administrative proceedings seeking damages or other remedies arising out of our commercial operations. However, our insurance coverage is subject to various exclusions, self-retentions and deductibles. We may be faced with types of liabilities that are not covered under our insurance policies, such as environmental contamination or terrorist attacks, or that exceed our policy limits. Even a partially uninsured claim of significant size, if successful, could have an adverse effect on our financial condition.

In addition, we may not be able to continue to obtain insurance coverage on commercially reasonable terms, or at all, and our existing policies may be cancelled or otherwise terminated by the insurer. Maintaining adequate insurance and successfully accessing insurance coverage that may be due for a claim can require a significant amount of our management's time, and we may be forced to spend a substantial amount of money in that process.

Changes in tax laws or tax rulings could materially affect our financial position, results of operations and cash flows.

The tax regimes we are subject to or operate under, including income and non-income taxes, are unsettled and may be subject to significant change. Changes in tax laws, regulations, or rulings, or changes in interpretations of existing laws and regulations, could materially affect our financial position and results of operations. For example, the 2017 Tax Cuts and Jobs Act (the "*Tax Act*") made broad and complex changes to the U.S. tax code, including changes to U.S. federal tax rates, additional limitations on the deductibility of interest, both positive and negative changes to the utilization of future net operating loss ("*NOL*") carryforwards, allowing for the expensing of certain capital expenditures, and putting into effect the migration from a "worldwide" system of taxation to a more territorial system. Future guidance from the IRS with respect to the Tax Act may affect us, and certain aspects of the Tax Act could be repealed or modified in future legislation. The Coronavirus Aid, Relief, and Economic Security Act (the "*CARES Act*") has already modified certain provisions of the Tax Act. The Inflation Reduction Act of 2022 (the "*IRA*"), enacted on August 16, 2022, further amended the U.S. tax code, imposing a 15% minimum tax on "adjusted financial statement income" of certain corporations as well as an excise tax on the repurchase or redemption of stock by certain corporations, beginning in the 2023 tax year. The One Big Beautiful Bill Act (the "*OBBBA*"), enacted on July 4, 2025, makes permanent several provisions that were temporary under the Tax Act, reducing uncertainty. The OBBBA enhances deductions and expensing options, such as the permanent 100% bonus depreciation and increased deduction limits on certain business expenses, which were more restrictive under the Tax Act. The OBBBA also makes some changes to the international tax provisions. In addition, it is uncertain if and to what extent various states will conform to the Tax Act, the CARES Act, the IRA, the OBBBA, or any newly enacted federal tax legislation. The issuance of additional regulatory or accounting guidance related to the Tax Act, the CARES Act, the IRA and the OBBBA could materially affect our tax obligations and

effective tax rate in the period issued. As we continue to expand internationally, we will be subject to other jurisdictions around the world with increasingly complex tax laws, the application of which can be uncertain. The amount of taxes we pay in these jurisdictions could increase substantially as a result of changes in the applicable tax principles, including increased tax rates, new tax laws or revised interpretations of existing tax laws and precedents, which could have an adverse impact on our liquidity and results of operations. In addition, the authorities in several jurisdictions could review our tax returns and impose additional tax, interest and penalties, which could have an impact on us and on our results of operations. In addition, many countries in Europe and a number of other countries and organizations, have recently proposed or recommended changes to existing tax laws or have enacted new laws that could significantly increase our tax obligations in the countries where we do or intend to do business or require us to change the manner in which we operate our business.

As we expand the scale of our international business activities, these types of changes to the taxation of our activities could increase our worldwide effective tax rate, increase the amount of taxes imposed on our business, and harm our financial position. Such changes also may apply retroactively to our historical operations and result in taxes greater than the amounts estimated and recorded in our consolidated financial statements.

Some members of our management have limited experience in operating a public company.

Some of our executive officers have limited experience in the management of a publicly traded company. Our management team may not successfully or effectively manage the significant public company regulatory oversight and reporting obligations under federal securities laws. Our limited experience in dealing with the increasingly complex laws pertaining to public companies could be a significant disadvantage in that it is likely that an increasing amount of their time may be devoted to these activities, which will result in less time being devoted to the management and growth of the company. We may not have adequate personnel with the appropriate level of knowledge, experience and training in the accounting policies, practices or internal control over financial reporting required of public companies. The development and implementation of the standards and controls and the hiring of experienced personnel necessary to achieve the level of accounting standards required of a public company may require costs greater than expected.

Market conditions, economic uncertainty or downturns could adversely affect our business and operating results.

In recent years, the United States and other significant markets have experienced cyclical downturns and worldwide economic conditions remain uncertain, including as a result of outbreaks of epidemic diseases (including COVID-19 and variants), supply chain disruptions, the war in Ukraine and the war in Israel, the ongoing conflict with Iran, instability in the U.S. and global banking systems, rising fuel prices, increasing interest rates or foreign exchange rates, changes in U.S. presidential administrations and government policies and priorities and, as discussed in more detail below, high inflation and the possibility of a recession. Economic uncertainty and associated macroeconomic conditions make it extremely difficult for our customers and us to accurately forecast and plan future business activities, and could cause our customers to slow spending on our products, which could delay and lengthen sales cycles.

A significant downturn in economic activity, or general spending on additive manufacturing systems, may cause our current or potential customers to react by reducing their capital and operating expenditures in general or by specifically reducing their spending on additive manufacturing systems and related technologies. Moreover, competitors may respond to challenging market conditions by lowering prices and attempting to lure away our customers.

We cannot predict the timing, strength, or duration of any economic slowdown or any subsequent recovery generally, or in any industry. If the conditions in the general economy and the markets in which we operate worsen from present levels, our business, financial condition, and operating results could be adversely affected.

For example, recent tariff actions have resulted in market uncertainty and volatility. Continued market uncertainty or volatility, or any broader economic challenges resulting from adverse developments in internal trade policies, could adversely affect the price of our stock and our ability to raise additional capital, which could have a material adverse effect on our business and financial condition.

The ongoing conflict with Iran may affect demand for our products and could create supply chain challenges.

As discussed above, the ongoing conflict with Iran has created uncertainty in global markets. As a supplier to the defense and aerospace industries, with technology supporting active efforts across the Department of Defense—including munitions and munition support components, hypersonic propulsion and thermal management systems, and aerospace propulsion—we may experience increased demand for our additive manufacturing solutions from government and defense customers. While such increased demand could benefit our business, our ability to meet this demand may be constrained by production capacity limitations and the need to comply with heightened regulatory requirements for defense-related contracts. Any failure to meet delivery timelines or quality standards could expose us to contractual penalties, reputational harm, and loss of future business opportunities.

Although we manufacture our products domestically in our Fremont, California facility and have developed multiple suppliers to ensure surety of supply, the conflict may contribute to increased costs for certain components or materials, delays from individual suppliers, or broader economic uncertainty that affects our customers' capital expenditure decisions. We believe we can readily source most components from competing suppliers on short notice; however, prolonged or escalating conflict could strain the availability of certain critical subsystems or components

We may be adversely affected by the effects of inflation or possible stagflation.

Inflation or possible stagflation in the United States and other regions has the potential to adversely affect our liquidity, business, financial condition and operating results. For example, our current and potential customers may choose to limit their spending on and budgets for our additive manufacturing systems as a response to decreased spending by their own customers and consumers. The existence of inflation in certain economies has resulted in, and may continue to result in, higher interest rates and foreign exchange rates and capital costs, increased costs of labor, weakening exchange rates and other similar effects. Although we may take measures to mitigate the impact of this inflation, if these measures are not effective, our business, financial condition, operating results and liquidity may be materially adversely affected. Even if such measures are effective, there could be a difference between the timing of when these beneficial actions impact our operating results and when the cost of inflation is incurred. Inflation and any economic challenges may also adversely impact spending patterns by our customers.

Changes in financial accounting standards or practices as well as interpretations thereof may cause adverse, unexpected financial reporting fluctuations and affect our results of operations.

The accounting rules and regulations that we must comply with are complex and subject to interpretation by the Financial Accounting Standards Board (the “FASB”), the SEC and various bodies formed to promulgate and interpret appropriate accounting principles. Recent actions and public comments from the FASB and the SEC have focused on the integrity of financial reporting and internal controls. In addition, many companies’ accounting policies and treatment are being subjected to heightened scrutiny by regulators and the public. Further, accounting rules and regulations as well as their interpretations are continually changing in ways that could materially impact our consolidated financial statements.

We cannot predict the impact of future changes to accounting principles or interpretations thereof or our accounting policies on our consolidated financial statements going forward, which could have a significant effect on our reported financial results and could affect the reporting of transactions completed before the announcement of the change.

Risks Related to Third Parties

We could be subject to personal injury, property damage, product liability, warranty and other claims involving allegedly defective products that we supply.

The products we supply are sometimes used in potentially hazardous or critical applications, such as the assembled parts of an aircraft, that could result in death, personal injury, property damage, loss of production, punitive damages and consequential damages. While we have not experienced any such claims to date, actual or claimed defects in the products we supply could result in our being named as a defendant in lawsuits asserting potentially large claims.

We attempt to include legal provisions in our agreements and purchase orders with customers that are designed to limit our exposure to potential liability for damages arising from defects or errors in our products. However, it is possible that these limitations may not be effective as a result of unfavorable judicial decisions or laws enacted in the future. Any such lawsuit, regardless of merit, could result in material expense, diversion of management time and efforts and damage to our reputation, and could cause us to fail to retain or attract customers, which could adversely affect our results of operations.

We depend on independent contractors and third parties to provide key services in our product development and operations, and any disruption of their services, or an increase in cost of these services, could negatively impact our financial condition and results of operations.

We depend on subcontractors to provide cost effective and efficient services in supply chain functions, including sourcing certain subcomponents and assemblies, and in product development activities.

Our operations and operating results may be negatively impacted if we experience problems with our subcontractors that impact the delivery of product to our customers. These problems may include: delays in software or hardware development timelines, prolonged inability to obtain components with competitive performance and cost attributes; inability to achieve adequate yields or timely delivery; inability to meet customer timelines or demands, disruption or defects in assembly, test or shipping services; or delays in stabilizing manufacturing processes or ramping up volume for new products. If our third-party supply chain providers were to reduce or discontinue services for us or their operations are disrupted as a result of a fire, earthquake, act of terrorism, political unrest, governmental uncertainty, war, disease, or other natural disaster or catastrophic event, weak economic conditions or any other reason, our financial condition and results of operations could be adversely affected.

We may rely heavily on future collaborative and supply chain partners.

We have entered into, and may enter into, strategic collaborations and partnerships to develop and commercialize our current and future R&D programs with other companies to accomplish one or more of the following:

- obtain capital, equipment and facilities;
- obtain expertise in relevant markets;
- obtain access to components;
- obtain sales and marketing services or support; and/or
- obtain support services and other downstream supply chain support.

We may not be successful in establishing or maintaining suitable collaborations and partnerships, and we may not be able to negotiate collaboration or partnership agreements having terms satisfactory to us, or at all. Failure to make or maintain these arrangements or a delay or failure in a collaborative partner's performance under any such arrangements could harm our business and financial condition.

If our suppliers become unavailable or inadequate, our customer relationships, results of operations and financial condition may be adversely affected.

We acquire certain of our materials, which are critical to the ongoing operation and future growth of our business, from several third parties. We face risks from financial difficulties or other uncertainties experienced by our suppliers, distributors or other third parties on which we rely. We do not have long-term agreements with any of these suppliers that obligate them to continue to sell components, subsystems, systems or products to us. Our reliance on these suppliers involves significant risks and uncertainties, including whether the suppliers will provide an adequate supply of required components, subsystems or systems of sufficient quality will increase prices for the components, subsystems or systems and will perform their obligations on a timely basis. In addition,

certain suppliers have long lead times, which we cannot control. If third parties are unable to supply us with required materials or components or otherwise assist us in operating our business, our business could be harmed. In addition, compliance with the SEC's conflict minerals regulations may increase our costs and adversely impact the supply-chain for our products.

While most manufacturing equipment and materials for our products are available from multiple suppliers, certain of those items are only available from limited sources. Should any of these suppliers become unavailable or inadequate, or impose terms unacceptable to us, such as increased pricing terms, we could be required to spend a significant amount of time and expense to develop alternate sources of supply, and we may not be successful in doing so on terms acceptable to us, or at all. As a result, the loss of a limited source supplier could adversely affect our relationship with our customers, as well as our results of operations and financial condition.

Our facility as well as our suppliers' and our customers' facilities are vulnerable to disruption due to natural or other disasters, strikes and other events beyond our control.

A major earthquake, fire, tsunami, hurricane, cyclone or other disaster, such as a pandemic, major flood, seasonal storms, nuclear event or terrorist attack affecting our facility or the area in which it is located, or affecting those of our suppliers or customers, could significantly disrupt our or their operations and delay or prevent product shipment or installation during the time required to repair, rebuild or replace our or their damaged manufacturing facilities. Moreover, extreme weather and other natural disasters may become more intense or more frequent. Any resulting delays from these events could be lengthy and costly. If any of our suppliers' or customers' facilities are negatively impacted by such a disaster, production, shipment and installation of our 3D printing machines could be delayed, which can impact the period in which we recognize the revenue related to that 3D printing machine sale. Additionally, customers may delay purchases of our products until operations return to normal. Even if we are able to respond quickly to a disaster, the continued effects of the disaster could create uncertainty in our business operations. In addition, concerns about terrorism, the effects of a terrorist attack, political turmoil, labor strikes, war (including Iran, the Ukrainian - Russia and the Israel - Hamas conflicts) or the outbreak of epidemic diseases (including the outbreak of COVID-19 and variants) could have a negative effect on our operations and sales.

Risks Related to Operations

We operate primarily at one facility location, and any disruption at our facility could adversely affect our business and operating results.

Our principal offices are located in Fremont, California. Substantially all of our R&D activities, customer and technical support, management and administrative operations, and our final assembly and testing operations are conducted at the facility in Fremont, California. Our inventory of component supplies, subassemblies and finished goods are held at our Fremont facility and third-party warehouses. We take precautions to safeguard our facility, including acquiring insurance, employing back-up generators, adopting health and safety protocols and utilizing off-site storage of computer data. However, vandalism, terrorism or a natural or other disaster, such as an earthquake, fire or flood, could damage or destroy our manufacturing equipment or our inventory of component supplies or finished goods, cause substantial delays in our operations, result in the loss of key information and cause us to incur additional expenses. Recent prolonged power outages due to California wildfires may cause substantial delays in our operations and the impact of these wildfires and other natural disasters may be exacerbated in the future as a result of climate change. Our insurance may not cover our losses in any particular case. In addition, regardless of the level of insurance coverage, damage to our facilities may have a material adverse effect on our business, financial condition and operating results.

Maintenance, expansion and refurbishment of our facilities, the construction of new facilities and the development and implementation of new manufacturing processes involve significant risks.

Our existing facilities and any of our future facilities may require regular or periodic maintenance, upgrading, expansion, refurbishment or improvement. Any unexpected operational or mechanical failure, including failure associated with breakdowns and forced outages, could reduce our facilities' production capacity below expected levels, which would reduce our production capabilities

and ultimately our revenues. Unanticipated capital expenditures associated with maintaining, upgrading, expanding, repairing, refurbishing or improving our facilities may also reduce our profitability. Our facilities also may be subject to unanticipated damage as a result of natural disasters, terrorist attacks or other events.

If we make any major modifications to our facilities, such modifications likely would result in substantial additional capital expenditures and could prolong the time necessary to bring the facility online. We also may choose to refurbish or upgrade our facilities based on our assessment that such activity will provide adequate financial returns. However, such activities require time for development and capital expenditures before commencement of commercial operations, and key assumptions underpinning a decision to make such an investment may prove incorrect, including assumptions regarding construction costs and timing, which could harm our business, financial condition, results of operations and cash flows.

Finally, we may not be successful or efficient in developing or implementing new production processes. Innovation in production processes involves significant expense and carries inherent risks, including difficulties in designing and developing new process technologies, development and production timing delays, and product defects. Disruptions in the production process can also result from errors, defects in materials, delays in obtaining or revising operating permits and licenses, returns of product from customers, interruption in our supply of materials or resources, and disruptions at our facilities due to accidents, maintenance issues, or unsafe working conditions, all of which could affect the timing of production ramps. Production issues can lead to increased costs and may affect our ability to meet product demand, which could adversely impact our business and results from operations.

Risks Related to Compliance Matters

We are subject to U.S. and other anti-corruption laws, trade controls, economic sanctions and similar laws and regulations. Our failure to comply with these laws and regulations could subject us to civil, criminal and administrative penalties and harm our reputation.

Doing business on a worldwide basis requires us to comply with the laws and regulations of the U.S. government and various foreign jurisdictions. These laws and regulations place restrictions on our operations, trade practices, partners and investments.

In particular, our operations are subject to U.S. and foreign anti-corruption and trade control laws and regulations, such as the FCPA and the Bribery Act, export controls and economic sanctions programs, including those administered by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"), the State Department's Directorate of Defense Trade Controls ("DDTC") and the Bureau of Industry and Security ("BIS") of the Department of Commerce. As a result of doing business in foreign countries and with foreign customers, we are exposed to a heightened risk of violating anti-corruption and trade control laws and sanctions regulations. In February 2025, President Donald J. Trump issued an executive order directing the U.S. Department of Justice to pause enforcement of the FCPA and to issue new enforcement guidelines that take into consideration U.S. national security and the competitiveness of U.S. companies abroad. It is unclear how this presidential directive may affect our industry as a whole or our business in particular. On June 10, 2025, the U.S. Department of Justice issued new enforcement guidelines which set forth an approach to FCPA enforcement that is explicitly aimed at promoting U.S. economic interests and national security. It is unclear how these new guidelines may affect our industry as a whole or our business in particular.

Notwithstanding President Trump's recent executive order to suspend enforcement of the FCPA, as part of our business, we may deal with state-owned business enterprises, the employees of which are considered foreign officials for purposes of the FCPA's prohibition on providing anything of value to foreign officials for the purposes of obtaining or retaining business or securing any improper business advantage. In addition, the provisions of the Bribery Act extend beyond bribery of foreign public officials and also apply to transactions with individuals that a government does not employ. Some of the international locations in which we operate lack a developed legal system and have higher than normal levels of corruption. Our continued expansion outside the U.S., primarily in Europe, South-East Asia and Oceania, and our development of new partnerships worldwide, could increase the risk of FCPA, OFAC or Bribery Act violations in the future.

As an exporter, we must comply with various laws and regulations relating to the export of products and technology from the U.S. and other countries having jurisdiction over our operations. In the United States, these laws include the International Traffic in Arms Regulations (“*ITAR*”) administered by the DDTC, the Export Administration Regulations (“*EAR*”) administered by the BIS and trade sanctions against embargoed countries and destinations administered by OFAC. The EAR governs products, parts, technology and software which present military or weapons proliferation concerns, so-called “dual use” items, and ITAR governs military items listed on the United States Munitions List. Prior to shipping certain items, we must obtain an export license or verify that license exemptions are available. Any failures to comply with these laws and regulations could result in fines, adverse publicity and restrictions on our ability to export our products, and repeat failures could carry more significant penalties.

Violations of anti-corruption and trade control laws and sanctions regulations are punishable by civil penalties, including fines, denial of export privileges, injunctions, asset seizures, debarment from government contracts and revocations or restrictions of licenses, as well as criminal fines and imprisonment and could harm our reputation, create negative shareholder sentiment and affect the value of our securities. We have established policies and procedures designed to assist our compliance with applicable U.S. and international anti-corruption and trade control laws and regulations, including the FCPA, the Bribery Act and trade controls and sanctions programs administered by OFAC, the DDTC and BIS, and have trained our employees to comply with these laws and regulations. However, there can be no assurance that all of our employees, consultants, agents or other associated persons will not take actions in violation of our policies and these laws and regulations. Additionally, there can be no assurance that our policies and procedures will effectively prevent us from violating these regulations in every transaction in which we may engage or provide a defense to any alleged violation. In particular, we may be held liable for the actions that our joint venture partners take inside or outside of the United States, even though our partners may not be subject to these laws. Such a violation, even if our policies prohibit it, could have an adverse effect on our reputation, business, financial condition and results of operations. In addition, various state and municipal governments, universities and other investors maintain prohibitions or restrictions on investments in companies that do business with sanctioned countries, persons and entities, which could adversely affect our reputation, business, financial condition and results of operations.

Additive manufacturing technologies have been identified by the U.S. government as sensitive and emerging technologies with potential national security implications, and existing or future export controls, end-use and end-user restrictions, sanctions and other trade regulations could materially limit our ability to sell, service and support our solutions in international markets.

Our business depends in part on our ability to sell, deploy, service and support our integrated metal additive manufacturing solutions in the United States and internationally. Additive manufacturing has been identified by the U.S. government as an emerging technology area with potential national security significance, and in September 2024 BIS implemented export controls on certain additive manufacturing items, including equipment, components, and related technology and software designed to produce metal or metal alloy components. As a result, our products, software, technology, services or related activities could become subject to additional or more restrictive export controls, licensing requirements, reporting obligations, record keeping requirements, end-use or end-user restrictions, or other regulatory conditions in the United States or abroad.

Any expansion, reinterpretation or more aggressive enforcement of export control, sanctions or national security regulations could materially and adversely affect our business. We may be required to obtain export licenses or other governmental approvals for the export, reexport, transfer, release or provision of our products, software, technology or services, and such approvals may be delayed, conditioned, denied or revoked. Even where licenses are theoretically available, the licensing process can be time-consuming, expensive and uncertain, and could delay shipments, installations, upgrades, support obligations, customer acceptance, revenue recognition and cash collections. Regulatory changes could also restrict our ability to engage with certain foreign customers, distributors, resellers, research institutions, contract manufacturers, service providers or other counterparties, including where concerns arise regarding military, defense, aerospace, dual-use, proliferation-related or other sensitive end uses or end users. In addition, changes in law or policy could require us to reclassify products or technology, redesign aspects of our offerings, alter our supply chain or commercial strategy, limit functionality, restructure foreign operations, or withdraw from particular markets altogether. As we continue to operate with foreign customers and pursue partnerships outside the United States, including in Europe, South-East Asia and Oceania, we may face increased compliance complexity, greater diligence burdens and a heightened risk that one or more transactions will require licenses, become prohibited, or expose us to allegations of noncompliance.

Any failure, actual or alleged, to comply with applicable export controls, sanctions or related trade regulations could subject us to severe civil, criminal and administrative penalties, including fines, denial of export privileges, injunctions, asset seizures, debarment from government contracts and revocation or restriction of licenses. Even absent formal enforcement action, regulatory scrutiny or the perception that our technologies are sensitive from a national security perspective could harm our reputation, make customers and commercial partners more reluctant to do business with us, increase our compliance and insurance costs, constrain our ability to participate in certain programs or international opportunities, and adversely affect our operating results. If existing controls are expanded, new controls are adopted, or our products, software, technology or services become subject to more restrictive treatment under U.S. or foreign law, our business, financial condition and results of operations could be materially adversely affected.

We are subject to environmental, health and safety laws and regulations related to our operations and the use of our additive manufacturing systems and consumable materials, which could subject us to compliance costs and/or potential liability in the event of non-compliance.

We are subject to various environmental laws and regulations governing our operations, including, but not limited to, emissions into the air and water and the use, handling, disposal and remediation of hazardous substances. A certain risk of environmental liability is inherent in our production activities. These laws and regulations govern, among other things, the generation, use, storage, registration, handling and disposal of chemicals and waste materials, the presence of specified substances in electrical products, the emission and discharge of hazardous materials into the ground, air or water, the cleanup of contaminated sites, including any contamination that results from spills due to our failure to properly dispose of chemicals and other waste materials and the health and safety of our employees. Under these laws, regulations and requirements, we also could be subject to liability for improper disposal of chemicals and waste materials, including those resulting from the use of our systems and accompanying materials by end-users. Accidents or other incidents that occur at our facilities or involve our personnel or operations could result in claims for damages against us. Compliance with extensive environmental, health and safety laws could require material expenditures, changes in our operations or site remediation. In addition, we use hazardous materials in our business, and we must comply with environmental laws and regulations associated therewith. Any claims relating to improper handling, storage or disposal of these materials or noncompliance with applicable laws and regulations could be time consuming and costly and could adversely affect our business and results of operations.

In the event we are found to be financially responsible, as a result of environmental or other laws or by court order, for environmental damages alleged to have been caused by us or occurring on our premises, we could be required to pay substantial monetary damages or undertake expensive remedial obligations. If our operations fail to comply with such laws or regulations, we may be subject to fines and other civil, administrative or criminal sanctions, including the revocation of permits and licenses necessary to continue our business activities. In addition, we may be required to pay damages or civil judgments in respect of third-party claims, including those relating to personal injury (including exposure to hazardous substances that we generate, use, store, handle, transport, manufacture or dispose of), property damage or contribution claims. Some environmental laws allow for strict, joint and several liabilities for remediation costs, regardless of fault. We may be identified as a potentially responsible party under such laws. The amount of any costs, including fines or damages payments that we might incur under such circumstances could substantially exceed any insurance we have to cover such losses. Any of these events, alone or in combination, could have a material adverse effect on our business, financial condition and results of operations and could adversely affect our reputation.

The export of our products internationally from our production facilities subjects us to environmental laws and regulations concerning the import and export of chemicals and hazardous substances such as the United States Toxic Substances Control Act and the Registration, Evaluation, Authorization and Restriction of Chemical Substances. These laws and regulations require the testing and registration of some chemicals that we ship along with, or that form a part of, our systems and other products. If we fail to comply with these or similar laws and regulations, we may be required to make significant expenditures to reformulate the chemicals that we use in our products and materials or incur costs to register such chemicals to gain and/or regain compliance. Additionally, we could be subject to significant fines or other civil and criminal penalties should we not achieve such compliance.

The cost of complying with current and future environmental, health and safety laws applicable to our operations, or the liabilities arising from past releases of, or exposure to, hazardous substances, may result in future expenditures. Any of these developments, alone or in combination, could have an adverse effect on our business, financial condition and results of operations.

Aspects of our business are subject to privacy, data use and data security regulations, which could increase our costs.

We collect personally identifiable information from our employees, prospects, and our customers. Privacy and security laws and regulations may limit the use and disclosure of certain information and require us to adopt certain cybersecurity and data handling practices that may affect our ability to effectively market our services to current, past or prospective customers. We must comply with privacy laws in the United States, Europe and elsewhere, including the General Data Protection Regulations (“GDPR”) in the European Union (“EU”), which became effective May 25, 2018, and the California Privacy Rights Act, which became effective on January 1, 2023. Further, in connection with its withdrawal from the EU, the United Kingdom has implemented the GDPR as of January 1, 2021 (as it existed on December 31, 2020 but subject to certain UK-specific amendments). These laws create new individual privacy rights and impose increased obligations, including disclosure obligations, on companies handling personal data. In many jurisdictions, consumers must be notified in the event of a data security breach, and such notification requirements continue to increase in scope and cost. Privacy and security laws and regulations may limit the use and disclosure of certain information and require us to adopt certain cybersecurity and data handling practices that may affect our ability to effectively market our services to current, past or prospective customers. While we have invested in, and intend to continue to invest in, resources to comply with these standards, we may not be successful in doing so, and any such failure could have an adverse effect on our business, results of operations and reputation.

As privacy, data use and data security laws are interpreted and applied, compliance costs may increase, particularly in the context of ensuring that adequate data protection and data transfer mechanisms are in place. In recent years, there has been increasing regulatory enforcement and litigation activity in this area in the United States and in various other countries in which we operate.

Risks Related to Intellectual Property

Our business relies on technological and other innovations embodied in various forms of proprietary information and other intellectual property (“IP”) related information. Our failure to protect our IP rights could potentially harm our competitive advantages to an extent (e.g., with respect to the use, manufacturing, lease, sale, or other commercialization of our processes, technologies and products), which may have an adverse effect on our results of operations and financial condition.

We may be required to make significant capital investments into the R&D of proprietary information and other IP as we develop, improve and scale our processes, technologies and products, and failure to fund and make these investments, or underperformance of the technology funded by these investments, could severely impact our business, financial condition, results of operations and prospects. From time to time, we collaborate with partners on certain R&D activities and the success of such R&D activities is aided by the cooperation of such partners.

In addition, our failure to adequately protect our IP rights could result in the reduction or loss of our competitive advantage. We may be unable to prevent third parties from using our proprietary information and other IP without our authorization or from independently developing proprietary information and other IP that is similar to ours, particularly in those countries where the laws do not protect our proprietary rights to the same degree as in the U.S. or those countries where we do not have IP rights protection. The use of our proprietary information and other IP by others could reduce or eliminate competitive advantages that we have developed, potentially causing us to lose sales, licensing opportunities, actual or potential customers, or otherwise harm our business. If it becomes necessary for us to litigate to protect these IP rights, any proceedings could be burdensome and costly, could result in counterclaims challenging our IP (including validity or enforceability) or accusing us of infringement, and we may not prevail.

Our patent applications and issued patents may be practiced by third parties without our knowledge. Our competitors may also attempt to design around our patents or copy or otherwise obtain and use our proprietary information and other IP. Moreover, our competitors may already hold or have applied for patents in the U.S. or abroad that, if enforced, could possibly prevail over our patent

rights or otherwise limit our ability to manufacture, sell or otherwise commercialize one or more of our products in the U.S. or abroad. With respect to our pending patent applications, we may not be successful in securing issued patents, or the claims of such patents may be narrowed, any of which may limit our ability to protect inventions that these applications were intended to cover, which could harm our ability to prevent others from exploiting our technologies and commercializing products similar to our products. In addition, the expiration of a patent can result in increased competition with consequent erosion of profit margins.

Our confidentiality agreements could be breached or may not provide meaningful protection for at least a portion of our trade secrets or proprietary manufacturing expertise. Adequate remedies may not be available in the event of an unauthorized use or disclosure of our trade secrets and manufacturing expertise. Violations by others of our confidentiality agreements and the loss of employees who have specialized knowledge and expertise could harm our competitive position resulting from the exclusive nature of such knowledge and expertise and cause our sales and operating results to decline as a result of increased competition. In addition, others may obtain knowledge of our trade secrets through independent development or other access by legal means.

The applicable governmental authorities may not approve our pending service mark and trademark applications. A failure to obtain trademark registrations in the U.S. and in other countries could limit our ability to obtain and retain our trademarks in those jurisdictions. Moreover, third parties may seek to oppose our applications or otherwise challenge the resulting registrations. In the event that our trademarks are not approved or are successfully challenged by third parties, we could be forced to rebrand our products, which could result in loss of brand recognition and could require us to devote significant resources to rebranding and advertising and marketing new brands. We could be sued by third parties who, unbeknown to us and to government agencies allowing for registration of our trademark, previously used our registered trademark in the market before we did.

The failure of any of our patents, trademarks, trade names, trade secrets, other IP rights, IP right assignments, or confidentiality agreements to protect our proprietary information and other IP, including our processes, systems, apparatuses, devices, software, composition of matter (e.g., 3D objects), our other proprietary manufacturing expertise, and any other of our technology and know-how, could have a material adverse effect on our business and results of operations.

The use of artificial intelligence and machine learning technologies in our business operations and product offerings may expose us to risks that could harm our competitive position and have a material adverse effect on our business and results of operations.

We may incorporate artificial intelligence ("AI") and machine learning technologies into our Flow™ software platform, manufacturing processes, and other business operations. The development and use of AI presents risks and challenges that could adversely affect our business. AI technologies may generate outputs that inadvertently incorporate or are derived from third-party intellectual property, potentially exposing us to claims of infringement, misappropriation, or other violations of such third-party rights. The use of AI may also pose risks to our confidential information, proprietary data, trade secrets, and other intellectual property if such information is used in AI training or processing, or if AI-generated outputs reveal or compromise our proprietary processes, technologies, or know-how. Additionally, our competitors may adopt AI technologies more quickly or effectively than we do, which could erode our competitive advantages. The regulatory landscape for AI is rapidly evolving in the United States and internationally, and new laws, regulations, or industry standards may impose compliance obligations, restrict certain uses of AI, or increase our costs. If we fail to effectively implement, manage, or adapt to AI technologies, or if we are unable to address the risks associated with their use, we may be exposed to reputational harm, liability, loss of proprietary information, or competitive disadvantage, any of which could have a material adverse effect on our business, financial condition, and results of operations.

Third-party lawsuits and assertions to which we are subject alleging our infringement of patents, trade secrets or other IP rights may have a significant adverse effect on our financial condition.

Third parties may own issued patents and pending patent applications that exist in fields relevant to additive manufacturing or any other technology related to our products. Some of these third parties may assert that we are employing their proprietary technology without authorization. There may be third-party patents or patent applications with claims related to additive manufacturing or any other technology related to our products. Because patent applications can take many years to issue as patents, there may be currently pending patent applications which may later result in issued patents that our technologies may potentially infringe in the future. In

addition, third parties may obtain patents in the future and claim that our technologies infringe upon these obtained patents. Any third-party lawsuits or other assertion to which we are subject alleging our infringement of patents, trade secrets or any other IP rights may have a significant adverse effect on our financial condition.

We may incur substantial costs enforcing and defending our IP rights.

We may incur substantial expense and costs in protecting, enforcing and defending our IP rights against third parties. IP disputes may be costly and can be substantially disruptive to our business operations by diverting attention and energies of management and key technical personnel and by increasing our costs of doing business. Third-party IP claims asserted against us could subject us to significant liabilities, require us to enter into royalty and licensing arrangements on unfavorable terms, prevent us from assembling or licensing certain of our products, subject us to injunctions restricting our sale of products, cause severe disruptions to our operations or the marketplaces in which we compete or require us to satisfy indemnification commitments with our customers, including contractual provisions under various license arrangements. In addition, we may incur significant costs in acquiring the necessary third-party IP rights for use in our products. Any and all of these could have an adverse effect on our business and financial condition.

If we are unable to adequately protect or enforce our IP rights, such information may be used by others to compete against us.

We have devoted substantial resources to the development of our technology and related IP rights. Our success and future revenue growth will depend, in part, on our ability to protect the various facets of our IP. We rely on a combination of registered and unregistered IP and protect our rights using patents, trademarks, trade secrets, confidentiality agreements, and assignment of invention agreements and other methods.

Despite our efforts to protect our IP and proprietary rights, it is possible that competitors or other unauthorized third parties may obtain, copy, use or disclose our technologies, inventions, processes, improvements, or any other IP. We cannot assure that any of our existing or future patents or other IP rights will not be challenged, invalidated, circumvented, or will otherwise provide us with meaningful protection. Our pending patent applications may not be granted, and we may not be able to obtain foreign patents or pending applications corresponding to our U.S. patents. Even if foreign patents are granted, effective enforcement in foreign countries may not be available.

Our trade secrets, know-how and other unregistered proprietary rights are a key aspect of our IP portfolio. While we take reasonable steps to protect our proprietary information and IP in trade secrets and other forms of confidential information protection, and enter into confidentiality agreements and invention assignment agreements intended to protect such rights, such agreements can be difficult and costly to enforce or may not provide adequate remedies if violated, and we may have inadvertently not have entered into such agreements with all relevant parties, or some of the agreements may prove invalid in all jurisdictions. Such agreements may be breached, and trade secrets or confidential information may be willfully or unintentionally disclosed, including by employees who may leave our company and join our competitors, or our competitors or other parties may learn of the information in some other way. The disclosure to, or independent development by, a competitor of our proprietary information and IP including trade secrets, know-how or other technology related information not protected by a patent or other IP system could materially reduce or eliminate any competitive advantage that we may have over such competitor.

If our patents and other forms of IP protection do not adequately protect our technology, our competitors may be able to offer products similar to ours. Our competitors may also be able to develop similar technology independently, reverse engineer our technology, or design around our patents and other forms of IP protection. Any of the foregoing events would lead to increased competition and reduce our revenue or gross margin, which would adversely affect our operating results.

If we attempt enforcement of our IP rights, we may be subject or party to claims, negotiations or complex, protracted litigation. IP disputes and litigation, regardless of merit, can be substantially costly and disruptive to our business operations, e.g., by diverting attention and energies of management and key technical personnel and by increasing our costs of doing business. Any of the foregoing could adversely affect our business and financial condition.

As part of any settlement or other compromise to avoid complex, protracted litigation, we may agree not to pursue future claims against a third party, including related to alleged infringement of our IP rights. Part of any settlement or other compromise with another party may resolve a potentially costly dispute but may also have future repercussions on our ability to defend and protect our IP rights, which in turn could adversely affect our business.

Our additive manufacturing software contains third-party open-source software components, and failure to comply with the terms of the underlying open-source software licenses could restrict our ability to sell our products.

Our additive manufacturing software contains components that are licensed under so-called “open-source,” “free,” or other similar licenses. Open-source software is made available to the general public on an “as-is” basis under the terms of a non-negotiable license. We currently combine our proprietary software with open-source software, but not in a manner that we believe requires the release of the source code of our proprietary software to the public. We do not plan to integrate our proprietary software with open-source software in ways that would require the release of our proprietary software's source code to the public; however, our use and distribution of open-source software may entail greater risks than use of third-party commercial software. Open-source licensors generally do not provide warranties or other contractual protections regarding infringement claims or the quality of the code. In addition, if we combine our proprietary software with open-source software in a certain manner, we could, under certain open-source licenses, be required to release to the public or remove the source code of our proprietary software. We may also face claims alleging noncompliance with open-source license terms or infringement or misappropriation of proprietary software. These claims could result in litigation, require us to purchase a costly license, or remove the software. In addition, if the license terms for open-source software that we use change, we may be forced to re-engineer our solutions, incur additional costs or discontinue the sale of our offerings if re-engineering could not be accomplished on a timely basis. Although we monitor our use of open-source software to avoid subjecting our offerings to unintended conditions, there is a risk that these licenses could be construed in a way that could impose unanticipated conditions or restrictions on our ability to commercialize our offerings. We cannot guarantee that we have incorporated open-source software in our software in a manner that will not subject us to liability or in a manner that is consistent with our current policies and procedures.

Risks Related to Our Common Stock and Our Public Warrants

Our Chief Executive Officer and his affiliated entities have significant influence over matters submitted to our stockholders for approval and over our corporate affairs, and their interests may differ from those of our other stockholders.

As of March 4, 2026, Arun Jeldi, our Chief Executive Officer and a member of our Board, beneficially owned approximately 48.6% of our outstanding common stock, primarily through indirect ownership of shares held by entities he controls. This concentration of ownership resulted from our December 2024 restructuring transaction, pursuant to which debt was exchanged for equity, and has since been adjusted for a reverse stock split, subsequent issuances, equity compensation vesting and additional conversions of outstanding indebtedness. Most recently, an entity affiliated with Mr. Jeldi acquired and converted a senior secured convertible promissory note into shares of our common stock, increasing his aggregate beneficial ownership. Because additional outstanding or future convertible instruments may be acquired or converted by Mr. Jeldi or his affiliates, his beneficial ownership could increase further, subject to applicable contractual, regulatory or exchange limitations.

Due to this level of ownership, Mr. Jeldi is able to exert substantial influence over matters submitted to our stockholders for approval, including the election and removal of directors, amendments to our certificate of incorporation and bylaws, approval of significant corporate transactions, financings, and other fundamental actions. This concentration of voting power may delay, deter or prevent a change in control that other stockholders may consider favorable and could reduce the likelihood that we pursue transactions that are not aligned with the interests of Mr. Jeldi. Further, in July 2025, our stockholders approved an amendment to our certificate of incorporation permitting stockholder action by written consent to approve corporate actions without a duly called stockholder meeting if the written consent is signed by the requisite holders of outstanding stock having the necessary minimum votes to approve the action. When combined with Mr. Jeldi's beneficial ownership, this governance provision enhances his ability to influence or effectively determine the outcome of stockholder actions, including the election or removal of directors, amendments to our governing documents, approval of equity issuances, significant corporate transactions, financings and other fundamental matters. This concentration of voting power, together with the ability to act by written consent, may delay, deter or prevent actions that other

stockholders may consider favorable. The perception that a single stockholder effectively controls the company may discourage potential investors, strategic partners or acquirers and may contribute to volatility in the market price of our common stock.

Furthermore, Mr. Jeldi's beneficial ownership percentage has fluctuated significantly over time due to equity issuances, reverse stock splits, compensation awards, and conversions of indebtedness into equity. Future conversions of outstanding notes, exercises of equity awards, or additional capital-raising transactions could materially change his ownership level, including increasing or decreasing his voting control. Any such changes, or the market's perception of potential changes, may adversely affect the trading price and liquidity of our common stock. In addition, because a substantial portion of Mr. Jeldi's holdings are held indirectly through affiliated entities and were obtained through debt-for-equity transactions, his investment horizon, liquidity objectives and risk tolerance may differ from those of other stockholders. Actions taken by him or his affiliates with respect to these holdings, including additional conversions, transfers, pledges, or dispositions, could materially impact our governance dynamics and the market for our securities.

Substantial sales of our common stock could cause the price of our common stock to decline.

We have entered, or have agreed to enter into, certain registration rights agreements that provide for the registration of the resale of substantially all of our issued and outstanding shares of common stock, as well as shares of common stock underlying certain promissory notes. Following the filing and effectiveness of registration statements covering such resales, such shares of common stock may be sold by the selling stockholders in the public market (subject to Rule 144 "control securities" restrictions). If the selling stockholders sell, or the market perceives that the selling stockholders intend to sell for various reasons, substantial amounts of the shares of our common stock in the public market, the price of our common stock will likely decline. Additionally, such conditions may make it more difficult for us to sell equity or equity-related securities in the future at a time and price that we deem reasonable or appropriate.

Warrant holders may only be able to exercise their public warrants on a "cashless basis" under certain circumstances, and if such warrant holders do so, they will receive fewer shares of common stock from such exercise than if they were to exercise such warrants for cash.

The warrant agreement governing the public warrants and the private placement warrants provides that in the following circumstances holders of the public warrants who seek to exercise their warrants will not be permitted to do for cash and will, instead, be required to do so on a cashless basis in accordance with Section 3(a)(9) of the Securities Act: (i) if the shares of common stock issuable upon exercise of the warrants are not registered under the Securities Act in accordance with the terms of the warrant agreement; (ii) if we have so elected and the shares of common stock are at the time of any exercise of a warrant are not listed on a national securities exchange such that they satisfy the definition of "covered securities" under Section 18(b)(1) of the Securities Act; and (iii) if we have so elected and we call the public warrants for redemption. If warrant holders exercise their public warrants on a cashless basis, they would pay the warrant exercise price by surrendering all of the warrants for that number of common stock equal to the quotient obtained by dividing (x) the product of the number of common stock underlying the warrants, multiplied by the excess of the "fair market value" of our common stock (as defined in the next sentence) over the exercise price of the warrants by (y) the fair market value. The "fair market value" is the average reported last sale price of the common stock for the 10 trading days ending on the third trading day prior to the date on which the notice of exercise is received by the warrant agent or on which the notice of redemption is sent to the holders of warrants, as applicable. As a result, warrant holders would receive fewer shares of common stock from such exercise than if they were to exercise such warrants for cash.

