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

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2026

OR

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

For the transition period from to

Commission File Number 001-37900

Everspin Technologies, Inc.
(Exact name of Registrant as specified in its Charter)

Delaware	**26-2640654**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

5670 W. Chandler Boulevard, Suite 130
Chandler, Arizona 85226
(Address of principal executive offices including zip code)

Registrant's telephone number, including area code: (480) 347-1111

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	MRAM	The Nasdaq Stock Market LLC

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

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

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

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

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

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

The number of shares of the Registrant's Common Stock outstanding as of November 11, 2026, was 24,534,193.

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In this Quarterly Report on Form 10-Q, "we," "our," "us," "Everspin Technologies," "Everspin," and the "Company" refer to Everspin Technologies, Inc. The Everspin logo and other trade names, trademarks or service marks of Everspin Technologies are the property of Everspin Technologies, Inc. This report contains references to our trademarks and to trademarks belonging to other entities. Trade names, trademarks and service marks of other companies appearing in this report are the property of their respective holders. We do not intend our use or display of other companies' trade names or trademarks to imply a relationship with, or endorsement or sponsorship of us by, any other companies.

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements

EVERSPIN TECHNOLOGIES, INC.
Condensed Balance Sheets
(In thousands, except share and per share amounts)
(Unaudited)

	September 30, 2026	December 31, 2025
Assets		
Current assets:		
Cash and cash equivalents	$ 43,042	$ 44,450
Accounts receivable, net	11,066	8,101
Inventory	13,959	10,734
Prepaid expenses and other current assets	1,721	1,877
Total current assets	69,788	65,162
Property and equipment, net	15,503	14,140
Intangible assets, net	458	1,714
Right-of-use assets	2,416	3,251
Other assets	1,960	342
Total assets	$ 90,125	$ 84,609
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 9,914	$ 5,180
Accrued liabilities	9,311	3,651
Lease liabilities, current portion	1,427	1,381
Contract obligations	—	1,472
Software liabilities, current portion	449	1,769
Total current liabilities	21,101	13,453
Lease liabilities, net of current portion	1,063	1,956
Software liabilities, net of current portion	17	15
Long-term income tax liability	276	268
Total liabilities	$ 22,457	$ 15,692
Commitments and contingencies (Note 5)		
Stockholders' equity:		
Preferred stock, $0.0001 par value per share; 5,000,000 shares authorized; no shares issued and outstanding as of September 30, 2026 and December 31, 2025	—	—
Common stock, $0.0001 par value per share; 100,000,000 shares authorized; 24,418,092 and 22,977,797 shares issued and outstanding as of September 30, 2026 and December 31, 2025, respectively	2	2
Additional paid-in capital	216,183	206,370
Accumulated deficit	(148,517)	(137,455)
Total stockholders' equity	67,668	68,917
Total liabilities and stockholders' equity	$ 90,125	$ 84,609

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

EVERSPIN TECHNOLOGIES, INC.
Condensed Statements of Operations and Comprehensive (Loss) Income
(In thousands, except share and per share amounts)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Product sales	$ 16,945	$ 12,690	$ 46,358	$ 34,807
Licensing, royalty, engineering services and other revenue	3,703	1,370	7,898	5,592
Total revenue	20,648	14,060	54,256	40,399
Cost of product sales	9,622	6,628	24,873	18,823
Cost of licensing, royalty, engineering services and other revenue	417	226	834	849
Total cost of sales	10,039	6,854	25,707	19,672
Gross profit	10,609	7,206	28,549	20,727
Operating expenses:				
Research and development	3,553	3,583	11,996	10,519
General and administrative	13,029	3,690	25,917	11,170
Sales and marketing	1,956	1,478	5,664	4,476
Total operating expenses	18,538	8,751	43,577	26,165
Loss from operations	(7,929)	(1,545)	(15,028)	(5,438)
Interest income	351	432	984	1,263
Other income, net	413	1,164	2,997	2,394
Net (loss) income before income taxes	(7,165)	51	(11,047)	(1,781)
Income tax (expense) benefit	(10)	3	(13)	(1)
Net (loss) income and comprehensive (loss) income	$ (7,175)	$ 54	$ (11,060)	$ (1,782)
Net (loss) income per common share:				
Basic	$ (0.29)	$ 0.00	$ (0.46)	$ (0.08)
Diluted	$ (0.29)	$ 0.00	$ (0.46)	$ (0.08)
Weighted average shares of common stock outstanding:				
Basic	24,365,922	22,669,872	23,799,950	22,456,079
Diluted	24,365,922	23,147,119	23,799,950	22,456,079

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

EVERSPIN TECHNOLOGIES, INC.
Condensed Statements of Stockholders' Equity
(In thousands, except share and per share amounts)
(Unaudited)

	Nine Months Ended September 30, 2026				
	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount			
Balance at December 31, 2025	22,977,797	$ 2	$ 206,370	$ (137,455)	$ 68,917
Exercise of stock options	57,027	—	326	—	326
Issuance of common stock under stock incentive plans	286,154	—	—	—	—
Stock-based compensation expense	—	—	1,300	—	1,300
Other	—	—	—	(2)	(2)
Net loss	—	—	—	(296)	(296)
Balance at March 31, 2026	23,320,978	$ 2	$ 207,996	$ (137,753)	$ 70,245
Exercise of stock options	763,131	—	4,787	—	4,787
Issuance of common stock under stock incentive plans	187,329	—	290	—	290
Stock-based compensation expense	—	—	1,374	—	1,374
Net loss	—	—	—	(3,589)	(3,589)
Balance at June 30, 2026	24,271,438	$ 2	$ 214,447	$ (141,342)	$ 73,107
Exercise of stock options	29,692	—	205	—	205
Issuance of common stock under stock incentive plans	116,962	—	—	—	—
Stock-based compensation expense	—	—	1,531	—	1,531
Net loss	—	—	—	(7,175)	(7,175)
Balance at September 30, 2026	24,418,092	$ 2	$ 216,183	$ (148,517)	$ 67,668

	Nine Months Ended September 30, 2025				
	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount			
Balance at December 31, 2024	22,059,697	$ 2	$ 199,460	$ (136,869)	$ 62,593
Exercise of stock options	10,620	—	29	—	29
Issuance of common stock under stock incentive plans	281,828	—	—	—	—
Stock-based compensation expense	—	—	1,577	—	1,577
Net loss	—	—	—	(1,166)	(1,166)
Balance at March 31, 2025	22,352,145	$ 2	$ 201,066	$ (138,035)	$ 63,033
Exercise of stock options	12,733	—	39	—	39
Issuance of common stock under stock incentive plans	205,713	—	254	—	254
Stock-based compensation expense	—	—	1,419	—	1,419
Net loss	—	—	—	(670)	(670)
Balance at June 30, 2025	22,570,591	$ 2	$ 202,778	$ (138,705)	$ 64,075
Exercise of stock options	59,470	—	285	—	285
Issuance of common stock under stock incentive plans	126,718	—	—	—	—
Stock-based compensation expense	—	—	1,407	—	1,407
Net income	—	—	—	54	54
Balance at September 30, 2025	22,756,779	$ 2	$ 204,470	$ (138,651)	$ 65,821

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

EVERSPIN TECHNOLOGIES, INC.
Condensed Statements of Cash Flows
(In thousands)
(Unaudited)

