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

FORM 10-K

(Mark One)

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

For the fiscal year ended December 31, 2025
OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 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 the exchange on which registered
Common Stock, par value $0.0001	MRAM	The Nasdaq Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act: None

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

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

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

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

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

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

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

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

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

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

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

As of June 30, 2025, the last business day of the Registrant's most recently completed second fiscal quarter, the aggregate market value of the common stock of the Registrant held by non-affiliates, based upon the closing sales price for the Registrant's common stock for such date, as quoted on the Nasdaq Global Market, was approximately $134.2 million. Shares of common stock held by each officer, director and entities affiliated with directors have been excluded because such persons may be deemed to be "affiliates" as that term is defined under the rules and regulations of the Exchange Act. This determination of affiliate status is not necessarily a conclusive determination for any other purpose.

The number of shares of Registrant's common stock outstanding as of February 26, 2026, was 23,120,289.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Registrant's Definitive Proxy Statement relating to the 2026 Annual Meeting of Stockholders, which will be filed with the Securities and Exchange Commission within 120 days after the end of the Registrant's fiscal year ended December 31, 2025, are incorporated by reference into Part III of this Annual Report on Form 10-K.

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In this Annual Report on Form 10-K, “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.

Forward-Looking Statements

This Annual Report on Form 10-K contains forward-looking statements concerning our business, operations and financial performance and condition, as well as our plans, objectives and expectations for our business operations and financial performance and condition. Any statements contained herein that are statements of events or results that may occur in the future are deemed to be forward-looking statements. In some cases, forward-looking statements can be identified by terminology such as "aim," "anticipate," "assume," "believe," "continue," "could," "due," "estimate," "expect," "goal," "intend," "may," "objective," "plan," "predict," "potential," "positioned," "seek," "should," "will," "would," and other similar expressions that are predictions of or indicate future events and future trends, or the negative of these terms or other comparable terminology, although not all forward-looking statements contain these words. These forward-looking statements include, but are not limited to, statements about:

- estimates of our future revenue, expenses, capital requirements and our needs for additional financing;
- the implementation of our business model and strategic plans for our products, technologies and businesses;
- our expectations regarding current supply constraints;
- competitive companies and technologies and our industry;
- our ability to manage and grow our business by expanding our sales to existing customers or introducing our products to new customers;
- our ability to establish and maintain intellectual property (IP) protection for our products or avoid claims of infringement;
- our ability to hire and retain key personnel;
- our financial performance;
- our estimates of the MRAM market opportunity; and
- the volatility of our share price.

Forward-looking statements are based on management's current expectations, estimates, forecasts, and projections about our business and the industry in which we operate, and management's beliefs and assumptions are not guarantees of future performance or development and involve known and unknown risks, uncertainties, and other factors that are in some cases beyond our control. As a result, any or all of our forward-looking statements in this report may turn out to be inaccurate. Furthermore, if the forward-looking statements prove to be inaccurate, the inaccuracy may be material. In light of the significant uncertainties in these forward-looking statements, these statements should not be regarded as a representation or warranty by us or any other person that we will achieve our objectives and plans in any specified time frame, or at all. Factors that may cause actual results to differ materially from current expectations include, among other things, those listed under "Risk Factors" and elsewhere in this report. 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. Additionally, there may be other risks that are otherwise described from time to time in the reports that we file with the Securities and Exchange Commission (SEC). We caution investors that our business and financial performance are subject to substantial risks and uncertainties. Except as required by law, we assume no obligation to update or revise these forward-looking statements for any reason, even if new information becomes available in the future.

In addition, statements that "we believe" and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this report, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain and investors are cautioned not to unduly rely upon these statements.

PART I

Item 1. Business

General

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 over 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 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 (OEMs) and original design manufacturers (ODMs).

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. (GLOBALFOUNDRIES).

For the years ended December 31, 2025 and 2024, we recorded revenue of $55.2 million and $50.4 million, gross margin of 51.2% and 51.8%, and net loss of $0.6 million and net income of $0.8 million, respectively. Our headquarters is located in Chandler, Arizona. Our principal design center is in Austin, Texas, and we have additional sales operations in the Americas, Europe, and Asia-Pacific regions.

Product Overview

We have a strong track record of innovation in MRAM technology, as demonstrated by our successive introduction of MRAM products that address an increasingly broad spectrum of applications. Our MRAM discrete solutions as well as other offerings are described as follows:

Toggle MRAM

Our Toggle MRAM products have been in production since 2008 and are currently shipping in 128kb to 32Mb densities. These high performance, non-volatile memories are designed primarily to address applications in the industrial, medical, automotive/transportation, and data center markets. We offer these products with industry standard interfaces, including Parallel, Serial Peripheral Interface (SPI) and Quad SPI (QSPI) interfaces, enabling our customers to easily replace legacy memory components like Static Random Access Memory (SRAM), Battery Backed Random Access Memory (BBRAM), and Ferroelectric Random Access Memory (FRAM) with Toggle MRAM. Everspin enables our customers to design products incorporating our technology with the assurance that it will be available for many years to come.

Spin-Transfer Torque MRAM

STT-MRAM technology can be tuned to deliver products in Dynamic Random Access Memory (DRAM), SRAM and NOR Flash applications. Our STT-MRAM products targeting DRAM replacement started production in 2017 and are currently shipping in 1Gb density. These high density, high performance persistent memories are delivering significant value to SSD, Persistent Memory Cards, Fabric Accelerator, and other applications in the data center market. We offer these products with DDR3 and DDR4 derivative interfaces, facilitating the replacement of battery-backed DRAM with STT-MRAM.

STT-MRAM enabled scaling of our Toggle MRAM products to higher densities on advanced CMOS nodes. In 2022, we started production of 4Mb to 128Mb STT-MRAM products on 28nm CMOS node. These products are enabling our customers to simplify their system architecture and easily replace legacy memory components like SRAM, FRAM and

NOR Flash. They are ideal for use in electronic systems where data persistence and integrity, low power, low latency, and security are paramount, such as industrial IoT, artificial intelligence (AI), network/enterprise infrastructure, process automation and control, aeronautics/avionics, and medical and gaming applications.