We are a smaller reporting company within the meaning of the Securities Act, and if we take advantage of certain exemptions from disclosure requirements available to "smaller reporting companies," this could make our securities less attractive to investors and may make it more difficult to compare our performance with other public companies.

We are a "smaller reporting company" as defined in Item 10(f)(1) of Regulation S-K. Smaller reporting companies may take advantage of certain reduced disclosure obligations, including, among other things, providing only two years of audited consolidated financial statements. We will remain a smaller reporting company until the last day of the fiscal year in which (i) the market value of our common stock held by non-affiliates exceeds \$250 million as of the prior June 30 or (ii) our annual revenues exceeded \$100

million during such completed fiscal year and the market value of our common stock held by non-affiliates exceeds \$700 million as of the prior June 30. To the extent we take advantage of such reduced disclosure obligations, it may also make comparison of our consolidated financial statements with other public companies difficult or impossible. We cannot predict whether investors will find our securities less attractive because we rely on these exemptions. If some investors find our securities less attractive as a result of our reliance on these exemptions, the trading prices of our securities may be lower than they otherwise would be, there may be a less active trading market for our securities and the trading prices of our securities may be more volatile.

The public warrants and the private placement warrants are accounted for as liabilities and the changes in value of our warrants could have a material effect on our financial results.

On April 12, 2021 the SEC released a public statement highlighting the potential accounting implications of certain terms of warrants issued by Special Purpose Acquisition Companies (“SPACs”) (the “Public Statement”). The terms described in the Public Statement are common in SPACs and are similar to the terms contained in the warrant agreement governing the public warrants and the private placement warrants. In response to the Public Statement, we reevaluated the accounting treatment of our public warrants and private placement warrants and determined to classify the warrants as derivative liabilities measured at fair value, with changes in fair value each period reported in earnings. As a result, included on our balance sheet as of December 31, 2023 contained were derivative liabilities related to embedded features contained within these warrants. ASC Topic 815, provides for the remeasurement of the fair value of such derivatives at each balance sheet date, with a resulting non-cash gain or loss related to the change in the fair value being recognized in earnings in the statement of operations. As a result of the recurring fair value measurement, our consolidated financial statements and results of operations may fluctuate quarterly based on factors which are outside of our control. Due to the recurring fair value measurement, we expect that we will recognize non-cash gains or losses on the public warrants and the private placement warrants each reporting period and that the amount of such gains or losses could be material.

The price of our common stock may be volatile.

The trading price of our common stock and our public warrants has fluctuated, and is likely to continue to fluctuate due to a variety of factors, including:

- the period over which we anticipate our existing cash and cash equivalents will be sufficient to fund our operating expenses and capital expenditure requirements and our ability to continue as a going concern;
- our ability to service and comply with our indebtedness;
- changes in the industries in which we and our customers operate;
- variations in our operating performance and the performance of our competitors in general;
- actual or anticipated fluctuations in our quarterly or annual operating results;
- publication of research reports by securities analysts about our or our competitors or our industry;
- the public’s reaction to our press releases, our other public announcements and our filings with the SEC;
- our failure or the failure of our competitors to meet securities analysts’ projections or guidance that our or our competitors may give to the market;
- changes in our financial, operating or other metrics, regardless of whether we consider those metrics as reflective of the current state or long-term prospects of our business, and how those results compare to securities analyst expectations, including whether those results fail to meet, exceed, or significantly exceed securities analyst expectations;

- additions and departures of key personnel;
- 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 including in connection with the exercise by certain affiliated institutional investors of their right to purchase the Additional Secured Convertible Notes;
- the volume of shares of our common stock available for public sale; and
- general economic and political conditions such as recessions, interest rates, fuel prices, inflation, foreign currency fluctuations, international tariffs, social, political and economic risks and acts of war or terrorism (including, for example, the war in Iran, the war in Israel, and the war in Ukraine-Russia and the economic sanctions related thereto).

These market and industry factors may materially reduce the market price of our common stock and our public warrants regardless of our operating performance.

Sales of our common stock either by us or our stockholders could cause the market price of our common stock to drop significantly, even if our business is doing well.

Sales of a substantial number of shares of our common stock in the public market could occur at any time, either by us or our shareholders. These sales, or the perception in the market that either we or the holders of a large number of shares intend to sell shares, could reduce the market price of our common stock.

We have filed certain registration statements (the “*Resale Registration Statements*”) that register the offer and sale from time to time by certain selling stockholders of shares of our common stock. To the extent shares are sold into the market by our stockholders pursuant to the Resale Registration Statements, under Rule 144 under the Securities Act or otherwise, particularly in substantial quantities, the market price of our common stock could decline. We have previously and may in the future file a Form S-3 shelf registration statement to register the offer and sale from time to time of shares of our common stock or other securities. Any such sales of our common stock or other securities under a shelf registration statement may cause the trading price of our common stock to decline.

To the extent any of our outstanding warrants are exercised, it will increase the number of shares eligible for future resale in the public market and result in dilution to our stockholders.

As of December 31, 2025, we have 36,892 outstanding warrants to purchase an equal number of shares of common stock. To the extent any of these warrants are exercised, additional shares of our common stock will be issued, which will result in dilution to the holders of our common stock and increase the number of shares eligible for resale in the public market. Sales of substantial numbers of such shares in the public market or the fact that such warrants may be exercised could adversely affect the market price of our common stock. However, there is no guarantee that the public warrants will ever be in the money prior to their expiration, and as such, the public warrants may expire worthless.

We may amend the terms of the public warrants and private placement warrants in a manner that may be adverse to holders of public warrants with the approval by the holders of at least 65% of the then outstanding public warrants. As a result, the exercise

price of their public warrants could be increased, the exercise period could be shortened and the number of our common stock purchasable upon exercise of a public warrant could be decreased, all without their approval.

Our public warrants and private placement warrants were issued in registered form under a warrant agreement between Continental Stock Transfer & Trust Company, as warrant agent, and us. The warrant agreement provides that the terms of the public warrants may be amended without the consent of any holder to cure any ambiguity or correct any defective provision, but requires the approval by the holders of at least 65% of the then outstanding public warrants to make any change that adversely affects the interests of the registered holders of public warrants. Accordingly, we may amend the terms of the public warrants in a manner adverse to a holder if holders of at least 65% of the then outstanding public warrants approve of such amendment. Although our ability to amend the terms of the public warrants with the consent of at least 65% of the then outstanding public warrants is unlimited, examples of such amendments could be amendments to, among other things, increase the exercise price of the warrants, convert the warrants into cash, shorten the exercise period or decrease the number of shares of our common stock purchasable upon exercise of a warrant.

We may redeem the unexpired public warrants prior to their exercise at a time that is disadvantageous to them, thereby making their public warrants worthless.

We have the ability to redeem outstanding public warrants at any time prior to their expiration, at a price of \$0.15 per warrant, provided that the last reported sales price of our common stock equals or exceeds \$270.00 per share (as adjusted for share subdivisions, share dividends, rights issuances, subdivisions, reorganizations, recapitalizations and the like) for any 20 trading days within a 30-trading-day period ending on the third trading day prior to the date we send the notice of redemption to the warrant holders. If and when the public warrants become redeemable by us, we may exercise our redemption right even if we are unable to register or qualify the underlying securities for sale under all applicable state securities laws. Redemption of the outstanding public warrants could force holders to: (i) exercise their warrants and pay the exercise price therefor at a time when it may be disadvantageous for them to do so; (ii) sell their warrants at the then-current market price when they might otherwise wish to hold their warrants; or (iii) accept the nominal redemption price which, at the time the outstanding warrants are called for redemption, is likely to be substantially less than the market value of their warrants.

In addition, we may redeem the public warrants at any time prior to their expiration at a price of \$1.50 per warrant upon a minimum of 30 days' prior written notice of redemption provided that holders will be able to exercise their warrants prior to redemption for a number of shares of our common stock determined based on the redemption date and the fair market value of our common stock.

The value received upon exercise of the public warrants (1) may be less than the value the holders would have received if they had exercised their warrants at a later time where the underlying share price is higher and (2) may not compensate the holders for the value of the warrants, including because the number of shares of common stock received is capped at 1.000 shares of common stock per warrant (subject to adjustment) irrespective of the remaining life of the warrants. None of the private placement warrants will be redeemable by us, subject to certain circumstances, so long as they are held by the Sponsor or its permitted transferees.

Reports published by analysts, including projections in those reports that differ from our actual results, could adversely affect the price and trading volume of our common stock.

Securities research analysts may establish and publish their own periodic projections for us. These projections may vary widely and may not accurately predict the results we actually achieve. Our share price may decline if our actual results do not match the projections of these securities research analysts. Similarly, if one or more of the analysts who write reports on us downgrades our stock or publishes inaccurate or unfavorable research about our business, our share price could decline. If one or more of these analysts ceases coverage of us or fails to publish reports on us regularly, our share price or trading volume could decline. While we expect research analyst coverage of our company, if no analysts commence coverage of us, the market price and volume for our shares of common stock could be adversely affected.

We are subject to changing law and regulations regarding regulatory matters, corporate governance and public disclosure will continue to increase our costs and the risk of non-compliance.

We are subject to rules and regulations by various governing bodies, including, for example, the SEC, which are charged with the protection of investors and the oversight of companies whose securities are publicly traded, and to new and evolving regulatory measures under applicable law. Our efforts to comply with new and changing laws and regulations have resulted in increased general and administrative expenses and a diversion of management time and attention.

Moreover, because these laws, regulations and standards are subject to varying interpretations, their application in practice may evolve over time as new guidance becomes available. This evolution may result in continuing uncertainty regarding compliance matters and additional costs necessitated by ongoing revisions to our disclosure and governance practices. If we fail to address and comply with these regulations and any subsequent changes, we may be subject to penalty and our business may be harmed.

Delaware law and our Certificate of Incorporation and Amended and Restated Bylaws contain certain provisions, including anti-takeover provisions, that limit the ability of stockholders to take certain actions and could delay or discourage takeover attempts that stockholders may consider favorable.

Our Certificate of Incorporation, our Amended and Restated Bylaws and the Delaware General Corporation Law (the "DGCL"), contain provisions that could have the effect of rendering more difficult, delaying, or preventing an acquisition deemed undesirable by the Board and therefore depress the trading price of our common stock. These provisions also could make it difficult for stockholders to take certain actions, including electing directors who are not nominated by the current members of the Board or taking other corporate actions, including effecting changes in our management. Among other things, our Certificate of Incorporation and Amended and Restated Bylaws include provisions regarding:

- the ability of the Board to issue shares of preferred stock, including "blank check" preferred stock and to determine the price and other terms of those shares, including preferences and voting rights, without stockholder approval, which could be used to significantly dilute the ownership of a hostile acquirer;
- the limitation of the liability of, and the indemnification of, our directors and officers;
- the requirement that a special meeting of stockholders may be called only by a majority of the entire Board, which could delay the ability of stockholders to force consideration of a proposal or to take action, including the removal of directors;
- controlling the procedures for the conduct and scheduling of board of directors and stockholder meetings;
- the ability of the Board to amend the bylaws, which may allow the Board to take additional actions to prevent an unsolicited takeover and inhibit the ability of an acquirer to amend the bylaws to facilitate an unsolicited takeover attempt; and
- advance notice procedures with which stockholders must comply to nominate candidates to the Board or to propose matters to be acted upon at a stockholders' meeting, which could preclude stockholders from bringing matters before annual or special meetings of stockholders and delay changes in the Board, and also may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to obtain control of us.

These provisions, alone or together, could delay or prevent hostile takeovers and changes in control or changes in the Board or management.

Our Certificate of Incorporation and our Amended and Restated Bylaws designate a state or federal court located within the State of Delaware as the sole and exclusive forum for substantially all disputes between us and our stockholders, which could limit our

stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, stockholders, employees or agents.

Our Certificate of Incorporation and our Amended and Restated Bylaws provide that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall be the sole and exclusive forum for state law claims for (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of our company to us or our stockholders, (iii) any action asserting a claim arising pursuant to any provision of the DGCL or our Certificate of Incorporation or our Amended and Restated Bylaws, (iv) any action to interpret, apply, enforce or determine the validity of our Certificate of Incorporation or our Amended and Restated Bylaws or (v) any action asserting a claim against us governed by the internal affairs doctrine. The forgoing provisions will not apply to any claims arising under the Exchange Act or the Securities Act and, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States will be the sole and exclusive forum for resolving any action asserting a claim arising under the Securities Act.

These provisions in our Certificate of Incorporation and Amended and Restated Bylaws may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or any of our directors, officers, or other employees, which may discourage lawsuits with respect to such claims. While Delaware courts have determined these types of provisions to be facially valid, there is uncertainty as to whether a court would enforce such provisions, and the enforceability of similar provisions in other companies' charter documents has been challenged in legal proceedings. It is possible that a court could find these types of provisions to be inapplicable or unenforceable, and if a court were to find the provisions contained in our Certificate of Incorporation and Amended and Restated Bylaws to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our business, results of operations and financial condition.

The warrant agreement governing the public warrants and the private placement warrants designates the courts of the State of New York or the United States District Court for the Southern District of New York as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by holders of our public warrants, which could limit the ability of warrant holders to obtain a favorable judicial forum for disputes with our company.

The warrant agreement governing the public warrants and the private placement warrants provides that, subject to applicable law, (i) any action, proceeding or claim against us arising out of or relating in any way to the warrant agreement, including under the Securities Act, will be brought and enforced in the courts of the State of New York or the United States District Court for the Southern District of New York and (ii) that we irrevocably submit to such jurisdiction, which jurisdiction will be the exclusive forum for any such action, proceeding or claim. We will waive any objection to such exclusive jurisdiction and that such courts represent an inconvenient forum.

Notwithstanding the foregoing, these provisions of the warrant agreement do not apply to suits brought to enforce any liability or duty created by the Exchange Act or any other claim for which the federal district courts of the United States are the sole and exclusive forum. Any person or entity purchasing or otherwise acquiring any interest in any of our public warrants will be deemed to have notice of and to have consented to the forum provisions in our warrant agreement.

If any action, the subject matter of which is within the scope of the forum provisions of the warrant agreement, is filed in a court other than a court of the State of New York or the United States District Court for the Southern District of New York (a "*foreign action*") in the name of any holder of our public warrants, such holder will be deemed to have consented to (x) the personal jurisdiction of the state and federal courts located in the State of New York in connection with any action brought in any such court to enforce the forum provisions (an "*enforcement action*") and (y) having service of process made upon such warrant holder in any such enforcement action by service upon such warrant holder's counsel in the foreign action as agent for such warrant holder.

This choice-of-forum provision may limit a warrant holder's ability to bring a claim in a judicial forum that it finds favorable for disputes with our company, which may discourage such lawsuits. Alternatively, if a court were to find this provision of our warrant agreement inapplicable or unenforceable with respect to one or more of the specified types of actions or proceedings, we may incur

additional costs associated with resolving such matters in other jurisdictions, which could materially and adversely affect our business, financial condition and results of operations and result in a diversion of the time and resources of our management and Board of Directors.

Our business and operations could be negatively affected if we become subject to any securities litigation or shareholder activism, which could cause us to incur significant expense, hinder execution of business and growth strategy and impact our stock price.

In the past, following periods of volatility in the market price of a company's securities, securities class action litigation has often been brought against that company. Shareholder activism, which could take many forms or arise in a variety of situations, has been increasing recently. Volatility in the stock price of our common stock or other reasons may in the future cause it to become the target of securities litigation or shareholder activism. Securities litigation and shareholder activism, including potential proxy contests, could result in substantial costs and divert management's and Board of Directors' attention and resources from our business. Additionally, such securities litigation and shareholder activism could give rise to perceived uncertainties as to our future, adversely affect our relationships with service providers and make it more difficult to attract and retain qualified personnel. Also, we may be required to incur significant legal fees and other expenses related to any securities litigation and activist shareholder matters. Further, our stock price could be subject to significant fluctuation or otherwise be adversely affected by the events, risks and uncertainties of any securities litigation and shareholder activism.

Item 1B. Unresolved Staff Comments.

Not applicable.

Item 1C. Cybersecurity.

We recognize the critical importance of maintaining the trust and confidence of all our stakeholders. Our Board is actively involved in oversight of our risk management program, and cybersecurity represents an important component of our overall approach to risk management. Our cybersecurity policies, standards, processes, and practices are fully integrated into our risk management program and are based on recognized frameworks established by the National Institute of Standards and Technology, the International Organization for Standardization and other applicable industry standards. In general, we seek to address cybersecurity risks through a comprehensive, cross-functional approach that is focused on preserving the confidentiality, security and availability of the information that we collect and store by identifying, preventing and mitigating cybersecurity threats and effectively responding to cybersecurity incidents when they occur.

Risk Management and Strategy

As one of the critical elements of our overall risk management approach, our cybersecurity program is focused on the following key areas:

Governance: The Board's oversight of cybersecurity risk management is supported by the Audit Committee of the Board, which receives, at a minimum, quarterly reports and presentations from our risk management function, our Information Technology department and other members of management. The Board and Audit Committee also receive prompt and timely information regarding material cybersecurity incidents as described below.

Collaborative Approach: We have implemented a comprehensive, cross-functional approach to identifying, preventing, and mitigating cybersecurity threats and incidents, while also executing controls and procedures that provide for the prompt escalation of certain material cybersecurity incidents so that decisions regarding the public disclosure and reporting of such material incidents can be made by management in a timely manner.

Technical Safeguards: We deploy technical safeguards that are designed to protect our information systems from cybersecurity threats, including firewalls, intrusion prevention and detection systems, anti-malware functionality and access controls, which are evaluated and improved through vulnerability assessments and cybersecurity threat intelligence.

Incident Response and Recovery Planning: We have established and maintain comprehensive incident response and recovery plans to address our response to cybersecurity incidents, and such plans are tested and reviewed on an as needed basis. Our cybersecurity program includes a dedicated security incident response team (the "SIRT") responsible for identifying, investigating, and mitigating cybersecurity threats. The SIRT follows a well-defined incident response process encompassing intake, investigation, mitigation, and recovery. This process leverages tools for threat detection and utilizes standardized protocols for containment, root cause analysis, and system restoration. By integrating security measures with a robust response process, we aim to minimize the impact of potential cyber incidents.

Incident Reporting and Communication: We have established protocols for reporting material cybersecurity incidents to management, stakeholders, and regulatory bodies as required. The Board is promptly informed and receives ongoing updates regarding material cybersecurity incidents as described below.

Third-Party Risk Management: We maintain a comprehensive, risk-based approach to identifying and overseeing cybersecurity risks presented by third parties, including vendors, service providers and other external users of our systems, as well as the systems of third parties that could adversely impact our business in the event of a cybersecurity incident affecting those third-party systems.

Education and Awareness: We provide annual mandatory training for personnel regarding cybersecurity threats to equip our employees and contractors with effective tools to address cybersecurity threats, and to communicate our evolving information security policies, standards, processes and practices.

We engage in an annual assessment and testing of our policies, standards, processes and practices that are designed to address cybersecurity threats and incidents. These efforts include a wide range of activities, focused on evaluating the effectiveness of our cybersecurity measures and planning.

Governance

Our Board, supported by the Audit Committee, oversees our risk management process. The Audit Committee receives, at a minimum, quarterly presentations and reports on cybersecurity risks, which address a wide range of topics including recent developments, evolving standards, vulnerability assessments, the threat environment, technological trends and information security considerations arising with respect to our peers and third parties. The Board and the Audit Committee also receive prompt and timely information regarding any material cybersecurity incident that meets established reporting thresholds, as well as ongoing updates regarding any such incident until it has been addressed.

Our IT personnel, in coordination with our executive management team, works collaboratively across the company to implement a program designed to protect our information systems from cybersecurity threats and to promptly respond to any cybersecurity incidents in accordance with our incident response and recovery plans. Through ongoing communications with our entire employee basis and appropriate third-party contractors, as well as the management team monitor the prevention, detection, mitigation and remediation of cybersecurity threats and incidents in real time and report threats and incidents to the Audit Committee, as needed.

Our IT personnel oversees information technology ("IT") strategy, operations, cybersecurity, compliance, and business applications. They are dedicated to accelerating and scaling our company by implementing innovative technology across the company. Additionally, they are an accomplished IT expert with over 15 years of experience driving transformative change across diverse industries, including manufacturing, financial services, and software as a service.

Although we are subject to ongoing and evolving cybersecurity threats, we are not aware of any material risks from cybersecurity threats in 2025 that have materially affected or are reasonably likely to materially affect us, including our business strategy, results of operations or financial condition. For more information on our cybersecurity risks, see *"Risk Factors—Risks Related to Compliance Matters—Aspects of our business are subject to privacy, data use and data security regulations, which could increase our costs"* and *"—Risks Related to Our Business and Operations—We rely on our information technology systems to manage numerous aspects of our business and a disruption of these systems could adversely affect our business."*

Item 2. Properties.

Our global corporate headquarters is located in Fremont, California, and we conduct final assembly and test of our machines in a manufacturing facility that is located at our headquarters. The lease term expires in March 2027, and includes an options to extend the lease to 2032. We believe substantially all of our properties are in good condition and adequate to meet our current needs.

Location	City, Country	Description	Square Footage	Owned/ Leased
2710 Lakeview Ct	Fremont, CA, USA	Global Headquarters & Manufacturing Facility	80,000	Leased

See Note 8, *Leases* in the notes to our audited consolidated financial statements included elsewhere in this Annual Report for additional information on our leased properties.

Item 3. Legal Proceedings.

From time to time, we may be involved in various disputes and litigation matters that arise in the ordinary course of business. We are currently not a party to any material legal proceedings.

Item 4. Mine Safety Disclosures.

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Market Information for Common Stock

Our common stock has been listed on the Nasdaq Capital Market under the symbol "VELO" since August 19, 2025.

Our common stock was previously quoted on the OTC Pink under the symbol "VLDX," and prior to that, our common stock was previously quoted on the OTCQX Best Market under the symbol "VLDX." Prior to that, our common stock was traded on the NYSE under the symbol "VLD".

Holders of Record

As of March 31, 2026, there were over 195 holders of record of our common stock. Because many of our shares of common stock are held by brokers and other institutions on behalf of stockholders, we are unable to estimate the total number of beneficial owners of our common stock represented by these record holders.

Dividend Policy

We have never declared or paid cash dividends on our common stock. We currently intend to retain all available funds and any future earnings for use in the operation of our business and do not anticipate paying any dividends on our common stock in the foreseeable future. Any future determination to declare dividends will be made at the discretion of our Board, subject to applicable laws and the terms of our indebtedness, and will depend on our financial condition, operating results, capital requirements, general business conditions, and other factors that our Board of Directors may deem relevant.

Securities Authorized for Issuance Under Equity Compensation Plans

The information required by this item will be included in our Proxy Statement for the 2026 Annual Meeting of Stockholders to be filed with the SEC within 120 days of the fiscal year ended December 31, 2025, and is incorporated herein by reference.

Sales of Unregistered Securities

On March 4, 2026, the Company issued 394,517 shares of common stock upon conversion of a Senior Secured Convertible Promissory Note dated January 7, 2025, in the principal amount of \$5,000,000, together with accrued and unpaid interest thereon, at a conversion price of \$16.38 per share, pursuant to the exemption from registration under Section 3(a)(9) of the Securities Act.

On March 4, 2026, the Company issued 1,145,830 shares of common stock upon conversion of a Senior Secured Convertible Promissory Note dated February 10, 2025, in the principal amount of \$10,000,000, together with accrued and unpaid interest thereon, at a conversion price of \$10.50 per share, pursuant to the exemption from registration under Section 3(a)(9) of the Securities Act.

Use of Proceeds.

None.

Issuer Purchases of Equity Securities

None.

Item 6. Reserved

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis provides information which our management believes is relevant to an assessment and understanding of our results of operations and financial condition. The discussion should be read in conjunction with our audited consolidated financial statements included elsewhere in this Annual Report. This discussion contains forward-looking statements based upon our current expectations, estimates and projections, and involves numerous risks and uncertainties. Actual results may differ materially from those contained in any forward-looking statements due to, among other considerations, the matters discussed in the sections titled "Risk Factors" and "Special Note Regarding Forward-Looking Statements."

Overview

We seek to fulfill the promise of additive manufacturing, also referred to as 3D printing ("AM"), to deliver breakthroughs in performance, cost, and lead time in the production of high-value metal parts.

We produce a fully integrated hardware and software solution based on our proprietary laser powder bed fusion ("L-PBF") technology, which greatly reduces and often eliminates the need for support structures. Our technology enables the production of highly complex, mission-critical parts that existing AM solutions cannot produce without the need for redesign or additional assembly.

Our Sapphire Family of Printers give our customers who are in space, aviation, defense, automotive, energy and industrial markets the freedom to design and produce metal parts with complex internal features and geometries that had previously been considered impossible for AM. We believe our technology is ahead of competitors.

We aim to enable our customers to build resilient supply chains for production parts across industries with a clear, reliable path from concept to production through our Rapid Production Solutions ("RPS") offering. RPS utilizes our deep engineering expertise, cutting-edge technology and a fleet of Sapphire XC large-format metal 3D printer and parts to accelerate path to production for our customers.

Our technology is novel compared to other AM technologies based on its ability to deliver high-value metal parts that have complex internal channels, structures, and geometries. This affords a wide breadth of design freedom for creating new metal parts and it enables replication of existing parts without the need to redesign the part to be manufacturable with AM. Because of these features, we believe our technology and product capabilities are highly valued by our customers. Our customers are primarily original equipment manufacturers ("OEMs") and contract manufacturers ("CMs") who look to AM to solve issues with traditional metal parts manufacturing technologies. Those traditional manufacturing technologies rely on processes, including casting, stamping and forging, that typically require high volumes to drive competitive costs and have long lead times for production. Our customers look to AM solutions to produce assemblies that are lighter, stronger, and more reliable than those manufactured with traditional technologies. Our customers also expect AM solutions to drive lower costs for low-volume parts and substantially shorter lead times. However, many of our customers have found that legacy AM technologies failed to produce the required designs for the high-value metal parts and assemblies that our customers wanted to produce with AM. As a result, other AM solutions often require that parts be redesigned so that they can be produced and frequently incur performance losses for high-value applications.

In contrast, our technology can deliver complex high value metal parts with the design advantages, lower costs and faster lead times associated with AM, and generally avoids the need to redesign the parts. As a result, our customers have increasingly adopted our technology into their design and production processes. We believe our value is reflected in our sales patterns, as most customers purchase a single machine to validate our technology and purchase additional systems over time as they embed our technology in their product roadmap and manufacturing infrastructure. We consider this approach a "land and expand" strategy, oriented around a demonstration of our value proposition followed by increasing penetration with key customers.

Recent Developments

Recent Debt and Equity Transactions and Change in Majority Ownership

Notwithstanding the recent debt and equity transactions, as described in “—*Liquidity and Capital Resources*” and in Note 1, *Description of Business and Basis of Presentation—Going Concern, Financial Condition and Liquidity and Capital Resources* in the notes to the consolidated financial statements included elsewhere in this Annual Report, there continues to be a substantial doubt about our ability to continue as a going concern. We do not have sufficient liquidity to meet our operating needs and satisfy our obligations for at least 12 months from the issuance date of the consolidated financial statements included in this Annual Report on Form 10-K.

On December 9, 2024, Arrayed Notes Acquisition Corp. (“Arrayed”), a Delaware corporation controlled by Arun Jeldi, the Chief Executive Officer and a director of the Company, purchased the Senior Secured Notes due 2026 from High Trail Investments ON LLC and HB SPV I Master Sub LLC, the Note Holders. Furthermore, on December 9, 2024, the Company and the Note Holders entered into a forbearance agreement where the Note Holders forbore from taking any enforcement action as a result of the occurrence and/or continuation of any specified events of default.

On December 24, 2024, the Company and Arrayed entered into a debt for equity exchange transaction where the Company issued 12,343,423 shares of the Company’s common stock, in exchange for the cancellation of \$22.4 million in principal amount of the Company’s Secured Notes plus \$0.4 million of accrued interest on the Notes. Arrayed continues to hold \$5.0 million in principal amount of the Notes, and as a result of the exchange transaction, became the owner of approximately 95% of the Company’s issued and outstanding common stock as of such date. The Company’s strategic review was concluded on December 24, 2024, at the close of the debt for equity exchange transaction.

On January 7, 2025, the Company issued a Senior Secured Convertible Promissory Note in the principal amount of \$5,000,000 (the “January Note”) to Thieneman Properties, LLC, an Indiana limited liability company. The January Note was payable in full on April 7, 2025 in the amount of \$5,750,000 and if not paid on or prior to such date, would continue to accrue interest at the same rate until paid. The January Note could be prepaid in whole or in part at any time without penalty or premium and was convertible in the event of default into shares of the Company’s common stock, at a fixed conversion price of \$23.40 per share.

On February 10, 2025, the Company issued a Senior Secured Convertible Promissory Note in the principal amount of \$10,000,000 (the “February Note”) to Thieneman Construction, Inc, an Indiana corporation, to be funded in two tranches of \$5,000,000. The February Note was payable in full on the date that is six months from the date such tranche was funded, in the amount of \$5,750,000 and if not paid on or prior to such date, would continue to accrue interest at the same rate until paid. The outstanding principal amount of the February Note was convertible into shares of the Company’s common stock upon the occurrence of the Company’s successful listing of shares of its common stock on a national securities exchange or the occurrence and during the continuation of an event of default, into common stock at a fixed conversion price of \$15.00 per share.

On February 24, 2025, the Company entered into Warrant Exchange Agreements with each of: (i) Highbridge Tactical Credit Master Fund, L.P. (“*HM*”); (ii) Highbridge Tactical Credit Institutional Fund, Ltd. (collectively with *HM*, the “Highbridge Holders”); (iii) Anson Investments Master Fund LP (“*AMF*”); (iv) Anson East Master Fund LP (collectively with *AMF*, the “Anson Holders”); (v) High Trail Investments ON LLC (“*HTI*”), and (vi) HB SPV I Master LLC (together with *HTI*, the “High Trail Holders”), pursuant to which: (a) the Highbridge Holders and the Anson Holders agreed to exchange an aggregate of 60,150 registered warrants issued in April 2024 and an aggregate of 99,048 registered warrants issued in August 2024, and (b) the High Trail Holders agreed to exchange an aggregate of 151,808 unregistered warrants issued in April 2024 and July 2024, and an aggregate of 19,048 registered warrants issued in December 2023, for an aggregate of 990,159 shares (the “Acquired Shares”) of Company’s common stock, respectively, equating in each case to an exchange ratio of three Acquired Shares for each warrant.

On August 14, 2025, the Company amended the January Note, which amended certain provisions of the January Note, including: an extension of the maturity date under the January Note to February 14, 2027; a reduction of the interest rate under the January Note to 12%; and an adjustment of the fixed conversion price to \$16.38 per share. On August 14, 2025, the Company also amended the

February Note which, amended certain provisions of the February Note, including: an extension of the maturity dates for each tranche under the February Note to February 14, 2027; a reduction of the interest rate under the February Note to 12%; and an adjustment of the fixed conversion price to \$10.50 per share. The Company has evaluated that the note amendments are both treated as a debt modification under ASC Topic 470, Debt.

Immediately prior to the further amendment to the January Note described below, Thieneman Properties, LLC transferred the January Note to Arrayed, pursuant to a Convertible Promissory Note Transfer Agreement between Thieneman Properties, LLC (as transferor) and Arrayed (as transferee).

On March 4, 2026, the Company and Arrayed entered into a further amendment to the January Note, which amended certain provisions of the January Note to, among other things, provide that, at any time and from time to time, Arrayed (as holder) has the right, at its option, to convert all or any portion of the outstanding principal amount of the January Note, together with accrued and unpaid interest thereon, into shares of the Company's common stock.

On March 4, 2026, the Company and Thieneman Construction, Inc. entered into a further amendment to the February Note, which amended certain provisions of the February Note to, among other things, provide that, subject to the existing terms of the February Note, accrued and unpaid interest thereon, in addition to the outstanding principal amount, may be convertible into common stock at the holder's option.

On March 4, 2026, the Company issued 394,517 shares of common stock to Arrayed upon conversion of the January Note, in the principal amount of \$5,000,000, together with accrued and unpaid interest thereon, at a conversion price of \$16.38 per share, a premium to the Company's share price on March 4, 2026. As of such date, the January Note (including principal and interest) was fully converted into shares of common stock of the Company.

On March 4, 2026, the Company issued 1,145,830 shares of common stock to Thieneman Construction, Inc. upon conversion of the February Note, in the principal amount of \$10,000,000, together with accrued and unpaid interest thereon, at a conversion price of \$10.50 per share. As of such date, the February Note (including principal and interest) was fully converted into shares of common stock of the Company.

2024 Reverse Stock Split

Effective June 13, 2024, we implemented a 1-for-35 reverse stock split of our issued and outstanding common stock. The reverse stock split was effected by the filing of a certificate of amendment (the "June 2024 Amendment") to our Certificate of Incorporation with the Secretary of State of the State of Delaware, without any change to par value. The June 2024 Amendment became effective upon such filing. No fractional shares were issued in connection with the reverse stock split as all fractional shares were rounded up to the next whole share. All share and per share amounts of our common stock listed in this Annual Report have been adjusted, as applicable, to give effect to the reverse stock split.

2025 Reverse Stock Split

Effective July 28, 2025, we implemented a 1-for-15 reverse stock split of our issued and outstanding common stock. The reverse stock split was effected by the filing of a certificate of amendment (the "July 2025 Amendment") to our Certificate of Incorporation with the Secretary of State of the State of Delaware, without any change to par value or the number of authorized shares of common stock. The July 2025 Amendment became effective upon such filing. No fractional shares were issued in connection with the reverse stock split as all fractional shares were rounded up to the next whole share. All share and per share amounts of our common stock listed in this Annual Report have been adjusted, as applicable, to give effect to the reverse stock split. See Note 1, Description of Business and Basis of Presentation, for additional information on the 2025 reverse stock split in the notes to our consolidated financial statements included elsewhere in this Annual Report.

August 2025 Offering

On August 19, 2025, the Company, Inc. entered into an underwriting agreement (the “Underwriting Agreement”) with Lake Street Capital Markets, LLC, as representative of the several underwriters named therein (the “Representative”), relating to the public offering of 5,833,333 shares of the Company’s common stock at a purchase price per share of \$3.00 (the “Offering Price”). Pursuant to the Underwriting Agreement, the Company also granted the Representative a 30-day option to purchase up to an additional 875,000 shares of common stock at the Offering Price, less any underwriting discounts and commissions, which was exercised in full.

The offering closed on August 20, 2025 (the “August 2025 Offering”). Gross proceeds of \$20.1 million was received from the August 2025 Offering of 5,833,333 shares of the Company’s common stock (\$17.5 million) and the exercise of the Representative’s option to purchase 875,000 shares of common stock. Net proceeds from the offering were approximately \$17.8 million after deducting \$2.3 million in the underwriting discounts and commissions, and other estimated offering expenses payable by the Company for legal and audit services. The Company intends to use the net proceeds of this offering for working capital, capital expenditures and general corporate purposes.

Notwithstanding the recent debt and equity transactions, as described in “—Liquidity and Capital Resources” and in Note 1 Description of Business and Basis of Presentation—Going Concern, Financial Condition and Liquidity and Capital Resources in the notes to the consolidated financial statements included elsewhere in this Annual Report, management believes that substantial doubt exists about the Company’s ability to continue as a going concern. We do not have sufficient liquidity to meet our operating needs for at least 12 months from the issuance date of the consolidated financial statements. The Company will need to engage in additional financings to fund our operations, continue to fund payroll for employees, and satisfy our obligations in the near term. Without such additional funding, we will not be able to continue operations and may be required to sell assets, liquidate and/or file for bankruptcy.

Amendment to Company’s Certificate of Incorporation allowing stockholders to act by written consent

On June 27, 2025, the stockholders of the Company, approved an amendment (the “Written Consent Amendment”) to the Company’s Certificate of Incorporation, as amended (the “Certificate of Incorporation”), to remove Section 1 of Article VIII of the Certificate of Incorporation, which prohibited stockholder action by written consent without a stockholder meeting. On July 1, 2025, the Written Consent Amendment was filed with the Secretary of State of the State of Delaware, and the Written Consent Amendment became effective on such date. As a result of the Written Consent Amendment, stockholders are now permitted to act by written consent to the extent permitted under the Delaware General Corporation Law.

2025 Equipment Loan

On December 8, 2025, the Company and Varilease Finance, Inc. (“Varilease”) entered into a Sale Leaseback Agreement (the “Sale Leaseback Agreement”) pursuant to which the Company agreed to sell to Varilease, and subject to the conditions set forth therein, Varilease agreed to purchase from the Company, assorted Velo3D Sapphire and Sapphire XC metal 3D printers and post processing tools and equipment owned and used by the Company (the “Equipment”). The aggregate purchase price for the Equipment to be received by the Company is \$10 million and reported as debt. For more information, see Note 9, Long-Term Debt, in the notes to the consolidated financial statements included elsewhere in this Annual Report.

2025 Private Investment in Public Equity ("2025 PIPE")

On December 22, 2025, the Company entered into a securities purchase agreement (the “Purchase Agreement”) with certain institutional accredited investors (the “Purchasers”), for the issuance and sale in a private placement of an aggregate of 3,636,363 shares of the Company’s common stock, at a purchase price of \$8.25 per share. The foregoing transaction is referred to herein as the “Private Placement.” On December 23, 2025, the parties consummated the Private Placement. The aggregate gross proceeds to the Company from the Private Placement was approximately \$30 million, before deducting placement agent fees and other offering expenses.

Key Financial and Operational Metrics

We believe that our performance and future success depend on many factors that present significant opportunities for us but also pose risks and challenges, including those discussed below and in the section of this Annual Report titled “*Risk Factors*.”

We regularly evaluate several metrics, including the metrics presented in the table below, to measure our performance, identify trends affecting our business, prepare financial projections, make strategic decisions and establish performance goals for compensation and we periodically review and revise these metrics to reflect changes in our business.

	2025	2024
Revenue (\$ in millions) for the year ended December 31	\$ 46	\$ 41
Bookings (\$ in millions) for the year ended December 31	59	31
Backlog (\$ in millions) as of December 31	31	16

Bookings (\$ in millions): Bookings (\$ in millions) are defined as a confirmed order for a 3D printer system and printed parts in contracted dollars.

Backlog (\$ in millions): Backlog (\$ in millions) is defined as the unfulfilled 3D printer systems and printed parts to be delivered to customers in contracted dollars as of period end.

Commercial Launch of the Sapphire XC 1MZ System

We shipped our first Sapphire XC 1MZ system at the end of 2022, one year after the Sapphire XC launch. The Sapphire XC 1MZ system has the same functionality of the Sapphire XC with a 1000 millimeter (one meter) height build volume of the Sapphire XC 1MZ system compared to the 550 millimeter height build volume of the Sapphire XC system. The Sapphire XC has capacity to make parts that are 400% larger and reduce production costs per part by approximately 65% to 80% when compared to the existing Sapphire system. The Sapphire XC 1MZ system and Sapphire XC system line is manufactured in our 80,000+ square foot manufacturing facility in Fremont, California.

As we bring our products to market, we pay particular attention to forecasts by industry analysts and the adoption curve of new technologies. If we fail to anticipate or respond to market adoption of AM, it could result in decreased revenue.

Adoption of Additive Manufacturing with New and Existing Customers

We work closely with our customers to understand their product roadmaps and strategies. Our customers continuously develop new complex metal parts, use different metallic powders, and explore solutions where production is either outsourced to CMs or performed in-house. The selection process for AM solutions is lengthy, typically 12 to 24 months, and may require us to incur costs in pursuing opportunities with no assurance that our solutions will be selected, which are included in selling and marketing expenses and research and development expenses. As a result, the loss of any key customers to adopt our solutions or any significant delay in commercialization of our products could impact our business and future revenue.

Customer Concentration

Our operating results for the foreseeable future will continue to depend on sales to a small group of customers. For the years ended December 31, 2025 and 2024, sales to the top three customers accounted for 33.2% and 47.0% of our revenue, respectively. Of the top three customers for the year ended December 31, 2025, all three customers were different from the top three customers for the comparable period in 2024.

While our objective is to diversify our customer base, we believe that we could continue to be susceptible to risks associated with customer concentration. See “*Risk Factors—Risks Related to Our Financial Position and Need for Additional Capital—We rely on a limited number of customers for a significant portion of our revenue, and adverse developments affecting those customers or their*

industries could materially harm our business, financial condition and results of operations", and see Note 2, Summary of Significant Accounting Policies—Concentration of Credit Risk and Other Risks and Uncertainties, in the notes to the audited consolidated financial statements included elsewhere in this Annual Report.

Continued Investment and Innovation

We continue to be a customer-focused company working to develop innovative solutions to address customers' needs and focus on our customers to identify the most impactful areas for research and development as we seek to further improve the capabilities of our AM solutions. We believe this process has contributed significantly to our development of the most advanced metal AM systems in the world. We believe that continued investments in our products are important to our future growth and, as a result, we expect our research and development expenses to continue to increase, which may adversely affect our near-term profitability.

Macroeconomic Conditions and Other World Events

General economic and political conditions such as recessions, interest rates, fuel prices, inflation, foreign currency fluctuations, international tariffs, social, political and economic risks and acts of war or terrorism (including, for example, the ongoing military conflicts in the Middle East, including Israel, and in Ukraine and the economic sanctions related thereto), have added uncertainty in timing of customer orders and supply chain constraints. In 2024 and 2025, we implemented a number of supply chain and manufacturing improvements in response and intend to continue to focus on driving further operational improvements during 2026 to reduce operating costs.

