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

FORM 10-Q

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

For the quarterly period ended March 31, 2026

OR

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

For the transition period from _to

Commission file number 001-39291

EOS ENERGY ENTERPRISES, INC.
(Exact name of registrant as specified in its charter)

Delaware	**84-4290188**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

3920 Park Avenue	**Edison**	**NJ**	**08820**
(Address of Principal Executive Offices)			(Zip Code)

(732) 225-8400
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 $0.0001 per share	EOSE	The Nasdaq Stock Market LLC

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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate web site, if any, every Interactive Data File required to be submitted and posted 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 and post such files). Yes ☒ No ☐

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

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☐
		Emerging growth company	☐

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

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

The registrant had outstanding 339,514,027 shares of common stock as of May 11, 2026.

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FORWARD-LOOKING INFORMATION

All statements included in this Quarterly Report on Form 10-Q (“Quarterly Report”), other than statements or characterizations of historical fact, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The words “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “intends,” “may,” “might,” “plan,” “possible,” “potential,” “predict,” “project,” “should,” “would” and similar expressions, as they relate to us, are intended to identify forward-looking statements. These statements appear in a number of places in this Quarterly Report and include statements regarding the intent, belief or current expectations of Eos Energy Enterprises, Inc. Forward-looking statements are based on our management’s beliefs, as well as assumptions made by and information currently available to, them. Because such statements are based on expectations as to future financial and operating results and are not statements of fact, actual results may differ materially from those projected. Factors which may cause actual results to differ materially from current expectations include, but are not limited to:

- *changes adversely affecting the business in which we are engaged;*
- *our ability to forecast trends accurately;*
- *our ability to generate cash, service indebtedness and incur additional indebtedness;*
- *our ability to raise financing in the future;*
- *our customer's ability to secure project financing;*
- *risks associated with the Credit Agreement (defined below), including risks of default, dilution of outstanding common stock, consequences for failure to meet milestones and contractual lockup of shares;*
- *the amount of final tax credits available to our customers or to Eos pursuant to the Inflation Reduction Act including potential impacts from any repeal or modification of the legislation;*
- *the timing and availability of future funding under the Department of Energy Loan Facility;*
- *our ability to continue to develop efficient manufacturing processes to scale and to forecast related costs and efficiencies accurately;*
- *fluctuations in our revenue and operating results;*
- *competition from existing or new competitors;*
- *our ability to convert firm order backlog and pipeline to revenue;*
- *risks associated with security breaches in our information technology systems;*
- *risks related to legal proceedings or claims;*
- *risks associated with evolving energy policies in the United States and other countries and the potential costs of regulatory compliance;*
- *risks associated with changes to the U.S. trade environment;*
- *our ability to maintain the listing of our shares of common stock on NASDAQ;*
- *our ability to grow our business and manage growth profitably, maintain relationships with customers and suppliers and retain our management and key employees;*
- *risks related to adverse changes in general economic conditions, including inflationary pressures and increased interest rates;*
- *risk from supply chain disruptions and other impacts of geopolitical conflict;*
- *changes in applicable laws or regulations; and*
- *other factors detailed under the section titled “Risk Factors” herein.*

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. Forward-looking statements speak only as of the date they are made. Readers are cautioned not to put undue reliance on forward-looking statements and, except as required by law, the Company assumes no obligation and does not intend to update or revise these forward-looking statements, whether as a result of new information, future events, or otherwise. See also Part I, Item 1A, *"Risk Factors"* disclosures contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2025 for additional discussion of the risks and uncertainties that could cause the Company's actual results to differ materially from those expressed or implied in its forward-looking statements.

EOS ENERGY ENTERPRISES, INC.

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share amounts)

	March 31, 2026	December 31, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	$ 410,660	$ 567,992
Restricted cash	39,770	34,636
Accounts receivable, net	3,832	6,779
Inventory	58,745	59,026
Vendor deposits	12,061	11,756
Contract assets, current	39,438	13,972
Prepaid expenses	3,389	2,701
Grant receivable, net	21,369	11,028
Other current assets	701	590
Total current assets	589,965	708,480
Property, plant and equipment, net	145,774	114,415
Intangible assets, net	1,287	979
Goodwill	4,331	4,331
Operating lease right-of-use asset, net	21,469	20,420
Long-term restricted cash	21,938	21,938
Other assets, net	14,560	14,634
Total assets	$ 799,324	$ 885,197
LIABILITIES		
Current liabilities:		
Accounts payable	$ 77,079	$ 99,915
Accrued expenses	39,196	25,794
Operating lease liability, current	1,996	1,960
Long-term debt, current	—	372
Contract liabilities, current	6,718	14,975
Other current liabilities	326	524
Total current liabilities	125,315	143,540
Long-term liabilities:		
Operating lease liability	21,374	19,182
Long-term debt	506,399	662,467
Notes payable - related party	113,120	150,427
Contract liabilities, long-term	2,234	2,506
Warrants liability	112,777	313,253
Warrants liability - related party	203,485	470,715
Other liabilities	394	427
Total long-term liabilities	959,783	1,618,977
Total liabilities	1,085,098	1,762,517

EOS ENERGY ENTERPRISES, INC.

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, except share and per share amounts)

	March 31, 2026	December 31, 2025
COMMITMENTS AND CONTINGENCIES (NOTE 14)		
SERIES B PREFERRED STOCK - related party	582,664	1,361,542
SHAREHOLDERS' DEFICIT		
Common stock, $0.0001 par value, 600,000,000 shares authorized, 339,459,021 and 337,132,374 shares outstanding on March 31, 2026 and December 31, 2025, respectively	32	32
Additional paid in capital	1,247,734	427,722
Accumulated deficit	(2,026,936)	(2,535,819)
Accumulated other comprehensive loss - related party	(89,268)	(130,807)
Accumulated other comprehensive income	—	10
Total shareholders' deficit	(868,438)	(2,238,862)
Total liabilities, preferred stock and shareholders' deficit	$ 799,324	$ 885,197

The accompanying notes are an integral part of these Unaudited Condensed Consolidated Financial Statements.

EOS ENERGY ENTERPRISES, INC.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(In thousands, except share and per share amounts)

	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Revenue	$ 56,963	$ 10,457
Cost of goods sold	101,390	34,996
Gross profit (loss)	(44,427)	(24,539)
Operating expenses		
Research and development expenses	10,719	6,837
Selling, general and administrative expenses	24,095	20,995
Loss from write-down of property, plant and equipment	71	561
Total operating expenses	34,885	28,393
Operating income (loss)	(79,312)	(52,932)
Other income (expense)		
Interest expense	(12,242)	(978)
Interest expense - related parties	—	(5,781)
Interest income	2,787	814
Change in fair value of debt - related party	(4,232)	(5,933)
Change in fair value of warrants	168,725	45,925
Change in fair value of derivatives	165,935	—
Change in fair value of derivatives - related parties	267,230	34,586
Other expense	(3)	(560)
Income before income taxes	508,888	15,141
Income tax expense	5	5
Net income attributable to shareholders	508,883	15,136
Remeasurement of Preferred Stock - related party	778,878	79,997
Net income applicable to common stock	$ 1,287,761	$ 95,133
Other comprehensive income		
Change in fair value of debt - credit risk - related party	$ 41,539	$ —
Foreign currency translation adjustment	(10)	7
Comprehensive income attributable to common shareholders	$ 1,329,290	$ 95,140
Net income available to common shareholders (NOTE 19)	$ 826,557	$ 95,133
Basic and diluted income per share attributable to common shareholders		
Basic	$ 2.43	$ 0.42
Diluted	$ 0.12	$ (0.20)
Weighted average shares of common stock		
Basic	339,602,063	225,474,247
Diluted	544,828,933	436,368,282

The accompanying notes are an integral part of these Unaudited Condensed Consolidated Financial Statements.

EOS ENERGY ENTERPRISES, INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' DEFICIT
(In thousands, except share and per share amounts)

	Common Stock		Additional Paid in capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total
	Shares	Amount				
Balances on December 31, 2024	221,791,205	$ 23	$ 534,726	$ (43,496)	$ (1,561,716)	$ (1,070,463)
Stock-based compensation	—	—	7,447	—	—	7,447
Exercise of warrants	4,393,102	—	25,862	—	—	25,862
Exercise of stock options	198,398	—	319	—	—	319
Release of restricted stock units	749,416	—	—	—	—	—
Cancellation of shares used to settle payroll tax withholding	(82,438)	—	(488)	—	—	(488)
Remeasurement of Preferred Stock - related party	—	—	79,997	—	—	79,997
Foreign currency translation adjustment	—	—	—	7	—	7
Net income	—	—	—	—	15,136	15,136
Balances on March 31, 2025	227,049,683	$ 23	$ 647,863	$ (43,489)	$ (1,546,580)	$ (942,183)
Balances on December 31, 2025	337,132,374	$ 32	$ 427,722	$ (130,797)	$ (2,535,819)	$ (2,238,862)
Stock-based compensation	—	—	6,100	—	—	6,100
Exercise of warrants	2,050,000	—	35,031	—	—	35,031
Exercise of stock options	320	—	3	—	—	3
Release of restricted stock units	276,327	—	—	—	—	—
Remeasurement of Preferred Stock - related party	—	—	778,878	—	—	778,878
Foreign currency translation adjustment	—	—	—	(10)	—	(10)
Change in fair value of debt - credit risk - related party	—	—	—	41,539	—	41,539
Net income	—	—	—	—	508,883	508,883
Balances on March 31, 2026	339,459,021	$ 32	$ 1,247,734	$ (89,268)	$ (2,026,936)	$ (868,438)

The accompanying notes are an integral part of these Unaudited Condensed Consolidated Financial Statements.

EOS ENERGY ENTERPRISES, INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands, except share and per share amounts)

	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Cash flows from operating activities		
Net income	$ 508,883	$ 15,136
Adjustment to reconcile net income to net cash used in operating activities		
Stock-based compensation	5,902	7,574
Depreciation and amortization	5,394	2,680
Loss from write-down of property, plant and equipment	71	561
Amortization of right-of-use assets	780	373
Non-cash interest expense	8,730	899
Non-cash interest expense - related parties	—	2,457
Change in fair value of debt - related party	4,232	5,933
Change in fair value of warrants	(168,725)	(45,925)
Change in fair value of derivatives	(165,935)	—
Change in fair value of derivatives - related parties	(267,230)	(34,586)
Other	(205)	(821)
Changes in operating assets and liabilities:		
Prepaid expenses	(688)	(337)
Inventory	571	(6,101)
Accounts receivable	2,878	(4,107)
Vendor deposits	(2,613)	(1,681)
Contract assets	(25,531)	(140)
Grant receivable	(10,341)	(1,799)
Accounts payable	(14,814)	8,130
Accrued expenses	7,213	(380)
Interest payable - related parties	—	3,324
Operating lease liabilities	399	(445)
Contract liabilities	(8,529)	17,064
Other	(177)	3,267
Net cash used in operating activities	(119,735)	(28,924)
Cash flows from investing activities		
Investment in internally developed software	(76)	—
Purchases of property, plant and equipment	(35,062)	(4,918)
Net cash used in investing activities	(35,138)	(4,918)
Cash flows from financing activities		
Principal payments on finance lease obligations	(20)	(11)
Proceeds from exercise of stock options	3	319
Proceeds from exercise of warrants	3,280	7,029
Proceeds received from Credit and Securities Purchase Transaction, net - related party	—	38,475
Payment of debt issuance costs	(468)	(2,250)
Repayment of equipment financing facility	(122)	(912)

EOS ENERGY ENTERPRISES, INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands, except share and per share amounts)

	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Repurchase of shares from employees for income tax withholding purposes	—	(488)
Net cash provided by financing activities	2,673	42,162
Effect of exchange rate changes on cash, cash equivalents and restricted cash	2	12
Net (decrease) increase in cash, cash equivalents and restricted cash	(152,198)	8,332
Cash, cash equivalents and restricted cash, beginning of the period	624,566	103,362
Cash, cash equivalents and restricted cash, end of the period	$ 472,368	$ 111,694
Non-cash investing and financing activities		
Accrued and unpaid capital expenditures	$ 20,666	$ 730
Accrued and unpaid investment in internally developed software	$ 323	$ —
Paid-in kind interest added to principal	$ 1,102	$ 789
Accrued and unpaid debt issuance costs	$ 51	$ 1,581
Remeasurement of preferred stock - related party	$ (778,878)	$ (79,997)
Right-of-use operating lease assets in exchange for lease liabilities	$ 1,829	$ 25
Supplemental disclosures		
Cash paid for interest	$ 5	$ 73

The accompanying notes are an integral part of these Unaudited Condensed Consolidated Financial Statements.

1. Overview

Nature of Operations

Eos Energy Enterprises, Inc. (the "Company," "we," "us," "our," and "Eos") designs, develops, manufactures and markets innovative energy storage solutions for utility-scale, microgrid and commercial & industrial ("C&I") applications. Eos developed a broad range of intellectual property with multiple patents covering unique battery chemistry, mechanical product design, energy block configuration and a software operating system (Battery Management System). The Company has only one operating and reportable segment. See Note 20, *Segment Reporting*, for further discussion.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying Unaudited Condensed Consolidated Financial Statements include the accounts of the Company and its 100% owned, direct and indirect subsidiaries and have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). All intercompany transactions and balances have been eliminated in the preparation of the Unaudited Condensed Consolidated Financial Statements. These statements reflect all adjustments, consisting of normal recurring adjustments, which, in the opinion of management, are necessary for fair presentation of the information contained therein. Certain information and footnote disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to the rules and regulations of the U.S. Securities and Exchange Commission ("SEC"). The interim financial statements should be read in conjunction with the audited consolidated financial statements, including the notes thereto, included in our 2025 Annual Report on Form 10-K. These interim results are not necessarily indicative of results for the full year.

Use of Estimates

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

Recently Adopted Accounting Pronouncements

In July 2025, the FASB issued ASU 2025-05, *Financial Instruments - Credit Losses (Topic 326)*. The amendments in this update introduce a practical expedient aimed at simplifying the estimation of expected credit losses for current accounts receivable and current contract assets. The update is effective for annual periods beginning after December 15, 2025, including interim periods within those fiscal years. Early adoption was permitted. The Company adopted the ASU effective January 1, 2026 on a prospective basis and elected the practical expedient for the calculation of current expected credit losses. The adoption of this ASU did not have a material impact on the Company's financial statements.

Recently Issued Accounting Pronouncements

In November 2024, the FASB issued ASU 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40).* The amendments in this update require disaggregation of certain expense captions into specified categories in disclosures within the footnotes to the financial statements. In January 2025, the FASB issued ASU 2025-01, *Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date.* This update is effective for fiscal years beginning after December 15, 2027. Early adoption is permitted. Entities should apply the amendments in this update retrospectively to all prior periods presented in the financial statements. The Company is currently assessing the potential impact this amendment could have on its financial statements and disclosures.