	Nine Months Ended September 30,	
	2026	**2025**
Cash flows from operating activities		
Net loss	$ (11,060)	$ (1,782)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	2,119	2,561
Gain on sale of property and equipment	—	(25)
Stock-based compensation	4,205	4,403
Changes in operating assets and liabilities:		
Accounts receivable	(2,966)	3,034
Inventory	(3,225)	(2,709)
Prepaid expenses and other current assets	156	398
Other assets	(450)	(17)
Accounts payable	8,234	(590)
Accrued liabilities	6,006	532
Deferred revenue	—	887
Contract obligations	(1,472)	489
Lease liabilities, net	37	44
Long-term income tax liability	8	111
Net cash provided by operating activities	1,592	7,336
Cash flows from investing activities		
Purchases of property and equipment	(7,059)	(3,239)
Purchases of intangible assets	(1,500)	(1,494)
Net cash used in investing activities	(8,559)	(4,733)
Cash flows from financing activities		
Payments on finance leases	(49)	(50)
Proceeds from exercise of stock options and purchase of shares in employee stock purchase plan	5,608	607
Net cash provided by financing activities	5,559	557
Net (decrease) increase in cash and cash equivalents	(1,408)	3,160
Cash and cash equivalents at beginning of period	44,450	42,097
Cash and cash equivalents at end of period	$ 43,042	$ 45,257
Supplementary cash flow information:		
Cash paid for taxes	$ 31	$ 38
Operating cash flows paid for operating leases	$ 1,073	$ 1,061
Financing cash flows paid for finance leases	$ 49	$ 50
Non-cash investing and financing activities:		
Right-of-use assets obtained in exchange for operating lease liabilities	$ 175	$ —
Purchases of property and equipment in accounts payable and accrued liabilities	$ 136	$ 302

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

EVERSPIN TECHNOLOGIES, INC.
Notes to Unaudited Condensed Financial Statements

1. Organization and Nature of Business

Everspin Technologies, Inc. ("we", "our", "us", "Everspin Technologies", "Everspin", or the "Company") was incorporated in Delaware on May 16, 2008. The Company's magnetoresistive random access memory (MRAM) solutions offer the persistence of non-volatile memory with the speed and endurance of random access memory and enable the protection of mission critical data particularly in the event of power interruption or failure. The Company's MRAM solutions allow its customers in key markets, such as industrial, medical, automotive/transportation, aerospace, military and defense, and data center, to design high performance, power-efficient and reliable systems without the need for bulky batteries or capacitors.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying unaudited condensed financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America (GAAP) and applicable rules and regulations of the Securities and Exchange Commission (SEC) regarding interim financial reporting. As permitted under those rules, certain footnotes or other financial information that are normally required by GAAP have been condensed or omitted, and accordingly the balance sheet as of December 31, 2025, has been derived from the audited financial statements at that date but does not include all of the information required by GAAP for complete financial statements. These unaudited interim condensed financial statements have been prepared on the same basis as the Company's annual financial statements and, in the opinion of management, reflect all adjustments (consisting only of normal recurring adjustments) that are necessary for a fair statement of the Company's financial information. The results of operations for the three and nine months ended September 30, 2026, are not necessarily indicative of the results to be expected for the year ending December 31, 2026 or for any other interim period or for any other future year.

The accompanying condensed financial statements and related financial information should be read in conjunction with the audited financial statements and the related notes thereto for the year ended December 31, 2025, included in the Company's Annual Report on Form 10-K filed with the SEC.

Use of Estimates

The preparation of the condensed financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the condensed financial statements and the reported amounts of revenues and expenses during the reporting period. On an ongoing basis, management evaluates its estimates, including those related to revenue recognition, fair value of assets and liabilities, inventory net realizable value, deferred tax assets and related valuation allowances, and stock-based compensation. The Company believes its estimates and assumptions are reasonable; however, actual results may differ from the Company's estimates.

Segment Information

The Company's MRAM technology solutions are sold as products and services through MRAM-based products, licenses and royalties of MRAM and magnetic sensor technology and backend foundry and design services. The Company identifies and manages the business activities in one reportable segment. The Company's Chief Executive Officer is the Chief Operating Decision Maker (CODM). The CODM utilizes the Company's long-range plan, which includes product development roadmaps and long-range financial models, as a key input to resource allocation. The CODM makes decisions on resource allocation, assesses performance of the business, and monitors budget versus actual results using net income (loss). Significant segment expenses within net income are those separately presented on the Company's statements of operations and comprehensive loss, which include cost of sales, research and development, general and administrative, and sales and marketing expenses.

Cash and Cash Equivalents

The Company considers all highly liquid, short-term investments with maturity dates of 90 days or less at the date of purchase to be cash equivalents. The Company's cash equivalents consist solely of money market funds.

Accounts Receivable, Net

The Company establishes an allowance for product returns. The Company analyzes historical returns, current economic trends and changes in customer demand and acceptance of products when evaluating the adequacy of sales returns. Returns are processed as credits on future purchases and, as a result, the allowance is recorded against the balance of trade accounts receivable. In addition, the Company, from time to time, may establish an allowance for estimated price adjustments related to its distributor agreements. The Company estimates credits to distributors based on the historical rate of credits provided to distributors relative to sales and evaluation of current market conditions.

Accounts receivable, net consisted of the following (in thousands):

	September 30, 2026	December 31, 2025
Trade accounts receivable	$ 11,170	$ 8,231
Unbilled accounts receivable	109	179
Allowance for product returns and price adjustments	(213)	(309)
Accounts receivable, net	$ 11,066	$ 8,101

Concentration of Credit Risk

Financial instruments that potentially expose the Company to a concentration of credit risk consist principally of cash and cash equivalents that are held by a financial institution in the United States and accounts receivable. Amounts on deposit with a financial institution may at times exceed federally insured limits.

Significant customers are those which represent more than 10% of the Company's total revenue or net accounts receivable balance at each respective balance sheet date. For the purposes of this disclosure, the Company defines "customer" as the entity that is purchasing the products or licenses directly from the Company, which includes the distributors of the Company's products in addition to end customers that the Company sells to directly. For each significant customer, revenue as a percentage of total revenue and accounts receivable as a percentage of total accounts receivable, net are as follows:

	Revenue				Accounts Receivable	
	Three Months Ended September 30,		Nine Months Ended September 30,			
Customers	2026	2025	2026	2025	September 30, 2026	December 31, 2025
Customer A	*	*	*	11 %	*	*
Customer B	12 %	*	11 %	*	13 %	*
Customer C	16 %	*	12 %	*	*	*
Customer D	23 %	34 %	24 %	22 %	40 %	57 %

* Less than 10%

Fair Value of Financial Instruments

Fair value is defined as an exit price, representing the amount that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants. The framework for measuring fair value provides a three-tier hierarchy prioritizing inputs to valuation techniques used in measuring fair value as follows:

Level 1— Observable inputs such as quoted prices for identical assets or liabilities in active markets;

Level 2— Inputs, other than quoted prices for identical assets or liabilities in active markets, which are observable either directly or indirectly; and

Level 3— Unobservable inputs in which there is little or no market data requiring the reporting entity to develop its own assumptions.

The carrying value of accounts receivable, accounts payable, and other accruals readily convertible into cash approximate fair value because of the short-term nature of the instruments.

Recently Adopted Accounting Pronouncements

The Company adopted Accounting Standards Update (ASU) 2025-05, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets*, which provides a practical expedient that all entities can use when estimating expected credit losses for current accounts receivable and current contract assets arising from transactions accounted for under Accounting Standards Codification (ASC) Topic 606. Under this practical expedient, an entity is allowed to assume that the current conditions it has applied in determining credit loss allowances for current accounts receivable and current contract assets remain unchanged for the remaining life of those assets. The guidance is effective for fiscal years beginning after December 15, 2025, and interim reporting periods within fiscal years beginning after December 15, 2025.

The Company adopted ASU 2025-05 effective January 1, 2026, on a prospective basis. The adoption of ASU 2025-05 did not have a significant impact on the financial statements and related disclosures.