See *"Risk Factors - Risks Related to Our Business and Operations—Our existing and planned global operations subject us to a variety of risks and uncertainties that could adversely affect our business, our suppliers and our operating results."*

Climate Change

Material pending or existing climate change-related legislation, regulations, and international accords could have an adverse effect on our business, financial condition, and results of operations, including: (1) material past and/or future capital expenditures for climate-related projects, (2) material indirect consequences of climate-related regulation or business trends, such as the following: decreased/increased demand for goods or services that produce significant greenhouse gas emissions or are related to carbon-based energy sources; increased competition to develop innovative new products that result in lower emissions; increased demand for generation and transmission of energy from alternative energy sources; and any anticipated reputational risks resulting from operations or products that produce material greenhouse gas emissions and (3) material increased compliance costs related to climate change. In addition, extreme weather and other natural disasters may become more intense or more frequent, which may disrupt our operations or the operations of our suppliers and customers.

Components of Results of Operations

Revenue

Our revenue is primarily derived from our AM fully integrated hardware and software solution based on our proprietary L-PBF technology. Sapphire, Sapphire 1MZ, Sapphire XC and Sapphire XC 1MZ metal AM printer using our L-PBF technology and Assure quality validation software (collectively referred to as the *"3D Printer and parts"*). Contracts for 3D Printers also include post-sale customer support services (*"Support Services"*), except for our distributor partners, which are qualified to perform support services.

We sell our fully integrated hardware and software AM solutions through two types of transaction models: a 3D Printer sale transaction and a recurring payment transaction (*"Recurring Payment"*). Support services are included with a 3D Printer sale transaction and a recurring payment transaction. For 3D Printer sale transactions where the support service period have expired, customers have purchased extended support service contracts.

3D Printer financial statement line item changed to "3D Printer and Parts"

3D Printer revenue and 3D Printer Cost of revenues have historically included systems and printed parts, and consumables. The name change from Revenue - 3D Printer to "3D Printer and parts" and Cost of Revenue - 3D Printer to "3D Printer and parts" clarifies where the Rapid Production Solutions printed parts revenue and cost of revenue are presented.

3D Printer and parts sale transactions - fixed purchase price model. The timeframe from order to completion of the site acceptance test usually occurs over three to nine months. As we scale our production, we expect to reduce this timeframe. Contract consideration allocated to the 3D Printer is recognized at a point in time, which occurs upon transfer of control to the customer at shipment.

The initial sales of 3D Printer and parts and Support Services are included in one contract and are invoiced together. Contract consideration is allocated between the two performance obligations based on relative fair value. This allocation involves judgement and is periodically updated as new relevant information becomes available.

Rapid Production Solutions ("RPS") - RPS utilizes our deep engineering expertise, cutting-edge technology and a fleet of Sapphire XC large-format metal 3D printers to manufacture custom metal components in order to accelerate the path to production for our customers. RPS revenue is included under 3D Printer and parts revenue.

Recurring payment transactions - are our leased 3D Printer transactions. We define our Recurring Payment transactions as operating leases. Under the leased 3D Printer transaction, the customer typically pays an amount for a lease which entitles the customer to a base number of hours of usage. For usage above that level, the customer typically pays an hourly usage fee. Most of our leases have a 12-month term, though in certain cases the lease term is longer.

The Recurring Payment transactions, which are structured as operating leases, were 0.2% and 2.6% of revenue for the years ended December 31, 2025 and 2024, respectively. Under this model, the customer typically pays a base rent and variable payments based on usage in excess of a defined threshold. Most of our leases have a 12-month term, though in certain cases the lease term is longer.

Support Services - are included with most 3D Printer sale transactions and Recurring Payment transactions. Support services consist of field service engineering, phone and email support, preventative maintenance, and limited on and off-site consulting support. A subsequent Extended Support Agreement is available for renewal after the initial contract period based on the then-fair value of the service, which is paid for separately. Support Service revenue is recognized over the contract period beginning with customer performance test acceptance.

Other revenue included under 3D Printer sales includes parts and consumables, such as filters, powder or build plates, that are sold to customers and recognized upon transfer of control to the customer at shipment.

Cost of Revenue

Our cost of revenue includes the "*Cost of 3D Printer and Parts*," "*Cost of Recurring Payment*" and "*Cost of Support Services*."

Cost of 3D Printer and parts includes the manufacturing cost of our components and subassemblies purchased from vendors for the assembly, as well as raw materials and assemblies, shipping costs and other directly associated costs. Cost of 3D Printer and parts also includes allocated overhead costs from headcount-related costs, such as salaries, stock-based compensation, depreciation of manufacturing related equipment and facilities, and information technology costs.

Cost of RPS includes cost of raw materials, typically metal powder feedstock, direct and indirect labor, depreciation of 3D printers and other related equipment and facilities, utilities such as electricity and specialty gases, shipping costs and other directly associated costs. Cost of RPS is included under 3D Printer and parts cost of revenue

Cost of Recurring Payment includes depreciation of the leased equipment over the useful life of five years less the residual value, and an allocated portion of Cost of Support Services.

Cost of Support Services includes the cost of spare or replacement parts for preventive maintenance, installation costs, headcount-related costs such as salaries, stock-based compensation, depreciation of manufacturing related equipment and facilities, and information technology costs. The headcount-related costs are directly associated with the engineers dedicated to remote and on-site support, training, travel costs and other services costs.

Gross Profit and Gross Margin

Our gross profit is revenue less cost of revenue and our gross margin is gross profit as a percentage of revenue. The gross profit and gross margin for our products are varied and are expected to continue to vary from period to period due to the mix of products sold through either a 3D Printer sale transaction or a Recurring Payment transaction, new product introductions and efforts to optimize our operational costs. Other factors affecting our gross profit include changes to our material costs, assembly costs that are themselves dependent upon improvements to yield, and any increase in assembly overhead to support a greater number of 3D Printer sold and markets served.

Research and Development Expenses

Our research and development expenses represent costs incurred to support activities that advance the development of innovative AM technologies, new product platforms and consumables, as well as activities that enhance the capabilities of our existing product platforms. Our research and development expenses consist primarily of salaries and related personnel costs for individuals working in our research and development departments, including stock-based compensation, prototypes, design expenses, information technology costs and software license amortization, consulting and contractor costs, and an allocated portion of overhead costs, including depreciation of property and equipment used in research and development activities.

Selling and Marketing Expenses

Sales and marketing expenses consist primarily of salaries and related personnel costs for individuals working in our sales and marketing departments, including stock-based compensation, costs related to trade shows and events, advertising, marketing promotions, travel costs and an allocated portion of overhead costs, including information technology costs and costs for customer proof of concept validation.

General and Administrative Expenses

General and administrative expenses consist primarily of salaries and related personnel costs for individuals associated with our executive, administrative, finance, legal, information technology and human resources functions, including stock-based compensation, professional fees for legal, audit and compliance, accounting and consulting services, general corporate costs, facilities, rent, information technology costs, insurance, bad debt expenses and an allocated portion of overhead costs, including equipment and depreciation and other general and administrative expenses.

Interest Expense

Interest expense primarily consists of interest incurred under our outstanding debt and finance leases.

Gain (Loss) on Fair Value of Warrants

Gain (loss) on valuation of warrant liabilities relates to the changes in the fair value of warrant liabilities, including liabilities related to the public warrants and private placement warrants, which are subject to remeasurement at each balance sheet date.

Gain (Loss) on Fair value of Contingent Earnout Liabilities

Gain (loss) on valuation of contingent earnout liabilities relates to the changes in the fair value of contingent earnout liabilities related to the Earnout Shares, which are subject to remeasurement at each balance sheet date.

Gain (loss) on Fair value of Debt Derivatives

Gain (loss) on valuation of debt derivatives relates to the non-cash fair value change of the debt derivatives driven by the change in stock price.

Gain (loss) on Debt Extinguishment

Loss on debt extinguishment relates to the loss recorded in accordance with the Third Note Amendment in July 2024, offset by the gain recorded in accordance with the Exchange Agreement in December 2024.

Gain (loss) on warrant cancellation

Gain (loss) on warrant cancellation relates to the loss recognized in conjunction with the February 2025 Warrant Exchange Agreements.

Other Income (Expense), Net

Other income (expense), net includes interest earned on our bank sweep account, gains and losses on disposals of fixed assets and other miscellaneous income/expenses.

Income Taxes

No provision for federal and state income taxes was recorded for any periods presented due to projected losses, and we maintained a full valuation allowance on the deferred tax assets as of December 31, 2025 and 2024.

Provision for income taxes consists of an estimate of federal and state and income taxes based on enacted federal and state tax rates, as adjusted for allowable credits, deductions, uncertain tax positions, changes in deferred tax assets and liabilities and changes in tax law. Due to the level of historical losses, we maintain a full valuation allowance against U.S. federal and state deferred tax assets as we have concluded it is more likely than not that these deferred tax assets will not be realized. We do not believe that there is objectively verifiable evidence that the improvement in our results of operations is sustainable to support the release of the remaining valuation allowance. As of December 31, 2025 and 2024, there were immaterial foreign income taxes or liabilities.

We will continue to review our conclusions about the appropriate amount of the valuation allowance on a quarterly basis. If we were to generate profits, the U.S. valuation allowance position could be reversed in the foreseeable future. We expect a benefit to be recorded in the period the valuation allowance reversal is recorded and a higher effective tax rate in periods following the valuation allowance reversal.

Results of Operations

Comparison of the Years Ended December 31, 2025 and 2024:

The following table summarizes our historical results of operations and as a percentage of revenue for the periods presented:

	Year Ended December 31,					
	2025		2024		Change	%
	(In thousands, except for percentages)					
Revenue						
3D Printer and parts	\$ 39,183	85.2%	\$ 25,368	61.9%	\$ 13,815	54.5%
Recurring payment	70	0.2%	1,054	2.6%	(984)	(93.4)%
Support services	6,196	13.5%	9,581	23.4%	(3,385)	(35.3)%
Other	524	1.1%	5,000	12.2%	(4,476)	(89.5)%
Total Revenue	45,973	100.0%	41,003	100.0%	4,970	12.1%
Cost of revenue						
3D Printer and parts	47,211	102.7%	34,159	83.3%	13,052	38.2%
Recurring payment	12	0.0%	866	2.1%	(854)	(98.6)%
Support services	6,154	13.4%	8,063	19.7%	(1,909)	(23.7)%
Total cost of revenue	53,377	116.1%	43,088	105.1%	10,289	23.9%
Gross loss	(7,404)	(16.1)%	(2,085)	(5.1)%	(5,319)	255.1%
Operating expenses						
Research and development	10,653	23.2%	15,482	37.8%	(4,829)	(31.2)%
Selling and marketing	6,766	14.7%	12,858	31.4%	(6,092)	(47.4)%
General and administrative	30,097	65.5%	48,369	118.0%	(18,272)	(37.8)%
Total operating expenses	47,516	103.4%	76,709	187.1%	(29,193)	(38.1)%
Loss from operations	(54,920)	(119.5)%	(78,794)	(192.2)%	23,874	(30.3)%
Interest expense	(4,364)	(9.5)%	(15,968)	(38.9)%	11,604	(72.7)%
(Loss) gain on fair value of warrants	(1,140)	(2.5)%	32,094	78.3%	(33,234)	(103.6)%
Gain on fair value of contingent earnout liabilities	10	0.0%	1,445	3.5%	(1,435)	(99.3)%
Loss on warrant cancellation	(11,357)	(24.7)%	—	—%	(11,357)	—
Loss on debt extinguishment	—	—%	(4,904)	(12)%	4,904	(100.0)%
Other income (expense), net	526	1.1%	(3,637)	(8.9)%	4,163	(114.5)%
Loss before provision for income taxes	(71,245)	(155.0)%	(69,764)	(170.1)%	(1,481)	2.1%
Provision (benefit) for income taxes	(117)	(0.3)%	20	0%	(137)	(685.0)%
Net loss	\$ (71,362)	(155.2)%	\$ (69,744)	(170.1)%	\$ (1,618)	2.3%

Revenue

The following table presents the revenue disaggregated by products and service type, as well as the percentage of total revenue.

	Year Ended December 31,								
	2025		2024		Change	%			
	(in thousands, except percentages)								
3D Printer and parts	\$	39,183	85.2%	\$	25,368	61.9%	\$	13,815	54.5%
Recurring payment		70	0.2%		1,054	2.6%		(984)	(93.4)%
Support services		6,196	13.5%		9,581	23.4%		(3,385)	(35.3)%
Other		524	1.1%		5,000	12.2%		(4,476)	(89.5)%
Total Revenue	\$	45,973	100.0%	\$	41,003	100.0%	\$	4,970	12.1%

Total revenue for the years ended December 31, 2025 and 2024 was \$46.0 million and \$41.0 million, respectively. Total revenue for the year ended December 31, 2025 increased by \$5.0 million, or 12.1%, from the year ended December 31, 2024. Excluding the other revenue for the year ended December 31, 2024, related to the licensing agreement rights of \$5.0 million to a customer (SpaceX), the total revenue for the year ended December 31, 2025 increased by \$9.4 million or 26.1%, from the year ended December 31, 2024.

3D Printer and parts sales were \$39.2 million and \$25.4 million for the years ended December 31, 2025 and 2024, respectively, which was primarily attributed to an overall increase in higher average selling price of system sales and backlog in 2025. The revenue performance increased due to timing of systems sold, mix of lower production volumes and discounted system pricing offset by our change in product mix to include more higher priced systems as discussed previously, resulting in an increase in the average selling price. The 3D Printer and parts sales also included parts and consumables revenue.

Recurring Payment, structured as an operating lease, was \$0.1 million and \$1.1 million for the years ended December 31, 2025 and 2024, respectively. The decrease was primarily attributed to a decrease in the number of 3D Printer systems in lease generating Recurring Payment revenue for the year ended December 31, 2025, compared to the year ended December 31, 2024.

Our Support Service revenue was \$6.2 million and \$9.6 million for the years ended December 31, 2025 and 2024, respectively. The decrease was primarily attributed to the decrease in support services renewals.

Other revenue was \$0.5 million and \$5.0 for the years ended December 31, 2025 and 2024, respectively. The decrease in other revenue was attributed to a licensing agreement with SpaceX in September 2024, where SpaceX obtained a non-exclusive license to certain Velo3D patents and technologies for its internal uses only.

As part of our Strategic Realignment, we have implemented new go-to-market and service strategies to rebuild our bookings and backlog pipeline. As we rebuild our bookings and backlog, we expect the demand for the Sapphire, Sapphire 1MZ, Sapphire XC and Sapphire XC 1MZ to increase our revenue in the future. We expect Recurring Payment revenue to decrease as we continue to shift our focus to 3D Printer system sales and RPS for printed parts. We expect our Support Service revenue to increase as the number of systems we have in the field increases. As of December 31, 2025, our backlog for firm orders was \$31 million for 3D Printer and printed parts. Our focus for revenue has shifted to ensuring customer success, improving system reliability to strengthen our existing customer network, developing new customer networks to increase demand and expanding our RPS for printed parts.

Revenue trends from our largest customer have historically been driven by the timing of its major orders for 3D Printer and parts and the timing of the shipments under those orders. We shipped our first Sapphire system to our largest customer in 2018, and as of December 31, 2025, we have shipped over 126 Sapphire family of systems. We expect our largest customer to remain an important relationship going forward. However, the largest customer contribution's as a percentage of our total revenue will depend on the growth of our customer base. As of December 31, 2025, over 50% of our customers have multiple Sapphire family of systems.

Cost of Revenue

The following table presents the Cost of Revenue disaggregated by product and service type, as well as the percentage of total cost of revenue.

	Year Ended December 31,					
	2025		2024		Change	%
Cost of Revenue	(in thousands, except percentages)					
Cost of 3D Printer and parts	\$ 47,211	88.4%	\$ 34,159	79.3%	\$ 13,052	38.2%
Cost of Recurring Payment	12	0.0%	866	2.0%	(854)	(98.6)%
Cost of Support Services	6,154	11.5%	8,063	18.7%	(1,909)	(23.7)%
Total Cost of Revenue	\$ 53,377	100.0%	\$ 43,088	100.0%	\$ 10,289	23.9%

Total cost of revenue for the years ended December 31, 2025 and 2024 was \$53.4 million and \$43.1 million, respectively, an increase of \$10.3 million, or 23.9%.

Cost of 3D Printer and parts was \$47.2 million and \$34.2 million, for the years ended December 31, 2025 and 2024, respectively, included a non-routine \$7.0 million, and \$7.2 million inventory adjustment for excess and obsolete inventory for the years ended December 31, 2025 and 2024, respectively. The increase of \$13.1 million was primarily due to increased factory overhead costs to scale up operations in RPS, production engineering development costs, and costs to expedite shipping for manufacturing materials and assemblies related to unlocking the supply chain to support the 2025 production. As we gain experience with Sapphire XC and Sapphire 1MZ XC production, we expect to further lower our material costs and reduce labor and overhead expenses per unit. We expect the cost to manufacture new systems in 2026 to improve as a result of overhead and fixed cost reduction efforts implement in late 2025.

Cost of Recurring Payment was less than \$0.1 million and \$0.9 million for the years ended December 31, 2025 and 2024, respectively. This decrease of \$0.9 million was due to fewer equipment on lease and allocable Cost of Support Services as a result of less 3D Printer and parts in service in 2025 compared to 2024.

Cost of Support Services was \$6.2 million and \$8.1 million, for the years ended December 31, 2025 and 2024, respectively. This decrease of \$1.9 million was primarily due to reliability improvement efforts that the Company undertook in 2024 leading to lower field service engineering labor and overhead for 2025, compared to 2024. We expect this to decrease on a per unit basis as the Sapphire XC, Sapphire 1MZ and Sapphire XC 1MZ system reliability improves. We also expect our Cost of Support Services will increase with the delivery of more 3D Printer systems to customers.

Cost of revenue as a percentage of revenue was 116.1% and 105.1% for the years ended December 31, 2025 and 2024, respectively. The increase in the cost of revenue as a percentage was primarily due to the change in our product mix towards more Sapphire XC, and Sapphire XC 1MZ systems compared to Sapphire systems and the increased factory overhead cost to scale up production in RPS. Additionally, the increase was also driven by spending initiatives to build the quality control team to improve efficiency and reduce overhead.

We may experience increasing component costs from our suppliers due to international tariffs and our current financial situation. We are currently unable to secure credit terms and volume discounts with our suppliers, causing us to pay a premium, in advance, or source from alternate suppliers at unfavorable terms for our products. This has negatively impacted our cost of revenue and will continue to negatively impact our cost of revenue until our financial condition improves and costs associated with tariffs ease.

We continue to focus on reducing our material costs through improved purchasing and inventory planning, accelerating production cycle times and improving efficiencies on the production floor to lower our cost of revenue.

Gross Loss and Gross Margin

Total gross loss was \$7.4 million and \$2.1 million for the years ended December 31, 2025 and 2024, respectively. As a percentage of revenue, the gross margin was (16.1)% and (5.1)% for the years ended December 31, 2025 and 2024, respectively. The lower gross loss for the year ended December 31, 2025 was primarily attributable increased factory overhead costs to scale up operations in RPS, production engineering development costs, and costs to expedite shipping for manufacturing materials and assemblies related to unlocking the supply chain to support the 2025 production.

Our gross profit and gross margin are influenced by a number of factors, including:

- Product mix of Sapphire, Sapphire XC, Sapphire 1MZ and Sapphire XC 1MZ systems;
- Average selling prices for our systems;
- Trends in materials and shipping costs;
- Production volumes that may impact factory overhead absorption;
- System reliability performance; and
- Impact of product mix changes, including new product introductions, and other factors on our Cost of Support Services

We expect to accelerate production cycle times and further improving efficiencies on the production floor to lower our cost of revenue, which we expect will improve our gross profit and gross margins in the second half of 2026. Due to the aforementioned trends in component costs, our gross profit and gross margin have been and will continue to be negatively impacted until our financial condition improves.

Research and Development Expenses

Research and development expenses were \$10.7 million and \$15.5 million for the years ended December 31, 2025 and 2024, respectively. In the year ended December 31, 2025, there was a decrease of \$4.8 million in research and development expenses primarily due to the reduction of research and development projects in 2025, however, 2025 projects were focused primarily on projects aligned with increasing the reliability experience for customers.

The decrease in research and development expenses in 2025 were related to a \$2.8 million decrease for headcount, salaries and employee-related expenses, a \$0.8 million decrease in stock-based compensation, and a \$1.2 million decrease in components design and engineering testing and validation for the Sapphire XC and development expenses for the product development of the 1MZ larger build volumes for our Sapphire systems, and other miscellaneous expenses.

We expect research and development costs to increase in 2026 and beyond due to a refreshed technology roadmap to meet our customers' demand in RPS and to bring and scale parts production with improvements in utilization efficiency and to enhance and advance our portfolio of AM solutions.

Selling and Marketing Expenses

Selling and marketing expenses were \$6.8 million and \$12.9 million for the years ended December 31, 2025 and 2024, respectively. There was a decrease of \$6.1 million for the year ended December 31, 2025 as compared to 2024.

The decrease in selling and marketing expenses for the year ended December 31, 2025 was attributable to a \$5.6 million decrease for headcount, salaries and employee-related expenses, a \$0.7 million decrease in stock-based compensation, offset by an increase of \$0.2 million in trade show expenses, marketing initiatives, and branding expenses.

We expect selling and marketing expenses to continue to increase during 2026 as we re-ignite sales and marketing efforts by participating in certain markets, such as defense and aerospace, that show interest in additive manufacturing solutions.

General and Administrative

General and administrative expenses were \$30.1 million and \$48.4 million for the years ended December 31, 2025 and 2024, respectively. The decrease of \$18.3 million in the year ended December 31, 2025 in general and administrative expenses as compared to 2024 was attributable to a \$6.7 million decrease in bad debt expense, a \$6.9 million decrease in public company related expenses for advisory, legal and accounting fees and insurance, a \$1.8 million decrease in headcount, salaries and employee-related benefits, a \$1.2 million decrease in stock-based compensation, and a \$1.7 million decrease in miscellaneous expenses.

We expect general and administrative expenses to increase as we expand our business. However, we also continue to focus on our company-wide initiatives to reduce operating costs in other areas for 2026 as we reduce our general and administrative expenses through reducing our reliance on outside consultants, managing facility costs and negotiating with vendors for improved pricing.

Interest Expense

Interest expense was \$4.4 million and \$16.0 million, for the years ended December 31, 2025 and 2024, respectively. In the year ended December 31, 2025, there was an decrease of \$11.6 million attributable to the December 24, 2024, debt for equity exchange transaction between the Company and Arrayed, wherein the Company issued 12,343,423 shares of the Company's common stock, in exchange for the payment of \$26.9 million under the Secured Notes which redeemed approximately \$22.4 million of aggregate principal amount plus \$0.4 million of accrued interest.

We expect our interest expense may decrease as a result of reduced debt (for further information, see “—*Liquidity and Capital Resources*” and Note 9, *Long-Term Debt*, in the notes to the audited consolidated financial statements included elsewhere in this Annual Report).

Gain on Fair Value of Warrants

The change in fair value of warrants resulted in a loss of \$1.1 million and a gain of \$32.1 million for the years ended December 31, 2025 and 2024, respectively, and were related to the non-cash fair value change of the warrant liabilities. Warrants to purchase an equal number of shares of common stock of 366,946 were exercisable as of December 31, 2024. The Private Placement Warrants, the Public Warrants, the 2022 Private Warrant, the RDO Warrants, the Placement Agent Warrants, 2024 Private Warrants, BEPO Warrants, BEPO Agent Warrants, July 2024 Private Warrants and August Inducement Warrants to purchase shares of common stock are liability classified and recorded at fair value on the issue date with periodic remeasurement.

Gain on Fair value of Contingent Earnout Liabilities

The change in fair value of the contingent earnout liability was less than \$0.1 million and a gain of \$1.4 million for the years ended December 31, 2025 and 2024, respectively, and were related to the non-cash fair value change of the contingent earnout liabilities.

Loss on Debt Extinguishment

The loss on debt extinguishment was \$0.0 million and \$4.9 million for the years ended December 31, 2025 and 2024, respectively, and was related to the July 2024 Loan Modification in accordance with the warrant issuance, slightly offset by a gain recorded on the December 2024 Exchange Agreement.

Other Income (Expense), Net

Other income (expense), net was \$0.5 million and (\$3.6) million for the years ended December 31, 2025 and 2024, respectively.

Income Taxes

No provision for federal and state income taxes was recorded because we incurred income tax losses for the years ended December 31, 2025 and 2024 and maintained a full valuation allowance on the deferred tax assets as of December 31, 2025 and 2024.

We will continue to review our conclusions about the appropriate amount of the valuation allowance on a quarterly basis. If we were to generate profits in 2025 and beyond, the U.S. valuation allowance position could be reversed in the foreseeable future. We expect a benefit to be recorded in the period the valuation allowance reversal is recorded and a higher effective tax rate in periods following the valuation allowance reversal.

Liquidity and Capital Resources

As of December 31, 2025 and 2024, we had \$39.0 million and \$1.2 million in cash, cash equivalents and short-term investments, respectively, and an accumulated deficit of \$498.1 million and \$426.8 million, respectively. Our business requires substantial amounts of cash for operating activities, including salaries and wages paid to our employees, component and sub-assembly purchases, general and administrative expenses, and others.

Our purchase commitments per our terms and conditions with our suppliers and vendors are cancellable in whole or in part prior to shipment. Non-cancellable purchase commitments (purchase orders) of \$7.7 million for parts and assemblies are due upon receipt and will primarily be delivered in 2026. If inventory is shipped, we will accrue a liability under accrued expenses. We have no other commitment and contingencies, except for the operating leases, which represent total undiscounted future minimum lease payments of \$16.9 million as of December 31, 2025. See Note 8, *Leases*, in the notes to the audited consolidated financial statements included elsewhere in this Annual Report for further discussion.

During the year ended December 31, 2025, we increased 3D system and parts revenue even though slightly offset by the impact of delayed shipments and customer order delays related to the government shutdown in the fourth quarter of 2025. This still resulted in an overall increase in 3D system and parts revenue. While we expect system sales to improve and revenue from parts printing to increase in 2026, we do not have sufficient working capital to meet our financial needs for the twelve-month period following the filing date of this Annual Report. As such, we believe that there is substantial doubt about our ability to continue as a going concern for the twelve-month period following the filing date of this Annual Report. See Note 1, *Description of Business and Basis of Presentation—Going Concern, Financial Condition and Liquidity and Capital Resources* in the notes to the audited consolidated financial statements included elsewhere in this Annual Report.

We expect that we will need to engage in additional financings to fund our operations and satisfy our obligations in the near-term as well as to respond to business challenges and opportunities, including the need to repay any outstanding debt, provide working capital, develop new features or enhance our products, expand our manufacturing capacity, improve our operating infrastructure, or acquire complementary businesses and technologies. We may also seek to raise additional capital, including from offerings of our equity or debt securities, on an opportunistic basis when we believe there are suitable opportunities for doing so. Without such additional funding, we will not be able to continue operations.

On December 22, 2025, the Company entered into a securities purchase agreement (the “Purchase Agreement”) with certain institutional accredited investors (the “Purchasers”), for the issuance and sale in a private placement of an aggregate of 3,636,363 shares of the Company’s common stock, at a purchase price of \$8.25 per share. The foregoing transaction is referred to herein as the “Private Placement.” On December 23, 2025, the parties consummated the Private Placement. The aggregate gross proceeds to the Company from the Private Placement was approximately \$30 million, before deducting placement agent fees and other offering expenses. The Company intends to use the net proceeds of this offering for working capital, capital expenditures and general corporate purposes.

Additionally, our recent and projected financial results, and the related conditions that raise substantial doubt about our ability to continue as a going concern, and general concerns among potential investors and creditors about our financial well-being, may make taking such actions on commercially reasonable terms especially difficult.

More generally, our ability to meet our cash requirements depends on, among other things, our operating performance, competitive and industry developments, and financial market conditions, all of which are significantly affected by business, financial, economic, political, and other factors, many of which we may not be able to control or influence. To the extent that our actual operating results or other developments differ from our expectations, our liquidity could be adversely affected.

We continue to undertake expense reduction and cash savings initiatives as part of an on-going company-wide initiative to help conserve working capital. The expense reduction and cash saving initiatives include streamlining facilities, managing working capital, and reducing overall general and administrative expenses.

Debt Facilities

As of December 31, 2025, our debt arrangements comprised the Secured Notes, of which we had approximately \$3.2 million aggregate principal amount outstanding as of December 31, 2025.

On December 9, 2024, Arrayed Notes Acquisition Corp. ("*Arrayed*"), a subsidiary of Arrayed Additive, Inc. purchased the Senior Secured Notes due 2026 from High Trail Investments ON LLC and HB SPV I Master Sub LLC, the Note Holders. Furthermore, on December 9, 2024, the Company and the Note Holders entered into a forbearance agreement where the Note Holders forbore from taking any enforcement action as a result of the occurrence and/or continuation of any specified events of default.

On December 24, 2024, the Company and Arrayed entered into a debt for equity exchange transaction where the Company issued 12,343,423 shares of the Company's common stock, in exchange for the cancellation of \$22.4 million in principal amount of the Company's Secured Notes plus \$0.4 million of accrued interest on the Notes. Arrayed continues to hold \$5.0 million in principal amount of the Notes, and became the owner of approximately 95% of the Company's issued and outstanding common stock as of such date.

On January 7, 2025, the Company issued a Senior Secured Convertible Promissory Note in the principal amount of \$5,000,000 (the "January Note") to Thieneman Properties, LLC, an Indiana limited liability company. The January Note was payable in full on April 7, 2025 in the amount of \$5,750,000 and if not paid on or prior to such date, would continue to accrue interest at the same rate until paid. The January Note could be prepaid in whole or in part at any time without penalty or premium and was convertible in the event of default into shares of the Company's common stock, at a fixed conversion price of \$23.40 per share.

On February 10, 2025, the Company issued a Senior Secured Convertible Promissory Note in the principal amount of \$10,000,000 (the "February Note") to Thieneman Construction, Inc, an Indiana corporation, to be funded in two tranches of \$5,000,000. The February Note was payable in full on the date that is six months from the date such tranche was funded, in the amount of \$5,750,000 and if not paid on or prior to such date, would continue to accrue interest at the same rate until paid. The outstanding principal amount of the February Note was convertible upon the occurrence of the Company's successful listing of shares of its common stock on a national securities exchange or the occurrence and during the continuation of an Event of Default, into Shares of common stock at a fixed conversion price of \$15.00 per share.

On August 14, 2025, the Company amended the January Note, which amended certain provisions of the January Note, including: an extension of the maturity date under the January Note to February 14, 2027; a reduction of the interest rate under the January Note to 12%; and an adjustment of the fixed conversion price to \$16.38 per share. On August 14, 2025, the Company also amended the February Note, which amended certain provisions of the February Note, including: an extension of the maturity dates for each tranche under the February Note to February 14, 2027; a reduction of the interest rate under the February Note to 12%; and an adjustment of the fixed conversion price to \$10.50 per share. The Company has evaluated that the note amendments are both treated as a debt modification under ASC Topic 470, Debt.

On December 8, 2025, the Company and Varilease Finance, Inc. (“Varilease”) entered into a Sale Leaseback Agreement (the “Sale Leaseback Agreement”) pursuant to which the Company agreed to sell to Varilease, and subject to the conditions set forth therein, Varilease agreed to purchase from the Company, assorted Velo3D Sapphire and Sapphire XC metal 3D printers and post processing tools and equipment owned and used by the Company (the “Equipment”). The aggregate purchase price for the Equipment to be received by the Company is \$10 million and reported as debt. For more information see *Note 9, Long-Term Debt*, in the notes to the audited consolidated financial statements included elsewhere in this Annual Report for further discussion.

Immediately prior to the further amendment to the January Note described below, Thieneman Properties, LLC transferred the January Note to Arrayed, pursuant to a Convertible Promissory Note Transfer Agreement between Thieneman Properties, LLC (as transferor) and Arrayed (as transferee).

On March 4, 2026, the Company and Arrayed entered into a further amendment to the January Note, which amended certain provisions of the January Note to, among other things, provide that, at any time and from time to time, Arrayed (as holder) has the right, at its option, to convert all or any portion of the outstanding principal amount of the January Note, together with accrued and unpaid interest thereon, into shares of the Company’s common stock.

On March 4, 2026, the Company and Thieneman Construction, Inc. entered into a further amendment to the February Note, which amended certain provisions of the February Note to, among other things, provide that, subject to the existing terms of the February Note, accrued and unpaid interest thereon, in addition to the outstanding principal amount, may be convertible into common stock at the holder’s option.

On March 4, 2026, the Company issued 394,517 shares of common stock to Arrayed upon conversion of the January Note, in the principal amount of \$5,000,000, together with accrued and unpaid interest thereon, at a conversion price of \$16.38 per share, a premium to the Company’s share price on March 4, 2026. As of such date, the January Note (including principal and interest) was fully converted into shares of common stock of the Company.

On March 4, 2026, the Company issued 1,145,830 shares of common stock to Thieneman Construction, Inc. upon conversion of the February Note, in the principal amount of \$10,000,000, together with accrued and unpaid interest thereon, at a conversion price of \$10.50 per share. As of such date, the February Note (including principal and interest) was fully converted into shares of common stock of the Company.

On March 18, 2026, the Company repaid the Secured Note due 2026 in full of \$3.2 million for principal and accrued interest. All obligations of the Company under the Secured Notes, have been fully and finally paid, discharged, and satisfied.

We do not hedge our exposure to changes in interest rates. A 10% change in interest rates would not have a material impact on annualized interest expense.

For more information, see *Note 9, Long-Term Debt*, in the notes to the audited consolidated financial statements included elsewhere in this Annual Report for further discussion.

Cash Flow Summary

The following table summarizes our cash flows for the years ended December 31, 2025 and 2024:

	Years Ended December 31,		
	2025	2024	Change
	(In thousands)		
Net cash used in operating activities	\$ (27,327)	\$ (32,677)	\$ 5,350
Net cash (used in) provided by investing activities	(2,715)	7,767	(10,482)
Net cash provided by financing activities	67,833	1,460	66,373

Operating Activities

Net cash used in operating activities for the year ended December 31, 2025 was \$27.3 million, consisting primarily of a net loss of \$71.4 million, non-cash loss of \$37.0 million described below, and a decrease in net operating assets of \$7.0 million. The cash used from net operating assets was primarily comprised of a decrease from accounts receivable of \$4.4 million, a decrease from accounts payable of \$15.3 million, a decrease from prepaid expenses and other current assets of \$3.4 million, a decrease from contract assets of \$2.9 million, and a decrease from other net operating assets of \$1.4 million, offset by an increase from inventories of \$24.4 million, an increase from accrued expenses and other liabilities of \$8.0 million and an increase to other assets of \$2.0 million. The non-cash loss of \$37.0 million primarily consisted of the loss on cancellation of warrants of \$11.4 million, stock-based compensation expense of \$9.5 million, and the reserve for excess and obsolete inventory of \$7.0 million.

Net cash used in operating activities for the year ended December 31, 2024 was \$32.7 million, consisting primarily of a net loss of \$69.7 million, cash used from net operating assets of \$21.6 million, and non cash charges of \$15.5 million. The cash used from operating assets was primarily comprised of accounts payable of \$0.7 million, accrued expenses and other current liabilities of \$2.6 million, and other noncurrent liabilities of \$2.2 million, partially offset by an increase from inventories of \$6.1 million for Sapphire and Sapphire XC system production, contract assets of \$7.0 million, accounts receivable of \$3.1 million, contract liabilities of \$5.2 million, other assets of \$4.0 million, and prepaid expenses and other current assets of \$1.8 million related to insurance and vendor prepayments. The noncash charges primarily consisted of amortization of debt discount and deferred financing costs of \$13.6 million, stock-based compensation of \$11.8 million, loss on debt extinguishment of \$7.5 million, depreciation and amortization of \$4.8 million, warrant issuance in connection with the August warrant inducement of \$2.4 million, cost of issuance of common stock warrants on BEPO Offering of \$1.3 million, and reserve for excess and obsolete inventory of \$7.2 million, partially offset by the fair value related to the warrants of \$32.1 million, gain on exchange of debt for common stock of \$2.6 million and the change in fair value related to the contingent earnout liabilities of \$1.4 million.

We expect our cash used in operating activities to decrease, driven by our efforts to stabilize our working capital requirements through our expense reduction efforts and overall enterprise efficiency improvement programs.

Investing Activities

Net cash used in investing activities during the year ended December 31, 2025 was \$2.7 million, consisting of purchases of property and equipment of \$2.7 million.

Net cash provided by investing activities during the year ended December 31, 2024 was \$7.8 million, consisting of \$3.5 million of proceeds from maturity of available-for-sale investments and \$3.2 million in sales of available-for-sale securities, and reimbursement of previously incurred leasehold expenditures of \$1.1 million.

We expect our capital expenditures to increase in 2026 compared to 2025 as we invest in printer capacity and related facilities for RPS.

Financing Activities

Net cash provided by financing activities during the year ended December 31, 2025 was \$67.8 million, consisting of \$28.0 million net proceeds from the December 2025 PIPE Offering, \$17.8 million net proceeds from the August 2025 Offering, \$15.0 million net proceeds from the issuance of the January Note and the February Note and \$10.0 million net proceeds from an equipment loan, offset by the repayment of the Secured Notes of \$2.6 million.

Net cash provided by financing activities during the year ended December 31, 2024 was \$1.5 million, consisting of proceeds of \$10.7 million from capital raise, net of issuance costs, \$1.7 million proceeds from the August Warrant Inducement capital raise, \$0.5 million of proceeds from Secured Notes, net of issuance costs, and \$0.3 million of proceeds from issuance of common stock upon exercise of stock options, partially offset by \$11.8 million from the repayment of Secured Notes.

We expect cash provided by financing activities to increase by issuing new equity or incurring new debt to continue operations, subject to our compliance with the covenants in the Secured Notes. Our future cash requirements and the adequacy of available funds will depend on many factors, including our operating performance, competitive and industry developments, and financial market conditions.

Off-Balance Sheet Arrangements

As of December 31, 2025 and 2024, we did not have any off-balance sheet arrangements, other than described below.

Our purchase commitments per our terms and conditions with our suppliers and vendors are cancellable in whole or in part prior to shipment. Non-cancellable purchase commitments (purchase orders) of \$7.7 million for parts and assemblies are due upon receipt and will primarily be delivered in 2026. If inventory is shipped, we will accrue a liability under accrued expenses. See *Note 13, Commitments and Contingencies*, in the notes to the audited consolidated financial statements included elsewhere in this Annual Report for further discussion. We have no other commitment and contingencies, except for the operating leases, which represent total undiscounted future minimum lease payments of \$16.9 million as of December 31, 2025. See *Note 8, Leases*, in the notes to the audited consolidated financial statements included elsewhere in this Annual Report for further discussion.

Recent Accounting Pronouncements

For a description of recent accounting pronouncements, including the expected dates of adoption and estimated effects, if any, on our consolidated financial statements, Note 2, *Summary of Significant Accounting Policies*, in the notes to the audited consolidated financial statements in this Annual Report.

Implications of Being a Smaller Reporting Company

We are a “smaller reporting company” as defined in Item 10(f)(1) of Regulation S-K. Smaller reporting companies may take advantage of certain reduced disclosure obligations, including, among other things, providing only two years of audited consolidated financial statements.

We will remain a smaller reporting company and may take advantage of certain scaled disclosures available to smaller reporting companies until the last day of the fiscal year in which (a) the market value of our voting and nonvoting common stock held by non-affiliates equals or exceeds \$250.0 million measured on the last business day of that year’s second fiscal quarter and (b) our annual revenue equals or exceeds \$100.0 million during the most recently completed fiscal year or our voting and nonvoting common stock held by non-affiliates equals or exceeds \$700.0 million measured on the last business day of that year’s second fiscal quarter.

Critical Accounting Policies and Significant Estimates

Our discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with U.S. GAAP. We evaluated the development and selection of our critical accounting policies and estimates and believe that the following involve a higher degree of judgement or complexity and are most significant to reporting our results of operations and financial position and are therefore discussed as critical. The following critical accounting policies reflect the significant estimates and judgements used in the preparation of our consolidated financial statements. Actual results could differ materially from those estimates and assumptions, and those differences could be material to our consolidated financial statements. We re-evaluate our estimates on an ongoing basis. For information on our significant accounting policies, refer to Note 2, *Summary of Significant Accounting Policies*, included in the notes to the consolidated financial statements in this Annual Report.

Revenue Recognition

Revenue subject to ASC 606 consists of 3D Printer and parts sales and Support Services (recognition of Recurring Payment consisting of payments from lessees of the Company’s equipment discussed below). The Company determines revenue recognition

through the following five-step model for recognizing revenue: (1) identification of the contract with a customer; (2) identification of the performance obligations in the contract; (3) determination of the transaction price; (4) allocation of the transaction price to the performance obligations in the contract; and (5) recognition of revenue when, or as, the Company satisfies its performance obligation.

A typical contract with customers for the 3D Printer and bundled software includes the Support Services. The Company provides one price for all deliverables including the 3D Printer and bundled software, and for the Support Services. Typically, the Company has one distinct obligation to transfer the 3D Printer and bundled software, and another distinct obligation to provide the Support Services.

The transaction price is allocated to the separate performance obligations on a relative standalone selling price (“SSP”) basis. The Company determines SSP based on observable standalone selling price when it is available, as well as other factors, including the price charged to its customers, its discounting practices, and its overall pricing objectives including risk adjusted gross profit margin for products and services, while maximizing observable inputs. In situations where pricing is highly variable, or a product is never sold on a stand-alone basis, the Company estimates the SSP using the residual approach. Significant judgment is used to identify and account for each of the two performance obligations.

3D Printer and Parts Sales

The Company bills its customers beginning at the time of acceptance of the purchase order (which represents a deposit), with the second billing at the time of shipment and final billing upon site acceptance test completion. The timeframe from order to completion of the site acceptance test occurs typically over three to six months. Revenue for the 3D Printer and parts is recognized at a point-in time, which occurs upon transfer of control to the customer at shipment. Site installation, testing and customer training are incidental to customer acceptance with the portion of the transaction price allocated to these services being deferred as part of Support Services and recognized over the period the services are provided.

Rapid Production Solutions - RPS utilizes our deep engineering expertise, cutting-edge technology and a fleet of Sapphire XC large-format metal 3D printers to manufacture custom metal components in order to accelerate the path to production for our customers. RPS revenue is included under 3D Printer and parts revenue and occurs upon transfer of control to the customer at shipment.