Due to the limitations of NOR scaling past 45nm and availability of STT-MRAM on 28nm and 22nm technology nodes, we believe there is potential for STT-MRAM to enter multiple non-volatile memory (NVM) markets where fast reads/writes, high cycle counts, and extended data retention are required. We introduced the first STT-MRAM product addressing this segment of the market in 2022 and are currently shipping in 16Mb to 256Mb densities with standardized SPI, xSPI, QSPI, and Octal SPI (OSPI) interfaces. STT-MRAM is uniquely positioned to deliver even higher density (> 256Mb to 2Gb) monolithic parts for NOR replacement. These products are ideal for Field Programmable Gate Array (FPGA) systems, micro controllers and automotive applications, etc. to store configuration memory while simultaneously enabling 100x faster Over The Air (OTA) updates.

Typically, on power up of a FPGA, the configuration memory that is stored off- or on- chip in a NOR chip is downloaded to the SRAM cells that execute the Look Up Tables (LUTs). This sequence of events creates a time lag between the power up and the execution of the LUTs. In addition, there is a security concern with the download of the configuration bit stream from the NOR to the SRAM. We have developed our STT-MRAM technology to act as the "configuration memory” in a FPGA addressing the security concern and enabling instant-on characteristics. Furthermore, the STT-MRAM based configuration memory can be programmed multiple times with OTA updates or can be hard coded depending on the application. Since STT-MRAM can be scaled to advanced nodes and is already available on 22nm, monolithic embedded solutions are possible and we believe this solution is ideal for next generation FPGAs.

TMR Sensors

Our 3D Tunnel Magneto Resistance (TMR) sensors provide extremely high magnetic sensitivity in a single component that performs 3D magnetic field measurements in a monolithic solution. We offer these die-level devices to be integrated into consumer electronic applications that utilize a high sensitivity 3D compass function.

Licensing, Royalty, and Patent Overview

We leverage our broad IP portfolio to enable licensing, royalty revenue streams, and patent sales from non-core applications that can derive valuable differentiation through the use of Everspin MRAM and TMR sensor IP. For example, this includes the following:

- We have licensed GLOBALFOUNDRIES to offer embedded MRAM in the solutions they manufacture for their customers providing high-performance non-volatile embedded memory.
- We have licensed base MRAM design technology (EAR99) for use in radiation tolerant aerospace applications to customers for their custom designs.
- We have licensed TMR sensor IP in 3D magnetic field sensing.
- We have completed patent sales by transferring, assigning, and delivering patents to customers.
- We have executed agreements for the development of a strategic radiation hardened (RAD-Hard) field programmable gate array product, consisting of technology and design licenses.

Foundry Services Overview

In our Chandler facility, we perform BEOL manufacturing services for customers who want to add MRAM and TMR sensor functionality to their base CMOS wafers. These services allow aerospace and satellite electronic system manufacturers to integrate our EAR99 technology that is able to withstand exposure to the levels of radiation encountered in avionics and space applications by virtue of such technology being magnetic rather than electrical charge based which would be susceptible to alpha particles.

Sales and Marketing

We sell our products through a direct sales channel and a network of representatives and distributors. The majority of our customers, and their associated contract manufacturers, buy our products through our distributors. We maintain sales, support, supply chain and logistics operations and have distributors in Asia to service the production needs of contract manufacturers. We also maintain direct selling relationships with several strategic customers. Our direct sales representatives are located in North America, Germany, Italy, Japan, Hong Kong, and Taiwan.

Our typical sales cycle consists of a sales and development process in which our field engineers and sales personnel work closely with our customers' design engineers. This process can take from three to 18 months to complete, and a successful sales cycle culminates in a design win. Note that some customers of our STT-MRAM products may need to modify their controllers to integrate our technology, adding additional time to the cycle. Once we establish a relationship with a customer, we continue a sales process to maintain our position and to secure subsequent new design wins at the customer. Each customer lead, whether new or existing, is tracked through our CRM tool and followed in stages of prospect, design in, design win and production. This tracking results in a design win pipeline that provides a measure of the future business potential of the opportunities.

We have established relationships with several storage controller and FPGA companies, including Phison Electronics, Sage Micro, and Xilinx as well as IP core companies, including Cadence and Northwest Logic, to facilitate the integration of our MRAM solutions into our customers' end products.

Our technical support personnel have expertise in hardware and software and have access to our development team to ensure proper service and support for our OEM customers. Our field application and engineering team provides technical training and design support to our customers.

We consider our customer to be an end customer purchasing either directly from a distributor or a contract manufacturer, or a customer purchasing directly from us. An end customer purchasing through a contract manufacturer typically instructs the contract manufacturer to obtain our products and to incorporate our products with other components for sale by the contract manufacturer to the end customer. Although we actually sell the products to, and are paid by, the distributors and contract manufacturers, we refer to the end customer as our customer.

During the year ended December 31, 2025, more than 1,405 end customers purchased our products. Our two largest end customers together accounted for 33% of our total revenue for the year ended December 31, 2025 and one of these customers accounted for more than 10% of our revenue during that period. Our two largest end customers together accounted for 37% of our total revenue for the year ended December 31, 2024 and one of these customers accounted for more than 10% of our total revenue during that period.

Manufacturing

We rely on third-party suppliers for most phases of the manufacturing process, including initial fabrication, final test, and assembly.

Wafer Manufacturing

We perform BEOL manufacturing for our Toggle MRAM products and provide foundry services for licensed MRAM products and Magnetic Tunnel Junction (MTJ)-based sensors in our leased 200mm manufacturing facility. Our facility is in an ISO-4 clean room and our manufacturing line is ISO 9001:2015 certified. We actively manage inventory, including automated process flows, process controls and recipe management, and we use standard equipment to manufacture our products.

Our STT-MRAM products are produced in 300mm fabrication facilities operated by GLOBALFOUNDRIES.

See "Risk Factors" for further discussion of our reliance on third parties.

Assembly and Test

Our product and test engineering teams develop and implement wafer-level and final test programs for the manufacture of our MRAM devices.

We utilize third-party industry-leading assembly and test sub-contractors, including Amkor, OSE, GTC, ChipMos and Sigurd UTC. We have successfully qualified our MRAM devices in various packages at temperatures ranging from commercial to automotive grade. As part of our commitment to quality, our quality management system has been certified to ISO 9001:2015 and ISO 14001:2015 standards. Our foundry vendors and sub-contractors are also ISO 9001 and ISO 14001 certified.