Recently Issued Accounting Pronouncements Under Evaluation

In November 2024, the Financial Accounting Standards Board (FASB) issued ASU 2024-03, *Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Topic 220): Disaggregation of Income Statement Expenses*, which requires additional disclosure of certain amounts included in the expense captions presented on the statement of operations, as well as disclosures about selling expenses. ASU 2024-03 is effective for the Company's annual reporting periods beginning after December 15, 2026 and interim reporting periods beginning after December 15, 2027, on a prospective basis, with the option for retrospective application. Early adoption is permitted for annual financial statements that have not yet been issued. The Company is currently evaluating the impact that the standard will have on its financial statements and related disclosures.

In September 2025, the FASB issued ASU No. 2025-06, *Intangibles – Goodwill and Other – Internal-Use Software (Topic 350): Targeted Improvements to the Accounting for Internal-Use Software*, which updates guidance for recognizing software development costs to better align the accounting with how software is developed. The update removes references to development stages, introduces a probable completion threshold, and incorporates website development costs into the internal-use software framework under ASC Topic 350. ASU 2025-06 is effective for annual reporting periods beginning after December 15, 2027, and interim reporting periods within those fiscal years, on a prospective basis, with the option for retrospective application. Early adoption is permitted for annual financial statements that have not yet been issued. The Company is currently evaluating the impact that the standard will have on its financial statements and related disclosures.

In December 2025, the FASB issued ASU No. 2025-11, *Interim Reporting (Topic 270) Narrow-Scope Improvements*, which clarifies interim disclosure requirements and the applicability of Topic 270. The objective of the update is to provide clarity about current interim requirements. The amendments in this update also include a disclosure principle that requires entities to disclose events since the end of the last annual reporting period that have a material impact on the entity. The amendments in ASU 2025-11 are effective for interim periods within annual reporting periods beginning after December 15, 2027. Early adoption is permitted for annual financial statements that have not yet been issued. The Company is currently evaluating the impact that the standard will have on its financial statements and related disclosures.

In December 2025, the FASB issued ASU No. 2025-12, *Codification Improvements*, which addresses suggestions received from stakeholders regarding the Accounting Standards Codification and makes other incremental improvements to GAAP. The update represents changes to the Codification that clarify, correct errors in or make other improvements to a variety of topics that are intended to make it easier to understand and apply. ASU 2025-12 is effective for fiscal years beginning after December 15, 2026 and interim periods within those fiscal years. The amendments to ASC 260 must be applied retrospectively, while all other amendments may be applied prospectively or retrospectively. Early adoption is

permitted for annual financial statements that have not yet been issued. The Company is currently evaluating the impact that the standard will have on its financial statements and related disclosures.

The Company reviewed all other recently issued accounting pronouncements and concluded that they were either not applicable or not expected to have a significant impact on the financial statements and related disclosures.

3. Statements of Operations and Comprehensive Income (Loss) Components

Revenue

The Company sells products to its distributors, original equipment manufacturers, original design manufacturers and contract manufacturers. The Company also recognizes revenue under licensing, engineering services and royalty agreements with some customers.

The following table presents the Company's revenues disaggregated by sales channel (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Distributor	$ 16,626	$ 12,094	$ 44,738	$ 28,743
Non-distributor	4,022	1,966	9,518	11,656
Total revenue	$ 20,648	$ 14,060	$ 54,256	$ 40,399

The following table presents the Company's revenues disaggregated by timing of recognition (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Point in time	$ 17,105	$ 12,833	$ 46,798	$ 35,407
Over time	3,543	1,227	7,458	4,992
Total revenue	$ 20,648	$ 14,060	$ 54,256	$ 40,399

The following table presents the Company's revenues disaggregated by type (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Product sales	$ 16,945	$ 12,690	$ 46,358	$ 34,807
Licensing	15	9	15	1,163
Royalties	160	143	440	600
Engineering services and other revenue	3,528	1,218	7,443	3,829
Total revenue	$ 20,648	$ 14,060	$ 54,256	$ 40,399

The Company licenses its intellectual property and is entitled to consideration based on the customer's sales. The Company makes estimates in instances when the customer reports sales on a lagged basis and actual information is not available in real time. The estimates are based on historical trends in the customer's activity and current market conditions. The amounts are reported in licensing, royalty, engineering services and other revenue in the statements of operations and comprehensive loss.

The Company recognizes revenue in three primary geographic regions: Asia-Pacific (APAC); North America; and Europe, Middle East and Africa (EMEA). The Company recognizes revenue by geography based on the region in which its

products are sold, and not where the end products in which they are assembled are shipped. Revenue by region for the periods indicated was as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
APAC	$ 12,759	$ 8,571	$ 32,819	$ 24,412
North America	5,246	2,497	13,350	7,906
EMEA	2,643	2,992	8,087	8,081
Total revenue	$ 20,648	$ 14,060	$ 54,256	$ 40,399

Other Income, Net

On August 14, 2024, the Company received a strategic award to develop a long-term plan to provide manufacturing services for military and defense segments (the Award). Under the Award, the Company will provide a plan to mitigate risks to its MRAM manufacturing supply chain. Pursuant to the Award, the Company may receive cash payments upon the achievement of certain technical tasks and deliverables. The Award allows for milestones totaling up to approximately $14.6 million for the Company over a span of 2.5 years.

The Award is not in the ordinary course of the Company's business and hence not a contract with a customer. The Company has applied the revenue recognition principles under Accounting Standards Codification 606 by analogy.

During the three and nine months ended September 30, 2026, the Company recognized $0.5 million and $3.1 million of other income related to the Award, respectively, based on progress toward completion. Income recognition is based on an input method that measures costs incurred to date relative to total estimated costs over the term of the Award. The Company did not bill any amounts related to the Award during the three months ended September 30, 2026, and billed $1.5 million during the nine months ended September 30, 2026.

4. Balance Sheet Components

Inventory

Inventory consisted of the following (in thousands):

	September 30, 2026	December 31, 2025
Raw materials	$ 519	$ 323
Work-in-process	11,401	9,269
Finished goods	2,039	1,142
Total inventory	$ 13,959	$ 10,734

Property and Equipment, Net

Property and equipment, net consisted of the following (in thousands):

	September 30, 2026	December 31, 2025
Manufacturing equipment	$ 15,449	$ 15,070
Computer and network equipment	668	731
Furniture and fixtures	180	113
Construction in progress	12,583	11,131
Leasehold improvements	1,490	1,476
Total property and equipment, gross	30,370	28,521
Less: accumulated depreciation	(14,867)	(14,381)
Total property and equipment, net	$ 15,503	$ 14,140

For the three months ended September 30, 2026 and 2025, the depreciation expense was $0.3 million and $0.4 million, respectively. For the nine months ended September 30, 2026 and 2025, depreciation expense was $0.8 million and $1.1 million, respectively.

Intangible Assets, Net

The gross carrying amounts and accumulated amortization of intangible assets are as follows at the dates indicated (in thousands):

	September 30, 2026			
	Weighted-Average Life (in years)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Internal-use software	0.4	$ 4,535	$ (4,077)	$ 458
Total intangible assets		$ 4,535	$ (4,077)	$ 458

	December 31, 2025			
	Weighted-Average Life (in years)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Internal-use software	1.0	$ 4,456	$ (2,742)	$ 1,714
Total intangible assets		$ 4,456	$ (2,742)	$ 1,714

For the three months ended September 30, 2026 and 2025, the amortization expense for the intangible assets was $0.4 million and $0.4 million, respectively. For the nine months ended September 30, 2026 and 2025, the amortization expense for the intangible assets was $1.3 million and $1.3 million, respectively.

Accrued Liabilities

Accrued liabilities consisted of the following (in thousands):

	September 30, 2026	December 31, 2025
Payroll-related expenses	$ 3,576	$ 2,481
Legal fees	2,124	185
Regulatory provision	2,715	—
Inventory	626	425
Other	270	560
Total accrued liabilities	$ 9,311	$ 3,651

Deferred Revenue

During the three and nine months ended September 30, 2026, the Company executed one and three engineering services agreements with one and two customers, respectively. The total consideration of the three arrangements is $41.4 million. The Company is recognizing revenue related to the performance obligations over time using the input method based on costs incurred to date relative to the total expected costs of the contract and began recognizing revenue in the three and nine months ended September 30, 2026, respectively.