The Company has elected not to recognize shipping to customers as a separate performance obligation. Revenue from shipping billed to customers for the years ended December 31, 2025 and 2024 was not material.

Recurring Payment (operating lease revenue from lessors)

The Company enters into operating leases (“*Recurring Payment*”) for customers who do not purchase the 3D Printers (“*equipment*”). The contracts explicitly specify the equipment which is a production system with defined components and services including the printer itself, services, and accessories. The asset is physically distinct, the supplier does not have substitution rights, and the customer holds the right to direct the use of and obtain substantially all of the economic benefits from the use of the identified asset. The initial lease terms are for 12 months and the Company has considered the possibility of renewals when determining the length of the contract and the expectation is that customers will not exercise any renewal or purchase options at the end of the lease. The Company has evaluated our customer history on renewals, returns and purchase options and have determined the operating lease period of 12 months is appropriate and will continue to monitor our customer expectations. The arrangements provide for a base rent and usually provide for variable payments based on usage in excess of a defined threshold. Support Services are included during the lease term.

Equipment under lease contracts is reclassified from inventory at its basis and depreciated over five to ten years to a salvage value. Income from the lessee is recorded as revenue using the straight-line method over the term of the lease. Support services are a non-lease component. The practical expedient has been elected to include rents and this non-lease component as one revenue stream recognized over the lease term on a straight-line basis. Costs associated with this component are classified as cost of revenue and recognized as incurred.

The Recurring Payment transactions, which are structured as operating leases, were 0.2% and 2.6% of revenue for the years ended December 31, 2025 and 2024, respectively. Under this model, the customer typically pays a base rent and variable payments based on usage in excess of a defined threshold. Most of our leases have a 12-month term, though in certain cases the lease term is longer.

Costs for warranties for parts and services for equipment under lease are accrued separately at lease commencement and amortized to cost of revenue over the lease term to the extent the costs are probable and can be reasonably estimated since the related revenue is being recognized over the lease term. Warranty accruals were not material as of December 31, 2025 or December 31, 2024.

Equipment leased to customers are considered long-lived assets and are tested for impairment as described below under the heading "*Impairment of Long-lived Assets.*"

Support Services

Support Services are field service engineering, phone and email support, preventative maintenance, and limited on and off-site consulting support. A subsequent Extended Support Agreement ("ESA") is available for renewal after the initial period based on the then fair value of the service.

Support Services revenue are recognized evenly over the contract period beginning with customer performance test acceptance.

Other Revenue

Other Revenue is recognized for parts sold to customers independent of the 3D Printer sales or Support Services contract is included with 3D Printer sales. Such revenue is recognized upon transfer of control to the customer. Revenue from parts was not material for the years ended December 31, 2025 and 2024.

Contracts Assets and Contract Liabilities

Contract assets consist of unbilled receivables and are recorded when revenue is recognized in advance of scheduled billings to the Company's customers. A contract asset is recognized when products or services are transferred to a customer and the right to consideration is conditional on something other than the passage of time. Contract liabilities include amounts billed or collected which is related to remaining performance obligations. Revenue allocated to remaining performance obligations represents the transaction price allocated to the performance obligations that are unsatisfied, or partially unsatisfied. It includes unearned revenue and amounts that will be invoiced and recognized as revenue in future periods.

Stock-based Compensation

Stock-based compensation cost for awards is measured as of the grant date based on its fair value, and the amount is expensed ratably over the service period, which is typically the vesting period. We have elected to account for forfeitures when they occur, and any compensation expense previously recognized on unvested shares will be reversed.

We estimate the fair value of stock option awards subject to only a service condition on the date of grant using the Black-Scholes valuation model. The Black-Scholes model requires the use of highly subjective and complex assumptions, including the option's expected term, price volatility of the underlying stock, risk-free interest rate, and the expected dividend yield of the underlying common stock, as well as an estimate of the fair value of the common stock underlying the award.

We estimate the fair value of restricted share unit awards using the value of the Company's common stock on the date of grant.

We estimate the fair value of Earnout Shares awards underlying stock options to employees, which is considered a compensatory award and accounted for under ASC 718, *Stock-Based Compensation*, using the Monte-Carlo simulation model. The Monte-Carlo simulation model was selected as the valuation methodology for the Earnout Shares due to the path-dependent nature of triggering events. Under ASC 718, the award is measured at fair value at the grant date and expense is recognized over the time-based vesting

period (the triggering event is a market condition and does not impact expense recognition). The Monte-Carlo model requires the use of highly subjective and complex assumptions, including the current stock price, volatility of the underlying stock, expected term, and the risk-free interest rate.

Application of these approaches involves the use of estimates, judgment, and assumptions that are highly complex and subjective, such as those regarding our risk-free interest rates, the selection of comparable companies, and the probability of possible future events. Changes in any or all of these estimates and assumptions or the relationships between those assumptions impact our valuations as of each valuation date and may have a material impact on the valuation of our common stock. An increase of 100-basis points in interest rates would not have a material impact on our stock-based compensation.

Common Stock Warrants

Prior to the Merger, warrants to purchase shares of common stock were classified as equity and recognized within additional paid-in capital with no subsequent remeasurement. The amount recognized within additional paid-in capital was determined by allocating the proceeds received and issuance costs incurred between the instruments issued based on their relative fair value. All Common Stock Warrants outstanding prior to the Merger were converted into common stock as part of the Merger.

Following the Merger, 16,429 publicly-traded warrants (the “Public Warrants”) and 8,477 private placement warrants (the “Private Placement Warrants”), issued to Spitfire Sponsor, LLC (the “Sponsor”), all of which were issued in connection with JAWS Spitfire’s initial public offering (“IPO”), became exercisable for one share of the Company’s Common Stock at an exercise price of \$6,037.50 per share. During the year ended December 31, 2025, there were no Public Warrants or Private Placement Warrants exercised. The Public Warrants are publicly traded and are exercisable for cash, unless certain conditions occur, such as redemption by the Company under certain circumstances, at which time the Public Warrants may be exercised on a cashless basis. The Private Placement Warrants are non-redeemable for cash so long as they are held by the initial purchasers or their permitted transferees. If the Private Placement Warrants are held by someone other than the initial purchasers or their permitted transferees, the Private Placement Warrants are redeemable by the Company and exercisable by such holders on the same basis as the Public Warrants.

In conjunction with the joinder and fourth loan modification agreement on July 25, 2022, we issued to Silicon Valley Bank warrants to purchase up to 134 shares of the Company’s common stock at an exercise price of \$1,344 per warrant share (the “2022 Private Warrant”). The 2022 Private Warrant is exercisable until July 24, 2034 and allows cashless exercise in whole or part.

On December 29, 2023, the Company issued warrants to purchase 68,572 shares of the Company’s common stock at an exercise price of \$299.25 per warrant share (the “RDO Warrants”). Additionally, the Company issued warrants to purchase 3,429 shares of the Company’s common stock at an exercise price of \$326.29 per warrant share (the “Placement Agent Warrants” and together with the Public Warrants, the Private Placement Warrants, the 2022 Private Warrant, and the RDO Warrants the “Common Stock Warrants”). The RDO Warrants and Placement Agent Warrants are exercisable until December 29, 2028.

In connection with the BEPO Offering, the Company issued BEPO Warrants to purchase up to an aggregate of 65,307 shares of common stock. The BEPO Warrants are immediately exercisable at an exercise price of \$183.75 per share and will expire on the five year anniversary of the date of issuance. In connection with the BEPO Placement Agency Agreement, we also issued BEPO Agent Warrants to purchase up to 3,266 shares of common stock. The BEPO Agent Warrants are exercisable at an exercise price of \$202.20 per share and will expire on the five year anniversary of the date of issuance.

In connection with the Second Note Amendment, on April 1, 2024, the Company also entered into a letter agreement (the “Letter Agreement”) with the Investors pursuant to which the Company issued to the Investors warrants (the “2024 Private Warrants”) to purchase up to an aggregate of 41,808 shares of Common Stock. The 2024 Private Warrants became exercisable 45 days after the original issuance date (the “Initial Exercise Date”), are exercisable at an exercise price of \$199.35 per share and will expire on the one year anniversary of the later of (i) the Initial Exercise Date and (ii) the date on which the Resale Registration Statement (as defined in the Letter Agreement) is declared effective by the SEC. The Investors may exercise the 2024 Private Warrants by paying the exercise in cash or by reducing the outstanding principal amount under the Secured Notes by an amount equal to the quotient of (A) the amount

of the exercise price divided by (B) 1.20. The 2024 Private Warrants may also be exercised on a cashless basis under certain circumstances.

In connection with the Third Note Amendment, on July 1, 2024, the Company also entered into a letter agreement with the Investors pursuant to which the Company issued to the Investors warrants (the “July 2024 Private Warrants”) to purchase up to an aggregate of 110,000 shares of Common Stock. The July 2024 Private Warrants became exercisable 45 days after the original issuance date, are exercisable at an exercise price of \$37.50 per share and will expire on the five year anniversary of the issuance date. The Investors may exercise the 2024 Private Warrants by paying the exercise in cash or by reducing the outstanding principal amount under the Secured Notes by an amount equal to the quotient of (A) the amount of the exercise price divided by (B) 1.20. The July 2024 Private Warrants may also be exercised on a cashless basis under certain circumstances.

On August 12, 2024, the Company entered into a warrant inducement with certain warrant holders. Pursuant to the Inducement Agreement, the holders of the Existing Warrants agreed to reduce the exercise price of their Existing Warrants totaling 49,524, from \$296.70 per share to \$34.20 per share. Additionally, the Company agreed to issue registered warrants with an exercise price of \$34.20 per share to purchase 99,048 shares of Common Stock (the “August Inducement Warrants”) and will expire on the five year anniversary of the issuance date. The August Inducement Warrants may also be exercised on a cashless basis under certain circumstances.

The Company evaluated the Common Stock Warrants, and concluded that they all do not meet the criteria to be classified within stockholders’ equity. The warrant agreement governing the Public Warrants and Private Placement Warrants includes a provision, the application of which could result in a different settlement value for the Common Stock Warrants depending on their holder. Because the holder of an instrument is not an input into the pricing of a fixed-for-fixed option on the common stock, the Private Placement Warrants are not considered to be “indexed to the Company’s own stock.” In addition, the warrant agreement includes a provision that provides that in the event of a tender or exchange offer accepted by holders of more than 50.0% of the outstanding shares of the common stock, all holders of the Public Warrants and the Private Placement Warrants would be entitled to receive cash for all of their Public Warrants and Private Placement Warrants. Specifically, in the event of a qualifying cash tender offer (which could be outside of the Company’s control), all Public Warrant and Private Placement Warrant holders would be entitled to cash, while only certain of the holders of the common stock may be entitled to cash. These provisions preclude us from classifying the Public Warrants and Private Placement Warrants in stockholders’ equity. The 2022 Private Warrant, the RDO Warrants, and Placement Agent Warrants also contain similar provisions on the treatment in the event of a qualifying cash tender offer that preclude us from classifying the 2022 Private Warrants, the RDO Warrants, and the Placement Agent Warrants in stockholders' equity.

We classify the Common Stock Warrants as liabilities in accordance with ASC Topic 815 “Derivatives and Hedging—Contracts in Entity’s Own Equity”. As these meet the definition of a derivative, we recorded these warrants within Warrant liabilities on the consolidated balance sheet at fair value, with subsequent changes in their respective fair values recognized in the consolidated statements of operations and comprehensive loss at each reporting date.

Contingent Earnout Liability

In connection with the Reverse Recapitalization and pursuant to the Business Combination Agreement, eligible former Legacy Velo3D equity holders are entitled to receive additional shares of common stock upon the Company achieving certain Earnout Triggering Events (as described in the Business Combination Agreement) (the “*Earnout Shares*”). The Earnout Shares are not indexed to the Common Stock and therefore are accounted for as a liability at the Reverse Recapitalization Date and subsequently remeasured at each reporting date with changes in fair value recorded as a component of gain on fair value of contingent earnout liabilities in the consolidated statements of operations and comprehensive loss. The estimated fair value of the contingent earnout liability was determined using a Monte Carlo simulation using a distribution of potential outcomes on a monthly basis over the Earnout Period (as defined in Note 10, *Equity Instruments*) prioritizing the most reliable information available. The assumptions utilized in the calculation are based on the achievement of certain stock price milestones, including the current Company Common Stock price, expected volatility, risk free rate, expected term and dividend rate. The contingent earnout liability is categorized as a Level 3 fair value measurement (see “Fair Value Measurements” as described above) because the Company estimates projections during the

Earnout Period utilizing unobservable inputs. Contingent earnout liabilities involve certain assumptions requiring significant judgment and actual results may differ from assumed and estimated amounts.

Fair Value Measurements

We have applied the framework for measuring fair value which requires a fair value hierarchy to be applied to all fair value measurements. Assets and liabilities measured at fair value are classified into one of three levels in the fair value hierarchy based on the inputs used to measure fair value as follows:

Level 1 — Quoted prices observed in active markets for identical assets or liabilities;

Level 2 — Inputs other than quoted prices in active markets that are observable for the asset or liability, either directly or indirectly; and

Level 3 — Significant unobservable market inputs for the asset or liability.

The carrying amounts of cash equivalents, accounts receivable, accounts payable, and accrued expenses approximate fair value due to their short-term maturities. The long-term debt (including convertible notes) with variable interest at market rates is carried at amortized cost, which approximates its fair value and was classified as Level 2. See Note 9, *Long-Term Debt* for further information.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

We are a smaller reporting company as defined in Rule 12b-2 under the Exchange Act. As a result, pursuant to Item 305(e) of Regulation S-K, we are not required to provide the information required by this Item.

Item 8. Financial Statements and Supplementary Data.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
Velo3D, Inc.

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Velo3D, Inc. and Subsidiaries (collectively, the “Company”) as of December 31, 2025 and 2024, and the related consolidated statements of operations and comprehensive loss, stockholders’ equity, and cash flows, for the years then ended, and the related notes (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Substantial Doubt about the Company’s Ability to Continue as a Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the consolidated financial statements, the Company has incurred losses from operations and negative cash flows from operations since inception that raise substantial doubt about its ability to continue as a going concern. Management’s plans in regard to these matters are also described in Note 1. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the U.S. Securities and Exchange Commission (“SEC”) and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

3D Printers Revenue Recognition – Refer to Note 2 in the consolidated financial statements

The Company generates revenue from the sale of 3D Printer systems, with revenue recognized at a point in time upon transfer of control to the customer. The contracts may include support services, which are accounted for as a separate performance obligation, with a portion of the transaction price deferred and recognized over time.

The Company allocates the transaction price between the 3D Printer systems and support services based on relative standalone selling prices (“SSP”). Determining SSP involves significant judgment, particularly when observable standalone selling prices are not available and management must consider factors such as pricing practices and expected margins.

Given the judgment involved in determining SSP, identifying performance obligations, and evaluating the timing of revenue recognition for 3D Printer sales, auditing revenue recognition involved especially complex and subjective judgment.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures performed to address this critical audit matter included the following:

- We evaluated the Company’s identification of performance obligations, including the determination that 3D Printer systems and support services are distinct.
- We assessed the reasonableness of SSP used to allocate the transaction price between 3D Printer systems and support services, including evaluating observable pricing and management’s assumptions
- We tested the allocation of the transaction price to performance obligations.
- We evaluated the Company’s determination of when revenue from 3D printer sales should be recognized, including assessing the transfer of control criteria.
- We performed substantive testing of revenue transactions, including inspecting customer contracts, shipping documentation, and evidence of transfer of control.
- We evaluated whether revenue was recognized in the appropriate period.

Inventory Valuation for Excess or Obsolete – Refer to Notes 2 and 6 in the Consolidated Financial Statements

The Company evaluates inventory for excess or obsolete quantities based on management’s assessment of the future usability of inventory, including whether such inventory is included in current bills of materials, can be utilized in products expected to be marketed or sold, or can be used and or sold as consumables.

The determination of inventory valuation for excess or obsolete inventory involves significant judgment, including evaluating product life cycles, potential rework, and the likelihood that inventory will be utilized in future production or sold.

Given the judgment involved in assessing the usability of inventory or its ability to sold, and determining inventory valuation, auditing inventory for excess or obsolete quantities involved especially complex and subjective judgment.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures performed to address this critical audit matter included the following:

- We evaluated management’s methodology utilized for calculating the estimate, including assessing the appropriateness of the underlying formulaic calculation.
- We assessed management’s evaluation of inventory, including whether inventory items were included in current bills of materials, could be reworked for use in production, or were associated with products that have been recently sold.
- We evaluated qualitative factors included with the determination of significant assumptions used by management.

- We tested inventory items on a sample basis, including evaluating whether such items were included in current production processes or otherwise expected to be utilized.
- We assessed whether inventory previously written down was appropriately maintained at its reduced cost basis and not subsequently written up.

/s/ Frank, Rimerman + Co. LLP

We have served as the Company's auditor since 2024.

San Francisco, California
March 31, 2026

Velo3D, Inc.
CONSOLIDATED BALANCE SHEETS
As of December 31, 2025 and 2024
(In thousands, except share and per share data)

	2025	2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 39,013	\$ 1,212
Accounts receivable, net	6,263	3,723
Inventories, net	27,083	49,953
Contract assets	2,039	500
Prepaid expenses and other current assets	5,722	2,336
Total current assets	80,120	57,724
Property and equipment, net	13,094	14,270
Equipment subject to operating lease, net	1,629	3,673
Other assets	10,505	13,513
Total assets	\$ 105,348	\$ 89,180
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 10,301	\$ 18,538
Accrued expenses and other current liabilities	7,915	3,511
Debt — current portion	6,305	5,666
Contract liabilities	9,281	10,285
Total current liabilities	33,802	38,000
Long-term debt — less current portion	24,710	—
Contingent earnout liabilities (Note 10)	1	11
Warrant liabilities (Note 10)	109	2,167
Other noncurrent liabilities	8,570	9,338
Total liabilities	67,192	49,516
Commitments and contingencies (Note 13)		
Stockholders' equity (deficit):		
Common stock, \$0.00001 par value — 500,000,000 shares authorized at December 31, 2025 and December 31, 2024, respectively, 24,607,630 and 12,993,962 shares issued and outstanding as of December 31, 2025 and December 31, 2024, respectively	5	4
Additional paid-in capital	536,294	466,441
Accumulated other comprehensive loss	—	—
Accumulated deficit	(498,143)	(426,781)
Total stockholders' equity	38,156	39,664
Total liabilities and stockholders' equity	\$ 105,348	\$ 89,180

The accompanying notes are an integral part of these consolidated financial statements.

Velo3D, Inc.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
For the Years Ended December 31, 2025 and 2024
(In thousands, except per share data)

	2025	2024
Revenue		
3D printer and parts	\$ 39,183	\$ 25,368
Recurring payment	70	1,054
Support services	6,196	9,581
Other	524	5,000
Total Revenue	45,973	41,003
Cost of revenue		
3D printer and parts	47,211	34,159
Recurring payment	12	866
Support services	6,154	8,063
Total cost of revenue	53,377	43,088
Gross loss	(7,404)	(2,085)
Operating expenses		
Research and development	10,653	15,482
Selling and marketing	6,766	12,858
General and administrative	30,097	48,369
Total operating expenses	47,516	76,709
Loss from operations	(54,920)	(78,794)
Interest expense	(4,364)	(15,968)
(Loss) gain on fair value of warrants	(1,140)	32,094
Gain on fair value of contingent earnout liabilities	10	1,445
Loss on warrant cancellation	(11,357)	—
Loss on debt extinguishment	—	(4,904)
Other income (expense), net	526	(3,637)
Loss before income taxes	(71,245)	(69,764)
(Provision) benefit for income taxes	(117)	20
Net loss	(71,362)	(69,744)
Net loss per share:		
Basic	\$ (4.33)	\$ (82.32)
Diluted	\$ (4.33)	\$ (82.32)
Shares used in computing net loss per share:		
Basic	16,486,845	847,265
Diluted	16,486,845	847,265
Net loss	\$ (71,362)	\$ (69,744)
Net unrealized holding gain on available-for-sale investments	—	96
Total comprehensive loss	<u>\$ (71,362)</u>	<u>\$ (69,648)</u>

The accompanying notes are an integral part of these consolidated financial statements.

Velo3D, Inc.
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2025 and 2024
(In thousands)

	2025	2024
Cash flows from operating activities		
Net loss	\$ (71,362)	\$ (69,744)
Adjustments to reconcile net loss to net cash used in operating activities		
Depreciation and amortization	3,379	4,778
Amortization of debt discount and deferred financing costs	192	13,637
Stock-based compensation	9,509	11,810
Gain on exchange of debt for common stock	—	(2,619)
Change in fair value of warrants	1,140	(32,094)
Change in fair value of contingent earnout liabilities	(10)	(1,445)
Impairment of equipment subject to operating lease	1,066	—
Loss on warrant cancellation	11,357	—
Reserve for excess and obsolete inventory	6,979	7,179
Non-cash cost of issuance of common stock warrants on BEPO Offering	—	1,311
Loss on debt extinguishment	—	7,525
Non-cash warrant issuance in connection with August warrant inducement	—	2,439
Provision for credit loss related to contract assets	1,392	—
Provision for credit loss related to trade accounts receivable	1,863	2,786
Non-cash lease expense	139	134
Loss on sale/disposal of fixed assets	24	11
Realized loss on available-for-sale securities	—	23
Changes in assets and liabilities		
Accounts receivable	(4,403)	3,074
Inventories	24,415	6,121
Contract assets	(2,931)	7,010
Prepaid expenses and other current assets	(3,386)	1,824
Other assets	2,000	3,952
Accounts payable	(15,300)	(743)
Accrued expenses and other liabilities	7,960	(2,578)
Contract liabilities	(1,004)	5,150
Other noncurrent liabilities	(346)	(2,218)
Net cash used in operating activities	(27,327)	(32,677)
Cash flows from investing activities		
Purchase of property and equipment	(2,715)	(9)
Reimbursement of previously incurred leasehold expenditures	—	1,084
Sales of property and equipment	—	20
Sales of available-for-sale securities	—	3,172
Proceeds from maturity of available-for-sale investments	—	3,500
Net cash (used in) provided by investing activities	(2,715)	7,767
Cash flows from financing activities		
Proceeds from secured convertible notes	15,000	500
Repayment of secured notes	(2,627)	(11,750)
Proceeds from equipment loan	10,000	—
Repayment of equipment loan	(311)	—
Issuance cost for equipment loan	(19)	—
Gross proceeds from December 2025 PIPE Offering	30,000	—
Payment for issuance cost related to December 2025 PIPE Offering	(2,033)	—
Gross proceeds from August 2025 Offering	20,126	—
Payment for issuance cost related to August 2025 Offering	(2,303)	—
Proceeds from capital raise — August Warrant Inducement	—	1,695
Gross proceeds from BEPO Offering	—	12,000
Payments for issuance cost related to the BEPO Offering	—	(1,300)
Issuance of common stock upon exercise of stock options	—	315
Net cash provided by financing activities	67,833	1,460
Effect of exchange rate on cash and cash equivalents	5	(4)
Net change in cash and cash equivalents	37,796	(23,454)
Cash and cash equivalents and restricted cash at beginning of period	1,840	25,294
Cash and cash equivalents and restricted cash at end of period	\$ 39,636	\$ 1,840

Supplemental disclosure of cash flow information		
Cash paid for interest	1,125	1,183
Cash paid for income taxes for foreign subsidiary	117	—
Supplemental disclosure of non-cash information		
Unpaid liabilities related to property and equipment, net	742	3,123
Equipment subject to operating lease, net returned to inventories, net	653	2,235
Warrant cancellation upon issuance of common stock	3,198	—
Operating lease right-of-use assets recorded in exchange for lease obligation	864	—
Transfer of property and equipment, net to inventories, net	1,555	—
Unpaid purchase of inventories, net	6,316	3,485

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the consolidated balance sheets to the total of such amounts shown on the consolidated statements of cash flows:

	December 31,	
	2025	2024
	(In thousands)	
Cash and cash equivalents	\$ 39,013	\$ 1,212
Restricted cash (Other assets)	623	628
Total cash and cash equivalents, and restricted cash	<u>\$ 39,636</u>	<u>\$ 1,840</u>

The accompanying notes are an integral part of these consolidated financial statements.

Velo3D, Inc.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
For the Years Ended December 31, 2025 and 2024
(In thousands, except share amounts)

	<u>Common Stock</u>		<u>Additional</u>	<u>Accumulated</u>	<u>Accumulated</u>	<u>Total</u>
	<u>Shares</u>	<u>Amount</u>	<u>Paid-In</u>	<u>Other</u>	<u>Deficit</u>	<u>Stockholders'</u>
			<u>Capital</u>	<u>Comprehensive</u>		<u>Equity</u>
				<u>Loss</u>		
Balance as of December 31, 2023	492,223	\$ 2	\$ 425,471	\$ (96)	\$ (357,037)	\$ 68,340
Issuance of common stock upon exercise of stock options	3,390	—	315	—	—	315
Stock-based compensation	32,156	—	11,810	—	—	11,810
Issuance of common stock and warrants in connection with capital raise, net of issuance costs	114,830	—	4,239	—	—	4,239
Issuance of common stock in connection with debt extinguishment	12,343,423	2	24,606	—	—	24,608
Reclassifications and adjustments due to rounding impact from reverse stock split for fractional shares	7,940	—	—	—	—	—
Net loss	—	—	—	—	(69,744)	(69,744)
Other comprehensive income	—	—	—	96	—	96
Balance as of December 31, 2024	12,993,962	4	\$ 466,441	\$ -	\$ (426,781)	\$ 39,664
Issuance of common stock upon vesting of RSUs	254,543	—	—	—	—	—
Stock-based compensation	—	—	9,509	—	—	9,509
Issuance of common stock and warrants in connection with August 2025 Offering, net	6,708,333	1	17,822	—	—	17,823
Issuance of common stock and warrants in connection with December 2025 PIPE Financing, net of issuance costs	3,636,363	—	27,967	—	—	27,967
Issuance of common stock in connection with warrant cancellation	990,159	—	14,555	—	—	14,555
Reclassifications and adjustments due to rounding impact from reverse stock split for fractional shares	24,270	—	—	—	—	—
Net loss	—	—	—	—	(71,362)	(71,362)
Balance as of December 31, 2025	24,607,630	5	\$ 536,294	\$ —	\$ (498,143)	\$ 38,156

The accompanying notes are an integral part of these consolidated financial statements.

Velo3D, Inc.
Notes to Consolidated Financial Statements

Note 1. Description of Business and Basis of Presentation

Velo3D, Inc., a Delaware corporation (“*Velo3D*”), formerly known as JAWS Spitfire Acquisition Corporation (“*JAWS Spitfire*”), produces metal additive three dimensional printers (“*3D Printers*”) which enable the production of components for space rockets, jet engines, fuel delivery systems and other high value metal parts, which it sells or leases to customers for use in their businesses. The Company also provides support services (“*Support Services*”) for an incremental fee.

Velo3D’s subsidiaries are Velo3D US, Inc., (formerly known as Velo3D, Inc. (“*Legacy Velo3D*”), founded in June 2014 as a Delaware corporation headquartered in Campbell, California), Velo3D, B.V. (a sales and marketing office located in the Netherlands) and Velo3D, GmbH, (a sales and marketing office located in Germany). The first commercially developed 3D Printer was delivered in the fourth quarter of 2018.

On September 29, 2021 (the “*Closing Date*” or the “*Reverse Recapitalization Date*”), JAWS Spitfire completed the previously announced merger with Legacy Velo3D, with Legacy Velo3D surviving as a wholly-owned subsidiary of JAWS Spitfire (the “*Merger*” or the “*Reverse Recapitalization*”). In connection with the Merger, JAWS Spitfire was renamed “Velo3D, Inc.”, and Legacy Velo3D was renamed “Velo3D US, Inc.”

The shares and net loss per share attributable to common stockholders, basic and diluted, prior to the Merger, have been retroactively restated as shares reflecting the exchange ratio (the “*Exchange Ratio*”) established in the Merger (0.8149 shares of Velo3D common stock for 1 share of Legacy Velo3D common stock, par value \$0.00001 (the “*common stock*”) before the 1-for-35 reverse stock split in 2024 and the 1-for-15 reverse stock split in 2025. All fractional shares were rounded.

Unless otherwise stated herein or unless the context otherwise requires, references in these notes to the “Company” refer to (i) Legacy Velo3D prior to the consummation of the Merger; and (ii) Velo3D and its consolidated subsidiaries following the consummation of the Merger.

Basis of Presentation

The consolidated financial statements include the accounts of the Company and its subsidiaries and have been prepared in accordance with accounting principles generally accepted in the United States of America (“*U.S. GAAP*”) and the requirements of the U.S. Securities and Exchange Commission (the “*SEC*”). Intercompany balances and transactions have been eliminated in consolidation. These consolidated financial statements, in the opinion of management, reflect all adjustments, consisting only of normal recurring adjustments, which are necessary for the fair statement of the Company’s consolidated financial information.

On June 10, 2024, the stockholders of the Company approved an amendment to the Company’s Certificate of Incorporation to effect a reverse stock split of the issued and outstanding shares of the Company’s common stock, par value \$0.00001 per share, at a ratio ranging from 1-for-5 to 1-for-50, with the exact ratio to be set within that range by the Company’s board of directors (the “*Board*”). On June 10, 2024, the Board approved the reverse stock split at a ratio of 1-for-35 (the “*2024 Reverse Stock Split*”). On June 12, 2024, the Company filed a Certificate of Amendment to the Company’s Certificate of Incorporation with the Secretary of State of the State of Delaware to effect the 2024 Reverse Stock Split, effective as of June 13, 2024.

As a result of the 2024 Reverse Stock Split, every 35 shares of the Company’s common stock were automatically reclassified and converted into one issued and outstanding share of common stock. No fractional shares were issued in connection with the Reverse Stock Split. Any fractional shares resulting from the 2024 Reverse Stock Split were rounded up to the nearest whole share and these rounding adjustments had no material impact on the total stockholders’ equity or earnings per share. The par value of the Company’s common stock was not adjusted as a result of the 2024 Reverse Stock Split. All of the Company’s share numbers, per share amounts, and related stockholders’ equity (deficit) balances presented herein have been retroactively adjusted to reflect the 2024 Reverse Stock Split. In addition, the exercise prices, conversion rates and other terms of the Company’s securities that adjusted pursuant to their terms as a result of the 2024 Reverse Stock Split have been presented after giving effect to such adjustments.

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On June 27, 2025, the stockholders of the Company, approved an amendment to the Company's Certificate of Incorporation, as amended, to effect a reverse stock split of the issued and outstanding shares of the Company's common stock, par value \$0.00001 per share, at a ratio ranging from 1-for-5 and 1-for-50, with the exact ratio to be set within that range by the Company's Board. On July 18, 2025, the Board approved the reverse stock split at a ratio of 1-for-15 (the "2025 Reverse Stock Split"). On July 25, 2025, the Company filed a Certificate of Amendment to the Company's Certificate of Incorporation, as amended with the Secretary of State of the State of Delaware to effect the 2025 Reverse Stock Split, effective as of July 28, 2025.

As a result of the 2025 Reverse Stock Split, every 15 shares of the Company's common stock were automatically reclassified and converted into one issued and outstanding share of common stock. No fractional shares were issued in connection with the 2025 Reverse Stock Split. Any fractional shares resulting from the 2025 Reverse Stock Split were rounded up to the nearest whole share and these rounding adjustments had no material impact on the total stockholders' equity or earnings per share. The par value of the Company's common stock was not adjusted as a result of the 2025 Reverse Stock Split nor did it change the total number of the Company's authorized shares of common stock. All of the Company's share numbers, per share amounts, and related stockholders' equity (deficit) balances presented herein have been retroactively adjusted to reflect the 2025 Reverse Stock Split. In addition, the exercise prices, conversion rates and other terms of the Company's securities that adjusted pursuant to their terms as a result of the 2025 Reverse Stock Split have been presented after giving effect to such adjustments.

Delisting from the New York Stock Exchange ("NYSE"), Trading on Over-the Counter ("OTC") and Listing on Nasdaq Capital Market ("Nasdaq")

On September 10, 2024 the Company received written notice from the NYSE that the NYSE had determined to commence proceedings to delist the Company's common stock and publicly traded warrants and that trading in such securities would be suspended immediately. On September 11, 2024, the Company commenced the trading of its common stock and warrants on the OTCQX Best Market. On August 19, 2025, the Company commenced trading of its common stock on the Nasdaq Capital Market under the ticker symbol "VELO".

Going Concern, Financial Condition and Liquidity and Capital Resources

The consolidated financial statements have been prepared on the basis of continuity of operations, the realization of assets and satisfaction of liabilities in the ordinary course of business. The Company has incurred losses from operations and negative cash flows from operations in every year since inception and expects this to continue for the foreseeable future. As of December 31, 2025, the Company had an accumulated deficit of \$498.1 million and cash and cash equivalents on hand of approximately \$39.0 million.

Management believes that substantial doubt exists about the Company's ability to continue as a going concern. As of the date of the issuance of these consolidated financial statements, the Company does not have sufficient liquidity to meet its operating needs and satisfy its obligations for at least 12 months from the date of issuance of the consolidated financial statements.

The Company will need to engage in additional financings to fund its operations and satisfy its obligations in the near-term. The Company is in discussions with multiple financing sources to attempt to secure additional financing. There are no assurances that the Company will be able to obtain financing on acceptable terms, or at all, to provide the necessary interim funding to continue its operations and satisfy its obligations for at least 12 months from the date of issuance of these consolidated financial statements.

On April 1, 2024, the Company entered into a second note amendment (the "Second Note Amendment") to its Secured Notes with High Trail Investments ON LLC and HB SPV I Master Sub LLC, ("the Note Holders"). Pursuant to the Second Note Amendment, the Company agreed to make and made a cash payment of \$5.0 million on April 1, 2024, to redeem approximately \$4.2 million of aggregate principal amount of the Secured Notes, together with accrued and unpaid interest, and a cash payment of \$5.5 million on April 15, 2024, to repay approximately \$4.6 million of principal of the Secured Notes, together with accrued and unpaid interest. In connection with the Second Note Amendment, the Company issued to the Note Holders warrants to purchase 41,808 shares of the Company's common stock that became exercisable 45 days after the original issuance date at an exercise price of \$239.22 per

Velo3D, Inc.
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share. The Note Holders may exercise the Warrants by paying the exercise in cash or by reducing the outstanding principal amount under the Secured Notes by an amount equal to the quotient of (A) the amount of the exercise price divided by (B) 1.20.

On April 10, 2024, the Company sold (such sale and issuance, the “BEPO Offering”) an aggregate of: (i) 65,307 shares of common stock and (ii) immediately exercisable warrants to purchase up to 65,307 shares of common stock at \$183.75 per share. The offering price per share of common stock and accompanying warrant was \$183.75 and resulted in gross proceeds to the Company of approximately \$12 million. The Company used the net proceeds from the BEPO Offering primarily for funding working capital and capital expenditures and other general corporate purposes, including repayment of portions of the Company’s Secured Notes.

On July 1, 2024, we entered into a third note amendment to the Secured Notes with the Note Holders (the “Third Note Amendment”). Pursuant to the Third Note Amendment, the Company and the Note Holders agreed to defer the July 1, 2024 partial redemption payment of \$10.5 million (the “July Redemption Payment”) over a period of ten equal monthly payments commencing August 1, 2024. During August and September 2024, we received extensions from the Note Holders for the July Redemption Payment through October 4, 2024.

On December 9, 2024, Arrayed Notes Acquisition Corp. (“Arrayed”), a subsidiary of Arrayed Additive, Inc. purchased the Senior Secured Notes due 2026 from the Note Holders. Furthermore, on December 9, 2024, the Company and the Note Holders entered into a forbearance agreement where the Note Holders forbore from taking any enforcement action as a result of the occurrence and/or continuation of any specified events of default.

The Company's strategic business review process to explore alternatives to maximize stockholder value, began in December 2023 and was concluded on December 24, 2024, at the close of the debt for equity exchange transaction.

On December 24, 2024, the Company and Arrayed entered into a debt for equity exchange transaction where the Company issued 12,343,423 shares of the Company’s common stock, in exchange for the cancellation of \$22.4 million in principal amount of the Company’s Secured Notes plus \$0.4 million of accrued interest on the Notes. Arrayed continues to hold \$5.0 million in principal amount of the Notes, and became the owner of approximately 95% of the Company’s issued and outstanding common stock as of such date.

On January 7, 2025, the Company issued a Senior Secured Convertible Promissory Note in the principal amount of \$5,000,000 (the “January Note”) to Thieneman Properties, LLC, an Indiana limited liability company. The January Note bore interest at a rate of 60.0% per annum and was initially payable in full on April 7, 2025 in the amount of \$5,750,000 and if not paid on or prior to such date, would continue to accrue interest at the same rate until paid.

On February 10, 2025, the Company issued a Senior Secured Convertible Promissory Note in the principal amount of \$10,000,000 (the “February Note”) to Thieneman Construction, Inc, an Indiana corporation, to be funded in two tranches of \$5,000,000. The February Note bore interest at a rate of 30.0% per annum, was payable in full on the date that is six months from the date each such tranche was funded, in the amount of \$5,750,000 and if not paid on or prior to such date, would continue to accrue interest at the same rate until paid. The first tranche (“February Note 1st tranche”) and second tranche (“February Note 2nd tranche”) were received by the Company on February 10, 2025 and March 20, 2025, which became due on August 10, 2025 and September 20, 2025, respectively. The outstanding principal amount of the February Note was convertible, upon the occurrence of the Company’s successful listing of shares of its common stock on a national securities exchange or the occurrence and during the continuation of an event of default, into shares of the Company's common stock at a fixed conversion price of \$15.00 per share. The January Note and February Note are referred to herein collectively as the (“Secured Convertible Notes”).

On August 14, 2025, the Company amended the January Note (the “January Note Amendment”), which amended certain provisions of the January Note, including: an extension of the maturity date under the January Note to February 14, 2027; a reduction of the interest rate under the January Note to 12%; and an adjustment of the fixed conversion price to \$16.38 per share. On August 14, 2025, the Company also amended the February Note (the “February Note Amendment”) which, amended certain provisions of the

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February Note, including: an extension of the maturity dates for each tranche under the February Note to February 14, 2027; a reduction of the interest rate under the February Note to 12%; and an adjustment of the fixed conversion price to \$10.50 per share. The Company has evaluated that the note amendments are both treated as a debt modification under ASC Topic 470, Debt.

On August 19, 2025, the Company entered into an underwriting agreement (the “Underwriting Agreement”) with Lake Street Capital Markets, LLC, as representative of the several underwriters named therein (the “Representative”), relating to the public offering of 5,833,333 shares (the “Shares”) of the Company’s common stock, par value \$0.00001 per share, at a purchase price per share of \$3.00 (the “Offering Price”). Pursuant to the Underwriting Agreement, the Company also granted the Representative a 30-day option to purchase up to an additional 875,000 shares of common stock at the Offering Price, less any underwriting discounts and commissions, which was exercised in full.

The offering closed on August 20, 2025 (the “August 2025 Offering”). Gross proceeds of \$20.1 million was received from the August 2025 Offering of 5,833,333 shares of the Company's common stock (\$17.5 million) and the exercise of the Representative's option to purchase 875,000 shares of common stock. Net proceeds from the offering were approximately \$17.8 million after deducting \$2.3 million in the underwriting discounts and commissions, and other offering expenses payable by the Company for legal and audit services. The Company intends to use the net proceeds of this offering for working capital, capital expenditures and general corporate purposes.

On December 8, 2025, the Company and Varilease Finance, Inc. (“Varilease”) entered into a Sale Leaseback Agreement (the “Sale Leaseback Agreement”) pursuant to which the Company agreed to sell to Varilease, and subject to the conditions set forth therein, Varilease agreed to purchase from the Company, assorted Velo3D Sapphire and Sapphire XC metal 3D printers and post processing tools and equipment owned and used by the Company (the “Equipment”). Although the arrangement is legally structured as a sale-leaseback, the Company concluded that the transaction does not qualify as a sale under ASC 606, *Revenue from Contracts with Customers*, because control of the equipment did not transfer. Accordingly, under ASC 842-40, *Leases*, the arrangement is accounted for as a secured financing. The underlying equipment remains recorded within Property, Plant, and Equipment, and the proceeds received are recognized as a financing liability. The aggregate purchase price for the Equipment to be received by the Company is \$10 million and reported as debt. Payments made under the agreement are allocated between interest expense and a reduction of the financing obligation over the term of the agreement based on the effective interest method. For more information see *Note 9, Long-Term Debt*, in the notes to the consolidated financial statements.

On December 22, 2025, the Company entered into a securities purchase agreement (the “Purchase Agreement”) with certain institutional accredited investors (the “Purchasers”), for the issuance and sale in a private placement of an aggregate of 3,636,363 shares of the Company’s common stock, par value \$0.00001 per share, at a purchase price of \$8.25 per share. The foregoing transaction is referred to herein as the “Private Placement.” On December 23, 2025, the parties consummated the Private Placement. The aggregate gross proceeds to the Company from the Private Placement was approximately \$30 million, before deducting placement agent fees and other offering expenses. The Company intends to use the net proceeds of this offering for working capital, capital expenditures and general corporate purposes.

Immediately prior to the further amendment to the January Note described below, Thieneman Properties, LLC transferred the January Note to Arrayed, pursuant to a Convertible Promissory Note Transfer Agreement between Thieneman Properties, LLC (as transferor) and Arrayed (as transferee).

On March 4, 2026, the Company and Arrayed entered into a further amendment to the January Note, which amended certain provisions of the January Note to, among other things, provide that, at any time and from time to time, Arrayed (as holder) has the right, at its option, to convert all or any portion of the outstanding principal amount of the January Note, together with accrued and unpaid interest thereon, into shares of the Company’s common stock.

On March 4, 2026, the Company and Thieneman Construction, Inc. entered into a further amendment to the February Note, which amended certain provisions of the February Note to, among other things, provide that, subject to the existing terms of the February

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Note, accrued and unpaid interest thereon, in addition to the outstanding principal amount, may be convertible into common stock at the holder's option.

On March 4, 2026, the Company issued 394,517 shares of common stock to Arrayed upon conversion of the January Note, in the principal amount of \$5,000,000, together with accrued and unpaid interest thereon, at a conversion price of \$16.38 per share, a premium to the Company's share price on March 4, 2026. As of such date, the January Note (including principal and interest) was fully converted into shares of common stock of the Company.