(In thousands, except share and per share amounts)

2. Summary of Significant Accounting Policies (cont.)

In September 2025, the FASB issued ASU 2025-06, *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Improvements to the Accounting for Internal-Use Software*. The amendments in this update clarify and refine the guidance for capitalizing costs related to internal-use software, including development phases and implementation activities. The update is effective for annual periods beginning after December 15, 2027, including interim periods within those fiscal years. Early adoption is permitted beginning in fiscal year 2026. The Company is currently assessing its plans for adoption and evaluating the potential impact this amendment could have on its financial statements and related disclosures.

On December 4, 2025, the FASB issued ASU 2025-10, *Government Grants (Topic 832): Accounting for Government Grants Received by Business Entities*, which adds guidance to ASC 832 on the recognition, measurement, and presentation of government grants. In the absence of such guidance, many for-profit entities historically have analogized to other GAAP, including IAS 20 or ASC 958-605, when accounting for government grants. The amendments in this update are effective for interim reporting periods within annual reporting periods beginning after December 15, 2028, for public business entities, Early adoption is permitted. The Company is currently assessing its plans for adoption and evaluating the potential impact this amendment could have on its financial statements and related disclosures.

On December 8, 2025, the FASB issued ASU 2025-11, *Interim Reporting (Topic 270): Narrow-Scope Improvements*, which is intended to improve the navigability of the guidance in ASC 270 and clarify when it applies. Under the amendments, an entity is subject to ASC 270 if it provides "interim financial statements and notes in accordance with GAAP." The amendment also addresses the form and content of such financial statements, adds lists to ASC 270 of the interim disclosures required by all other Codification topics, and establishes a principle under which an entity must "disclose events since the end of the last annual reporting period that have a material impact on the entity." As the Board stated in the proposed guidance and reiterates in the update, the amendments are not intended to "change the fundamental nature of interim reporting or expand or reduce current interim disclosure requirements". The amendments in this update are effective for interim reporting periods within annual reporting periods beginning after December 15, 2027, for public business entities, early adoption is permitted. The Company is currently assessing its plans for adoption and evaluating the potential impact this amendment could have on its financial statements and related disclosures.

On December 17, 2025, the FASB issued ASU 2025-12 *"Codification Improvements"* to address suggestions received from stakeholders on the Accounting Standards Codification and to make other incremental improvements to U.S. GAAP. The update represents changes to the Codification that (1) clarify, (2) correct errors, or (3) make minor improvements. The amendments make the Codification easier to understand and apply. The guidance is effective for fiscal years beginning after December 15, 2026, including interim periods within those fiscal years. The Company is currently assessing its plans for adoption and evaluating the potential impact this amendment could have on its financial statements and related disclosures.

3. Revenue Recognition

The Company primarily earns revenue from sales of its energy storage systems and services including installation, commissioning and extended warranty services. Product revenues, which are generally recognized at a point in time, and service revenues, which are generally recognized over time, are as follows:

	Three Months Ended March 31,	
	2026	**2025**
Product revenue	$ 56,734	$ 9,927
Service revenue	229	530
Total revenues	$ 56,963	$ 10,457

For the three months ended March 31, 2026, the Company had three customers who individually accounted for greater than 10% of total revenue and collectively accounted for approximately 93.3% of the total revenue.

For the three months ended March 31, 2025, the Company had two customers who individually accounted for

(In thousands, except share and per share amounts)

3. Revenue Recognition (cont.)

greater than 10% of total revenue and collectively accounted for approximately 96.2% of the total revenue.

Contract assets and Contract liabilities

The following table provides information about contract assets and contract liabilities from contracts with customers. Contract assets, current, Contract liabilities, current and Contract liabilities, long-term are included separately on the Unaudited Condensed Consolidated Balance Sheets and contract assets expected to be recognized in greater than twelve months are included under Other assets, net.

	March 31, 2026	December 31, 2025
Contract assets	$ 40,993	$ 15,488
Contract liabilities	$ 8,952	$ 17,481

Contract assets increased by $25,505, net, during the three months ended March 31, 2026, due to recognition of revenues for which invoicing has not yet occurred.

The following table provides information about changes in Contract liabilities:

	Three Months Ended March 31,	
	2026	2025
Contract liabilities, beginning of the period	$ 17,481	$ 26,349
Amounts in beginning balance recognized in revenue	(10,241)	(2,512)
Revenue recognized in current period	(24,074)	(3,987)
Advance payments received from customers	25,786	23,563
Contract liabilities, end of the period	$ 8,952	$ 43,413

Contract liabilities of $6,718 as of March 31, 2026, are expected to be recognized within the next twelve months and long-term contract liabilities of $2,234 are expected to be recognized as revenue in greater than twelve months. Contract assets of $39,438 as of March 31, 2026, are expected to be reclassified to accounts receivable within the next twelve months and long-term contract assets of $1,555 are expected to be reclassified to accounts receivable in greater than twelve months.

Remaining Performance Obligations

Remaining performance obligations (“RPO”) represent the allocated transaction price of unsatisfied or partially unsatisfied performance obligations. The Company expects to recognize revenue related to the RPOs as the performance obligations are satisfied in accordance with the Company’s revenue recognition policy, which can be found in Note 2, *Summary of Significant Accounting Policies,* of the Company’s Annual Report on Form 10-K for the year ended December 31, 2025. As of March 31, 2026, the Company's remaining performance obligations, excluding contracts satisfied in less than on year, were approximately $30,997. The Company expects to recognize revenue of approximately 82% of the remaining performance obligations over the next twelve months, with the remainder recognized thereafter.

4. Cash, Cash Equivalents and Restricted Cash

Restricted cash - current as of March 31, 2026, consists of (i) accounts related to the DOE Loan Facility for reserves related to warranty claims, debt servicing, the Davis Bacon Act, secured letters of credit, escrow deposits related to U.S. Custom Bonds insurance and escrow deposits related to our credit card program agreements and (ii) the interest reserve account maintained pursuant to the second Limited Consent Agreement between the Company and the DOE (the “Second DOE Limited Consent Agreement”), which is equivalent to twelve months of interest payments of the May 2025 Convertible Notes and the November 2025 Convertible Notes.

Restricted cash - current as of March 31, 2025, consists of accounts related to the DOE Loan Facility for reserves related to warranty claims, debt servicing, the Davis Bacon Act and secured letters of credit.

(In thousands, except share and per share amounts)

4. Cash, Cash Equivalents and Restricted Cash (cont.)

Long-term restricted cash as of March 31, 2026, relates to, as defined in the credit and guaranty agreement ("Credit Agreement"), the Minimum Liquidity covenant. Under the Minimum Liquidity covenant, as defined in the Credit Agreement and the DOE Loan Facility, the Company shall not permit cash and cash equivalents at any time be less than $15,000. The remainder of Long-term restricted cash relates to an interest reserve account maintained pursuant to the Second DOE Limited Consent Agreement equivalent to six months of interest payments of the May 2025 Convertible Notes and the November 2025 Convertible Notes. Restricted cash per the Second DOE Limited Consent Agreement shall be reduced by the amounts of any actual interest payments made for the May 2025 Convertible Notes and the November 2025 Convertible Notes, but shall not be less than all interest payments on the May 2025 Convertible Notes and the November 2025 Convertible Notes due within 12 months.

Long-term restricted cash as of March 31, 2025, relates to the Minimum Liquidity covenant, prior to the first tranche funding the Minimum Liquidity covenant, the Company shall not permit cash and cash equivalents at any time be less than $15,000.

The following table reconciles reported amounts from the Unaudited Condensed Consolidated Balance Sheets to Cash, Cash Equivalents and Restricted Cash reported within the Unaudited Condensed Consolidated Statements of Cash Flows:

	March 31, 2026	March 31, 2025
Cash and cash equivalents	$ 410,660	$ 82,553
Restricted cash - current	39,770	14,141
Long-term restricted cash	21,938	15,000
Total cash, cash equivalents and restricted cash	$ 472,368	$ 111,694

5. Inventory

The following table provides information about Inventory balances:

	March 31, 2026	December 31, 2025
Raw materials	$ 46,950	$ 44,501
Work-in-process	11,396	13,701
Finished goods	399	824
Total Inventory	$ 58,745	$ 59,026

6. Property, Plant and Equipment, Net

The following table provides information about Property, plant and equipment, net balances:

	Estimated Useful lives	March 31, 2026	December 31, 2025
Equipment	5 - 10 years	$ 85,478	$ 79,272
Furniture	5 - 10 years	3,578	3,149
Leasehold improvements	Lesser of useful life/ remaining lease	14,153	14,146
Tooling	2 - 3 years	16,926	16,192
Construction in progress ("CIP")		65,231	36,644
Total		185,366	149,403
Less: Accumulated depreciation		(39,592)	(34,988)
Total property, plant and equipment, net		$ 145,774	$ 114,415

Depreciation expense related to property, plant and equipment was $5,303 and $2,656 for the three months ended March 31, 2026 and 2025, respectively.

(In thousands, except share and per share amounts)

6. Property, Plant and Equipment, Net (cont.)

The Company recorded a loss from write-down of property, plant and equipment of $71 and $561 for the three months ended March 31, 2026.and 2025, respectively. The write-downs were mainly due to design changes from the Z3-Phase 1 to Z3-Phase 2 production in which the Phase 1 production assets could not be utilized or repurposed for Phase 2 production. Additionally, the loss from write-down of property, plant and equipment contains costs for disposal of miscellaneous equipment and tooling that cannot be repurposed.

For the three months ended March 31, 2026, capitalized interest costs recognized was $1,024. There were no capitalized interest costs recognized for the three months ended March 31, 2025.

7. Intangible Assets

Intangible assets consisted of various patents and internal-use software. The patents are determined to have useful lives and are amortized into the results of operations over ten years. The internal-use software has a useful life and is amortized into the results of operations over three years.

	March 31, 2026			December 31, 2025		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Patents	$ 400	$ 290	$ 110	$ 400	$ 280	$ 120
Internal-Use Software	1,484	307	1,177	1,085	226	859
Total Intangible Assets	$ 1,884	$ 597	$ 1,287	$ 1,485	$ 506	$ 979

The Company recorded amortization expense of $91 and $24 for the three months ended March 31, 2026 and 2025, respectively.

Estimated future amortization expense of intangible assets as of March 31, 2026 are as follows:

	Amortization Expense
Remainder of 2026	$ 368
2027	485
2028	401
2029	33
2030	—
Thereafter	—
	$ 1,287

(In thousands, except share and per share amounts)

8. Accrued Expenses

Accrued expenses were as follows:

	March 31, 2026	December 31, 2025
Accrued payroll	$ 7,192	$ 4,471
Warranty reserve [1]	9,533	9,469
Accrued legal and professional expenses	1,482	1,570
Provision for contract losses	5,979	6,138
Accrued interest	4,659	1,196
Accrued capital expenditures	7,072	500
Other	3,279	2,450
Total accrued expenses	$ 39,196	$ 25,794

[1] Refer to the table below for the warranty reserve activity for the three months ended March 31, 2026.

The following table summarizes warranty reserve activity:

	Three Months Ended March 31,	
	2026	2025
Warranty reserve - beginning of period	$ 9,469	$ 5,102
Additions for current period deliveries	2,089	407
Changes in the warranty reserve estimate	(1,915)	—
Warranty costs incurred	(110)	(756)
Warranty reserve - end of period	$ 9,533	$ 4,753

9. Government Grants

One Big Beautiful Bill Act ("OBBBA")

On July 4, 2025, President Trump signed the One Big Beautiful Bill Act into law, introducing several modifications to the energy-related tax incentives originally established under the Inflation Reduction Act. The OBBBA maintained tax credits available to manufacturers and include a credit for ten percent of qualified costs incurred to make electrode active materials in addition to credits of $35 per kWh of capacity for eligible battery cells and $10 per kWh of capacity for eligible battery modules. These credits are cumulative, meaning that companies are able to claim each of the available tax credits based on the battery components produced and sold through 2029, after which the PTC will begin to gradually phase down through 2032. The OBBBA introduces new limitations related to the sourcing of materials from a prohibited foreign entity starting after December 31, 2025. These provisions restrict eligibility for credits where material assistance is received from such entities. Additionally, the OBBBA includes ownership and effective control related provisions concerning 'specified foreign entities' and 'foreign-influenced entities. The Company has evaluated the OBBBA and determined there is no impact on the financial statements. The Company will evaluate additional guidance as it becomes available.

9. Government Grants (cont.)

Since the PTC is a refundable credit (i.e., a credit with a direct-pay option available), the PTC is outside the scope of ASC 740. Therefore, the Company accounts for the PTC under a government grant model. GAAP does not currently address the accounting for government grants received by a business entity that are outside the scope of ASC 740. The Company's accounting policy is to analogize to IAS 20, *Accounting for Government Grants and Disclosure of Government Assistance,* under IFRS Accounting Standards. Under IAS 20, once it is reasonably assured that the entity will comply with the conditions of the grant, the grant money is recognized on a systematic basis over the periods in which the entity recognizes the related expenses or losses for which the grant money is intended to compensate. The Company recognizes grants once it is probable that both of the following conditions will be met: (1) the Company is eligible to receive the grant and (2) the Company is able to comply with the relevant conditions of the grant.

The PTC is recorded as the applicable items become finished goods and the conditions in the preceding paragraph are met.

The Company recognized PTC credits of $10,341 and $1,799 for three months ended March 31, 2026 and 2025, respectively as a reduction of cost of goods sold on the Unaudited Condensed Consolidated Statements of Operations and Comprehensive Income. As of March 31, 2026, and December 31, 2025, grant receivable related to the PTC in the amount of $21,369 and $11,028, respectively, is recorded in the Unaudited Condensed Consolidated Balance Sheets.

10. Related Party Transactions

Credit and Securities Purchase Transaction

On June 21, 2024, the Company entered into a Securities Purchase Agreement (the "SPA") with CCM Denali Equity Holdings, LP. Additionally, the Company also entered into a Credit Agreement with CCM Denali Debt Holdings, LP, an affiliate of Cerberus Capital Management LP ("Cerberus", "Lender"). The SPA and the Credit and Guaranty Agreement are collectively referred to as the "Credit and Securities Purchase Transaction". Pursuant to the terms and conditions of Credit and Securities Purchase Transaction, Cerberus and CCM Denali Equity Holdings, LP, are considered related parties as result of the transactions.

During the three months ended March 31, 2026 and March 31, 2025, the Company incurred advisory fees of $668 and $670, respectively. During the three months ended March 31, 2026 and March 31, 2025 the Company incurred manufacturing costs of $0 and $241, respectively. The fees are from two vendors affiliated with Cerberus and are included in Cost of goods sold, Selling, general and administrative expenses in the Unaudited Condensed Consolidated Statements of Operations and Comprehensive Income and Intangible assets, net in the Unaudited Condensed Consolidated Balance Sheets.