As of September 30, 2026, the Company has billed $6.5 million for the performance under the agreements. Under the input method of recognition, the Company has recognized $6.8 million in revenue for nine months ended September 30, 2026. As a result, the Company does not have any deferred revenue as of September 30, 2026. The Company expects to recognize the remaining $34.6 million of the total consideration as services are performed throughout the contractual period. The Company expects to complete the related performance obligations in the years ended December 31, 2027, and 2028, respectively.

5. Commitments and Contingencies

Leases

Operating leases consist of fabrication, lab, and office space expiring at various dates through 2029. Finance leases relate to a server lease expiring in February 2029. The Company's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

The undiscounted future non-cancellable lease payments under the Company's operating and finance leases were as follows (in thousands):

As of September 30, 2026	Amount
Remainder of 2026	$ 374
2027	1,513
2028	658
2029	48
Total lease payments	2,593
Less: imputed interest	(103)
Total lease liabilities	2,490
Less: current portion of lease liabilities	(1,427)
Total lease liabilities, net of current portion	$ 1,063

Other information related to the Company's operating lease liabilities was as follows:

	September 30, 2026	December 31, 2025
Weighted-average remaining lease term (years)	1.79	2.44
Weighted-average discount rate	4.77 %	4.50 %

Other information related to the Company's finance lease liabilities was as follows:

	September 30, 2026	December 31, 2025
Weighted-average remaining lease term (years)	2.42	3.16
Weighted-average discount rate	3.90 %	3.90 %

Legal Proceedings

From time to time, the Company may become involved in legal proceedings arising from the ordinary course of its business. Other than the patent infringement lawsuit and the regulatory provision disclosed below, management is currently not aware of any matters that would have a material adverse effect on the financial position, results of operations or cash flows of the Company.

Patent Infringement Lawsuit

On January 28, 2026, Avalanche Technology, Inc. filed a patent infringement lawsuit against the Company in the United States District Court for the District of Delaware, alleging infringement of certain patents. Avalanche Technology, Inc. also filed a complaint with the U.S. International Trade Commission seeking the institution of an investigation under Section 337 of the Tariff Act of 1930, as amended. The Company has retained a dedicated legal team and is vigorously defending itself against such claims. As of September 30, 2026, the Company has not recorded an accrual related to these matters because it currently estimates that while possible, a loss is not probable. Further, any possible range of loss cannot reasonably be estimated at this time.

Regulatory Provision

In April 2025, the Company submitted a voluntary self-disclosure to the Department of Commerce's Bureau of Industry and Security ("BIS") relating to certain historical sales by the Company's distributors that resulted in apparent violations of U.S. export control laws and regulations. The apparent violations in question involved sales of EAR99 memory devices through an Asian distributor to end-users in Russia, as well as sales of EAR99 memory devices through a separate distributor to restricted entities in China. In all cases, once the Company became aware of the transactions, all transactions with these entities were ceased. Since submitting its disclosure, the Company has cooperated fully with BIS relating to its investigation.

On August 6, 2026, BIS presented the Company with a proposed charging letter (the "PCL") indicating that BIS intended to initiate an enforcement proceeding relating to the matters identified in the voluntary self-disclosure. Subsequently, BIS shared proposed settlement terms, and Everspin and BIS have entered into settlement discussions where BIS is asserting a potential civil monetary penalty of approximately $11.2 million. The Company does not believe this amount is supported by the facts, applicable law, or BIS precedent, and has submitted responses to BIS disputing BIS's proposed penalty calculation. The Company proposed a settlement counteroffer of approximately $2.7 million.

We continue to seek to resolve this matter through an administrative settlement and negotiations are ongoing. In connection with these discussions, and consistent with its most recent settlement offer, the Company has recorded an accrual of approximately $2.7 million within general and administrative expenses and accrued liabilities on our Condensed Balance Sheet. It is reasonably possible that the ultimate resolution of the matter, including any fine that may ultimately be imposed, could differ from the amount currently accrued and be as high as approximately $11.2 million, an amount most recently proposed by BIS staff. The Company remains engaged in settlement discussions with BIS and intends to vigorously defend itself.

6. Stock-Based Compensation

Share-Based Compensation Expense

The following table presents the details of the Company's share-based compensation expense (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
General and administrative	$ 762	$ 678	$ 2,099	$ 2,083
Research and development	391	424	1,113	1,358
Sales and marketing	231	144	547	454
Cost of sales	147	161	446	508
Total stock-based compensation	$ 1,531	$ 1,407	$ 4,205	$ 4,403

Summary of Stock Option Activity

The following table summarizes the stock option activity for the nine months ended September 30, 2026:

	Options Outstanding			
	Number of Options	Weighted-Average Exercise Price Per Share	Weighted-Average Remaining Contractual Life (years)	Aggregate Intrinsic Value (In thousands)
Balance—December 31, 2025	1,365,002	$ 6.16	4.9	$ 4,303
Options granted	—			
Options exercised	(849,850)	$ 6.26		$ 18,801
Options cancelled/forfeited	(1,045)	$ 10.33		
Balance—September 30, 2026	514,107	$ 5.98	4.1	$ 6,405
Options exercisable—September 30, 2026	513,541	$ 5.98	4.1	$ 6,399

The total grant date fair value of options vested was $0.1 million and $0.2 million during the three months ended September 30, 2026 and 2025, respectively, and $0.1 million and $0.5 million during the nine months ended September 30, 2026 and 2025, respectively.

No options were granted during the three and nine months ended September 30, 2026 or 2025.

As of September 30, 2026, unrecognized compensation expense related to unvested options was not material and is expected to be recognized over a weighted-average period of 0.53 years. Stock-based compensation cost for options capitalized within inventory at September 30, 2026 and 2025 was not material.

2016 Employee Stock Purchase Plan

In January 2026, there was an increase of 229,777 shares reserved for issuance under the Company's Employee Stock Purchase Plan (ESPP) pursuant to the terms of the ESPP. The Company had 1,304,274 shares available for future issuance under the ESPP as of September 30, 2026. Employees did not purchase any shares during the three months ended September 30, 2026 and 2025. Employees purchased 67,049 shares for $290,000 during the nine months ended September 30, 2026. Employees purchased 61,181 shares for $254,000 during the nine months ended September 30, 2025.

Restricted Stock Units

The following table summarizes restricted stock units (RSUs) activity for the nine months ended September 30, 2026:

	RSUs Outstanding	
	Number of Restricted Stock Units	Weighted-Average Grant Date Fair Value Per Share
Balance—December 31, 2025	1,294,166	$ 6.63
Granted	958,890	$ 10.07
Vested	(523,396)	$ 7.65
Cancelled/forfeited	(19,992)	$ 11.49
Balance—September 30, 2026	1,709,668	$ 8.19

The fair value of RSUs is determined on the date of grant based on the market price of the Company's common stock on that date. As of September 30, 2026, there was $12.4 million of unrecognized stock-based compensation expense related to RSUs to be recognized over a weighted-average period of 2.7 years. Compensation cost capitalized within inventory was not material as of September 30, 2026 and 2025.

7. Significant Agreements

GLOBALFOUNDRIES Inc. Joint Development Agreement

Since October 17, 2014, the Company has participated in a joint development agreement (JDA) with GLOBALFOUNDRIES Inc. (GF), a semiconductor foundry, for the joint development of Spin-transfer Torque MRAM (STT-MRAM) technology to produce a family of discrete and embedded MRAM technologies. The term of the JDA is until the completion, termination, or expiration of the last statement of work entered into pursuant to the JDA. The agreement was extended on December 31, 2019 to include a new phase of support for 12nm MRAM development.