On March 4, 2026, the Company issued 1,145,830 shares of common stock to Thieneman Construction, Inc. upon conversion of the February Note, in the principal amount of \$10,000,000, together with accrued and unpaid interest thereon, at a conversion price of \$10.50 per share. As of such date, the February Note (including principal and interest) was fully converted into shares of common stock of the Company.

On March 18, 2026, the Company repaid the Secured Note due 2026 in full of \$3.2 million for principal and accrued interest. All obligations of the Company under the Secured Notes, have been fully and finally paid, discharged, and satisfied.

Note 2. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of the consolidated financial statements are set forth below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Use of Estimates

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions about future events. These estimates and the underlying assumptions affect the amounts of assets and liabilities reported, disclosures about contingent assets and liabilities, and reported amounts of revenue and expenses. Actual results and outcomes could differ significantly from the Company's estimates, judgments, and assumptions. Significant estimates include determining useful lives of long-lived assets, the determination of the incremental borrowing rate used for operating lease liabilities, standalone selling price for performance obligations in contracts with customers, variable consideration for sale and utilization fee contracts with customers, the valuation of common stock warrants, the fair value of stock-based compensation and other assumptions used to measure stock-based compensation, the fair value of contingent earnout liabilities, inventory reserves, allowance for credit losses, and the valuation of deferred income tax assets and uncertain tax positions.

These estimates and assumptions are based on management's best estimates and judgment. Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors, including the current economic environment, which management believes to be reasonable under the circumstances. The Company adjusts such estimates and assumptions when facts and circumstances dictate. Changes in these estimates resulting from continuing changes in the economic environment will be reflected in the consolidated financial statements in future periods. As future events and their effects cannot be determined with precision, actual results could materially differ from these estimates and assumptions.

Concentration of Credit Risk and Other Risks and Uncertainties

The Company's financial instruments that potentially expose the Company to concentration of credit risk consist mainly of cash and cash equivalents, short-term investments, and accounts receivable, net. The Company maintains its cash and cash equivalents in domestic cash accounts with large, creditworthy financial institutions and maintains its short-term investments with fixed income instruments denominated in U.S. dollars and at minimum A- credit rating. The Company has not experienced any losses on its deposits of cash and cash equivalents through deposits with federally insured commercial banks and at times cash balances may be in excess of federal insurance limits.

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See Note 15, *Revenue*, for customer concentration of revenue and accounts receivable.

The Company relies on several key suppliers for products and services. While alternative providers have and could be identified, the Company is subject to supply and pricing risks.

Fair Value Measurements

The Company has applied the framework for measuring fair value which requires a fair value hierarchy to be applied to all fair value measurements. Assets and liabilities measured at fair value are classified into one of three levels in the fair value hierarchy based on the inputs used to measure fair value as follows:

Level 1 — Quoted prices observed in active markets for identical assets or liabilities;

Level 2 — Inputs other than quoted prices in active markets that are observable for the asset or liability, either directly or indirectly; and

Level 3 — Significant unobservable market inputs for the asset or liability.

The carrying amounts of cash equivalents, accounts receivable, accounts payable, and accrued expenses approximate fair value due to their short-term maturities. The debt with variable interest at market rates and debt with fixed rates are carried at amortized cost, which approximates its fair value and was classified as Level 2. See Note 9, *Long-Term Debt* for further information.

Cash and Cash Equivalents and Restricted Cash

All highly liquid investments with an original maturity of three months or less, when purchased, are classified as cash equivalents. Cash equivalents may be invested in money market funds and are carried at cost, which approximates their fair value.

In June 2021, in conjunction with the new 80,000+ square foot manufacturing facility, the Company issued a one-year letter of credit for \$0.8 million to the landlord to secure the agreement, which automatically renews for another annual period, through the life of the lease. In October 2024, the letter of credit was reduced to \$0.6 million. The Company has restricted cash recorded in other assets to secure the letter of credit and the agreement will allow for reductions to the letter of credit limit based on the Company's revenue achievements.

Revenue Recognition

Revenue subject to ASC 606 consists of 3D Printer and parts sales and Support Services (recognition of Recurring Payment consisting of payments from lessees of the Company's equipment discussed below). The Company determines revenue recognition through the following five- step model for recognizing revenue: (1) identification of the contract with a customer; (2) identification of the performance obligations in the contract; (3) determination of the transaction price; (4) allocation of the transaction price to the performance obligations in the contract; and (5) recognition of revenue when, or as, the Company satisfies its performance obligation.

A typical contract with customers for the 3D Printer and bundled software includes the Support Services. The Company provides one price for all deliverables including the 3D Printer and bundled software, and for the Support Services. Typically, the Company has one distinct obligation to transfer the 3D Printers and bundled software, and another distinct obligation to provide the Support Services.

The transaction price is allocated to the separate performance obligations on a relative standalone selling price ("SSP") basis. The Company determines SSP based on observable standalone selling price when it is available, as well as other factors, including the price charged to its customers, its discounting practices, and its overall pricing objectives including risk adjusted gross profit margin for products and services, while maximizing observable inputs. In situations where pricing is highly variable, or a product is never

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sold on a stand-alone basis, the Company estimates the SSP using the residual approach. Significant judgment is used to identify and account for each of the two performance obligations.

3D printer financial statement line item changed to "3D printer and parts"

3D printer Revenue and 3D printer Cost of revenue have historically included systems and printed parts, and consumables. The name change from Revenue - 3D printer to "3D printer and parts" and Cost of revenue - 3D printer to "3D printer and parts" clarifies where the Rapid Production Solutions printed parts revenue and cost of revenue are presented.

3D Printer and Parts Sales

The Company bills its customers beginning at the time of acceptance of the purchase order (which represents a deposit), with the second billing at the time of shipment and final billing upon site acceptance test completion. The timeframe from order to completion of the site acceptance test occurs typically over three to six months. Revenue for the 3D Printer and parts is recognized at a point-in time, which occurs upon transfer of control to the customer at shipment. Site installation, testing and customer training are incidental to customer acceptance with the portion of the transaction price allocated to these services being deferred as part of Support Services and recognized over the period the services are provided.

Rapid Production Solutions - RPS utilizes our deep engineering expertise, cutting-edge technology and a fleet of Sapphire XC large-format metal 3D printers to manufacture custom metal components in order to accelerate the path to production for our customers. RPS revenue is included under 3D Printer and parts revenue and occurs upon transfer of control to the customer at shipment.

The Company has elected not to recognize shipping to customers as a separate performance obligation. Revenue from shipping billed to customers for the years ended December 31, 2025 and 2024 was not material.

Recurring Payment (operating lease revenue from lessors)

The Company enters into operating leases ("*Recurring Payment*") for customers who do not purchase the 3D Printers ("*equipment*"). The contracts explicitly specify the equipment which is a production system with defined components and services including the printer itself, services, and accessories. The asset is physically distinct, the supplier does not have substitution rights, and the customer holds the right to direct the use of and obtain substantially all of the economic benefits from the use of the identified asset. The initial lease terms are for 12 months and the Company has considered the possibility of renewals when determining the length of the contract and the expectation is that customers will not exercise any renewal or purchase options at the end of the lease. The Company has evaluated our customer history on renewals, returns and purchase options and have determined the operating lease period of 12 months is appropriate and will continue to monitor our customer expectations. The arrangements provide for a base rent and usually provide for variable payments based on usage in excess of a defined threshold. Support Services are included during the lease term.

Equipment under lease contracts is reclassified from inventory at its basis and depreciated over ten years to a salvage value. Income from the lessee is recorded as revenue using the straight-line method over the term of the lease. Support services are a non-lease component. The practical expedient has been elected to include rents and this non-lease component as one revenue stream recognized over the lease term on a straight-line basis. Costs associated with this component are classified as cost of revenue and recognized as incurred.

The Recurring Payment transactions, which are structured as operating leases, were 0.2% and 2.6% of revenue for the years ended December 31, 2025 and 2024, respectively. Under this model, the customer typically pays a base rent and variable payments based on usage in excess of a defined threshold. Most of our leases have a 12-month term, though in certain cases the lease term is longer.

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Costs for warranties for parts and services for equipment under lease are accrued separately at lease commencement and amortized to cost of revenue over the lease term to the extent the costs are probable and can be reasonably estimated since the related revenue is being recognized over the lease term. Warranty accruals were not material as of December 31, 2025 and 2024, respectively.

Equipment leased to customers are considered long-lived assets and are tested for impairment as described below under the heading “*Impairment of Long-lived Assets.*”

Support Services

Support Services are field service engineering, phone and email support, preventative maintenance, and limited on and off-site consulting support. A subsequent Extended Support Agreement is available for renewal after the initial period based on the then fair value of the service.

Support Services revenue are recognized evenly over the contract period beginning with customer performance test acceptance.

Other Revenue

Other Revenue is recognized for licensing agreements, installation and training and other services provided to customers independent of the 3D Printer and parts sales or Support Services contracts. Such revenue is recognized upon transfer of control to the customer. Revenue from licensing agreements, installation and training and other services was \$0.5 million and \$5.0 million for the years ended December 31, 2025 and 2024, respectively.

Contracts Assets and Contract Liabilities

Contract assets consist of unbilled receivables and are recorded when revenue is recognized in advance of scheduled billings to the Company’s customers. A contract asset is recognized when products or services are transferred to a customer and the right to consideration is conditional on something other than the passage of time. Contract liabilities include amounts billed or collected which is related to remaining performance obligations. Revenue allocated to remaining performance obligations represents the transaction price allocated to the performance obligations that are unsatisfied, or partially unsatisfied. It includes unearned revenue and amounts that will be invoiced and recognized as revenue in future periods

Cost of Revenue

Cost of 3D Printer and parts includes the manufacturing cost of the components and subassemblies purchased from vendors for the assembly, as well as raw materials, powder, and assemblies, shipping costs, printed parts costs, and other directly associated costs. Cost of 3D Printer and parts also includes allocated overhead costs from headcount related costs, such as salaries and stock-based compensation, depreciation of manufacturing related equipment and facilities, and information technology costs.

Cost of Recurring Payment includes depreciation of the equipment on lease over the useful life of three to ten years less the residual value, and an allocated portion of Cost of Support Services.

Cost of Support Services includes the cost of spare or replacement parts for preventive maintenance, installation costs, allocated headcount related costs, such as salaries, stock-based compensation, depreciation of manufacturing related equipment and facilities, and information technology costs. The headcount related costs are directly associated with the engineers dedicated to remote and on-site support, training, travel costs, and other services costs.

Accounts Receivable, Net

Accounts receivable are recorded at the invoiced amount, net of allowance for credit losses and are non-interest bearing. The Company performs ongoing credit evaluations of its customers and maintains an allowance for credit losses to ensure trade receivables

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are not overstated due to uncollectability. Allowances are provided for individual accounts receivable when the Company becomes aware of a customer's inability to meet its financial obligations, such as in the case of bankruptcy, deterioration in the customer's operating results, or change in financial position.

Inventories, Net

Inventories are stated at the lower of cost or net realizable value. Cost is computed using the weighted-average cost method. Inventory levels are analyzed periodically and written down to their net realizable value if they have become obsolete, have a cost basis in excess of expected net realizable value or are in excess of expected demand.

The Company analyzes current and future product demand relative to the remaining product life to identify potential excess inventories. The write-down is measured as the difference between the cost of the inventories and net realizable value and charged to inventory reserves, which is a component of cost of revenue. At the point of the loss recognition, a new, lower cost basis for those inventories is established, and subsequent changes in facts and circumstances do not result in the restoration or increase in that newly established cost basis.

Property and Equipment, Net and Equipment Subject to Operating Lease, Net

Property and equipment and equipment subject to operating lease are stated at cost, less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets, as follows:

	Estimated useful life
Equipment subject to operating lease	3-10 years
Computers and software	1-3 years
Lab equipment and other equipment	3-10 years
Furniture and fixtures	3-5 years
Leasehold improvements	Shorter of the remaining lease term or useful life of 10 years

Expenditures for major renewals and improvements that increase functionality of the asset are capitalized and depreciated ratably over the identified useful life. Expenditures for non-major repairs and maintenance are charged to expense as incurred.

The Company capitalizes qualifying internal-use software development costs incurred during the application development stage for internal tools and cloud-based applications used to deliver its services, provided that management with the relevant authority authorizes and commits to the funding of the project, it is probable the project will be completed, and the software will be used to perform the function intended. Costs related to preliminary project activities and post implementation activities are expensed as incurred. Costs incurred for enhancements that are expected to result in additional material functionality are capitalized. As of December 31, 2025 and 2024, capitalized costs were not material.

Equipment Subject to Operating Lease

We have updated certain naming conventions within our consolidated financial statement descriptions to better reflect the nature of our leases. The line item previously labeled "Equipment on lease, net" has been renamed to "Equipment subject to operating lease, net". Additionally, the related note disclosure has been revised to separately present (i) "Equipment on Lease", and (ii) "Equipment available on lease". These changes are intended to improve clarity and more accurately represent the composition and status of our equipment subject to operating lease.

For more information, see *Note 7, Equipment Subject to Operating Lease, Net*, in the notes of the consolidated financial statements included elsewhere in this Annual Report.

Velo3D, Inc.
Notes to Consolidated Financial Statements

Our 3D Printers subject to operating leases are classified using the following criteria:

	Equipment on Lease	Equipment Available for Lease
Revenue generation –under contract or not under contract but held for potential redeployment to existing or new customers	Yes (lease income active)	No (not on active lease)
Physical location – remains in a condition, location, and business context rendering it suitable for future lease arrangements	At customer site	At customer site, idle, or warehouse
Intended use – for third party customers and not for internal usage	On Lease	Available for Lease
Depreciation – the lesser of the useful life of the equipment or the contract period and annually tested for impairment	Yes, per original schedule	Yes, may accelerate if impaired

If the 3D Printers does not meet the above criteria, the equipment is classified under property and equipment, net.

Investments

The Company's available-for-sale ("AFS") investments primarily consist of U.S. Treasury securities and corporate debt and are reported at fair value on the balance sheet. Unrealized gains and losses on these investments are included as a separate component of accumulated other comprehensive loss, net of tax. These available-for-sale investments are primarily held in the custody of a major financial institution. A specific identification method is used to determine the adjusted cost basis of AFS investments sold. The Company's AFS investments are classified as current based on the intent of management, the nature of the investments and their availability for use in current operations.

Impairment of Long-Lived Assets

The Company reviews its long-lived assets, consisting of property and equipment, equipment subject to operating lease, net, and right-of-use assets, for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Factors considered important that could trigger an impairment review include a significant underperformance relative to expected historical or projected future operating results, or a significant change in the manner of the use of the assets. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset (or asset group) to estimated undiscounted future cash flows expected to be generated by the asset (or asset group). If the estimated undiscounted future cash flows generated by these assets were less than the carrying amounts, an impairment charge is recognized.

Management evaluates its long-lived assets, on an annual basis or whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable in accordance with Accounting Standards Codification ("ASC"), ASC Topic 360, Property, Plant and Equipment.

Deferred Transaction Costs

The Company capitalizes certain legal, accounting, and other third-party fees that are directly related to a planned equity financing that is probable of successful completion until such financing is consummated. After consummation of an equity financing, these costs are recorded as a reduction of the proceeds received as a result of the financing. Should a planned equity financing be abandoned, terminated or significantly delayed, the deferred transaction costs are immediately written off to operating expenses.

Information by Segment and Geography

The Company manages its operations and allocates resources as a single operating segment. Further, the Company manages, monitors, and reports its financial results as a single reportable segment. The Company's chief operating decision-maker ("CODM") is

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its Chief Executive Officer, who reviews financial information presented on an entity wide basis for purposes of making operating decisions, assessing financial performance, and allocating resources.

Specifically, our CODM uses consolidated net income to measure performance, allocate resources of the Company as a whole, including investing in future development efforts, customer retention and acquisition, and assessing performance. Further, the CODM reviews and utilizes functional expenses (cost of revenues, sales and marketing, research and development, and general and administrative) at the consolidated level to manage the Company's operations. Other segment items included in consolidated net income are interest income, other expense, net and the provision for (benefit from) income taxes, which are reflected in the consolidated statements of comprehensive income (loss).

Assets Under Lease Agreements (as Lessee)

The carrying value of right of use ("ROU") assets and lease liabilities are based on the present value of future minimum lease payments for leases with original terms in excess of one year. The sum of future minimum lease payments, as adjusted for any initial direct costs, are recognized over the lease term on the straight-line method.

The rate implicit in the lease is not readily determinable in most of the Company's leases, and therefore the Company uses its incremental borrowing rate as the discount rate when measuring operating lease liabilities. The incremental borrowing rate represents an estimate of the interest rate the Company would incur at lease commencement to borrow an amount equal to the lease payments on a collateralized basis over the term of the lease.

The Company has operating leases for office space, warehouse, research and development facilities, and manufacturing facilities. The carrying value of right of use ("ROU") assets and lease liabilities are based on the present value of future minimum lease payments, as adjusted for any initial direct costs, and are recognized over the lease term on the straight-line method. The Company has elected the short-term lease exemption for all leases with a term of 12 months or less. The Company elected the practical expedient to capitalize the total lease payment rather than separate lease and non-lease components and only capitalize the lease component.

Common Stock Warrants

The Company classifies the Common Stock Warrants as liabilities in accordance with ASC Topic 815 "Derivatives and Hedging—Contracts in Entity's Own Equity". As the Common Stock Warrants meet the definition of a derivative, the Company recorded these warrants within Warrant liabilities on the consolidated balance sheet at fair value, with subsequent changes in their respective fair values recognized in the consolidated statements of operations and comprehensive loss at each reporting date.

Contingent Earnout Liability

In connection with the Reverse Recapitalization and pursuant to the Business Combination Agreement, eligible former Legacy Velo3D equity holders are entitled to receive additional shares of common stock upon the Company achieving certain Earnout Triggering Events (as described in the Business Combination Agreement) (the "Earnout Shares"). The Earnout Shares are not indexed to the Common Stock and therefore are accounted for as a liability at the Reverse Recapitalization Date and subsequently remeasured at each reporting date with changes in fair value recorded as a component of gain on fair value of contingent earnout liabilities in the consolidated statements of operations and comprehensive loss. The estimated fair value of the contingent earnout liability was determined using a Monte Carlo simulation using a distribution of potential outcomes on a monthly basis over the Earnout Period (as defined in Note 10, *Equity Instruments*) prioritizing the most reliable information available. The assumptions utilized in the calculation are based on the achievement of certain stock price milestones, including the current Company Common Stock price, expected volatility, risk free rate, expected term and dividend rate. The contingent earnout liability is categorized as a Level 3 fair value measurement (see "Fair Value Measurements" as described above) because the Company estimates projections during the Earnout Period utilizing unobservable inputs. Contingent earnout liabilities involve certain assumptions requiring significant judgment and actual results may differ from assumed and estimated amounts.

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Stock-based Compensation

Stock-based compensation cost for awards is measured as of the grant date based on its fair value, and the amount is expensed ratably over the service period which is typically the vesting period. We have elected to account for forfeitures when they occur, and any compensation expense previously recognized on unvested shares will be reversed.

We estimate the fair value of stock option awards subject to only a service condition on the date of grant using the Black-Scholes valuation model. The Black-Scholes model requires the use of highly subjective and complex assumptions, including the option's expected term, price volatility of the underlying stock, risk-free interest rate, and the expected dividend yield of the underlying common stock, as well as an estimate of the fair value of the common stock underlying the award.

We estimate the fair value of restricted share unit awards using the value of Common Stock on the date of grant.

We estimate the fair value of Earnout Shares awards underlying stock options to employees, which is considered a compensatory award and accounted for under ASC 718, *Stock-Based Compensation*, using the Monte-Carlo simulation model. The Monte-Carlo simulation model was selected as the valuation methodology for the Earnout Shares due to the path-dependent nature of triggering events. Under ASC 718, the award is measured at fair value at the grant date and expense is recognized over the time-based vesting period (the triggering event is a market condition and does not impact expense recognition). The Monte-Carlo model requires the use of highly subjective and complex assumptions, including the current stock price, volatility of the underlying stock, expected term, and the risk-free interest rate.

Application of these approaches involves the use of estimates, judgment, and assumptions that are highly complex and subjective, such as those regarding our risk-free interest rates, the selection of comparable companies, and the probability of possible future events. Changes in any or all of these estimates and assumptions or the relationships between those assumptions impact our valuations as of each valuation date and may have a material impact on the valuation of Common Stock. An increase of 100-basis points in interest rates would not have a material impact on the Company's stock-based compensation.

Operating Expenses

Research and development expenses consist primarily of development materials and supplies, software licenses, depreciation, and salary and related expenses, including stock-based compensation, for personnel related to the development of improvements and expanded features for the Company's products and services, as well as quality assurance, testing, product management, and allocated overhead. Research and development costs are expensed as incurred.

Selling and marketing expenses consist primarily of travel and entertainment expenses, and salary and related expenses, including stock-based compensation, for personnel related to the sales and marketing efforts to expand the Company's brand and market share. Also, selling and marketing expenses includes third-party consulting fees, advertising, and allocated overhead. The Company expenses the cost of advertising, including promotional expenses, as incurred. Advertising expenses for the years ended December 31, 2025 and 2024 were less than \$0.1 million and \$0.1 million, respectively.

General and administrative expenses consist primarily of salaries, occupancy costs including rent and utilities, and depreciation; information technology used in the business; professional services costs including legal, accounting, and consulting, and other.

Income Taxes

The Company uses the asset and liability method in accounting for income taxes. Deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the consolidated financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred income taxes of a change in tax rates is recognized in the period that includes the enactment date. Deferred tax

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expense or benefit is the result of changes in the deferred tax asset and liability. Valuation allowances are established when necessary, to reduce deferred tax assets where it is more-likely-than-not that the deferred tax assets will not be realized. In evaluating the Company's ability to recover deferred tax assets, the Company considers all available positive and negative evidence, including historical operating results, ongoing tax planning, and forecasts of future taxable income on a jurisdiction-by-jurisdiction basis. Based on the level of historical losses, the Company has established a valuation allowance to reduce its net deferred tax assets to the amount that is more-likely-than-not to be realized. The Company has recorded a full valuation allowance against its net deferred tax assets as of December 31, 2025 and 2024.

A tax benefit from an uncertain tax position may be recognized when it is more-likely-than-not that the position will be sustained upon examination by the taxing authorities, including resolutions of any related appeals or litigation processes, based on the technical merits of the position.

Net Income (Loss) per Share

Basic and diluted net income (loss) per share is presented in conformity with the two-class method required for participating securities.

Under the two-class method, basic net income (loss) per share is computed by dividing the net income or loss by the weighted-average number of shares of common stock outstanding during the period. Diluted net income (loss) per share adjusts basic net income (loss) per share for the effect of potentially dilutive securities.

Comprehensive Income (Loss)

Comprehensive income (loss) includes net income (loss) plus all changes in stockholders' equity except those resulting from distributions to stockholders. The Company's unrealized gains and losses on short-term available-for-sale investment securities represent the components of other comprehensive income (loss) that are excluded from the reported net income (loss) and are presented in the consolidated statements of operations and comprehensive income (loss).

Reclassifications of Previously Issued Financial Statements

Certain prior-period amounts in the accompanying consolidated financial statements have been reclassified to conform to the current-period presentation. These reclassifications had no impact on previously reported total net income (loss), total cash flows, or total stockholders' equity.

Revision of Previously Filed Financial Statements

During the fourth quarter of 2025, the Company identified an error in its calculation of stock-based compensation expense related to certain earnout awards for the year ended December 31, 2024, and the nine months ended September 30, 2025. Although the grant-date fair value was determined correctly, the Company failed to properly account for forfeitures resulting from the 2023 and 2024 reductions in force ("RIFs"). Specifically, the Company continued to recognize expense for terminated employees throughout the derived service period. In accordance with ASC 718, Stock-based Compensation, while the derived service period for a market-condition award is not updated for changes in market assumptions, expense recognition should cease upon an employee's termination. The correction of this error resulted in a cumulative overstatement of stock-based compensation expense of \$5.3 million. Of this total, \$3.5 million relates to the year ended December 31, 2024, and \$1.8 million relates to the first nine months of 2025. The adjustments to stock-based compensation expense were allocated to Research and development, Sales and marketing and General and administrative expenses with a corresponding impact to Additional paid in capital and Accumulated deficit, accordingly. This correction also necessitated an adjustment to the year ended December 31, 2024 Income Tax Provision and the associated Deferred Tax Assets. Specifically, the Company recorded a cumulative adjustment to reflect the tax effect of the revised stock-based compensation expense. The Company has determined these amounts are immaterial to the prior periods. However, to improve the consistency and

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comparability of the consolidated financial statements, all amounts impacted during the interim and annual periods during 2025 and 2024 are presented as revised within this Form 10-K.

During the fourth quarter of 2025, the Company identified an error in the depreciation expense recorded for equipment subject to operating leases for the nine months ended September 30, 2025. The error resulted from the cessation of depreciation upon the expiration of certain lease contracts without an appropriate evaluation of the continued depreciation requirements for the underlying assets. As a result of this correction, the Company recorded an additional \$0.08 million in depreciation expense within General and administrative expenses for each of the first three quarters of 2025. The cumulative impact of these revisions reduced Equipment subject to operating lease, net by \$0.08 million, \$0.16 million and \$0.24 million as of March 31, June 30, and September 30, 2025, respectively.

During the fourth quarter of 2025, the Company identified certain prior-period amounts in the December 31, 2024 Consolidated Statements of Cash Flows that required reclassification to conform with the current-period presentation and presentation requirement in accordance with FASB ASC 230, Statement of Cash Flows. These reclassifications had no impact on the year ended December 31, 2024 cash flows from operating, investing or financing activities previously reported.

These reclassifications consisted of disaggregating certain line items to provide additional detail and had no effect on previously reported net income, total shareholders' equity, or the net cash generated from or used by operating, investing, or financing activities for any of the impacted periods. Additionally, the Company corrected the supplemental disclosure of non-cash investing and financing activities for the year ended December 31, 2024, to include \$3.1 million related to the transfer of Property and equipment, net to Inventories, net. Management has determined that these reclassifications and the supplemental disclosure omission were immaterial to the previously issued financial statements. However, to improve the consistency and comparability of the financial information, these revisions are reflected in the tables below.

All changes were included in the consolidated financial statements as of and for the years ended December 31, 2025 and 2024 as shown below:

The following table reflects the revisions to the previously issued Condensed Consolidated Balance Sheets as of as of March 31, 2025 and 2024, June 30, 2025 and 2024, and September 30, 2025 and 2024, and the Consolidated Balance Sheet as of December 31, 2024 :

	<u>March 31, 2025</u>			<u>June 30, 2025</u>			<u>September 30, 2025</u>		
	<u>As</u>	<u>Adjuste</u>	<u>As Revised</u>	<u>As</u>	<u>Adjuste</u>	<u>As Revised</u>	<u>As</u>	<u>Adjuste</u>	<u>As Revised</u>
	<u>Previously</u>	<u>d</u>		<u>Previously</u>	<u>d</u>		<u>Previously</u>	<u>d</u>	
	<u>Reported</u>			<u>Reported</u>			<u>Reported</u>		
	<u>(In thousands)</u>			<u>(In thousands)</u>			<u>(In thousands)</u>		
Equipment subject to operating lease, net	\$ 3,673	\$ (81)	\$ 3,592	\$ 3,020	\$ (162)	\$ 2,858	\$ 3,020	\$ (243)	\$ 2,777
Total assets	\$ 91,399	\$ (81)	\$ 91,318	\$ 78,558	\$ (162)	\$ 78,396	\$ 93,899	\$ (243)	\$ 93,656
Additional paid-in capital	\$ 488,623	\$ (4,032)	\$ 484,591	\$ 491,032	\$ (4,606)	\$ 486,426	\$ 511,477	\$ (5,324)	\$ 506,153
Accumulated deficit	\$ (455,746)	\$ 3,951	\$ (451,795)	\$ (469,501)	\$ 4,444	\$ (465,057)	\$ (481,326)	\$ 5,081	\$ (476,245)
Total stockholders' equity	\$ 32,882	\$ (81)	\$ 32,801	\$ 21,535	\$ (162)	\$ 21,373	\$ 30,156	\$ (243)	\$ 29,913
Total liabilities and stockholders' equity	\$ 91,399	\$ (81)	\$ 91,318	\$ 78,558	\$ (162)	\$ 78,396	\$ 93,899	\$ (243)	\$ 93,656

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	<u>March 31, 2024</u>			<u>June 30, 2024</u>			<u>September 30, 2024</u>			<u>December 31, 2024</u>		
	<u>As</u> <u>Previously</u> <u>Reported</u>	<u>Adjus</u> <u>ted</u>	<u>As</u> <u>Revised</u>	<u>As</u> <u>Previously</u> <u>Reported</u>	<u>Adjust</u> <u>ed</u>	<u>As</u> <u>Revised</u>	<u>As</u> <u>Previo</u> <u>usly</u> <u>Report</u> <u>ed</u>	<u>Adjus</u> <u>ted</u>	<u>As</u> <u>Revis</u> <u>ed</u>	<u>As</u> <u>Previo</u> <u>usly</u> <u>Report</u> <u>ed</u>	<u>Adju</u> <u>sted</u>	<u>As</u> <u>Revis</u> <u>ed</u>
	<u>(In thousands)</u>			<u>(In thousands)</u>			<u>(In thousands)</u>			<u>(In thousands)</u>		
Additional paid-in capital	\$ 430,843	\$ (791)	\$ 430,052	\$ 437,642	\$ (1,898)	\$ 435,744	\$ 443,066	\$ (3,143)	\$ 439,923	\$ 469,994	\$ (3,553)	\$ 466,441
Accumulated deficit	\$ (385,351)	\$ 791	\$ (384,560)	\$ (385,523)	\$ 1,898	\$ (383,625)	\$ (408,648)	\$ 3,143	\$ (405,505)	\$ (430,334)	\$ 3,553	\$ (426,781)

The following table reflects the revisions to the previously issued Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) for the three months ended March 31, 2025 and 2024, three and six months ended June 30, 2025 and 2024, three and nine months ended September 30, 2025 and 2024 and Consolidated Statement of Operations and Comprehensive Income (Loss) for the year ended December 31, 2024:

	<u>For the three months ended March 31, 2025</u>			<u>For the three months ended March 31, 2024</u>		
	<u>As</u> <u>Previously</u> <u>Reported</u>	<u>Adjusted</u>	<u>As</u> <u>Revised</u>	<u>As</u> <u>Previously</u> <u>Reported</u>	<u>Adjusted</u>	<u>As</u> <u>Revised</u>
	<u>(In thousands)</u>			<u>(In thousands)</u>		
Research and development	\$ 2,275	\$ (216)	\$ 2,059	\$ 5,043	\$ (371)	\$ 4,672
Selling and marketing	\$ 1,212	\$ (126)	\$ 1,086	\$ 4,809	\$ (207)	\$ 4,602
General and administrative	\$ 9,131	\$ (55)	\$ 9,076	\$ 8,783	\$ (213)	\$ 8,570
Total operating expenses	\$ 12,618	\$ (397)	\$ 12,221	\$ 18,635	\$ (791)	\$ 17,844
Loss from operations	\$ (11,921)	\$ 397	\$ (11,524)	\$ (21,450)	\$ 791	\$ (20,659)
Loss before provision for income taxes	\$ (25,403)	\$ 397	\$ (25,006)	\$ (28,310)	\$ 791	\$ (27,519)
Net loss	\$ (25,411)	\$ 397	\$ (25,014)	\$ (28,314)	\$ 791	\$ (27,523)
Net loss per share:						
Basic	\$ (1.90)	\$ 0.03	\$ (1.87)	\$ (57.11)	\$ 1.60	\$ (55.51)
Diluted	\$ (1.90)	\$ 0.03	\$ (1.87)	\$ (57.11)	\$ 1.60	\$ (55.51)
Net loss	\$ (25,411)	\$ 397	\$ (25,014)	\$ (28,314)	\$ 791	\$ (27,523)
Total comprehensive loss	\$ (25,411)	\$ 397	\$ (25,014)	\$ (28,262)	\$ 791	\$ (27,471)

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	For the three months ended June 30, 2025			For the six months ended June 30, 2025			For the three months ended June 30, 2024			For the six months ended June 30, 2024		
	As Previously Reported	Adjusted	As Revised	As Previously Reported	Adjusted	As Revised	As Previously Reported	Adjusted	As Revised	As Previously Reported	Adjusted	As Revised
	(In thousands)			(In thousands)			(In thousands)			(In thousands)		
Research and development	\$ 2,845	\$ (257)	\$ 2,588	\$ 5,120	\$ (473)	\$ 4,647	\$ 4,545	\$ (506)	\$ 4,039	\$ 9,588	\$ (7)	\$ 8,711
Selling and marketing	\$ 1,619	\$ (151)	\$ 1,468	\$ 2,831	\$ (277)	\$ 2,554	\$ 4,273	\$ (297)	\$ 3,976	\$ 9,082	\$ (4)	\$ 8,578
General and administrative	\$ 6,037	\$ (85)	\$ 5,952	\$ 15,168	\$ (140)	\$ 15,028	\$ 8,805	\$ (304)	\$ 8,501	\$ 17,588	\$ (51)	\$ 17,077
Total operating expenses	\$ 10,501	\$ (493)	\$ 10,008	\$ 23,119	\$ (890)	\$ 22,229	\$ 17,623	\$ (1,107)	\$ 16,516	\$ 36,258	\$ (1,898)	\$ 34,360
Loss from operations	\$ (12,089)	\$ 493	\$ (11,596)	\$ (24,110)	\$ 890	\$ (23,220)	\$ (20,520)	\$ 1,107	\$ (19,413)	\$ (41,970)	\$ 1,898	\$ (40,072)
Income (loss) before provision for income taxes	\$ (13,667)	\$ 493	\$ (13,174)	\$ (39,070)	\$ 890	\$ (38,180)	\$ (176)	\$ 7	\$ 931	\$ (28,486)	\$ 1,898	\$ (26,588)
Net income (loss)	\$ (13,756)	\$ 493	\$ (13,263)	\$ (39,167)	\$ 890	\$ (38,277)	\$ (172)	\$ 7	\$ 935	\$ (28,486)	\$ 1,898	\$ (26,588)
Net income (loss) per share:												
Basic	\$ (0.98)	\$ 0.04	\$ (0.94)	\$ (2.85)	\$ 0.06	\$ (2.79)	\$ (0.30)	\$ 1.96	\$ 1.65	\$ (53.31)	\$ 3.55	\$ (49.75)
Diluted	\$ (0.98)	\$ 0.04	\$ (0.94)	\$ (2.85)	\$ 0.06	\$ (2.79)	\$ (0.30)	\$ 1.96	\$ 1.65	\$ (53.31)	\$ 3.55	\$ (49.75)
Net income (loss)	\$ (13,756)	\$ 493	\$ (13,263)	\$ (39,167)	\$ 890	\$ (38,277)	\$ (172)	\$ 7	\$ 935	\$ (28,486)	\$ 1,898	\$ (26,588)
Total comprehensive income (loss)	\$ (13,756)	\$ 493	\$ (13,263)	\$ (39,167)	\$ 890	\$ (38,277)	\$ (130)	\$ 7	\$ 977	\$ (28,492)	\$ 1,898	\$ (26,594)

	For the three months ended September 30, 2025			For the nine months ended September 30, 2025			For the three months ended September 30, 2024			For the nine months ended September 30, 2024		
	As Previously Reported	Adjusted	As Revised	As Previously Reported	Adjusted	As Revised	As Previously Reported	Adjusted	As Revised	As Previously Reported	Adjusted	As Revised
	(In thousands)			(In thousands)			(In thousands)			(In thousands)		
Research and development	\$ 3,042	\$ (320)	\$ 2,722	\$ 8,162	\$ (793)	\$ 7,369	\$ 4,438	\$ (562)	\$ 3,876	\$ 14,026	\$ (1,439)	\$ 12,587
Selling and marketing	\$ 1,984	\$ (187)	\$ 1,797	\$ 4,815	\$ (464)	\$ 4,351	\$ 3,099	\$ (337)	\$ 2,762	\$ 12,181	\$ (841)	\$ 11,340
General and administrative	\$ 6,037	\$ (130)	\$ 5,907	\$ 21,205	\$ (271)	\$ 20,934	\$ 15,410	\$ (346)	\$ 15,064	\$ 32,998	\$ (863)	\$ 32,135
Total operating expenses	\$ 11,063	\$ (637)	\$ 10,426	\$ 34,182	\$ (1,528)	\$ 32,654	\$ 22,947	\$ (1,245)	\$ 21,702	\$ 59,205	\$ (3,143)	\$ 56,062
Loss from operations	\$ (10,630)	\$ 637	\$ (9,993)	\$ (34,641)	\$ 8	\$ (33,633)	\$ (18,876)	\$ 1,245	\$ (17,631)	\$ (60,846)	\$ 3,143	\$ (57,703)
Loss before provision for income taxes	\$ (11,839)	\$ 637	\$ (11,202)	\$ (50,910)	\$ 8	\$ (49,882)	\$ (23,125)	\$ 1,245	\$ (21,880)	\$ (51,611)	\$ 3,143	\$ (48,468)
Net loss	\$ (11,825)	\$ 637	\$ (11,188)	\$ (50,993)	\$ 8	\$ (49,865)	\$ (23,125)	\$ 1,245	\$ (21,880)	\$ (51,611)	\$ 3,143	\$ (48,468)
Net loss per share:												
Basic	\$ (0.69)	\$ 0.04	\$ (0.65)	\$ (3.43)	\$ 0.10	\$ (3.33)	\$ (37.54)	\$ 2.02	\$ (35.52)	\$ (91.82)	\$ 5.59	\$ (86.23)
Diluted	\$ (0.69)	\$ 0.04	\$ (0.65)	\$ (3.43)	\$ 0.10	\$ (3.33)	\$ (37.54)	\$ 2.02	\$ (35.52)	\$ (91.82)	\$ 5.59	\$ (86.23)
Net loss	\$ (11,825)	\$ 637	\$ (11,188)	\$ (50,993)	\$ 8	\$ (49,865)	\$ (23,125)	\$ 1,245	\$ (21,880)	\$ (51,611)	\$ 3,143	\$ (48,468)
Total comprehensive loss	\$ (11,825)	\$ 637	\$ (11,188)	\$ (50,993)	\$ 8	\$ (49,865)	\$ (23,123)	\$ 1,245	\$ (21,878)	\$ (51,515)	\$ 3,143	\$ (48,372)

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For the twelve months ended December 31, 2024			
	As Previously Reported	Adjusted	As Revised
		(In thousands)	
Research and development	\$ 17,108	\$ (1,626)	\$ 15,482
Selling and marketing	\$ 13,808	\$ (950)	\$ 12,858
General and administrative	\$ 49,346	\$ (977)	\$ 48,369
Total operating expenses	\$ 80,262	\$ (3,553)	\$ 76,709
Loss from operations	\$ (82,347)	\$ 3,553	\$ (78,794)
Loss before provision for income taxes	\$ (73,317)	\$ 3,553	\$ (69,764)
Net loss	\$ (73,297)	\$ 3,553	\$ (69,744)
Net loss per share:			
Basic	\$ (86.51)	\$ 4.19	\$ (82.32)
Diluted	\$ (86.51)	\$ 4.19	\$ (82.32)
Net loss	\$ (73,297)	\$ 3,553	\$ (69,744)
Total comprehensive loss	\$ (73,201)	\$ 3,553	\$ (69,648)

The following table reflects the revisions to the previously issued Condensed Consolidated Statements of Cash Flows for the three months ended March 31, 2025 and 2024, six months ended June 30, 2025 and 2024, nine months ended September 30, 2025 and 2024 and Consolidated Statement of Cash Flows for the year ended December 31, 2024:

	For the three months ended March 31, 2025			For the six months ended June 30, 2025			For the nine months ended September 30, 2025		
	As Previously Reported	Adjusted	As Revised	As Previously Reported	Adjusted	As Revised	As Previously Reported	Adjusted	As Revised
	(In thousands)			(In thousands)			(In thousands)		
Net Loss	\$ (25,411)	\$ 397	\$ (25,014)	\$ (39,167)	\$ 890	\$ (38,277)	\$ (50,993)	\$ 1,528	\$ (49,465)
Adjustments to reconcile net loss to net cash used in operating activities									
Depreciation and amortization	\$ 942	\$ 81	\$ 1,023	\$ 1,725	\$ 162	\$ 1,887	\$ 2,492	\$ 243	\$ 2,735
Stock-based compensation	\$ 4,074	\$ (478)	\$ 3,596	\$ 6,483	\$ (1,052)	\$ 5,431	\$ 9,106	\$ (1,771)	\$ 7,335

	For the three months ended March 31, 2024			For the six months ended June 30, 2024			For the nine months ended September 30, 2024		
	As Previously Reported	Adjusted	As Revised	As Previously Reported	Adjusted	As Revised	As Previously Reported	Adjusted	As Revised
	(In thousands)			(In thousands)			(In thousands)		
Net Loss	\$ (28,314)	\$ 791	\$ (27,523)	\$ (28,486)	\$ 1,898	\$ (26,588)	\$ (51,611)	\$ 3,143	\$ (48,468)
Adjustments to reconcile net loss to net cash used in operating activities									
Stock-based compensation	\$ 5,087	\$ (791)	\$ 4,296	\$ 9,334	\$ (1,898)	\$ 7,436	\$ 13,041	\$ (3,143)	\$ 9,898

Velo3D, Inc.
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	For the twelve months ended December 31, 2024		
	As Previously Reported	Adjusted	As Revised
	(In thousands)		
Net Loss	\$ (73,297)	\$ 3,553	\$ (69,744)
Adjustments to reconcile net loss to net cash used in operating activities			
Depreciation and amortization	\$ 4,912	\$ (134)	\$ 4,778
Stock-based compensation	\$ 15,363	\$ (3,553)	\$ 11,810
Reserve for excess and obsolete inventory	\$ -	\$ 7,179	\$ 7,179
Provision for credit loss related to trade accounts receivable	\$ -	\$ 2,786	\$ 2,786
Non-cash lease expense	\$ -	\$ 134	\$ 134
Changes in assets and liabilities			
Accounts receivable	\$ 5,860	\$ (2,786)	\$ 3,074
Inventories	\$ 13,300	\$ (7,179)	\$ 6,121
Cash flows from financing activities			
Gross proceeds from BEPO Offering	\$ 10,700	\$ 1,300	\$ 12,000
Payments for issuance costs related to the BEPO offering	\$ -	\$ (1,300)	\$ (1,300)

The following table sets forth the components of the Company's year ended December 31, 2024 Income Tax Provision as restated from the previously issued Note 12. Income Taxes, in the 2024 Form 10-K to reflect the cumulative impact of the stock-based compensation misstatement as described above:

	December 31, 2024			December 31, 2024		
	As Previously Reported	Adjusted	As Revised	As Previously Reported	Adjusted	As Revised
	(In thousands, except percentages)					
Tax at federal statutory rate	\$ (15,432)	\$ 746	\$ (14,686)	(21.0)%	(0.1)%	(21.1)%
State, net of federal benefit	\$ 12,779	\$ 168	\$ 12,947	17.4%	1.2%	18.6%
Change in valuation allowance	\$ (6,939)	\$ (914)	\$ (7,853)	(9.4)%	(1.3)%	(11.2)%

The following table sets forth the components of the Company's year ended December 31, 2024 Deferred Tax Assets as restated to from the previously issued Note 12. Income Taxes, 2024 Form 10-K reflect the cumulative impact of the stock-based compensation misstatement as described above:

	December 31, 2024		
	As Previously Reported	Adjusted	As Revised
	(In thousands)		
Stock-based compensation	\$ 5,866	\$ (914)	\$ 4,952
Total deferred tax assets	\$ 121,835	\$ (914)	\$ 120,921
Valuation allowance	\$ (118,783)	\$ 914	\$ (117,869)

The gross impact to the deferred tax asset of \$0.9 million, is fully offset by a corresponding decrease in the valuation allowance. Accordingly, there was no impact to income tax expense.