As of March 31, 2026 and December 31, 2025, amounts due to these vendors affiliated with Cerberus were $453 and $285, respectively. These amounts are included in Accounts payable and Accrued expenses in the Unaudited Condensed Consolidated Balance Sheets.

(In thousands, except share and per share amounts)

11. Borrowings

The Company's debt obligations consist of the following:

			March 31, 2026		December 31, 2025	
	Maturity Date	Effective Interest Rate	Principal Outstanding	Carrying Value*	Principal Outstanding	Carrying Value*
Delayed Draw Term Loan	June 2034[1]	N/A	$ 197,851	$ 113,120	$ 194,419	$ 150,427
Notes payable - related party			197,851	113,120	194,419	150,427
Equipment financing facility	April 2026	16.2 %	—	—	372	372
May 2025 Convertible Notes	June 2030	7.8 %	50,000	48,125	50,000	48,044
November 2025 Convertible Notes	December 2031	14.2 %	600,000	372,215	600,000	530,096
DOE Loan Facility	June 2034[1]	7.7%[2]	95,787	86,059	94,685	84,327
Total borrowings			943,638	619,519	939,476	813,266
Current portion			—	—	372	372
Total borrowings, non-current			$ 943,638	$ 619,519	$ 939,104	$ 812,894

*Carrying value includes unamortized deferred financing costs, unamortized discounts and fair value of embedded derivative liabilities, except for the Delayed Draw Term Loan, which is carried at fair value.

[1] The DDTL and DOE Loan Facility contain Springing Maturity dates that could make the debt due March 14, 2030.

[2] This represents a weighted average of both draws under the DOE Loan facility The first draw has a effective interest rate of 7.6% and the second draw has an effective interest rate of 8.0%.

2021 Convertible Note Payable – Related Party

On July 6, 2021, the Company entered into an investment agreement with Spring Creek Capital, LLC, a wholly-owned, indirect subsidiary of Koch Industries. This investment agreement was entered into with B. Riley Securities, Inc., a related party, acted as a placement agent. The investment agreement provides for the issuance and sale to Koch Industries of the 2021 Convertible Note in the aggregate principal amount of $100,000. The maturity date of the 2021 Convertible Notes was June 30, 2026, subject to earlier conversion, redemption or repurchase.

Interest expense recognized on the 2021 Convertible Note is as follows:

	Three Months Ended March 31,	
	2026	2025
Contractual interest expense	$ —	$ 1,843
Amortization of debt discount	—	1,915
Amortization of debt issuance costs	—	184
Total	$ —	$ 3,942

Termination of the 2021 Convertible Notes

On June 3, 2025, the Company repurchased the full $122,868 aggregate principal amount, in addition to $3,072 of interest payable outstanding for $131,000 inclusive of a repurchase premium in a privately negotiated transaction. The holder of the 2021 Convertible Notes was contingently required to reimburse the Company for up to $5,000 of the repurchase premium based on the holders overall return on its investment in the Company. On June 13, 2025, the Company received the $5,000 repurchase premium. Neither the holder of the 2021 Convertible Notes, nor the Company have any outstanding contractual obligations. Absent termination, the 2021 Convertible Notes would have matured on June 30, 2026.

11. Borrowings (cont.)

AFG Convertible Notes - Related Party

In January 2023, the Company issued and sold $13,750 in aggregate principal amount of 26.5% Convertible Senior PIK Notes due 2026 (“AFG Convertible Notes”) to Great American Insurance Company, Ardsley Partners Renewable Energy, LP, CCI SPV III, LP, Denman Street LLC, John B. Bending Irrevocable Children’s Trust, John B. Berding and AE Convert, LLC (the "Affiliated Purchasers") (together, the “Purchasers”). AE Convert LLC, a Delaware limited liability company was managed by Russell Stidolph, a related party as Mr. Stidolph was a director of the Company. The AFG Convertible Notes bear interest at a rate of 26.5% per annum, as amended, to be reduced to 7.0%, commencing on June 30, 2026 (the “Original Maturity Date”), which is entirely paid-in-kind (“PIK Interest”) semi-annually in arrears on June 30 and December 30. It was expected that the AFG Convertible Notes would have matured on September 30, 2034, subject to earlier conversion, redemption or repurchase. The AFG Convertible Notes are convertible into shares of the Company’s common stock, par value $0.0001 per share, based on an initial conversion price of approximately $1.67 per share subject to customary anti-dilution and other adjustments. The Company has the right to settle conversions in shares of common stock, cash, or any combination thereof.

Conversion of AFG Convertible Notes

On August 1, 2025, the Company issued a Notice of Redemption of Non-Affiliated Holders for all outstanding AFG Convertible Notes, pursuant to which the Company intended to fully redeem the AFG Convertible Notes (other than those held by the Affiliated Purchaser) on August 18, 2025 for a redemption price equal to the then current capitalized principal amount of the AFG Convertible Notes (other than those held by the Affiliated Purchaser) plus the aggregate amount of all accrued and unpaid or uncapitalized interest payments on the capitalized principal amount of the AFG Convertible Notes (other than those held by the Affiliated Purchaser) that the holders of the AFG Convertible Notes to be redeemed would have been entitled to receive had the AFG Convertible Notes remained outstanding to June 30, 2026. In accordance with the terms of the AFG Indenture and the Notice of Redemption of Non-Affiliated Holders, each of the holders of the AFG Convertible Notes (other than those held by the Affiliated Purchaser) opted to exercise its conversion right to convert all of such holder’s outstanding AFG Convertible Notes into shares of Common Stock at a conversion rate equal to 598.8024 shares of Common Stock per $1,000 capitalized principal amount of AFG Convertible Notes. During the third quarter of 2025, the Company issued 16,578,810 shares of Common Stock in the aggregate to such holders of the AFG Convertible Notes (other than those held by the Affiliated Purchaser).

At the Special Meeting of Stockholders of the Company, held on October 16, 2025, the Company’s stockholders approved, for purposes of complying with Nasdaq Listing Rules, including, but not limited to, Rule 5635, the Company’s issuance of shares of the Company’s common stock to the Affiliated Purchaser upon redemption or conversion of the AFG Convertible Notes pursuant to the AFG Indenture as supplemented by the First Supplemental Indenture. After obtaining the stockholder approval the Company issued a notice of redemption to the Affiliated Purchaser on October 24, 2025 for all outstanding AFG Convertible Notes held by the Affiliated Purchaser, pursuant to which the Company intended to fully redeem the remaining AFG Convertible Notes on November 10, 2025 for a redemption price equal to the then current capitalized principal amount of the AFG Convertible Notes plus the aggregate amount of all accrued and unpaid or uncapitalized interest payments on the capitalized principal amount of the AFG Convertible Notes that the Affiliated Purchaser would have been entitled to receive had the AFG Convertible Notes remained outstanding at the Original Maturity Date. On October 28, 2025, in accordance with the terms of the AFG Indenture and the notice of redemption, the Affiliated Purchaser opted to exercise its conversion right to convert all of its outstanding AFG Convertible Notes into shares of Common Stock at a conversion rate equal to 598.8024 shares of Common Stock per $1,000 capitalized principal amount of AFG Convertible Notes. During the fourth quarter of 2025, the Company issued 2,863,291 shares of Common Stock to the Affiliated Purchaser.

(In thousands, except share and per share amounts)

11. Borrowings (cont.)

Interest expense recognized on the AFG Convertible Notes is as follows:

	Three Months Ended March 31,	
	2026	2025
Contractual interest expense	$ —	$ 1,481
Amortization of debt discount	—	279
Amortization of issuance costs	—	79
Total	$ —	$ 1,839

Delayed Draw Term Loan ("DDTL")

Under the terms of the Credit Agreement the Company entered into a multi-draw facility (the "Delayed Draw Term Loan" or "DDTL") on June 21, 2024, with CCM Denali Debt Holdings, LP, the Company drew an aggregate principal amount of $210,500 through multiple tranches upon satisfaction of the applicable milestone requirements. The draws were subject to a 5.0% original issue discount and applicable lender fees. The total net proceeds of approximately $198,800. Additionally, as part of the strategic investment under the Credit and Guaranty Agreement, the Company may access a $105,000 revolving facility at the sole discretion of the Lenders' as the Delayed Draw Term Loan has been fully funded as of January 24, 2025.

Covenants

On May 28, 2025, the Company amended the Credit Agreement, by and among the Company, certain of the Company's subsidiaries as guarantors party thereto and the Lender, pursuant to which among other things, the applicability of the Minimum Consolidated Revenue and Minimum Consolidated Earnings before interest, tax, depreciation and amortization ("EBITDA") financial covenants were deferred until March 31, 2027 and certain provisions were amended to conform with comparable provisions in the DOE Loan Facility.

The Credit Agreement, as amended, contains the following financial covenants, including (each as defined in the Credit Agreement, as amended):

- Minimum Consolidated EBITDA - not applicable for March 31, 2026.
- Minimum Consolidated Revenue - not applicable for March 31, 2026.
- Minimum Liquidity

As of and for the three months ended March 31, 2026, the Company was in compliance with the Minimum Liquidity financial covenant.

The facilities are subject to certain events of default which can be triggered by, among other things, (i) breach of payment obligations and other obligations and representations in the Credit Agreement or related documents, (ii) default under other debt facilities with a principal above a predetermined amount, (iii) failure to perform or comply with certain covenants in the Credit Agreement, (iv) entry into a decree or order for relief in respect of the Company or any of its subsidiaries in an involuntary case under the Bankruptcy Code of the United States or under any other debtor relief law, (v) any money judgment, writ or warrant of attachment or similar process involving in the aggregate at any time an amount in excess of $2,500, (vi) any order, judgment or decree entered against the Company or the Guarantors decreeing the dissolution or split up of such entity, (vii) the failure of the common stock to be listed on an internationally recognized stock exchange in the United States and (viii) a change of control.

The Company elected the fair value option to account for all draws under the DDTL for operational purposes. The financial liability was initially measured at its issue-date fair value and is subsequently remeasured at fair value on a recurring basis at each reporting period date.

(In thousands, except share and per share amounts)

11. Borrowings (cont.)

	Three Months Ended March 31,	
	2026	2025
Loss on change in fair value[(a)]	$ (4,232)	$ (5,933)
Gain attributable to changes in instrument-specific credit risk[(b)]	$ 41,539	$ —

(a) This is included in Change in fair value of debt - related party on the Unaudited Condensed Consolidated Statements of Operations and Comprehensive Income.

(b)This is included in Change in fair value of debt - credit risk - related party in Accumulated other comprehensive (loss) income.

The Company did not separately report interest expense attributable to the DDTL because such interest was included in the determination of the fair value of the Note. See Note 13, *Fair Value Measurement* for the assumptions used to determine the fair value the Delayed Draw Term Loan at issuance and at March 31, 2026.

Contractual Interest Rates - Borrowings under the Credit Agreement bear interest at an annual rate equal to 7.0% per annum (as amended), subject to the following increases: (i) an additional 5.0% per annum upon the occurrence of an event of default under the Credit Agreement. The Company may elect to add accrued and unpaid interest on the loans to the principal amount of the loans (capitalized interest).

Maturity - The Maturity Date is defined as the earlier of (i) June 15, 2034, and (ii) the date that all the loans shall become due and payable in full, whether by acceleration or otherwise; provided that, if on any Springing Maturity Date any Convertible Notes remain outstanding, the Maturity Date shall instead be the Springing Maturity. The Springing Maturity Date is defined as the 91st day prior to the date on which any convertible note may be redeemed, repurchased, converted, or exchanged in satisfaction of the obligations (“Convertible Note Maturity”). As of March 31, 2026, the May 2025 Convertible Notes and November 2025 Convertible Notes, remain outstanding and are scheduled to mature on June 15, 2030 and December 1, 2031 respectively.

Equipment Financing facility

The Company entered into an agreement on September 30, 2021 with Trinity Capital Inc. (“Trinity”) for a $25,000 equipment financing facility, the proceeds of which will be used to acquire certain manufacturing equipment, subject to Trinity’s approval. Each draw is executed under a separate payment schedule (a “Schedule”) that constitutes a separate financial instrument. The financing fees included in each Schedule are established through monthly payment factors determined by Trinity. Such monthly payment factors are based on the Prime Rate reported in The Wall Street Journal in effect on the first day of the month in which a Schedule is executed. The Company has drawn a portion of the facility as follows:

Date of Draw	Gross Amount of Initial Draw	Coupon Interest Rate	Debt Issuance Costs
September 2021	$ 7,000	14.3%	$ 175
September 2022	4,216	16.2%	96
Total Equipment Financing loans	$ 11,216		$ 271

As of March 31, 2026 and December 31, 2025, total equipment financing carrying value was $0 and $372, respectively of which $0 and $372 are recorded as a current liability on the Unaudited Condensed Consolidated Balance Sheets, respectively. As of March 31, 2026 the Equipment Financing Facility has been terminated.

Interest expense attributable to the equipment financing agreement was $52 and $82 for the three months ended March 31, 2026 and 2025, respectively.

11. Borrowings (cont.)

May 2025 Convertible Notes

On June 3, 2025, the Company issued $225,000 principal amounts of its May 2025 Convertible Notes. The Company granted initial purchasers an option to purchase, for settlement within a period of thirteen days from the date the May 2025 Convertible Notes were first issued, up to an additional $25,000 principal amounts which were exercised in full. The May 2025 Convertible Notes will accrue interest at a rate of 6.75% per annum, payable semi-annually in arrears on June 15 and December 15, beginning on December 15, 2025.

Maturity- The May 2025 Convertible Notes will mature on June 15, 2030, absent conditions described below.

Conversion Rights - The May 2025 Convertible Notes can be converted into shares of our common stock under certain conditions before March 15, 2030:

- **Stock Price Trigger:** If, during any calendar quarter starting after September 30, 2025, our stock price closes above 130% of the conversion price for at least 20 out of the last 30 trading days of that quarter.
- **Trading Price Condition:** If, during a 10-day period, the trading price of the notes falls below 98% of the product of the last reported sale price per share of our common stock on such trading day and the conversion rate on such trading day, then conversion is allowed during the five business days that follow.
- **Corporate Events:** Upon the occurrence of certain corporate events or distributions on our common stock, as described in this offering memorandum.
- **Redemption:** If the Company calls such notes for redemption on or after June 20, 2028, then the holders may choose to convert them at that time.

Beginning March 15, 2030, the notes can be converted at any time until two trading days prior to maturity.

The initial conversion price is approximately $5.10 per share, and the Company may choose to settle conversions in stock, cash or a mix of both. The conversion price is subject to customary adjustments upon the occurrence of certain events. If a make-whole fundamental change (as defined in the May 2025 Convertible Notes Indenture) occurs, the conversion rate may temporarily increase to provide additional value.