Arrangements with GLOBALFOUNDRIES

Joint Development Agreement

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

The joint development agreement also states that the specific terms and conditions for the production and supply of the developed MRAM technology would be pursuant to a separate manufacturing agreement entered into between the parties. See “Manufacturing Agreement” below.

Under the joint development agreement, each party granted licenses to 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, GLOBALFOUNDRIES possesses the exclusive right to manufacture our discrete and embedded STT-MRAM devices developed pursuant to the agreement 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, GLOBALFOUNDRIES agreed not to license intellectual property developed in connection with the agreement to our named competitors.

If GLOBALFOUNDRIES manufactures, sells, or transfers wafers containing production qualified MRAM devices that utilize certain Everspin design information to its customers, GLOBALFOUNDRIES will pay royalties to us for each such wafer transferred or sold to a customer.

Except for breaches of confidentiality provisions and each party’s indemnification obligations to one another under the agreement, liability under the agreement is capped at a range depending on project costs and royalty amounts. Either party may terminate the agreement if the other party materially breaches a term of the agreement and fails to remedy the breach after receiving notice from the non-breaching party. If a party terminates the manufacturing agreement for material breach in accordance with its terms, that party may also terminate the joint development agreement.

See “Risk Factors” for further discussion of our agreements with GLOBALFOUNDRIES.

Manufacturing Agreement

On October 23, 2014, we entered into a manufacturing agreement with GLOBALFOUNDRIES Singapore Pte. Ltd. that sets forth the specific terms and conditions for the production and supply of wafers manufactured using our STT-MRAM technology developed under the joint development agreement with GLOBALFOUNDRIES. Pursuant to that joint development agreement, GLOBALFOUNDRIES possesses certain exclusive rights to manufacture such wafers for our discrete and embedded STT-MRAM devices. Our manufacturing agreement with GLOBALFOUNDRIES includes a customary forecast and ordering mechanism for the supply of certain of our wafers, and we are obligated to order and pay for, and GLOBALFOUNDRIES is obligated to supply, wafers consistent with the binding portion of our forecast. GLOBALFOUNDRIES also has the ability to discontinue its manufacture of any of our wafers upon due notice and completion of the notice period. The initial term of the manufacturing agreement is for three years, which automatically renews for successive one-year periods thereafter unless either party provides sufficient advance notice of non-renewal.

Except for breaches of confidentiality provisions and each party’s indemnification obligations to one another under the agreement, liability under the agreement is capped at the lesser of a set amount or the total purchase price received by GLOBALFOUNDRIES from us in the 12 months immediately preceding the claim for the specific product that caused the damages. Either party may terminate the agreement if the other party materially breaches a term of the agreement and fails to remedy the breach after receiving notice from the non-breaching party. GLOBALFOUNDRIES may terminate the agreement if we fail to pay any undisputed sum which has been outstanding for sixty or more days from the date of invoice.

Product Warranty

Because the design and manufacturing process for semiconductor products is highly complex, it is possible that we may produce products that do not comply with applicable specifications, contain defects, or are otherwise incompatible with end uses. In accordance with industry practice, we generally provide a limited warranty that our products are in compliance with applicable specifications existing at the time of delivery and will operate to those specifications during a stated warranty period. Under our standard terms and conditions of sale, liability for certain failures of product during a stated warranty period is usually limited to repair or replacement of defective items or return of, or a credit with respect to, amounts paid for such items. Under certain circumstances, we provide more extensive limited warranty coverage than that provided under our standard terms and conditions.

Competition

As an emerging specialty memory product supplier, we face intense competition from a wide variety of other memory technology manufacturers.

Our principal competitors to our Toggle MRAM products include companies that offer nonvolatile SRAM (NVSRAM), SRAM, and FRAM products, such as Infineon, Fujitsu, Integrated Silicon Solution (ISSI), Macronix, Microchip, Micron, Renesas, Samsung and Toshiba. Our STT-MRAM products replace discrete NOR, DRAM and NVSRAM where persistence is required and thus compete with DRAM and NVSRAM suppliers such as Hynix, Micron, Winbond, Samsung, and several other smaller companies. In the future we may also face competition from companies developing MRAM technologies, such as Avalanche, Samsung and other larger and smaller semiconductor companies. We may also face indirect competition from resistive random-access memory (RRAM), NOR and NAND Flash manufacturers in some market applications.

Our ability to compete successfully in the market for our products is based on a number of factors, including:

- our products' attributes and specifications;
- customer adoption of MRAM technology despite the price per bit premium of our products versus competing technologies;
- successful controller supplier and customer engagements throughout the product life cycle;
- high quality and reliability as measured by our customers;
- the ease of implementation of our products by customers;
- preferred supplier status at numerous customers and ODMs;
- manufacturing expertise and strength;
- product manufacturing yield analysis and testing;
- manufacturing capacity and allocation;
- reputation and strength of customer relationships;
- competitive pricing in the market against the competition while maintaining our gross margin profile; and
- our success in meeting the needs of future customer requirements through continued development of new products.

In the event of a market downturn, competition in the markets in which we operate may intensify as our customers reduce their purchase orders. Our competitors that are significantly larger and have greater financial, technical, marketing, distribution, customer support and other resources or more established market recognition than us, may be better positioned to accept lower prices and withstand adverse economic or market conditions.

Intellectual Property

Our success depends, in part, on our ability to protect our products and technologies from unauthorized third-party copying and use. To accomplish this, we rely on a combination of intellectual property rights, including patents, trade secrets, copyrights, and trademarks, as well as customary contractual protections. As of December 31, 2025, we held 596 issued patents that expire at various times over approximately the next 18 years and had 141 patent applications pending.

Included in our issued patents and pending applications are patents/applications in the United States, China, Europe, France, Germany, Ireland, Italy, Japan, the Netherlands, the Republic of Korea, Singapore, Taiwan, and the United Kingdom.

