
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K/A
(Amendment No.1)

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

Date of Report (Date of earliest event reported): July 1, 2026

NOMAD POWER SOLUTIONS, INC.
(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction
of incorporation)

001-39717
(Commission
File Number)

20-2903526
(I.R.S. Employer
Identification Number)

433 Plaza Real, Suite 275
Boca Raton, Florida 33432
(Address of principal executive offices)

(631) 830-7092
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (See General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act of 1933 (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(e) under the Exchange Act (17 CFR 240.13e-4(c))

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	NMAD	The NASDAQ Stock Market, LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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. ☐

EXPLANATORY NOTE

On July 2, 2026, Nomad Power Solutions, Inc. (f/k/a Lixte Biotechnology Holdings, Inc.), a Delaware corporation (the “Company” or “we”), filed a Current Report on Form 8-K (the “Initial 8-K”) disclosing, amongst other things, the closing of its previously announced merger agreement (the “Merger Agreement”) with Nomad Transportable Power Systems, Inc (“NOMAD”) and NBD Merger Sub, Inc., (“Merger Sub”), pursuant to which Merger Sub merged with and into NOMAD, with NOMAD surviving as a wholly-owned subsidiary of the Company.

The Company is amending the Initial 8-K to include certain risk factors related to NOMAD’s business and consummation of the transactions contemplated by the Merger Agreement (the “Risk Factors”), an overview of NOMAD’s business (the “Business Section”), historical financial statements of NOMAD and the unaudited pro forma combined financial information giving effect to the Merger Agreement as of July 2, 2026.

The pro forma financial information included herein has been presented for informational purposes only. It does not purport to represent the actual results of operations that we and NOMAD would have achieved had the companies been combined during the periods presented in the pro forma financial information and is not intended to project the future results of operations that the combined company may achieve.

The Description of Business and Risk Factors are filed as Exhibit 99.4 to this Current Report on Form 8-K/A and are incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits

(a) Financial Statements of Businesses or Funds Acquired.

The audited financial statements of NOMAD for the years ended December 31, 2025 and 2024 are filed as Exhibit 99.1 to this Current Report on Form 8-K/A and incorporated herein by reference. The unaudited financial statements of NOMAD for the six months ended June 30, 2026 and 2025 are filed as Exhibit 99.2 to this Current Report on Form 8-K/A and incorporated herein by reference.

(b) Pro Forma Financial Information.

The unaudited pro forma condensed combined balance sheet as of June 30, 2026 and the unaudited pro forma condensed combined statement of operations for the six months ended June 30 2026 and the year ending December 31, 2025 are filed with this Current Report on Form 8-K/A as Exhibit 99.3 and incorporated herein by reference.

(d) Exhibits. The following exhibits are filed herewith.

Exhibit Number	Description
23.1	Consent of Weinberg & Company, P.A.
99.1	Audited Financial Statements of NOMAD for the years ended December 31, 2025 and 2024.
99.2	Unaudited Financial Statements of NOMAD for the six months ended June 30, 2026 and 2025.
99.3	Unaudited Pro Forma Condensed Combined Balance Sheet as of June 30, 2026 and the Unaudited Pro Forma Condensed Combined Statement of Operations for the six months ended June 30, 2026 and the year ended December 31, 2025.
99.4	Description of Business Section and Risk Factors
104	Cover Page Interactive Data File (embedded within the inline XBRL Document)

SIGNATURES

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

Date: September 17, 2026

NOMAD POWER SOLUTIONS, INC.
(Registrant)

By: /s/ Geordan Pursglove
Geordan Pursglove
President and Chief Executive Officer

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the Registration Statements on Form S-1 (No. 333-282781), Form S-3 (No. 333-278874), and Form S-8 (Nos. 333-255407 and 333-268860) of Nomad Power Solutions, Inc. of our report dated September 15, 2026, relating to the financial statements of Nomad Transportable Power Systems, Inc. as of and for the years ended December 31, 2025 and 2024 (which report includes an explanatory paragraph relating to substantial doubt about the Company's ability to continue as a going concern), which is included in the Form 8-K/A of Nomad Power Solutions, Inc. filed on September 17, 2026.

/s/ Weinberg & Company, P.A.
Los Angeles, California
September 17, 2026



FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOMAD TRANSPORTABLE POWER SYSTEMS, INC.
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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and Board of Directors of NOMAD Transportable Power Systems, Inc.

Opinion on the Financial Statements

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

Going Concern

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

Basis for Opinion

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

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

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

We have served as the Company’s auditor since 2026.

Weinberg & Company, P.A.
September 15, 2026
Los Angeles, CA

NOMAD TRANSPORTABLE POWER SYSTEMS, INC.
BALANCE SHEETS
(Amounts in thousands, except share amounts)

	December 31, 2025	December 31, 2024
ASSETS		
Current assets:		
Cash	\$ 156	\$ 197
Accounts receivable	529	1,373
Inventory	6,666	11,449
Deposits for inventory	460	3,655
Prepaid expenses and other current assets (including \$34 and \$39 of receivable from related party)	579	516
<i>Total current assets</i>	<u>8,390</u>	<u>17,190</u>
Property and equipment, net	474	512
Revenue generating equipment, net	2,656	2,677
Right of use assets, net	245	320
Intangible assets, net	147	77
Total assets	<u><u>\$ 11,912</u></u>	<u><u>\$ 20,776</u></u>
LIABILITIES AND STOCKHOLDERS' DEFICIENCY		
Current liabilities:		
Accounts payable (including \$2,451 and \$3,505 from related party)	\$ 5,399	\$ 6,556
Accrued liabilities (including \$939 and \$0 from related party)	1,716	427
Current portion of severance liability to former related party	796	572
Deferred revenue	8,173	8,835
Deferred grant funds	709	709
Customer deposits	-	120
Current portion of debt (including \$315 and \$0 in default, including \$190 and \$0 from related parties)	1,141	1,094
Current portion of lease liabilities	112	111
<i>Total current liabilities</i>	<u>18,046</u>	<u>18,424</u>
Severance liability to former related party, less current portion	-	272
Lease liabilities, less current portion	145	223
Debt, less current portion	5,469	5,729
Total liabilities	<u>23,660</u>	<u>24,648</u>
Commitments and Contingencies		
Stockholders' deficit:		
Common stock, \$.00001 par value; 250,000,000 shares authorized; 26,202,921 and 25,888,312 shares issued and outstanding, respectively	-	-
Additional paid-in capital	13,830	13,404
Common shares issuable – 97,500 and 7,500 shares, respectively	122	23
Accumulated deficit	(25,700)	(17,299)
Total stockholders' deficit	<u>(11,748)</u>	<u>(3,872)</u>
Total liabilities and stockholders' deficit	<u><u>\$ 11,912</u></u>	<u><u>\$ 20,776</u></u>

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

NOMAD TRANSPORTABLE POWER SYSTEMS, INC.
STATEMENTS OF OPERATIONS
(In thousands, except share and per share amounts)

	December 31, 2025	December 31, 2024
Revenue	\$ 9,354	\$ 2,346
Cost of revenue	9,771	1,755
Gross profit (loss)	(417)	591
Operating expenses:		
Sales, general, and administrative expenses	4,893	7,102
Research and development expenses	1,461	1,262
Total operating expenses	6,354	8,364
Loss from operations	(6,771)	(7,773)
Other income (expense):		
Interest income	1	49
Interest expense	(1,633)	(1,272)
Loss on asset disposal	-	(97)
Loss on debt extinguishment	-	(348)
Other income (expense), net	2	(7)
Total other expense, net	(1,630)	(1,675)
Net loss	\$ (8,401)	\$ (9,448)
Net loss per share - basic	\$ (0.32)	\$ (0.37)
Net loss per share - diluted	\$ (0.32)	\$ (0.37)
Weighted-average common shares outstanding - basic and diluted	26,078,501	25,671,419

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

NOMAD TRANSPORTABLE POWER SYSTEMS, INC.
STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT
For the Years Ended December 31, 2025 and 2024
(Amounts in thousands except share amounts)

	Common Stock		Common Stock Issuable		Additional	Accumulated	Total
	Shares	Amount	Shares	Amount	Paid-In Capital	Deficit	Stockholders' Deficit
Balance, December 31, 2023	25,037,532	\$ -	-	\$ -	\$ 10,902	\$ (7,851)	\$ 3,051
Fair value of vested stock options	-	-	-	-	105	-	105
Common shares issued on exercise of restricted stock units	124,931	-	-	-	232	-	232
Return of common shares for restricted stock units for taxes	(1,924)	-	-	-	(2)	-	(2)
Fair value of common stock issued for services	363,167	-	7,500	23	1,089	-	1,112
Issuance of common stock for cash under private placement	364,606	-	-	-	1,078	-	1,078
Net loss	-	-	-	-	-	(9,448)	(9,448)
Balance, December 31, 2024	<u>25,888,312</u>	<u>\$ -</u>	<u>7,500</u>	<u>\$ 23</u>	<u>\$ 13,404</u>	<u>\$ (17,299)</u>	<u>\$ (3,872)</u>
Fair value of vested stock options	-	-	-	-	59	-	59
Common shares issued on vesting of restricted stock units	250,000	-	-	-	310	-	310
Common shares issued for employee compensation	54,609	-	-	-	46	-	46
Common stock issued for financing fees	10,000	-	90,000	99	11	-	110
Net loss	-	-	-	-	-	(8,401)	(8,401)
Balance, December 31, 2025	<u>26,202,921</u>	<u>\$ -</u>	<u>97,500</u>	<u>\$ 122</u>	<u>\$ 13,830</u>	<u>\$ (25,700)</u>	<u>\$ (11,748)</u>

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

NOMAD TRANSPORTABLE POWER SYSTEMS, INC.
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2025 and 2024
(Amounts in thousands)

	December 31, 2025	December 31, 2024
<i>Cash flows from operating activities:</i>		
Net loss	\$ (8,401)	\$ (9,448)
<i>Adjustments to reconcile net loss to net cash provided by (used in) operating activities:</i>		
Depreciation on property and equipment	38	31
Depreciation on revenue generating equipment	21	25
Amortization of intangible assets	1	-
Amortization of debt discount	295	219
Amortization of right-of-use assets	75	61
Loss on debt extinguishment	-	348
Loss on asset disposal	-	97
Fair value of vested stock options	59	105
Common shares issued on vesting of restricted stock units	310	230
Common shares issued for employee compensation	46	-
Common stock issued for services	-	1,112
Accrued interest on debt	58	94
<i>Changes in operating assets and liabilities:</i>		
Accounts receivable	844	489
Inventory	4,783	(10,301)
Deposits for inventory	3,195	1,163
Prepaid expenses and other current assets	(63)	(252)
Accounts payable	(1,157)	4,346
Accrued liabilities	1,169	105
Severance liability to former related party	(48)	844
Lease liabilities	(77)	(55)
Deferred revenues	(662)	5,715
Deferred grant funds	-	709
Net cash provided by (used in) operating activities	486	(4,363)
<i>Cash flows from investing activities:</i>		
Purchase of property and equipment	-	(193)
Purchase of revenue generating assets	-	(88)
Intangible assets costs	(71)	(36)
Proceeds from sale of revenue generating equipment	-	1,572
Net cash provided by (used in) investing activities	(71)	1,255
<i>Cash flows from financing activities:</i>		
Proceeds from sale of common stock	-	1,078
Proceeds from debt, net of fees	797	989
Repayments of debt	(1,253)	-
Net cash provided by (used in) financing activities	(456)	2,067
Net decrease in cash	(41)	(1,041)
Cash at beginning of period	197	1,238
Cash at end of period	\$ 156	\$ 197
Supplemental disclosures of cash flow information:		
Cash paid during the year for:		
Interest	\$ 1,280	\$ 959
Non-cash investing and financing activities:		
Noncash refinancing of long-term debt	\$ -	\$ 5,575
Common shares issued for loan fees	\$ 110	\$ -

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

NOMAD TRANSPORTABLE POWER SYSTEMS, INC.
NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2025 and 2024
(In thousands, except share and per share amounts)

1. ORGANIZATION AND BASIS OF PRESENTATION

NOMAD Transportable Power Systems, Inc. (“NOMAD”, the “Company”) is a privately-held development-stage company incorporated in the United States, with its head office located in Waterbury, Vermont. It also has an office in Boise, Idaho.

The Company develops and sells utility-scale mobile energy storage systems focused on providing transportable solutions. It specializes in plug-and-play battery storage systems integrated into specially designed mobile energy storage systems and docking systems, thereby helping customers in multiple industry segments to access a flexible, reliable, and affordable way to incorporate storage for varying use cases.

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

The accompanying financial statements have been prepared under the assumption that the Company will continue as a going concern. In accordance with the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 205-40, *Going Concern*, the Company’s management has evaluated whether there are conditions or events that raise substantial doubt about its ability to continue as a going concern within one year after the date the accompanying financial statements were issued. For the year ended December 31, 2025, the Company incurred a net loss of \$8,401 and has a stockholders’ deficit of \$11,748. As of December 31, 2025, the Company had \$156 in cash available to fund its operations. The Company has a history of reporting net losses and negative operating cash flows. These factors raise substantial doubt about the Company’s ability to continue as a going concern within one year of the date that the financial statements are issued. The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

On June 16, 2026, in connection with its merger with Lixte Biotechnology Holdings, Inc. (see Note 20), the Company received an advance of \$6,500 under a secured promissory note, the proceeds of which were used primarily to repay the Company’s existing bank loan. The note bore interest at 15% per annum (not accruing until the merger closed or terminated), matured 30 days after issuance with automatic 30-day renewals while the merger remained pending, and was secured by a first-priority lien on substantially all of the Company’s assets. The merger closed on July 1, 2026, at which point the \$6,500 principal balance of the note was applied against the Company’s post-closing working capital advance obligation to the Company (see Note 20), and the note was cancelled, and the remaining unfunded commitment of \$9,000 was paid to the Company.

The Company’s ability to continue as a going concern depends on its ability to raise additional debt or equity capital to fund its business activities and ultimately achieve sustainable operating revenues and profitability. The Company has financed its working capital requirements through borrowings from various sources and the sale of its equity securities.

Because market conditions create uncertainty about the Company’s ability to secure additional funds, there can be no assurance that the Company will be able to secure additional financing on acceptable terms, as and when necessary to continue operations. If the Company is unable to obtain the cash resources necessary to satisfy the Company’s ongoing cash requirements, the Company could be required to scale back its business activities or to discontinue its operations entirely.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

This summary of significant accounting policies is presented to assist in understanding the financial statements. The financial statements and notes are representations of the Company's management, which is responsible for their integrity and objectivity. These financial statements and related notes are presented in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Use of Estimates

The preparation of financial statements in accordance with GAAP requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the dates of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management assumptions and estimates relate to stock-based compensation, including the fair value of common stock and share purchase warrants, as further described below. Macroeconomic factors, including but not limited to geopolitical issues between the U.S. and China, may create volatility, uncertainty, and economic disruption to the Company's supply chain. Management has considered the impact of macroeconomic factors on its estimates, where relevant, in the preparation of the financial statements. Actual results could differ from these estimates and assumptions and could have a material effect on the Company's reported financial position and results of operations.

Revenue Recognition

The Company recognizes Sales of Product revenue in accordance with FASB ASC 606, *Revenue from Contracts with Customers*. Lease revenue is recognized in accordance with FASB ASC 842, *Leases*.

The Company generates revenue from the sale of its mobile energy storage systems and related products, including mobile battery energy storage systems ("MBESS"), mobile transformer docking stations ("mobile docks"), and trailers for mounting and transportation of the MBESS. Revenue is recognized when control of the related products is transferred to the customer, in an amount that reflects the transaction price consideration that is expected to be received. Revenue associated with any unsatisfied performance obligation is deferred until the performance obligation is satisfied, i.e., when control of the related products is transferred to the customer. In some cases, the Company generates revenue from the short-term lease of its mobile energy storage systems. In these instances, revenue from the lease is recognized on a straight-line basis over the term of the lease.

To determine the proper revenue recognition method for contracts, the Company evaluates whether two or more contracts should be combined and accounted for as one contract and whether a single contract should be accounted for as more than one performance obligation. ASC 606 defines a performance obligation as a contractual promise to transfer a distinct good or service to a customer. A contract's transaction price is allocated to each distinct performance obligation based on the relative standalone selling prices of the goods and services promised in the contract and recognized when, or as, the performance obligation is satisfied. The Company's evaluation requires significant judgment, and the decision to combine a group of contracts or separate a contract into multiple performance obligations could change the amount of revenue and profit recorded in a given period.

The Company's supply agreements and purchase orders may include multiple product deliverables, including MBESS, mobile docks, and trailers. The Company evaluates each promised good or service to determine whether it represents a distinct performance obligation under ASC 606. If a promised good or service is distinct, it is accounted for as a separate performance obligation. If the promised goods or services are not separately identifiable from other promises in the contract and are not distinct within the context of the contract, they are combined and accounted for as a single performance obligation.

The Company also evaluates whether it is the principal or agent in arrangements involving products manufactured by third parties. The Company is generally the principal when it controls the specified products before they are transferred to the customer. In making this determination, the Company considers indicators of control, including whether it is primarily responsible for fulfilling the promise to provide the specified products, whether it has inventory risk before the products are transferred to the customer, and whether it has discretion in establishing the price for the products. Based on these considerations, the Company generally concludes that it controls the products before transfer to the customer and is the principal in these arrangements. Accordingly, revenue is recognized on a gross basis for the amount of consideration to which the Company expects to be entitled.

As the Company's contracts may include multiple product deliverables, the timing of revenue recognition depends on when control of each related performance obligation transfers to the customer. Control is transferred when the customer has the ability to direct the use of, and obtain substantially all of the remaining benefits from, the related products. The Company considers the contractual terms, including applicable shipping Incoterms, customer acceptance provisions, transfer of ownership, and other relevant contract terms, in determining when control transfers.

For certain Ex-Works ("EXW") arrangements, the customer may take ownership and control of products prior to physical shipment from the Company's facility. In these situations, the Company evaluates whether the customer has obtained control of the products in accordance with ASC 606. When products have been specifically identified to the customer, are no longer available for use by the Company, and the customer has accepted ownership and assumed the associated risks related to the products, control may transfer prior to physical shipment. For EXW transactions where the customer obtains control at the Company's facility, revenue is recognized when the customer assumes ownership and control of the goods. For other EXW transactions where control has not transferred, revenue is recognized when the applicable transfer criteria have been met.

For Delivered Duties Paid ("DDP") arrangements, revenue is recognized when the goods are delivered to the customer's specified destination and the Company has satisfied its remaining delivery obligations.

The Company's contracts give rise to several types of variable consideration, including contract modifications (change orders) and other terms that can either increase or decrease the transaction price. The Company estimates variable consideration as the most likely amount to which it expects to be entitled. The Company includes estimated amounts in the transaction price to the extent it believes it has an enforceable right and it is probable that a significant reversal of cumulative revenue recognized will not occur. The estimates of variable consideration and the determination as to whether to include estimated amounts in the transaction price are based largely on an assessment of the Company's anticipated performance and all information (historical, current, and forecasted) that is reasonably available at the time. Change orders and incentives are evaluated to determine whether they represent separate performance obligations or modifications to existing performance obligations. When change orders are not distinct from the existing contract due to the significant integration services provided in the context of the contract, they are accounted for as a modification to the existing contract and performance obligation. The effect of contract modification on the transaction price, and the Company's measure of progress for the performance obligation to which it relates, is recognized as an adjustment to revenue on a cumulative catch-up basis, when applicable. In some cases, settlement of contract modifications may not occur until after completion of work under the contract.

The Company generally provides limited assurance-type warranties for work performed under its contracts. Product and installation warranties are provided by the equipment manufacturers and the Company within the context of each customer contract. In certain cases, the Company may be liable for re-installation costs resulting from faulty hardware. The warranty periods typically extend for a limited duration after control of the mobile energy storage system is transferred to the customer. Historically, assurance-type warranty claims have not resulted in material costs being incurred.

Certain contracts include extended service-type warranties. The Company offers extended warranties to customers for a period of up to ten years. Such warranties are considered to be separate performance obligations to which the related consideration is appropriately allocated based on the relative standalone selling price and recognized over the term of the warranty. There was no revenue related to extended warranties during the years ended December 31, 2025 and 2024.

Certain contracts include performance-type warranties. The Company offers performance warranties to customers for a period of up to ten years. Such warranties are evaluated to determine whether they represent separate performance obligations under ASC 606. When such warranties are considered to be separate performance obligations, the related consideration is appropriately allocated based on the relative standalone selling price and recognized over the term of the warranty. Related to performance-type warranties during the years ended December 31, 2025 and 2024 was de minimis.

The timing of revenue recognition, billings, and cash collections results in billed accounts receivable, unbilled revenue, deferred revenue, and customer deposits. Amounts are billed in accordance with agreed-upon contractual terms. Generally, billings and customer deposits occur prior to revenue recognition, resulting in contract liabilities presented in the balance sheet as deferred revenue and customer deposits. Deferred revenue represents the unearned revenue on cash receipts for consideration the Company has received on contracts for which the related performance obligation has not been satisfied. The Company expects deferred revenue at December 31, 2025 to be recognized as the related performance obligations are satisfied in accordance with the terms of the underlying contracts.

Revenue consisted of the following:

	December 31, 2025	December 31, 2024
Sales of products	\$ 9,153	\$ 1,918
Lease revenue	104	321
Other revenue	97	107
	<u>\$ 9,354</u>	<u>\$ 2,346</u>

Cost of Revenues

Cost of revenue consists primarily of costs of sold units and ancillary equipment, delivery and freight costs, expenses related to employee trips to customer sites for training, on-site acceptance testing (“OSAT”), and service work on deployed units.

Accounts Receivable

The Company records trade accounts receivable at the amounts billed to customers and presents them on the balance sheet, net of any allowance for estimated credit losses, if required. Management determines the allowance based on a variety of factors, including the age of the receivables, current economic conditions, historical losses, and other information management obtains regarding customers’ financial condition. The Company charges off receivables when they are deemed uncollectible. As of December 31, 2025 and 2024, the Company determined that no allowance for credit losses was needed. Included in accounts receivable at December 31, 2025 and 2024, is an advance on taxes owed on issuances of Restricted Stock Units (RSUs) from an officer of \$34 and \$39, respectively (see Note 4).