Redemption - The May 2025 Convertible Notes will be redeemable, in whole or in part, at the Company's option at any time, and from time to time, on or after June 20, 2028 and on or before the 41st scheduled trading day immediately before the maturity date, but only if certain liquidity conditions are satisfied and the last reported sale price per shares of the Company's common stock exceeds 130% of the conversion price on (i) each of at least 20 trading days, whether or not consecutive, during the thirty consecutive trading days ending on, and including, the trading day immediately before the date the Company sends the related redemption notice; and (ii) the trading day immediately before the date the Company sends such redemption notice. However, the Company may not redeem less than all of the outstanding notes unless at least $75,000 aggregate principal amount of notes are outstanding and not called for redemption as of the time the Company sends the related redemption notice. The redemption price is equivalent to the principal amount of the May 2025 Convertible Notes called for redemption, plus accrued and unpaid interest. In addition, calling any note for redemption will constitute a make-whole fundamental change with respect to that note, in which case the conversion rate applicable to the conversion of that note will be increased in certain circumstances if it is converted after it is called for redemption.

Embedded Derivatives - The May 2025 Convertible Notes include certain embedded features, such as provisions for fundamental change, additional interest, special interest and indemnification. In accordance with ASC 815, the Company assessed these embedded features to determine whether bifurcation and separate accounting as derivatives was required. Although these features are not clearly and closely related to the host debt contract and meet the definition of a derivative under ASC 815, the Company determined that the combined fair value of these embedded derivatives is de minimis. Accordingly, these features have not been bifurcated from the host contract and are not accounted for separately. The Company will continue to evaluate these features for any changes in facts or circumstances that may warrant reconsideration of this assessment.

(In thousands, except share and per share amounts)

11. Borrowings (cont.)

Additionally, the conversion feature embedded in the May 2025 Convertible Notes qualifies for the scope exception under ASC 815-40 and, therefore, is not required to be bifurcated and accounted for separately.

Interest expense recognized on the May 2025 Convertible Notes is as follows:

	Three months ended March 31, 2026
Contractual interest expense	$ 844
Amortization of debt discount	74
Amortization of debt issuance costs	6
Total	$ 924

The carrying value for the May 2025 Convertible Notes is as follows:

	March 31, 2026	December 31, 2025
Principal	$ 50,000	$ 50,000
Unamortized debt discount	(1,724)	(1,799)
Unamortized debt issuance costs	(151)	(157)
Aggregate carrying value	$ 48,125	$ 48,044

The Company is obligated to repay all contractual interest attributable to the May 2025 Convertible Notes on a semi-annual basis in cash. As of March 31, 2026 and December 31, 2025, $984 and $141, respectively, of interest payable attributable for the May 2025 Convertible Notes was included in Accrued expenses in the Unaudited Condensed Consolidated Balance Sheets.

November 2025 Convertible Notes

On November 24, 2025, the Company issued $525,000 principal amounts of its November 2025 Convertible Notes. The Company granted initial purchasers an option to purchase, for settlement within a period of thirteen days from the date the November 2025 Convertible Notes were first issued, up to an additional $75,000 principal amounts which were exercised in full on November 24, 2025. The November 2025 Convertible Notes will accrue interest at a rate of 1.75% per annum, payable semi-annually in arrears on June 1 and December 1 of each year, beginning on June 1, 2026.

Maturity- The November 2025 Convertible Notes will mature on December 1, 2031, absent conditions described below.

Conversion Rights - The November 2025 Convertible Notes can be converted into shares of our common stock under certain conditions before September 3, 2031:

- **Stock Price Trigger:** If, during any calendar quarter starting after June 30, 2026, our stock price closes above 130% of the conversion price for at least 20 out of 30 trading days ending on, and including, the trading day immediately before the date the Company sends the related redemption notice.
- **Trading Price Condition:** If, during a 10-day period, the trading price of the notes falls below 98% of the product of the last reported sale price per share of our common stock on such trading day and the conversion rate on such trading day, then conversion is allowed during the five business days that follow.
- **Corporate Events:** Upon the occurrence of certain corporate events or distributions on our common stock, as described in this offering memorandum.
- **Redemption:** If the Company calls such notes for redemption on or after December 5, 2028, then the holders may choose to convert them at that time.

Beginning September 3, 2031, the notes can be converted at any time until two trading days prior to maturity.

(In thousands, except share and per share amounts)

11. Borrowings (cont.)

The initial conversion price is approximately $16.29 per share, and the Company may choose to settle conversions in stock, cash or a mix of both. The conversion price is subject to customary adjustments upon the occurrence of certain events. If a make-whole fundamental change (as defined in the November 2025 Convertible Notes Indenture) occurs, the conversion rate may temporarily increase to provide additional value.

Redemption - The November 2025 Convertible Notes will be redeemable, in whole or in part, at the Company's option at any time, and from time to time, on or after December 5, 2028 and on or before the 41st scheduled trading day immediately before the maturity date, but only if certain liquidity conditions are satisfied and the last reported sale price per shares of the Company's common stock exceeds 130% of the conversion price on (i) each of at least 20 trading days, whether or not consecutive, during the thirty consecutive trading days ending on, and including, the trading day immediately before the date the Company sends the related redemption notice; and (ii) the trading day immediately before the date the Company sends such redemption notice. However, the Company may not redeem less than all of the outstanding notes unless at least $75,000 aggregate principal amount of notes are outstanding and not called for redemption as of the time the Company sends the related redemption notice. The redemption price is equivalent to the principal amount of the November 2025 Convertible Notes called for redemption, plus accrued and unpaid interest. In addition, calling any note for redemption will constitute a make-whole fundamental change with respect to that note, in which case the conversion rate applicable to the conversion of that note will be increased in certain circumstances if it is converted after it is called for redemption. Prior to obtaining shareholder approval for the issuance of common stock upon conversion, the Company will be required to settle all conversions in cash.

Embedded Derivatives - The November 2025 Convertible Notes include certain embedded features, such as provisions for fundamental change, additional interest, special interest, conversion feature and indemnification. In accordance with ASC 815, the Company assessed these embedded features to determine whether bifurcation and separate accounting as derivatives was required. The Company concluded the embedded features meet the bifurcation criteria because the economic characteristics and the risks of the embedded features are not clearly and closely related to the debt host, the host is not remeasured at fair value and the embedded features would meet the definition of a derivative if freestanding. The Company also evaluated indexation and equity classification guidance with respect to the conversion feature. Although the conversion feature is considered indexed to the Company's own stock, it does not qualify for equity classification at issuance, as prior to the first date on which the Company reserves the maximum number of convertible shares, and before shareholder approval is obtained to authorize additional shares, all conversions are required to be cash-settled, and shareholder approval to increase authorized shares is not solely within the Company's control. As a result, the conversion feature did not qualify for the derivative scope exception in ASC 815 at issuance. At issuance, the Company recognized the embedded derivative at its fair value, with an offset to debt discount. The embedded derivative is remeasured at fair value each reporting period, and changes in fair value are recognized in Change in fair value of derivatives on the Company's Unaudited Condensed Consolidated Statements of Operations and Comprehensive Income. The Company will continue to evaluate these features for any changes in facts or circumstances that may warrant reconsideration of this assessment.

Interest expense recognized on the November 2025 Convertible Notes is as follows:

	Three months ended March 31, 2026
Contractual interest expense	$ 2,625
Amortization of debt discount	8,045
Amortization of debt issuance costs	9
Total	$ 10,679

The carrying value for the November 2025 Convertible Notes is as follows:

(In thousands, except share and per share amounts)

11. Borrowings (cont.)

	March 31, 2026	December 31, 2025
Principal	$ 600,000	$ 600,000
Unamortized debt discount	(290,252)	(298,297)
Unamortized debt issuance costs	(317)	(326)
Embedded conversion feature	62,784	228,719
Aggregate carrying value	$ 372,215	$ 530,096

The Company is obligated to repay all contractual interest attributable to the November 2025 Convertible Notes on a semi-annual basis in cash. As of March 31, 2026 and December 31, 2025, $3,675 and $1,050, respectively, of interest payable attributable for the November 2025 Convertible Notes was included in Accrued expenses in the Unaudited Condensed Consolidated Balance Sheets.

DOE Loan Facility

On November 26, 2024, the Company entered into a loan agreement with the United States Federal Financing Bank ("FFB") and the United States DOE Loan Programs Office (“LPO”) (“the DOE Loan Facility"). The loan provides for a principal amount of up to $277,497 of borrowings and capitalized interest amount of up to $25,953.

The DOE Loan Facility provides for a multi draw term loan facility under a series of at least two tranches and, if the Company elects, up to four tranches of the loan (each, a “Tranche”), subject to the achievement of certain funding conditions. Each Tranche corresponds to the production, maintenance, development, and operation of a given production line to be funded using the proceeds of such Tranche. The principal amount of each Tranche consists of a maximum principal amount designated for such Tranche in the DOE Loan Facility. Each Tranche provides the Company funding for 80% of the Eligible Project Costs. Eligible Project Costs means Project Costs that satisfy each of the following conditions: (a) DOE has determined the Project Costs to be eligible costs in accordance with Sections 609.2 and 609.10 of the Applicable Regulations; (b) the Project Costs have not been paid and are not expected to be paid any time after the First Advance Date with: (i) any federal grants, assistance, or loans (excluding the DOE Loan Facility); or (ii) other funds guaranteed by the Federal Government; (c) the Project Costs are identified in the Construction Budget; (d) the Project Costs do not constitute Cost Overruns; and (e) the Project Costs were incurred after the Eligibility Effective Date.) associated with the corresponding production line, with the Company responsible for funding the remaining 20% of the Project Costs.

On April 16, 2025, the Company amended the DOE Loan Facility in order to clarify the maximum Tranche Commitment principal amounts by excluding capitalized interest (Tranche 1: $90,945; Tranche 2: $106,733; Tranche 3: $67,529; and Tranche 4: $12,290). The Amendment did not materially alter rights, obligations, or meaning of the DOE Loan Facility.

The DOE Loan Facility draw-downs were as follows:

Date of Draw	Gross Amount of Initial Draw	Interest Rate
Beginning Balance Tranche 1	$ 90,945	
Draw-downs received November 2024	(68,279)	4.791 %
Draw-downs received July 2025	(22,666)	4.286 %
Remaining Balance available on Tranche 1	$ —	

The Company has not drawn on Tranches 2, 3 or 4 as of March 31, 2026.

(In thousands, except share and per share amounts)

11. Borrowings (cont.)

Interest expense recognized on the DOE Loan Facility is as follows:

	Three Months Ended March 31,	
	2026	2025
Contractual interest expense	$ 1,092	$ 808
Amortization of debt issuance costs	141	91
Amortization of debt discount	381	—
Total	$ 1,614	$ 899

The carrying value for the DOE Loan Facility is as follows:

	March 31, 2026	December 31, 2025
Principal (life to date draw-downs)	$ 90,945	$ 90,945
Capitalized PIK Interest	4,842	3,740
Unamortized debt issuance costs	(2,609)	(2,749)
Unamortized debt discount	(7,119)	(7,609)
Aggregate carrying value	$ 86,059	$ 84,327

The DOE Loan Facility bears interest at the applicable U.S. Treasury rate plus a spread equal to 0.375%. The interest is paid in-kind ("Capitalized PIK Interest") on a quarterly basis, in accordance with the terms under the DOE Loan Facility. Cash payment of the Capitalized PIK Interest on the DOE Loan Facility commences in 2028.

Covenants

On May 28, 2025, the Company and the DOE entered into a Limited Consent Agreement (“DOE Limited Consent Agreement”), pursuant to which among other things, the applicability of the Minimum Consolidated Revenue and Minimum Consolidated EBITDA financial covenants were deferred until March 31, 2027 and certain provisions were added to conform with comparable provisions in the Delayed Draw Term Loan. Additionally, the DOE Limited Consent Agreement requires the Company to reserve 24 months of interest expense for the May 2025 Convertible Notes. Refer to Note 4, *Cash, Cash Equivalents and Restricted Cash* for further information.

On November 18, 2025, the Company and the DOE entered into the Second DOE Limited Consent Agreement, allowing the Company to, among other things, (i) offer common stock and new convertible unsecured senior notes, (ii) issue securities related to those offerings, (iii) issue common stock if the November 2025 Convertible Notes are converted, (iv) make cash payments on the November 2025 Convertible Notes and (v) confirm that the November 2025 Convertible Notes count as permitted indebtedness under the DOE Loan Facility.

Under the Second DOE Limited Consent Agreement, following the issuance of the November 2025 Convertible Notes, the company must maintain adequate cash reserves to cover all interest payments due on both the May 2025 Convertible Notes and November 2025 Convertible Notes for a period of 18 months. This reserve will decrease as interest payments are made, but shall not be less than all interest payments on the May 2025 Convertible Notes and the November 2025 Convertible Notes due within 12 months. Refer to Note 4, *Cash, Cash Equivalents and Restricted Cash* for further information.

The DOE Loan facility, as amended, contains the following financial covenant, (as defined in the DOE Loan facility) Minimum Liquidity. As of March 31, 2026, the Company was in compliance with the Minimum Liquidity financial covenant.

In addition, the DOE Loan Facility contains certain representations and warranties customary for the facilities extended under the DOE Loan Facility, including, among other things, representations and warranties regarding: (i) the organization and existence of the Company, (ii) authority and the absence of any conflicts, (iii) capitalization, (iv) solvency and (v) compliance with applicable law and the DOE Loan Program.

(In thousands, except share and per share amounts)

11. Borrowings (cont.)

Maturity - The Maturity Date is defined as the earlier of (i) June 15, 2034, and (ii) the date that all the loans shall become due and payable in full, whether by acceleration or otherwise; provided that, if on any Springing Maturity Date any Convertible Notes remain outstanding, the Maturity Date shall instead be the Springing Maturity. The Springing Maturity Date is defined as the 91st day prior to the Convertible Note Maturity. As of March 31, 2026, the May 2025 Convertible Notes and November 2025 Convertible Notes, remain outstanding and are scheduled to mature on June 15, 2030 and December 1, 2031, respectively.

12. Warrants Liability

The amount of warrants outstanding and fair value for all warrants as of March 31, 2026 and December 31, 2025 are as follows:

		March 31, 2026		December 31, 2025	
	Exercise Price	**Number of Warrants Outstanding**	**Fair Value**	**Number of Warrants Outstanding**	**Fair Value**
Warrants liability					
April 2023 warrants	$3.14	16,000,000	$ 58,240	16,000,000	$ 153,440
May 2023 warrants	$2.50	3,601,980	13,400	3,601,980	35,263
December 2023 warrants	$1.60	9,960,566	41,137	12,010,566	124,550
Total		29,562,546	$ 112,777	31,612,546	$ 313,253
Warrants liability - related party					
SPA Warrant	$0.01	1	$ 203,485	1	$ 470,715
Total		1	$ 203,485	1	$ 470,715

The change in fair value for April 2023 Warrants, May 2023 Warrants and December 2023 Warrants have been recognized in Change in fair value of warrants on the Company's Unaudited Condensed Consolidated Statements of Operations and Comprehensive Income. The fair value for these warrants is included in Warrants liability on the Unaudited Condensed Consolidated Balance Sheets. The change in fair value for the SPA Warrant has been recognized in Change in fair value of derivatives - related parties on the Company's Unaudited Condensed Consolidated Statements of Operations and Comprehensive Income. The fair value for these warrants is included in Warrants liability - related party on the Unaudited Condensed Consolidated Balance Sheets. See Note 13, *Fair Value Measurements* for further information.