Under the current JDA extension terms, each party licenses its relevant intellectual property to the other party. For certain jointly developed works, the parties have agreed to follow an invention allocation procedure to determine ownership. In addition, GF possesses the exclusive right to manufacture the Company's discrete and embedded STT-MRAM devices developed pursuant to the JDA until the earlier of three years after the qualification of the MRAM device for a particular technology node or four years after the completion of the relevant statement of work under which the device was developed. For the same exclusivity period associated with the relevant device, GF agreed not to license intellectual property developed in connection with the JDA to named competitors of the Company.

If GF manufactures, sells, or transfers to customers wafers containing production qualified STT-MRAM devices that utilize certain design information, GF will be required to pay the Company a royalty.

8. Net (Loss) Income Per Common Share

Basic net (loss) income per common share is calculated by dividing the net (loss) income by the weighted-average number of shares of common stock outstanding for the period less shares subject to repurchase, without consideration of potentially dilutive securities. Diluted earnings per share is calculated using the treasury stock method by dividing net (loss) income by the total weighted average shares of common stock outstanding in addition to the potential impact of dilutive securities including restricted stock units and options. In periods with a net loss, potentially dilutive securities are excluded from the Company's calculation of earnings per share as their inclusion would have an antidilutive effect.

The following tables set forth the computation of basic and diluted net (loss) income per share attributable to common stockholders (in thousands, except share and per share amounts):

Basic and diluted EPS

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Numerator:				
Net (loss) income	$ (7,175)	$ 54	$ (11,060)	$ (1,782)
Net (loss) income attributable to common stockholders, diluted	$ (7,175)	$ 54	$ (11,060)	$ (1,782)
Denominator:				
Weighted-average shares of common stock outstanding, basic	24,365,922	22,669,872	23,799,950	22,456,079
Weighted-average shares of common stock outstanding, diluted	24,365,922	23,147,119	23,799,950	22,456,079
Net (loss) income per common share, basic	$ (0.29)	$ 0.00	$ (0.46)	$ (0.08)
Net (loss) income per common share, diluted	$ (0.29)	$ 0.00	$ (0.46)	$ (0.08)

Potentially dilutive securities representing 1.4 million and 0.9 million stock options and RSUs that were outstanding during the three months ended September 30, 2026, and 2025, respectively, and 1.6 million and 1.5 million stock options and RSUs outstanding during the nine months ended September 30, 2026 and 2025, respectively, were excluded from the computation of diluted earnings per common share during these periods as their inclusion would have an antidilutive effect.

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

You should read the following discussion and analysis of our financial condition and results of operations together with our condensed financial statements and related notes included in Part I, Item 1 of this report and with our audited financial statements and related notes thereto included as part of our Annual Report on Form 10-K for the year ended December 31, 2025.

Forward-Looking Statements

This discussion contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (Exchange Act). Forward-looking statements are identified by words such as "believe," "will," "may," "estimate," "continue," "anticipate," "intend," "should," "plan," "expect," "predict," "could," "potentially" or the negative of these terms or similar expressions. You should read these statements carefully because they discuss future expectations, contain projections of future results of operations or financial condition, or state other "forward-looking" information. These statements relate to, among other things, our industry, business, future plans, strategies, objectives, expectations, intentions and financial performance. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those anticipated in the forward-looking statements. Factors that might cause such a difference include, but are not limited to, those discussed in this report in Part II, Item 1A — "Risk Factors," and elsewhere in this report, as well as in our other filings with the Securities and Exchange Commission (SEC). Forward-looking statements are based on our management's beliefs and assumptions and on information currently available to our management. These statements, like all statements in this report, speak only as of their date, and we undertake no obligation to update or revise these statements in light of future developments. In addition, statements that "we believe" and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based on information available to us as of the date of this Quarterly Report on Form 10-Q. While we believe that information provides a reasonable basis for these statements, that information may be limited or incomplete. Our statements should not be read to indicate that we have conducted an exhaustive inquiry into or review of, all relevant information. These statements are inherently uncertain and investors are cautioned not to unduly rely on these statements. We caution investors that our business and financial performance are subject to substantial risks and uncertainties.

Overview

We are a pioneer in the successful commercialization of Magnetoresistive Random Access Memory (MRAM) technology. Our portfolio of MRAM technologies, including Toggle MRAM, Tunnel Magneto Resistance (TMR) Sensors, and Spin-transfer Torque MRAM (STT-MRAM), is delivering superior performance, persistence and reliability in non-volatile memories that transform how mission-critical data is protected against power loss. With almost 20 years of MRAM technology and manufacturing leadership, our memory solutions deliver significant value to our customers in key markets such as industrial, medical, automotive/transportation, aerospace, military and defense, and data center. We are the leading supplier of discrete MRAM components and a successful licensor of our broad portfolio of related technology and intellectual property.

We sell our products directly and through our established distribution channels to industry-leading original equipment manufacturers, original design manufacturers and contract manufacturers.

We manufacture our MRAM products using both captive and third-party manufacturing capabilities. We purchase industry-standard complementary metal-oxide semiconductor (CMOS) wafers from semiconductor foundries and perform back end of line (BEOL) processing that includes our magnetic-bit technology at our leased 200mm fabrication facility in Chandler, Arizona. We also manufacture full-flow 300mm CMOS wafers with our STT-MRAM magnetic-bit technology integrated in BEOL as part of our strategic relationship with GLOBALFOUNDRIES Inc.

Key Metrics

We monitor a variety of key financial metrics to help us evaluate trends, establish budgets, measure the effectiveness of our business strategies, and assess operational efficiencies. These financial metrics include revenue, gross margin, operating expenses, and operating income determined in accordance with GAAP. Additionally, we monitor and project cash flow to determine our sources and uses for working capital to fund our operations. We also monitor adjusted net income, a non-GAAP financial measure, and design wins. We define adjusted net income as net income adjusted for stock-based compensation expense, litigation costs, the regulatory provision, and non-recurring engineering fees (NRE).

Adjusted net income. Our management and board of directors use adjusted net income to assess and evaluate our overall performance and financial trends, inform the annual budgeting process, and guide both short-term and long-term operational and strategic planning. As such, we believe adjusted net income provides meaningful insight for investors into our financial performance, consistent with how our management team and board of directors view and analyze our results. Adjusted net income is a non-GAAP financial measure and should be considered alongside, but not as a replacement for or superior to, net income as reported in accordance with GAAP. The following table provides a reconciliation of net income, the most directly comparable GAAP measure, to adjusted net income for the periods presented:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
			(in thousands)	
Adjusted net (loss) income reconciliation:				
Net (loss) income	$ (7,175)	$ 54	$ (11,060)	$ (1,782)
Stock-based compensation expense	1,531	1,407	4,205	4,403
Litigation costs	5,987	—	11,643	—
Regulatory provision	2,715	—	2,715	—
Non-recurring engineering fees	—	—	1,050	—
Adjusted net income	$ 3,058	$ 1,461	$ 8,553	$ 2,621

Results of Operations

The following tables set forth our results of operations for the periods indicated:

	Three Months Ended September 30,			
	2026	2025	2026	2025
	(In thousands)		(As a percentage of revenue)	
Product sales	$ 16,945	$ 12,690	82 %	90 %
Licensing, royalty, engineering services and other revenue	3,703	1,370	18	10
Total revenue	20,648	14,060	100	100
Cost of product sales	9,622	6,628	47	47
Cost of licensing, royalty, engineering services and other revenue	417	226	2	2
Total cost of sales	10,039	6,854	49	49
Gross profit	10,609	7,206	51	51
Operating expenses:				
Research and development	3,553	3,583	17	25
General and administrative	13,029	3,690	63	26
Sales and marketing	1,956	1,478	9	11
Total operating expenses	18,538	8,751	89	62
Loss from operations	(7,929)	(1,545)	(38)	(11)
Interest income	351	432	2	3
Other income, net	413	1,164	2	8
Net (loss) income before income taxes	(7,165)	51	(34)	—
Income tax (expense) benefit	(10)	3	—	—
Net (loss) income and comprehensive (loss) income	$ (7,175)	$ 54	(34)%	— %

Comparison of the three months ended September 30, 2026 and 2025

Revenue

We generated 81% and 86% of our revenue from products sold through distributors for the three months ended September 30, 2026 and 2025, respectively.