Inventories

Inventories consist of equipment on hand that is available for sale. Inventories are stated at the lower of cost or net realizable value, with cost determined on a first-in, first-out basis. Adjustments, if required, reduce inventory to its net realizable value, reflecting estimated excess, obsolescence, or impairment balances. Factors influencing these adjustments include changes in customer demand, rapid technological changes, and merchant bankruptcy. As of December 31, 2025 and 2024, the Company recorded no reserve for slow-moving inventory.

The Company regularly reviews the cost of inventories against their estimated net realizable value and records write-downs if any Work-in-Progress or Finished inventories have costs in excess of their net realizable values. As of December 31, 2025 and 2024, the Company recorded write-downs of \$154 and \$0, respectively.

Deposits for Inventory

The Company utilizes multiple vendors and manufacturers to produce its mobile energy storage systems. At times, prepayments are required to begin production of critical elements in the systems. These prepayments are recorded as deposits for inventory and are moved to inventory or work in progress when the Company takes possession of the items as applicable. Deposits for inventory are stated at cost. Based on current demand for the Company’s mobile energy storage systems, these systems are expected to be sold at a profit once completed.

Property and Equipment

Property and equipment are stated at cost, which includes the acquisition price and any direct costs to bring the asset into use at its intended location, less accumulated depreciation. Depreciation is computed using the straight-line method over the assets’ estimated useful lives. The useful lives for depreciation purposes range from three to twenty years. The Company expenses repairs and maintenance charges as incurred.

Upon disposal of assets, the cost of the assets and the related accumulated depreciation are removed from the accounts, and gains or losses are reflected in the accompanying statements of operations for the respective period.

Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the related assets. The Company provides for depreciation, as follows:

	<u>Estimated Useful Life</u>
Mobile docking stations	10 years
Stationary docking stations	20 years
Computer equipment	3 years
Other equipment	5-7 years

Revenue Generating Equipment

Revenue generating equipment is comprised of mobile energy storage systems that are leased to customers on a short-term basis and are stated at cost, which includes the acquisition price and any direct costs to bring the asset into use at its intended location, less accumulated depreciation. Depreciation is computed using either the straight-line method over the assets’ estimated useful lives or the units-of-production method based on the expected utilization and operating cycles of the assets’ battery systems. For assets depreciated using the units-of-production method, depreciation is based on the actual utilization of the assets relative to the estimated total production cycles of the battery systems. Based on an expected utilization of approximately 365 operating cycles per year over an estimated useful life of 17 years, the battery systems are expected to operate for approximately 6,205 total operating cycles. The Company has determined that 70.8% of Beginning-of-Life (“BOL”) capacity represents the estimated end-of-life threshold for the battery systems. Repairs and maintenance charges are expensed as incurred.

Upon disposal of assets, the cost of the assets and the related accumulated depreciation are removed from the accounts, and gains or losses are reflected in the accompanying statements of operations for the respective period.

Intangible Assets

Intangible assets consist of patents. Patent costs are stated at cost and consist primarily of legal fees incurred to obtain the patents. Costs associated with patents that are not yet available for their intended use are capitalized until the patents are issued and available for their intended use. The Company does not capitalize research and development costs associated with the development of the underlying technology unless specifically permitted under applicable GAAP.

Patents are amortized on a straight-line basis over their estimated useful lives, beginning when the patents are issued and available for their intended use. The estimated useful life of each patent is based on the period over which the Company expects to receive economic benefits from the patent, subject to the legal life of the patent. The Company evaluates the useful lives and carrying amounts of its patents for potential impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.

During the year ended December 31, 2025, two patents were completed and became available for their intended use. The remaining patents were in process and had not yet become available for their intended use as of December 31, 2025.

Long-Lived Assets

The Company evaluates long-lived assets, other than goodwill and indefinite-lived intangible assets, for impairment whenever events or changes in circumstances (“triggering events”) indicate that their net book value may not be recoverable. The measurement of possible impairment is based upon the ability to recover the carrying value of the asset through the expected future undiscounted cash flows from the use of the asset and its eventual disposition. An impairment loss, equal to the difference between the asset’s fair value and its carrying value, is recognized when the estimated future undiscounted cash flows are less than its carrying amount. No impairment indicators were identified as of December 31, 2025 and 2024.

Leases

The Company leases certain corporate office space under lease agreements. The Company determines whether a contract contains a lease at contract inception. A contract is a lease if it conveys the right to control the use of the identified asset for a period in exchange for consideration. Control is determined based on the right to obtain all of the economic benefits from use of the identified asset and the right to direct the use of the identified asset. Operating lease right-of-use assets ("ROU") represent the right to use an underlying asset for the lease term, and operating lease liabilities represent the obligation to make lease payments. Lease liabilities are recognized at the present value of the future minimum lease payments over the lease term at the commencement date. Operating lease expense is recognized on a straight-line basis over the lease term and is included in the sales, general and administrative expense in the statements of operations.

Income Taxes

The Company accounts for income taxes using the liability method. The liability method requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of (i) temporary differences between financial statement carrying amounts of assets and liabilities and their basis for tax purposes and (ii) operating loss and tax credit carryforwards for tax purposes. The Company recognizes deferred tax assets to the extent the assets are more likely than not to be realized. At December 31, 2025 and 2024, the Company recorded a full valuation allowance to reduce deferred tax assets to zero.

The Company adheres to the provisions of FASB ASC 740-10, *Income Taxes*, relating to accounting for uncertain tax positions. The Company recognizes the tax benefit from uncertain tax positions only if it is more likely than not the tax positions will be sustained on examination by the tax authorities, based on the technical merits of the position. The tax benefit is measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The Company recognizes interest and penalties related to income tax matters in income tax expense. No income tax expense or interest and penalties related to income tax matters were recognized for the years ended December 31, 2025 and 2024.

Loss per Common Share

Basic earnings (loss) per share is computed by dividing the net income (loss) applicable to common stockholders by the weighted average number of shares of common stock outstanding during the year. Diluted earnings (loss) per share is computed by dividing the net income applicable to common stockholders by the weighted average number of common shares outstanding plus the number of additional common shares that would have been outstanding if all dilutive potential common shares had been issued, using the treasury stock method. Potential common shares are excluded from the computation when their effect is antidilutive.

For the years ended December 31, 2025 and 2024, the calculations of basic and diluted loss per share are the same because potential dilutive securities would have had an anti-dilutive effect. The potentially dilutive securities consisted of the following:

	December 31, 2025	December 31, 2024
Warrants	516,800	516,800
Options	350,000	442,500
Common shares issuable	97,500	7,500
RSUs	1,475,000	1,475,000
Total	2,439,300	2,441,800

Advertising Costs

Advertising costs are expensed as incurred and are included in sales, general, and administrative expenses on the statement of operations. Total advertising expense was approximately \$176 and \$662 for the years ended December 31, 2025 and 2024, respectively.

Research and Development Costs

Research and development costs are expensed as incurred and are included in research and development expenses on the statements of operations. Costs mostly consist of engineering, testing fees, and related product costs. Total research and development expense was approximately \$1,461 and \$1,262 for the years ended December 31, 2025 and 2024, respectively.

Stock-Based Compensation

The Company accounts for stock-based compensation in accordance with ASC 718, *Compensation—Stock Compensation*, which establishes the accounting treatment for transactions in which an entity exchanges its equity instruments for goods or services. Under the provisions of ASC 718, the measurement of the value of employee services received in exchange for an award of an equity instrument is based on the grant-date fair value of the award. Prior to issuance of the awards, the Company is not under any obligation to issue stock options or restricted stock units (“RSUs”). The award vests over a specified period determined by the Company’s Board of Directors. The measurement date of the grant is also the date of the award. The fair value of options is expensed ratably during the specified vesting period.

The Company accounts for stock-based payments to non-employees in accordance with FASB Accounting Standards Update (“ASU”) 2018-07—*Compensation—Stock Compensation (topic 718): improvements to nonemployee share-based payment accounting*. Non-employee stock-based compensation is granted at the Board of Director’s discretion to select individuals.

The Company estimates the fair value of stock awards on the date of grant using a Black-Scholes valuation model, which requires management to make certain assumptions that are complex, subjective, and generally require significant judgment to determine regarding: (i) the expected volatility in the market price of the Company’s common stock; (ii) dividend yield; (iii) risk-free interest rates; and (iv) the period of time employees are expected to hold the award prior to exercised (referred to as the expected holding period).

There is no trading activity in the Company’s stock, therefore management uses its best estimate of future volatility based on reviewing the average volatility of stock prices for similar publicly traded companies. The Company has not declared or paid dividends in the past and does not currently expect to do so in the foreseeable future. The risk-free interest rate is based on the U.S. Treasury yield curve in effect at the time of the grant for bonds with maturities ranging from one month to five years.

The expected term represents the period that the stock options are expected to be outstanding. The expected term of options granted to employees and non-employee directors is determined using the “simplified” method, as illustrated in ASC 718, as the Company does not have sufficient exercise history to determine a better estimate of expected term. Under this approach, the expected term is based on the midpoint between the vesting date and the end of the contractual term of the option. Forfeitures are recognized as they occur.

Stock Granted to Employees and Non-Employees in Lieu of Cash Payments

The Company periodically issues share-based awards to employees, non-employees, and consultants for services rendered. Stock options vest and expire according to the terms established at the grant’s issuance date. Stock grants are measured at the grant date fair value. Stock-based compensation cost is measured at fair value on the grant date and is generally recognized as an expense in the statement of operations ratably over the requisite service period or vesting period. Recognition of compensation expense for non-employees occurs in the same period and in the same manner as if the Company had paid cash for the services.

Related Parties

In accordance with ASC 850, *Related Party Disclosures*, a party is considered to be related to the Company if the party directly or indirectly or through one or more intermediaries, controls, is controlled by, or is under common control with the Company. Related parties also include principal owners of the Company, its management, members of the immediate families of principal owners of the Company and its management, and other parties with which the Company may deal with if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests.

Fair Value of Financial Instruments

Fair value of financial and non-financial assets and liabilities is defined as an exit price, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The three-tier hierarchy for inputs used to measure fair value, which prioritizes the inputs to valuation techniques used to measure fair value, is as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – quoted prices for similar assets and liabilities in active markets or inputs that are observable for the asset or liability, either directly or indirectly through market corroboration, for substantially the full term of the financial instrument.

Level 3 – unobservable inputs based on the Company's assumptions used to measure assets and liabilities at fair value.

A financial asset or liability's classification within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of the assets and liabilities being measured and their placement within the fair value hierarchy.

The carrying value of the Company's financial instruments (consisting of cash, accounts receivables, inventory, deposit on inventory, prepaid expense and other current assets, accounts payable, accrued liabilities, deferred revenue, customer deposits, and debt) are considered to be representative of their respective fair values due to the short-term nature of those instruments.

Concentration of Risk

Supply Risk – The Company is dependent on its suppliers, some of which are single source suppliers, and the inability of these suppliers to deliver necessary components of the Company's products in a timely manner at prices, quality levels, and volumes acceptable to the Company, or the Company's inability to efficiently manage these components from these suppliers, could have a material adverse effect on the Company's business, prospects, financial conditions, and operating results.

Although all of the Company's contract manufacturers' current manufacturing facilities are operational, and the Company continues to increase output and add additional capacity and is working with each supplier on meeting, ramping, and sustaining production, the ability to sustain this trajectory depends, among other things, on the readiness and solvency of suppliers amid macroeconomic factors.

Credit Risk – At various times during the year, the amount of cash on deposit may exceed the insured limit by the U.S. Federal Deposit Insurance Corporation, which potentially subjects the Company to credit risk. The Company maintains its cash at high-quality institutions.

Major Customers – 99% of deferred revenue for the year ended December 31, 2025 was from five customers. 98% of deferred revenue for the year ended December 31, 2024 was from four customers.

Segment Information

The Company's Chief Executive Officer ("CEO") is our chief operating decision maker ("CODM") and evaluates performance and makes operating decisions regarding resource allocation based on financial data presented as a whole, as there are no separate operating entities. Because our CODM evaluates financial performance on the Company as a whole, the Company has determined that it operates as a single reportable segment, comprising the financial results of Nomad Transportable Power Systems, Inc.

Recent Accounting Pronouncements

In November 2024, the FASB issued ASU No. 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses* which includes amendments that require disclosure in the notes to financial statements of specified information about certain costs and expenses, including purchases of inventory; employee compensation; and depreciation, amortization and depletion expenses for each caption on the income statement where such expenses are included. The amendments are effective for the Company's annual periods beginning January 1, 2027, with early adoption permitted, and should be applied either prospectively or retrospectively. The Company is evaluating this ASU to determine its impact on the Company's disclosures.

Other recent accounting pronouncements issued by the FASB, its Emerging Issues Task Force, the American Institute of Certified Public Accountants, and the Securities and Exchange Commission did not or are not believed by management to have a material impact on the Company's present or future financial statements.

3. INVENTORY

Inventory by category consisted of the following:

	December 31, 2025	December 31, 2024
Finished goods	\$ 4,200	\$ -
Work in progress	2,414	11,403
Spare parts inventory	52	46
	<u>\$ 6,666</u>	<u>\$ 11,449</u>

4. PREPAID EXPENSES AND OTHER CURRENT ASSETS

Prepaid expenses and other current assets consisted of the following:

	December 31, 2025	December 31, 2024
Prepaid royalty expense	\$ 256	\$ 264
Prepaid deposits and insurance	110	27
Non-interest bearing employee advances	83	39
Non-interest bearing loan to officer	34	39
Prepaid legal expenses	13	9
Other prepaid and other current assets	83	138
	<u>\$ 579</u>	<u>\$ 516</u>

The non-interest bearing loan to officer was fully repaid on August 21, 2026. Included in prepaid expenses and other current assets are advances on taxes owed on issuances of RSUs from an officer of \$34 and \$39, respectively.

5. PROPERTY AND EQUIPMENT

Property and equipment, net, consisted of the following:

	December 31, 2025	December 31, 2024
Property and equipment	\$ 537	\$ 537
Computer equipment	9	9
Accumulated depreciation	(72)	(34)
	<u>\$ 474</u>	<u>\$ 512</u>

Depreciation expense totaled approximately \$38 and \$31 for the years ended December 31, 2025 and 2024, respectively.

6. REVENUE GENERATING EQUIPMENT

Revenue-generating equipment, net, consisted of the following:

	December 31, 2025	December 31, 2024
Revenue generating equipment	\$ 2,702	\$ 2,702
Accumulated depreciation	(46)	(25)
	<u>\$ 2,656</u>	<u>\$ 2,677</u>

Revenue generating depreciation expense totaled approximately \$21 and \$25 for the years ended December 31, 2025 and 2024, respectively.

During the year ended December 31, 2024, the Company sold two revenue generating assets. Both assets were originally acquired in August 2023 for approximately \$1,698. During 2024, the assets had additions of approximately \$88 and during the sale of the units, six racks of batteries were removed and returned to inventory with a total cost of approximately \$110 (net of accumulated depreciation of approximately \$2), resulting in a carrying value of approximately \$1,670 (net of accumulated depreciation of approximately \$6 for the assets at the time of sale). The assets were sold for total consideration of \$1,572, resulting in a loss of approximately \$97, which is included in the accompanying statements of operations under “Loss on asset disposal.”

There were no disposals of revenue generating equipment in 2025.

7. INTANGIBLE ASSETS

Intangible assets consisted of the following (in thousands, except as noted):

	December 31, 2025	December 31, 2024
Patents	\$ 147	\$ 77
	<u>\$ 147</u>	<u>\$ 77</u>

During the years ended December 31, 2025 and 2024, the Company capitalized costs of \$71 and \$36, respectively, pertaining to patents.

Identifiable intangibles are amortized over their estimated remaining useful lives, which are as follows:

<i>Description</i>	Weighted Average Useful Life (in years)
Patents	20
Estimated amortization expense for the Company is as follows:	
2026	\$ 1
2027	1
2028	1
2029	1
2030 and thereafter	143
	<u>\$ 147</u>

8. ACCRUED EXPENSES

Accrued liabilities consisted of the following:

	December 31, 2025	December 31, 2024
Trade vendor accrual	\$ 983	\$ 79
Accrued payroll	266	134
Taxes payable	378	214
Accrued other	89	-
	<u>\$ 1,716</u>	<u>\$ 427</u>

9. SEVERANCE LIABILITY

On July 11, 2024, the Company entered into a Transition Agreement and General Release (the “Transition Agreement”) with former CEO, Paul Coombs, in connection with the termination of his employment with the Company effective July 11, 2024. Pursuant to the Transition Agreement, and in consideration for a general release of claims and Mr. Coombs’ compliance with certain continuing obligations, the Company agreed to pay Mr. Coombs an aggregate of \$1,012, less applicable deductions and withholdings, in equal installments over a 24-month period in accordance with the Company’s regular payroll practices. Mr. Coombs also continued to receive Company benefits through July 31, 2024. The Company may discontinue any remaining payments under the Transition Agreement in the event Mr. Coombs breaches the agreement. In July 2025, the Company agreed with Mr. Coombs to make reduced payments under his severance agreement, depending on available cash flow.

In connection with the Transition Agreement, the Company and Mr. Coombs also entered into a Consulting Services Agreement pursuant to which Mr. Coombs agreed to provide consulting, promotional and brand ambassador services to the Company. The consulting agreement commenced on July 10, 2024 and continued through July 9, 2026. Under the consulting agreement, the Company paid Mr. Coombs a nominal monthly fee for a minimum of five hours of consulting services per month whereby he served as an independent contractor and was generally responsible for his own expenses unless the Company approved them in advance.

The severance liability consists of the following:

	December 31, 2025	December 31, 2024
Separation and consulting agreement	\$ 796	\$ 844
Less current portion	(796)	(572)
Non-current portion	\$ -	\$ 272

For the year ended December 31, 2025, the Company recognized \$48 of expense associated with the Transition Agreement and \$2 of consulting expenses. As of December 31, 2025, \$796 remained payable under the Transition Agreement, all of which was classified as a current liability.

10. DEFERRED GRANT

In 2024, the Company received a cooperative agreement of approximately \$9.5 million from the U.S. Department of Energy (“DOE”), which is designated for the Vermont Long Duration Energy Storage Demonstration Project. The agreement funds are provided on a reimbursable basis, meaning the Company incurs eligible expenses related to the project or program and submits them for reimbursement to the grantor.

For the year ended December 31, 2024, the Company incurred costs totaling approximately \$275 related to this project. Approximately \$984 of the grant had been reimbursed to the Company, of which approximately \$709 remained recorded as deferred grant revenue at December 31, 2024. The remaining balance of the grant is expected to be reimbursed once the corresponding eligible expenses are incurred and submitted for approval.

For the year ending December 31, 2025, the Company incurred costs totaling approximately \$510 related to this project. Approximately \$2,499 of the grant had been reimbursed to the Company. Of these costs, approximately \$1,989 was allocated to GMP, a subrecipient of the project. Approximately \$709 remained recorded as deferred grant revenue at December 31, 2025.

The remaining balance of the grant is expected to be reimbursed once the corresponding eligible expenses are incurred and submitted for approval.

The cooperative agreement funds are recognized in the period in which eligible expenses are incurred and are recorded as an offset to the related expenses. The application of the funds is based on the nature of the underlying eligible expenditures. Funds related to GMP activities reduce the cash amount owed to the subrecipient for the purchase of units, while the remaining cooperative agreement funds are applied as an offset to eligible research and development expenses.

The Company is in compliance with the terms and conditions of the cooperative agreement, and management believes that all expenditures incurred are in alignment with the objectives and guidelines set forth by the DOE.

11. DEBT

Debt consists of the following at December 31, 2025 and 2024:

	December 31, 2025	December 31, 2024
Bay Point Capital Partners II, LP	\$ 6,000	\$ 7,000
Half Brothers Capital Limited	120	120
Northern Horizon Investments Inc.	120	120
Mezzanine Loans – in default (\$148 and \$0 from related party)	248	-
Other Financing	337	-
Unamortized loan origination fees	(367)	(511)
Total principal balance	<u>\$ 6,458</u>	<u>\$ 6,729</u>
Accrued interest - in default (\$67 and \$0, including \$42 and \$0 from related parties)	152	94
Total principal and accrued interest	<u>\$ 6,610</u>	<u>\$ 6,823</u>
Less current portion	(1,141)	(1,094)
Non-current portion	<u>\$ 5,469</u>	<u>\$ 5,729</u>

Bay Point Capital Partners II, LP

On February 12, 2024, the Company entered into a financing arrangement with Bay Point Capital Partners II, LP (“Bay Point Loan”) for \$7,000. A portion of the proceeds, approximately \$5,575, was paid directly to RE Royalties Ltd. (“RER”) to settle the Company’s outstanding obligation to RER. The Company recorded a loss on debt extinguishment of \$348 related to the unamortized portion of the loan origination fee, which is included in other expenses in the accompanying statement of operations. The Company received proceeds of \$1,259, net of loan fees and expenses. The total proceeds from the Bay Point financing exceeded the amount used to settle the RER obligation. The portion of the transaction related to the direct settlement of the RER obligation did not involve cash received or disbursed by the Company and was therefore presented as a noncash financing activity in the accompanying statements of cash flows.

The Bay Point Loan bears interest annually at 15%, and accrued interest is due monthly. \$500 of principal is due on each of February 12, 2025, August 12, 2025, and February 12, 2026. The remaining principal is due on February 12, 2027. However, upon an issuance of indebtedness, the outstanding balance of the loan is due upon receipt, and upon an issuance of Equity, a portion of the loan is due based on a percentage of proceeds earned. The loan is secured by substantially all business assets.

Half Brothers Capital Limited

On February 12, 2024, the Company entered into a loan and security agreement with Half Brothers Capital Limited (the “HBCL Loan”). The HBCL Loan bears interest annually at 15% and accrued interest is due monthly. All principal is due in May 2027. However, upon an issuance of indebtedness the outstanding balance of the loan is due upon receipt and upon an issuance of Equity a portion of the loan is due based on a percentage of proceeds earned. The loan is secured by substantially all business assets.

Northern Horizon Investments Inc.

On February 12, 2024, the Company entered into a loan and security agreement with Northern Horizon Investments, Inc. (the “NHI Loan”). The NHI Loan bears interest annually at 15% and accrued interest is due monthly. All principal is due in May 2027. However, upon an issuance of indebtedness the outstanding balance of the loan is due upon receipt and upon an issuance of Equity a portion of the loan is due based on a percentage of proceeds earned. The loan is secured by substantially all business assets.

Mezzanine Loans – Related Parties – In Default

During 2025, the Company received approximately \$250 in short-term financing from related parties pursuant to mezzanine loan agreements. The loans were issued to provide working capital for materials and production-related expenses and are generally unsecured.