We seek to file for patents that have broad application in the semiconductor industry and that would be helpful in the magnetoresistive memory and sensor markets. However, there can be no assurance that our pending patent applications or any future applications will be approved, that any issued patents will provide us with competitive advantages or will not be challenged by third parties, or that the patents or applications of others will not have an adverse effect on our ability to do business. In addition, there can be no assurance that others will not independently develop substantially equivalent intellectual property or otherwise gain access to our trade secrets or intellectual property, or disclose such intellectual property or trade secrets, or that we can effectively protect our intellectual property.

We seek to enforce our IP and to monetize our patent portfolio through licensing of third parties and patent sales in return for cash remuneration, patent cross licenses or both. See “Licensing, Royalty, and Patent Overview” for additional information.

We generally control access to and use of our confidential information through employing internal and external controls, including contractual protections with employees, contractors, and customers. We rely in part on U.S. and international copyright laws to protect our intellectual property. All employees and consultants are required to execute confidentiality agreements in connection with their employment and consulting relationships with us. We also require them to agree to disclose and assign to us all inventions conceived or made in connection with the employment or consulting relationship.

See “Risk Factors” for further discussion of Intellectual Property as third parties may assert patent and other intellectual property rights claims against us and our customers.

Environmental Regulation

We must comply with many different federal, state, local and foreign governmental regulations related to the use, storage, discharge and disposal of certain chemicals and gases used in our manufacturing processes. Our facilities have been designed to comply with these regulations and we believe that our activities are conducted in material compliance with such regulations. Any changes in such regulations or in their enforcement could require us to acquire costly equipment or to incur other significant expenses to comply with environmental regulations. Any failure by us to adequately control the storage, use, discharge, and disposal of regulated substances could result in significant future liabilities.

Employees

As of December 31, 2025, we had 85 total employees in the United States, of which all were full-time employees. None of our employees are either represented by a labor union or subject to a collective bargaining agreement. We have not experienced any work stoppages, and we consider our relations with our employees and contractors to be good.

Corporate Information

We were incorporated in Delaware in May 2008. In June 2008, Freescale Semiconductor, Inc. (now a wholly-owned subsidiary of NXP Semiconductors N.V.), spun-out its MRAM business as Everspin. Our offices are located at 5670 W. Chandler Boulevard, Suite 130, Chandler, Arizona 85226. Our telephone number is (480) 347-1111. Our corporate website is at *www.Everspin.com*.

Available Information

Our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (Exchange Act), are available free of charge on our website, as soon as reasonably practicable after we electronically file them with, or furnish them to, the SEC. The information contained on or that can be accessed through our website is not incorporated by reference into this report, and information on our website should not be considered to be part of this report.

Item 1A. Risk Factors

The following are important factors that could cause actual results or events to differ materially from those contained in any forward-looking statements made by us or on our behalf. The risks and uncertainties described below are not the only ones we face. Additional risks and uncertainties not presently known to us or that we deem immaterial also may impair our business operations. If any of the following risks or such other risks actually occurs, our business, financial condition, results of operations and cash flows could be harmed.

Risk Factors Related to Our Business and Our Industry

We are subject to the cyclical nature of the semiconductor industry.

The semiconductor industry is highly cyclical and is characterized by constant and rapid technological change, long sales cycles, rapid product obsolescence, price erosion, evolving standards, short product life cycles, and wide fluctuations in product supply and demand. From time to time, these factors, together with changes in macroeconomic conditions, can cause significant upturns and downturns in the semiconductor industry, and in our business. Downturns in the semiconductor industry have been characterized by diminished product demand, production overcapacity, high inventory levels for us and our customers, and erosion of average selling prices. Any downturns in the semiconductor industry could harm our business, financial condition, and results of operations. Any significant upturn in the semiconductor industry could result in increased competition for access to third-party foundry and assembly capacity. We are dependent on the availability of this capacity to manufacture and assemble our products and we can provide no assurance that adequate capacity will be available to us in the future. We cannot predict the duration or timing of any downturn or upturn in the semiconductor industry.

We rely on third parties to distribute, manufacture, package, assemble and test our products, which exposes us to a number of risks, including reduced control over manufacturing and delivery timing and potential price fluctuations, which could result in a loss of revenue or reduced profitability.

Although we operate an integrated magnetic fabrication line located in Chandler, Arizona, we purchase wafers from third parties and outsource the manufacturing, packaging, assembly and testing of our products to third-party foundries and assembly and testing service providers. We use a single foundry, GLOBALFOUNDRIES Singapore Pte. Ltd., for production of higher density products on advanced technology nodes. Our primary product package and test operations are located in China, Taiwan and other Asian countries. We also use standard CMOS wafers from third-party foundries, which we process at our Chandler, Arizona facility.

Relying on third-party distribution, manufacturing, assembly, packaging, and testing presents a number of risks, including but not limited to:

- our interests could diverge from those of our foundries, or we may not be able to agree with them on ongoing development, manufacturing and operational activities, or on the amount, timing, or nature of further investments in our joint development;
- capacity and materials shortages during periods of high demand or supply constraints;
- reduced control over delivery schedules, inventories and quality;
- the unavailability of, or potential delays in obtaining access to, key process technologies;
- the inability to achieve required production or test capacity and acceptable yields on a timely basis;
- misappropriation of our intellectual property;
- the third party’s ability to perform its obligations due to bankruptcy or other financial constraints;
- exclusive representatives for certain customer engagements;
- limited warranties on wafers or products supplied to us; and
- potential increases in prices including due to tariffs and/or inflation.

Our manufacturing agreement with GLOBALFOUNDRIES includes a forecast and ordering mechanism for the supply of certain of our wafers, and we are obligated to order and pay for, and GLOBALFOUNDRIES is obligated to supply, wafers consistent with the binding portion of our forecast. Our manufacturing arrangement is also subject to both a minimum and maximum order quantity, which we believe currently addresses our projected foundry capacity needs, but may not address our maximum foundry capacity requirements in the future. We may also be obligated to pay for unused capacity if our demand decreases in the future, or if our estimates prove inaccurate. We do not currently source these wafers from anyone other than GLOBALFOUNDRIES, which has the ability to discontinue its manufacture of any of our wafers upon due notice and completion of the notice period. This would cause us to have to find another foundry to manufacture those wafers or redesign our core technology and would mean that we may not have products to sell until such time. Any time spent engaging a new manufacturer or redesigning our core technology could be costly and time-consuming and allow potential competitors to take opportunities in the marketplace. Moreover, if we are unable to find another foundry to manufacture our products or if we have to redesign our core technology, this could cause material harm to our business and operating results.