Recently Adopted Accounting Pronouncements

In December 2023, the FASB issued ASU No. 2023-09, Income Taxes (ASC Topic 740): *Improvement to Income Tax Disclosures to enhance the transparency and decision usefulness of income tax disclosures*. Two primary enhancements related to this ASU include disaggregating existing income tax disclosures relating to the effective tax rate reconciliation and income taxes paid. The Company adopted ASU 2023-09 during the year ended December 31, 2025. The Company applied ASU 2023-09 prospectively to the consolidated financial statements.

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Recently Issued Accounting Pronouncements

In September 2025, the FASB issued ASU No. 2025-07, which (1) refines the scope of the guidance on derivatives in ASC Topic 815 and (2) clarifies the guidance on share-based payments from a customer in ASC Topic 606. The ASU is intended to address concerns about the application of derivative accounting to contracts that have features based on the operations or activities of one of the parties to the contract and to reduce diversity in the accounting for share-based payments in revenue contracts. ASU Topic 2025-07 is effective for annual reporting periods beginning after December 15, 2026, including interim reporting periods within those annual reporting periods. Early adoption of the standard is permitted in an interim or annual reporting period for which financial statements have not been issued or made available for issuance. If an entity elects to early adopt the standard in an interim period, the entity must apply the standard as of the beginning of the fiscal year that includes the interim period. The Company is currently evaluating the impact of this accounting standard update on the Company's consolidated financial statements and related disclosures.

In September 2025, the FASB issued ASU No. 2025-06, Accounting for and Disclosure of Software Costs. The new standard modernizes the guidance to reflect the software development approaches currently being used by removing all references to "development stages" from ASC Topic 350-40 Intangibles—Goodwill and Other - Internal-Use Software. Under ASU 2025-06, only the following criteria in ASC Topic 350-40-25-12(b) and (c) must be met for entities to begin capitalizing software costs: (i) management, with the relevant authority, implicitly or explicitly authorizes and commits to funding a computer software project and (ii) it is probable that the project will be completed and the software will be used to perform the function intended (referred to as the "probable-to-complete recognition threshold"). This standard is effective for all entities for annual reporting periods beginning after December 15, 2027, and interim reporting periods within those annual reporting periods, with early adoption permitted. Entities may apply the guidance prospectively, retrospectively, or via a modified prospective transition method. The Company is currently evaluating the impact of this accounting standard update on the Company's consolidated financial statements and related disclosures.

In November 2024, the FASB issued ASU No. 2024-03, Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40). This update contains amendments that require disclosure, in the notes to financial statements, of specified information about certain costs and expenses. The amendments in this update are effective for public business entities for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. Early adoption is permitted. The expected impact would only be to the consolidated financial statement disclosures. The Company is currently evaluating the impact of this accounting standard update on the Company's consolidated financial statements and related disclosures.

Product Warranties

Our 3D printers are sold with a warranty period of typically one year from installation. After the warranty period, we generally offer service contracts that enable our customers to continue service and maintenance coverage. These service contracts are offered with various levels of support and options, and are priced accordingly. One entitlement of our service contracts is our service engineers provide periodic preventive maintenance visits to customer sites. Additionally, we provide training to our partners to enable them to also perform these services. Another contract entitlement on certain printer models is proactive remote troubleshooting capability through the Company's integrated platform. From time to time, we also offer upgrade kits for certain of our printers that enable our existing customers to take advantage of new or enhanced printer capabilities. In some cases, we have discontinued upgrade support and maintenance agreements for certain of our older legacy printers.

Printers and certain other products include a warranty that covers workmanship, software, and hardware components under which we provide maintenance for periods up to one year. For these initial product warranties, estimated costs are accrued at the time of the sale of the product. These cost estimates are established using historical information regarding the nature, frequency and average cost of claims for each type of printer or other product, as well as assumptions about future activity and events. Revisions to expense accruals are made as necessary based on changes in these historical and future factors.

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Note 3. Basic and Diluted Net Income (Loss) per Share

The following table sets forth the computation of the Company's basic and diluted net loss per share to common stockholders. Basic and diluted net loss per share for all periods presented have been adjusted to reflect the 2024 1-for-35 reverse stock split of the Company's common stock and the 2025 1-for-15 reverse stock split of the Company's common stock (see Note 1). These reverse splits reduced the outstanding common shares and increased the weighted average shares outstanding retrospectively.

	December 31,	
	2025	2024
	(In thousands, except share per share data)	
Numerator:		
Net loss	\$ (71,362)	\$ (69,744)
Denominator:		
Basic weighted average shares outstanding	16,486,845	847,265
Diluted weighted average shares outstanding	16,486,845	847,265
Net loss per share		
Basic	\$ (4.33)	\$ (82.32)
Diluted	\$ (4.33)	\$ (82.32)

The following potentially dilutive shares of common stock equivalents on an "as-converted basis" were excluded from the computation of diluted net loss per share for the periods presented because including them would have had an antidilutive effect:

	December 31,	
	2025	2024
	(per share data)	
Common stock warrants	36,892	215,134
Common stock options	4,247	38,028
Restricted stock units	1,030,414	18,036
Total potentially dilutive common share equivalents	1,071,553	271,198

Total potentially dilutive common share equivalents for the years ended December 31, 2025 and 2024, excludes 41,444 respectively, shares related to the earnout liability as these shares are contingently issuable upon meeting certain triggering events.

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Notes to Consolidated Financial Statements

Note 4. Fair Value Measurements

The Company's assets and liabilities that were measured at fair value on a recurring basis were as follows:

	Fair Value Measured as of December 31, 2025			
	Level 1	Level 2	Level 3	Total
	(In thousands)			
Assets				
Money market funds (i)	37,124	—	—	37,124
Total financial assets	<u>\$ 37,124</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 37,124</u>
Liabilities				
Common stock warrant liabilities (2022 Private Warrant) (ii)	—	—	2	2
Common stock warrant liabilities (Placement Agent Warrants) (ii)	—	—	29	29
Common stock warrant liabilities (BEPO Warrants) (ii)	—	—	48	48
Common stock warrant liabilities (BEPO Agent Warrants) (ii)	—	—	30	30
Contingent earnout liabilities	—	—	1	1
Total financial liabilities	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 110</u>	<u>\$ 110</u>

	Fair Value Measured as of December 31, 2024			
	Level 1	Level 2	Level 3	Total
	(In thousands)			
Assets				
Money market funds (i)	\$ 215	\$ —	\$ —	\$ 215
Total financial assets	<u>\$ 215</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 215</u>
Liabilities				
Common stock warrant liabilities (2022 Private Warrant) (ii)	\$ —	\$ —	\$ 1	\$ 1
Common stock warrant liabilities (RDO Warrants) (ii)	—	—	90	90
Common stock warrant liabilities (Placement Agent Warrants) (ii)	—	—	16	16
Common stock warrant liabilities (2024 Private Warrants) (ii)	—	—	378	378
Common stock warrant liabilities (BEPO Warrants) (ii)	—	—	18	18
Common stock warrant liabilities (BEPO Agent Warrants) (ii)	—	—	2	2
Common stock warrant liabilities (July 2024 Private Warrants) (ii)	—	—	866	866
Common stock warrant liabilities (August Inducement Warrants) (ii)	—	—	796	796
Contingent earnout liabilities	—	—	11	11
Total financial liabilities	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 2,178</u>	<u>\$ 2,178</u>

- (i) Included in cash and cash equivalents on the consolidated balance sheets.
- (ii) Included in warrant liabilities on the consolidated balance sheets.

For more information regarding the Public Warrants, the Private Placement Warrants, the 2022 Private Warrants, the RDO Warrants, the Placement Agent Warrants, the 2024 Private Warrants, the BEPO warrants, the BEPO Agent Warrants, the July 2024 Private Warrants, the August Inducement Warrants, and the Contingent earnout liabilities, see Note 10, *Equity Instruments*.

The aggregate fair value of the Company's money market funds approximated amortized cost and, as such, there were no unrealized gains or losses on money market funds as of December 31, 2025 and 2024. Realized gains and losses, net of tax, were not material for any of the periods presented.

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The following table presents a summary of the changes in the fair value of the Company's Level 3 financial instruments:

	Private placement warrant liabilities	2022 Private Warrant	Conting ent earnout liabiliti es	Debt derivatives	RDO Warrants	Placem ent Agent Warra nts	2024 Private Warra nts	BEPO Warra nts	BEPO Agent Warra nts	July 2024 Private Warra nts	August Induce ment Warran ts
	(In Thousands)										
Fair value as of January 1, 2025	\$ —	\$ 1	\$ 11	\$ —	\$ 90	\$ 16	\$ 2	\$ 378	\$ 18	\$ 866	\$ 796
Issuance of instruments	—	—	—	—	—	—	—	—	—	—	—
Change in fair value	—	1	(10)	—	55	13	(1)	218	12	440	402
Change due to exchange	—	—	—	—	(145)	—	(1)	(548)	—	(1,306)	(1,198)
Fair value as of December 31, 2025	\$ —	\$ 2	\$ 1	\$ —	\$ —	\$ 29	\$ —	\$ 48	\$ 30	\$ —	\$ —
Fair value as of January 1, 2024	\$ 127	\$ 23	\$ 1,456	\$ —	\$ 10,891	\$ 536	\$ —	\$ —	\$ —	\$ —	\$ —
Issuance of instruments	—	—	—	—	—	—	6,321	9,020	446	4,200	2,437
Change in fair value	(127)	(22)	(1,445)	—	(10,801)	(520)	(6,319)	(8,642)	(428)	(3,334)	(1,641)
Change due to exchange	—	—	—	—	—	—	—	—	—	—	—
Fair value as of December 31, 2024	\$ —	\$ 1	\$ 11	\$ —	\$ 90	\$ 16	\$ 2	\$ 378	\$ 18	\$ 866	\$ 796

The fair value of the private placement warrant liability, the 2022 Private Warrant, the contingent earnout liabilities, the debt derivatives, the RDO Warrants, the Placement Agent Warrants, the 2024 Private Warrants, the BEPO Warrants, the BEPO Agent Warrants, the July 2024 Private Warrants, and the August Inducement Warrants are based on significant unobservable inputs, which represent Level 3 measurements within the fair value hierarchy.

In determining the fair value of the Private Placement Warrant liability, contingent earnout liability, and the 2024 Private Warrants, the Company used the Monte Carlo simulation model using a distribution of potential outcomes on a weekly basis over the applicable periods that assumes optimal exercise of the Company's redemption option at the earliest possible date (see Note 10, *Equity Instruments*).

In determining the fair value of the 2022 Private Warrant, RDO Warrants, Placement Agent Warrants, BEPO Warrants, BEPO Agent Warrants, July 2024 Private Warrants and August Inducement Warrants the Company used the Black-Scholes option pricing model to estimate the fair value using unobservable inputs including the expected term, expected volatility, risk-free interest rate and dividend yield (see Note 10, *Equity Instruments*).

Note 5. Investments

Available-for-sale ("AFS") Investments

There were no AFS investments as of December 31, 2025 and 2024.

There were no material realized gains or losses on AFS investments for the years ended December 31, 2025 and December 31, 2024.

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Notes to Consolidated Financial Statements

Note 6. Balance Sheet Components

Accounts Receivable, Net

Accounts receivable, net consisted of the following:

	December 31,	
	2025	2024
	(In thousands)	
Trade receivables	\$ 7,110	\$ 7,130
Less: Allowances for credit losses	(847)	(3,407)
Total	<u>\$ 6,263</u>	<u>\$ 3,723</u>

Inventories

Inventories consisted of the following:

	December 31,	
	2025	2024
	(In thousands)	
Raw materials	\$ 17,497	\$ 29,386
Work-in-progress	6,281	9,660
Finished goods	3,305	10,907
Total	<u>\$ 27,083</u>	<u>\$ 49,953</u>

The Company recorded \$25.2 million and \$27.1 in inventory reserves related to the valuation of inventory for the years ended December 31, 2025 and 2024, respectively.

Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consisted of the following:

	December 31,	
	2025	2024
	(In thousands)	
Prepaid insurance and other	\$ 1,335	\$ 1,724
Net investments in sales type lease	1,729	—
Vendor prepayments	1,500	612
Customer deposit — noncash consideration	1,158	—
Total	<u>\$ 5,722</u>	<u>\$ 2,336</u>

The Company entered into a sales-type lease on July 11, 2024 with a customer for a Sapphire XC system. The contract term is over 21 months with an effective interest rate of 0.78%. An amendment to the original agreement was executed to amend the monthly payments and included a purchase option of \$1.2 million at the end of completion of the initial term.

For a full description of the customer deposit — noncash consideration, see *Note 16, Momentum Master Service Agreement*.

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Property and Equipment, Net

Property and equipment, net consisted of the following:

	December 31,	
	2025	2024
	(In thousands)	
Computers and software	\$ 461	\$ 2,525
Lab equipment and other equipment	11,379	11,011
Furniture and fixtures	157	206
Leasehold improvements	14,254	13,312
Construction in progress	3	—
Total property, plant and equipment	26,254	27,054
Less accumulated depreciation and amortization	(13,160)	(12,784)
Property, plant and equipment, net	<u>\$ 13,094</u>	<u>\$ 14,270</u>

Depreciation expense for the years ended December 31, 2025 and 2024 was \$3.1 million and \$4.0 million, respectively.

Other Assets

Other assets consisted of the following:

	December 31,	
	2025	2024
	(In thousands)	
Right of use assets	\$ 7,633	\$ 8,774
Net Investment in sales type lease	—	2,712
Non-current prepaid expenses and other assets	2,872	2,027
Total Other assets	<u>\$ 10,505</u>	<u>\$ 13,513</u>

For a further description of the net investment in sales type lease, see above Prepaid Expenses and Other Assets, as the Net Investment in sales type lease was classified as current as of December 31, 2025.

Accrued Expenses & Other Current Liabilities

Accrued expenses and other current liabilities consisted of the following:

	December 31,	
	2025	2024
	(In thousands)	
Accrued expenses	\$ 2,103	\$ 1,173
Accrued salaries and benefits	1,483	560
Customer liabilities — prepaid reserve	1,072	—
Customer liabilities — noncash consideration	1,158	—
Lease liability — current portion	2,099	1,778
Total Accrued expenses and other current liabilities	<u>\$ 7,915</u>	<u>\$ 3,511</u>

For a full description of the customer liabilities — prepaid reserve, and customer liabilities — noncash consideration, see Note 16, *Momentum Master Service Agreement*. On August 14, 2025, an amendment to the Momentum Master Service Agreement triggered changes to the accounting treatment, which required an independent valuation appraisal. The customer deposit — prepaid reserve are net cash proceeds after fees from the sale of the customer noncash consideration, and the customer deposit — noncash consideration

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was based on an independent valuation appraisal for the initial measurement date and as of December 31, 2025, respectively. The valuation was based on a Black-Scholes model including inputs from the current stock price, volatility, remaining term and risk-free

The fair value assumptions used in the Black-Scholes model for the valuation of the liability was as follows:

	As of December 31, 2025	As of August 14, 2025
Current stock price	\$ 4.87	\$ 1.56
Expected volatility	182% - 195%	119% - 171%
Risk-free interest rate	3.53% - 3.61%	3.67% - 4.12%
Dividend rate	—	—
Expected term (years)	0.25 - 0.50	0.38 - 2.13

Other Noncurrent Liabilities

Other noncurrent liabilities consisted of the following:

	December 31,	
	2025	2024
	(In thousands)	
Lease liabilities — noncurrent portion	\$ 7,115	\$ 8,475
Other noncurrent liabilities	1,455	863
Total other noncurrent liabilities	<u>\$ 8,570</u>	<u>\$ 9,338</u>

Note 7. Equipment Subject to Operating Lease, Net

The equipment subject to operating lease leased to customers had a cost basis of \$2.5 million and accumulated depreciation of \$0.9 million as of December 31, 2025. The total depreciation expense was \$0.3 million and included in general and administrative expenses for the year ended December 31, 2025. The equipment subject to operating lease leased to customers had a cost basis of \$4.6 million and accumulated depreciation of \$0.9 million as of December 31, 2024. The total depreciation expense was \$0.8 million and included in cost of revenue for the year ended December 31, 2024.

The equipment on lease initial lease terms are generally for 12 months and the Company has considered the possibility of renewals when determining the length of the contract and the expectation is that customers will not exercise any renewal or purchase options at the end of the lease. The Company has evaluated our customer history on renewals, returns and purchase options and have determined the operating lease period of 12 months is appropriate.

For the year ended December 31, 2024, one new leases was entered into and one equipment on leases with an aggregate carrying value of \$1.6 million were reclassified from equipment on lease, net to finished goods inventory to be resold as the purchase options were not exercised. As noted above, we are unsure of when the customer will return or renew leased equipment. Additionally, lessees do not provide residual value guarantees on equipment on lease. There are no future lease payments expected in 2026.

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The equipment subject to operating lease consisted of the following:

	December 31,	
	2025	2024
	(In thousands)	
Equipment on lease	\$ —	\$ —
Equipment available for lease	2,500	4,622
Total Equipment subject to operating lease	\$ 2,500	\$ 4,622
Accumulated depreciation	(871)	(949)
Total Equipment subject to operating lease, net	\$ 1,629	\$ 3,673

The Company identified impairment indicators and recorded an impairment charge of \$1.1 million for the year ended December 31, 2025 based on an undiscounted cash flow analysis.

Lease payments consisted of the following:

	December 31,	
	2025	2024
	(In thousands)	
Equipment on lease payments	\$ 70	\$ 1,054

Note 8. Leases

The Company has six total leases for its office and manufacturing facility, and equipment leases under two non-cancellable operating leases and four non-cancellable finance leases, with expiration dates ranging from 2026 to 2032. The agreements include a provision for renewal at the then prevailing market rate for terms specified in each lease.

Total right-of-use ("ROU") assets and lease liabilities are as follows:

	December 31,	
	2025	2024
	(In thousands)	
Right-of-use assets:		
Net book value (Other assets)	\$ 7,633	\$ 8,774
Operating lease liabilities:		
Current (Accrued expense and other current liabilities)	\$ 1,917	\$ 1,612
Noncurrent (Other noncurrent liabilities)	6,970	8,361
Total operating lease liabilities	8,887	9,973
Financing lease liabilities:		
Current (Accrued expense and other current liabilities)	\$ 182	\$ 142
Noncurrent (Other noncurrent liabilities)	145	114
Total financing lease liabilities	\$ 327	\$ 256
Total lease liabilities	\$ 9,214	\$ 10,229

There were no impairments recorded related to these assets as of December 31, 2025 and 2024.

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Information about lease-related balances were as follows:

	December 31,	
	2025	2024
	(In thousands, except years and percentages)	
Operating lease expense	\$ 2,570	\$ 2,830
Financing lease expense	157	175
Short-term lease expense	195	195
Total lease expense	<u>\$ 2,922</u>	<u>\$ 3,200</u>
Cash paid for leases	\$ 2,599	\$ 2,850
Weighted — average remaining lease term — operating leases (years)	6.3	7.3
Weighted — average discount rate — operating leases	9.0%	9.0%
Weighted — average remaining lease term — financing leases (years)	2.2	1.8
Weighted — average discount rate — financing leases	5.6%	9.3%

Maturity of operating lease liabilities as of December 31, 2025 are as follows:

Year Ending December 31,	Operating Leases	Financing Leases	Total
	(In thousands)		
2026	2,733	192	2,925
2027	2,540	75	2,615
2028	2,490	75	2,565
2029	2,585	—	2,585
Thereafter	6,194	—	6,194
Total lease payments	\$ 16,542	\$ 342	\$ 16,884
Less portion representing imputed interest	(7,655)	(15)	(7,670)
Total lease liabilities	\$ 8,887	\$ 327	\$ 9,214
Less current portion	1,917	182	2,099
Long-term portion	<u>\$ 6,970</u>	<u>\$ 145</u>	<u>\$ 7,115</u>

Note 9. Long-Term Debt

Debt consisted of the following:

	December 31,	
	2025	2024
	(In thousands)	
January Note	\$ 6,295	\$ —
February Note 1st Tranche	5,983	—
February Note 2nd Tranche	5,837	—
Secured notes	3,232	5,666
2025 Equipment Loan	9,668	—
Total	<u>\$ 31,015</u>	<u>\$ 5,666</u>
Debt — current portion	6,305	5,666
Long-term debt — less current portion	<u>\$ 24,710</u>	<u>\$ —</u>

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Convertible Secured Note

On January 7, 2025, the Company issued a Senior Secured Convertible Promissory Note (the "January Note") in the principal amount of \$5,000,000 to Thieneman Properties, LLC, an Indiana limited liability company. The January Note bore interest at a rate of 60.0% per annum, was payable in full on April 7, 2025 in the amount of \$5,750,000 and if not paid on or prior to such date, would continue to accrue interest at the same rate until paid. The January Note could be prepaid in whole or in part at any time without penalty or premium and was convertible in the event of default into shares of the Company's common stock, at a fixed conversion price of \$23.40 per share. On April 7, 2025, the Company made a payment of \$750,000, which fulfilled its obligations of interest owed through such date. The Company would continue to accrue interest on the principal amount of the January Note until such time it will be repaid. During the year ended December 31, 2025, the Company incurred total interest expense of \$2.1 million which is included in the carrying value of the January Note in the above table.

On February 10, 2025, the Company issued a Senior Secured Convertible Promissory Note (the "February Note") in the principal amount of \$10,000,000 to Thieneman Construction, Inc, an Indiana corporation, to be funded in two tranches of \$5,000,000. This Note bore interest at a rate of 30.0% per annum, was payable in full on the date that is six months from the time the amounts were received by the Company. The first tranche ("February Note 1st tranche") and second tranche ("February Note 2nd tranche") were received by the Company on February 10, 2025 and March 20, 2025, which amounts became due on August 10, 2025 and September 20, 2025, respectively. Given the February Note was not paid on or prior to the aforementioned dates, the February Note would continue to accrue interest at the same rate until paid. The outstanding principal amount of the February Note was convertible at the option of the holder upon the occurrence of the Company's successful listing of shares of its common stock on a national securities exchange or the occurrence and during the continuation of an Event of Default, into shares of the Company's common stock, at a fixed conversion price of \$15.00 per share. During the year ended December 31, 2025, the Company incurred total interest expense related to the February Note 1st tranche and February Note 2nd tranche of \$1.0 million and \$0.9 million, respectively, which is included in the carrying value in the above table.

On August 14, 2025, the Company amended the January Note, which amended certain provisions of the January Note, including: an extension of the maturity date under the January Note to February 14, 2027; a reduction of the interest rate under the January Note to 12%; and an adjustment of the fixed conversion price to \$16.38 per share. On August 14, 2025, the Company also amended the February Note which, amended certain provisions of the February Note, including: an extension of the maturity dates for each tranche under the February Note to February 14, 2027; a reduction of the interest rate under the February Note to 12%; and an adjustment of the fixed conversion price to \$10.50 per share. The Company has evaluated that the note amendments are both treated as a debt modification under ASC Topic 470, Debt.

Immediately prior to the further amendment to the January Note described below, Thieneman Properties, LLC transferred the January Note to Arrayed, pursuant to a Convertible Promissory Note Transfer Agreement between Thieneman Properties, LLC (as transferor) and Arrayed (as transferee).

On March 4, 2026, the Company and Arrayed entered into a further amendment to the January Note, which amended certain provisions of the January Note to, among other things, provide that, at any time and from time to time, Arrayed (as holder) has the right, at its option, to convert all or any portion of the outstanding principal amount of the January Note, together with accrued and unpaid interest thereon, into shares of the Company's common stock.

On March 4, 2026, the Company and Thieneman Construction, Inc. entered into a further amendment to the February Note, which amended certain provisions of the February Note to, among other things, provide that, subject to the existing terms of the February Note, accrued and unpaid interest thereon, in addition to the outstanding principal amount, may be convertible into common stock at the holder's option.

On March 4, 2026, the Company issued 394,517 shares of common stock to Arrayed upon conversion of the January Note, in the principal amount of \$5,000,000, together with accrued and unpaid interest thereon, at a conversion price of \$16.38 per share, a

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premium to the Company's share price on March 4, 2026. As of such date, the January Note (including principal and interest) was fully converted into shares of common stock of the Company.

On March 4, 2026, the Company issued 1,145,830 shares of common stock to Thieneman Construction, Inc. upon conversion of the February Note, in the principal amount of \$10,000,000, together with accrued and unpaid interest thereon, at a conversion price of \$10.50 per share. As of such date, the February Note (including principal and interest) was fully converted into shares of common stock of the Company.

Secured Notes

On November 27, 2023, the Company entered into the Securities Exchange Agreement (the "Exchange Agreement") with the Investors, pursuant to which the Company made a cash payment to the Investors of \$16.3 million to repay \$12.5 million of aggregate principal amount of the Secured Convertible Notes, together with \$1.3 million of accrued and unpaid interest. The remaining Secured Convertible Notes were exchanged for \$57.5 million aggregate principal amount of new senior secured notes due 2026 (the "Secured Notes") and 666,667 shares of Common Stock with a fair market value of \$9.4 million at issuance. The remaining Secured Convertible Notes maturity balance of \$8.0 million was recognized as a gain within "Loss on debt extinguishment" and was partially offset by \$0.2 million of financing costs paid to the Investors. The Secured Notes bore interest at 6.00% per annum, payable quarterly in cash on January 1, April 1, July 1 and October 1 of each year, commencing on January 1, 2024, and would mature on August 1, 2026. The Company was required to repay the principal on the Secured Notes at a repayment price equal to 120% of the Secured Notes principal balance repaid plus accrued interest. The Secured Notes included covenants requiring the Company to maintain a minimum of \$35 million of unrestricted cash and cash equivalents and to maintain minimum levels of available cash, calculated monthly based on a rolling three-month lookback period beginning with the three-month period ending on December 31, 2023.

On December 27, 2023, the Company entered into note amendment to its Secured Notes with the Investors, pursuant to which the Company made a cash payment to the note holders of \$25.0 million to repay approximately \$20.8 million of aggregate principal amount of the Secured Notes, together with accrued and unpaid interest. The amendment was determined to be a modification of the Secured Notes. The amended Secured Notes eliminated the requirement to pay a principal amount of Secured Notes on January 1, 2024, eliminated the requirement to maintain a minimum of \$35.0 million of unrestricted cash and cash equivalents, and deferred the requirement to, on or before December 31, 2023, establish a new "at-the-market" offering program (or increase the Company's existing "at-the-market" offering program) with aggregate available, accessible and unused capacity to generate gross proceeds to the Company of at least \$75.0 million as of December 31, 2023 to January 31, 2024.

On April 1, 2024, the Company entered into a second note amendment (the "Second Note Amendment") to its Secured Note with the Investors. Pursuant to the Second Note Amendment, the Company made cash payments, the first of which was \$5.0 million on April 1, 2024 which redeemed approximately \$4.2 million of aggregate principal amount, and another cash payment of \$5.5 million on April 15, 2024 which redeemed approximately \$4.6 million of principal. In connection with the Second Note Amendment, the Company issued to the Investors warrants to purchase 41,808 shares of the Company's common stock that became exercisable 45 days after the original issuance date at an exercise price of \$239.22 per share. The Investors may exercise the Warrants by paying the exercise in cash or by reducing the outstanding principal amount under the Secured Notes by an amount equal to the quotient of (A) the amount of the exercise price divided by (B) 1.20.

On July 1, 2024, the Company entered into a third note amendment to the Secured Notes with the Investors (the "Third Note Amendment"). Pursuant to the Third Note Amendment, the Company and the Investors agreed to defer the July 1, 2024 partial redemption payment of \$10.5 million (the "July Redemption Payment") over a period of ten equal monthly payments commencing August 1, 2024. The July Redemption Payment was to be paid monthly at a Repayment Price of \$1,050,000 with \$875,000 in aggregate principal amount of the Secured Notes redeemed. In addition to the July Redemption Payment, on the first day of each three-month period beginning on October 1, 2024 (a "Partial Redemption Date"), the Company was to redeem a portion of the principal amount of the Secured Notes at the Repayment Price plus accrued and unpaid interest, unless the Investors cancel or waive such redemption. The aggregate principal amount of the Secured Notes that would have been redeemable on a Partial Redemption

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Date was \$8,750,000 for a Repayment Price of \$10,500,000. During August and September 2024, the Company received extensions from the Investors for the July Redemption Payment through October 4, 2024.

In connection with the Third Note Amendment, the Company issued to the Investors warrants to purchase 110,000 shares of the Company's common stock that became exercisable on the original issuance date at an exercise price of \$45.00 per share. The Investors may exercise the Warrants by paying the exercise in cash or by reducing the outstanding principal amount under the Secured Notes by an amount equal to the quotient of (A) the amount of the exercise price divided by (B) 1.20.

The Third Note Amendment and concurrent issuance of warrants constituted a substantial change to the Secured Notes resulting in a debt extinguishment. As a result of the debt extinguishment, the Company derecognized the carrying value of the Secured Notes as of June 30, 2024 ("Old Notes") while concurrently recognizing the carrying of the of the Secured Notes giving effect to the Third Note Amendment ("New Notes"). The Old Notes had a carrying value of \$33.5 million as of June 30, 2024. The Company also had unamortized deferred financing costs of \$0.3 million and discounts against the carrying value of the Old Notes of \$8.6 million. The carrying value, deferred financing costs and discounts were derecognized as of July 1, 2024. Concurrently, the New Notes were recognized with a carrying value of \$27.9 million. The difference in the carrying value of the Old Debt, net of deferred financing costs and discounts, in comparison to the New Debt totaling \$3.3 million was expensed within "Loss on debt extinguishment." The issuance of warrants to the Investors in connection with the Third Note Amendment constituted new fees paid to the existing lender. The fair value of these warrants at the time of issuance was approximately \$4.2 million and was also expensed within "Loss on debt extinguishment."

Following the Third Note Amendment, the Company made one payment on September 16, 2024 of approximately \$0.6 million which redeemed \$0.5 million of aggregate principal amount. The Company was unable to make the contractual payments on the Partial Redemption Dates or continue to repay the July Redemption Payment citing financial difficulties and liquidity issues. Specifically, it was determined that defaults and events of default exist under the Notes including those relating to the Company's failure to (1) make required partial redemption payments since September 2024, (2) make payments of interest since September 2024, (3) deliver required compliance certificates and notices and (4) timely file its Quarterly Report on Form 10-Q for the period ended September 30, 2024, among other matters (collectively, the "Specified EoDs").

On December 9, 2024, Arrayed Notes Acquisition Corp. ("Arrayed"), a subsidiary of Arrayed Additive, Inc. purchased the Secured Notes from the Investors. The Company and Arrayed entered into a forbearance agreement where Arrayed forbore from taking any enforcement action as a result of the occurrences and/or continuation of any specified events of default.

On December 24, 2024, the Company and Arrayed entered into a debt for equity exchange transaction (the "Exchange") wherein the Company issued 12,343,423 shares of the Company's common stock, in exchange for the payment of \$26.9 million under the Secured Notes which redeemed approximately \$22.4 million of aggregate principal amount plus \$0.4 million of accrued interest.

The fair value of the common stock issued in the Exchange transaction was \$24.6 million. The difference between the amount of the debt extinguished in comparison to the fair value of the common stock issued, totaling approximately \$2.6 million, was recorded as a gain within the "Loss on debt extinguishment" line item of the consolidated financial statements.

The Secured Notes contain customary affirmative and negative covenants (including covenants that limit the Company's ability to incur debt, make investments, transfer assets, engage in certain transactions with affiliates and merge with other companies). Furthermore, if an event of default occurs, the holders of the Secured Notes may declare the Secured Notes due and payable for cash in an amount equal to the Event of Default Acceleration Amount as defined in the Secured Notes. If an event of default occurs and the Company fails to pay the Event of Default Acceleration Amount when due in accordance with the Secured Notes, then the holders may elect to receive such unpaid portion of the Event of Default Acceleration Amount, entirely or partially, in shares of Common

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Stock calculated based on dividing Event of Default Acceleration Amount by the lowest of the 10 daily volume weighted average prices of the Common Stock immediately prior to the applicable event of default stock payment date.

The Secured Notes bear interest at 6.00% per annum, payable quarterly in cash on January 1, April 1, July 1 and October 1 of each year, and will mature on August 1, 2026. When the Company repays principal on the Secured Notes pursuant to the terms of the Secured Notes, it will be required to pay 120% of the principal amount repaid (the “Repayment Price”) plus accrued and unpaid interest.

The Secured Notes include terms that provide the Arrayed seniority over other unsecured obligations in any settlement negotiations in the event of liquidation. Additionally, the Secured Notes contain redemption features in the event of default or a fundamental change in control that would make the Secured Notes immediately callable at a predetermined rate as described in the Secured Notes. The redemption features are settled in cash.

The Company previously incurred deferred financing costs of \$0.5 million related to the Secured Notes, which were capitalized upon issuance and were being accreted over the term of the Secured Notes using the effective interest rate method and are included in “Interest expense” in the accompanying Consolidated Statements of Operations and Comprehensive Income (Loss). The remaining unamortized balance of the Old Notes was expensed in connection with the extinguishment resulting from the Third Note Amendment. As of December 31, 2025, there is no remaining unamortized balance of deferred financing costs included in Debt — current portion on the balance sheets.

Additionally, the Company was accreting discounts of \$17.8 million and had capitalized it to the carrying value of the Secured Notes over the term of the Secured Notes using the effective interest rate method with \$13.3 million amortized to interest expense for the year ended December 31, 2024. The remaining unamortized balance of the Old Notes was expensed within “Loss on debt extinguishment” in connection with the extinguishment resulting from the Third Note Amendment. As of December 31, 2025, the unamortized discount of the New Notes was \$0.1 million, which includes the difference between the principal and the Repayment Price. For the year ended December 31, 2025, the Company paid \$0.4 million in interest and incurred a total of \$0.5 million in interest expense related to the Secured Notes. The effective interest rate fluctuated during the year ended December 31, 2025 due to the varying amendments and resulting modifications or extinguishments resulting from these amendments. Following the Exchange, the effective interest rate was 27.7%.

On March 18, 2026, the Company repaid the Secured Note due 2026 in full of \$3.2 million for principal and accrued interest. All obligations of the Company under the Secured Notes, have been fully and finally paid, discharged, and satisfied.

2025 Equipment Loan

On December 8, 2025, the Company and Varilease Finance, Inc. (“Varilease”) entered into a Sale Leaseback Agreement (the “Sale Leaseback Agreement”) pursuant to which the Company agreed to sell to Varilease, and subject to the conditions set forth therein, Varilease agreed to purchase from the Company, assorted Velo3D Sapphire and Sapphire XC metal 3D printers and post processing tools and equipment owned and used by the Company (the “Equipment”). The aggregate purchase price for the Equipment to be received by the Company is \$10 million and reported as debt.

Concurrently with entering into the Sale Leaseback Agreement, the Company, its wholly owned subsidiary, Velo3D US, Inc., and Thieneman Construction, Inc. (“Thieneman Construction”), as co-lessees (collectively, the “Lessee”), entered into a Master Lease Agreement (the “Master Lease Agreement”), which sets forth the controlling terms and conditions by which the Lessee would lease from Varilease, as lessor, items of personal property and equipment. Thieneman Construction is an entity controlled by Kenneth Thieneman, a member of the board of directors of the Company. Concurrent with entry into the Sale Leaseback Agreement and the Master Lease Agreement, Varilease and the Lessee entered into lease Schedule No. 01 (the “Schedule”). The Schedule (which incorporates the terms of the Master Lease Agreement where appropriate) sets forth the terms and conditions pursuant to which Varilease would lease to the Company the Equipment to be purchased by Varilease from the Company pursuant to the Sale Leaseback

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Agreement. The Schedule provides for a 36-month base lease term and specifies the calculation for the base monthly rental amount for the Equipment during such term. During the lease term, all of the costs, expenses and liabilities associated with the Equipment are to be borne by the Company, and the Company is entitled to the unlimited use of the Equipment. Each of the Company, Velo3D US, Inc., and Thieneman Construction are jointly and severally liable for the performance of all obligations and bound to all terms and conditions under the Master Lease Agreement and Schedule, including, but not limited to, the payment of base monthly rental amount and any other amounts due under the Master Lease Agreement and Schedule.

At the completion of the base lease term provided in the Schedule, the Company will have, among other things, the option to either purchase the Equipment described in the Schedule for a price to be agreed upon by the Company and Varilease, or extend the lease term of the Schedule for a period of 12 months at the base monthly rental.

The Master Lease Agreement includes customary events of default, including non-payment by the Company of the monthly rental or other charges due under the Schedule. The Master Lease Agreement provides that in the event of the declaration by Varilease of a default, the Company would pay to Varilease, among other things, any unpaid amount due on or before the declaration of default plus liquidated damages equal to the Stipulated Loss Value of the Equipment. The Stipulated Loss Value of the Equipment is an amount equal to 110% of the Company's original cost for such Equipment less 1.25% of such cost for each month elapsed during the lease term through the declaration of default.

As of December 31, 2025, the 2025 Equipment Loan was \$3.1 million under Debt - current portion and \$6.6 million under Long-term debt - less current portion. For the year ended December 31, 2025, the Company paid \$0.3 million in interest and incurred less than \$0.1 million in interest expense related to the Equipment Loan. The Company will pay 36 monthly payments with the Equipment Loan and the effective interest rate is 8.2%.

The future minimum aggregate payments for the above borrowings are equal to the expected payments made following the Exchange, beginning are as follows as of December 31, 2025:

Year Ending December 31,	(In thousands)
2026	\$ 7,098
2027	23,866
2028	3,424
Thereafter	—
Total	\$ 34,388
Less: Amount of debt discount to be amortized subsequent to December 31, 2025	(137)
Less: 2025 Equipment Loan fees to be amortized subsequent to December 31, 2025	(20)
Less: Amount of interest to be accrued subsequent to December 31, 2025	(3,216)
Debt as of December 31, 2025	\$ 31,015

As of December 31, 2025 and the issuance date of the audited consolidated financial statements, the Company was in compliance with all covenants.

Note 10. Equity Instruments

Common stock

Our authorized share capital consists of 500,000,000 shares of common stock, par value \$0.00001 per share, and 10,000,000 shares of preferred stock, par value \$0.00001 per share. As of December 31, 2025, we had 24,607,630 shares of common stock outstanding. The holders of common stock are entitled to one vote for each share held of record on all matters submitted to a vote of the stockholders but are not entitled to cumulative voting rights, are entitled to receive ratably such dividends as may be declared by the Company's Board of Directors out of funds legally available therefor subject to preferences that may be applicable to any shares of redeemable convertible preferred stock currently outstanding or issued in the future, are entitled to share ratably in all assets remaining

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after payment of liabilities and the liquidation preference of any then outstanding redeemable convertible preferred stock in the event of the Company's liquidation, dissolution, or winding up, have no preemptive rights and no right to convert their common stock into any other securities, and have no redemption or sinking fund provisions applicable to the common stock.

April 2024 Securities Purchase Agreement

On April 10, 2024, the Company entered into securities purchase agreements (the "BEPO Purchase Agreements") with certain investors (collectively, the "Purchasers"). The BEPO Purchase Agreements relate to the sale and issuance, on a reasonable best efforts basis (collectively, the "BEPO Offering"), by the Company of an aggregate of: (i) 65,307 shares of the Company's common stock and (ii) warrants to purchase up to 65,307 shares of common stock (the "BEPO Warrants"). The offering price per share of common stock and the exercise price of the accompanying BEPO Warrants is \$183.75.

On April 12, 2024, the Company completed the BEPO Offering, resulting in gross proceeds to the Company of approximately \$12 million. The Company used the net proceeds from the BEPO Offering primarily for funding working capital and capital expenditures and other general corporate purposes, including repayment of a portion of the Company's Secured Notes.

In connection with the BEPO Offering, on April 10, 2024, the Company also entered into a placement agency agreement (the "BEPO Placement Agency Agreement") with A.G.P./Alliance Global Partners (the "BEPO Placement Agent"). Pursuant to the terms of the BEPO Placement Agency Agreement, the BEPO Placement Agent agreed to arrange for the sale of the shares of common stock and the warrants. The Company paid the BEPO Placement Agent a cash fee equal to 7.0% of the aggregate purchase price paid by the Purchasers in connection with sales and reimbursed the BEPO Placement Agent for certain of its expenses in an aggregate amount of \$150,000. In addition, the Company issued Placement Agent warrants (the "BEPO Agent Warrants") to purchase such number of shares of common stock equal to 5.0% of the aggregate number of shares of common stock sold in the BEPO Offering, or an aggregate of 3,266 shares of common stock. The BEPO Agent warrants are exercisable immediately upon issuance and have substantially the same terms as the BEPO Warrants, except that the BEPO Agent Warrants have an exercise price of \$202.125 per share (representing 110% of the offering price per share of common stock and accompanying warrant) and will expire five years from the commencement of the sales pursuant to the BEPO Offering.