The Mezzanine loans generally bear interest at rates of 20% per annum and have short-term maturities. The loan agreements generally provide for a minimum interest period and equity-based loan fees. Upon an event of default, including failure to repay amounts due within the applicable period following maturity, the lender may, if permitted by applicable law, increase the interest rate to 30% per annum. The agreements may also provide for additional equity-based fees upon default.

During 2025, the Company repaid approximately \$102 of principal and paid approximately \$16 of interest related to these loans. As of December 31, 2025, approximately \$148 of principal remained outstanding and approximately \$42 of accrued interest was payable. The Company also incurred approximately \$28 of loan origination fees related to these loans and \$27 of penalties related to the default of the loans, which were issuable through 55,000 common shares and are included in common stock payable to related parties.

The loans were in default as of December 31, 2025 and were accruing interest at the applicable default rate of 30% per annum.

Mezzanine Loans – Non-Related Parties – In Default

During 2025, the Company received approximately \$250 in short-term financing from non-related parties pursuant to mezzanine loan agreements. The loans were issued to provide working capital for materials and production-related expenses and are generally unsecured.

The Mezzanine loans generally bear interest at rates of 20% per annum and have short-term maturities. The loan agreements generally provide for a minimum interest period and equity-based loan fees. Upon an event of default, including failure to repay amounts due within the applicable period following maturity, the lender may, if permitted by applicable law, increase the interest rate to 30% per annum. The agreements may also provide for additional equity-based fees upon default.

During 2025, the Company repaid approximately \$150 of principal and paid approximately \$21 of interest related to these loans. The Company also incurred approximately \$28 of loan origination fees related to these loans and \$27 of penalties related to the default of the loans, \$44 which were issuable through 44,000 common shares, which is included in common stock issuable, and \$11 which were settled through the issuance of 11,000 of common shares. As of December 31, 2025, approximately \$100 of principal remained outstanding and approximately \$25 of accrued interest was payable.

The loans were in default as of December 31, 2025 and were accruing interest at the applicable default rate of 30% per annum.

Other Financing

On December 24, 2025, the Company entered into an agreement pursuant to which the Company received \$250 in exchange for a specified percentage of the Company's future receivables. The agreement provides for a total purchased amount of \$338 to be remitted to the purchaser from future receivables. The Company received net proceeds of approximately \$242 after processing and application fees were applied.

Under the agreement, the Company is required to remit a specified percentage of deposits into its designated bank account to satisfy the amount purchased. The difference between the net proceeds received and the total contractual repayment amount, including applicable fees, is accounted for as a discount and financing costs and is recognized as interest expense over the term of the financing using the effective interest method.

As of December 31, 2025, the Company had approximately \$337 recorded as a short-term financing obligation related to this arrangement. Repayments under the agreement commenced in January 2026.

Future minimum payments are due as follows during the years ended December 31:

Years Ending December 31,	Amounts
2026	\$ 1,141
2027	5,469
Thereafter	-
Total	\$ 6,610

12. LEASES

The Company determines whether a contract is, or contains, a lease at inception. Right-of-use assets represent the Company's right to use an underlying asset during the lease term, and lease liabilities represent the Company's obligation to make lease payments arising from the lease. Right-of-use assets and lease liabilities are recognized at lease commencement based upon the estimated present value of unpaid lease payments over the lease term. Leases with an initial term of 12 months or less are not included on the balance sheets.

During 2023, the Company entered into two new operating lease agreements for office space in Idaho and Vermont. The Idaho lease requires monthly payments of approximately \$2 beginning on January 1, 2024, and will escalate 3% annually until the end of the initial lease term on February 28, 2027. The Vermont lease requires monthly payments of approximately \$6 beginning on January 1, 2024, and will escalate 2.5% annually until the end of the initial lease term on December 31, 2028. During 2024, the Company entered into one new operating lease agreement for additional office space in Vermont. The Vermont lease requires additional monthly payments of approximately \$1 beginning on October 1, 2024, and will escalate 2.5% annually until the end of the initial lease term on December 31, 2028.

Operating lease expense was approximately \$128 and \$111 for the years ended December 31, 2025 and 2024, respectively, which includes short-term leases and variable lease costs, which are immaterial.

As of December 31, 2025, the weighted-average remaining lease term was approximately 2.62 years, and the weighted-average discount rate was 12.45%.

During the year ended December 31, 2024, the Company made aggregate payments of \$55 towards its operating lease liability. As of December 31, 2024, operating lease liabilities totaled \$334, of which \$111 was current. During the year ended December 31, 2025, the Company made payments of \$77 towards its operating lease liability. As of December 31, 2025, operating lease liabilities totaled \$257, of which \$112 was current.

Future minimum lease payments under the leases are as follows (in thousands):

Years Ending December 31,	Amounts
2026	\$ 112
2027	95
2028	94
Thereafter	-
Total	301
Less: Amount representing interest	(44)
Present value of net minimum lease payments	257
Less: Current portion	(112)
Non-current portion	\$ 145

13. COMMITMENT AND CONTINGENCIES

Legal Proceedings

The Company is subject to claims and assessments from time to time in the ordinary course of business. The Company will accrue a liability for such matters when it is probable that a liability has been incurred and the amount can be reasonably estimated. When only a range of possible loss can be established, the most probable amount in the range is accrued. If no amount within this range is a better estimate than any other amount within the range, the minimum amount in the range is accrued. The Company was not party to any material legal proceedings as of December 31, 2024.

On December 2, 2025, Green Mountain Electric Supply, Inc. (“GMES”) filed a Civil Complaint against the Company for nonpayment of outstanding invoices related to industrial products ordered and received by the Company. The Company does not dispute the \$225 amount owed to GMES, which is included in accounts payable, and has communicated the intention to settle the debt owed to GMES and have the action filed against the Company dismissed. On August 13, 2026, GMES filed a Satisfaction of Judgment for dismissal of the action filed.

Royalty Agreement

On April 1, 2022, the Company entered into a royalty agreement with RER. Under the royalty agreement, the Company was required to pay RER 3.5% of the gross proceeds from the sale of the first six NOMAD units as well as any new units produced from the remaining gross proceeds during the term of the note. The Company is subject to paying the royalty upon receipt of cash from the customer. The Company paid approximately \$0 and \$44 in royalties to RER in accordance with the royalty agreement during the years ended December 31, 2025 and 2024, respectively. Royalty expense is recognized as the related revenue is recognized and is included in selling, general, and administrative expenses in the statements of operations. During the year ended December 31, 2025 and 2024, the Company recorded royalty expense of \$324 and \$91, respectively. At December 31, 2025 and 2024, the Company had outstanding royalty payables due to RER of approximately \$629 and \$311, respectively, and is a component of accounts payable on the accompanying balance sheet.

As of December 31, 2025, the remaining royalty obligation under the royalty agreement was 14.9 MWh with an expected royalty expense of \$228.

14. STOCKHOLDERS’ EQUITY

In 2025, the Company issued 10,000 shares of common stock in exchange for financing fees of \$11, or \$1.10 per share. The Company also issued 304,609 shares of common stock as stock-based compensation, of which 250,000 shares were issued in connection with RSUs and 54,609 shares were issued as employee bonuses. In addition, the Company agreed to issue 90,000 shares of common stock in exchange for financing fees. These shares were unissued and recorded as common shares issuable as of December 31, 2025.

In 2024, the Company issued 364,606 shares of common stock for cash at an issue price of \$3.00 per share. The Company also issued 363,167 shares of common stock for services with a fair value of \$1,089, or \$3.00 per share, and 124,931 shares of common stock as stock-based compensation in lieu of cash for employee bonuses, of which 1,924 shares were returned to the Company for taxes. In addition, the Company agreed to issue 7,500 shares of common stock for services received. These shares were unissued and recorded as common shares issuable as of December 31, 2024.

15. SHARE BASED COMPENSATION

2022 Equity Incentive Plan

The 2022 Equity Incentive Plan (the “Plan”) provides for the grant of options, restricted stock purchase rights, restricted stock bonuses, restricted stock unit awards, or other stock-based awards to the Company’s directors, officers, employees, and consultants. Pursuant to the Plan, the maximum number of shares issuable pursuant to the exercise of stock options shall not exceed 10% of the number shares issued and outstanding.

Pursuant to the Plan, in the event of a change in control of the Company, all outstanding awards will be subject to the definitive agreement entered into by the Company in connection with the change in control or as otherwise determined by the Board. A change in control of the Company constitutes an acceleration of vesting. The Plan also provides that the exercise price for stock options: (i) may not be less than 100% of the fair market value of a share of common stock on the effective date of grant of the option; and (ii) in the case of a grant made to a stockholder holding at least 10% of the shares of the Company, may not be less than 110% of the fair market value of a share of common stock on the effective date of the grant of the option.

On July 10, 2023, the Board of Directors of the Company approved an amendment of the Plan to increase the maximum numbers of shares issuable pursuant to the exercise of stock options shall not exceed 15% of the number shares issued and outstanding.

Restricted Stock Units

A summary of the Company's restricted stock unit ("RSU") activity for the years ended December 31, 2025 and 2024 is presented below:

	Unvested Shares	Issuable Shares	Fair Value at date of Issuance	Weighted Average Grant Date Fair Value
Outstanding, January 1, 2024	550,000	-	\$ 1,650	\$ 3.00
Granted	1,049,931	-	1,302	2.29
Vested	(124,931)	124,931	-	-
Issued	-	(124,931)	(155)	-
Outstanding, December 31, 2024	1,475,000	-	2,797	\$ 2.64
Granted	250,000	-	310	1.24
Vested	(250,000)	250,000	-	-
Issued	-	(250,000)	(310)	-
Outstanding, December 31, 2025	1,475,000	-	\$ 2,797	\$ 2.64

The granting of RSUs under the Plan entitles recipients to receive shares of the Company's common stock upon satisfaction of the applicable vesting conditions. Vesting conditions may include immediate vesting, a three-year time-based vesting schedule, an eighteen-month time-based vesting schedule, or vesting upon liquidation.

The liquidity event condition will be satisfied upon the first to occur of 1) the declaration that an Initial Public Offering ("IPO") is effective and 2) the time immediately prior to the consummation of a Change in Control. As of December 31, 2025, management has determined that it cannot determine when, or if, a liquidity event will occur.

During 2024, the Company granted 1,049,931 RSUs with an aggregate fair value of \$1,302 or \$2.29 per share. 124,931 of the RSUs vested immediately, 625,000 RSUs vest upon a Liquidity Event as defined by the plan, 150,000 RSUs vest at a rate of 33% per year over 3 years, and 150,000 RSUs vest at a rate of 33% per 6 months over 18 months. In 2024, RSUs were issued with a value of approximately \$155 in lieu of cash bonuses.

During 2025, the Company granted 250,000 RSUs with an aggregate fair value of \$310, or \$1.24 per share. The RSUs vest as follows: 100,000 RSUs vested immediately, and 150,000 RSUs vest upon a Liquidity Event as defined by the plan.

During the years ended December 31, 2025 and 2024, the Company recognized stock-based compensation expense of \$356 and \$230, respectively, and issued 250,000 and 124,931 shares of restricted stock based on the vesting terms of the grants, respectively. Of the 124,931 shares issued for vesting of restricted stock units in 2024, 1,924 were relinquished back to the Company to cover employee taxes, for a net amount of 123,007 shares of common stock. As of December 31, 2025, the unamortized stock compensation expense for restricted stock amounted to \$3,820, to be expensed upon vesting in future periods through February 2028.

Stock Options

A summary of the Company's stock option activity for the years ended December 31, 2025 and 2024 is presented below:

	Shares Available Under Plan	Options Issued and Outstanding	Weighted Average Exercise Price	Weighted Average Grant Date Fair Value
Outstanding, January 1, 2024	2,028,130	377,500	\$ 1.86	\$ 0.74
Shares added to avail pool	127,617	-		
Options granted	(190,000)	190,000	3.00	1.28
Cancelled	125,000	(125,000)	3.00	1.49
Exercised	-	-	-	-
Outstanding, December 31, 2024	2,090,747	442,500	\$ 2.03	\$ 1.03
Shares added to avail pool	47,191	-		
Options granted	(22,500)	22,500	3.00	0.28
Cancelled	115,000	(115,000)	2.95	1.13
Exercised	-	-	-	-
Outstanding, December 31, 2025	<u>2,230,438</u>	<u>350,000</u>	<u>\$ 1.79</u>	<u>\$ 0.99</u>
Exercisable, December 31, 2025		<u>260,667</u>	<u>\$ 1.40</u>	<u>\$ 0.34</u>

During the years ended December 31, 2025 and 2024, the Company recognized \$59 and \$105 of stock compensation expense relating to vested stock options, respectively. As of December 31, 2025, the aggregate amount of unvested compensation related to stock options was approximately \$69, which will be recognized as an expense as the options vest in future periods through March 2028.

For the year ended December 31, 2025, there were an aggregate of 22,500 options issued at an exercise price of \$3.00 per share that expire by March 3, 2030.

For the year ended December 31, 2024, there were an aggregate of 190,000 options issued at an exercise price of \$3.00 per share that expire by December 2, 2029.

In determining the fair value of stock options granted, the following assumptions were used in the Black-Scholes option pricing model:

	2025	2024
Fair value of common stock	\$0.001 - \$3.00	\$0.001 - \$3.00
Risk-free interest rate	3.93%-4.30%	3.42%-4.81%
Expected term (in years)	3.50	3.5
Expected dividend yield	None	None
Expected volatility	92.05%	92.38%

Options outstanding totaled 350,000 on December 31, 2025, of which 260,667 options are fully vested and exercisable. As of December 31, 2025, the remaining weighted average term of the option grants was 1.88 years. As of December 31, 2025, the weighted average exercise price of the option grants was \$1.79 per share. During the year ended December 31, 2025, 115,000 options were cancelled.

Options outstanding totaled 442,500 on December 31, 2024, of which 224,167 options are fully vested and exercisable. As of December 31, 2024, the remaining weighted average term of the option grants was 3.16 years. As of December 31, 2024, the weighted average exercise price of the option grants was \$2.03 per share. During the year ended December 31, 2024, 125,000 options were cancelled.

The exercise prices of common stock options outstanding and exercisable at December 31, 2025 are as follows:

Exercise Prices		Options Outstanding (Shares)	Options Exercisable (Shares)
\$	1.00	212,000	208,000
\$	3.00	138,000	52,667
		<u>350,000</u>	<u>260,667</u>

Warrants

A summary of the Company's warrant activity for the years ended December 31, 2025 and 2024 is presented below:

	Warrants	Weighted Average Exercise Price
Balance outstanding at December 31, 2023	1,195,489	\$ 4.95
Issued	516,800	3.00
Expired	(1,195,489)	4.95
Balance outstanding at December 31, 2024	516,800	\$ 3.00
Issued	-	-
Balance outstanding at December 31, 2025	<u>516,800</u>	<u>\$ 3.00</u>

During the year ended December 31, 2025, the Company issued no warrants.

During the year ended December 31, 2024, the Company issued 500,000 warrants in connection with the sale of common stock, which expire in February 2028, and 16,800 warrants in connection with the sale of common stock, which expire in February 2027. The Company also had 1,195,489 warrants with a weighted-average exercise price of \$4.95 expire during the year ended December 31, 2024 in accordance with their terms.

The warrants are transferable and exercisable separately from the underlying common stock and were accounted for as freestanding instruments.

The exercise prices of warrants outstanding and exercisable at December 31, 2025 are as follows:

Exercise Prices	Warrants Outstanding (Shares)	Warrants Exercisable (Shares)
\$ 3.00	<u>516,800</u>	<u>516,800</u>

16. DEFINED CONTRIBUTION PLAN

The Company has 401(k) savings plans that are intended to qualify as deferred salary arrangements under Section 401(k) of the Internal Revenue Code. Under the 401(k) savings plans, participating employees may elect to contribute up to 100% of their eligible compensation, subject to certain limitations. Participants are fully vested in their contributions. NOMAD matches up to 4% of each participating employee's eligible compensation in the NOMAD 401(k) Plan. During the years ended December 31, 2025 and 2024, the Company incurred approximately \$76 and \$88, respectively, in employer matching contributions 401(k) plans.

17. RELATED PARTY TRANSACTIONS

Offtake Agreements

The Company had signed an Offtake Agreement for batteries with KORE Power, Inc. (“KORE Power”) a stockholder of NOMAD, effective January 31, 2022. Under the agreement, KORE Power was to supply batteries according to NOMAD’s production schedule. The purchase of the batteries is facilitated through KORE Solutions, Inc. (“KORE Solutions”), a stockholder of NOMAD and wholly-owned subsidiary of KORE Power, collectively (“KORE”).

The Company signed a Master Supply Amendment with KORE Power, effective December 1, 2023, to amend and replace the Offtake Agreement previously entered into between NOMAD and KORE Power. Under the agreement, KORE Power will supply batteries according to NOMAD’s production schedule.

The Company signed a Master Equipment Supply and EPC (Engineer/Procure/Construct) Agreement with KORE Solutions (formerly Northern Reliability, Inc.), effective as of May 1, 2021 and amended effective April 11, 2022. The agreement is for the exclusive fabrication and supply of mobile energy storage systems, inclusive of associated KORE Power batteries, power docking stations, and related services. The purchase price for equipment and related services is KORE Solutions’ cost plus 25%.

The Company also entered into a management services and lease agreement with KORE Power, effective January 1, 2022, amended effective March 3, 2023, and amended effective October 1, 2023. Under the terms of the agreement, NOMAD will pay KORE Power for certain management services including accounting, secretarial, administration, marketing, and human resources, as well as the sub-lease of office space in Waterbury, Vermont. The agreement also specifies that KORE Power will be reimbursed for all third-party expenses reasonably incurred by KORE Power for the benefit of NOMAD in connection with the performance of these services. NOMAD will be invoiced by KORE Power monthly or quarterly, at KORE Power’s discretion.

On October 1, 2023, the agreement was amended and restated decreasing the payment to \$15,000 per month. The term of the agreement was also amended to continue in three-month periods until terminated by either party upon 30-days notice. During 2024, a portion of the agreement was amended with an ending rate of \$5,000 per month. During 2025, a portion of the agreement was amended with an ending rate of \$3,000 per month.

At December 31, 2025 and 2024, the Company had outstanding payables due to KORE of approximately \$2,451 and \$3,505, respectively.

At December 31, 2025 and 2024, the Company had accrued expenses to KORE of approximately \$939 and \$0, respectively.

18. INCOME TAXES

The significant components of deferred tax assets and liabilities are as follows:

	December 31, 2025	December 31, 2024
Deferred tax assets		
Net operating losses	\$ 5,892	\$ 1,387
Capitalized start-up costs	387	424
Deferred Revenue	633	2,253
ROU liability	65	85
Section 174 capitalization	296	696
Other	109	21
Total deferred tax assets	<u>7,382</u>	<u>4,866</u>
Deferred tax liabilities		
Fixed Asset	(562)	(155)
Prepaid expenses	(46)	(24)
ROU asset	(62)	(82)
Total deferred tax liabilities	<u>(670)</u>	<u>(261)</u>
Net deferred tax assets, before allowance	6,712	4,605
Less valuation allowance	<u>(6,712)</u>	<u>(4,605)</u>
Net deferred tax asset	<u>\$ -</u>	<u>\$ -</u>

The components of income tax expense (benefit) consist of the following:

	December 31, 2025	December 31, 2024
Deferred tax expense (benefit)		
Federal	\$ (1,724)	\$ (2,076)
State	(383)	(572)
Change in valuation allowance	<u>2,107</u>	<u>2,648</u>
Total deferred tax expense (benefit)	<u>\$ -</u>	<u>\$ -</u>

The effective tax rate differs from the statutory rate primarily as a result of certain permanent differences and the impact of certain state income taxes by category were as follows:

	December 31, 2025	December 31, 2024
Tax expense (benefit) at federal statutory rate	\$ (1,764)	\$ (1,769)
State tax expense (benefit), net	(303)	(509)
Adjustments	-	(598)
Capitalized start-up costs	-	228
Other	(40)	-
Change in valuation allowance	<u>2,107</u>	<u>2,648</u>
Total income tax expense (benefit)	<u>\$ -</u>	<u>\$ -</u>

At December 31, 2025, the Company had net operating loss carryforwards as follows:

Jurisdiction	Amount	Expiration
U.S. Federal	\$ 23,895,801	Indefinite carryforward
Vermont	\$ 20,880,345	Begin to expire year ended December 31, 2033

While the U.S. Federal net operating loss carryforwards can be carried forward indefinitely, they are subject to annual 80% limitations under the 2017 Tax Cuts and Jobs Act. These limitations were applicable starting in 2021 as discussed further below.

The Company assessed the available positive and negative evidence to estimate whether sufficient future taxable income will be generated to permit use of the existing deferred tax assets, primarily the operating loss carryforwards. Due to the Company's development stage status and cumulative losses, the Company has recorded a full valuation allowance against its deferred tax assets as of December 31, 2025 and 2024.

The Company files income tax returns in the U.S. federal jurisdiction, Arizona, California, Idaho, Texas, and Vermont. The Company does not have any uncertain tax positions. As of December 31, 2025 and 2024, there was no accrued interest or penalties recorded in the financial statements.

19. SEGMENT INFORMATION

The Company operates and manages its business as one reportable and operating segment concentrating on the sale of mobile energy storage systems to our customers. The measure of segment assets is reported on the balance sheet as total assets. The Company derives revenue primarily in the United States of America and manages its business activities on a company-wide basis.

The Company's chief operating decision maker ("CODM"), its Chief Executive Officer, reviews financial information presented on a company-wide basis and decides how to allocate resources based on net loss. Net loss is used for evaluating financial performance. The monitoring of budgeted versus actual results is used in assessing the performance of the Company and in establishing management's compensation.

Significant segment expenses include employee compensation, stock-based compensation, merchant fees, and consulting and outside provider costs. Other operating expenses include all remaining costs necessary to operate our business and primarily include advertising, corporate compliance, and overhead expenses. The following table presents the significant segment expenses and other segment items regularly reviewed by our CODM:

	December 31, 2025	December 31, 2024
Operating Expenses		
Employee compensation and benefits	\$ 2,133	\$ 3,264
Stock-based compensation expense	415	335
Facility costs	239	188
Consulting and outside provider costs	504	1,584
Sales and marketing costs	176	662
Depreciation expense	59	56
Research and development expenses	1,461	1,262
Other operating expenses	1,367	1,013
Total operating expenses	<u>\$ 6,354</u>	<u>\$ 8,364</u>

20. SUBSEQUENT EVENTS

On July 1, 2026, the Company closed a merger transaction with Lixte Biotechnology Holdings, Inc. (“Lixte”). As consideration for the transaction, the Company received \$16,500 in cash, funded in various tranches, and became a wholly owned subsidiary of Lixte.