If we need other foundries or packaging, assembly, and testing contractors, or if we are unable to obtain timely and adequate deliveries from our providers, we might not be able to cost-effectively and quickly retain other vendors to satisfy our requirements. Because the lead time needed to establish a relationship with a new third-party supplier could be several quarters, there may not be any readily available alternative source of supply for any specific component. In addition, the time and expense to qualify a new foundry could result in additional expense, diversion of resources or lost sales, any of which would negatively impact our financial results.

If any of our current or future foundries or packaging, assembly and testing subcontractors significantly increases the costs of wafers or other materials or services, interrupts or reduces our supply, including for reasons outside of their control, such as health-related events or outbreaks, or if any of our relationships with our suppliers is terminated, our operating results could be adversely affected. Such occurrences could also damage our customer relationships, result in lost revenue, cause a loss in market share, or damage our reputation.

Disruptions in our supply chain and increased cost of components used in our products may adversely impact our business, results of operations and financial condition, including our ability to fulfill customer demand.

If we fail to procure sufficient components used in our products, we may be unable to deliver our products to our customers on a timely basis, which could lead to customer dissatisfaction and could harm our reputation and ability to compete. We would likely experience significant delays or cessation in producing some of our products if a labor strike, natural disaster, public health crisis, geopolitical event, or other supply disruption were to occur, including health-related events or outbreaks at any of our main suppliers.

Further, the upturn in the semiconductor industry has stretched the supply chain, and we are subject to supply shortages, as well as higher costs as suppliers opportunistically raise prices. For example, there is currently a worldwide shortage of semiconductor, memory and other electronic components affecting many industries. Our products are dependent on some of these electronic components. A continued shortage of electronic components may impact us and could cause us to experience extended lead times and increased prices from our suppliers, which could be significant. Extended lead times and decreased availability of key components could result in a significant disruption to our production schedule, all of which would have an adverse effect on our business, results of operations and financial condition.

We do not have any guarantees of supply from our third-party suppliers, other than GLOBALFOUNDRIES, and in certain cases we have limited contractual arrangements or are relying on standard purchase orders or on component parts available on the open market, which may further result in increased costs combined with reduced availability. A continued delay in our ability to produce and deliver our products could also cause our customers to purchase alternative products from our competitors and/or harm our reputation.

We may be unable to match production with customer demand for a variety of reasons including our inability to accurately forecast customer demand, supply chain constraints, or the capacity constraints of our suppliers, which could adversely affect our operating results.

We make planning and spending decisions, including determining production levels, production schedules, component procurement commitments, personnel needs, and other resource requirements, based on our estimates of product demand and customer requirements. Our products are typically purchased pursuant to individual purchase orders. While our customers may provide us with their demand forecasts, they are not contractually committed to buy any quantity of products beyond purchase orders. Furthermore, many of our customers may increase, decrease, cancel, or delay purchase orders already in place without significant penalties. The short-term nature of commitments by our customers and the possibility of unexpected changes in demand for their products reduce our ability to accurately estimate future customer requirements. On occasion, customers may require rapid increases in production, which can strain our resources, necessitate more onerous procurement commitments, and reduce our gross margin. If we overestimate customer demand, we may purchase products that we may not be able to sell, which could result in decreases in our prices or write-downs of unsold inventory. Conversely, we could lose sales opportunities and market share or damage our customer relationships if, for example, we underestimate customer demand, we are affected by supply chain constraints, or sufficient manufacturing is unavailable. We manufacture MRAM products at our leased 200mm facility in Chandler, Arizona and use a single foundry, GLOBALFOUNDRIES, for production of higher density products on advanced technology nodes, which may not have sufficient capacity to meet customer demand. The rapid pace of innovation in our industry could also render significant portions of our inventory obsolete. Excess or obsolete inventory levels could result in unexpected expenses or write-downs of inventory values that could adversely affect our business, operating results, and financial condition.

As we expand into new potential markets, we expect to face intense competition, including from our customers and potential customers, and may not be able to compete effectively, which could harm our business.

We expect that our new and future MRAM products will be applicable to markets in which we are not currently operating. The markets in which we operate and may operate in the future are extremely competitive and are characterized by rapid technological change, continuously evolving customer requirements and declining average selling prices. We may not be able to compete successfully against current or potential competitors, which include our current and potential customers as they seek to internally develop solutions competitive with ours or as we develop products potentially competitive with their existing products. If we do not compete successfully, our market share and revenue may decline. We compete with large semiconductor manufacturers and designers and others, and some of our current and potential competitors have longer operating histories, significantly greater resources and name recognition and a larger base of customers than we do. This may allow them to respond more quickly than we can to new or emerging technologies or changes in customer requirements. In addition, these competitors may have greater credibility with our existing and potential customers. Some of our current and potential customers with their own internally developed solutions may choose not to purchase products from third-party suppliers like us.

Our joint development agreement and strategic relationships involve numerous risks.

We have entered into strategic relationships to manufacture products and develop new manufacturing process technologies and products. These relationships include our joint development agreement with GLOBALFOUNDRIES to develop advanced MTJ technology and STT-MRAM. These relationships are subject to various risks that could adversely affect the value of our investments and our results of operations. These risks include the following:

- our interests could diverge from those of our foundries, or we may not be able to agree with them on ongoing development, manufacturing and operational activities, or on the amount, timing, or nature of further investments in our joint development;
- we may experience difficulties in transferring technology to a foundry;
- we may experience difficulties and delays in getting to and/or ramping production at foundries;
- we do not have control over the operations of foundries;
- our joint development collaborators may be unable to meet their commitments to us;
- due to differing business models or long-term business goals, our collaborators may decide not to join us in funding capital investment, which may result in higher levels of cash expenditures by us;
- our cash flows may be inadequate to fund increased capital requirements;
- we may experience difficulties or delays in collecting amounts due to us from our collaborators;
- the terms of our arrangements may turn out to be unfavorable;
- we are migrating toward a fabless model as 300mm production becomes required and this increases risks related to less control over our critical production processes; and
- changes in tax, legal, or regulatory requirements may necessitate changes in our agreements.