February 2025 Securities Purchase Agreement

On February 24, 2025, the Company entered into Warrant Exchange Agreements (the "February Warrant Exchange Agreements") with each of: (i) Highbridge Tactical Credit Master Fund, L.P. ("HM"); (ii) Highbridge Tactical Credit Institutional Fund, Ltd. (collectively with HM, the "Highbridge Holders"); (iii) Anson Investments Master Fund LP ("AMF"); (iv) Anson East Master Fund LP (collectively with AMF, the "Anson Holders"); (v) High Trail Investments ON LLC ("HTI"), and (vi) HB SPV I Master LLC (together with HTI, the "High Trail Holders"), pursuant to which: (a) the Highbridge Holders and the Anson Holders agreed to exchange an aggregate of 60,150 registered warrants issued in April 2024 and an aggregate of 99,048 registered warrants issued in August 2024, and (b) the High Trail Holders agreed to exchange an aggregate of 151,808 unregistered warrants issued in April 2024 and July 2024, and an aggregate of 19,048 registered warrants issued in December 2023, for an aggregate of 990,159 shares (the "Acquired Shares") of Company's common stock, respectively, equating in each case to an exchange ratio of three Acquired Shares for each warrant.

August 2025 Offering

On August 19, 2025, the Company entered into an underwriting agreement (the "Underwriting Agreement") with Lake Street Capital Markets, LLC, as representative of the several underwriters named therein (the "Representative"), relating to the public offering of 5,833,333 shares (the "Shares") of the Company's common stock, par value \$0.00001 per share, at a purchase price per share of \$3.00 (the "Offering Price"). Pursuant to the Underwriting Agreement, the Company also granted the Representative a 30-day option to purchase up to an additional 875,000 shares of common stock at the Offering Price, less any underwriting discounts and commissions, which was exercised in full.

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The offering closed on August 20, 2025. Net proceeds from the offering were approximately \$17.8 million after deducting the underwriting discounts and commissions, other estimated offering expenses payable by the Company, and the exercise of the Representative's option. The Company intends to use the net proceeds of this offering for working capital, capital expenditures and general corporate purposes.

December 2025 Private Investment in Public Equity - "2025 PIPE"

On December 22, 2025, the Company entered into a securities purchase agreement (the "Purchase Agreement") with certain institutional accredited investors (the "Purchasers"), for the issuance and sale in a private placement of an aggregate of 3,636,363 shares of the Company's common stock, par value \$0.00001 per share (the "Shares"), at a purchase price of \$8.25 per share. The foregoing transaction is referred to herein as the "Private Placement"

On December 23, 2025, the parties consummated the Private Placement. The aggregate gross proceeds to the Company from the Private Placement was approximately \$30 million, before deducting placement agent fees and other offering expenses. The Company intends to use the net proceeds of this offering for working capital, capital expenditures and general corporate purposes.

Common Stock Reserved for Future Issuance

Shares of common stock reserved for issuance on an "as if converted" basis were as follows:

	December 31,	
	2025	2024
	(share data)	
Common stock warrants	36,892	366,946
Shares available for future grant under 2021 Equity Incentive Plan	—	46,456
Reserved for At-the-Market offering	5,383	5,383
Reserved for employee stock purchase plan	148,787	18,958
Total shares of common stock reserved	191,062	437,743

In February 2023, the Company entered into a sales agreement (the "ATM Sales Agreement") with Needham & Company, LLC ("Needham"), as agent, pursuant to which the Company could offer and sell, from time to time through Needham, up to \$40.0 million shares of its common stock pursuant to a shelf registration statement on Form S-3 (the "Shelf Registration Statement") and the related prospectus supplement and accompanying base prospectus, and in connection therewith, the Company reserved 5,383 shares of common stock for issuance under the ATM Sales Agreement. On January 31, 2024, the Company filed an amendment to the prospectus supplement increasing the aggregate dollar amount of shares available to be sold from time to time pursuant to the ATM Sales Agreement to \$75 million. During the year ended December 31, 2025, the Company sold no shares pursuant to the ATM Sales Agreement. The Shelf Registration Statement expired in November of 2025; thus, no future sales will be made under the ATM Sales Agreement.

In April 2024, pursuant to the evergreen provisions of the Company's 2021 Equity Incentive Plan (the "2021 EIP"), the Company added an additional 24,612 shares of common stock for issuance under the 2021 EIP and 4,917 shares of common stock for issuance under the 2021 ESPP.

The shares available for future grant under the 2021 EIP are net of any un-exercised stock options (vested and unvested) and unvested restricted stock units ("RSUs") outstanding that may convert to common stock in the future upon exercise or vesting as of December 31, 2025 and 2024.

Common Stock Warrant liabilities

In connection with the BEPO Offering, the Company issued BEPO Warrants to purchase up to an aggregate of 65,307 shares of common stock. The BEPO Warrants are immediately exercisable at an exercise price of \$183.75 per share and will expire on the five-

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year anniversary of the date of issuance. In connection with the BEPO Placement Agency Agreement, we also issued BEPO Agent Warrants to purchase up to 3,266 shares of common stock. The BEPO Agent Warrants are exercisable at an exercise price of \$202.125 per share and will expire on the five year anniversary of the date of issuance.

In connection with the Second Note Amendment, on April 1, 2024, the Company also entered into a letter agreement (the “Letter Agreement”) with the Investors pursuant to which the Company issued to the Investors warrants (the “2024 Private Warrants”) to purchase up to an aggregate of 41,808 shares of common stock. The 2024 Private Warrants became exercisable 45 days after the original issuance date (the “Initial Exercise Date”), are exercisable at an exercise price of \$199.35 per share and will expire on the one year anniversary of the later of (i) the Initial Exercise Date and (ii) the date on which the Resale Registration Statement (as defined in the Letter Agreement) is declared effective by the SEC. The Investors may exercise the 2024 Private Warrants by paying the exercise in cash or by reducing the outstanding principal amount under the Secured Notes by an amount equal to the quotient of (A) the amount of the exercise price divided by (B) 1.20. The 2024 Private Warrants may also be exercised on a cashless basis under certain circumstances.

In connection with the Third Note Amendment, on July 1, 2024, the Company also entered into a letter agreement with the Investors pursuant to which the Company issued to the Investors warrants (the “July 2024 Private Warrants”) to purchase up to an aggregate of 110,000 shares of Common Stock. The July 2024 Private Warrants became exercisable 45 days after the original issuance date, are exercisable at an exercise price of \$37.50 per share and will expire on the five year anniversary of the issuance date. The Investors may exercise the 2024 Private Warrants by paying the exercise in cash or by reducing the outstanding principal amount under the Secured Notes by an amount equal to the quotient of (A) the amount of the exercise price divided by (B) 1.20. The July 2024 Private Warrants may also be exercised on a cashless basis under certain circumstances.

On August 12, 2024, the Company entered into a warrant inducement with certain warrant holders (the "Inducement Agreement"). Pursuant to the Inducement Agreement, the holders of the existing warrants agreed to reduce the exercise price of their existing warrants, totaling 49,524, from \$296.70 per share to \$34.20 per share. Additionally, the Company agreed to issue registered warrants with an exercise price of \$34.20 per share to purchase 99,048 shares of Common Stock (the “August Inducement Warrants”) and will expire on the five year anniversary of the issuance date. The August Inducement Warrants may also be exercised on a cashless basis under certain circumstances.

Warrants to purchase an equal number of shares of common stock of 36,892 and 366,946 were exercisable as of December 31, 2025 and December 31, 2024, respectively. The Private Placement Warrants, the Public Warrants, the 2022 Private Warrant, the RDO Warrants, the Placement Agent Warrants, 2024 Private Warrants, BEPO Warrants, BEPO Agent Warrants, July 2024 Private Warrants and August Inducement Warrants to purchase shares of common stock are liability classified and recorded at fair value on the issue date with periodic remeasurement. Warrants for shares of common stock consisted of the following:

December 31, 2025						
	<u>Issue Date</u>	<u>Expiration Date</u>	<u>Number of Warrants</u>	<u>Exercise Price per Warrant</u>	<u>Fair Value on Issue Date per Warrant</u>	<u>Fair Value on December 31, 2025</u>
Private Placement Warrants — Common Stock	12/02/2020	09/29/2026	8,477	\$ 6,037.50	\$ 70.00	\$ —
Public Warrants — Common Stock	12/02/2020	09/29/2026	16,429	\$ 6,037.50	\$ 115.50	\$ —
2022 Private Warrants — Common Stock	07/25/2022	07/24/2034	134	\$ 1,344.00	\$ 12.29	\$ 1,639
2023 Placement Agent Warrants — Common Stock	12/29/2023	12/29/2028	3,429	\$ 326.29	\$ 8.31	\$ 28,504
BEPO Warrants — Common Stock	4/12/2024	4/12/2029	5,157	\$ 183.75	\$ 9.40	\$ 48,480
BEPO Agent Warrants — Common Stock	4/12/2024	4/12/2029	3,266	\$ 202.13	\$ 9.26	\$ 30,242
			36,892			\$ 108,866

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December 31, 2024

	Issue Date	Expiration Date	Number of Warrants	Exercise Price per warrant	Fair Value on Issue Date per Warrant	Fair Value on December 31, 2024
Private placement warrants — Common Stock	12/02/2020	09/29/2026	8,477	\$ 6,037.50	\$ 70.00	\$ —
Public warrants — Common Stock	12/02/2020	09/29/2026	16,429	\$ 6,037.50	\$ 115.50	\$ —
2022 Private Warrant — Common Stock	07/25/2022	07/24/2034	134	\$ 1,344.00	\$ 85.05	\$ 1,102
RDO Warrants — Common Stock	12/29/2023	12/29/2028	19,048	\$ 299.25	\$ 10.50	\$ 90,469
2023 Placement Agent Warrants — Common Stock	12/29/2023	12/29/2028	3,429	\$ 326.29	\$ 10.50	\$ 15,835
2024 Private Warrants — Common Stock	4/1/2024	5/16/2025	41,808	\$ 199.35	\$ 10.08	\$ 2,007
BEPO Warrants — Common Stock	4/12/2024	4/12/2029	65,307	\$ 183.75	\$ 9.21	\$ 377,750
BEPO Agent Warrants — Common Stock	4/12/2024	4/12/2029	3,266	\$ 202.13	\$ 9.11	\$ 18,477
July 2024 Private Warrants — Common Stock	7/01/2024	7/01/2029	110,000	\$ 37.50	\$ 2.55	\$ 864,995
August Inducement Warrants — Common Stock	8/13/2024	08/12/2029	99,048	\$ 34.20	\$ 1.64	\$ 796,239
			<u>366,946</u>			<u>\$ 2,166,874</u>

Private Placement Warrants - Common Stock

Concurrently with JAWS Spitfire's IPO, 8,477 Private Placement Warrants were issued to the Sponsor at \$30.00 per warrant. Each Private Placement Warrant is exercisable to purchase one share of common stock at a price of \$6,037.50 per share. Subject to certain exceptions, the Private Placement Warrants have terms and provisions that are identical to those of the Public Warrants. As of December 31, 2025, the number of Private Placement Warrants issued was 8,477.

Public Warrants - Common Stock

In conjunction with the JAWS Spitfire IPO, 65,715 units were issued to public investors at \$150.00 per unit. Each unit consisted of one JAWS Spitfire Class A ordinary share and one-fourth of one warrant. Each Public Warrant is exercisable to purchase shares of common stock at \$6,037.50 per share. As of December 31, 2025, the number of Public Warrants issued was 16,429.

The Public Warrants may only be exercised for a whole number of shares. The Public Warrants became exercisable on December 7, 2021. The Public Warrants will expire 5 years after the completion of the Merger or earlier upon redemption or liquidation.

2022 Private Warrants - Common Stock

In conjunction with the joinder and fourth loan modification agreement on July 25, 2022, the Company issued to Silicon Valley Bank, warrants to purchase up to 134 shares of the Company's common stock at an exercise price of \$1,344.00 per warrant share. The 2022 Private Warrant is exercisable until July 24, 2034 and allows cashless exercise in whole or part.

RDO Warrants - Common Stock

In conjunction with the capital raise on December 29, 2023, the Company issued to multiple institutional investors, warrants to purchase up to 68,572 shares of the Company's common stock at an exercise price of \$299.25 per warrant share. The RDO Warrants are exercisable until December 29, 2028 and allow cashless exercise in whole or part.

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2023 Placement Agent Warrants - Common Stock

In conjunction with the capital raise on December 29, 2023, the Company issued to the placement agent, warrants to purchase up to 3,429 shares of the Company's common stock at an exercise price of \$326.29 per warrant share . The Placement Agent Warrants are exercisable until December 29, 2028 and allow cashless exercise in whole or part.

Common Stock Warrant Liabilities

The liability for warrants on common stock carried at fair value was as follows:

	December 31,	
	2025	2024
	(In thousands)	
Beginning balance	\$ 2,167	\$ 11,835
Issuance of common stock warrant in connection with financing	—	22,426
Change due to exchange of warrants	(3,198)	—
Change in fair value of warrants	1,140	(32,094)
Ending balance	<u>\$ 109</u>	<u>\$ 2,167</u>

The liabilities associated with the Private Placement Warrants, 2022 Private Warrant, RDO Warrants, and Placement Agent Warrants were subject to remeasurement at each balance sheet date using the Level 3 fair value inputs and the Public Warrants were subject to remeasurement at each balance sheet date using the latest trading price of the warrants for the years ended December 31, 2025 and 2024.

Common Stock Warrant Liabilities - Fair Value Assumption

The fair value of the private placement common stock warrant liability was less than \$0.1 million as of December 31, 2025 and 2024, as the publicly traded price was \$13.74 and \$10.20, as of December 31, 2025 and 2024, respectively.

The fair value of the 2024 Private Warrant Liability was less than \$0.1 million as of December 31, 2025 and 2024, respectively, as the warrants expired on May 16, 2025.

The fair value assumptions were as follows:

	As of December 31, 2025				
	Current stock price	Expected volatility	Risk-free interest rate	Dividen d rate	Expected term (years)
2022 Private Warrant ⁽ⁱ⁾	\$ 13.74	162.8%	3.8%	—%	8.57
Placement Agent Warrants(i)	13.74	180.9%	3.7%	—%	3.00
BEPO Warrants, BEPO Agent Warrant(i)	13.74	175.3%	3.6%	—%	3.28

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	As of December 31, 2024				
	Current stock price	Expected volatility	Risk- free interest rate	Dividen d rate	Expected term (years)
2022 Private Warrant, RDO Warrants, Placement Agent Warrants(i)	\$ 10.20	139.9%	4.3%	—%	4.00
2024 Private Warrants(ii)	10.20	191.6%	4.2%	—%	0.37
BEPO Warrants, BEPO Agent Warrant(i)	10.20	139.9%	4.4%	—%	4.28
August Inducement Warrants(i)	10.20	139.9%	4.4%	—%	4.62
July 2024 Private Warrants(i)	10.20	139.9%	4.4%	—%	4.50

(i) The fair value assumptions used the Black-Scholes simulation model for the valuation.

(ii) The fair value assumptions used the Monte Carlo simulation model for the valuation.

Expected volatility: The expected volatility was derived from the implied volatility of the Company's publicly traded common stock.

Risk-free interest rate: The risk-free interest rate is based on the U.S. Treasury yield curve in effect at the time of grant for zero-coupon U.S. Treasury notes with maturities corresponding to the expected term of the common stock warrants.

Expected dividend yield: The expected dividend rate is zero as the Company currently has no history or expectation of declaring dividends on its common stock.

Expected term: The expected term represents the period that the warrant is expected to be outstanding and is determined using the simplified method, which deems the term to be the average of the time to vesting and the contractual life of the warrant.

Contingent Earnout Liabilities

The contingent earnout liability is for Earnout Shares for pre-closing Legacy Velo3D equity holders (as defined in the Business Combination Agreement as holders of Legacy Velo3D shares, Legacy Velo3D warrants, Legacy Velo3D convertible notes and Legacy Velo3D options immediately prior to the closing date) ("*Eligible Legacy Velo3D Equityholders*"). The Eligible Legacy Velo3D Equityholders will be entitled to Earnout Shares, pursuant to which they will receive (i) 5.0% of the total number of shares of Common Stock outstanding at the Closing if the shares of Common Stock trade at or above \$6,562.50 for 20 or more trading days in any 30 trading-day period, and (ii) an additional 5.0% of the total number of shares of Common Stock outstanding at the Closing if the shares of Common Stock trade at or above \$7,875.00 for 20 or more trading days in any 30 trading-day period (the "*Triggering Events*"). The earnout is subject to a five-year earnout period and early trigger upon certain change of control events.

During the time period between Closing and the five-year anniversary of the Closing Date, Eligible Legacy Velo3D Equityholders may receive up to 41,444 shares of additional Common Stock, which is based on two tranches or 20,722 per tranche as noted above. The Earnout Shares issuable to holders of employee stock options are accounted as stock-based compensation expense as they are subject to forfeiture based on the satisfaction of certain employment conditions. See Note 11, *Equity Incentive Plans & Stock-Based Compensation*, for further discussion.

The estimated fair value of the contingent earnout liabilities at the Closing Date was \$1.0 million based on a Monte Carlo simulation valuation model using a distribution of potential outcomes on a monthly basis over the Earnout Period using the most reliable information available. The primary drivers of the fair value decreases are the volatility and underlying stock price. The change in fair value of contingent earnout liabilities are recognized in the consolidated statement of operations and comprehensive income (loss).

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The rollforward for the contingent earnout liabilities was as follows:

	December 31,	
	2025	2024
	(In thousands)	
Beginning Balance	\$ 11	\$ 1,456
Change in fair value of contingent earnout liabilities	(10)	(1,445)
Ending Balance	<u>\$ 1</u>	<u>\$ 11</u>

Fair Value Assumptions – Contingent Earnout Liabilities

Assumptions used in the fair value of the contingent earnout liabilities are described below.

	As of December 31, 2025				
	Current stock price	Expected volatility	Risk-free interest rate	Dividend rate	Expected term (years)
Contingent earnout liabilities	\$ 13.74	193.6%	3.5%	—%	0.75

	As of December 31, 2024				
	Current stock price	Expected volatility	Risk-free interest rate	Dividend rate	Expected term (years)
Contingent earnout liabilities	\$ 10.20	161.2%	4.2%	—%	1.75

Expected volatility: The expected volatility was derived from the implied volatility of the Company's publicly traded common stock.

Risk-free interest rate: The risk-free interest rate is based on the U.S. Treasury yield curve in effect at the time of grant for zero-coupon U.S. Treasury notes with maturities corresponding to the expected term of the Earnout Shares.

Expected dividend yield: The expected dividend rate is zero as the Company currently has no history or expectation of declaring dividends on its common stock.

Expected term: The expected term represents the period that the Company's stock-based awards are expected to be outstanding and is determined using the simplified method, which deems the term to be the average of the time to vesting and the contractual life of the Earnout Shares.

Note 11. Equity Incentive Plans & Stock-Based Compensation

In 2014, the Company adopted its 2014 equity incentive plan (the "2014 Plan") which provides for the granting of stock options, restricted stock awards and stock appreciation rights to employees, directors, and consultants of the Company.

Awards granted under the 2014 Plan generally expire 10 years from the date of grant, or earlier if services are terminated. The exercise price of stock options grants shall not be less than 110% of the estimated fair value of the shares on the date of grant, respectively, as determined by the Company's Board of Directors. Awards generally vest based on continuous service over four years.

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Awards forfeited, cancelled, or repurchased generally are returned to the pool of shares of common stock available for issuance under the 2021 Plan (as defined below).

In 2021, the Company adopted its 2021 Equity Incentive Plan (the “*2021 EIP*”) which provides for the granting of stock options, restricted stock units (“*RSUs*”) and stock appreciation rights to employees, directors, and consultants of the Company. The Company initially reserved 81,460 shares of its common stock for issuance under the 2021 EIP. In April 2024, pursuant to the evergreen provisions of the 2021 EIP, the Company registered an additional 24,612 shares of common stock for issuance under the 2021 EIP.

As of December 31, 2025, the Company has an allocated reserve of 0 shares of its common stock for issuance under the 2021 EIP.

In addition, the Company adopted its 2021 Employee Stock Purchase Plan (“*2021 ESPP*”). The Company initially reserved 6,978 shares of its common stock for issuance under the 2021 ESPP. In March 2022, pursuant to the evergreen provisions of the 2021 ESPP, the Company registered an additional 3,491 shares of common stock for issuance under the 2021 ESPP.

In March 2023, pursuant to the evergreen provisions of the 2021 ESPP, the Company registered an additional 3,573 shares of common stock for issuance under the 2021 ESPP. In April 2024, pursuant to the evergreen provisions of the 2021 ESPP, the Company registered an additional 4,923 shares of common stock for issuance under the 2021 ESPP.

As of December 31, 2025, the Company has an allocated reserve of 148,787 shares of its common stock for issuance under the 2021 ESPP. As of December 31, 2025, the Company had not begun any offering periods for the 2021 ESPP.

Awards granted under the 2021 EIP generally expire 10 years from the date of grant, or earlier if services are terminated. The exercise price of stock options grants shall not be less than 110% of the estimated fair value of the shares on the date of grant, respectively, as determined by the Company’s Board of Directors. Awards generally vest based on continuous service over 4 years. Awards forfeited, cancelled, or repurchased generally are returned to the pool of shares of common stock available for issuance under the 2021 Plan.

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Stock options

Activity under the Company's stock option plans is set forth below:

	Options	Weighted-Average	Weighted-Average
	(In thousands)	Exercise Price	Remaining
		(Per Share Data)	Contractual Term in
			years
			(Years)
Outstanding as of December 31, 2023	25	\$ 320.25	6.2
Granted	—	\$ —	
Exercised	(3)	\$ 94.50	
Forfeited or expired	(4)	\$ 242.25	
Outstanding as of December 31, 2024	18	\$ 380.70	5.0
Options vested and expected to vest as of December 31, 2024	18	\$ 380.70	
Vested and exercisable as of December 31, 2024	18	\$ 380.10	
Outstanding as of December 31, 2024	18	\$ 380.70	5.0
Granted	—	\$ —	
Exercised	—	\$ —	
Forfeited or expired	(14)	\$ 167.20	
Outstanding as of December 31, 2025	4	\$ 1,028.92	4.4
Options vested and expected to vest as of December 31, 2025	4	\$ 1,028.92	
Vested and exercisable as of December 31, 2025	4	\$ 1,028.92	

As of December 31, 2025 and 2024, there is no aggregate intrinsic value of options outstanding.

Intrinsic value of options exercised for the years ended December 31, 2025 and 2024 was \$0.0 million and \$0.2 million, respectively. The total grant date fair value of options vested was \$0.0 million and \$0.1 million for the years ended December 31, 2025 and 2024, respectively.

As of December 31, 2025, there is no unrecognized compensation cost related to options.

Restricted Stock Units

The fair value of RSUs under the Company's 2021 EIP is estimated using the value of the Company's common stock on the date of grant.

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The following table summarizes outstanding and expected to vest RSUs as of December 31, 2025 and 2024 and their activity during the year ended December 31, 2025 and 2024:

	Number of Shares	Weighted-Average Grant Date Fair Value	Aggregate Intrinsic Value
	(In thousands)	(Per Share Data)	(In thousands)
Balance as of December 31, 2023	38	\$ 1,020.00	\$ 7,940
Granted	32	49.35	1,549
Released	(38)	428.10	1,276
Cancelled	(19)	808.65	1,050
Balance as of December 31, 2024	13	\$ 714.30	\$ 132
Expected to vest as of December 31, 2024	13	\$ 714.30	\$ 132
Balance as of December 31, 2024	13	\$ 714.30	\$ 132
Granted	1,438	17.20	24,743
Released	(288)	25.12	1,622
Cancelled	(133)	21.04	1,212
Balance as of December 31, 2025	1,030	\$ 22.42	\$ 14,158
Expected to vest as of December 31, 2025	1,030	\$ 22.42	\$ 14,158

The aggregate intrinsic value of outstanding RSUs is calculated based on the closing price of the Company's common stock as of the date outstanding. As of December 31, 2025, there was \$21.1 million of unrecognized compensation cost, which is expected to be recognized over a weighted average period of approximately 3.2 years.

Earnout Shares - Employees

The Earnout Shares issuable to holders of employee stock options are accounted as stock-based compensation expense as they are subject to forfeiture based on the satisfaction of certain employment conditions. The estimated fair values of the Earnout Shares associated with vested stock options are recognized as an expense and determined by the Monte Carlo simulation valuation model using a distribution of potential outcomes on a monthly basis over the five-year earnout period. The portion of the Earnout Shares associated with unvested stock options are recognized as an expense and considers the vesting continuing employment requirements.

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Stock-based Compensation Expense

The following sets forth the total stock-based compensation expense by type of award included in operating expenses on the statements of operations:

	December 31,	
	2025	2024
	(In thousands)	
Restricted stock units	\$ 9,504	\$ 11,281
Stock options	5	125
Earnout shares — employees	—	404
	<u>\$ 9,509</u>	<u>\$ 11,810</u>

The following sets forth the total stock-based compensation expense for the stock options, RSUs, and earnout shares - employees included in operating expenses on the statements of operations:

	December 31,	
	2025	2024
	(In thousands)	
Cost of 3D Printer and parts	\$ 1,518	\$ 999
Cost of Support services	526	649
Stock-based compensation recorded in cost of revenue	2,044	1,648
Research and development	1,987	2,630
Selling and marketing	1,030	1,758
General and administrative	4,448	5,774
Stock-based compensation recorded in operating expense	7,465	10,162
Total stock-based compensation expense	<u>\$ 9,509</u>	<u>\$ 11,810</u>

Note 12. Income Taxes

The Company recorded pretax book income (loss) as of December 31, 2025 and December 31, 2024 as follows:

	For the twelve months ended December 31,	
	2025	2024
	(In thousands, except percentages)	
US	\$ (70,763)	(70,112)
Foreign	(482)	348
Total income (loss) before taxes	<u>\$ (71,245)</u>	<u>\$ (69,764)</u>

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The Company recorded the below income tax expense (benefit) attributable to income from continuing operations for the year ended December 31, 2025 and December 31, 2024 as follows:

	December 31,	
	2025	2024
	(In thousands, except percentages)	
Current		
Federal	\$ —	\$ (7)
State	—	21
Foreign	117	(34)
	117	(20)
Deferred		
Federal	—	—
State	—	—
Foreign	—	—
	—	—
Total income tax expense (benefit)	\$ 117	\$ (20)

The provision for income taxes differs from the amount which would result by applying the federal statutory income tax rate for the years ended December 31, 2025 and 2024.

The Company incurred cash income tax payments of \$0.1 million in the Netherlands for the year ended December 31, 2025. There was no cash income tax expense as of December 31, 2024.

The following table reconciles our income tax expense based on the US statutory tax rate to the income tax expense (benefit) for the year ended December 31, 2025, after the adoption of ASU 2023-09:

	December 31,	
	2025	
	(In thousands, except percentages)	
Tax at federal statutory rate	\$ (14,958)	(21.0)%
State, net of federal benefit	—	—%
Stock-based compensation	(64)	(0.1)%
Fair value adjustments	2,622	3.7%
Research and development credits	—	—%
Section 382 Limitation	—	—%
Foreign tax effects	259	0.4%
Other	532	0.7%
Change in valuation allowance	11,726	16.3%
Total provision for income taxes	\$ 117	(0.0)%

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The following table reconciles income taxes based on the U.S. Statutory tax rate to the Company's income tax expense (benefit) for the year ended December 31, 2024, prior to the adoption of ASU 2023-09:

	December 31,	
	2024	
	(In thousands, except percentages)	
Tax at federal statutory rate	\$ (14,686)	(21.1)%
State, net of federal benefit	12,947	18.6%
Stock-based compensation	3,327	4.8%
Fair value adjustments	(7,593)	(10.9)%
Research and development credits	—	—%
Section 382 Limitation	14,583	20.9%
Foreign tax effects	—	—%
Other	(745)	(1.1)%
Change in valuation allowance	(7,853)	(11.2)%
Total provision for income taxes	<u>\$ (20)</u>	<u>(0.0)%</u>

For the year ended December 31, 2025 the Company's effective tax rate is below the federal statutory income tax rate of 21% primarily due to state income taxes, net of federal benefit and the Company's position to establish a full valuation allowance on its deferred tax assets. California makes up for the majority of the state income tax expense, net of federal tax benefit.

Deferred income taxes reflect the tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The components of deferred tax assets and liabilities are as follows:

	December 31,	
	2025	2024
	(In thousands)	
Deferred tax assets		
Net operating loss carryforwards	\$ 95,061	\$ 81,649
Research and development tax credits	5,265	5,086
Stock-based compensation	6,914	4,952
Lease liability	2,202	2,632
Section 174 research and development capitalization	7,465	10,691
Interest expense	7,261	7,157
Other timing differences	7,806	8,754
Total deferred tax assets	\$ 131,974	\$ 120,921
Valuation allowance	\$ (129,793)	\$ (117,869)
Net deferred tax assets	\$ 2,181	\$ 3,052
Deferred tax liabilities		
Fixed assets and intangibles	\$ 162	\$ (299)
Right of use assets	\$ (2,343)	\$ (2,753)
Total deferred tax liabilities	\$ (2,181)	\$ (3,052)
Net deferred tax assets	\$ —	\$ —

Realization of deferred tax assets is dependent upon future earnings, if any, the timing and amount of which are uncertain.

The Company concluded that it was not more-likely-than-not that tax benefits from operating losses would be realized and, accordingly, has provided a full valuation allowance against its deferred tax assets. The valuation allowance increased by \$11.9 million during the year ended December 31, 2025 due to current year losses and credits generated during the year. The valuation

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allowance decreased by \$7.9 million for the year ended December 31, 2024 due to income tax attributes that are expected to expire prior to being able to be utilized due to IRC Section 382 ownership change limitations.

As of December 31, 2025, the Company had \$427.0 million and \$103.7 million federal and state net operating losses (“NOLs”), respectively, available to reduce future taxable income, which will begin to expire in 2034 and 2030 respectively for federal and for state tax purposes. The Company had \$416.4 million of federal net operating losses, which can be carried forward indefinitely.

As of December 31, 2024, the Company had \$366.0 million and \$95.6 million of federal and state net operating losses available to reduce future taxable income.

The Company has state research and developmental tax credit carryforwards of approximately \$9.5 million as of December 31, 2025. The state credits have no expiration date.

Federal, California and other state tax laws impose substantial restrictions on the utilization of NOLs and credit carryforwards in the event of an "ownership change" for tax purposes, as defined in Section 382 of the Internal Revenue Code. Accordingly, the Company's ability to utilize these carryforwards is limited based on the ownership change. In December 2024, the Company had an ownership change pursuant to Internal Revenue Code Section 382 which could materially impact the ability to utilize the tax net operating loss carryforwards and other tax attributes recorded. The net operating loss and other tax attributes recorded as deferred tax asset are fully offset with valuation allowance. Accordingly the state and federal net operating loss carryforwards and credits which have expiring provisions are reduced to the expected available amount. The annual IRC 382 limit for pre ownership change attributes that can be utilized each year is approximately \$0.8 million. The total tax effected attributes expected to be unable to be utilized due to expiration is approximately \$35.6 million. As a result of the ownership change federal net operating losses of \$35.2 million and California net operating loss of \$254.0 million are expected to expire before they will be able to be utilized. Federal R&D credits of \$10.4 million are also expected to expire before they can be utilized due to IRC Section 382 limitations.

A reconciliation of the beginning and ending amount of gross unrecognized tax benefits is as follows:

	December 31,	
	2025	2024
	(In thousands)	
Balance at beginning of year	\$ 2,759	\$ 6,060
Additions based on tax positions related to the current year	97	(3,301)
Balance at end of year	<u>\$ 2,856</u>	<u>\$ 2,759</u>

For the years ended December 31, 2025 the amount of unrecognized tax benefits decreased by \$0.1 million due to additional R&D credits claimed during the year. During the year ended December 31, 2024 the amount of unrecognized tax benefits decreased by \$3.3 million due to a reduction in R&D credits that are available for use due to IRC Section 382 limitations. The reversal of the uncertain tax benefits would not affect the Company's effective tax rate to the extent that it continues to maintain a full valuation allowance against its deferred tax assets.

The Company is subject to U.S. federal, state and foreign income taxes. Tax regulations within each jurisdiction are subject to the interpretation of the related tax laws and regulations, and require significant judgment to apply. The Company is subject to U.S. federal, state, foreign and local examinations by tax authorities for all prior years since incorporation.

The Company recognizes any interest and/or penalties related to income tax matters as a component of income tax expense. As of December 31, 2025, there were no accrued interest and penalties related to uncertain tax positions.

On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was enacted into law. The OBBBA enacts significant changes to U.S. tax regulations, including the restoration of 100% bonus depreciation on qualifying asset purchases and a return to immediate

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deductibility of domestic R&D expenditures. The legislation has multiple effective dates, with certain provisions effective in 2025 and others implemented through 2027. The legislation did not have a material impact on the Company's fiscal 2025 effective tax rate or consolidated financial statements and is not expected to have a material impact in fiscal 2026. We continue to review the OBBBA tax provisions to assess impacts to our financial statements.

Note 13. Commitments and Contingencies

The Company may be involved in various lawsuits, claims, and proceedings, including intellectual property, commercial, securities, and employment matters that arise in the normal course of business. The Company accrues a liability when management believes information available prior to the issuance of the consolidated financial statements indicates it is probable a loss has been incurred as of the date of the consolidated financial statements and the amount of loss can be reasonably estimated. The Company adjusts its accruals to reflect the impact of negotiations, settlements, rulings, advice of legal counsel, and other information and events pertaining to a particular case. Legal costs are expensed as incurred. As of December 31, 2025 and 2024, the Company is not aware of any litigation, claim or assessment in which the outcome, individually or in the aggregate, would have a material adverse effect on its financial positions, results of operations, cash flows or future earnings.

The Company's purchase obligations per terms and conditions with suppliers and vendors are cancellable in whole or in part prior to shipment. Non-cancellable purchase commitments (purchase orders) of \$7.7 million for parts and assemblies are due upon receipts and will primarily be delivered throughout 2026. If inventory is shipped, the Company will accrue a liability under accrued expenses. The Company has no other commitment and contingencies, except for the operating leases. See Note 8, *Leases*, for further discussion.

Note 14. Employee Defined - Contribution Plans

The Company has a defined-contribution plan intended to qualify under Section 401 of the Internal Revenue Code (the "401(k) Plan"). The Company contracted with a third-party provider to act as a custodian and trustee, and to process and maintain the records of participant data. Substantially all of the expenses incurred for administering the 401(k) Plan are paid by the Company. Accrued salaries and benefits included accruals related to the 401(k) plans the Company offers to its employees. In order to qualify for these plans, employees must meet the minimum age requirement (21 years) and begin participating on their entry date which is the first paycheck date in the month following the month of eligibility described above. Employee and employer contributions are immediately 100% fully vested. The plans offer employer contributions of 3.0% of an employee's eligible compensation following safe-harbor rules. The Company's contribution to the 401(k) plan was \$0.6 million and \$1.0 million for the years ended December 31, 2025 and 2024, respectively. The Company has paid all matching contributions as of December 31, 2025.

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Note 15. Revenue

Customer Concentration

The customer concentration for balances greater than 10% of revenues and 10% of accounts receivables, net, respectively, are presented below:

	Total Revenue		Accounts Receivable, Net	
	Year ended December 31,		December 31,	
	2025	2024	2025	2024
	(as a percentage)			
Customer 1	11.2%	<10%	<10%	—%
Customer 2	10.6%	11.3%	34.0%	<10%
Customer 3	11.4%	12.7%	—%	<10%
Customer 4	<10%	—%	16.2%	—%
Customer 5	<10%	23.0%	<10%	<10%
Customer 6	<10%	10.5%	<10%	<10%
Customer 7	—%	—%	—%	18.2%
Customer 8	—%	—%	—%	12.9%
Customer 9	—%	—%	—%	10.8%

Revenue by Geographic Area

The Company currently sells its products in the geographic regions as follows:

	December 31,	
	2025	2024
	(In thousands)	
Americas	\$ 39,901	\$ 39,908
Europe	4,493	839
Other	1,579	256
Total	<u>\$ 45,973</u>	<u>\$ 41,003</u>

Contract Assets and Liabilities

There was \$2.3 million of revenue recognized during the year ended December 31, 2025 included in contract liabilities as of December 31, 2024. There was \$2.4 million of revenue recognized during the year ended December 31, 2024 included in contract liabilities as of December 31, 2023. The change in contract assets reflects the difference in timing between the Company's satisfaction of remaining performance obligations and the Company's contractual right to bill its customers. The Company had no material asset impairment charges related to contract assets in the periods presented.

Note 16. Momentum Master Service Agreement

On April 12, 2025, the Company entered into a Master Service Agreement (“MSA”) with Momentum, Inc. (“Momentum”). Under the terms of the MSA, for a period of five years, Velo3D will provide consulting and parts production through Velo3D's Rapid Production Solutions ("RPS") offering. Momentum is entitled to services equal to the equivalent capacity of two Velo3D Sapphire XC 3D metal printers (or successor or comparable printers) (the “Equivalent Capacity”). Momentum will have first priority to utilize the Equivalent Capacity, and Velo3D will ensure the Equivalent Capacity is available for use as and when required by Momentum. If and when the Equivalent Capacity is not utilized by Momentum, Velo3D may use the Equivalent Capacity to provide services to other customers. Services to be provided under the MSA will be detailed in individual Statements of Work issued by Momentum and

Velo3D, Inc.
Notes to Consolidated Financial Statements

accepted by the Company from time to time, specifying the scope, pricing, and delivery schedule for the applicable goods and services.

On April 14, 2025, Momentus issued to Velo3D an aggregate of 26,748 shares of Class A Common Stock and 673,408 shares of non-voting Momentus Series A Convertible Preferred Stock, par value \$0.00001 per share for goods and services that will be delivered over the term of the MSA. Each share of Momentus Series A Convertible Preferred Stock is convertible into 0.56 shares of Class A Common Stock, subject to the limitations in the Momentus Certificate of Designations of Preferences, Rights and Limitations of Momentus Series A Convertible Preferred Stock, including that Velo3D hold no more than 9.99% of the outstanding shares of Momentus' Common Stock at any time.

Furthermore, pursuant to the Momentus Certificate of Designations, the Momentus Series A Convertible Preferred Stock may not be converted into shares of Momentus' Class A Common Stock if conversion would result in the issuance, in the aggregate with all previous issuances of shares of Momentus' Common Stock, of greater than 19.9% of the amount of Momentus' Class A Common Stock outstanding immediately preceding the date of the MSA without first obtaining stockholder approval in compliance with the rules of the Nasdaq Stock Market.

Under the MSA, Velo3D promised to use commercially reasonable efforts to sell shares of Momentus Class A Common Stock to establish a prepaid reserve ("Prepaid Reserve") to hold the net proceeds derived from the sale of Momentus Class A Common Stock. Unless otherwise provided in the Statement of Work, Service Fees will be deducted from the amount of Prepaid Reserve.

The MSA includes a refund provision ("Refund Provision") pursuant to which during the period beginning on the Effective Date and ending on each one year anniversary of the Effective Date, Momentus shall receive 20% of \$3,000,000 less Service Fees for Services performed during such period, and for each one year period beginning on the one year anniversary of the Effective Date for the term of the MSA, Momentus shall receive 50% of \$3,000,000 less Service Fees for Services performed during each such period. The amount in the Prepaid Reserve shall be reduced by the same amounts paid to Momentus. Such payments shall be made quarterly throughout the term of the MSA within 30 days following the end of each such quarter; provided however that if the Prepaid Reserve is not sufficient to settle the full amount of such payments when due, such amounts will be paid as soon as funds are deposited into the Prepaid Reserve. Velo3D shall use commercially reasonable efforts to sell a sufficient number of shares of Momentus Common Stock such that the Prepaid Reserve has sufficient funds to make payments required by this MSA and to cover the Service Fees for the Services requested by Momentus under the MSA.

The Company has evaluated the accounting treatment to record the customer liabilities, and for the equity received under the MSA with Momentus, has determined that the arrangement does not currently meet the criteria to be accounted for under ASC Topic 606, Revenue, as the Company cannot identify the specific goods and services to be transferred or the related payment terms. The Company will reassess the accounting for the MSA upon the execution of a Statement of Work.

The Company evaluated the MSA to determine whether any embedded feature of the MSA potentially qualifies as a derivative required to be separately accounted for in accordance with ASC Topic 815, Derivatives and Hedging. The Refund Provision clause requires the Company to refund a portion of the share-based consideration received if services are not rendered, with the refund amount limited to the lesser of a specified threshold or the net proceeds from the sale of Momentus shares. Management determined that the Refund Provision is required to be bifurcated from the MSA and accounted for separately as a derivative liability. However, based on a valuation analysis as of December 31, 2025, the fair value of the embedded derivative was determined to be de minimis. Accordingly, no separate recognition of the embedded derivative was made in the unaudited consolidated financial statements.

On August 14, 2025, Momentus executed a waiver of its rights under the MSA to cancel or require forfeiture of any unsold shares upon expiration or termination of the agreement. As a result, the Company obtained an unconditional right to retain the shares and a corresponding obligation to sell them, both of which are measured at fair value. In the event the MSA is terminated or expired, the number of shares that remain unsold by Velo3D shall continue to be held by Velo3D as outlined in the terms of the MSA amendment.

Velo3D, Inc.
Notes to Consolidated Financial Statements

dated August 14, 2025. In the event the MSA is terminated or expired, remaining funds in the Prepaid Reserve related to the Refund Provision and work product shall be returned to the respective parties.

The August 14, 2025 amendment to the Momentum Master Service Agreement triggered changes to the accounting treatment, which required an independent valuation appraisal.

On December 3, 2025, the Board of Directors of Momentum Inc., approved a reverse stock split of the Momentum's issued and outstanding shares of Class A Common Stock, \$0.00001 par value per share (the "Common Stock"), at a ratio of 1-for-17.85 (the "Reverse Stock Split"). The Reverse Stock Split was effective as of 5:00 p.m. Eastern Time on Wednesday, December 17, 2025 (the "Effective Date"), with the Common Stock trading on the Nasdaq Capital Market on a reverse-split adjusted basis under the Momentum's existing trading symbol, "MNTS," at the market open on December 18, 2025.