Although Lixte was the legal acquirer, NOMAD was determined to be the accounting acquirer for financial reporting purposes. Accordingly, the merger will be accounted for as a reverse acquisition under ASC 805, *Business Combinations*, with NOMAD considered the accounting acquirer and Lixte as the accounting acquiree.

Prior to the closing of the merger, in June 2026, the Company received an advance of \$6,500 from Lixte under a secured promissory note. The proceeds were used primarily to repay the Company’s existing bank loan. The note bore interest at 15% per annum, did not accrue interest until the merger closed or terminated, matured 30 days after issuance with automatic 30-day renewals while the merger remained pending, and was secured by a first-priority lien on substantially all of the Company’s assets. Upon closing of the merger on July 1, 2026, the \$6,500 principal balance was applied against the Company’s post-closing working capital advance obligation to the Company (see Note 1), the note was cancelled, and the remaining unfunded commitment of \$9,000 was paid to the Company.

In July 2026, the Company repaid in full its loan balances to Half Brothers Capital Limited, Northern Horizon Investments Inc., all mezzanine loans, and the future receivables financing. The aggregate amount paid was approximately \$1,028.

Subsequent to June 30, 2026, the Company received a non-interest-bearing loan of \$115 from an officer to fund the purchase of key supply chain components.

On August 13, 2026, Green Mountain Electric Supply, Inc. (GMES) filed a Satisfaction of Judgment for dismissal of the action filed on December 2, 2025 against the Company for nonpayment of outstanding invoices related to industrial products ordered and received by the Company (see Note 13).

On September 10, 2026, the Company entered into a binding agreement with Mr. Paul Coombs to modify the terms of his Transition Agreement. Under the modified terms, the Company is obligated to pay Mr. Coombs \$758,313 pursuant to the agreement, with the remaining consideration to be paid in equal monthly payments of \$10,000, subject to applicable deductions and withholdings, commencing September 10, 2026. The monthly payments are subject to adjustment based on certain financing and cash balance conditions specified in the agreement. The Company may prepay all or any portion of the unpaid remaining consideration at its sole discretion, without penalty.



**UNAUDITED CONDENSED
FINANCIAL STATEMENTS**

June 30, 2026 and 2025

NOMAD TRANSPORTABLE POWER SYSTEMS, INC.
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NOMAD TRANSPORTABLE POWER SYSTEMS, INC.
CONDENSED BALANCE SHEETS
(Amounts in thousands, except share amounts)

	June 30, 2026 (Unaudited)	December 31, 2025
ASSETS		
Current assets:		
Cash	\$ 170	\$ 156
Accounts receivable	112	529
Inventory	6,549	6,666
Deposits for inventory	419	460
Prepaid expenses and other current assets (including \$34 and \$34 of receivable from related party)	738	579
<i>Total current assets</i>	<u>7,988</u>	<u>8,390</u>
Property and equipment, net	460	474
Revenue generating equipment, net	2,646	2,656
Right of use assets, net	204	245
Intangible assets, net	164	147
Total assets	<u><u>\$ 11,462</u></u>	<u><u>\$ 11,912</u></u>
LIABILITIES AND STOCKHOLDERS' DEFICIENCY		
Current liabilities:		
Accounts payable (including \$16 and \$2,451 from related party)	\$ 2,672	\$ 5,399
Accrued liabilities (including \$0 and \$939 from related party)	915	1,716
Transition agreement with related party	788	796
Deferred revenue	8,814	8,173
Deferred grant funds	709	709
Customer deposits	16	-
Current portion of debt (including \$355 and \$315 in default, including \$213 and \$190 from related parties)	7,250	1,141
Current portion of lease liabilities	106	112
Warrant liabilities	148,602	-
<i>Total current liabilities</i>	<u>169,872</u>	<u>18,046</u>
Lease liabilities, less current portion	109	145
Debt, less current portion	237	5,469
Total liabilities	<u>170,218</u>	<u>23,660</u>
Commitments and Contingencies		
Stockholders' deficit:		
Common stock, \$.00001 par value; 250,000,000 shares authorized; 30,503,079 and 26,202,921 shares issued and outstanding, respectively	-	-
Additional paid-in capital	20,575	13,830
Common shares issuable – 0 and 97,500 shares, respectively	-	122
Accumulated deficit	(179,331)	(25,700)
Total stockholders' deficit	<u>(158,756)</u>	<u>(11,748)</u>
Total liabilities and stockholders' deficit	<u><u>\$ 11,462</u></u>	<u><u>\$ 11,912</u></u>

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

NOMAD TRANSPORTABLE POWER SYSTEMS, INC.
CONDENSED STATEMENTS OF OPERATIONS
(UNAUDITED)
(In thousands, except share and per share amounts)

	<u>June 30,</u> <u>2026</u>	<u>June 30,</u> <u>2025</u>
Revenue	\$ 621	\$ 6,609
Cost of revenue	<u>545</u>	<u>6,244</u>
Gross profit	<u>76</u>	<u>365</u>
Operating expenses:		
Sales, general, and administrative expenses	2,665	2,500
Research and development expenses	<u>359</u>	<u>1,013</u>
Total operating expenses	<u>3,024</u>	<u>3,513</u>
Loss from operations	<u>(2,948)</u>	<u>(3,148)</u>
Other expense:		
Interest expense	(729)	(940)
Loss on debt extinguishment	(1,352)	-
Loss on issuance of warrant liability	(125,441)	-
Change in fair value of warrant liability	<u>(23,161)</u>	<u>-</u>
Total other expense	<u>(150,683)</u>	<u>(940)</u>
Net loss	<u>\$ (153,631)</u>	<u>\$ (4,088)</u>
Net loss per share - basic	<u>\$ (5.66)</u>	<u>\$ (0.16)</u>
Net loss per share - diluted	<u>\$ (5.66)</u>	<u>\$ (0.16)</u>
Weighted-average common shares outstanding - basic and diluted	<u>27,157,828</u>	<u>25,954,021</u>

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

NOMAD TRANSPORTABLE POWER SYSTEMS, INC.
CONDENSED STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT
UNAUDITED
(Amounts in thousands except share amounts)

For the Six Months Ended June 30, 2026

	Common Stock		Common Stock Issuable		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount			
Balance, December 31, 2025	26,202,921	\$ -	97,500	\$ 122	\$ 13,830	\$ (25,700)	\$ (11,748)
Fair value of vested stock options	-	-	-	-	25	-	25
Common shares issued to settle trade payables	3,360,000	-	-	-	4,200	-	4,200
Common shares issued on vesting of restricted stock units	100,000	-	-	-	96	-	96
Fair value of common stock issued for services	721,658	-	(7,500)	(23)	794	-	771
Common stock issued for financing fees	118,500	-	(90,000)	(99)	130	-	31
Issuance of liability classified warrants	-	-	-	-	1,500	-	1,500
Net loss	-	-	-	-	-	(153,631)	(153,631)
Balance, June 30, 2026 (unaudited)	<u>30,503,079</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ 20,575</u>	<u>\$ (179,331)</u>	<u>\$ (158,756)</u>

For the Six Months Ended June 30, 2025

	Common Stock		Common Stock Issuable		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount			
Balance, December 31, 2024	25,888,312	\$ -	7,500	\$ 23	\$ 13,404	\$ (17,299)	\$ (3,872)
Fair value of vested stock options	-	-	-	-	44	-	44
Common shares issued for employee compensation	54,609	-	-	-	46	-	46
Common shares issued on vesting of restricted stock units	50,000	-	-	-	107	-	107
Common stock issued for financing fees	10,000	-	90,000	99	11	-	110
Net loss	-	-	-	-	-	(4,088)	(4,088)
Balance, June 30, 2025 (unaudited)	<u>26,002,921</u>	<u>\$ -</u>	<u>97,500</u>	<u>\$ 122</u>	<u>\$ 13,612</u>	<u>\$ (21,387)</u>	<u>\$ (7,653)</u>

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

NOMAD TRANSPORTABLE POWER SYSTEMS, INC.
CONDENSED STATEMENTS OF CASH FLOWS
UNAUDITED
(Amounts in thousands)

	June 30, 2026	June 30, 2025
<i>Cash flows from operating activities:</i>		
Net loss	\$ (153,631)	\$ (4,088)
<i>Adjustments to reconcile net loss to net cash provided by (used in) operating activities:</i>		
Depreciation on property and equipment	19	19
Depreciation on revenue generating equipment	10	12
Amortization of debt discount	142	230
Amortization of right-of-use assets	41	36
Loss on debt extinguishment	1,351	-
Fair value of vested stock options	25	44
Common shares issued on vesting of restricted stock units	96	107
Common shares issued for employee compensation	-	46
Common stock issued for services	771	-
Accrued interest on debt	(33)	(42)
Loss on issuance of warrant liability	125,441	-
Change in fair value of warrant liability	23,161	-
<i>Changes in operating assets and liabilities:</i>		
Accounts receivable	417	1,282
Inventory	117	2,645
Deposits for inventory	41	2,376
Prepaid expenses and other current assets	(159)	(123)
Accounts payable	(216)	(457)
Accrued liabilities	154	801
Transition agreement to former related party	(8)	(38)
Lease liabilities	(42)	(39)
Deferred revenues	641	(2,712)
Net cash (used in) provided by operating activities	<u>(1,662)</u>	<u>99</u>
<i>Cash flows from investing activities:</i>		
Purchase of property and equipment	(5)	-
Intangible assets costs	(17)	(36)
Net cash used in investing activities	<u>(22)</u>	<u>(36)</u>
<i>Cash flows from financing activities:</i>		
Proceeds from issuance of liability classified warrants	1,500	-
Proceeds from debt, net of fees	6,776	500
Repayments of debt	(6,578)	(500)
Net cash provided by financing activities	<u>1,698</u>	<u>-</u>
Net increase in cash	14	63
Cash at beginning of period	156	197
Cash at end of period	<u>\$ 170</u>	<u>\$ 260</u>
Supplemental disclosures of cash flow information:		
Cash paid during the year for:		
Interest	<u>\$ 619</u>	<u>\$ 752</u>
Non-cash investing and financing activities:		
Noncash refinancing of long-term debt	<u>\$ 4,200</u>	<u>\$ -</u>
Common shares issued for loan fees	<u>\$ 31</u>	<u>\$ 110</u>

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

NOMAD TRANSPORTABLE POWER SYSTEMS, INC.
NOTES TO CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
For the Six Months Ended June 30, 2026 and 2025
(In thousands, except share and per share amounts)

1. ORGANIZATION AND BASIS OF PRESENTATION

NOMAD Transportable Power Systems, Inc. (“NOMAD”, the “Company”) is a privately-held development-stage company incorporated in the United States, with its head office located in Waterbury, Vermont. It also has an office in Boise, Idaho.

The Company develops and sells utility-scale mobile energy storage systems focused on providing transportable solutions. It specializes in plug-and-play battery storage systems integrated into specially designed mobile energy storage systems and docking systems, thereby helping customers in multiple industry segments to access a flexible, reliable, and affordable way to incorporate storage for varying use cases.

The accompanying unaudited condensed financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) pursuant to the applicable rules and regulations of the Securities and Exchange Commission (“SEC”) for interim financial information. The unaudited condensed financial statements have been prepared on the same basis as the Company’s annual financial statements for the year ended December 31, 2025, and, in the opinion of management, reflect all adjustments, which consist of normal recurring adjustments, considered necessary for a fair presentation of the periods presented. The results of operations for the interim periods presented are not necessarily indicative of the results of operations to be expected for the full fiscal year ending December 31, 2026. These unaudited condensed financial statements should be read in conjunction with the Company’s audited financial statements and accompanying notes included in the Company’s Annual Report for the fiscal year ended December 31, 2025, as filed with the SEC. The condensed balance sheet as of December 31, 2025 was derived from the audited consolidated financial statements as of that date, but does not include all disclosures, including notes, required by GAAP.

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

The accompanying financial statements have been prepared under the assumption that the Company will continue as a going concern. In accordance with the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 205-40, *Going Concern*, the Company’s management has evaluated whether there are conditions or events that raise substantial doubt about its ability to continue as a going concern within one year after the date the accompanying financial statements were issued. For the six months ended June 30, 2026, the Company incurred a net loss of \$153,631 and has a stockholders’ deficit of \$158,756. As of June 30, 2026, the Company had \$170 in cash available to fund its operations. The Company has a history of reporting net losses and negative operating cash flows. These factors raise substantial doubt about the Company’s ability to continue as a going concern within one year of the date that the financial statements are issued. The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

On June 16, 2026, in connection with its merger with Lixte Biotechnology Holdings, Inc., the Company received an advance of \$6,500 under a secured promissory note, the proceeds of which were used primarily to repay the Company’s existing bank loan. The note bore interest at 15% per annum (not accruing until the merger closed or terminated), matured 30 days after issuance with automatic 30-day renewals while the merger remained pending, and was secured by a first-priority lien on substantially all of the Company’s assets (See Note 10). The merger closed on July 1, 2026, at which point the \$6,500 principal balance of the note was applied against the Company’s post-closing working capital advance obligation to the Company (see Note 17), and the note was cancelled, and the remaining unfunded commitment of \$9,000 was paid to the Company.

The Company’s ability to continue as a going concern depends on its ability to raise additional debt or equity capital to fund its business activities and ultimately achieve sustainable operating revenues and profitability. The Company has financed its working capital requirements through borrowings from various sources and the sale of its equity securities.

Because market conditions create uncertainty about the Company's ability to secure additional funds, there can be no assurance that the Company will be able to secure additional financing on acceptable terms, as and when necessary to continue operations. If the Company is unable to obtain the cash resources necessary to satisfy the Company's ongoing cash requirements, the Company could be required to scale back its business activities or to discontinue its operations entirely.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

This summary of significant accounting policies is presented to assist in understanding the financial statements. The financial statements and notes are representations of the Company's management, which is responsible for their integrity and objectivity. These financial statements and related notes are presented in accordance with GAAP.

Use of Estimates

The preparation of financial statements in accordance with GAAP requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the dates of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management assumptions and estimates relate to stock-based compensation, including the fair value of common stock and share purchase warrants, as further described below. Macroeconomic factors, including but not limited to geopolitical issues between the U.S. and China, may create volatility, uncertainty, and economic disruption to the Company's supply chain. Management has considered the impact of macroeconomic factors on its estimates, where relevant, in the preparation of the financial statements. Actual results could differ from these estimates and assumptions and could have a material effect on the Company's reported financial position and results of operations.

Revenue Recognition

The Company recognizes Sales of Product revenue in accordance with FASB ASC 606, *Revenue from Contracts with Customers*. Lease revenue is recognized in accordance with FASB ASC 842, *Leases*.

The Company generates revenue from the sale of its mobile energy storage systems and related products, including mobile battery energy storage systems ("MBESS"), mobile transformer docking stations ("mobile docks"), and trailers for mounting and transportation of the MBESS. Revenue is recognized when control of the related products is transferred to the customer, in an amount that reflects the transaction price consideration that is expected to be received. Revenue associated with any unsatisfied performance obligation is deferred until the performance obligation is satisfied, i.e., when control of the related products is transferred to the customer. In some cases, the Company generates revenue from the short-term lease of its mobile energy storage systems. In these instances, revenue from the lease is recognized on a straight-line basis over the term of the lease.

To determine the proper revenue recognition method for contracts, the Company evaluates whether two or more contracts should be combined and accounted for as one contract and whether a single contract should be accounted for as more than one performance obligation. ASC 606 defines a performance obligation as a contractual promise to transfer a distinct good or service to a customer. A contract's transaction price is allocated to each distinct performance obligation based on the relative standalone selling prices of the goods and services promised in the contract and recognized when, or as, the performance obligation is satisfied. The Company's evaluation requires significant judgment, and the decision to combine a group of contracts or separate a contract into multiple performance obligations could change the amount of revenue and profit recorded in a given period.

The Company's supply agreements and purchase orders may include multiple product deliverables, including MBESS, mobile docks, and trailers. The Company evaluates each promised good or service to determine whether it represents a distinct performance obligation under ASC 606. If a promised good or service is distinct, it is accounted for as a separate performance obligation. If the promised goods or services are not separately identifiable from other promises in the contract and are not distinct within the context of the contract, they are combined and accounted for as a single performance obligation.

The Company also evaluates whether it is the principal or agent in arrangements involving products manufactured by third parties. The Company is generally the principal when it controls the specified products before they are transferred to the customer. In making this determination, the Company considers indicators of control, including whether it is primarily responsible for fulfilling the promise to provide the specified products, whether it has inventory risk before the products are transferred to the customer, and whether it has discretion in establishing the price for the products. Based on these considerations, the Company generally concludes that it controls the products before transfer to the customer and is the principal in these arrangements. Accordingly, revenue is recognized on a gross basis for the amount of consideration to which the Company expects to be entitled.

As the Company's contracts may include multiple product deliverables, the timing of revenue recognition depends on when control of each related performance obligation transfers to the customer. Control is transferred when the customer has the ability to direct the use of, and obtain substantially all of the remaining benefits from, the related products. The Company considers the contractual terms, including applicable shipping Incoterms, customer acceptance provisions, transfer of ownership, and other relevant contract terms, in determining when control transfers.

For certain Ex-Works ("EXW") arrangements, the customer may take ownership and control of products prior to physical shipment from the Company's facility. In these situations, the Company evaluates whether the customer has obtained control of the products in accordance with ASC 606. When products have been specifically identified to the customer, are no longer available for use by the Company, and the customer has accepted ownership and assumed the associated risks related to the products, control may transfer prior to physical shipment. For EXW transactions where the customer obtains control at the Company's facility, revenue is recognized when the customer assumes ownership and control of the goods. For other EXW transactions where control has not transferred, revenue is recognized when the applicable transfer criteria have been met.

For Delivered Duties Paid ("DDP") arrangements, revenue is recognized when the goods are delivered to the customer's specified destination and the Company has satisfied its remaining delivery obligations.

The Company's contracts give rise to several types of variable consideration, including contract modifications (change orders) and other terms that can either increase or decrease the transaction price. The Company estimates variable consideration as the most likely amount to which it expects to be entitled. The Company includes estimated amounts in the transaction price to the extent it believes it has an enforceable right and it is probable that a significant reversal of cumulative revenue recognized will not occur. The estimates of variable consideration and the determination as to whether to include estimated amounts in the transaction price are based largely on an assessment of the Company's anticipated performance and all information (historical, current, and forecasted) that is reasonably available at the time. Change orders and incentives are evaluated to determine whether they represent separate performance obligations or modifications to existing performance obligations. When change orders are not distinct from the existing contract due to the significant integration services provided in the context of the contract, they are accounted for as a modification to the existing contract and performance obligation. The effect of contract modification on the transaction price, and the Company's measure of progress for the performance obligation to which it relates, is recognized as an adjustment to revenue on a cumulative catch-up basis, when applicable. In some cases, settlement of contract modifications may not occur until after completion of work under the contract.

The Company generally provides limited assurance-type warranties for work performed under its contracts. Product and installation warranties are provided by the equipment manufacturers and the Company within the context of each customer contract. In certain cases, the Company may be liable for re-installation costs resulting from faulty hardware. The warranty periods typically extend for a limited duration after control of the mobile energy storage system is transferred to the customer. Historically, assurance-type warranty claims have not resulted in material costs being incurred.

Certain contracts include extended service-type warranties. The Company offers extended warranties to customers for a period of up to ten years. Such warranties are considered to be separate performance obligations to which the related consideration is appropriately allocated based on the relative standalone selling price and recognized over the term of the warranty. There was no revenue related to extended warranties during the six months ended June 30, 2026 and 2025.

Certain contracts include performance-type warranties. The Company offers performance warranties to customers for a period of up to ten years. Such warranties are evaluated to determine whether they represent separate performance obligations under ASC 606. When such warranties are considered to be separate performance obligations, the related consideration is appropriately allocated based on the relative standalone selling price and recognized over the term of the warranty. Revenue related to performance-type warranties was de minimis during the six months ended June 30, 2026 and 2025.

The timing of revenue recognition, billings, and cash collections results in billed accounts receivable, unbilled revenue, deferred revenue, and customer deposits. Amounts are billed in accordance with agreed-upon contractual terms. Generally, billings and customer deposits occur prior to revenue recognition, resulting in contract liabilities presented in the balance sheet as deferred revenue and customer deposits. Deferred revenue represents the unearned revenue on cash receipts for consideration the Company has received on contracts for which the related performance obligation has not been satisfied. The Company expects deferred revenue at June 30, 2026 to be recognized as the related performance obligations are satisfied in accordance with the terms of the underlying contracts.

Revenue consisted of the following:

	June 30, 2026	June 30, 2025
Sales of products	\$ 503	\$ 6,575
Lease revenue	90	9
Other revenue	28	25
	<u>\$ 621</u>	<u>\$ 6,609</u>

Cost of Revenues

Cost of revenue consists primarily of costs of sold units and ancillary equipment, delivery and freight costs, expenses related to employee trips to customer sites for training, on-site acceptance testing (“OSAT”), and service work on deployed units.

Accounts Receivable

The Company records trade accounts receivable at the amounts billed to customers and presents them on the balance sheet, net of any allowance for estimated credit losses, if required. Management determines the allowance based on a variety of factors, including the age of the receivables, current economic conditions, historical losses, and other information management obtains regarding customers’ financial condition. The Company charges off receivables when they are deemed uncollectible. As of June 30, 2026 and December 31, 2025, the Company determined that no allowance for credit losses were needed.

Inventories

Inventories consist of equipment on hand that is available for sale. Inventories are stated at the lower of cost or net realizable value, with cost determined on a first-in, first-out basis. Adjustments, if required, reduce inventory to its net realizable value, reflecting estimated excess, obsolescence, or impairment balances. Factors influencing these adjustments include changes in customer demand, rapid technological changes, and merchant bankruptcy. As of June 30, 2026 and December 31, 2025, the Company recorded no reserve for slow-moving inventory.

The Company regularly reviews the cost of inventories against their estimated net realizable value and records write-downs if any Work-in-Progress or Finished inventories have costs in excess of their net realizable values.