If our strategic relationships are unsuccessful, our business, results of operations, or financial condition may be materially adversely affected.

We must continuously develop new and enhanced products and face intense competition in a market characterized by rapid technological change, if we are unable to successfully timely develop products, and market and secure design wins for our new and enhanced products for which we incur significant expenses to develop, our results of operations and financial condition will be materially and adversely affected.

To compete effectively in our markets, we must continually design, develop, and introduce new and improved technology and products with improved features in a cost-effective manner in response to changing technologies and market demand. This requires us to devote substantial financial and other resources to research and development. We are developing new technology and products, which we expect to be one of the drivers of our revenue growth in the future. We also face the risk that customers may not elect to incorporate our new and enhanced products into their products. For example, if we are unable to generate more customer adoption of our 1Gb MRAM product and address new growth opportunities with subsequent STT-MRAM products, we may not be able to materially increase our revenue. If we are unable to successfully develop and market our new and enhanced products that we have incurred significant expenses developing, our results of operations and financial condition will be materially and adversely affected.

We sell to customers, including OEMs and ODMs, that incorporate MRAM into their products. A design win occurs after a customer has tested our product, verified that it meets the customer's requirements and qualified our solutions for their products. The adoption of our 256Mb and 1Gb MRAM products by our customers is critical for us to secure design wins. Our customers may need several months to years to test, evaluate, and adopt our product and additional time to begin volume production of the product that incorporates our solution. Due to this generally lengthy design cycle, we may experience significant delays from the time we increase our operating expenses and make investments in our products to the time that we generate revenue from sales of these products. Moreover, even if a customer selects our solution, we cannot guarantee that this will result in any sales of our products, as the customer may ultimately change or cancel its product plans, or efforts by our customer to market and sell its product may not be successful. We may not generate any revenue from design wins after incurring the associated costs, which would cause our business and operating results to suffer.

The markets in which we operate and may operate in the future are extremely competitive and are characterized by rapid technological change, continuous evolving customer requirements and declining average selling prices. Some of our current and potential customers with their own internally developed solutions may choose not to purchase products from third-party suppliers like us.

If a current or prospective customer incorporates a competitor's solution into its product, it becomes significantly more difficult for us to sell our solutions to that customer because changing suppliers involves significant time, cost, effort, and risk for the customer even if our solutions are superior to other solutions and remain compatible with their product design. Our ability to compete successfully depends on customers viewing us as a stable and reliable supplier to mission-critical customer applications when we have less production capacity and less financial resources compared to most of our larger competitors. If current or prospective customers do not include our solutions in their products and we fail to achieve a sufficient number of design wins, our results of operations and business may be harmed.

The loss of one or several of our customers or reduced orders or pricing from existing customers may have a significant adverse effect on our operations and financial results.

We have derived and expect to continue to derive a significant portion of our revenues from a small group of customers during any particular period due in part to the concentration of market share in the semiconductor industry. The loss of a significant customer, a business combination among our customers, a reduction in orders or decrease in price from a significant customer or disruption in any of our commercial or distributor arrangements may result in a significant decline in our revenues and could have a material adverse effect on our business, liquidity, results of operations, financial condition, and cash flows.

Our costs may increase substantially if we or our third-party manufacturing contractors do not achieve satisfactory product yields or quality. The complexity of our products may lead to defect, which could negatively impact our reputation with customers and result in liability.

The fabrication process is extremely complicated and small changes in design, specifications or materials can result in material decreases in product yields or even the suspension of production. From time to time, we and/or the third-party foundries with which we contract to manufacture our products may experience manufacturing defects and reduced manufacturing yields. In some cases, we and/or our third-party foundries may not be able to detect these defects early in the fabrication process or determine the cause of such defects in a timely manner. There may be a higher risk of product yield issues in newer STT-MRAM products.

Generally, in pricing our products, we assume that manufacturing yields will continue to improve, even as the complexity of our products increases. Once our products are initially qualified either internally or with our third-party foundries, minimum acceptable yields are established. We are responsible for the costs of the units if the actual yield is above the minimum set with our third-party foundries. If actual yields are below the minimum, we are not required to purchase the units. Minimum acceptable yields for our new products are generally lower at first and gradually improve as we achieve full production, but yield issues can occur even in mature processes due to breakdowns in mechanical systems, equipment failures or calibration errors. Unacceptably low product yields or other product manufacturing problems could substantially increase overall production time and costs and adversely impact our operating results. Product yield losses may also increase our costs and reduce our gross margin. In addition to significantly harming our results of operations and cash flow, poor yields may delay shipment of our products and harm our relationships with existing and potential customers.

Products as complex as ours may contain defects, particularly when first introduced to customers or as new versions are released. Delivery of products with production defects or reliability, quality or compatibility problems could significantly delay or hinder market acceptance of the products or result in a costly recall and could damage our reputation and adversely affect our ability to retain existing customers and attract new customers. Defects could cause problems with the functionality of our products, resulting in interruptions, delays, or cessation of sales of these products to our customers. We may also be required to make significant capital and resource expenditures to resolve such problems. For example, any such problems could result in:

- delays in development, manufacture and roll-out of new products;
- additional development costs;
- loss of, or delays in, market acceptance;
- diversion of technical and other resources from our other development efforts;
- claims for damages by our customers or others against us; and
- loss of credibility with our current and prospective customers.
- Any such event could have a material adverse effect on our business, financial condition, and results of operations.

We may experience difficulties in transitioning to new wafer fabrication process technologies or in achieving higher levels of design integration, which may result in reduced manufacturing yields, delays in product deliveries and increased expenses.

We aim to use the most advanced manufacturing process technology appropriate for our solutions that is available from our third-party foundries. As a result, we periodically evaluate the benefits of migrating our solutions to other technologies to improve performance and reduce costs. These ongoing efforts require us from time to time to modify the manufacturing processes for our products and to redesign some products, which in turn may result in delays in product deliveries.