We maintain a direct selling relationship, for strategic purposes, with several key customer accounts. We have organized our sales team and representatives into three primary regions: Asia-Pacific (APAC); North America; and Europe, Middle East and Africa (EMEA). We recognize revenue by geography based on the region in which our products are sold, and not where the end products in which they are assembled are shipped. Our revenue by region for the periods indicated was as follows (in thousands):

	Three Months Ended September 30,	
	2026	2025
APAC	$ 12,759	$ 8,571
North America	5,246	2,497
EMEA	2,643	2,992
Total revenue	$ 20,648	$ 14,060

	Three Months Ended September 30,		Change	
	2026	2025	Amount	%
	(Dollars in thousands)			
Product sales	$ 16,945	$ 12,690	$ 4,255	33.5 %
Licensing, royalty, engineering services and other revenue	3,703	1,370	2,333	170.3 %
Total revenue	$ 20,648	$ 14,060	$ 6,588	46.9 %

Total revenue increased by $6.6 million, or 46.9%, from $14.1 million during the three months ended September 30, 2025 to $20.6 million during the three months ended September 30, 2026.

Product sales saw an increase of $4.3 million or 33.5%, primarily driven by higher customer demand and increased unit shipments.

Licensing, royalty, engineering services and other revenue is a highly variable revenue item characterized by a small number of transactions annually with revenue based on size and terms of each transaction. Licensing, royalty, engineering services and other revenue increased by $2.3 million, or 170.3%, from $1.4 million during the three months ended September 30, 2025, to $3.7 million during the three months ended September 30, 2026. The increase was primarily due to a subcontract agreement providing engineering services for military and defense applications.

Cost of Sales and Gross Margin

	Three Months Ended September 30,		Change	
	2026	2025	Amount	%
	(Dollars in thousands)			
Cost of product sales	$ 9,622	$ 6,628	$ 2,994	45.2 %
Cost of licensing, royalty, engineering services and other revenue	417	226	191	84.5 %
Total cost of sales	$ 10,039	$ 6,854	$ 3,185	46.5 %
Gross margin	51.4 %	51.3 %		

Cost of product sales increased by $3.0 million, or 45.2%, from $6.6 million during the three months ended September 30, 2025, to $9.6 million during the three months ended September 30, 2026. The increase was primarily due to higher product sales volume and higher manufacturing costs associated with our STT-MRAM products.

Cost of licensing, royalty, engineering services and other revenue increased by $0.2 million, or 84.5%, from $0.2 million during the three months ended September 30, 2025, to $0.4 million during the three months ended September 30, 2026. The increase was primarily attributable to the progression of our engineering services subcontract agreements.

Gross margin increased from 51.3% during the three months ended September 30, 2025, to 51.4% during the three months ended September 30, 2026. Gross margin increased primarily due to a higher proportion of licensing, royalty, engineering services and other revenue, which carries higher margins, partially offset by lower product margins.

Operating Expenses

Our operating expenses consist of research and development, general and administrative and sales and marketing expenses. Personnel-related expenses, including salaries, benefits, bonuses and stock-based compensation, are among the most significant components of each of our operating expense categories.

	Three Months Ended September 30,		Change	
	2026	2025	Amount	%
	(Dollars in thousands)			
Research and development	$ 3,553	$ 3,583	$ (30)	(0.8)%
Research and development as a % of revenue	17 %	25 %		

Research and Development Expenses. Research and development expenses remained consistent at $3.6 million during each of the three months ended September 30, 2025 and 2026.

	Three Months Ended September 30,		Change	
	2026	2025	Amount	%
	(Dollars in thousands)			
General and administrative	$ 13,029	$ 3,690	$ 9,339	253.1 %
General and administrative as a % of revenue	63 %	26 %		

General and Administrative Expenses. General and administrative expenses increased by $9.3 million, or 253.1%, from $3.7 million during the three months ended September 30, 2025, to $13.0 million during the three months ended

September 30, 2026. The increase is primarily due to the litigation costs related to the patent infringement lawsuit and the $2.7 million related to the regulatory provision, each described in Note 5 to our condensed financial statements included in Item 1 of this report.

	Three Months Ended September 30,		Change	
	2026	2025	Amount	%
	(Dollars in thousands)			
Sales and marketing	$ 1,956	$ 1,478	$ 478	32.3 %
Sales and marketing as a % of revenue	9 %	11 %		

Sales and Marketing Expenses. Sales and marketing expenses increased by $0.5 million, or 32.3%, from $1.5 million during the three months ended September 30, 2025, to $2.0 million during the three months ended September 30, 2026. The increase in sales and marketing expenses relates primarily to higher compensation costs and contract labor.

	Three Months Ended September 30,		Change	
	2026	2025	Amount	%
	(Dollars in thousands)			
Interest income	$ 351	$ 432	$ (81)	(18.8)%

Interest income decreased by $0.1 million, or 18.8%, from $0.4 million during the three months ended September 30, 2025, to $0.4 million during the three months ended September 30, 2026. The decrease is primarily due to the decrease in interest rates.

Other Income, Net

	Three Months Ended September 30,		Change	
	2026	2025	Amount	%
	(Dollars in thousands)			
Other income, net	$ 413	$ 1,164	$ (751)	(64.5)%

Other income, net decreased by $0.8 million, or 64.5%, from $1.2 million during the three months ended September 30, 2025, to $0.4 million during the three months ended September 30, 2026. Other income relates primarily to other income recognized from a strategic award we received to develop a long-term plan to provide manufacturing services for military and defense segments.

	Nine Months Ended September 30,			
	2026	2025	2026	2025
	(In thousands)		(As a percentage of revenue)	
Product sales	$ 46,358	$ 34,807	85 %	86 %
Licensing, royalty, engineering services and other revenue	7,898	5,592	15	14
Total revenue	54,256	40,399	100	100
Cost of product sales	24,873	18,823	46	47
Cost of licensing, royalty, engineering services and other revenue	834	849	2	2
Total cost of sales	25,707	19,672	48	49
Gross profit	28,549	20,727	52	51
Operating expenses:				
Research and development	11,996	10,519	22	26
General and administrative	25,917	11,170	48	28
Sales and marketing	5,664	4,476	10	11
Total operating expenses	43,577	26,165	80	65
Loss from operations	(15,028)	(5,438)	(28)	(13)
Interest income	984	1,263	2	3
Other income, net	2,997	2,394	6	6
Net (loss) income before income taxes	(11,047)	(1,781)	(20)	(4)
Income tax (expense) benefit	(13)	(1)	—	—
Net (loss) income and comprehensive (loss) income	$ (11,060)	$ (1,782)	(20)%	(4)%

Comparison of the nine months ended September 30, 2026 and 2025

Revenue

We generated 82% and 71% of our revenue from products sold through distributors for the nine months ended September 30, 2026 and 2025, respectively.