Deposits for Inventory

The Company utilizes multiple vendors and manufacturers to produce its mobile energy storage systems. At times, prepayments are required to begin production of critical elements in the systems. These prepayments are recorded as deposits for inventory and are moved to inventory or work in progress when the Company takes possession of the items as applicable. Deposits for inventory are stated at cost. Based on current demand for the Company’s mobile energy storage systems, these systems are expected to be sold at a profit once completed.

Property and Equipment

Property and equipment are stated at cost, which includes the acquisition price and any direct costs to bring the asset into use at its intended location, less accumulated depreciation. Depreciation is computed using the straight-line method over the assets' estimated useful lives. The useful lives for depreciation purposes range from three to twenty years. The Company expenses repairs and maintenance charges as incurred.

Upon disposal of assets, the cost of the assets and the related accumulated depreciation are removed from the accounts, and gains or losses are reflected in the accompanying condensed statements of operations for the respective period.

Revenue Generating Equipment

Revenue generating equipment are stated at cost, which includes the acquisition price and any direct costs to bring the asset into use at its intended location, less accumulated depreciation. Depreciation is computed using either the straight-line method over the assets' estimated useful lives or the units-of-production method based on the expected utilization and operating cycles of the assets' battery systems. For assets depreciated using the units-of-production method, depreciation is based on the actual utilization of the assets relative to the estimated total production cycles of the battery systems. Based on an expected utilization of approximately 365 operating cycles per year over an estimated useful life of 17 years, the battery systems are expected to operate for approximately 6,205 total operating cycles. The Company has determined that 70.8% of Beginning-of-Life ("BOL") capacity represents the estimated end-of-life threshold for the battery systems. Repairs and maintenance charges are expensed as incurred.

Upon disposal of assets, the cost of the assets and the related accumulated depreciation are removed from the accounts, and gains or losses are reflected in the accompanying condensed statements of operations for the respective period.

Long-Lived Assets

The Company evaluates long-lived assets, other than goodwill and indefinite-lived intangible assets, for impairment whenever events or changes in circumstances ("triggering events") indicate that their net book value may not be recoverable. The measurement of possible impairment is based upon the ability to recover the carrying value of the asset through the expected future undiscounted cash flows from the use of the asset and its eventual disposition. An impairment loss, equal to the difference between the asset's fair value and its carrying value, is recognized when the estimated future undiscounted cash flows are less than its carrying amount. No impairment indicators were identified as of June 30, 2026 and December 31, 2025.

Leases

The Company leases certain corporate office space under lease agreements. The Company determines whether a contract contains a lease at contract inception. A contract is a lease if it conveys the right to control the use of the identified asset for a period in exchange for consideration. Control is determined based on the right to obtain all of the economic benefits from use of the identified asset and the right to direct the use of the identified asset. Operating lease right-of-use assets ("ROU") represent the right to use an underlying asset for the lease term, and operating lease liabilities represent the obligation to make lease payments. Lease liabilities are recognized at the present value of the future minimum lease payments over the lease term at the commencement date. Operating lease expense is recognized on a straight-line basis over the lease term and is included in the sales, general and administrative expense in the Company's condensed statements of operations.

Loss per Common Share

Basic earnings (loss) per share is computed by dividing the net income (loss) applicable to common stockholders by the weighted average number of shares of common stock outstanding during the period. Diluted earnings (loss) per share is computed by dividing the net income applicable to common stockholders by the weighted average number of common shares outstanding plus the number of additional common shares that would have been outstanding if all dilutive potential common shares had been issued, using the treasury stock method. The computation excludes potential common shares when their effect is antidilutive.

For the six months ended June 30, 2026 and 2025, the calculations of basic and diluted loss per share are the same because potential dilutive securities would have had an anti-dilutive effect. The potentially dilutive securities consisted of the following:

	June 30, 2026	June 30, 2025
Warrants	33,484,476	516,800
Options	313,000	426,000
Common shares issuable	-	97,500
RSUs	3,720,928	1,475,000
Total	37,518,404	2,515,300

Advertising Costs

Advertising costs are expensed as incurred and are included in sales, general, and administrative expenses on the condensed statement of operations. Total advertising expense was approximately \$47 and \$106 for the six months ended June 30, 2026 and 2025, respectively.

Research and Development Costs

Research and development costs are expensed as incurred and are included in research and development expenses on the condensed statements of operations. Costs mostly consist of engineering, testing fees, and related product costs. Total research and development expense was approximately \$359 and \$1,013 for the six months ended June 30, 2026 and 2025, respectively.

Stock-Based Compensation

The Company accounts for stock-based compensation in accordance with ASC 718, *Compensation—Stock Compensation*, which establishes the accounting treatment for transactions in which an entity exchanges its equity instruments for goods or services. Under the provisions of ASC 718, the measurement of the value of employee services received in exchange for an award of an equity instrument is based on the grant-date fair value of the award. Prior to issuance of the awards, the Company is not under any obligation to issue stock options or restricted stock units (“RSUs”). The award vests over a specified period determined by the Company’s Board of Directors. The measurement date of the grant is also the date of the award. The fair value of options is expensed ratably during the specified vesting period.

The Company accounts for stock-based payments to non-employees in accordance with FASB ASU 2018-07—*Compensation—Stock Compensation (topic 718): improvements to nonemployee share-based payment accounting*. Non-employee stock-based compensation is granted at the Board of Director’s discretion to select individuals.

The Company estimates the fair value of stock awards on the date of grant using a Black-Scholes valuation model, which requires management to make certain assumptions that are complex, subjective, and generally require significant judgment to determine regarding: (i) the expected volatility in the market price of the Company’s common stock; (ii) dividend yield; (iii) risk-free interest rates; and (iv) the period of time employees are expected to hold the award prior to exercised (referred to as the expected holding period).

There is no trading activity in the Company’s stock, therefore management uses its best estimate of future volatility based on reviewing the average volatility of stock prices for similar publicly traded companies. The Company has not declared or paid dividends in the past and does not currently expect to do so in the foreseeable future. The risk-free interest rate is based on the U.S. Treasury yield curve in effect at the time of the grant for bonds with maturities ranging from one month to five years.

The expected term represents the period that the stock options are expected to be outstanding. The expected term of options granted to employees and non-employee directors is determined using the “simplified” method, as illustrated in ASC 718, as the Company does not have sufficient exercise history to determine a better estimate of expected term. Under this approach, the expected term is based on the midpoint between the vesting date and the end of the contractual term of the option. Forfeitures are recognized as they occur.

Stock Granted to Employees and Non-Employees in Lieu of Cash Payments

The Company periodically issues share-based awards to employees, non-employees, and consultants for services rendered. Stock options vest and expire according to the terms established at the grant's issuance date. Stock grants are measured at the grant date fair value. Stock-based compensation cost is measured at fair value on the grant date and is generally recognized as an expense in the statement of operations ratably over the requisite service period or vesting period. Recognition of compensation expense for non-employees occurs in the same period and in the same manner as if the Company had paid cash for the services.

Related Parties

In accordance with ASC 850, *Related Party Disclosures*, a party is considered to be related to the Company if the party directly or indirectly or through one or more intermediaries, controls, is controlled by, or is under common control with the Company. Related parties also include principal owners of the Company, its management, members of the immediate families of principal owners of the Company and its management, and other parties with which the Company may deal with if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests.

Derivative Financial Instruments

The Company evaluates its financial instruments to determine if such instruments are derivatives or contain features that qualify as embedded derivatives. For derivative financial instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair value and is then re-valued at each reporting date, with changes in the fair value reported in the statements of operations. The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is evaluated at the end of each reporting period. Derivative instrument liabilities are classified in the balance sheet as current or non-current based on whether or not net-cash settlement of the derivative instrument could be required within 12 months of the balance sheet date.

The Company uses Level 3 inputs for its valuation methodology for the derivative liabilities as their fair values were determined by using a Binomial pricing model. The Company's derivative liabilities are adjusted to reflect fair value at each reporting date, with any increase or decrease in the fair value being recorded in the statement of operations.

To determine the number of authorized but unissued shares available to satisfy outstanding convertible securities, the Company uses a sequencing method to prioritize its convertible securities as prescribed by ASC 815-40-35, *Derivatives and Hedging – Contracts in Entity's Own Equity* (Subtopic 815-40-35). At each reporting date, the Company reviews its convertible securities to determine whether their classification is appropriate.

Fair Value of Financial Instruments

Fair value of financial and non-financial assets and liabilities is defined as an exit price, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The three-tier hierarchy for inputs used to measure fair value, which prioritizes the inputs to valuation techniques used to measure fair value, is as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – quoted prices for similar assets and liabilities in active markets or inputs that are observable for the asset or liability, either directly or indirectly through market corroboration, for substantially the full term of the financial instrument.

Level 3 – unobservable inputs based on the Company’s assumptions used to measure assets and liabilities at fair value.

A financial asset or liability’s classification within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of the assets and liabilities being measured and their placement within the fair value hierarchy.

The carrying value of the Company’s financial instruments (consisting of cash, accounts receivables, inventory, deposit on inventory, prepaid expense and other current assets, accounts payable, accrued liabilities, deferred revenue, customer deposits, and debt) are considered to be representative of their respective fair values due to the short-term nature of those instruments.

Concentration of Risk

Supply Risk – The Company is dependent on its suppliers, some of which are single source suppliers, and the inability of these suppliers to deliver necessary components of the Company’s products in a timely manner at prices, quality levels, and volumes acceptable to the Company, or the Company’s inability to efficiently manage these components from these suppliers, could have a material adverse effect on the Company’s business, prospects, financial conditions, and operating results.

Although all of the Company’s contract manufacturers’ current manufacturing facilities are operational, and the Company continues to increase output and add additional capacity and is working with each supplier on meeting, ramping, and sustaining production, the ability to sustain this trajectory depends, among other things, on the readiness and solvency of suppliers amid macroeconomic factors.

Credit Risk – At various times during the year, the amount of cash on deposit may exceed the insured limit by the U.S. Federal Deposit Insurance Corporation, which potentially subjects the Company to credit risk. The Company maintains its cash at high-quality institutions.

Major Customers – 99% of deferred revenue as of June 30, 2026 was from five customers. 99% of deferred revenue as of December 31, 2025 was from five customers.

Segment Information

The Company’s Chief Executive Officer (“CEO”) is our chief operating decision maker (“CODM”) and evaluates performance and makes operating decisions regarding resource allocation based on financial data presented as a whole, as there are no separate operating entities. Because our CODM evaluates financial performance on the Company as a whole, the Company has determined that it operates as a single reportable segment, comprising the financial results of Nomad Transportable Power Systems, Inc.

Recent Accounting Pronouncements

In November 2024, the FASB issued ASU No. 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses* which includes amendments that require disclosure in the notes to financial statements of specified information about certain costs and expenses, including purchases of inventory; employee compensation; and depreciation, amortization and depletion expenses for each caption on the income statement where such expenses are included. The amendments are effective for the Company’s annual periods beginning January 1, 2027, with early adoption permitted, and should be applied either prospectively or retrospectively. The Company is evaluating this ASU to determine its impact on the Company’s disclosures.

Other recent accounting pronouncements issued by the FASB, its Emerging Issues Task Force, the American Institute of Certified Public Accountants, and the Securities and Exchange Commission did not or are not believed by management to have a material impact on the Company’s present or future financial statements.

3. INVENTORY

Inventory by category consisted of the following:

	June 30, 2026	December 31, 2025
Finished goods	\$ 4,200	\$ 4,200
Work in progress	2,296	2,414
Spare parts inventory	53	52
	<u>\$ 6,549</u>	<u>\$ 6,666</u>

4. PREPAID EXPENSES AND OTHER CURRENT ASSETS

Prepaid expenses and other current assets consisted of the following:

	June 30, 2026	December 31, 2025
Prepaid royalty expense	\$ 295	\$ 256
Prepaid deposits and insurance	198	110
Non-interest bearing employee advances	108	83
Non-interest bearing loan to officer	34	34
Prepaid legal expenses	13	13
Other prepaid and other current assets	90	83
	<u>\$ 738</u>	<u>\$ 579</u>

Included in prepaid expenses and other current assets are advances on taxes owed on issuances of RSUs from an officer of \$34 and \$34, respectively. The non-interest-bearing advances to an officer were repaid in full on August 21, 2026.

5. PROPERTY AND EQUIPMENT

Property and equipment, net, consisted of the following:

	June 30, 2026	December 31, 2025
Property and equipment	\$ 537	\$ 537
Computer equipment	14	9
Accumulated depreciation	(91)	(72)
	<u>\$ 460</u>	<u>\$ 474</u>

Depreciation expense totaled approximately \$19 and \$19 for the six months ended June 30, 2026 and 2025, respectively.

6. REVENUE GENERATING EQUIPMENT

Revenue-generating equipment, net, consisted of the following:

	June 30, 2026	December 31, 2025
Revenue generating equipment	\$ 2,702	\$ 2,702
Accumulated depreciation	(56)	(46)
	<u>\$ 2,646</u>	<u>\$ 2,656</u>

Revenue generating depreciation expense totaled approximately \$10 and \$12 for the six months ended June 30, 2026 and 2025, respectively.

7. ACCRUED EXPENSES

Accrued liabilities consisted of the following:

	June 30, 2026	December 31, 2025
Trade vendor accrual	\$ 272	\$ 983
Accrued payroll	345	266
Taxes payable	298	378
Accrued other	-	89
	<u>\$ 915</u>	<u>\$ 1,716</u>

8. SEVERANCE LIABILITY

On July 11, 2024, the Company entered into a Transition Agreement and General Release (the “Transition Agreement”) with former CEO, Paul Coombs, in connection with the termination of his employment with the Company effective July 11, 2024. Pursuant to the Transition Agreement, and in consideration for a general release of claims and Mr. Coombs’ compliance with certain continuing obligations, the Company agreed to pay Mr. Coombs an aggregate of \$1,012, less applicable deductions and withholdings, in equal installments over a 24-month period in accordance with the Company’s regular payroll practices. Mr. Coombs also continued to receive Company benefits through July 31, 2024. The Company may discontinue any remaining payments under the Transition Agreement in the event Mr. Coombs breaches the agreement. In July 2025, the Company agreed with Mr. Coombs to make reduced payments under his severance agreement, depending on available cash flow.

In connection with the Transition Agreement, the Company and Mr. Coombs also entered into a Consulting Services Agreement pursuant to which Mr. Coombs agreed to provide consulting, promotional and brand ambassador services to the Company. The consulting agreement commenced on July 10, 2024 and continued through July 9, 2026. Under the consulting agreement, the Company paid Mr. Coombs a nominal monthly fee for a minimum of five hours of consulting services per month whereby he served as an independent contractor and was generally responsible for his own expenses unless the Company approved them in advance.

For the year ended December 31, 2025, the Company recognized \$49 of expense associated with the Transition Agreement and \$2 of consulting expenses. As of December 31, 2025, \$796 remained payable under the Transition Agreement, all of which was classified as a current liability. During the six months ended June 30, 2026, the Company paid \$8, leaving \$788 payable under the Transition Agreement as of June 30, 2026, all of which was classified as a current liability.

9. DEFERRED GRANT

In 2024, the Company entered into a cooperative agreement with the U.S. Department of Energy (“DOE”) providing for approximately \$9.5 million of funding for the Vermont Long Duration Energy Storage Demonstration Project (the “Project”). Funding under the cooperative agreement is provided on a reimbursement basis, under which the Company incurs eligible Project costs and submits those costs to the DOE for reimbursement.

As of December 31, 2025, approximately \$709 remained recorded as deferred grant revenue. No reimbursement activity occurred during the six months ended June 30, 2026, leaving a deferred grant balance of \$709 at June 30, 2026.

As of June 30, 2026, the Company was in compliance with the terms and conditions of the cooperative agreement, and management believes that Project expenditures incurred through that date were consistent with the objectives and requirements established by the DOE.

10. DEBT

Debt consists of the following at June 30, 2026 and December 31, 2025:

	June 30, 2026	December 31, 2025
Bay Point Capital Partners II, LP	\$ -	\$ 6,000
Lixte Biotechnology Holdings, Inc. - related party	6,500	-
Half Brothers Capital Limited	120	120
Northern Horizon Investments Inc.	120	120
Mezzanine Loans – (\$248 and \$248 in default \$328 and \$148 from related party)	428	248
Other Financing	242	337
Unamortized loan origination fees	(41)	(367)
Total principal balance	\$ 7,369	\$ 6,458
Accrued interest (\$107 and \$67 in default, including \$66 and \$42 from related parties)	118	152
Total principal and accrued interest	\$ 7,487	\$ 6,610
Less current portion	(7,250)	(1,141)
Non-current portion	\$ 237	\$ 5,469

Bay Point Capital Partners II, LP

On February 12, 2024, the Company entered into a financing arrangement with Bay Point Capital Partners II, LP (“Bay Point Loan”) for \$7,000. A portion of the proceeds, approximately \$5,575, was paid directly to RE Royalties Ltd. (“RER”) to settle the Company’s outstanding obligation to RER. The Company recorded a loss on debt extinguishment of \$348 related to the unamortized portion of the loan origination fee, which is included in other expenses in the accompanying statement of operations. The Company received proceeds of \$1,259, net of loan fees and expenses. The total proceeds from the Bay Point financing exceeded the amount used to settle the RER obligation. The portion of the transaction related to the direct settlement of the RER obligation did not involve cash received or disbursed by the Company and was therefore presented as a noncash financing activity in the accompanying statements of cash flows.

The Bay Point Loan bears interest annually at 15%, and accrued interest is due monthly. \$500 of principal is due on each of February 12, 2025, August 12, 2025, and February 12, 2026. The remaining principal is due on February 12, 2027. However, upon an issuance of indebtedness, the outstanding balance of the loan is due upon receipt, and upon an issuance of Equity, a portion of the loan is due based on a percentage of proceeds earned. The loan is secured by substantially all business assets.

In June 2026, \$6,400 was paid to Bay Point to settle the debt obligation. Included in the \$6,400 was a loss on debt extinguishment of \$444 related to default fees and penalties and \$157 was related to the unamortized portion of the loan origination fee, which are included in other expenses in the accompanying statement of operations.

Lixte Biotechnology Holdings, Inc.

On June 16, 2026, in connection with its merger with Lixte Biotechnology Holdings, Inc. (see Note 1), the Company received an advance of \$6,500 under a secured promissory note, the proceeds of which were used primarily to repay the Company’s existing bank loan. The note bore interest at 15% per annum (not accruing until the merger closed or terminated), matured 30 days after issuance with automatic 30-day renewals while the merger remained pending, and was secured by a first-priority lien on substantially all of the Company’s assets. The merger closed on July 1, 2026, at which point the \$6,500 principal balance of the note was applied against the Company’s post-closing working capital advance obligation to the Company (see Note 17), and the note was cancelled, and the remaining unfunded commitment of \$9,000 was paid to the Company.

Half Brothers Capital Limited

On February 12, 2024, the Company entered into a loan and security agreement with Half Brothers Capital Limited (the “HBCL Loan”). The HBCL Loan bears interest annually at 15% and accrued interest is due monthly. All principal is due in May 2027. However, upon an issuance of indebtedness the outstanding balance of the loan is due upon receipt and upon an issuance of Equity a portion of the loan is due based on a percentage of proceeds earned. The loan is secured by substantially all business assets.

Northern Horizon Investments Inc.

On February 12, 2024, the Company entered into a loan and security agreement with Northern Horizon Investments, Inc. (the “NHI Loan”). The NHI Loan bears interest annually at 15% and accrued interest is due monthly. All principal is due in May 2027. However, upon an issuance of indebtedness the outstanding balance of the loan is due upon receipt and upon an issuance of Equity a portion of the loan is due based on a percentage of proceeds earned. The loan is secured by substantially all business assets.

Mezzanine Loans – Related Parties

During the six months ended June 30, 2026, the Company received approximately \$180 in short-term financing from related parties pursuant to mezzanine loan agreements. The loans were issued to provide working capital for materials and production-related expenses and are generally unsecured.

These loans had no stated maturity date and did not bear interest.

The Company also incurred approximately \$31 of loan origination fees related to these loans, which were issuable through 28,500 common shares and are included in common stock issuable to related parties.

Mezzanine Loans – Related Parties – In Default

During 2025, the Company received approximately \$250 in short-term financing from related parties pursuant to mezzanine loan agreements. The loans were issued to provide working capital for materials and production-related expenses and are generally unsecured.

The Mezzanine loans generally bear interest at rates of 20% per annum and have short-term maturities. The loan agreements generally provide for a minimum interest period and equity-based loan fees. Upon an event of default, including failure to repay amounts due within the applicable period following maturity, the lender may, if permitted by applicable law, increase the interest rate to 30% per annum. The agreements may also provide for additional equity-based fees upon default.

During 2025, the Company repaid approximately \$102 of principal and paid approximately \$16 of interest related to these loans. As of December 31, 2025, approximately \$148 of principal remained outstanding and approximately \$42 of accrued interest was payable. The Company also incurred approximately \$28 of loan origination fees related to these loans and \$27 of penalties related to the default of the loans, which were issuable through 55,000 common shares and are included in common stock payable to related parties.

During the six months ended June 30, 2026, the Company repaid approximately \$0 of principal and interest related to these loans. As of June 30, 2026, approximately \$328 of principal remained outstanding and approximately \$66 of accrued interest was payable.

The loans were in default as of December 31, 2025 and were accruing interest at the applicable default rate of 30% per annum.

Mezzanine Loans – Non-Related Parties – In Default

During 2025, the Company received approximately \$250 in short-term financing from non-related parties pursuant to mezzanine loan agreements. The loans were issued to provide working capital for materials and production-related expenses and are generally unsecured.

The Mezzanine loans generally bear interest at rates of 20% per annum and have short-term maturities. The loan agreements generally provide for a minimum interest period and equity-based loan fees. Upon an event of default, including failure to repay amounts due within the applicable period following maturity, the lender may, if permitted by applicable law, increase the interest rate to 30% per annum. The agreements may also provide for additional equity-based fees upon default.

During 2025, the Company repaid approximately \$150 of principal and paid approximately \$21 of interest related to these loans. The Company also incurred approximately \$28 of loan origination fees related to these loans and \$27 of penalties related to the default of the loans, \$44 which were issuable through 44,000 common shares, which is included in common stock issuable, and \$11 which were settled through the issuance of 11,000 of common shares. As of December 31, 2025, approximately \$100 of principal remained outstanding and approximately \$25 of accrued interest was payable.