For example, as smaller line width geometry manufacturing processes become more prevalent, we intend to move our future products to increasingly smaller geometries to integrate greater levels of memory capacity and/or functionality into our products. This transition will require us and our third-party foundries to migrate to new designs and manufacturing processes for smaller geometry products.

We may face difficulties, delays, and increased expenses as we transition our products to new processes, and potentially to new foundries. We will depend on our third-party foundries as we transition to new processes. Our third-party foundries may not be able to effectively manage such transitions and/or we may not be able to maintain our relationship with our third-party foundries or develop relationships with new third-party foundries. If we or any of our third-party foundries experience significant delays in transitioning to new processes or fail to efficiently implement transitions, we could experience reduced manufacturing yields, delays in product deliveries and increased expenses, any of which could harm our relationships with our customers and our operating results.

Changes to industry standards and technical requirements relevant to our products and markets could adversely affect our business, results of operations and prospects.

Our products are only a part of larger electronic systems. All products incorporated into these systems must comply with various industry standards and technical requirements created by regulatory bodies or industry participants to operate efficiently together. Industry standards and technical requirements in our markets are evolving and may change significantly over time. For our products, the industry standards are developed by the Joint Electron Device Engineering Council, an industry trade organization. In addition, large industry-leading semiconductor and electronics companies play a significant role in developing standards and technical requirements for the product ecosystems within which our products can be used. Our customers also may design certain specifications and other technical requirements specific to their products and solutions. These technical requirements may change as the customer introduces new or enhanced products and solutions.

Our ability to compete will depend on our ability to identify and comply with evolving industry standards and technical requirements. The emergence of new industry standards and technical requirements could render our products incompatible with products developed by other suppliers or make it difficult for our products to meet the requirements of certain of our customers in automotive, transportation, industrial, data storage, and other markets. As a result, we could be required to invest significant time and effort and incur significant expenses to redesign our products to ensure compliance with relevant standards and requirements. If our products are not in compliance with prevailing industry standards and technical requirements for a significant period of time, we could miss opportunities to achieve crucial design wins, our revenue may decline and we may incur significant expenses to redesign our products to meet the relevant standards, which could adversely affect our business.

Our success depends on our ability to attract and retain key employees, and our failure to do so could harm our ability to grow our business and execute our business strategies.

Our success depends on our ability to attract and retain our key employees, including our management team and experienced engineers. Competition for personnel in the semiconductor memory technology field, and in the MRAM space in particular, is intense, and the availability of suitable and qualified candidates is limited. We compete to attract and retain qualified research and development personnel with other semiconductor companies, universities, and research institutions. Given our experience as an early entrant in the MRAM space, our employees are frequently contacted by MRAM startups and MRAM groups within larger companies seeking to employ them. The members of our management and our key employees are at-will. If we lose the services of any key senior management member or employee, we may not be able to attract suitable or qualified replacements, and may incur additional expenses to recruit and train new personnel, which could severely impact our business and prospects. The loss of the services of one or more of our key employees, especially our key engineers, or our inability to attract and retain qualified engineers, could harm our business, financial condition, and results of operations.

We are also working to promote our talent management efforts through the implementation of initiatives designed to build and maintain a diverse and inclusive environment throughout our organization. However, there has been increasing scrutiny on corporate diversity, equity and inclusion (DEI) initiatives, including from activists and policymakers challenging how such initiatives comply with civil rights protections. Such anti-DEI initiatives and scrutiny could expose us to the risk of litigation or investigations, resulting in injunctions, penalties, or reputational harm. In addition, if we become unable to (or are perceived not to) successfully implement certain of our workforce initiatives, including in keeping with current or potential future laws or interpretations thereof, our ability to recruit, attract and retain talent may be adversely impacted.

We currently maintain and are seeking to expand operations outside of the United States which exposes us to significant risks.

The success of our business depends, in large part, on our ability to operate successfully from geographically disparate locations and to further expand our international operations and sales. Operating in international markets requires significant resources and management attention and subjects us to regulatory, economic, and political risks that are different from those we face in the United States. We cannot be sure that further international expansion will be successful. In addition, we face risks in doing business internationally that could expose us to reduced demand for our products, lower prices for our products or other adverse effects on our operating results. The success and profitability, as well as the expansion, of our international operations are subject to numerous risks and uncertainties, many of which are outside of our control, such as the following:

- public health-related events or outbreaks, which can result in varying impacts to our business, employees, partners, customers, distributors or suppliers internationally as discussed elsewhere in this "Risk Factors" section;
- difficulties, inefficiencies and costs associated with staffing and managing foreign operations;
- longer and more difficult customer qualification and credit checks;
- greater difficulty collecting accounts receivable and longer payment cycles;
- the need for various local approvals to operate in some countries;
- difficulties in entering some foreign markets without larger-scale local operations;
- changes in import/export laws, trade restrictions, regulations and customs and duties and tariffs (foreign and domestic);
- compliance with local laws and regulations;
- unexpected changes in regulatory requirements, including the elimination of tax holidays;
- reduced protection for intellectual property rights in some countries;
- adverse tax consequences as a result of repatriating cash generated from foreign operations to the United States;
- adverse tax consequences, including potential additional tax exposure if we are deemed to have established a permanent establishment outside of the United States;
- the effectiveness of our policies and procedures designed to ensure compliance with the Foreign Corrupt Practices Act of 1977 (FCPA) and similar regulations;
- fluctuations in currency exchange rates, which could increase the prices of our products to customers outside of the United States, increase the expenses of our international operations by reducing the purchasing power of the U.S. dollar and expose us to foreign currency exchange rate risk if, in the future, we denominate our international sales in currencies other than the U.S. dollar;
- new and different sources of competition;
- political, economic, and social instability;
- terrorism and acts of war, such as the military conflict between Russia and Ukraine, which could have a negative impact on the operations of our business or our customers' businesses; and
- US Department of Commerce regulations or restrictions on exports of certain semiconductor technologies and equipment to China.

Our failure to manage any of these risks successfully could harm our operations and reduce our revenue.

We may need additional funding and may be unable to raise capital when needed, which could force us to delay, reduce, or eliminate planned activities.