As of December 31, 2025, Velo3D had 53,824 outstanding shares of Momentum Common Stock and 547,408 outstanding shares of non-voting Momentum Series A Convertible Preferred Stock. Each share of Series A Convertible Preferred Stock is convertible into 0.56 shares of Common Stock. On February 9, 2026, Velo3D executed its option to convert its 547,408 Momentum Series A Convertible Preferred Stock into 306,672 of Momentum shares of Common Stock. As of March 25, 2026, 140,547 shares of Common Stock of Momentum are available to be sold.

As of December 31, 2025, the Momentum liabilities are recorded under accrued expenses and other current liabilities as Customer liabilities - prepaid reserve of \$1.1 million and Customer liabilities - noncash consideration of \$1.2 million. See Note 6, Balance Sheet Components—Accrued Expenses and Other Current liabilities. For the year ended December 31, 2025, no revenue related to this MSA has been recognized.

Note 17. Subsequent Events

Subsequent events were evaluated through the filing date of this Form 10-K, and no events requiring adjustment or disclosure were identified, other than items disclosed above in Note 9, *Debt* and Note 16, *Momentum Master Service Agreement*.

Item 9. Changes In and Disagreements With Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

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

Our management, with participation of our Chief Executive Officer and Acting 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 as of December 31, 2025. Based upon this evaluation our Chief Executive Officer and Acting Chief Financial Officer concluded that, as of December 31, 2025, our disclosure controls and procedures were not effective due to the material weaknesses in internal control over financial reporting described below.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f). Our management conducted an evaluation of the effectiveness of our internal control over financial reporting as of December 31, 2025, based on the criteria established in "Internal Control - Integrated Framework" (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on the results of its evaluation, management concluded that our internal control over financial reporting was not effective as of December 31, 2025.

This Annual Report does not include a report and attestation by our independent registered public accounting firm on the effectiveness of our internal control over financial reporting. Management's report was not subject to attestation by our independent registered public accounting firm pursuant to rules of the SEC that permit us to provide only management's report in this Annual Report.

Management believes it has remedied certain prior year disclosed material weaknesses over certain internal controls over financial reporting as of December 31, 2025. These weaknesses related to:

- Financial Reporting and Oversight: Ineffective design and operating controls over the segregation of duties for journal entries and account reconciliations, as well as the technical review of disclosures for complex debt and equity instruments.

To address this material weakness, the Company implemented a remediation plan during 2025, which included the following key actions:

- Enhanced Review Protocols: We established a formal review and approval framework for all manual journal entries and high-risk account reconciliations to ensure proper segregation of duties. Additionally, we implemented a secondary technical accounting review for all debt and equity-related disclosures.

Management has concluded that as of December 31, 2025, we did not maintain effective internal control over financial reporting due to a material weakness related to our accounting for stock-based compensation. Specifically, the controls were not designed effectively to account for forfeitures.

Additionally, management identified a significant deficiency related to the depreciation of equipment subject to operating lease. While this deficiency, on its own, may not have constituted a material weakness, it contributed to the adjustments and revisions to our

consolidated financial statements discussed in Note 2, *Summary of Significant Accounting Policies*. Management has determined that the material weakness related to share-based compensation, combined with the deficiency in equipment depreciation controls, resulted in the conclusion that our internal controls were not effective as of year-end.

We are a non-accelerated filer under the rules of the Securities and Exchange Commission. As a result, this Annual Report on Form 10-K does not include an attestation report of our independent registered public accounting firm regarding internal control over financial reporting. Management's report on internal control over financial reporting was not subject to attestation by our independent registered public accounting firm pursuant to Section 404(b) of the Sarbanes-Oxley Act.

We have identified material weaknesses in our internal control over financial reporting. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of the annual or interim consolidated financial statements will not be prevented or detected on a timely basis. The material weaknesses are as follows:

- We did not design and maintain an effective control environment commensurate with our financial reporting requirements. Specifically, we did not maintain a sufficient complement of personnel with an appropriate degree of internal controls and accounting knowledge, experience, and training commensurate with our accounting and financial reporting requirements. This material weakness contributed to the additional material weaknesses.
- We did not design and maintain effective controls over the accounting for inventory and related accounts. Specifically, we did not design and maintain effective controls over verifying the existence of inventory, the accuracy of purchases, manufacturing costs, and write-offs and the financial statement presentation of inventory and related accounts.
- We did not design and maintain effective controls over the accounting for contract assets and liabilities. Specifically, we did not design and maintain effective controls over the accuracy and the financial statement presentation of contract assets and liabilities, including variable consideration.
- We did not design and maintain effective controls over financial statement preparation, presentation and disclosure commensurate with our financial reporting requirements. Specifically, we did not design and maintain effective controls over the appropriate classification and presentation of accounts and disclosures in the consolidated financial statements.
- We did not design and maintain effective controls over the accounting for stock-based compensation. Specifically, we did not design and maintain effective controls over the accuracy and existence of the shared based compensation related to the earnout for eligible employees impacting the years ended 2025 and 2024, respectively.
- We did not design and maintain effective controls over the depreciation of equipment subject to equipment lease, net. Specifically, we did not design and maintain effective controls over the completeness of depreciation related to the equipment subject to equipment lease.
- We did not design and maintain effective controls over certain information technology ("IT") general controls for information systems that are relevant to the preparation of our consolidated financial statements. Specifically, we did not design and maintain effective:
 - o user access controls to ensure appropriate segregation of duties and that adequately restrict user and privileged access to financial applications, programs, and data to appropriate company personnel; and
 - o program change management controls to ensure that information technology program and data changes affecting certain financial IT applications and underlying accounting records are identified, tested, authorized and implemented appropriately.

These IT deficiencies did not result in a misstatement to the consolidated financial statements, however, the deficiencies, when aggregated, could impact maintaining effective segregation of duties, as well as the effectiveness of IT dependent controls (such as automated controls that address the risk of material misstatement to one or more assertions, along with the IT controls and underlying data that support the effectiveness of system-generated data and reports) that could result in misstatements potentially impacting all consolidated financial statement accounts and disclosures that would not be prevented or detected. Accordingly, management has determined these deficiencies in the aggregate constitute a material weakness.

These material weaknesses resulted in adjustments to contract assets, equipment subject to operating lease, net, contract liabilities and other noncurrent liabilities and additional paid-in capital which were recorded prior to the issuance of the consolidated financial statements as of and for the year ended December 31, 2025. These material weaknesses resulted in the revision of our consolidated financial statements for the year ended December 31, 2024 and as of and for the interim periods ended March 31, 2025 and 2024, June 30, 2025 and 2024, and September 30, 2025 and 2024. Also, these material weaknesses resulted in adjustments to contract assets, equipment subject to operating lease, net, contract liabilities and other noncurrent liabilities and additional paid-in capital, and stock-based compensation recorded in operating expenses under research and development, selling and marketing and general and administrative, which were recorded prior to the issuance of the audited consolidated financial statements as of and for the year ended December 31, 2025. Additionally, these material weaknesses could result in a misstatement of substantially all of our accounts or disclosures that would result in a material misstatement to the annual or interim consolidated financial statements that would not be prevented or detected.

Remediation Measures for Material Weaknesses in Internal Control over Financial Reporting

We have begun to take measures to remediate the material weaknesses existing as of December 31, 2025. We have designed and remediated effective controls over the segregation of duties related to journal entries and account reconciliations, and over the accounting and disclosures for debt and equity instructions. We have begun the following: hired additional accounting and IT personnel to bolster our reporting, technical accounting and IT capabilities; provided ongoing training for our personnel on accounting, financial reporting and internal control over financial reporting; engaged a third-party to assist in designing and implementing controls, including controls related to segregation of duties and IT general controls; designing and implementing controls to formalize roles and review responsibilities to align with our team's skills and experience and designing and implementing controls over segregation of duties; designing and implementing controls over the preparation and review of journal entries and account reconciliations; additionally, we have begun planning for measures to remediate the material weaknesses related to designing and implementing controls over accounting and disclosure for debt and equity instruments, the accounting for the issuance and extinguishment of convertible note arrangements, warrants and common stock; designing and implementing controls over the accounting for inventory and related accounts, the accuracy of inventory, purchases, manufacturing costs, and write-offs and the financial statement presentation of inventory and related accounts; designing and implementing controls over the accounting for contract assets and liabilities, the accuracy and the financial statement presentation and disclosure of contract assets and liabilities, including variable consideration; designing and implementing controls over controls over financial statement preparation, presentation and disclosure commensurate with our financial reporting requirements, the appropriate classification and presentation of accounts and disclosures in the consolidated financial statements; and designing and implementing IT general controls, including controls over the review and update of user access rights and privileges and program change management controls.

Management believes adequate progress has been performed toward the effectiveness of our internal control over financial reporting and disclosure controls and procedures. The measures we have on-going are subject to continued testing, ongoing senior management review, as well as audit committee oversight. We will not be able to conclude whether the measures we are taking will fully remediate these material weaknesses in our internal control over financial reporting until we have completed our remediation efforts and subsequent evaluation of their effectiveness. We may also conclude that additional measures may be required to remediate the material weaknesses in our internal control over financial reporting, which may necessitate additional implementation and evaluation time. We will continue to assess the effectiveness of our internal control over financial reporting and take steps to remediate the known material weaknesses expeditiously.

Changes in Internal Control over Financial Reporting

Other than disclosed above, there were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarterly period ended December 31, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information.

Rule 10b5-1 Plan Adoptions and Modifications

None.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

We maintain a Code of Business Conduct and Ethics that incorporates our code of ethics applicable to all employees (including executive officers), independent contractors, and board of directors of the Company. Our Code of Business Conduct and Ethics is published on our Investor Relations website at ir.velo3d.com under “Governance Documents.” We intend to satisfy the disclosure requirement under Item 5.05 of Form 8-K regarding amendments to, or waiver from, a provision of our Code of Business Conduct and Ethics by posting such information on the website address and location specified above.

The remaining information required by this item will be included in our Proxy Statement for the 2026 Annual Meeting of Stockholders, which we refer to as the Proxy Statement, to be filed with the SEC within 120 days of the fiscal year ended December 31, 2025, and is incorporated herein by reference.

Item 11. Executive Compensation.

The information required by this item will be included in our Proxy Statement to be filed with the SEC, within 120 days of the year ended December 31, 2025, and is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The information required by this item will be included in our Proxy Statement to be filed with the SEC, within 120 days of the year ended December 31, 2025, and is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information required by this item will be included in our Proxy Statement to be filed with the SEC, within 120 days of the year ended December 31, 2025, and is incorporated herein by reference.

Item 14. Principal Accountant Fees and Services.

The information required by this item will be included in our Proxy Statement to be filed with the SEC, within 120 days of the year ended December 31, 2025, and is incorporated herein by reference.

PART IV

Item 15. Exhibits and Financial Statement Schedules.

(a) The following documents are filed as part of this report:

(1) Financial Statements.

Our consolidated financial statements are listed in the “Index to Consolidated Financial Statements” under Part II, Item 8 of this Annual Report on Form 10-K.

(2) Financial Statement Schedules.

All schedules are omitted because they are not applicable or because the required information is shown in the consolidated financial statements and notes.

(3) Exhibits.

Exhibit Index

Exhibit Number	Exhibit Title	Incorporated by Reference			Filed Herewith
		Form	Exhibit	Filing Date	
2.1	Business Combination Agreement, dated as of March 22, 2021, by and among JAWS Spitfire Acquisition Corporation, Spitfire Merger Sub, Inc., and Velo3D, Inc.	8-K	2.1	03/23/2021	
2.2	<u>Amendment No. 1 to the Business Combination Agreement, dated July 20, 2021, by and among JAWS Spitfire Acquisition Corporation, Spitfire Merger Sub, Inc., and Velo3D, Inc.</u>	S-4/A	Annex AA	07/20/2021	
3.1	<u>Certificate of Incorporation of Velo3D, Inc.</u>	8-K	3.1	10/05/2021	
3.2	<u>Certificate of Amendment to the Certificate of Incorporation of Velo3D, Inc.</u>	8-K	3.1	06/09/2023	
3.3	<u>Certificate of Amendment to the Certificate of Incorporation of Velo3D, Inc.</u>	8-K	3.1	06/12/2024	
3.4	<u>Certificate of Amendment to the Certificate of Incorporation of Velo3D, Inc.</u>	8-K	3.1	07/02/2025	
3.5	<u>Certificate of Amendment to the Certificate of Incorporation of Velo3D, Inc.</u>	8-K	3.1	07/25/2025	
3.6	<u>Second Amended and Restated Bylaws of Velo3D, Inc.</u>	8-K	3.1	12/26/2024	
4.1	<u>Specimen Unit Certificate</u>	S-1/A	4.1	11/27/2020	
4.2	<u>Specimen Ordinary Share Certificate</u>	S-1/A	4.2	11/27/2020	
4.3	<u>Specimen Warrant Certificate</u>	S-1/A	4.3	11/27/2020	
4.4	<u>Certificate of Corporate Domestication of JAWS Spitfire Acquisition Corporation</u>	8-K	4.4	10/05/2021	
4.5	<u>Warrant Agreement between Continental Stock Transfer & Trust Company and JAWS Spitfire Acquisition Corporation, dated December 7, 2020</u>	8-K	4.1	12/08/2020	
4.6	<u>Description of Securities Registered Under Section 12 of the Exchange Act</u>	10-K	4.6	03/20/2023	

4.7	<u>Warrant to Purchase 70,000 shares of Common Stock</u>	8-K	4.1	07/29/2022
4.8	Indenture, dated as of August 14, 2023, by and between the Company and U.S. Bank Trust Company, National Association, as trustee	8-K	4.1	08/15/2023
4.9	First Supplemental Indenture, dated as of August 14, 2023, by and between the Company and U.S. Bank Trust Company, National Association, as trustee	8-K	4.2	08/15/2023
4.10	Form of Note	8-K	4.3	08/15/2023
4.11†	Second Supplemental Indenture, dated as of November 28, 2023, by and between the Company and U.S. Bank Trust Company, National Association, as trustee	8-K	4.1	11/28/2023
4.12	Form of Exchange Note	8-K	4.2	11/28/2023
4.13	Form of Warrant	8-K	4.1	12/28/2023
4.14	Form of Placement Agent Warrants	8-K	4.2	12/28/2023
4.15	Note Amendment, dated December 27, 2023, by and among the Company, High Trail Investments ON LLC and HB SPV I Master Sub LLC	8-K	4.3	12/28/2023
4.16	Form of Warrant	8-K	4.1	04/02/2024
4.17	Second Note Amendment, dated March 31, 2024, by and among the Company, High Trail Investments ON LLC and HB SPV I Master Sub LLC	8-K	4.2	04/02/2024
4.18	Form of Warrant	8-K	4.1	04/11/2024
4.19	Form of Placement Agent Warrant	8-K	4.2	04/11/2024
4.20	Form of Warrant	8-K	4.1	07/01/2024
4.21	Third Note Amendment, dated July 1, 2024, by and among the Company, High Trail Investments ON LLC and HB SPV I Master Sub LLC.	8-K	4.2	07/01/2024
4.22	Form of New Warrant	8-K	4.1	08/13/2024
10.1	Sponsor Letter Agreement, dated as of March 22, 2021, by and among Spitfire Sponsor LLC, certain other holders set forth on Schedule I thereto, JAWS Spitfire Acquisition and Velo3D, Inc.	8-K	10.2	03/23/2021
10.2	<u>Form of Subscription Agreement</u>	8-K	10.1	03/23/2021
10.3	<u>Amended and Restated Registration Rights Agreement, dated September 29, 2021, by and among the Company, Spitfire Sponsor LLC, and other Holders party thereto</u>	8-K	10.3	10/05/2021
10.4*	<u>2014 Equity Incentive Plan</u>	8-K	10.4	10/05/2021
10.5*	<u>2021 Equity Incentive Plan</u>	8-K	10.5	10/05/2021
10.6	<u>Form of Option Award Agreement</u>	8-K	10.6	10/05/2021
10.7	<u>Form of RSU Award Agreement</u>	8-K	10.7	10/05/2021
10.8	<u>Form of Rollover Option Award Agreement</u>	8-K	10.8	10/05/2021
10.9	<u>Form of Restricted Stock Award Agreement</u>	8-K	10.9	10/05/2021
10.10	<u>Form of Stock Appreciation Right Award Agreement</u>	8-K	10.10	10/05/2021
10.11	<u>Form of Stock Bonus Award Agreement</u>	8-K	10.11	10/05/2021
10.12	<u>Form of Performance Shares Award Agreement</u>	8-K	10.12	10/05/2021
10.13*	<u>2021 Employee Stock Purchase Plan</u>	8-K	10.13	10/05/2021

10.14	<u>Form of Director and Officer Indemnification Agreement</u>	8-K	10.18	10/05/2021
10.15	<u>Lease by and between Velo3D, Inc. and Colfin 2019-2D Industrial Owner, LLC, dated June 28, 2021</u>	8-K	10.21	10/05/2021
10.16	<u>Sales Agreement, by and between Velo3D and Needham dated February 6, 2023</u>	8-K	1.1	02/06/2023
10.17†	<u>Securities Purchase Agreement, dated as of August 10, 2023, by and among the Company and High Trail Investors ON LLC and HB SPV I Master Sub LLC, as buyers</u>	8-K	10.1	08/15/2023
10.18	<u>Placement Agent Agreement, dated as of August 10, 2023, by and between the Company and Credit Suisse Securities (USA) LLC, as placement agent</u>	8-K	10.2	08/15/2023
10.19†	<u>Security Agreement, dated as of August 14, 2023, by and among the Company, Velo3D US, Inc. and High Trail Investors ON LLC, as collateral agent</u>	8-K	10.3	08/15/2023
10.20	<u>Form of Voting Agreement (included as Exhibit D to the Securities Purchase Agreement filed as Exhibit 10.22)</u>	8-K	10.4	08/15/2023
10.21*	<u>Form of Change in Control Agreement</u>	8-K	10.1	10/02/2023
10.22†	<u>Securities Exchange Agreement, dated November 27, 2023, by and among the Company, High Trail Investors ON LLC and HB SPV I Master Sub LLC</u>	8-K	10.1	11/28/2023
10.23†	<u>Amendment to Securities Purchase Agreement, dated November 27, 2023, by and among the Company, High Trail Investors ON LLC and HB SPV I Master Sub LLC</u>	8-K	10.2	11/28/2023
10.24	<u>Form of Voting Agreement (included as Exhibit D to the Securities Exchange Agreement filed as Exhibit 10.27)</u>	8-K	10.3	11/28/2023
10.25†	<u>Amendment to Security Agreement, dated as of November 28, 2023, by and among the Company, Velo3D US, Inc. and High Trail Investors ON LLC, as collateral agent</u>	8-K	10.4	11/28/2023
10.26	<u>Form of Securities Purchase Agreement, dated December 27, 2023, between Velo3D, Inc. and the Purchasers</u>	8-K	10.1	12/28/2023
10.27	<u>Placement Agency Agreement, dated December 27, 2023, by and between the Company and A.G.P./Alliance Global Partners</u>	8-K	10.2	12/28/2023
10.28*	<u>Offer Letter, dated November 10, 2022, between Velo3D, Inc. and Mr. Kreger</u>	10-K	10.34	04/03/2024
10.29*	<u>Employment Agreement, dated December 3, 2020, between Velo3D, Inc. and Mr. Chung</u>	10-K	10.35	04/03/2024
10.30	<u>Letter Agreement, dated March 31, 2024, by and among the Company, High Trail Investments ON LLC and HB SPV I Master Sub LLC.</u>	8-K	10.1	04/02/2024
10.31	<u>Form of Securities Purchase Agreement</u>	8-K	10.1	04/11/2024
10.32	<u>Placement Agency Agreement, dated April 10, 2024, by and between the Company and A.G.P./Alliance Global Partners.</u>	8-K	10.2	04/11/2024
10.33	<u>Letter Agreement, dated July 1, 2024, by and among the Company, High Trail Investments ON LLC and HB SPV I Master Sub LLC.</u>	8-K	10.1	07/01/2024
10.34	<u>Form of Warrant Inducement Agreement by and between Velo 3D, Inc. and Holder(s)</u>	8-K	10.1	08/13/2024
10.35	<u>License and Support Services Agreement, effective September 12, 2024, by and among Space Exploration Technologies Corp., Velo3D, Inc. and Velo3D US, Inc.</u>	8-K	10.1	09/13/2024

10.36	Velo3D, Inc., Note Holders, and U.S. Bank Trust Company, National Association	8-K	10.2	09/13/2024	
10.37	Forbearance Agreement, dated as of December 9, 2024, by and among Velo3D, Inc., Velo3d US, Inc., High Trail Investments ON LLC and HB SPV I Master Sub LLC.	8-K	10.1	12/12/2024	
10.38	Exchange Agreement, dated as of December 24, 2024, by and between Velo3D, Inc. and Arrayed Notes Acquisition Corp.	8-K	10.1	12/26/2024	
10.39	Senior Secured Convertible Promissory Note, dated as of January 7, 2025	8-K	10.1	01/10/2025	
10.40	Secured Guaranty, dated as of January 7, 2025, by Velo3D US, Inc. in favor of Thieneman Properties, LLC	8-K	10.2	01/10/2025	
10.41*	Offer Letter, dated as of January 8, 2025, by and between Velo3D, Inc. and Arun Jeldi	8-K	10.3	01/10/2025	
10.42	Senior Secured Convertible Promissory Note, dated as of February 10, 2025	8-K	10.1	02/12/2025	
10.43	Secured Guaranty, dated as of February 10, 2025, by Velo3D US, Inc. in favor of Thieneman Construction, Inc.	8-K	10.2	02/12/2025	
10.44	Form of Warrant Exchange Agreement for the Highbridge Holders and the Anson Holders	8-K	10.1	02/24/2025	
10.45	Form of Warrant Exchange Agreement dated February 21, 2025 for the High Trail Holders	8-K	10.2	02/24/2025	
10.46	Form of Lock-Up Agreement dated February 21, 2025	8-K	10.3	02/24/2025	
10.47	Form of Underwriting Agreement (including the form of Lock-Up Agreement)	S-1/A	1.1	08/13/2025	
10.48	January Note Amendment, dated as of August 14, 2025	8-K	10.1	08/18/2025	
10.49	February Note Amendment, dated as of August 14, 2025	8-K	10.2	08/18/2025	
10.50	Underwriting Agreement, dated as of August 19, 2025, between the Company and Lake Street Capital Markets, LLC, as representative of the several underwriters named therein	8-K	1.1	08/20/2025	
10.51	Sale Leaseback Agreement, dated as of December 8, 2025, by and among Velo3D, Inc., Velo3D US, Inc., ad Varilease Finance, Inc.	8-K	10.1	12/12/2025	
10.52	Master Lease Agreement, dated as of December 8, 2025, by and among Velo3D, Inc., Velo3D US, Inc., Varilease Finance, Inc., and Thieneman Construction, Inc.	8-K	10.2	12/12/2025	
10.53	Schedule No. 1 to Master Lease Agreement, dated as of December 8, 2025, by and among Velo3D, Inc., Velo3D US, Inc., Varilease Finance, Inc., and Thieneman Construction, Inc.	8-K	10.3	12/12/2025	
10.54	Form of Debt Subordination Agreement	8-K	10.4	12/12/2025	
10.55	Form of Securities Purchase Agreement dated December 22, 2025, by and among the Company and the Purchasers	8-K	10.1	12/23/2025	
10.56	Amendment to Senior Secured Convertible Promissory Note, dated as of March 4, 2026 (January 2025 Note Amendment)	8-K	10.1	03/06/2026	
10.57	Amendment to Senior Secured Convertible Promissory Note, dated as of March 4, 2026 (February 2025 Note Amendment)	8-K	10.2	03/06/2026	
19.1	Insider Trading Policy				X
21.1	List of Subsidiaries	10-K	21.1	04/03/2024	
23.1	Consent of Frank, Rimerman + Co. LLP, independent registered public accounting firm				X
31.1	Certification of Principal Executive Officer Pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934 as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002				X

31.2	Certification of Principal Financial Officer Pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1994 as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
32.1	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
32.2	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
97.1	Velo3d, Inc. Compensation Recovery Policy	10-K	97.1	03/31/2025		
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document					X
101.SCH	Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents					X
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)					X

† Portions of this exhibit (indicated with markouts) have been redacted in accordance with Item 601(b)(10)(iv).

* Indicates a management contract or compensatory plan.

Item 16. Form 10-K Summary.

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Velo3D, Inc

Date: March 31, 2026

By: /s/ Bernard Chung
Bernard Chung
*Acting Chief Financial Officer, Principal Financial Officer
and Authorized Officer*

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant in the capacities and on the dates indicated.

Signature	Title	Date
<u>/s/ Arun Jeldi</u> Arun Jeldi	Chief Executive Officer and Director <i>(Principal Executive Officer)</i>	March 31, 2026
<u>/s/ Bernard Chung</u> Bernard Chung	Acting Chief Financial Officer <i>(Principal Financial and Accounting Officer)</i>	March 31, 2026
<u>/s/ Kenneth Thieneman</u> Kenneth Thieneman	Director	March 31, 2026
<u>/s/ Stefan Krause</u> Stefan Krause	Director	March 31, 2026
<u>/s/ Adrian Keppler</u> Adrian Keppler	Director	March 31, 2026
<u>/s/ Jason Lloyd</u> Jason Lloyd	Director	March 31, 2026

INSIDER TRADING POLICY

PURPOSE

Velo3D, Inc. (the “**Company**”) is committed to promoting high standards of honest and ethical business conduct and compliance with laws, rules, and regulations. Because stock is an important part of the Company’s compensation program, our Board of Directors (“**Board**”) has adopted this Insider Trading Policy (“**Policy**”) to promote compliance with insider trading laws.

Insider trading happens when someone who is in possession of material nonpublic information (“**MNPI**”) trades securities based on that information or discloses MNPI to someone else who trades on based on that information.

If you are considering trading our stock or other securities, please keep these three key points in mind:

- Never buy or sell our securities based on MNPI;
- Keep all MNPI confidential, including from your family and friends; and
- When in doubt about whether you have MNPI, ask before trading.

You are responsible for understanding and following this Policy, and for the consequences of any actions you may take.

Our Legal department will assist with implementing, interpreting, and enforcing this Policy, pre-clearing trading activities of certain people, and pre-approving any Rule 10b5-1 Plans (plans that permit insiders to sell Company securities on a pre-determined schedule that the insider does not control, discussed more fully later in this Policy).

PERSONS COVERED BY THIS POLICY

This Policy applies to our employees, contractors, consultants, and Board members, as well as to their immediate family members, people sharing their households, and anyone subject to their influence or control. It applies as well to entities such as venture capital funds, partnerships, trusts, and corporations which are associated or affiliated with our employees, contractors, consultants, and Board members. An “**immediate family member**” under this Policy means any child, stepchild, parent, stepparent, spouse, domestic partner, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law of a person security holder, and includes any person (other than a tenant or employee) sharing the household of that person. We will refer to all of these individuals and entities to whom this Policy applies collectively as “**Insiders**.”

Additional trading restrictions in this Policy apply to our executive officers and directors (“**Section 16 Officers**”) and to the individuals listed on Exhibit A (“**Designated Insiders**”) who are not Section 16 Officers but who have regular access to MNPI in the ordinary course of their job. The list of Designated Insiders may be modified by our Legal department.

Suppose you are aware of MNPI when your employment or service relationship with the Company ends. In that case, you still may not trade our securities until that MNPI has become public or is no longer material.

WHAT THIS POLICY COVERS

The primary purpose of this Policy is to prevent people who are in possession of MNPI from trading in our stock or other securities based on that MNPI or disclosing MNPI to someone else who trades based on that information.

“**Material information**” is information about our Company, positive or negative, that a reasonable stockholder would consider important in deciding to purchase or sell the Company’s securities. Material information can be positive or negative and can relate to virtually any aspect of the Company’s business.

Examples of material information may include:

- historical or forecasted revenues, earnings, or other financial results;
- significant new products, or services, or other product developments;

- significant new contracts or partners or the loss of a significant contract or partner;
- significant developments regarding the Company’s technology or business operations;
- possible mergers or acquisitions or dispositions of significant subsidiaries or assets;
- major new litigation or regulatory inquiries or developments in existing litigation or inquiries;
- significant cybersecurity incidents or data breaches;
- significant developments in borrowings, or financings or capital investments;
- significant changes in the financial condition or asset value or liquidity issues;
- changes in our Board or senior management;
- significant changes in corporate strategy;
- changes in accounting methods and write-offs; and
- stock offerings, stock splits, or changes in dividend policy.

This list is illustrative only and is not intended to provide a comprehensive list of circumstances that could result in material information. Determination of what may constitute material information will depend upon the facts and circumstances in each situation.

“**Nonpublic**” means that the confidential information has not yet been shared broadly outside the company. Please remember as well that we may possess confidential information relating to or belonging to our

customers, partners, or other third parties and that it is equally important that we treat this information with the same care with which we treat our information. If you are not sure whether the information is considered public, you should either consult with our Legal department or assume that the information is nonpublic and treat it as confidential.

This Policy applies to all transactions involving our securities, including common stock, restricted stock units (“RSUs”), options and warrants to purchase common stock and any other debt or equity securities the Company may issue from time to time, such as bonds, preferred stock, convertible notes, as well as to derivative securities relating to the Company’s securities, whether issued by the Company or not, such as exchange-traded options.

PROHIBITED ACTIVITIES AND OTHER RESTRICTIONS

Insider Restrictions

The following is a list of prohibited activities for all Insiders:

- Trade our securities while in possession of any MNPI (other than pursuant to a 10b5-1 Plan entered in accordance with this Policy).
- Trade our securities outside of a Trading Window or during a Blackout Period designated by our Legal department (other than pursuant to a 10b5-1 Plan entered in accordance with this Policy).

See the definition of “*Trading Window*” and “*Blackout Period*” below.

- Unless approved in advance by our Legal department, make a gift, charitable contribution, or other transfer without consideration of our securities during a period when the Insider cannot trade.
- Share MNPI with any outside person, *unless* required by your job and such person is under NDA, or as authorized by our Legal department.
- Give trading advice about the Company, *unless* the advice is to tell someone not to trade our securities because the trade would violate this Policy or the law.
- Other than the exercise of equity awards issued by us, engage in transactions involving options or other derivative securities on our stock, such as puts and calls, whether on an exchange or in any other market.
- Engage in hedging or monetization transactions involving our securities, such as zero cost collars and forward sale contracts, or contribute our securities to exchange funds in a manner that could be interpreted as hedging in our stock.
- Engage in short sales of our securities, meaning a sale of securities that you do not own, including short sales “against the box.”
- Use or pledge our securities as collateral in a margin account or as collateral for a

loan *unless* the pledge has been approved by our Legal department and in accordance with any applicable policy or guidelines of the Company regarding pledging.

- Distribute our securities to limited partners, general partners, or stockholders of any entity outside of a Trading Window or during a Blackout Period, unless those limited partners, general partners, or stockholders have agreed in writing to hold the securities until the next open Trading Window.
- Engage in any of the above activities for securities you own in any other company if you have MNPI about that company obtained in the course of your service to the Company.

Additional Restrictions Applicable to Section 16 Officers and Designated Insiders

All of the restrictions noted above for Insiders also apply to our Section 16 Officers and Designated Insiders.

Prior to trading our securities, Section 16 Officers and Designated Insiders must obtain pre-approval from our Legal department (or in the case of the Legal department, the Chief Financial Officer) by (a) providing written notification of the amount and nature of the proposed trade, (b) certifying no earlier than two business days prior to the proposed trade that you have no MNPI and (c) receiving an email confirmation from our Legal department approving the trade, which approval can be

granted or denied at his or her discretion. You may satisfy (a) and (b) by emailing the required information and certification to our Legal department.

Exceptions to Prohibited Activities

The trading restrictions of this Policy do not apply to the following:

- *401(k) Plan.* Investing 401(k) plan contributions in a company stock fund in accordance with the terms of our 401(k) plan. However, any changes in your investment election regarding the Company's securities are subject to trading restrictions under this Policy.
- *ESPP.* Purchasing our stock through periodic, automatic payroll contributions under our Employee Stock Purchase Plan. Employees, other than Section 16 Officers or Designated Insiders, may make changes in elections under the ESPP outside of a Trading Window or during a Blackout Period. Section 16 Officers or Designated Insiders may not make any decrease in their elections under, or withdraw from, the ESPP outside a Trading Window or during a Blackout Period. Moreover, any sales of stock acquired under the ESPP are subject to trading restrictions under this Policy.
- *Options.* Exercising stock options granted under our equity incentive plans for cash or by delivering to the Company previously owned Company stock or through a net exercise of a stock option permitted by the Company's equity

incentive plan and that does not involve a sales-of-shares in the open market. Payment of taxes in connection with exercising stock options granted under our equity incentive plans pursuant to net settlement arrangements approved by the Company for the payment of taxes upon the exercise of stock options and that does not involve a sale of shares in the open market. However, the sale of any shares issued on the exercise of Company-granted stock options, as well as any cashless exercise of Company-granted stock options in which stock is sold on the open market to pay the exercise price or taxes (i.e., “same-day sales”) are subject to trading restrictions under this Policy.

- *RSUs.* The settlement of RSUs pursuant to a net settlement or a “sale to cover” for non-discretionary, automatic tax withholdings initiated and approved by the Company for the payment of taxes upon the vesting of RSUs.

Other Legal Restrictions

The trading prohibitions of this Policy are not the only stock-trading rules and regulations you need to follow. You should be aware of additional prohibitions and restrictions set by contract or by federal and state securities laws and regulations (e.g., contractual restrictions on the resale of securities, rules on short swing trading by Section 16 Officers, compliance with Rule 144 under the Securities Act of 1933, as amended, and others). Any Insider who is uncertain whether other prohibitions or restrictions apply should ask our Legal

department.

WHEN TRADING IS ALLOWED

To promote compliance with insider trading laws, we have designated periods where Insiders can trade in our securities, which are described below:

Trading Windows and Blackout Periods

- *You Can Only Trade in a Trading Window.* Insiders are allowed to trade our securities only during a Trading Window period, which opens after the close of trading on the next full trading day following the widespread public release of our quarterly or year-end operating results and closes at the close of trading on the fifteenth calendar day of the third month of the then-current quarter. For example, if we publicly announce our quarterly financial results after the close of trading on a Monday (or before trading begins on a Tuesday), then the first time an Insider can trade our securities is after the close of market on Tuesday (effectively at the opening of the market on Wednesday for regular trading). However, if we announce quarterly financial results after trading begins on that Tuesday, then the first time the Insider can trade is after the close of market on Wednesday (effectively at the opening of the market on Thursday for regular trading).
- *Even During a Trading Window, You Are Not Allowed To Trade While in Possession of MNPI.* Even during a Trading Window, you still may not trade

our securities if you possess MNPI at that time. An Insider who possesses MNPI during a Trading Window may only trade our securities after the close of trading on the next full trading day following our widespread public release of that MNPI.

- *You Cannot Trade During a Blackout Period.* Even during a Trading Window, our Legal department, at his or her discretion, may designate special trading Blackout Periods that apply to specific individuals or groups of people (including all Insiders) for as long as our Legal department determines. No Insider may trade our securities during any such Blackout Period. Additionally, no Insider may tell anyone that a special Blackout Period has been designated or that one previously was in place because that is confidential information that cannot be disclosed internally or externally.

Permitted Trades Under 10b5-1 Plans

We allow Insiders to trade in our securities while in possession of MNPI, outside of a Trading Window or during a Blackout Period, only pursuant to a “10b5-1 Plan.”

What Is a 10b5-1 Plan? A 10b5-1 Plan is a written plan for selling or purchasing a predetermined number of shares that is entered into while an Insider is not in possession of MNPI.

Who Can Enter Into a 10b5-1 Plan? We allow any Insider to enter into a 10b5-1 Plan. Because Section 16 Officers and

Designated Insiders are more likely than other Insiders to have access to MNPI, we strongly encourage all of our Section 16 Officers and Designated Insiders to establish a 10b5-1 Plan for trading.

How Do I Adopt a 10b5-1 Plan? We have engaged Morgan Stanley to administer our 10b5-1 Plans and any 10b5-1 Plan that you adopt must be adopted through the plan administrator unless otherwise approved by our Legal department. If you are interested in setting up a 10b5-1 Plan, you should consult with our Legal department and make sure that:

- The 10b5-1 Plan complies with the requirements of Rule 10b5-1 under the Securities Exchange Act of 1934, as amended, and this Policy.
- You have certified to our Legal department in writing, no earlier than two business days prior to the date that the 10b5-1 Plan is formally adopted, that (i) you are not in possession of MNPI, (ii) all trades to be made pursuant to the 10b5-1 Plan will be in accordance with applicable SEC rules, and (iii) the 10b5-1 Plan complies with the requirements of Rule 10b5-1. This certification may be made in an email to our Legal department.
- The first trade under the 10b5-1 Plan does not occur until the opening of the next Trading Window following our Legal department’s approval of the 10b5-1 Plan.

- The 10b5-1 Plan is adopted during a Trading Window and not during any Blackout Period.

An individual may have no more than one 10b5-1 Plan adopted at any point in time (i.e., multiple concurrent plans are prohibited).

Approval of a 10b5-1 Plan by our Legal department shall not be considered a determination by us or our Legal department that the 10b5-1 Plan satisfies the requirements of Rule 10b5-1.

How Do I Modify a 10b5-1 Plan? Because the SEC views the modification of a 10b5-1 Plan to be the same as terminating an existing 10b5-1 Plan and entering into a new 10b5-1 Plan, the approval process for modifying a 10b5-1 Plan are similar to those for initially adopting the plan. Once you have an approved 10b5-1 Plan in place, you will need approval from our Legal department to make any changes to it. Because making frequent changes to a 10b5-1 Plan may give the appearance that you are trading on MNPI under the guise of that plan, we will only authorize one modification per year. Changes to a 10b5-1 Plan can only be made during a Trading Window and not during any Blackout Period and when you are not in possession of MNPI. Any changes to your 10b5-1 Plan will be subject to a “cooling off” period, meaning that the first trade under the modified 10b5-1 Plan may not occur until the opening of the next Trading Window following the Legal department’s approval of the modification to the 10b5-1 Plan.

THERE ARE SIGNIFICANT CONSEQUENCES FOR VIOLATING INSIDER TRADING LAWS

The consequences of violating insider trading laws can be severe. For example, people who violate insider trading laws may be required to disgorge profits made or losses avoided by trading, pay the loss suffered by the persons who purchased securities from or sold securities to the insider tipper, pay civil fines of up to three times the profit made or loss avoided, pay a criminal penalty of up to \$5 million for individuals and \$25 million for entities and serve a prison term of up to 20 years. In addition, individual directors, officers, and other supervisory personnel may also be required to pay significant civil or criminal penalties for failure to take appropriate steps to prevent insider trading by those under their supervision, influence, or control.

CONSEQUENCES OF VIOLATING THIS POLICY

We may impose discipline on anyone violating this Policy, up to and including termination of employment, and we may issue stop transfer orders to our transfer agent to prevent any attempted trades that would violate this Policy.

ADMINISTRATION

The Legal department will administer and interpret this Policy and enforce compliance as needed. The Legal department may consult with the Company’s outside legal counsel as needed. The Legal department

may designate other individuals to perform the Legal department's duties under this Policy.

Neither the Company nor the Legal department will be liable for any act made under this Policy. Neither the Company nor the Legal department is responsible for any failure to approve a trade or for imposing any Blackout Period.

REPORTING VIOLATIONS

Any Insider who violates this Policy or any federal or state laws governing insider trading or tipping, or who knows of any such violation by any other Insider, must report the violation immediately to our

Legal department. If you want to anonymously submit a concern or complaint regarding a possible violation of this Policy, you should follow the procedures outlined in our Whistleblower Policy. Anyone who violates this Policy may be subject to disciplinary measures, which may include termination of employment.

CHANGES TO THIS POLICY

Our Board reserves the right in its sole discretion to modify or grant waivers to this Policy. Any amendments or waiver may be publicly disclosed if required by applicable laws, rules, and regulations.

EXHIBIT A

Designated Insiders

- All Vice President level employees and above
- All administrative assistants to a Section 16 Officer and Designated Insiders
- All members of the legal function that prepare (or assist with preparing) SEC filings and earnings materials
- All members of the Investor Relations function that assist with preparing earnings releases
- All members of the Disclosure Committee
- All members of the Finance and Accounting and designated functions
- Additional individuals to be listed:

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (Nos. 333-292699, 333-292698, 333-286429, 333-281108, 333-279380 and 333-268346), and Form S-8 (Nos. 333-278497, 333-261508, 333-270695, 333-263895, and 333-261508) of our report dated March 31, 2026, relating to the consolidated financial statements of Velo3D, Inc. and Subsidiaries, which appears in this Annual Report on Form 10-K for the year ended December 31, 2025.

/s/ Frank, Rimerman + Co. LLP

San Francisco, California
March 31, 2026

**CERTIFICATION PURSUANT TO
RULE 13a-14(a) OR 15d-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Arun Jeldi, certify that:

1. I have reviewed this Annual Report on Form 10-K of Velo3D, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 31, 2026

Velo3D, Inc.

/s/ Arun Jeldi

Chief Executive Officer

(Principal Executive Officer)

**CERTIFICATION PURSUANT TO
RULE 13a-14(a) OR 15d-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Bernard Chung, certify that:

1. I have reviewed this Annual Report on Form 10-K of Velo3D, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 31, 2026

Velo3D, Inc.

/s/ Bernard Chung
Acting Chief Financial Officer
(Principal Financial Officer)

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

I, Arun Jeldi, Chief Executive Officer of Velo3D, Inc. (the “Company”), do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) the Annual Report on Form 10-K of the Company for the fiscal year ended December 31, 2025 (the “Report”), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition, and results of operations of the Company.

Date: March 31, 2026

Velo3D, Inc.

/s/ Arun Jeldi

Chief Executive Officer

(Principal Executive Officer)

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

I, Bernard Chung, Acting Chief Financial Officer of Velo3D, Inc. (the “Company”), do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) the Annual Report on Form 10-K of the Company for the fiscal year ended December 31, 2025 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition, and results of operations of the Company.

Date: March 31, 2026

Velo3D, Inc.

/s/ Bernard Chung

Acting Chief Financial Officer

(Principal Financial Officer)