Warrants liability

In April 2023, the Company issued 16,000,000 shares of common stock and 16,000,000 private placement warrants to purchase shares of common stock. In May 2023, the Company issued another 3,601,980 shares of common stock and 3,601,980 private placement warrants to purchase shares of common stock (the "April 2023 warrants" and "May 2023 warrants", respectively).

In December 2023, the Company issued in a combined public offering 34,482,759 shares of common stock and 34,482,759 accompanying common warrants to purchase shares of common stock (the "December 2023 warrants"). For the three months ended March 31, 2026, 2,050,000 of the December 2023 warrants were exercised. For the three months ended March 31, 2025, 4,393,102 of the December 2023 warrants were exercised.

The 2023 warrants do not qualify for equity classification guidance in ASC 815-40 and are measured at fair value at each reporting period.

12. Warrants Liability (cont.)

Warrants liability - related party

SPA Warrant

On June 21, 2024, the Company entered into a Securities Purchase Agreement with CCM Denali Equity Holdings, LP (the "Purchaser"). The Company issued to the Purchaser, one warrant to purchase 43,276,194 shares of common stock. The warrant has a ten-year term, $0.01 per share exercise price, and is exercisable at the Purchaser's discretion for cash or on a cashless basis. The SPA Warrant is subject to automatic cashless exercise on the expiration date if the fair market value of one share is greater than the exercise price then in effect. Upon an acceleration under the Credit Agreement, the Company may be required to purchase the SPA Warrant from the holder at an amount equal to the closing sale price of underlying common stock less the SPA Warrant exercise price at the request of the holder. The SPA Warrant meets the criteria for liability classification under ASC 480 and is recognized at fair value with changes in fair value included in Change in fair value of derivatives - related parties in the Unaudited Condensed Consolidated Statements of Operations and Comprehensive Income.

Contingent Warrants

Following the initial draw of the DDTL, on three separate predetermined draw dates upon the achievement of the corresponding performance milestone for each such draw date, the Company received additional funds under the Credit Agreement and issued securities under the SPA in an amount equal to the applicable percentage, up to an aggregate of 33.0% ownership limitation on a fully-diluted basis as of the time the DDTL was fully drawn. Although these contingent warrants were not issued or exercisable until additional draws occurred, they met the guidance under ASC 480 and were recognized at fair value with changes in fair value reported in the Unaudited Condensed Consolidated Statements of Operations and Comprehensive Income. The Company has achieved all performance milestones and no Contingent Warrants remain outstanding.

13. Fair Value Measurement

Accounting standards establish a hierarchy, which prioritizes the inputs used to measure fair value into three levels and bases the categorization within the hierarchy upon the lowest level of input that is available and significant to the fair value measurement:

Level 1 - Quoted prices in active markets for identical assets or liabilities.

Level 2 - Observable inputs other than quoted prices in active markets for identical assets and liabilities, quoted prices for identical or similar assets or liabilities in inactive markets, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - Inputs that are generally unobservable and typically reflect management's estimate of assumptions that market participants would use in pricing the asset or liability.

The carrying value of cash and cash equivalents, restricted cash, accounts receivable, contract assets, contract liabilities, accounts payable and DOE Loan Facility are considered to be representative of their fair value.

(In thousands, except share and per share amounts)

13. Fair Value Measurement (cont.)

The following tables set forth the Company's financial liabilities measured at fair values based on the fair value hierarchy, as described above. These should also be read with Note 2, *Summary of Significant Accounting Policies*, in the Company’s Annual Report on Form 10-K for the year ended December 31, 2025.

	March 31, 2026			December 31, 2025		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Liabilities						
SPA Warrant [(a)]	$ —	$ —	$ 203,485	$ —	$ —	$ 470,715
April, May and December 2023 Warrants	—	—	112,777	—	—	313,253
Delayed Draw Term Loan	—	—	113,120	—	—	150,427
Embedded derivatives[(b)]	—	—	62,784	—	—	228,719
Total liabilities	$ —	$ —	$ 492,166	$ —	$ —	$ 1,163,114

(a) Included in Warrants liability - Related party on the Unaudited Condensed Consolidated Balance Sheets as of March 31, 2026 and December 31, 2025.
(b) Included in Notes Payable - Related Party on the Unaudited Condensed Consolidated Balance Sheets as of March 31, 2026 and December 31, 2025.

April 2023 warrants, May 2023 warrants and December 2023 warrants

The April 2023 warrants, May 2023 warrants and December 2023 warrants all are valued using the Black-Scholes model at inception and on subsequent valuation dates. This model incorporates inputs such as the stock price of the Company, risk-free interest rate, volatility and time to expiration. The volatility is a significant unobservable input classified as Level 3 of the fair value hierarchy.

The inputs used to determine the fair value of the April 2023 warrants, May 2023 warrants, and the December 2023 warrants are as follows:

(In thousands, except share and per share amounts)

13. Fair Value Measurement (cont.)

April 2023 warrants	**March 31, 2026**	**December 31, 2025**
Time to expiration	2.54 years	2.79 Years
Common stock price	$ 4.96	$ 11.46
Risk-free interest rate	3.8 %	3.5 %
Volatility	115.0 %	105.0 %

May 2023 warrants	**March 31, 2026**	**December 31, 2025**
Time to expiration	2.29 Years	2.54 Years
Common stock price	$ 4.96	$ 11.46
Risk-free interest rate	3.8 %	3.5 %
Volatility	115.0 %	105.0 %

December 2023 warrants	**March 31, 2026**	**December 31, 2025**
Time to expiration	2.71 Years	2.96 Years
Common stock price	$ 4.96	$ 11.46
Risk-free interest rate	3.8 %	3.5 %
Volatility	115.0 %	105.0 %

Embedded derivatives

The Company estimated the fair value of the embedded conversion features in the November 2025 Convertible Note using a binomial lattice model at inception and on subsequent valuation dates. This model incorporates inputs such as the stock price of the Company, dividend yield, risk-free interest rate, the effective debt yield and expected volatility. The effective debt yield and volatility involve unobservable inputs classified as Level 3 of the fair value hierarchy.

The inputs used to determine the fair value of the embedded derivative liabilities are as follows:

November 2025 Convertible Note	**March 31, 2026**	**December 31, 2025**
Term	5.67 Years	5.92 Years
Dividend yield	— %	— %
Risk-free interest rate	3.9 %	3.8 %
Volatility	60.0 %	60.0 %
Effective debt yield	16.9 %	11.7 %

(In thousands, except share and per share amounts)

13. Fair Value Measurement (cont.)

Quantitative information about all significant unobservable inputs used in the fair value measurement for recurring level 3 measurements:

The fair value of each draw of the Delayed Draw Term Loan was estimated using a discounted cash flow ("DCF") method, based on the contractual cash flows discounted at a debt yield and considering the probability of achieving certain milestones.

The fair value for the SPA warrant is estimated based on its intrinsic value, using the Eos common stock closing price adjusted by a discount for lack of marketability ("DLOM"), less the exercise price of $0.01 for the SPA Warrant. A DLOM was applied considering the SPA Warrants are unregistered.

Delayed Draw Term Loan	March 31, 2026	December 31, 2025
Debt yield	17.1 %	11.9 %

SPA Warrant	March 31, 2026	December 31, 2025
Discount for lack of marketability	5.0 %	5.0 %

Level 3 Rollforward for Liabilities Measured at Fair Value on a Recurring Basis

The following table summarizes the changes in the fair value of liabilities that are included within the Company's accompanying Unaudited Condensed Consolidated Balance Sheets and are designated as Level 3:

	Three Months Ended March 31,	
	2026	2025
Delayed Draw Term Loan		
Balance at beginning of the period	$ 150,427	$ 76,188
Additions - January Draw	—	17,312
Change in fair value of Term Loan	(37,307)	5,933
Balance at end of the period	$ 113,120	$ 99,433
SPA Warrant and Contingent Warrants		
Balance at beginning of the period	$ 470,715	$ 266,630
Conversion to preferred stock	—	(102,185)
Change in fair value of warrants	(267,230)	(17,652)
Balance at end of the period	$ 203,485	$ 146,793
April, May, and December 2023 Warrants		
Balance at beginning of the period	$ 313,253	$ 189,322
Exercised warrants	(31,751)	(18,768)
Change in fair value of warrants	(168,725)	(45,788)
Balance at end of the period	$ 112,777	$ 124,766
Embedded derivatives		
Balance at beginning of the period	$ 228,719	$ 44,396
Change in fair value of derivatives	(165,935)	(16,934)
Balance at end of the period	$ 62,784	$ 27,462

(In thousands, except share and per share amounts)

13. Fair Value Measurement (cont.)

The estimated fair value of financial instruments not carried at fair value in the Unaudited Condensed Consolidated Balance Sheets was as follows:

		March 31, 2026		December 31, 2025	
	Level in fair value hierarchy	Carrying Value	Fair Value	Carrying Value	Fair Value
May 2025 Convertible Notes	3	$ 48,125	$ 66,686	$ 48,044	$ 123,000
November 2025 Convertible Notes*	3	372,215	352,300	530,096	586,237
Equipment financing facility	3	—	—	372	375
Preferred Stock	3	582,664	600,035	1,361,542	1,292,216
DOE Loan Facility	3	86,059	95,760	84,327	95,427
Total		$ 1,089,063	$ 1,114,781	$ 2,024,381	$ 2,097,255

*Includes the embedded derivative liabilities.

14. Commitments and Contingencies

In February 2026, the U.S. Supreme Court issued a ruling invalidating certain tariffs previously imposed under the International Emergency Economic Powers Act. As a result of this ruling, we may be eligible for a refund of tariffs previously paid on imported materials. As the recoverability and timing of any such refund remains uncertain, we have not recognized a receivable and corresponding offset to expense or asset as of March 31, 2026, and will not until such amounts are realized or realizable. We continue to monitor these developments and their potential impact on our results of operations.

Legal Proceedings

Class Action Complaints

On March 6, 2026, a class action lawsuit (the “Yung Complaint”) was filed in the United States District Court of New Jersey by plaintiff Shui Shing Yung against the Company and two individual officers: the Company’s Chief Executive Officer and its Chief Financial Officer (with the Company, the “Yung Defendants”). The Yung Complaint alleges that the Yung Defendants violated federal securities laws by making knowingly false or misleading statements about the Company’s manufacturing capabilities and financial outlook. The Company intends to vigorously contest this matter.

On March 13, 2026, a shareholder derivative lawsuit (the “Berger Complaint”) was filed in the United States District Court of the District of New Jersey by plaintiff Paul Berger against certain defendants including the Company’s Chief Executive Officer, the Company’s Chief Financial Officer, and nine of the Company’s current Directors (the “Berger Defendants”). The Berger Complaint alleges that the Berger Defendants breached their fiduciary duties to the Company by allowing the Company to make knowingly false or misleading statements about the Company’s manufacturing capabilities and financial outlook. The Company intends to vigorously contest this matter.

On March 25, 2026, a shareholder derivative lawsuit (the “Skaff Complaint”) was filed in the United States District Court of the District of New Jersey by plaintiff Ronald F. Skaff against certain defendants including the Company’s Chief Executive Officer, the Company’s Chief Financial Officer, and nine of the Company’s current Directors (the “Skaff Defendants”). The Skaff Complaint alleges that the Skaff Defendants breached their fiduciary duties to the Company by allowing the Company to make knowingly false or misleading statements about the Company’s manufacturing capabilities and financial outlook. The Company intends to vigorously contest this matter.

(In thousands, except share and per share amounts)

15. Stock-Based Compensation

Stock-based compensation expense included in the Unaudited Condensed Consolidated Statements of Operations and Comprehensive Income was as follows:

	Three Months Ended March 31,	
	2026	2025
Restricted stock units	$ 5,257	$ 3,482
Performance-based restricted stock units	645	4,092
Total	$ 5,902	$ 7,574

The stock compensation expense has been recorded in cost of goods sold, research and development expenses and selling, general and administrative expenses.

Restricted Stock Units (“RSU”)

Eligible employees are granted restricted stock that generally vest over three years from the date of grant. Under the directors plan, restricted stock generally vest one year from the date of grant. As of March 31, 2026, there was $39,450 of unrecognized compensation expense attributable to unvested RSUs, expected to be recognized over a weighted-average remaining vesting period of 2.2 years.

Performance-Based Restricted Stock Units (“PRSU”)

During the third quarter of 2024, the Company granted contingent shares to select key executives that may be earned based on the Company’s total shareholder return (“TSR”) over a two and three-year period following the grant date (“2024 TSR Awards”). During the second quarter of 2025, the Company also granted contingent shares to select key employees that may be earned based on the Company’s TSR over three individual one-year periods and a cumulative three-year period following the grant date (“2025 TSR Awards”).

TSR awards are paid out in stock at the end of the vesting period based on the Company’s stock performance. The performance is measured by determining the percentile rank of the total shareholder return of the Company’s common stock relative to the TSR of the Russell 2000 index peer group for the two and three-year period following the grant date. This peer group includes the entire Russell 2000 index as it existed at the beginning of the performance period, excluding any companies that were removed from the index during the performance period. The payment of awards following the two and three-year award period is based on performance achieved in accordance with the scale set forth in the plan agreement and may range from 0% to 200% of the initial grant. The fair value of the TSR awards is estimated using a Monte Carlo simulation in an option pricing framework.

During the second quarter of 2025, the Company granted shares contingent upon the achievement of certain performance targets for fiscal year 2025 and continued employment through the vesting period.

As of March 31, 2026, there was $3,319 of unrecognized compensation expense attributable to unvested PRSUs, expected to be recognized over a weighted-average remaining vesting period of 1.8 years.

16. Income Taxes

Income tax expense was $5 for the three months ended March 31, 2026 and 2025, related to taxable earnings from foreign operations. The income tax expense differs from the amount computed by applying the statutory U.S. federal income tax rate of 21% to the loss before income taxes. This is due to fair value adjustments - derivatives and warrants, Section 162(m) disallowance, foreign operations and pre-tax losses for which no tax benefit can be recognized for U.S. income tax purposes.

The Company estimates and applies the annual effective tax rate to its ordinary earnings each interim period. Any significant unusual or infrequent items are not included in the estimation of the annual effective tax rate; instead, these items and their related income tax expense are separately stated in the interim period in which they occur.