During the six months ended June 30, 2026, the Company repaid approximately \$0 of principal and interest related to these loans. As of June 30, 2026, approximately \$100 of principal remained outstanding and approximately \$41 of accrued interest was payable.

Other Financing

On December 24, 2025, the Company entered into an agreement pursuant to which the Company received \$250 in exchange for a specified percentage of the Company's future receivables. The agreement provides for a total purchased amount of \$338 to be remitted to the purchaser from future receivables. The Company received net proceeds of approximately \$242 after processing and application fees were applied.

On February 6, 2026, the Company entered into an agreement pursuant to which the Company received \$127 in exchange for a specified percentage of the Company's future receivables. The agreement provides for a total purchased amount of \$135 to be remitted to the purchaser from future receivables. The Company received net proceeds of approximately \$97 after processing and application fees were applied.

Under the agreements, the Company is required to remit a specified percentage of deposits into its designated bank account to satisfy the amount purchased. The difference between the net proceeds received and the total contractual repayment amount, including applicable fees, is accounted for as a discount and financing costs and is recognized as interest expense over the term of the financing using the effective interest method.

As of December 31, 2025, the Company had approximately \$337 recorded as a short-term financing obligation related to this arrangement. Repayments under the agreement commenced in January 2026.

During the six months ended June 30, 2026, the Company repaid approximately \$222 of future receivables related to this financing. As of June 30, 2026, approximately \$242 of future receivables remained outstanding and was payable.

Future minimum payments are due as follows during the years ended December 31:

<u>Years Ending December 31,</u>	<u>Amounts</u>
2026	\$ 7,250
2027	237
Thereafter	-
Total	<u>\$ 7,487</u>

11. LEASES

The Company determines whether a contract is, or contains, a lease at inception. Right-of-use assets represent the Company's right to use an underlying asset during the lease term, and lease liabilities represent the Company's obligation to make lease payments arising from the lease. Right-of-use assets and lease liabilities are recognized at lease commencement based upon the estimated present value of unpaid lease payments over the lease term. Leases with an initial term of 12 months or less are not included on the balance sheets.

During 2023, the Company entered into two new operating lease agreements for office space in Idaho and Vermont. The Idaho lease requires monthly payments of approximately \$2 beginning on January 1, 2024, and will escalate 3% annually until the end of the initial lease term on February 28, 2027. The Vermont lease requires monthly payments of approximately \$6 beginning on January 1, 2024, and will escalate 2.5% annually until the end of the initial lease term on December 31, 2028. During 2024, the Company entered into one new operating lease agreement for additional office space in Vermont. The Vermont lease requires additional monthly payments of approximately \$1 beginning on October 1, 2024, and will escalate 2.5% annually until the end of the initial lease term on December 31, 2028.

Operating lease expense was approximately \$58 and \$68 for the six months ended June 30, 2026 and 2025, respectively, which includes short-term leases and variable lease costs, which are immaterial.

As of June 30, 2026, the weighted-average remaining lease term was approximately 2.12 years, and the weighted-average discount rate was 12.45%.

As of December 31, 2025, operating lease liabilities totaled \$257, of which \$112 was current. During the six months ended June 30, 2026, the Company made payments of \$42 towards its operating lease liability. As of June 30, 2026, operating lease liabilities totaled \$215, of which \$106 was current.

Future minimum lease payments under the leases are as follows (in thousands):

As of June 30, 2026	Amounts
2026	\$ 57
2027	95
2028	94
Thereafter	-
Total	246
Less: Amount representing interest	(31)
Present value of net minimum lease payments	215
Less: Current portion	(106)
Non-current portion	\$ 109

12. COMMITMENTS AND CONTINGENCIES

Legal Proceedings

The Company is subject to claims and assessments from time to time in the ordinary course of business. The Company will accrue a liability for such matters when it is probable that a liability has been incurred and the amount can be reasonably estimated. When only a range of possible loss can be established, the most probable amount in the range is accrued. If no amount within this range is a better estimate than any other amount within the range, the minimum amount in the range is accrued. The Company is not party to any material legal proceedings as of June 30, 2026.

Royalty Agreement

On April 1, 2022, the Company entered into a royalty agreement with RER. Under the royalty agreement, the Company is required to pay RER 3.5% of the gross proceeds from the sale of the first six NOMAD units as well as any new units produced from the remaining gross proceeds during the term of the note. The Company is subject to paying the royalty upon receipt of cash from the customer. The Company paid approximately \$0 and \$44 in royalties to RER in accordance with the royalty agreement during the years ended December 31, 2025 and 2024, respectively. Royalty expense is recognized as the related revenue is recognized and is included in selling, general, and administrative expenses in the statements of operations. During the six months ended June 30, 2026 and 2025, the Company recorded royalty expense of \$27 and \$230, respectively. At June 30, 2026 and December 31, 2025, the Company had outstanding royalty payables due to RER of approximately \$625 and \$629, respectively, and these amounts are a component of accounts payable on the accompanying condensed balance sheets.

13. STOCKHOLDERS' EQUITY

During the six-month period ended June 30, 2026, the Company issued 118,500 shares of common stock in exchange for financing fees of \$130, or \$1.10 per share. The Company also issued 100,000 shares of common stock as stock-based compensation, in connection with RSUs. The Company also issued 3,360,000 shares of common stock to settle trade payables of \$4,200, or \$1.10 per share. In addition, the Company issued 20,455 shares of common stock in exchange for services rendered of \$23, or \$1.10 per share. In addition, the Company issued pre-funded warrants issuable at the time of the Lixte transaction for an aggregate amount of fifty percent (50%) of the fully diluted capitalization of the Company in exchange for \$1,500 or approximately \$0.05 per share.

During the six-month period ended June 30, 2025, the Company issued 10,000 shares of common stock in exchange for financing fees of \$11, or \$1.10 per share. The Company also issued 104,609 shares of common stock as stock-based compensation, of which 50,000 shares were issued in connection with RSUs and 54,609 shares were issued as employee bonuses. In addition, the Company agreed to issue 90,000 shares of common stock in exchange for financing fees. These shares were issued and recorded as common shares as of June 30, 2026.

14. SHARE BASED COMPENSATION

Restricted Stock Units

A summary of the Company's restricted stock unit ("RSU") activity for the six months ended June 30, 2026 is presented below:

	Unvested Shares	Issuable Shares	Fair Value at date of Issuance	Weighted Average Grant Date Fair Value
Outstanding, December 31, 2025	1,475,000	-	\$ 2,797	\$ 2.64
Granted	3,047,131	-	3,352	1.10
Vested	(801,203)	801,203	-	
Issued		(801,203)	(881)	
Outstanding, June 30, 2026	<u>3,720,928</u>	<u>-</u>	<u>\$ 5,268</u>	<u>\$ 1.71</u>

During the six months ended June 30, 2026, the Company granted 2,086,131 RSUs in connection with the Strategic Advisory Agreement with Access Alternative Group S.A. ("AAG") in which the Company issued RSUs that shall represent seven percent (7.0%) of the Company's fully diluted equity capitalization immediately prior to a Qualified IPO, RTO or any Change of Control (hereinafter collectively a "Qualified IPO", including an RTO, or any change of control), after giving effect to all equity issuances, conversions, exercises, exchanges, or issuances of equity-linked securities occurring in connection with such transaction.

The granting of RSUs under the Plan entitles recipients to receive shares of the Company's common stock upon satisfaction of the applicable vesting conditions. Vesting conditions may include immediate vesting, a three-year time-based vesting schedule, an eighteen-month time-based vesting schedule, or vesting upon liquidation.

The liquidity event condition will be satisfied upon the first to occur of 1) the declaration that an Initial Public Offering ("IPO") is effective and 2) the time immediately prior to the consummation of a Change in Control. As of December 31, 2025, management has determined that it cannot determine when, or if, a liquidity event will occur.

During the six months ended June 30, 2026, the Company granted 3,047,131 RSUs with an aggregate fair value of \$3,352, or \$1.10 per share. The RSUs vest as follows: 60,000 vest over 6 months, 135,000 vest based on performance-based deliverables, 766,000 RSUs vest upon a Liquidity Event as defined by the plan, 521,533 RSUs vest immediately, and 1,564,598 vest over 12 months.

During the six months ended June 30, 2026 and 2025, the Company recognized stock-based compensation expense of \$96 and \$153, respectively, and issued 100,000 and 104,609 shares of restricted stock based on the vesting terms of the grants, respectively. As of June 30, 2026, \$4,780 unamortized stock expense remained.

Stock Options

A summary of the Company's stock option activity for the six months ended June 30, 2026 is presented below:

	Options Issued and Outstanding	Weighted Average Exercise Price	Weighted Average Grant Date Fair Value
Outstanding, December 31, 2025	350,000	\$ 1.79	\$ 0.99
Options granted	3,000	3.00	0.54
Cancelled	(40,000)	3.00	0.98
Exercised	-	-	-
Outstanding, June 30, 2026	<u>313,000</u>	<u>\$ 1.65</u>	<u>\$ 0.61</u>
Exercisable, June 30, 2026	<u>268,167</u>	<u>\$ 1.42</u>	<u>\$ 0.41</u>

During the six months ended June 30, 2026, the Company granted 3,000 options with an aggregate fair value of \$3, or \$0.54 per share. The options vest as follows: 3,000 vest over 3 years.

During the six months ended June 30, 2026 and 2025, the Company recognized \$25 and \$44 of stock compensation expense relating to vested stock options, respectively. As of June 30, 2026, \$39 of unvested compensation related to stock options remained.

Warrants

A summary of the Company's warrant activity for the six months ended June 30, 2026, is presented below:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value
Outstanding, December 31, 2025	516,800	\$ 3.00	1	\$ -
Warrants granted	<u>32,967,676</u>	<u>-</u>	<u>-</u>	<u>148,602</u>
Outstanding, June 30, 2026	<u>33,484,476</u>	<u>\$ 3.00</u>	<u>1</u>	<u>\$ 148,602</u>
Warrants vested and exercisable, June 30, 2026	<u>516,800</u>	<u>\$ 3.00</u>	<u>1</u>	<u>\$ -</u>

During the period ended June 30, 2026, the Company issued 32,967,676 warrants (See Note 16).

15. RELATED PARTY TRANSACTIONS

Offtake Agreements

The Company had signed an Offtake Agreement for batteries with KORE Power, Inc. (“KORE Power”) a stockholder of NOMAD, effective January 31, 2022. Under the agreement, KORE Power was to supply batteries according to NOMAD’s production schedule. The purchase of the batteries is facilitated through KORE Solutions, Inc. (“KORE Solutions”), a stockholder of NOMAD and wholly-owned subsidiary of KORE Power, collectively (“KORE”).

The Company signed a Master Supply Amendment with KORE Power, effective December 1, 2023, to amend and replace the Offtake Agreement previously entered into between NOMAD and KORE Power. Under the agreement, KORE Power will supply batteries according to NOMAD’s production schedule.

The Company signed a Master Equipment Supply and EPC (Engineer/Procure/Construct) Agreement with KORE Solutions (formerly Northern Reliability, Inc.), effective as of May 1, 2021 and amended effective April 11, 2022. The agreement is for the exclusive fabrication and supply of mobile energy storage systems, inclusive of associated KORE Power batteries, power docking stations, and related services. The purchase price for equipment and related services is KORE Solutions’ cost plus 25%.

The Company also entered into a management services and lease agreement with KORE Power, effective January 1, 2022, amended effective March 3, 2023, and amended effective October 1, 2023. Under the terms of the agreement, NOMAD will pay KORE Power for certain management services including accounting, secretarial, administration, marketing, and human resources, as well as the sub-lease of office space in Waterbury, Vermont. The agreement also specifies that KORE Power will be reimbursed for all third-party expenses reasonably incurred by KORE Power for the benefit of NOMAD in connection with the performance of these services. NOMAD will be invoiced by KORE Power monthly or quarterly, at KORE Power’s discretion.

On October 1, 2023, the agreement was amended and restated decreasing the payment to \$15,000 per month. The term of the agreement was also amended to continue in three-month periods until terminated by either party upon 30-days notice. During 2024, a portion of the agreement was amended with an ending rate of \$5,000 per month. During 2025, a portion of the agreement was amended with an ending rate of \$3,000 per month.

At June 30, 2026 and December 31, 2025, the Company had outstanding payables due to KORE of approximately \$16 and \$2,453, respectively.

At June 30, 2026 and December 31, 2025, the Company had accrued expenses due to KORE of approximately \$0 and \$939, respectively.

16. DERIVATIVE LIABILITY

On June 7, 2026, pursuant to the Stock Purchase Agreement with pursuant to a Securities Purchase Agreement dated June 7, 2026 (see Note 14), the Company granted Aldersgate Capital Ltd. and BenEth Capital LLC an aggregate right to convert 32,967,676 warrants, whereby such number may be adjusted from time to time pursuant to the terms and conditions of this Warrant. The Company analyzed the conversion option for derivative accounting and determined that the conversion option should be classified as a derivative liability since it does not have an explicit limit to the number of shares to be delivered upon settlement of the conversion option. The derivative liability is remeasured to fair value at each reporting period, and the change in the fair value is recognized in earnings in the accompanying statements of operations. The Company estimated the fair value of the conversion option derivative liability using a probability-weighted expected return approach. The fair value of the derivative liability at June 30, 2026 was \$148,602.

The following tables summarize the derivative liability:

	June 30, 2026	June 7, 2026
Stock price	\$ 7.00	\$ 7.00
Exercise price	\$ 0.0001	\$ 0.0001
Risk free interest rate	4.29%	4.29%
Expected volatility	110%	110%
Expected life in years	5.00	0.0667
Expected dividend yield	0%	0%
Number of warrants	32,967,676	32,967,676
Fair value of derivative liability	\$ 148,602	\$ 125,441

The following table provides a roll-forward of the derivative liability measured at fair value on a recurring basis using unobservable level 3 inputs for the period ended June 30, 2026, as follows:

	Fair Value of Derivative Warrant Liability
Balance, December 31, 2025	\$ -
Initial recording of fair value of warrant derivative liability	125,441
Change in fair value of warrant derivative liability	23,161
Balance, June 30, 2026	<u>\$ 148,602</u>

17. SEGMENT INFORMATION

The Company operates and manages its business as one reportable and operating segment concentrating on the sale of mobile energy storage systems to our customers. The measure of segment assets is reported on the balance sheet as total assets. The Company derives revenue primarily in the United States of America and manages its business activities on a company-wide basis.

The Company's chief operating decision maker ("CODM"), its Chief Executive Officer, reviews financial information presented on a company-wide basis and decides how to allocate resources based on net loss. Net loss is used for evaluating financial performance. The monitoring of budgeted versus actual results is used in assessing the performance of the Company and in establishing management's compensation.

Significant segment expenses include employee compensation, stock-based compensation, merchant fees, and consulting and outside provider costs. Other operating expenses include all remaining costs necessary to operate our business and primarily include advertising, corporate compliance, and overhead expenses. The following table presents the significant segment expenses and other segment items regularly reviewed by our CODM:

	June 30, 2026	June 30, 2025
Operating Expenses		
Employee compensation and benefits	\$ 757	\$ 1,174
Stock-based compensation expense	121	197
Facility costs	82	138
Consulting and outside provider costs	1,189	274
Sales and marketing costs	47	106
Depreciation expense	29	31
Research and development expenses	359	1,013
Other operating expenses	440	580
Total operating expenses	<u>\$ 3,024</u>	<u>\$ 3,513</u>

18. SUBSEQUENT EVENTS

On July 1, 2026, the Company closed a merger transaction with Lixte Biotechnology Holdings, Inc. (see Note 1).

Subsequent to June 30, 2026, the Company repaid in full its loan balances to Half Brothers Capital Limited, Northern Horizon Investments Inc., all mezzanine loans, and the future receivables financing (see Note 10). The aggregate amount paid was \$1,028.

Subsequent to June 30, 2026, the Company received a non-interest bearing loan from an officer of \$115 to fund the purchase of key supply chain components.

On December 2, 2025, Green Mountain Electric Supply, Inc. (“GMES”) filed a Civil Complaint against the Company for nonpayment of outstanding invoices related to industrial products ordered and received by the Company. The Company does not dispute the amounts owed to GMES and has communicated the intention to settle the debt owed to GMES and have the action filed against the Company dismissed. On August 13, 2026, GMES filed a Satisfaction of Judgment for dismissal of the action filed.

On September 10, 2026, the Company entered into a binding agreement with Mr. Paul Coombs to modify the terms of his Transition Agreement to the following: (i) as of the date hereof the Company is obligated to pay the Employee the amount of \$758,313.07 pursuant to the Agreement (the “Remaining Consideration”), and (ii) the Remaining Consideration shall be paid in equal monthly payments of \$10,000 (net to you), less applicable deductions and withholdings as required by law, commencing as of September 10, 2026 (the “Monthly Payments”), subject to adjustment as set forth below. In the event that the Company closes upon an equity financing of at least \$20 million, and for so long as the Company continues to have an unrestricted cash balance on its month-end balance sheet of at least \$2,000,000, then the Monthly Payment shall be increased to \$20,000 per month (net to you) for such month. The Company will endeavor to increase the monthly payments from \$20,000 commensurate with the profitability of the Company after eighteen (18) months from the date of this agreement. The Company shall have the right to prepay all or any portion of the unpaid Remaining Consideration at any time, at its sole discretion, without penalty.



NOMAD POWER SOLUTIONS, INC.

UNAUDITED PRO FORMA FINANCIAL STATEMENTS

NOMAD POWER SOLUTIONS, INC.
Unaudited Condensed Combined Pro Forma Balance Sheet
June 30, 2026
(Amounts in thousands, except share amounts)

	Historical Nomad (Accounting Acquirer)	Historical Lixte (Accounting Acquiree)	Transaction Accounting Adjustments (Note)	Pro Forma Combined (As-Converted)
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 170	\$ 12,670 <i>I</i>	\$ (790)	\$ 12,050
Accounts receivable, net	112	-	-	112
Inventory	6,549	-	-	6,549
Deposits on inventory	419	-	-	419
Prepaid expenses and other current assets	738	129	-	867
Note receivable from Nomad (eliminated at closing)	-	6,500 <i>A</i>	(6,500)	-
Total current assets	7,988	19,299	(7,290)	19,997
Non-current assets:				
Property and equipment, net	460	6,608	-	7,068
Revenue generating assets, net	2,646	-	-	2,646
Right-of-use assets, net	204	742	-	946
Intangible assets, net (fair value step-up)	164	-	-	164
Goodwill	-	- <i>B</i>	68,464	68,464
Total non-current assets	3,474	7,350	68,464	79,288
Total assets	<u>\$ 11,462</u>	<u>\$ 26,649</u>	<u>\$ 61,174</u>	<u>\$ 99,285</u>
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities:				
Accounts payable and accrued liabilities	\$ 3,587	\$ 328	\$ -	\$ 3,915
Transition agreement with related party	788	-	-	788
Contract liability	-	231	-	231
Deferred revenue	8,814	-	-	8,814
Deferred grant funds	709	-	-	709
Customer deposits	16	-	-	16
Current portion of debt	7,250	- <i>A</i>	(6,500)	750
Operating lease liability, current	106	941	-	1,047
Warrant liability	148,602	- <i>C</i>	(148,602)	-
Total current liabilities	169,872	1,500	(155,102)	16,270
Non-current liabilities:				
Operating lease liability, non-current	109	161	-	270
Debt, less current portion	237	-	-	237
Total non-current liabilities	346	161	-	507
Total liabilities	170,218	1,661	(155,102)	16,777
Stockholders' equity:				
Common stock	-	2 <i>D,E</i>	(2)	-
Series D Convertible Preferred Stock (converted)	-	- <i>E</i>	-	-
Additional paid-in capital	20,575	86,098 <i>D,E,I</i>	5,488	112,161
Accumulated deficit	(179,331)	(62,188)	210,790	(30,729)
Total stockholders' equity before non-controlling interest	(158,756)	23,912	216,276	81,432
Non-controlling interest	-	1,076	-	1,076
Total stockholders' equity after non-controlling interest	(158,756)	24,988	216,276	82,508
Total liabilities and stockholders' equity	<u>\$ 11,462</u>	<u>\$ 26,649</u>	<u>\$ 61,174</u>	<u>\$ 99,285</u>

See the accompanying notes to the unaudited pro forma condensed combined financial statements.

NOMAD POWER SOLUTIONS, INC.
Unaudited Condensed Combined Pro Forma Statement of Operations
For the Six Months Ended June 30, 2026
(In thousands, except share and per share amounts)

	Historical Nomad (Accounting Acquirer)	Historical Lixte (Accounting Acquiree)	Transaction Accounting Adjustments (Note)	Pro Forma Combined (As-Converted)
Revenue	\$ 621	\$ -	\$ -	\$ 621
Cost of revenue	545	-	-	545
Gross profit	76	-	-	76
Operating expenses:				-
Selling, general and administrative	2,665	3,942 ^F	(326)	6,281
Research and development	359	396	-	755
Transaction costs (non-recurring)	-	-	-	-
Total operating expenses	3,024	4,338	(326)	7,036
Operating income (loss)	(2,948)	(4,338)	326	(6,960)
Other income (expense):				-
Interest income	-	6	-	6
Interest expense	(729)	(4)	-	(733)
Loss on extinguishment of debt	(1,352)	-	-	(1,352)
Loss on issuance of warrant liability	(125,441)	- ^G	125,441	-
Change in fair value of warrant liability	(23,161)	- ^G	23,161	-
Other income (expense), net	-	4	-	4
Total other income (expense)	(150,683)	6	148,602	(2,075)
Income (loss) before income taxes	(153,631)	(4,332)	148,928	(9,035)
Income tax expense (benefit)	-	-	-	-
Net income (loss)	(153,631)	(4,332)	148,928	(9,035)
Series B Convertible Preferred Stock 8% cumulative dividend	-	(18)	-	(18)
Non-controlling interest	-	221	-	221
Net income (loss) attributable to common stockholders	\$ (153,631)	\$ (4,129)	\$ 148,928	\$ (8,832)
Pro forma loss per share:				-
Basic and diluted	\$ (5.66)		^H \$	(0.13)
Weighted average shares outstanding:				-
Basic and diluted	27,157,828		^H	68,775,555

See the accompanying notes to the unaudited pro forma condensed combined financial statements.