We maintain a direct selling relationship, for strategic purposes, with several key customer accounts. We have organized our sales team and representatives into three primary regions: Asia-Pacific (APAC); North America; and Europe, Middle East and Africa (EMEA). We recognize revenue by geography based on the region in which our products are sold, and not where the end products in which they are assembled are shipped. Our revenue by region for the periods indicated was as follows (in thousands):

	Nine Months Ended September 30,	
	2026	2025
APAC	$ 32,819	$ 24,412
North America	13,350	7,906
EMEA	8,087	8,081
Total revenue	$ 54,256	$ 40,399

	Nine Months Ended September 30,		Change	
	2026	2025	Amount	%
	(Dollars in thousands)			
Product sales	$ 46,358	$ 34,807	$ 11,551	33.2 %
Licensing, royalty, engineering services and other revenue	7,898	5,592	2,306	41.2 %
Total revenue	$ 54,256	$ 40,399	$ 13,857	34.3 %

Total revenue increased by $13.9 million, or 34.3%, from $40.4 million during the nine months ended September 30, 2025 to $54.3 million during the nine months ended September 30, 2026.

Product sales saw an increase of $11.6 million or 33.2%, primarily driven by higher customer demand and increased unit shipments.

Licensing, royalty, engineering services and other revenue is a highly variable revenue item characterized by a small number of transactions annually with revenue based on size and terms of each transaction. Licensing, royalty, engineering services and other revenue increased by $2.3 million, or 41.2%, from $5.6 million during the nine months ended September 30, 2025 to $7.9 million during the nine months ended September 30, 2026. The increase was primarily due to a subcontract agreement providing engineering services for military and defense applications.

Cost of Sales and Gross Margin

	Nine Months Ended September 30,		Change	
	2026	2025	Amount	%
	(Dollars in thousands)			
Cost of product sales	$ 24,873	$ 18,823	$ 6,050	32.1 %
Cost of licensing, royalty, engineering services and other revenue	834	849	(15)	(1.8)%
Total cost of sales	$ 25,707	$ 19,672	$ 6,035	30.7 %
Gross margin	52.6 %	51.3 %		

Cost of product sales increased by $6.1 million, or 32.1%, from $18.8 million during the nine months ended September 30, 2025, to $24.9 million during the nine months ended September 30, 2026. Cost of product sales has increased consistently and proportionately with the increase in revenues on our Toggle and STT products.

Cost of licensing, royalty, engineering services and other revenue remained consistent at $0.8 million during the nine months ended September 30, 2025, and the nine months ended September 30, 2026, despite an increase in related revenue, primarily due to changes in the mix of labor and materials costs associated with the progression of our engineering services subcontract agreements.

Gross margin increased from 51.3% during the nine months ended September 30, 2025, to 52.6% during the nine months ended September 30, 2026. Gross margin increased primarily due to higher margins on licensing, royalty, engineering services and other revenue, which also increased as a proportion of total revenue, and a slight improvement in product margins.

Operating Expenses

Our operating expenses consist of research and development, general and administrative and sales and marketing expenses. Personnel-related expenses, including salaries, benefits, bonuses and stock-based compensation, are among the most significant components of each of our operating expense categories.

	Nine Months Ended September 30,		Change	
	2026	2025	Amount	%
	(Dollars in thousands)			
Research and development	$ 11,996	$ 10,519	$ 1,477	14.0 %
Research and development as a % of revenue	22 %	26 %		

Research and Development Expenses. Research and development expenses increased by $1.5 million, or 14.0%, from $10.5 million during the nine months ended September 30, 2025, to $12.0 million during the nine months ended September 30, 2026. The increase in research and development expenses relates primarily to non-recurring engineering fees.

	Nine Months Ended September 30,		Change	
	2026	2025	Amount	%
	(Dollars in thousands)			
General and administrative	$ 25,917	$ 11,170	$ 14,747	132.0 %
General and administrative as a % of revenue	48 %	28 %		

General and Administrative Expenses. General and administrative expenses increased by $14.7 million, or 132.0%, from $11.2 million during the nine months ended September 30, 2025, to $25.9 million during the nine months ended September 30, 2026. The increase is primarily due to the litigation costs related to the patent infringement lawsuit and the $2.7 million related to the regulatory provision, each described in Note 5 to our condensed financial statements included in Item 1 of this report.

	Nine Months Ended September 30,		Change	
	2026	2025	Amount	%
	(Dollars in thousands)			
Sales and marketing	$ 5,664	$ 4,476	$ 1,188	26.5 %
Sales and marketing as a % of revenue	10 %	11 %		

Sales and Marketing Expenses. Sales and marketing expenses increased by $1.2 million, or 26.5%, from $4.5 million during the nine months ended September 30, 2025, to $5.7 million during the nine months ended September 30, 2026. The increase in sales and marketing expenses relates primarily to higher compensation costs and contract labor.

	Nine Months Ended September 30,		Change	
	2026	2025	Amount	%
	(Dollars in thousands)			
Interest income	$ 984	$ 1,263	$ (279)	(22.1)%

Interest income decreased by $0.3 million, or 22.1%, from $1.3 million during the nine months ended September 30, 2025, to $1.0 million during the nine months ended September 30, 2026. The change is primarily due to the decrease in interest rates.

Other Income, Net

	Nine Months Ended September 30,		Change	
	2026	2025	Amount	%
	(Dollars in thousands)			
Other income, net	$ 2,997	$ 2,394	$ 603	25.2 %

Other income, net increased by $0.6 million, or 25.2%, from $2.4 million during the nine months ended September 30, 2025, to $3.0 million during the nine months ended September 30, 2026. Other income relates primarily to income recognized from a strategic award we received to develop a long-term plan to provide manufacturing services for military and defense segments.

Liquidity and Capital Resources

As of September 30, 2026, we had $43.0 million of cash and cash equivalents, compared to $44.5 million as of December 31, 2025. We believe our cash and cash equivalents are sufficient to meet our anticipated capital requirements in the next 12 months. Our long-term capital requirements will depend on many factors, including, among other things, our growth rate, the timing and extent of our spending to support our current and future manufacturing requirements, research and development activities, the timing and cost of establishing additional sales and marketing capabilities, and the introduction of new products.

Cash Flows

The following table summarizes our cash flows for the periods indicated (in thousands):

	Nine Months Ended September 30,	
	2026	2025
	(In thousands)	
Cash provided by operating activities	$ 1,592	$ 7,336
Cash used in investing activities	(8,559)	(4,733)
Cash provided by financing activities	5,559	557

Cash Flows From Operating Activities

During the nine months ended September 30, 2026, cash provided by operating activities was $1.6 million, which consisted of net loss of $11.1 million, non-cash charges of $6.3 million and changes of net operating assets and liabilities of $6.3 million. The non-cash charges consisted of stock-based compensation of $4.2 million and depreciation and amortization of $2.1 million. The change in our net operating assets and liabilities was primarily due to an increase in accounts payable of $8.2 million, an increase in accrued liabilities of $6.0 million, partially offset by an increase in inventory of $3.2 million, an increase in accounts receivable of $3.0 million, a decrease in contract obligations of $1.5 million and an increase in other assets of $0.5 million.

During the nine months ended September 30, 2025, cash provided by operating activities was $7.3 million, which consisted of net loss of $1.8 million, non-cash charges of $6.9 million and changes of net operating assets and liabilities of $2.2 million. The non-cash charges consisted of stock-based compensation of $4.4 million and depreciation and amortization of $2.6 million. The change in our net operating assets and liabilities was primarily due to a decrease in accounts receivable of $3.0 million, an increase in deferred revenue of $0.9 million, an increase in accrued liabilities of $0.5 million, an increase in contract obligations of $0.5 million, a decrease in prepaid and other current assets of $0.4

million, an increase in long-term income tax liability of $0.1 million, offset by an increase in inventory of $2.7 million and a decrease in accounts payable of $0.6 million.

Cash Flows From Investing Activities

Cash used in investing activities during the nine months ended September 30, 2026 was $8.6 million due to $7.1 million in purchases of property and equipment and $1.5 million in purchases of intangible assets.

Cash used in investing activities during the nine months ended September 30, 2025 was $4.7 million due to $3.2 million of purchases of property and equipment and $1.5 million in purchases of intangible assets.