16. Income Taxes (cont.)

At each balance sheet date, management assesses the likelihood that the Company will be able to realize its deferred tax assets. Management considered all available positive and negative evidence in assessing the need for a valuation allowance. The realization of deferred tax assets depends on the generation of sufficient taxable income of the appropriate character and in the appropriate taxing jurisdiction during the future periods in which the related temporary differences become deductible. Management has determined that it is unlikely that the Company will be able to utilize its U.S. deferred tax assets at March 31, 2026 and December 31, 2025 due to cumulative losses. Therefore, the Company has a valuation allowance against its net U.S. deferred tax assets.

As of March 31, 2026 and December 31, 2025, the Company has unrecognized tax benefits associated with uncertain tax positions that, if recognized, would not affect the effective tax rate on income from continuing operations. The Company is currently under examination by the IRS related to tax year 2022. The Company is not under examination by any other taxing jurisdictions and none of the unrecognized tax benefits are expected to reverse within the next 12 months.

The Company files income tax returns in U.S. federal and various state jurisdictions, as well as in Italy and India. The open tax years for federal returns are 2022 and forward, and open tax years for state returns are generally 2020 and forward. In addition, net operating losses generated in closed years and utilized in open years are subject to adjustment by the tax authorities.

17. Shareholders' Deficit

Preferred Stock

The Company is authorized to issue 1,000,000 shares of preferred stock with such designations, voting and other rights and preferences as may be determined from time to time by the Company's Board of Directors. The preferred stock has a par value of $0.0001. As of March 31, 2026 and December 31, 2025, there were no shares of preferred stock issued or outstanding.

Common Stock

The Company is authorized to issue 600,000,000 shares of common stock at $0.0001 par value as of March 31, 2026. The holders of the Company's common stock are entitled to one vote for each share held. At March 31, 2026 and December 31, 2025, there were 339,459,021 and 337,132,374, respectively, shares of common stock issued and outstanding, respectively.

Treasury Stock

The Company recorded treasury stock of $0 and $488 for the three months ended March 31, 2026 and 2025, respectively, for shares withheld from employees to cover the payroll tax liability of RSUs vested. The treasury stock was immediately retired.

DOE Warrants

The Company issued 570,000 warrants to the DOE in November 2025 to purchase shares of common stock at a price of $0.01 per share (the "DOE Warrants"). The DOE Warrants meet the requirements for equity classification guidance in ASC 815-40. The DOE Warrants are scheduled to expire November 21, 2030. There were 570,000 DOE Warrants outstanding as of March 31, 2026 and December 31, 2025.

18. Redeemable Preferred Stock

Series B Preferred Stock

Each Series B Preferred Stock has a par value of $0.0001 per share. The table below summarizes the Company's outstanding Series B Preferred Stock as of December 31, 2025.

(In thousands, except share and per share amounts)

18. Redeemable Preferred Stock (cont.)

Preferred Stock	Issuance Date	Shares Issued	Original Issue Price	Shares Outstanding	Common Stock Equivalent
Series B-1 Preferred Stock	9/12/2024	31.940063	$ 841,999.99	31.940063	31,940,063
Series B-2 Preferred Stock	9/12/2024	28.806463	$ 2,322,000	28.806463	28,806,463
Series B-3 Preferred Stock	11/1/2024	38.259864	$ 3,358,000	38.259864	38,259,864
Series B-4 Preferred Stock	1/24/2025	16.150528	$ 5,990,000	16.150528	17,305,070

Conversion rights: The Series B Preferred Stock is convertible into common stock at a conversion ratio of 1.0 million shares of common stock per share of Series B Preferred Stock (“Conversion Ratio”). The Conversion Ratio is subject to antidilution protection that is triggered if the Company issues equity for a price per share that is less than the conversion price then in effect, subject to certain exceptions.

During the second quarter of 2025, the Company’s issuance of the May 2025 Convertible Notes and common stock through the public offering triggered an adjustment to the Series B-4 Preferred Stock liquidation value under the terms of the Securities Purchase Agreement. The number of common shares issuable upon conversion of the Series B-4 increased by 1,154,542 to 17,305,070. The Company recorded a down round deemed dividend of $4,456 increasing additional paid-in capital and accumulated deficit on the Consolidated Statements of Shareholders' Deficit.

Dividends: Holders of the Series B Preferred Stock are entitled to receive dividends or distributions on each share of Series B Preferred Stock equal to dividends or distributions actually paid on each share of common stock on an as-converted basis.

Appointment of Directors: At all times when the holders of the Preferred Stock beneficially own at least 10%, 15% or 30% of the capital stock of the Company, the Preferred Stock shareholders, exclusively and voting together as a separate class, will have the right to appoint a maximum of 1, 2 or 3 Directors to the Board of Directors of the Company (the “Board”), respectively. At all times when the holders of the Preferred Stock beneficially own at least 40% of the capital stock of the Company, the Preferred Stock shareholders, exclusively and voting together as a separate class, will have the right to nominate a fourth director, who shall be nominated by the Board or the nominating committee of the Board to a class of common directors and thereafter stand for election as a common director on the Board. The Preferred Stock shareholders will have the right to nominate a fourth director to the Board only if such appointment does not result in a change of control under any Company governing documents or violate any applicable laws, including requirements of the SEC and Nasdaq and any such fourth director appointment shall be subject to and conditioned upon compliance by the holders of the Preferred Stock with the Hart-Scott-Rodino Antitrust Improvements Act of 1976, including the submission of any required filings and the expiration or termination of any applicable waiting periods.

Preemptive rights: The Series B Certificates of Designation contain customary preemptive rights that permit the Holders of Series B Preferred Stock to participate in certain future equity offerings by the Company.

Rights to distributions upon liquidation of the Company: In the event of a voluntary or involuntary liquidation, dissolution, or winding up of the Company, the holders of the Series B Preferred Stock are entitled to receive distribution of any of the assets or surplus funds of the Company pro rata with the holders of the common stock and any other holders of the preferred stock of the Company issued pursuant to the SPA and the Credit Agreement (the “Investor Preferred Stock”), including the Series B Preferred Stock, in an amount equal to such amount per share as would have been payable had all shares of Series B Preferred Stock been converted to common stock.

Protective provisions: The Company is prohibited from taking certain actions that could adversely affect the rights of the Preferred Stock without the affirmative vote of a majority of the outstanding shares of Preferred Stock until the later of (i) such time when the holders of Investor Preferred Stock shall no longer beneficially own at least 5% of the outstanding capital stock of the Corporation and (ii) June 21, 2029, in the case of the Series B-1 Preferred Stock, August 29, 2029, in the case of the Series B-2 Preferred Stock, November 1, 2029 in the case of the Series B-3 Preferred Stock or January 24, 2030 in the case of Series B-4 Preferred Stock.

(In thousands, except share and per share amounts)

18. Redeemable Preferred Stock (cont.)

Redemption Rights: At any time after June 21, 2029, in the case of the Series B-1 Preferred Stock, August 29, 2029, in the case of the Series B-2 Preferred Stock, November 1, 2029 in the case of the Series B-3 Preferred Stock or January 24, 2030 in the case of Series B-4 Preferred Stock, the outstanding shares of Series B Preferred Stock held by any holder become redeemable for cash at the redemption price. The redemption price will be an amount per share equal to the greater of (i) the B-1 Original Issue Price, the B-2 Original Issue Price, the B-3 Original Issue Price or the Series B-4 Preferred Stock Original Issue, as applicable, plus all accrued and unpaid dividends thereon, up to and including the date of redemption and (ii) the number of shares of common stock issuable upon conversion of the applicable Series B Preferred Stock multiplied by the average of the closing sale price of the common stock for the five (5) business days immediately prior to the date of redemption plus all accrued and unpaid dividends thereon, up to and including the date of redemption.

As of March 31, 2026 and December 31, 2025, all then outstanding shares of Series B Preferred Stock were classified as mezzanine equity on the Unaudited Consolidated Balance Sheets at its redemption value because it is probable of becoming redeemable. The Company recorded remeasurement of the Series B Preferred Stock, which reduces Additional paid-in capital, on the Unaudited Consolidated Statements of Shareholders' Deficit.

19. Earnings Per Share

The following table provides the numerators and denominators used in computing basic and diluted net income (loss) per share for the three months ended March 31, 2026 and 2025. Generally, basic earnings per share ("EPS") is computed by dividing earnings available to common shareholders by the weighted average number of shares of common stock outstanding during the period. In accordance with ASC 260, the DOE Warrants are included in basic EPS as the shares are issuable for little cash consideration. The SPA Warrant, Series B Preferred Stock, the warrants issued in 2023, May 2025 Convertible Notes and November 2025 Convertible Notes are participating securities that do not have the obligation to share in the losses of the Company. Therefore, the more dilutive of the "if-converted" and "two-class" method must be applied when calculating EPS for the common shares.

For purposes of basic EPS, the "two-class" method was applied and undistributed earnings were allocated to participating securities. These undistributed earnings were allocated based on each participating securities' proportionate share of the total weighted-average shares outstanding.

	Three Months Ended March 31,	
	2026	2025
Numerator		
Net income available	$ 1,287,761	$ 95,133
Less: Undistributed earnings allocated to participating securities	(461,204)	—
Net income available to common shareholders	$ 826,557	$ 95,133
Denominator		
Weighted average shares outstanding - basic	339,602,063	225,474,247
Earnings per share:		
Basic	$ 2.43	$ 0.42

For purposes of diluted EPS, the more dilutive of the "treasury-stock method", "if-converted" and "two-class" method must be applied when calculating dilutive EPS.

(In thousands, except share and per share amounts)

19. Earnings Per Share (cont.)

	Three Months Ended March 31,	
	2026	**2025**
Numerator		
Net income available	$ 1,287,761	$ 95,133
Effect of potentially dilutive shares:		
Adjustment for interest on convertible notes	924	1,839
Adjustment for change in fair value on embedded derivatives for convertible notes	—	(15,922)
Adjustment for change in fair value on SPA Warrant	(267,230)	(42,064)
Adjustment for change in fair value on April, May and December 2023 Warrants	(179,218)	(46,896)
Adjustment for remeasurement of Series B Preferred Stock	(778,878)	(79,997)
Net income (loss) for diluted earnings per share	$ 63,359	$ (87,907)
Denominator		
Weighted-average basic common shares outstanding	339,602,063	225,474,247
Dilutive effect of convertible notes	11,074,195	13,385,305
Dilutive effect of Series B Preferred Stock	116,311,460	110,850,111
Dilutive effect of warrants	66,107,625	68,498,537
Dilutive effect of RSUs	7,981,966	8,621,012
Dilutive effect of PRSUs	2,175,288	8,017,961
Dilutive effect of stock options	1,576,336	1,521,109
Weighted-average dilutive common shares outstanding	544,828,933	436,368,282
Earnings per share:		
Diluted	$ 0.12	$ (0.20)

The following potentially dilutive shares were excluded from the calculation of diluted net income (loss) per share because their effect would have been anti-dilutive.

	Three Months Ended March 31,	
	2026	**2025**
Public and private placement warrants	—	7,326,654
Contingent warrants	—	15,320,062
Stock options	42,628	1,585,056
RSUs	1,799,126	—
Convertible Notes (if converted)	—	6,142,293

Management has elected to recognize changes in the redemption value of the Series B Preferred Stock. At each balance sheet date, the redemption value of the Series B Preferred Stock will be calculated and remeasured to its redemption value. The remeasurement is recorded as a deemed dividend or contribution, which, in the absence of Retained earnings, is recognized within additional paid in capital and earnings available to common shareholders in computing basic and diluted EPS. Other potentially dilutive common shares and the related impact to earnings are considered when calculating EPS on a diluted basis.

(In thousands, except share and per share amounts)

20. Segment Reporting

The Company's chief operating decision-maker ("CODM") is its Chief Executive Officer and President. Operating segments are defined as components of an entity for which separate financial information is available and that is regularly reviewed by the CODM in deciding how to allocate resources to an individual segment and in assessing performance. The Company's CODM reviews financial information presented on a consolidated basis for purposes of making operating decisions, allocating resources, and evaluating financial performance. As such, the Company has determined that it operates in one operating and one reportable segment.

The Company designs, develops, manufactures, and markets innovative zinc-based energy storage solutions for utility-scale, microgrid and C&I applications. The Company operates and holds long-lived assets in a single geographical region, with nearly all of its revenue coming from customers in the United States.

The CODM reviews financial information on a consolidated basis and uses Gross profit (loss) and Net income (loss) to assess financial performance considering budget-to-actual variances when making key decisions on how to allocate company resources.

The Company's segment information is summarized as follows:

	Three Months Ended March 31,	
	2026	**2025**
Product revenue	$ 56,734	$ 9,927
Service revenue	229	530
Total revenue	56,963	10,457
Less:		
Cost of goods sold	101,390	34,996
Gross profit (loss)	(44,427)	(24,539)
Less:		
Research and development	10,719	6,837
Selling, general and administrative	24,095	20,995
Other segment items[(a)]	(588,124)	(67,507)
Net income (loss)	$ 508,883	$ 15,136

(a) Other segment items include loss from write-down of property, plant and equipment, interest expense, net, change in fair value of debt, change in fair value of warrants, change in fair value of derivatives, costs related to the Company's debt transactions and other miscellaneous items.

(In thousands, except share and per share amounts)

20. Segment Reporting (cont.)

Additional segment financial information is summarized as follows:

	Three Months Ended March 31,	
	2026	2025
Segment assets	$ 799,324	$ 263,283
Depreciation and amortization	$ 5,394	$ 2,680
Interest income	$ 2,787	$ 814
Interest expense	$ 12,242	$ 6,759
Capital expenditures[b]	$ 35,138	$ 4,918

(b) Includes Intangible assets.

The following geographic area data includes nets sales based on product shipment destination.

	Three Months Ended March 31,	
	2026	2025
United States	$ 28,076	$ 10,457
United Kingdom	28,887	—
Total	$ 56,963	$ 10,457

21. Subsequent Events

On May 12, 2026, the Company entered into a binding term sheet with CCM Frontier JV Holdco, LLC, an affiliate of Cerberus Capital Management, L.P. ("CCM Frontier"), providing for the formation of a joint venture focused on the development of certain energy storage and power opportunities (the "Joint Venture"). The joint venture is expected to be organized through Frontier Power USA Parent, LLC (the "JV Company"). Closing of the transactions contemplated by the term sheet is subject to the negotiation and execution of definitive agreements and the satisfaction of customary and other conditions.

Pursuant to the term sheet, at or prior to closing, CCM Frontier is expected to (i) receive founder's equity in the form of Class A-1 units in exchange for certain contributed contracts, relationships and platform assets, (ii) contribute $100,000 in cash in exchange for Class A-2 units of the JV Company, and (iii) receive a warrant to purchase shares of the Company's common stock. Concurrently, the Company is expected to contribute an amount equal to the proceeds raised in a contemplated rights offering, targeted at $150,000, in exchange for Class B units of the JV Company.