NOMAD POWER SOLUTIONS, INC.
Unaudited Condensed Combined Pro Forma Statement of Operations
For the Year Ended December 31, 2025
(In thousands, except share and per share amounts)

	Historical Nomad (Accounting Acquirer)	Historical Lixte (Accounting Acquiree)	Transaction Accounting Adjustments (Note)	Pro Forma Combined (As-Converted)
Revenue	\$ 9,354	\$ -	\$ -	\$ 9,354
Cost of revenue	9,771	-	-	9,771
Gross profit	(417)	-	-	(417)
Operating expenses:				-
Selling, general and administrative	4,893	4,853	-	9,746
Research and development	1,461	255	-	1,716
Transaction costs (non-recurring)	-	-	F 739	739
Total operating expenses	6,354	5,108	739	12,201
Operating income (loss)	(6,771)	(5,108)	(739)	(12,618)
Other income (expense):				-
Interest income	1	6	-	7
Interest expense	(1,633)	(9)	-	(1,642)
Realized loss on digital asset	-	(904)	-	(904)
Foreign currency gain (loss)	-	1	-	1
Other income (expense), net	2	4	-	6
Total other income (expense)	(1,630)	(902)	-	(2,532)
Income (loss) before income taxes	(8,401)	(6,010)	(739)	(15,150)
Income tax expense (benefit)	-	-	-	-
Net income (loss)	(8,401)	(6,010)	(739)	(15,150)
Series B Convertible Preferred Stock 8% cumulative dividend	-	(69)	-	(69)
Non-controlling interest	-	-	-	-
Net income (loss) attributable to common stockholders	\$ (8,401)	\$ (6,079)	\$ (739)	\$ (15,219)
Pro forma loss per share:				-
Basic and diluted	\$ (0.32)		H \$	(0.22)
Weighted average shares outstanding:				-
Basic and diluted	26,078,501		H	67,696,228

See the accompanying notes to the unaudited pro forma condensed combined financial statements.

NOMAD POWER SOLUTIONS, INC.
NOTES TO CONDENSED COMBINED PRO FORMA UNAUDITED FINANCIAL STATEMENTS
(In thousands, except share and per share amounts)

Unaudited Pro Forma Condensed Financial Information

On July 2, 2026, Nomad Power Solutions, Inc. (f/k/a Lixte Biotechnology Holdings, Inc.), a Delaware corporation (the “Company” or “we”), filed a Current Report on Form 8-K (the “Initial 8-K”) disclosing, amongst other things, the closing of its previously announced merger agreement (the “Merger Agreement”) with Nomad Transportable Power Systems, Inc (“NOMAD”) and NBD Merger Sub, Inc., (“Merger Sub”), pursuant to which Merger Sub merged with and into NOMAD, with NOMAD surviving as a wholly-owned subsidiary of the Company.

The transaction will be accounted for as a reverse acquisition under ASC 805, Business Combinations, with NOMAD treated as the accounting acquirer and Lixte as the accounting acquiree. NOMAD will recognize Lixte’s identifiable assets acquired and liabilities assumed at their respective fair values as of the acquisition date. Any excess of the consideration transferred over the fair value of the identifiable net assets acquired will be recognized as goodwill, if applicable. Management believes this accounting treatment appropriately reflects the substance of the transaction and is consistent with the applicable guidance in ASC 805.

The preliminary allocation of the purchase price used in the unaudited pro forma condensed combined financial statements is based upon preliminary estimates. Management determined the preliminary estimated fair values of certain assets and liabilities with the assistance of a third-party valuation firm. Our estimates and assumptions are subject to change during the measurement period (up to one year from the acquisition date) as the Company finalizes the valuations of certain tangible and intangible assets acquired and liabilities assumed in connection with the Acquisition.

The pro forma condensed combined balance sheet has been adjusted to reflect the preliminary allocation by the Company’s management of the Lixte purchase price to identifiable tangible and intangible net assets acquired and the excess purchase price to goodwill. The preliminary purchase price allocation is based upon an estimated total purchase price of approximately \$87 million.

After completing the fair value assessment, the Company anticipates that the final purchase price allocation may differ from the preliminary assessment above. Any changes to the initial estimates of the fair value of the assets and liabilities will be recorded as adjustments to those assets and liabilities, and the residual amounts will be allocated as an increase or decrease to goodwill, as appropriate.

Pro Forma Adjustments

The following pro forma adjustments are incorporated into the pro forma condensed combined balance sheet as of June 30, 2026 and the pro forma condensed combined statements of operations for the six months ended June 30, 2026 and for the year ended December 31, 2025.

() IMPORTANT: The pro forma financial statements give effect to the assumed conversion of the 50,366.07 shares of Series D Convertible Preferred Stock into 50,366,070 shares of common stock, which is included in the Transaction Accounting Adjustments column. This conversion is subject to stockholder approval. If stockholders do not approve, the pro forma presentation would require revision, and we would reassess the accounting acquirer determination. This note will be removed or confirmed upon filing of the Form 8-K/A following the September 4, 2026 stockholder meeting.*

(A) Elimination of \$6,500 note receivable from Nomad applied against the Company’s working capital advance obligation and cancelled at closing.

(B) Goodwill — excess of deemed consideration transferred over fair value of Lixte net identifiable assets.

(C) Reflects the automatic exercise, upon closing of the merger, of the pre-funded warrants issued by Nomad on June 7, 2026. Under their terms, the warrants were automatically exercised at closing for no additional consideration (the exercise price having been pre-funded), and the associated warrant liability of \$148,602 thousand, classified as a liability under ASC 480, was reclassified to additional paid-in capital. No gain or loss is recognized on the reclassification.”

(D) Elimination of Lixte historical equity and recognition of deemed consideration and goodwill.

Because the transaction is accounted for as a reverse acquisition under ASC 805-40, with Nomad as the accounting acquirer and Lixte as the accounting acquiree, this adjustment eliminates Lixte’s historical controlling stockholders’ equity and records the deemed consideration transferred and the resulting goodwill.

Under ASC 805-40-30-2, the consideration in a reverse acquisition is the fair value of the equity interests the accounting acquirer (Nomad) is deemed to have issued to the owners of the legal acquirer (Lixte). ASC 805-40-30-3 provides that where the fair value of the accounting acquirer’s equity is less reliably measurable than that of the legal acquirer’s equity, the deemed consideration is measured using the fair value of the legal acquirer’s equity interests. Because Nomad is privately held and its per-share fair value is not readily observable, while Lixte’s common stock is publicly traded and its market price is an observable input, management measured the deemed consideration using the fair value of Lixte’s outstanding common shares as of the acquisition date.

The deemed consideration is calculated as the 15,417,444 shares of Lixte common stock outstanding immediately prior to the merger, multiplied by the Lixte closing price of \$7.67 per share on July 1, 2026, the acquisition date, resulting in consideration to former Lixte equity holders of \$118,251,796. The noncontrolling interest in Liora Technologies Europe Ltd. of \$1,076,479 is added in accordance with ASC 805-20-30-1, resulting in a total amount subject to the purchase price allocation of \$119,328,275.

The consideration is allocated to Lixte’s identifiable assets acquired and liabilities assumed at their acquisition-date fair values. The fair value of Lixte’s identifiable net assets was \$18,487,839, comprising fixed assets of \$6,607,419 (the LiGHT Proton Therapy System), working capital of \$12,799,019, and operating lease right-of-use assets of \$742,427, less assumed liabilities of \$1,661,026. The excess of total consideration over the fair value of identifiable net assets, \$100,840,436, is recognized as goodwill.

Lixte’s historical common stock, additional paid-in capital, and accumulated deficit attributable to its controlling interest are eliminated in full. The noncontrolling interest in Liora Technologies Europe Ltd. of \$1,076,479 is not eliminated; it is recognized at acquisition-date fair value, is included in the total consideration as described above, and is presented as noncontrolling interest within stockholders’ equity on the pro forma combined balance sheet.

(E) Series D Conversion — reflects the assumed conversion of the 50,366.07 shares of Series D Convertible Preferred Stock (stated value \$50,366,070) into 50,366,070 shares of common stock. This adjustment is included within the Transaction Accounting Adjustments column and reclassifies the Series D stated value from preferred stock to common stock at par (approximately \$50,366 at \$0.001 par value) and additional paid-in capital. Total stockholders’ equity is unchanged by this adjustment. The conversion is subject to stockholder approval. See note (*) above.

(F) Transaction costs. Represents non-recurring transaction costs directly attributable to the merger. Such costs do not reflect the ongoing operations of the combined company. In the pro forma condensed combined statement of operations for the six months ended June 30, 2026, transaction costs of \$326 thousand incurred by Nomad and included in its historical selling, general and administrative expenses are eliminated, as these costs are non-recurring and directly attributable to the transaction. In the pro forma condensed combined statement of operations for the year ended December 31, 2025, the earliest period presented, transaction costs of \$739 thousand directly attributable to the merger are reflected as if incurred at the beginning of that period. Total transaction costs of the combined company are not expected to have a continuing impact on results of operations.

(G) Elimination of warrant-related charges. Reflects the elimination of non-recurring charges recognized in Nomad’s historical statement of operations in connection with the pre-funded warrants issued on June 7, 2026, consisting of a \$125,441 thousand loss on issuance of warrant liability and a \$23,161 thousand change in the fair value of the warrant liability, totaling \$148,602 thousand for the six months ended June 30, 2026. These warrants were issued in contemplation of the merger and, under their terms, were automatically exercised upon closing, at which time the associated warrant liability was reclassified to equity. The charges are directly attributable to the transaction and are non-recurring; accordingly, they are excluded from the pro forma statement of operations pursuant to Article 11 of Regulation S-X. This adjustment is not expected to have a continuing impact on the combined results.

(H) Pro forma loss per share — basic and diluted — is presented only in the Nomad historical and Pro Forma Combined columns. The Lixte historical and Transaction Accounting Adjustment columns are blank because earnings per share is not an additive line item. The pro forma combined weighted average shares reflect the as-converted position, giving effect to the conversion of the Series D Preferred Stock into 50,366,070 shares of common stock as if the conversion occurred on the first day of the period presented. Total pro forma weighted average shares (basic and diluted) = 68,775,555 (15,417,444 pre-existing Lixte shares + 2,992,041 common shares issued to Nomad shareholders + 50,366,070 Series D conversion shares).

(I) Cash of approximately \$790 paid in lieu of 141,889 shares to the unaccredited Nomad shareholders.

NOMAD POWER SOLUTIONS INC.

Nasdaq: NMAD

In this document, the terms “we,” “us,” “our,” the “Company” and “NOMAD” refer to NOMAD Power Solutions Inc., a Delaware corporation, and its subsidiaries, including NOMAD Transportable Power Systems, Inc.

Overview

The Company is an energy infrastructure equipment and services company focused on the design, manufacture, and deployment of transportable, utility-grade power and energy-storage systems. The Company’s systems are engineered to be delivered to a customer site, connected, and placed into operation in under one hour, without new grid interconnection, permitting, or civil works. The Company’s platform is intended to address circumstances in which available grid capacity is insufficient for a customer’s load, grid power is unavailable during planned maintenance or peak-hour restrictions, or demand charges and peak-hour rates render grid power uneconomical.

The Company conducts its transportable power business through its wholly-owned subsidiary, NOMAD Transportable Power Systems, and markets its systems under the Voyager platform.

The Company also maintains a life-sciences portfolio, including the protein phosphatase 2A inhibitor program (LB-100) advanced through LIXTE Biotechnology, and the electronically controlled proton therapy program (the LiGHT System) advanced through Liora Technologies. The life-sciences portfolio is described further under “Corporate Structure and Life-Sciences Portfolio” below.

Description of Business

Electricity users increasingly encounter circumstances in which the grid cannot deliver sufficient power at the time, location, or price required. Utilities may be unable to deliver the load a customer needs, or interconnection of new capacity may take years; planned maintenance, curtailment, or peak-hour restrictions may interrupt supply; and demand charges and peak-hour rates may make grid power uneconomical. The Company’s systems are intended to address each of these circumstances by delivering utility-grade power to the customer’s site on a rapidly deployable, relocatable basis.

Because the Company’s systems are delivered, connected, and placed into service without new permanent grid infrastructure, the Company markets them as a means of adding power capacity, bridging supply during outages and restricted windows, and shifting consumption from peak to off-peak periods to reduce demand charges. The Company’s systems have been deployed and operated on live utility grids.

The Voyager Platform

The Company’s principal product line is the Voyager platform, a family of containerized, transportable power and energy-storage systems built on a common architecture and offered in three configurations. The Voyager platform is a mobile battery energy storage system (MBESS) designed to be energy-agnostic, i.e., it can charge from any power source (grid power, solar, wind, etc.), and be mobilized to various locations where power is needed. Each system is trailer-mounted in a 20-foot form factor, operates at 480 volts, and is designed to deploy in under one hour. The three configurations are set forth below:

Model	Continuous Power	Energy Storage	Deployment
Voyager Eagle	999 kW	2.0 MWh	Under 1 hour
Voyager Falcon	500 kW	2.0 MWh	Under 1 hour
Voyager Hawk	500 kW	1.0 MWh	Under 1 hour

The original and still operating fleet of NOMAD units utilizes NMC batteries. All 2026 models ordered and to be delivered use lithium iron phosphate (LFP) battery chemistry rated for a cycle life exceeding 6,000 cycles, with integrated fire safety. The continuous power of the systems details the maximum amount of power that can be charged/discharged and the energy storage numbers are the maximum amount of power the system can hold at any given time. The systems are designed to be relocatable across territories, sectors, and seasons.

Customers and Field Deployments

The Company has utility customers operating its systems across the United States, including referenceable Tier-1 utilities. Representative deployments include a peak-shaving installation for DSO Electric Cooperative, which the Company reports produces over \$150,000 in seasonal savings and converted from a pilot to an outright purchase. The Company deployed a similar system (Traveler) with a major utility in Vermont, which the Company reports supported a customer’s operations through a six-hour planned outage in Essex, Vermont. The Company reports that certain pilots have converted into equipment purchases and multi-unit orders.

The Company’s other customer, partner, and program relationships include a California investor-owned utility, the U.S. Department of Energy, the Electric Power Research Institute, Missanabie Cree First Nation, Today’s Power, SparkCharge, and a strategic, non-exclusive partnership in the defense sector. The Company’s products are available for public-agency procurement under cooperative purchasing agreements with various partners and agents such as Sourcewell. The Company was awarded a \$9.5 million grant from the Office of Electricity of the U.S. Department of Energy to deploy long-duration storage across five Justice40 communities in rural Vermont. The grant funds are deployed as expenses are incurred on a 50% cost-share basis.

The Market

Demand for additional power capacity is being driven in part by the expansion of artificial intelligence and data-center infrastructure, while the time required to connect new generation and storage to the grid has lengthened. The Company cites third-party data indicating that approximately 2.3 TW of generation and storage capacity is awaiting grid interconnection, that the median interconnection timeline has extended to approximately five to seven years from approximately two years historically, and that more than 100 GW of incremental demand from artificial intelligence and data centers is projected by 2035. The Company estimates the U.S. utility market at approximately 3,200 addressable utilities. This estimate refers to the number of investor-owned and cooperative electric utilities in the United States that the Company considers potential customers; it is not a dollar-denominated total addressable market figure, which the Company has not yet quantified.

Marketing Plan

The Company generates, and intends to generate, revenue through equipment sales, third-party leasing and Energy-as-a-Service arrangements, OEM agreements with Rental companies, and network operations center (NOC) services, each of which is designed to scale with the Company's installed fleet. The Company's commercial strategy centers on converting utility pilots into multi-unit and repeat orders, expanding the installed fleet and the recurring services associated with it, and broadening deployment across additional applications and geographies. Applications marketed by the Company include peak shaving, utility grid resilience, renewable integration, electric-vehicle charging, backup and supplemental power for artificial intelligence and data-center facilities, and power for mining and other remote or off-grid operations.

Competition

The Company competes with providers of stationary battery energy-storage systems, diesel generator rentals, and emerging mobile battery energy-storage systems. The Company believes its principal competitive differentiation is the combination of mobility, utility-grade grid integration, and rapid deployment in a single platform, together with a recurring-revenue model spanning equipment sales, third-party leasing, Energy-as-a-Service, OEM Agreements with Rental companies, and network operations center services. The market in which the Company operates is competitive and evolving, and certain of the Company's competitors have greater financial, technical, and marketing resources than the Company.

Competitors identified in industry sources include other providers of mobile, trailer-mounted battery energy-storage systems, such as Power Edison, POWR2, and Portable Electric; equipment-rental companies that offer battery or diesel generation on a rental basis, including United Rentals, Sunbelt Rentals, Herc Rentals, and Aggreko; and providers of fixed-site battery energy-storage systems, including Tesla (Megapack), Fluence, Wärtsilä, and Chinese manufacturers such as BYD, CATL, and Sungrow. Diesel generator rental remains a widely used incumbent solution for temporary and emergency power.

Intellectual Property

The Company relies on a combination of proprietary system design, controls and battery-management architecture, trade secrets, know-how, and, where applicable, patents, trademarks, and confidentiality and non-disclosure agreements to establish and protect its technology and brand.

The Company has five total patents submitted related to the Company's technology, which have been submitted in the US, Canada, and the EU. Two patents have been awarded and three are pending in the US and all patents are currently pending in Canada and the EU. The awarded patents are as follows:

- UTILITY-SCALE LITHIUM-ION BATTERY TRANSPORTERS – Patent # 12391084
- ENERGY STORAGE UNIT DOCKING STATIONS – Patent # 12308650

The Company has filed various trademarks to establish and protect the Company’s brand name and product names in the US, Canada, Mexico, and internationally. The Company’s filed trademark details are below:

- Trademark Name: NOMAD
 - Registration Number: TMA1193625
 - Registration Date: August 9, 2023
 - Jurisdictions and Application Numbers
 - US - 90502036
 - Canada – 212064
 - Mexico – IR1601590

- Trademark Name: NOMAD
 - Registration Number: 1601590
 - Registration Date: February 23, 2021
 - Jurisdictions and Application Numbers
 - International Registration – Madrid Agreement/Protocol – IR1601590

- Trademark Name: NOMAD & Design
 - Registration Number: TMA1215655
 - Registration Date: December 22, 2023
 - Jurisdictions and Application Numbers
 - Canada - 2260975

Manufacturing and Supply Chain

The Company employs a modular manufacturing model for the entire product fleet, built on a shared component architecture designed to support repeatable, scalable production and national deployment through original-equipment-manufacturer and contract-manufacturing relationships.

CMP Advanced Mechanical Solutions assembles the Company’s systems in Montreal, QC, and Binghamton, NY, using lithium iron phosphate (LFP) battery cells, inverters, and trailer enclosures sourced from a limited number of suppliers. All key components are sourced, and the products are manufactured, to meet the domestic-content threshold under the Inflation Reduction Act, which affects customers’ eligibility for related investment tax credits. Changes in tariffs, foreign-entity-of-concern restrictions, or the availability of key components could affect the Company’s costs or its customers’ incentive eligibility.

Facilities

The Company’s principal executive offices are located at 433 Plaza Real, Suite 275, Boca Raton, Florida. The Company operates its core engineering staff and a network operations center, located at 5 Pilgrim Park Road in Waterbury, Vermont, from which it provides monitoring of its deployed fleet. The Company’s systems are produced through contract-manufacturing relationships.

Government Regulation

The Company’s systems and their deployment are subject to various federal, state, and local requirements, including electrical and product-safety standards, utility interconnection requirements, and regulations governing the transportation, handling, and storage of lithium-based batteries. Compliance with these requirements may affect the Company’s operations, and changes in such requirements could affect the Company’s business.

Product-safety requirements applicable to the Company's systems include UL 9540 (energy storage system) and UL 9540A (thermal-runaway fire-propagation) certification, installation requirements under NFPA 855 as adopted by state and local fire codes, and utility interconnection standards under IEEE 1547.

Because the Company's systems are trailer-mounted lithium-ion equipment moved on public roads, they are also subject to U.S. Department of Transportation and Federal Motor Carrier Safety Administration requirements and to Pipeline and Hazardous Materials Safety Administration rules governing the transport of lithium-ion batteries (UN 3480/3536, Class 9), as well as equivalent Transport Canada requirements for cross-border deliveries. The Company's products are intended to satisfy Inflation Reduction Act domestic-content requirements and are affected by foreign-entity-of-concern restrictions, both of which influence customers' eligibility for related tax credits. End-of-life handling and recycling of lithium-ion batteries is subject to state extended-producer-responsibility laws and U.S. Environmental Protection Agency universal-waste rules.

Corporate Structure and Life-Sciences Portfolio

The Company conducts its transportable power business through its wholly-owned subsidiary, NOMAD Transportable Power Systems. In addition to its power infrastructure business, the Company advances a life-sciences portfolio. Through LIXTE Biotechnology, the Company advances LB-100, a small-molecule inhibitor of protein phosphatase 2A (PP2A) being evaluated in clinical trials in combination with immunotherapy and chemotherapy across multiple cancer indications. Through Liora Technologies, the Company advances the LiGHT System (Linac for Image Guided Hadron Therapy), an electronically controlled proton-therapy platform. The Company has indicated an intent to evaluate a disposition of its legacy life-sciences portfolio as it focuses on its transportable power business; the status and terms of any such disposition have not yet been determined.

Employees and Human Capital Resources

As of the date of this document, the Company had 18 full-time employees and estimates to have approximately 25 full-time employees by December 31, 2026. The Company also relies on outside consultants, advisors, and contract manufacturers with various technical skills and expertise. The Company's ability to recruit power-electronics and high-voltage technicians, together with CDL-qualified drivers and field-service engineers, is affected by the relatively small regional labor pool in Vermont.

Legal Proceedings

The Company may from time to time be subject to legal proceedings and claims arising in the ordinary course of business.

Forward-Looking Statements

This document contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements contained herein that do not relate to matters of historical fact should be considered forward-looking statements. These statements include, but are not limited to, statements regarding the Company's business strategy, strategic transformation, anticipated growth opportunities, future operations, financial position, capital resources, funding requirements, product development, commercialization plans, intellectual property strategy, regulatory approvals, market opportunities, anticipated customer demand, Nasdaq listing status, and other future events or expectations.

Forward-looking statements are generally identified by words such as "anticipate," "believe," "continue," "could," "estimate," "expect," "forecast," "intend," "may," "plan," "potential," "predict," "project," "seek," "should," "target," "will," "would," and similar expressions or the negative of these terms.

These forward-looking statements are based on management's current expectations, estimates, assumptions, and projections as of the date hereof. While the Company believes these assumptions are reasonable, forward-looking statements are subject to numerous known and unknown risks, uncertainties, and other factors that could cause actual results, performance, or achievements to differ materially from those expressed or implied by such statements.