Cash Flows From Financing Activities

Cash provided by financing activities during the nine months ended September 30, 2026 was $5.6 million, primarily due to proceeds from the exercise of employee stock options and purchase of shares under our employee stock purchase plan offset by a nominal amount in payments on finance leases.

Cash provided by financing activities during the nine months ended September 30, 2025 was $0.6 million, primarily due to proceeds from the exercise of employee stock options and purchase of shares under our employee stock purchase plan offset by a nominal amount in payments on finance leases.

Critical Accounting Policies and Significant Judgments and Estimates

Our condensed financial statements have been prepared in accordance with GAAP. The preparation of these condensed financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported revenue generated, and expenses incurred during the reporting periods. We base our estimates on our historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

There have been no changes to our critical accounting policies and estimates described in the Annual Report on Form 10-K for the year ended December 31, 2025, filed with the SEC on March 4, 2026, that have had a material impact on our condensed financial statements and related notes.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Not required for a smaller reporting company.

Item 4. Controls and Procedures

Evaluation of disclosure controls and procedures.

Our management, including our Chief Executive Officer (CEO) and Chief Financial Officer (CFO), evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of September 30, 2026, the end of the period covered by this Quarterly Report on Form 10-Q.

Based on this evaluation, our CEO and CFO concluded that our disclosure controls and procedures were effective at the reasonable assurance level as of September 30, 2026.

There have been no changes in our internal control over financial reporting that occurred during the three months ended September 30, 2026 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent limitation on the effectiveness of internal control.

The effectiveness of any system of internal control over financial reporting, including ours, is subject to inherent limitations, including the exercise of judgment in designing, implementing, operating, and evaluating the controls and procedures, and the inability to eliminate misconduct completely. Accordingly, any system of internal control over financial reporting, including ours, no matter how well designed and operated, can only provide reasonable, not absolute assurances. In addition, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. We intend to continue to monitor and upgrade our internal controls as necessary or appropriate for our business, but cannot assure you that such improvements will be sufficient to provide us with effective internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings

On January 28, 2026, Avalanche Technology, Inc. filed a complaint against us in the United States District Court for the District of Delaware alleging patent infringement under 35 U.S.C. § 271. The case is captioned as Avalanche Technology, Inc. v. Everspin Technologies, Inc., Case No. 1:26-cv-91-GBW. In its complaint, Avalanche Technology, Inc. alleges that we are infringing U.S. Patent Nos. 9,318,179, 9,419,210, 11,678,586, and 10,490,737. On March 13, 2026, the Delaware court ordered a stay of the case. On January 28, 2026, Avalanche Technology, Inc. filed a complaint in the United States International Trade Commission (USITC) naming us as a proposed respondent and requesting institution of an investigation based on the importation into the United States, the sale for importation, and the sale within the United States after importation, of certain magnetoresistive devices, products containing same and components thereof, that allegedly infringe certain claims of U.S. Patent Nos. 9,318,179, 9,419,210, 11,678,586, and 10,490,737. On February 27, 2026, the USITC instituted an investigation entitled Certain Magnetoresistive Devices, Products Containing Same and Components Thereof, USITC Inv. No. 337-TA-1487. 91 Fed. Reg. 10624 (Mar. 4, 2026). The USITC Administrative Law Judge has set a target date of July 6, 2027, for completion of the investigation. We believe that we have meritorious arguments against Avalanche's claims and intend to vigorously defend ourselves against such claims. Additional information regarding these matters is included in Note 5, Commitments and Contingencies, to the condensed financial statements included in this Quarterly Report on Form 10-Q.

In April 2025, the Company submitted a voluntary self-disclosure to the Department of Commerce's Bureau of Industry and Security ("BIS") relating to certain historical sales by the Company's distributors that resulted in apparent violations of U.S. export control laws and regulations. Since submitting its disclosure, the Company has cooperated fully with BIS relating to its investigation. We continue to seek to resolve this matter through an administrative settlement and negotiations are ongoing. Additional information regarding this matter, including the related regulatory provision, is included in Note 5, Commitments and Contingencies, to the condensed financial statements included in this Quarterly Report on Form 10-Q.

Item 1A. Risk Factors

In addition to information set forth in this report, you should carefully consider the factors discussed in "Part I, Item 1A. Risk Factors" of our annual report on Form 10-K for our fiscal year ended December 31, 2025 which set forth information relating to important risks and uncertainties that could materially adversely affect our business, financial condition or operating results. You should review and consider such Risk Factors in making any investment decision with respect to our securities.

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

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Trading Arrangements of Directors and Executive Officers.

None of our directors or executive officers adopted, modified, or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement (as defined under Item 408(a) of Regulation S-K) during the quarter ended September 30, 2026.

Item 6. Exhibits

EXHIBIT INDEX

Exhibit Number	Description	Incorporation By Reference			
		Form	SEC File No.	Exhibit/ Reference	Filing Date
3.1	Amended and Restated Certificate of Incorporation	8-K	001-37900	3.1	10/13/2016
3.1.1	Amendment to Amended and Restated Certificate of Incorporation	8-K	001-37900	3.1	5/22/2019
3.1.2	Amendment to Amended and Restated Certificate of Incorporation	8-K	001-37900	3.1	5/27/2020
3.1.3	Amendment to Amended and Restated Certificate of Incorporation	8-K	001-37900	3.1	5/25/2023
3.2	Amended and Restated Bylaws	8-K	001-37900	3.2	5/22/2019
31.1*	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Exchange Act				
31.2*	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Exchange Act				
32.1**	Certification of Principal Executive Officer and Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002				
101.INS*	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document				
101.SCH*	Inline XBRL Taxonomy Extension Schema Document				
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document				
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document				
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document				
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document				
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)				

* Filed herewith.

** Furnished herewith. Exhibit 32.1 is being furnished and shall not be deemed to be "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section, nor shall such exhibit be deemed to be incorporated by reference in any registration statement or other document filed under the Securities Act or the Exchange Act, except as otherwise specifically stated in such filing.

SIGNATURES

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

Everspin Technologies, Inc.

Date: November 13, 2026

By: /s/ Sanjeev Aggarwal

Sanjeev Aggarwal
Chief Executive Officer
(Principal Executive Officer)

Date: November 13, 2026

By: /s/ William Cooper

William Cooper
Chief Financial Officer
(Principal Financial Officer)

Exhibit 31.1

Certification of the Principal Executive Officer

I, Sanjeev Aggarwal, certify that:

1. I have reviewed this Form 10-Q of Everspin Technologies, Inc.;

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

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

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

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

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

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation;

   (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

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

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

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

Date: November 13, 2026

/s/ Sanjeev Aggarwal

Sanjeev Aggarwal

Chief Executive Officer

(Principal Executive Officer)

Exhibit 31.2

Certification of Principal Financial Officer

I, William Cooper, certify that:

1. I have reviewed this Form 10-Q of Everspin Technologies, Inc.;

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

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

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

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

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

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation;

   (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

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

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

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

Date: November 13, 2026

/s/ William Cooper

William Cooper

Chief Financial Officer

(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended, (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350), Sanjeev Aggarwal, Chief Executive Officer of Everspin Technologies, Inc. (the "Company"), and William Cooper, Chief Financial Officer of the Company, each hereby certifies that, to the best of his knowledge:

1. The Company's Quarterly Report on Form 10-Q for the period ended September 30, 2026, to which this Certification is attached as Exhibit 32.1 (the "Periodic Report"), fully complies with the requirements of Section 13(a) or Section 15(d) of the Exchange Act; and

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

Date: November 13, 2026

/s/ Sanjeev Aggarwal

Sanjeev Aggarwal
Chief Executive Officer
(Principal Executive Officer)

/s/ William Cooper

William Cooper
Chief Financial Officer
(Principal Financial Officer)

This certification accompanies the Form 10-Q to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Everspin Technologies, Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Form 10-Q), irrespective of any general incorporation language contained in such filing.