The Company's investment in the JV Company is expected to be funded through a rights offering to holders of the Company's common stock and certain warrants. Participants in the rights offering are expected to receive common stock and warrants to purchase additional shares of common stock, with the warrants having an exercise price set at a discount to the volume-weighted average price of the Company's common stock at the time of launch. CCM Frontier is expected to receive a similarly priced warrant in consideration for its cash contribution.

The completion of the Joint Venture transactions is subject to several conditions, including, among others, (i) completion of the rights offering, (ii) approval by the Company's stockholders of an increase in authorized shares of common stock, (iii) receipt of required third-party approvals, including consent from the U.S. Department of Energy, and (iv) execution of definitive commercial and governance agreements.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with the accompanying Unaudited Condensed Consolidated Financial Statements for the three months ended March 31, 2026 and 2025 and the Company's Annual Report on Form 10-K for the year ended December 31, 2025, including the financial statements and notes thereto.

Overview

The Company offers an innovative Znyth™ technology battery energy storage system ("BESS") designed to provide the operating flexibility to manage increased grid complexity and price volatility resulting from an overall increase in renewable energy generation and a congested grid coming from an increase in electricity demand growth. The Company's BESS is a validated chemistry with accessible non-precious earth components in a durable design that is intended to deliver results in even the most extreme temperatures and conditions. The system is designed to be safe, flexible, scalable, sustainable and manufactured in the United States, using raw materials primarily sourced in the United States. We believe the Company's Z3 battery module is the core of its innovative systems. The Z3 battery module is the only US designed and manufactured battery module that today provide utilities, independent power producers, renewables developers and C&I customers with an alternative to lithium-ion and lead-acid monopolar batteries for critical 3- to 12-hour discharge duration applications. We believe the Z3 battery will transform how utility, industrial and commercial customers store power.

In addition to its BESS, the Company currently offers: (a) a BMS which provides a remote asset monitoring capability and service to track the performance and health of the Company's BESS and to proactively identify future system performance issues through predictive analytics; (b) project management services to ensure the process of implementing the Company's BESS are coordinated in conjunction with the customer's overall project plans; (c) commissioning services that ensure the customer's installation of the BESS meets the performance expected by the customer; and (d) long-term maintenance plans to maintain optimal operating performance of the Company's systems.

The Company's growth strategy contemplates increasing sales of battery energy storage systems and related software and services through a direct sales team and sales channel partners. The Company's current and target customers include utilities, project developers, independent power producers and C&I companies.

Strategy

The Company continues to invest in the design, development and production of its next-generation product, the Eos Z3 battery. The Z3 builds upon the same underlying electrochemistry the Company has utilized for nearly a decade. The Eos Z3 is engineered to reduce cost and weight while improving manufacturability and overall system performance. Compared to the Company's prior Gen 2.3 product, the Z3 incorporates a more cost-effective design, including a simplified tub structure, approximately 50% fewer cells and approximately 98% fewer welds per battery module. The Company believes the Eos Z3 will provide customers with approximately twice the energy density per square foot while maintaining the safety and reliability characteristics of the previous generation.

The Company has successfully transitioned to the Eos Z3 platform, enabled by the commissioning and commercial operation of its first fully automated battery manufacturing line. The Z3 leverages the same proven underlying chemistry, which has demonstrated durability over more than 3 million cycles, while incorporating a redesigned mechanical architecture that enhances performance, reduces costs and improves manufacturability. Z3 battery modules have been shipped since the third quarter of 2023, and the transition reflects over fifteen years of accumulated insights and operational experience. The Company believes this experience will continue to drive manufacturing efficiencies as production scales and its state-of-the-art operations expand.

In 2025, the Company introduced DawnOS, a software platform designed to enhance the value, reliability and safety of the Company's BESS. DawnOS builds upon the Z3 battery architecture through a fully integrated hardware and software solution. It serves as the system's intelligence layer and is designed to manage large numbers of battery modules in real time. The platform provides precise balancing, dynamic switching and continuous system operation, including in situations where individual modules within a string become imbalanced. DawnOS is intended to increase usable energy per cycle, reduce field service requirements and operate with embedded security and automation features. Through its advanced control capabilities, the Company expects DawnOS to be an integral component of its product portfolio going forward, reflecting its role in improving system resilience, efficiency and overall operational performance.

In 2026, the Company introduced Eos Indensity, an energy storage architecture that uses a spatial intelligence design framework to provide high density storage with flexibility and safety in constrained as well as traditional sites. The system targets up to 1 GWh per acre, roughly four times most incumbent footprints, through stackable Indensity Core units that integrate Eos Z3 battery modules with the Eos DawnOS controls platform. The modular self contained form factor enables efficient transport, simplified installation and long term serviceability. Eos Indensity can be deployed indoors or outdoors, including inside existing buildings. It addresses long duration, response driven use cases across data centers, military bases, manufacturing facilities and critical infrastructure, supported by a domestic FEOC compliant supply chain. The Company expects Indensity to be an integral component of its product portfolio going forward.

The Company believes that the simplicity, flexibility and safety characteristics of its products represent important attributes valued by the market. In addition, the Company benefits from legislative incentives, including the Inflation Reduction Act and the One Big Beautiful Bill Act ("OBBBA"), which provide production tax credits (“PTC”) for domestically manufactured battery components, as well as tax credits available to customers for projects that satisfy domestic content requirements. The Company also intends to continue working with a consortium of community organizations, universities and supply chain partners to pursue available funding opportunities under the Bipartisan Infrastructure Law of 2021.

Company Highlights

- In January 2026, the Company introduced Eos Indensity, an energy storage architecture that uses a spatial intelligence design framework to provide high density storage with flexibility and safety in constrained as well as traditional sites. The system targets up to 1 GWh per acre, roughly four times most incumbent footprints, through stackable Indensity Core units that integrate Eos Z3 battery modules with the Eos DawnOS controls platform. The modular self contained form factor enables efficient transport, simplified installation and long term serviceability. Eos Indensity can be deployed indoors or outdoors, including inside existing buildings. It addresses long duration, response driven use cases across data centers, military bases, manufacturing facilities and critical infrastructure, supported by a domestic FEOC compliant supply chain.
- In March 2026, the Company announced the appointment of Nathaniel Fick to its Board of Directors as an independent Common Class III director.
- In April 2026, the Company announced a joint development agreement with TURBINE-X Energy, Inc. to develop and deploy private power infrastructure for AI, a new model designed to deliver firm, dispatchable energy for hyperscale data centers and other mission-critical loads on accelerated timelines.

Results of Operations

Revenue

	Three Months Ended March 31,			
($ in thousands)	2026	2025	$ Change	% Change
Revenue	$ 56,963	$ 10,457	$ 46,506	445 %

The Company generates revenues from the delivery of its BESS and service-related solutions. The Company expects revenues to increase as it scales production to meet customer demand.

For the three months ended March 31, 2026, Revenue increased by $46.5 million or 445% from $10.5 million. The increase was primarily drive by an increase in deliveries, an increase in the average selling price and higher revenue from third-party materials. These increases were partially offset by a decline in service revenue.

Cost of goods sold

	Three Months Ended March 31,			
($ in thousands)	2026	2025	$ Change	% Change
Cost of goods sold	$ 101,390	$ 34,996	$ 66,394	190 %

Cost of goods sold primarily consists of direct costs relating to labor, material and overhead directly tied to product assembly, procurement and construction (“EPC”), project delivery, commissioning and start-up test procedures. Indirect costs included in cost of goods sold are manufacturing overhead such as equipment maintenance, environmental health and safety, quality and production control procurement, transportation, logistics, depreciation and facility-related costs. As a nascent technology with a new manufacturing process that is early in its product lifecycle, the Company still faces significant costs associated with production start-up, commissioning of various components, modules and subsystems and other related costs. For the three months ended March 31, 2026 and 2025, the Company recognized $10.3 million and $1.8 million, respectively, reduction of cost of goods sold related to the IRA PTC. The Company expects its cost of goods sold to exceed revenues in the near term as it continues to scale production and prepares battery energy storage systems delivered to customers to go-live.

Cost of goods sold increased by $66.4 million or 190% from $35.0 million. The increase in Cost of goods sold was driven by significantly higher cube deliveries, higher direct and indirect labor, higher field service costs associated with increased deliveries and higher volume-driven warranty accruals.

Research and development expenses

($ in thousands)	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025	$ Change	% Change
R&D expenses	$ 10,719	$ 6,837	$ 3,882	57 %

Research and development expenses consist primarily of salaries and other personnel-related costs, materials, third-party services, depreciation and amortization of intangible assets.

Research and development expenses increased $3.9 million or 57% for the three months ended March 31, 2026, compared to the three months ended March 31, 2025. The increase was primarily attributable to higher facility, materials and supplies, outside services and payroll-related costs partially offset by lower stock-based compensation costs.

Selling, general and administrative expenses

($ in thousands)	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025	$ Change	% Change
SG&A expenses	$ 24,095	$ 20,995	$ 3,100	15 %

Selling, general and administrative expenses primarily consist of payroll and personnel-related, outside professional services, facilities, depreciation, travel, marketing and public company costs.

Selling, general and administrative expenses increased $3.1 million or 15% for the three months ended March 31, 2026 compared to the three months ended March 31, 2025. The increase was primarily attributable to higher facility, marketing, insurance and payroll-related costs, partially offset by lower legal fees and stock-based compensation costs.

Loss from write-down of property, plant and equipment

($ in thousands)	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Loss from write-down of property, plant and equipment	$ 71	$ 561

The Company incurred a loss of $0.1 million and $0.6 million from write-down of property, plant and equipment for the three months ended March 31, 2026 and 2025, respectively. The write-downs were mainly due to design changes from the Z3-Phase 1 to Z3-Phase 2 production in which the Phase 1 production assets could not be utilized or repurposed for Phase 2 production. Additionally, the loss from write-down of property, plant and equipment contains costs for disposal of miscellaneous equipment and tooling that cannot be repurposed for more automated processes.

Interest expense

($ in thousands)	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Interest expense	$ (12,242)	$ (978)

Interest expense includes expenses for contractual interest, amortization of debt issuance costs and debt discounts, partially offset by capitalized interest costs on CIP assets and interest income.

Interest expense increased $11.3 million for the three months ended March 31, 2026, compared to the three months ended March 31, 2025, primarily due to an increased principal balance under the DOE Loan Facility and interest associated with the May 2025 Convertible Notes and November 2025 Convertible Notes, which were not outstanding as of March 31, 2025.

Interest expense - related party

	Three Months Ended March 31,	
($ in thousands)	2026	2025
2021 Convertible Note Payable interest and amortization	$ —	$ (3,942)
AFG Convertible Note interest and amortization	—	(1,839)
Interest expense, related party	$ —	$ (5,781)

Interest expense - related party decreased $5.8 million for the three months ended March 31, 2026, compared to the three months ended March 31, 2025, due to the fact that the 2021 Convertible Note Payable and the AFG Convertible Note were no longer outstanding during the three months ended March 31, 2026. See Note 11, *Borrowings* to our Unaudited Condensed Consolidated Financial Statements included elsewhere in this Quarterly Report for further discussion.

Change in fair value of debt - related party

	Three Months Ended March 31,	
($ in thousands)	2026	2025
Change in fair value of debt - related party	$ (4,232)	$ (5,933)

The Change in fair value of debt - related party is related to the DDTL. The Change in fair value of debt - related party of $4.2 million and $5.9 million for the three months ended March 31, 2026 and March 31, 2025, respectively, primarily reflects the accretion of the DDTL resulting from the passage of time.

Change in fair value of warrants

For the three months ended March 31, 2026 and 2025, the change in fair value of warrants was composed of the items below:

	Three Months Ended March 31,	
($ in thousands)	2026	2025
IPO warrants	$ —	$ 138
April 2023 warrants	95,200	16,239
May 2023 warrants	21,864	3,725
December 2023 warrants	51,661	25,823
Change in fair value of warrants	$ 168,725	$ 45,925

The change for the three months ended March 31, 2026 and March 31, 2025 is largely driven by the Company's common stock price decrease quarter over quarter.

Change in fair value of derivatives

	Three Months Ended March 31,	
($ in thousands)	2026	2025
Change in fair value of derivatives	$ 165,935	$ —

For the three months ended March 31, 2026, the Change in fair value of derivatives of $165.9 million related to the change in fair value of the embedded derivative associated with the November 2025 Convertible Notes. The change is largely driven by the Company’s common stock price decrease quarter over quarter. The November 2025 Convertible Notes were not outstanding for the comparable period for the three months ended March 31, 2025.

Change in fair value of derivatives - related parties

($ in thousands)	Three Months Ended March 31, 2026		Three Months Ended March 31, 2025	
Change in fair value of embedded derivatives - related parties	$	—	$	16,934
Change in fair value of warrants - related parties		267,230		17,652
Change in fair value of derivatives - related parties	$	267,230	$	34,586

The Change in the fair value of derivatives - related parties, was due to the 2021 Convertible Note Payable and AFG Convertible Notes (See Note 11, *Borrowings*) and the Change in fair value of warrants - related parties was due to changes in fair value of our SPA Warrant and Contingent warrants (See Note 12, *Warrants Liability*). The change is largely driven by the Company's common stock price decrease quarter over quarter. The 2021 Convertible Note Payable and AFG Convertible Notes were not outstanding for the comparable period for the three months ended March 31, 2026.

Other expense

($ in thousands)	Three Months Ended March 31, 2026		Three Months Ended March 31, 2025	
Other expense	$	(3)	$	(560)

For the three months ended March 31, 2025, Other expense of $0.6 million, was primarily due to the recognition of financing issuance costs from the Credit and Securities Purchase Transaction.

Income tax expense (benefit)

($ in thousands)	Three Months Ended March 31, 2026		Three Months Ended March 31, 2025	
Income tax expense (benefit)	$	5	$	5

The Company incurred income tax expense for the three months ended March 31, 2026 and 2025, attributable to taxable earnings from the Company's foreign operations which were insignificant for the periods presented.

Liquidity and Capital Resources

During the three months ended March 31, 2026, the Company incurred Net income of $508.9 million. Adjustments to reconcile the net income to cash used in operations are primarily from non-cash items on the Unaudited Condensed Consolidated Statements of Cash Flows. The non-cash items totaled $577.0 million. The Company incurred negative cash flows from operations of $119.7 million and had an accumulated deficit of $2,026.9 million as of March 31, 2026.

As of March 31, 2026, the Company had $410.7 million of unrestricted cash and cash equivalents available to fund the Company's operations, and working capital of $464.7 million on the Unaudited Condensed Consolidated Balance Sheets. Additionally, the Company had $61.7 million of restricted cash, refer to Note 4, *Cash, Cash Equivalents and Restricted Cash* for further discussion.