These risks and uncertainties include, among others, the Company's ability to execute its strategic plans; obtain necessary financing; develop and commercialize its products and technologies; maintain intellectual property protection; obtain regulatory approvals; maintain compliance with Nasdaq continued listing standards; attract customers and strategic partners; respond to competitive pressures; adapt to changes in market conditions; and the impact of general economic, geopolitical, regulatory, and capital market conditions.

Additional information concerning these and other risks can be found in the Company's filings with the U.S. Securities and Exchange Commission ("SEC"), including its Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and other filings available at www.sec.gov and on the Company's website.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date they are made. Except as required by applicable law, the Company undertakes no obligation to publicly update or revise any forward-looking statements to reflect new information, future events, changed circumstances, or otherwise.

Business and Operating Risks

We operate in an extremely competitive industry and are subject to pricing pressures.

We compete with a number of major international manufacturers and distributors, as well as a large number of smaller, regional competitors. Due to excess capacity in some sectors of our industry and consolidation among industrial battery purchasers, we have been subjected to significant pricing pressures. We anticipate continued competitive pricing pressure as foreign producers are able to employ labor at significantly lower costs than producers in the U.S. and Western Europe, expand their export capacity and increase their marketing presence in our major Americas and European markets. Several of our competitors have strong technical, marketing, sales, manufacturing, distribution and other resources, as well as significant name recognition, established positions in the market and long-standing relationships with OEMs and other customers. Our ability to maintain and improve our operating margins depends on our ability to control and reduce our costs in addition to our ability to maintain business relationships with customers. If we are unable to offset pricing pressures, our profitability and cash flows could be adversely affected. We cannot assure you that we will be able to continue to control our operating expenses, to raise or maintain our prices or increase our unit volume, in order to maintain or improve our operating results.

Reliance on third party relationships and derivative agreements could adversely affect our business.

We depend on third parties, including suppliers, distributors, major financial institutions and other third party service providers, for key aspects of our business, including to manage risks of commodity cost volatility, foreign currency exposures and interest rate volatility. Failure of these third parties to meet their contractual, regulatory and other obligations to us, or the development of factors that materially disrupt our relationships with these third parties, could expose us to the risks of business disruption, higher commodity and interest costs, unfavorable foreign currency rates and higher expenses, which could have a material adverse effect on our business.

The distributed generation industry is emerging and our distributed generation offerings may not receive widespread market acceptance.

The implementation and use of distributed generation at scale is still relatively nascent, and we cannot be sure that potential customers will accept our services and solutions broadly. Enterprises may be unwilling to adopt our offerings over traditional or competing power sources for any number of reasons, including the perception that our technology is unproven, lack of confidence in our business model, unavailability of back-up service providers to operate and maintain the energy storage systems, and lack of awareness of our related products and services. Because this is an emerging industry, broad acceptance of our products and services is subject to a high level of uncertainty and risk. If the market develops more slowly than we anticipate, our business may be adversely affected.

Cost increases, supply disruptions or shortages of any of our battery components, such as electronic and mechanical parts, or the raw materials used in the production of such parts could adversely affect our business.

From time to time, we may experience increases in the cost or a sustained interruption in the supply or shortage of our components. For example, a global shortage and component supply disruptions of electronic and other battery components is currently being reported, and the full impact to us is not yet known. Additionally, the U.S. government has recently imposed, and is currently considering imposing, tariffs on certain trade partners. Other shortages and component supply disruptions could affect the supply of electronic components and raw materials (such as resins and other raw metal materials) that go into the production of our products. Cost increases or supply interruptions could materially and negatively impact our business, prospects, financial condition and operating results. The prices for our components fluctuate depending on market conditions and global demand and could adversely affect our business, prospects, financial condition and operating results. For instance, we are exposed to multiple risks relating to price fluctuations for battery cells. These risks include, but are not limited to:

- supply shortages caused by the inability or unwillingness of our suppliers and their competitors to build or operate component production facilities to supply the numbers of battery components required to support the rapid growth of the electric vehicle industry and other industries in which we operate as demand for such components increases;
- changes in import and export laws, including, but not limited to, sanctions, tariffs, and other economic measures;
- disruption in the supply of electronic circuits due to quality issues or insufficient raw materials;
- a decrease in the number of manufacturers of battery components; and
- an increase in the cost of raw materials.

We are dependent on the continued supply of battery components for our products. To date, we have a limited number of fully qualified suppliers, and have limited flexibility in changing suppliers, though we are actively engaged in activities to qualify additional suppliers. Any disruption in the supply of battery components could temporarily disrupt production of our products until a different supplier is fully qualified.

The cost of our battery products depends in part upon the prices and availability of raw materials such as lead, lithium, nickel, cobalt or other metals. Lead is our most significant raw material and is used along with significant amounts of plastics, steel, copper and other materials in our manufacturing processes. We estimate that raw material costs account for over half of our cost of goods sold. The prices for these materials fluctuate and their available supply may be unstable, depending on market conditions and global demand for these materials, including as a result of increased global production of electric vehicles and energy storage products. Additionally, our suppliers may not be willing or able to reliably meet our timelines or our cost and quality needs, which may require us to replace them with other sources. Furthermore, fluctuations or shortages in petroleum and other economic conditions may cause us to experience significant increases in freight charges and other transportation costs. Any reduced availability of these raw materials or substantial increases in their prices may increase the cost of our components and consequently, the cost of our products. There can be no assurance that we will be able to recoup increasing costs of our components by increasing prices, which in turn could damage our brand, business, prospects, financial condition and operating results.

Volatile raw material costs can significantly affect our operating results and make period-to-period comparisons difficult. To reduce the volatility of our costs, we periodically enter into hedging arrangements for a portion of our projected lead requirements. However, we cannot assure you that we will be able to either hedge the costs or secure the availability of our raw material requirements at a reasonable level or, even with respect to our agreements that adjust pricing to a market-based index for lead, pass on to our customers the increased costs of our raw materials without affecting demand or that limited availability of materials will not impact our production capabilities. Our inability to raise the price of our products in response to increases in prices of raw materials due to pricing pressure, contract terms or other factors or to maintain a proper supply of raw materials could have an adverse effect on our business, financial position and results of operations.

Tariffs, economic sanctions and other changes in U.S. trade policy have in the past and could in the future trigger retaliatory actions by affected countries, and certain foreign governments have instituted or are considering imposing retaliatory measures on certain U.S. goods. Our business, like many other corporations, would be impacted by changes to the trade policies of the United States and foreign countries (including governmental action related to tariffs, international trade agreements, or economic sanctions). Such changes have the potential to adversely impact the U.S. economy or certain sectors thereof, the global economy, and our industry, and as a result, could have a material adverse effect on our business, financial condition and results of operations.

The failure to successfully implement efficiency and cost reduction initiatives, including restructuring activities, could materially adversely affect our business, financial position and results of operations, and we may not realize some or all of the anticipated benefits of those initiatives.

From time to time, we have implemented efficiency and cost reduction initiatives intended to improve our potential profitability and to respond to changes impacting our business and industry. We cannot assure you that our efficiency and cost reduction initiatives will be successfully or timely implemented, or that they will materially and positively impact our profitability. Because our initiatives involve changes to many aspects of our business, the associated cost reductions could adversely impact productivity and sales to an extent we have not anticipated. In addition, our ability to complete our efficiency and cost-savings initiatives and achieve the anticipated benefits within the expected time frame is subject to estimates and assumptions and may vary materially from our expectations, including as a result of factors that are beyond our control. Furthermore, our efforts to improve the efficiencies of our business operations and improve growth may not be successful. Even if we fully execute and implement these activities and they generate the anticipated cost savings, there may be other unforeseeable and unintended consequences that could materially adversely impact our profitability and business, including unintended employee attrition or harm to our competitive position. To the extent that we do not achieve the profitability enhancement or other benefits of our efficiency and cost reduction initiatives that we anticipate, our business, financial position and results of operations may be materially adversely affected.

Our failure to introduce new products and product enhancements coupled with broad market acceptance of new technologies introduced by our competitors could adversely affect our business.

Many new energy storage technologies have been introduced over the past several years. For certain important and growing markets, including markets served by our Voyager business segment, lithium-based battery technologies have a growing market share. Our ability to achieve significant and sustained penetration of key developing markets, including markets served by our Voyager business segment, will depend upon our success in developing or acquiring these and other technologies and related raw materials and components, either independently, through joint ventures or through acquisitions. If we fail to develop or acquire, and manufacture and sell, products that satisfy our customers' demands, or we fail to respond effectively to new product announcements by our competitors by quickly introducing competitive products, then market acceptance of our products could be reduced and our business could be adversely affected. We cannot assure you that our portfolio of primarily lead-acid products will remain competitive with products based on new technologies.

If we are not able to adequately protect our proprietary intellectual property and technology, we may lose any technological advantages and our business, financial position and results of operations may be materially adversely affected.

We rely on a combination of copyright, trademark, patent and trade secret laws, non-disclosure agreements and other confidentiality procedures and contractual provisions to establish, protect and maintain our proprietary intellectual property and technology and other confidential information. Certain of these technologies, are important to our business and are not protected by patents. Despite our efforts to protect our proprietary intellectual property and technology and other confidential information, unauthorized parties may attempt to copy or otherwise obtain and use our intellectual property and proprietary technologies. Successful cybersecurity attacks, data breaches, unauthorized exfiltration, unapproved use of machine learning or artificial intelligence tools, or other security incidents could result in the loss of intellectual property and key technological advantages. If we are unable to protect our intellectual property and technology, we may lose any technological advantage we currently enjoy and may be required to take an impairment charge with respect to the carrying value of such intellectual property or goodwill established in connection with the acquisition thereof. In either case, our business, financial position and results of operations may be materially adversely affected.

Relocation of our customers' operations could adversely affect our business, financial condition and results of operations.

The trend by a number of our customers to move manufacturing operations and expand their businesses in faster growing and lower labor-cost markets may have an adverse impact on our business, financial condition and results of operations. These territories may be farther from our manufacturing plants, and there is a risk that these customers will source their energy storage products from competitors located in those territories and will cease or reduce the purchase of products from us. We cannot assure you that we will be able to compete effectively with our competitors located in those territories, whether by establishing or expanding our manufacturing operations in those territories or acquiring existing manufacturers in those territories.

Quality problems with our products could harm our reputation and erode our competitive position.

The success of our business depends upon the quality of our products and our relationships with customers. In the event that our products fail to meet our customers' standards, our reputation could be harmed. This could result in the loss of customers, a decrease in revenue and a loss of market share. We cannot assure you that our customers will not experience quality problems with our products. Warranty, recall or product liability claims could also materially adversely affect our business and reputation. In our business, we are exposed to warranty and product liability claims. In addition, we may be required to participate in the recall of a product. If we fail to meet customer specifications for their products, we may be subject to product quality costs and claims, as well as adverse reputational impacts. A successful warranty or product liability claim against us, or a requirement that we participate in a product recall, could have a material adverse effect on our business, financial condition and results of operations.

We offer our products under the Voyager brand name, the protection of which is important to our reputation for quality in the consumer marketplace.

We rely upon a combination of trademark, licensing and contractual covenants to establish and protect the brand name of our products. We have registered many of our trademarks in the U.S. Patent and Trademark Office and in other countries. In many market segments, our reputation is closely related to our brand names. Monitoring unauthorized use of our brand names is difficult, and we cannot assure you that the steps we have taken will prevent the unauthorized use of our brand names, particularly in foreign countries where the laws may not protect our proprietary rights as fully as in the U.S. We cannot assure you that our brand names will not be misappropriated or utilized without our consent. In the event of any such actions, our reputation and our business, financial condition and results of operations may be materially adversely affected.

Our growth strategy depends on our ability to continue to expand our market presence through acquisitions, and our business could be materially adversely affected if we are unable to identify suitable acquisition candidates, complete any proposed acquisitions or successfully integrate the businesses we acquire.

As part of our growth strategy, we depend on acquisitions of other product lines, technologies or facilities that complement or expand our existing business. Acquisitions involve numerous risks, including:

- inability to overcome significant competition for acquisition targets in the stored energy industry;
- inability to identify suitable acquisition candidates or negotiate attractive terms;
- difficulty obtaining the financing necessary to complete transactions we pursue;
- failure to identify all material issues through a customary due diligence investigation, and that material issues will arise later;
- difficulties in the assimilation of the operations, systems, controls, technologies, personnel, services and products of the acquired business;
- potential loss of key employees, customers, suppliers and distributors of the acquired business;
- diversion of our management's attention from other business concerns;
- incurrence of additional debt or adverse tax and accounting consequences in connection with any acquisitions;
- failure to successfully integrate the acquired businesses in a timely manner, or at all;
- incurrence of significant unanticipated expenses associated with integration activities; and
- anticipated benefits of an acquisition not being realized fully or at all, or taking longer to realize than we expect.

The materialization of any of the foregoing risks could impair our ability to successfully execute our acquisition growth strategy, which could have a material adverse effect on our business.

If our electronic data is compromised, our business could be materially adversely affected.

We and our business partners maintain significant amounts of data electronically in locations around the world. This data relates to all aspects of our business, including current products and services and future products and services under development. This data also contains certain customer, supplier, partner and employee information. We maintain systems and processes designed to protect this data. However, notwithstanding such protective measures, there is a risk of intrusion, cyberattacks, tampering, theft, misplaced or lost data, programming or human errors that could compromise the integrity and privacy of this data, improper use of our systems, software solutions or networks, power outages, hardware failures, computer viruses, failure of critical computer systems, unauthorized access, use, disclosure, modification or destruction of information, defective products, production downtimes and operational disruptions, which in turn could adversely affect our business, financial condition and results of operations.

We provide confidential and proprietary information to our third-party business partners in certain cases where doing so is necessary to conduct our business. While we obtain assurances from those parties that they have systems and processes in place to protect such data and, where applicable, that they will take steps to assure the protections of such data by third parties, those partners may be subject to the same risks as we are.

In particular, we and our third-party business partners experience cybersecurity incidents of varying degrees from time-to-time, including ransomware and phishing attacks as well as distributed denial of service attacks and the theft of data. Cyber threats are constantly evolving, are becoming more sophisticated and are being made by groups and individuals with a wide range of expertise and motives, and this increases the difficulty of detecting and successfully defending against them.

Any compromise of the confidential data of our customers, suppliers, partners, employees or ourselves, or failure to prevent or mitigate the loss of or damage to this data through breach of our information technology systems or other means could substantially disrupt our operations, harm our customers, employees and other business partners, damage our reputation, violate applicable laws and regulations, subject us to potentially significant costs and liabilities and result in a loss of business that could be material.

If we cannot keep pace with rapid developments in technology, the use of our products and services and, consequently, our revenues could decline.

Our business continues to demand the use of sophisticated systems and technology. These systems and technologies must be refined, updated and replaced with more advanced systems on a regular basis in order for us to meet our customers' demands and expectations. We expect that new technologies applicable to our business will continue to emerge and may be superior to, or render obsolete, the technologies we currently use in our products and services. We cannot predict the effects of technological changes on our business, which technological developments or innovations will become widely adopted, and how those technologies may be regulated. Developing and incorporating new or updated systems and technologies into new and existing products and services may require significant investment, take considerable time and may not ultimately be successful. If we are unable to do so on a timely basis or within reasonable cost parameters, or if we are unable to appropriately and timely train our employees to operate any of these new systems or technologies, our business could be adversely affected. We also may not achieve the benefits that we anticipate from any new system or technology and a failure to do so could result in higher than anticipated costs and adversely affect our results of operations.

As we endeavor to expand our business, we will incur significant costs and expenses, which could outpace our cash reserves. Unfavorable conditions or disruptions in the capital and credit markets may adversely impact business conditions and the availability of credit.

We expect to incur additional costs and expenses in the future related to the continued development and expansion of our business, including in connection with expanding our manufacturing capabilities to significantly increase production capacity, developing our products, maintaining and enhancing our research and development operations, expanding our sales, marketing, and business development activities, and growing our project management, field services and overall operational capabilities for delivering projects. We do not know whether we will be able to reduce our manufacturing cost and grow our revenue rapidly enough to absorb these costs or the extent of these expenses or their impact on our results of operations.

Disruptions in the global capital and credit markets as a result of an economic downturn, economic uncertainty, changing or increased regulation, or failures of significant financial institutions could adversely affect our customers' ability to access capital and could adversely affect our access to liquidity needed for business in the future. Our business could be hurt if we are unable to obtain additional capital as required, resulting in a decrease in our revenues and profitability.

Work stoppages or similar difficulties could significantly disrupt our operations, reduce our revenues and materially adversely affect our business.

A work stoppage at one or more of our facilities, whether caused by fire, flooding, epidemics, pandemics, military hostilities, government-imposed shutdowns, severe weather, including that caused by climate change, other natural disaster or otherwise, could have a material adverse effect on our business, financial condition and results of operations. In addition, some of our employees are represented by labor unions or works councils under collective bargaining agreements with varying durations and terms. Although we believe that our relations with our employees are strong, if our unionized workers were to engage in a strike, work stoppage or other slowdown in the future, we could experience a significant disruption of our operations. No assurances can be made that we will not experience work stoppages due to government directives, employee health concerns, and other types of conflicts with labor unions, works councils, and other similar groups in the future.

A work stoppage at one or more of our suppliers could also materially and adversely affect our business if an alternative source of supply is not readily available. In addition, if one or more of our customers were to experience a work stoppage, that customer could cease or limit purchases of our products, which could have a material adverse effect on our business, financial condition and results of operations. In addition, the credit and default risk or bankruptcy of customers or suppliers as a result of work stoppages could likewise materially and adversely affect our business, financial condition and results of operations.

If we fail to manage our recent and future growth effectively, we may be unable to execute our business plan, maintain high levels of customer service, or adequately address competitive challenges.

We have experienced significant growth in recent periods and intend to continue to expand our business significantly within existing and new markets. This growth has placed, and any future growth may place, a significant strain on our management, operational and financial infrastructure. We will be required to expand, train and manage our growing employee base and scale and otherwise improve our IT infrastructure in tandem with that headcount growth. Our management will also be required to maintain and expand our relationships with customers, suppliers and other third parties and attract new customers and suppliers, as well as manage multiple geographic locations.

Our current and planned operations, personnel, customer support, IT, information systems and other systems and procedures might be inadequate to support future growth and may require us to make additional unanticipated investments in its infrastructure. Our success and ability to further scale our business will depend, in part, on our ability to manage these changes in a cost-effective and efficient manner. If we cannot manage our growth, we may be unable to take advantage of market opportunities, execute our business strategies, or respond to competitive pressures. This could also result in declines in quality or customer satisfaction, increased costs, difficulties in introducing new offerings, or other operational difficulties. Any failure to effectively manage growth could adversely impact our business and reputation.

Our customer relationships, business, financial results, and reputation may be adversely impacted due to events and incidents relating to storage, delivery, installation, operation, maintenance, and shutdowns of our energy storage solutions.

Our customer relationships, business, financial results, and reputation may be adversely impacted due to events and incidents relating to storage, delivery, installation, operation, and shutdowns of our energy storage solutions, including events and incidents outside of our control. We are subject to various risks as a result of the size, weight, technology, and sophisticated nature of our energy storage solutions, including exposure to production, delivery, supply chain, inventory, installation, and maintenance issues. Such issues may, and from time to time have, result in financial losses, including losses resulting from our failure to deliver or install our energy storage solutions on a contractually agreed timeframe, or losses resulting from agreed warranty or indemnity terms. Furthermore, issues and incidents involving our customers or their facilities at which our energy storage solutions are located, including damage from fires, whether or not attributable to our energy storage solutions, has had and may in the future have an adverse effect on our reputation and customer relationships and has and may in the future lead to litigation. Any of these developments could have a material adverse effect on our business, financial condition, and results of operations.

Risks Related to Our Financial Resources and Capital Needs

Any acquisitions that involve the issuance of our equity securities may dilute our stockholder ownership interests, reduce the market price of our stock, or both, and as a result our business, financial condition and results of operations could be adversely affected.

Future acquisitions may involve the issuance of our equity securities as payment, in part or in full, for the businesses or assets acquired. Any future issuances of equity securities may dilute our stockholders' proportionate ownership interests in Nomad. In addition, the benefits derived by us from an acquisition might not outweigh or exceed the dilutive effect of any issuance of equity securities in connection with the acquisition. We cannot predict or estimate the amount or timing of any future acquisitions or related issuances of equity securities. Our stockholders bear the risk of any such future offerings reducing the market price of our stock and diluting their proportionate ownership interests in Nomad.

There is substantial doubt about our ability to continue as a going concern.

The Company has no significant recurring source of revenue and has used cash in operating activities since inception. As a result, management has concluded, and our independent registered public accounting firm has agreed with our conclusion, that there is substantial doubt regarding the Company's ability to continue as a going concern for a period of at least 12 months beyond the filing of this Current Report on Form 8-K. As a result, the report of our independent registered public accounting firm on our financial statements for the year ended December 31, 2025, includes an explanatory paragraph regarding the existence of substantial doubt about our ability to continue as a going concern.

We need significant additional financing to fund our operations and complete the development and commercialization of our Voyager product and new product offerings. If we are unable to raise capital when needed, we could be forced to delay, reduce or eliminate our product development programs or commercialization efforts.

We expect that our existing cash resources and customer revenues will provide sufficient working capital resources to fund our operations, including the development of Voyager and LFP battery platform, through December 31, 2026. The Company estimates that it will need to raise additional capital to fund its operations by December 31, 2026, to be able to proactively manage its current business plan during 2027. In addition, our operating plan might change as a result of many factors currently unknown to us, including possible additional company acquisitions, production capacity, raw material costs, advanced systems and technology, and we might need additional funds sooner than planned. The Company is considering various strategies and alternatives to obtain the required additional capital.

We expect to expend substantial resources for the foreseeable future to continue the development of Voyager, LFP battery platform and new product offerings. These expenditures will include costs associated with product development, supply chain, marketing, increased payroll, obtaining regulatory approvals and manufacturing of products.

Budgets and future capital requirements depend on many factors, including:

- our operating expenses
- costs of raw materials.
- supply shortages
- production capacity
- enhancing research and development
- third parties' failure to meet contractual commitments
- economic downturn

Additional funds might not be available when we need them on terms that are acceptable to us, or at all. We have no committed source of additional capital. If adequate funds are not available to us on a timely basis, we might not be able to continue as a going concern or we might be required to delay, limit, reduce, or terminate our establishment of sales and marketing capabilities or other activities that may be necessary to commercialize our lead product candidate and new product offerings.