Financing Arrangements

The Company has historically relied on outside capital to fund its cost structure and expects this reliance to continue for the foreseeable future until the Company reaches profitability through its planned revenue generating activities. During the three months ended March 31, 2026, the Company did not have any significant capital transactions.

Through March 31, 2026, under the DOE Loan Facility, the Company drew down $90.9 million for the eligible project costs that the Company had incurred through June 4, 2025. These costs represent Tranche 1 of the DOE Loan Facility for eligible costs in connection with the design, construction, installation, startup and shakedown of a battery automation line and related tools. The Company has approximately $186.6 million of availability under the DOE Loan Facility. In the event the Company does not achieve certain funding conditions and the DOE chooses not to continue funding, the Company may need to seek alternative sources of capital, which may not be available on favorable terms or at all.

Capital Expenditures

The Company expects capital expenditures and working capital requirements to increase as it seeks to execute its growth strategy. Total capital expenditures for the three months ended March 31, 2026 and March 31, 2025 were $35.1 million and $4.9 million, respectively. See Note 6, *Property, Plant and Equipment* and Note 7, *Intangible Assets* for further discussion.

Discussion and Analysis of Cash Flows

The Company relies heavily on private placement of convertible notes, term loans, equipment financing and issuance of common stock and warrants. Our short-term working capital needs are primarily related to funding of debt interest payments, product manufacturing, research and development and general corporate expenses. The Company's long-term working capital needs are primarily related to repayment of long-term debt obligations and capital expenses for capacity expansion and maintenance, equipment upgrades and repair of equipment.

The following table summarizes the Company's cash flows from operating, investing and financing activities for the periods presented.

	Three Months Ended March 31,			
($ in thousands)	2026	2025	$ Change	% Change
Net cash used in operating activities	$ (119,735)	$ (28,924)	$ (90,811)	314 %
Net cash used in investing activities	$ (35,138)	$ (4,918)	$ (30,220)	614 %
Net cash provided by financing activities	$ 2,673	$ 42,162	$ (39,489)	(94)%

Cash flows from operating activities:

Cash flows used in operating activities primarily comprise of costs related to research and development, manufacturing of products, project commissioning and other general and administrative activities.

Net cash used in operating activities was $119.7 million for the three months ended March 31, 2026, adjusted for non-cash items of $577.0 million, primarily related to changes in fair value of warrants and derivatives, with offsets of stock compensation expense, depreciation and amortization, non-cash interest expense, and change in fair value of debt - related party. The net cash outflows from changes in operating assets and liabilities was $51.6 million, primarily driven by an increase in grant receivable of $10.3 million due to increased volumes of production, increase in contract assets of $25.5 million and decrease in contract liabilities of $8.5 million driven by revenue recognition and production, decrease in accounts payable of $14.8 million from payments made during the period, partially offset by an increase of accrued expenses of $7.2 million which was attributable to timing of payroll and various accruals at period end.

Net cash used in operating activities of $28.9 million for the three months ended March 31, 2025, adjusted for non-cash items of $60.9 million, primarily related to changes in fair value of warrants and derivatives and partially offset by stock compensation expense relating to expanded headcount in engineering, sales, manufacturing engineering and R&D. Additionally, offsets included depreciation and amortization, non-cash interest expense and the change in fair value of debt. The net cash inflows from changes in operating assets and liabilities was $16.8 million, primarily driven by an increase in contract liabilities of $17.1 million due to customer cash receipts and increase in accounts payable of $8.1 million, partially offset by an increase in inventory of $6.1 million for future production and increased 2025 volumes, increase in accounts receivable of $4.1 million due to customer invoicing and increase in grant receivable of $1.8 million.

Cash flows from investing activities:

Net cash flows used in investing activities for the three months ended March 31, 2026 were primarily composed of payments made for purchases of property, plant and equipment of $35.1 million and minor investments in internally developed software. The increase in cash flows used in investing activities are primarily to support the growth of manufacturing facilities at our Warrendale location.

Net cash flows used in investing activities for the three months ended March 31, 2025 were primarily composed of payments made for purchases of property, plant and equipment of $4.9 million.

Cash flows from financing activities:

Net cash provided by financing activities was $2.7 million for the three months ended March 31, 2026, primarily due to the proceeds received from the exercise of warrants during the period of $3.3 million. The proceeds were partially offset by debt issuance costs of $0.5 million and payments on the equipment financing facility of $0.1 million.

Net cash provided by financing activities was $42.2 million for the three months ended March 31, 2025, primarily due to the proceeds received from the Credit and Securities Purchase Transaction of $38.5 million and from the exercise of warrants of $7.0 million. The proceeds were partially offset by payments on the equipment financing facility of $0.9 million and share repurchases from employees for tax withholding of $0.5 million.

Contractual Obligations

The Company has certain obligations and commitments to make future payments under contracts. As of March 31, 2026, this is composed of the following:

- Future lease payments, including interest, under non-cancellable operating and financing leases of $60.2 million. The leases expire at various dates prior to 2030.
- Principal and Interest payments related to the following debt obligations (see Note 11, *Borrowings* to our Unaudited Condensed Consolidated Financial Statements included elsewhere in this Quarterly Report):

	Future Debt Payments
Delayed Draw Term Loan - due June 2034 [(1)] [(2)]	$ 348,386
DOE Loan Facility - due June 2034 [(1)] [(2)]	120,284
May 2025 Convertible Notes - due June 2030	65,187
November 2025 Convertible Notes - due December 2031	663,204
Total	$ 1,197,061

[(1)] As of March 31, 2026, the Company is obligated to repay future contractual interest payments for these borrowings in-kind.
[(2)] The DDTL and DOE Loan Facility contain Springing Maturity dates that could make the debt due March 14, 2030.

Critical Accounting Estimates ("CAE")

The Company's Unaudited Condensed Consolidated Financial Statements are prepared in conformity with U.S. generally accepted accounting principles (U.S. GAAP). In preparing the Company's Unaudited Condensed Consolidated Financial Statements, management makes assumptions, judgments and estimates on historical experience and various other factors that we believe to be reasonable under the circumstances. Actual results could differ materially from these estimates under different assumptions or conditions. We regularly reevaluate our assumptions, judgments and estimates. The Company's significant accounting policies are described in the Company's Annual Report on Form 10-K for the year ended December 31, 2025.

Critical accounting estimates are those estimates that involve a significant level of estimation uncertainty and could have a material impact on our financial condition or results of operations.

There have been no material changes in the CAE's in the Company's Annual Report on Form 10-K for the year ended December 31, 2025.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

There have been no material changes in the Company's market risk exposures for the three months ended March 31, 2026, as compared to those discussed in its Annual Report on Form 10-K for the year ended December 31, 2025.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation and supervision of our Chief Executive Officer and our Chief Financial Officer, have evaluated our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e)) under the Exchange Act as of the end of the period covered by this report. Based upon that evaluation and consistent with the evaluations previously reported in prior periods, the CEO and CFO have concluded that, as of the end of the period covered by this Report our disclosure controls and procedures were effective to provide reasonable assurance that information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives, and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting during the quarter ended March 31, 2026, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Part II - Other information

Item 1. Legal Proceedings

From time to time, the Company may be involved in litigation relating to claims arising out of the Company's operations. While the outcomes of these types of claims are uncertain, management does not expect that the ultimate costs to resolve these matters will have a material adverse effect on our consolidated financial position, results of operations or cash flows.

Class Action Complaints

On March 6, 2026, a class action lawsuit (the "Yung Complaint") was filed in the United States District Court of New Jersey by plaintiff Shui Shing Yung against the Company and two individual officers: the Company's Chief Executive Officer and its Chief Financial Officer (with the Company, the "Yung Defendants"). The Yung Complaint alleges that the Yung Defendants violated federal securities laws by making knowingly false or misleading statements about the Company's manufacturing capabilities and financial outlook. The Company intends to vigorously contest this matter.

On March 13, 2026, a shareholder derivative lawsuit (the "Berger Complaint") was filed in the United States District Court of the District of New Jersey by plaintiff Paul Berger against certain defendants including the Company's Chief Executive Officer, the Company's Chief Financial Officer, and nine of the Company's current Directors (the "Berger Defendants"). The Berger Complaint alleges that the Berger Defendants breached their fiduciary duties to the Company by allowing the Company to make knowingly false or misleading statements about the Company's manufacturing capabilities and financial outlook. The Company intends to vigorously contest this matter.

On March 25, 2026, a shareholder derivative lawsuit (the "Skaff Complaint") was filed in the United States District Court of the District of New Jersey by plaintiff Ronald F. Skaff against certain defendants including the Company's Chief Executive Officer, the Company's Chief Financial Officer, and nine of the Company's current Directors (the "Skaff Defendants"). The Skaff Complaint alleges that the Skaff Defendants breached their fiduciary duties to the Company by allowing the Company to make knowingly false or misleading statements about the Company's manufacturing capabilities and financial outlook. The Company intends to vigorously contest this matter.

Item 1A. Risk Factors

As of the date of this Quarterly Report on Form 10-Q, there have been no additional material changes to the risk factors disclosed in our annual report on Form 10-K for the fiscal year ended December 31, 2025. We may disclose changes to such risk factors or disclose additional risk factors from time to time in our future filings with the SEC.

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

None

Item 3. Defaults Upon Senior Securities

None

Item 4. Mine Safety Disclosures

None

Item 5. Other Information

Rule 10b5-1 Trading Plans

On March 12, 2026, Joseph Mastrangelo, Chief Executive Officer, terminated his sell-to-cover Rule 10b5-1 trading plan. No other directors or officers have adopted, terminated or modified any trading plans.

(a) Exhibits

Exhibit Number	Description of Document	Incorporated by Reference			
		Schedule/Form	File Number	Exhibits	Filing Date
3.1	Third Amended and Restated Certificate of Incorporation of the Company, as amended	Form 10-K	File No. 001-39291	3.1	February 28, 2023
3.2	Certificate of Amendment to the Third Amended and Restated Certificate of Incorporation of the Company, as amended	Form 10-Q	File No. 001-39291	3.2	May 14, 2024
3.3	Second Amended and Restated Bylaws of the Company	Form 8-K	File No. 001-39291	3.1	May 19, 2022
3.4	Series A-1 Preferred Stock Certificate of Designation	Form 8-K	File No. 001-39291	3.1	June 24, 2024
3.5	Series A-2 Preferred Stock Certificate of Designation.	Form 8-K	File No. 001-39291	3.1	August 30, 2024
3.6	Certificate of Designation of Series B-1 Non-Voting Convertible Preferred Stock	Form 8-K	File No. 001-39291	3.1	September 12, 2024
3.7	Certificate of Designation of Series B-2 Non-Voting Convertible Preferred Stock	Form 8-K	File No. 001-39291	3.2	September 12, 2024
3.8	Certificate of Designation of Series B-3 Non-Voting Convertible Preferred Stock	Form 8-K	File No. 001-39291	3.1	November 4, 2024
3.9	Certificate of Designation of Series B-4 Non-Voting Convertible Preferred Stock	Form 8-K	File No. 001-39291	3.1	January 27, 2025
10.1	Second Amendment to Loan Guarantee Agreement, dated February 13, 2026, by and between Eos Energy Enterprises, Inc. and the United States Department of Energy	Form 8-K	File No. 001-39291	10.1	February 17, 2026
31.1*	Certification of Chief Executive Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002				
31.2*	Certification of Chief Financial Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002				
32*	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002				
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.				
101.SCH	XBRL Taxonomy Extension Schema Document				
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document				

Exhibit Number	Description of Document	Incorporated by Reference			
		Schedule/Form	File Number	Exhibits	Filing Date
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document				
101.LAB	XBRL Taxonomy Extension Label Linkbase Document				
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document				
104	Cover page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)				

* Filed herewith.

\# Portions of this exhibit have been omitted pursuant to Item 601(b)(10) of Regulation S-K because they are both (i) not material and (ii) contain the type of information that the Company customarily and actually treats as private or confidential.

SIGNATURES

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

EOS ENERGY ENTERPRISES, INC.

Date: May 13, 2026	By:	/s/ Joseph Mastrangelo
	Name:	Joseph Mastrangelo
	Title:	Chief Executive Officer and Director (Principal Executive Officer)
Date: May 13, 2026	By:	/s/ Nathan Kroeker
	Name:	Nathan Kroeker
	Title:	Interim Chief Financial Officer (Principal Financial Officer)

EXHIBIT 31.1

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, Joseph Mastrangelo, certify that:

1. I have reviewed this quarterly report on Form 10-Q (the “Report”) of Eos Energy Enterprises, Inc. (the “Registrant”);

2. Based on my knowledge, this Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Report;

3. Based on my knowledge, the financial statements, and other financial information included in this Report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this Report;

4. The Registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Report is being prepared;

b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c. Evaluated the effectiveness of the Registrant’s disclosure controls and procedures and presented in this Report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Report based on such evaluation; and

d. Disclosed in this Report any change in the Registrant’s internal control over financial reporting that occurred during the Registrant’s most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrant’s internal control over financial reporting; and

5. The Registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant’s auditors and the audit committee of the Registrant’s board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant’s ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant’s internal control over financial reporting.

Date: May 13, 2026	By:	/s/ Joseph Mastrangelo
		Joseph Mastrangelo
		Chief Executive Officer
		(Principal Executive Officer)

EXHIBIT 31.2

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, Nathan Kroeker, certify that:

1. I have reviewed this quarterly report on Form 10-Q (the “Report”) of Eos Energy Enterprises, Inc. (the Registrant”);

2. Based on my knowledge, this Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Report;

3. Based on my knowledge, the financial statements, and other financial information included in this Report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this Report;

4. The Registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Report is being prepared;

b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c. Evaluated the effectiveness of the Registrant’s disclosure controls and procedures and presented in this Report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Report based on such evaluation; and

d. Disclosed in this Report any change in the Registrant’s internal control over financial reporting that occurred during the Registrant’s most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrant’s internal control over financial reporting; and

5. The Registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant’s ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant’s internal control over financial reporting.

Date: May 13, 2026

By: /s/ Nathan Kroeker

Nathan Kroeker
Interim Chief Financial Officer
(Principal Financial Officer)

EXHIBIT 32

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Eos Energy Enterprises, Inc. (the "Registrant"), for the quarterly period ended March 31, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Joseph Mastrangelo, hereby certify, in the capacity and on the date indicated below, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) 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 Registrant.

Date: May 13, 2026

By: /s/ Joseph Mastrangelo
Joseph Mastrangelo
Chief Executive Officer
(Principal Executive Officer)

In connection with the Quarterly Report on Form 10-Q of Eos Energy Enterprises, Inc. (the "Registrant"), for the quarterly period ended March 31, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Nathan Kroeker, hereby certify, in the capacity and on the date indicated below, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) 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 Registrant.

Date: May 13, 2026

By: /s/ Nathan Kroeker
Nathan Kroeker
Interim Chief Financial Officer
(Principal Financial Officer)