Our total revenue was approximately $55.2 million for the year ended December 31, 2025, and $50.4 million for the year ended December 31, 2024. As of December 31, 2025, we had cash and cash equivalents of approximately $44.5 million. Based on our current operating plan, we believe our existing cash and cash equivalents, coupled with our anticipated growth and sales levels, will be sufficient to meet our anticipated cash requirements for at least the next 12 months. We have no committed sources of funding and there are no assurances that additional funding will be available to us in the future or on acceptable terms. If adequate funding is not available when needed, we may be forced to curtail operations, including our commercial activities and research and development programs, or cease operations altogether, file for bankruptcy, or undertake any combination of the foregoing.

Further, we may need to raise additional funds through financings or borrowings in order to accomplish our long-term planned objectives. If we raise additional funds through issuances of equity, convertible debt securities or other securities convertible into equity, our existing stockholders could suffer significant dilution in their percentage ownership of our company, and any new equity securities we issue could have rights, preferences, and privileges senior to those of holders of our common stock.

In addition, if we do not meet our payment obligations to third parties as they become due, we may be subject to litigation claims and our creditworthiness would be adversely affected. Stockholders should not rely on our balance sheet as an indication of the amount of proceeds that would be available to satisfy claims of creditors, and potentially be available for distribution to stockholders, in the event of liquidation.

We cannot be certain that we will sustain profitability.

While our products offer unique benefits over other industry memory technologies, the rate of adoption of our products and our ability to capture market share from legacy technologies is uncertain. Our revenue may also be adversely impacted by a number of other possible reasons, many of which are outside our control, including business conditions that adversely affect the semiconductor memory industry resulting in a decline in end market demand for our products, adverse impacts resulting from health-related events or outbreaks, increased competition, ongoing supply chain constraints, or our failure to capitalize on growth opportunities. We also rely on achieving specific cost reduction targets that have uncertainty in their timing and magnitude. We may also incur unforeseen expenses in the ongoing operation of our business that cause us to exceed our operational spending plan. As a result, our ability to generate sufficient revenue growth and/or control expenses to transition to profitability and generate consistent positive cash flows is uncertain.

Risk Factors Related to Our Intellectual Property and Technology

Failure to protect our intellectual property could substantially harm our business.

Our success and ability to compete depend in part upon our ability to protect our intellectual property. We rely on a combination of intellectual property rights, including patents, mask work protection, copyrights, trademarks, trade secrets and know-how, in the United States and other jurisdictions. The steps we take to protect our intellectual property rights may not be adequate, particularly in foreign jurisdictions such as China. Any patents we hold may not adequately protect our intellectual property rights or our products against competitors, and third parties may challenge the scope, validity, or enforceability of our issued patents, which third parties may have significantly more financial resources with which to litigate their claims than we have to defend against them. In addition, other parties may independently develop similar or competing technologies designed around any patents or patent applications that we hold. Some of our products and technologies are not covered by any patent or patent application, as we do not believe patent protection of these products and technologies is critical to our business strategy at this time. A failure to timely seek patent protection on products or technologies generally precludes us from seeking future patent protection on these products or technologies.

In addition to patents, we also rely on contractual protections with our customers, suppliers, distributors, employees, and consultants, and we implement security measures designed to protect our trade secrets and know-how. However, we cannot ensure that these contractual protections and security measures will not be breached, that we will have adequate remedies for any such breach or that our customers, suppliers, distributors, employees, or consultants will not assert rights to intellectual property or damages arising out of such contracts.

We may initiate claims against third parties to protect our intellectual property rights if we are unable to resolve matters satisfactorily through negotiation. Litigation brought to protect and enforce our intellectual property rights could be costly, time-consuming, and distracting to management. It could also result in the impairment or loss of portions of our intellectual property, as an adverse decision could limit our ability to assert our intellectual property rights, limit the value of our technology or otherwise negatively impact our business, financial condition, and results of operations. Additionally, any enforcement of our patents or other intellectual property may provoke third parties to assert counterclaims against us. Our failure to secure, protect and enforce our intellectual property rights could materially harm our business.

We may face claims of intellectual property infringement, which could be time-consuming, costly to defend or settle, result in the loss of significant rights, harm our relationships with our customers and distributors, or otherwise materially adversely affect our business, financial condition, and results of operations.

The semiconductor memory industry is characterized by companies that hold patents and other intellectual property rights and that vigorously pursue, protect, and enforce intellectual property rights. These companies include patent-holding companies or other adverse patent owners who have no relevant product revenue and against whom our own patents may provide little or no deterrence. From time to time, third parties may assert patent and other intellectual property rights claims against us and our customers. We have in the past, and may in the future, face such claims. On January 28, 2026, we received notice that Avalanche Technology, Inc. filed a lawsuit against us in the United States District Court for the District Court of Delaware and a patent infringement complaint with the U.S. International Trade Commission. We believe we have valid arguments against the underlying claims, which could be time-consuming and costly to defend and involve significant uncertainty.

Claims that our products, processes, or technology infringe third-party intellectual property rights, regardless of their merit or resolution, could be costly to defend or settle and could divert the efforts and attention of our management and technical personnel. We may also be obligated to indemnify our customers or business partners in connection with any such litigation, which could result in increased costs. Infringement claims also could harm our relationships with our customers or distributors and might deter future customers from doing business with us. If any such proceedings result in an adverse outcome, we could be required to:

- cease the manufacture, use or sale of the infringing products, processes or technology;
- pay substantial damages for infringement;
- expend significant resources to develop non-infringing products, processes or technology, which may not be successful;
- license technology from the third-party claiming infringement, which license may not be available on commercially reasonable terms, or at all;
- cross-license our technology to a competitor to resolve an infringement claim, which could weaken our ability to compete with that competitor; or
- pay substantial damages to our customers to discontinue their use of or to replace infringing technology sold to them with non-infringing technology, if available.

Any of the foregoing results could have a material adverse effect on our business, financial condition, and results of operations. Furthermore, our exposure to the foregoing risks may also be increased if we acquire other companies or technologies. For example, we may have a lower level of visibility into the development process with respect to intellectual property or the care taken to safeguard against infringement risks with respect to the acquired company or technology. In addition, third parties may make infringement and similar or related claims after we have acquired technology that had not been asserted prior to the acquisition.

Interruptions in or other compromises of our information technology systems or data or that of third parties upon whom we rely could adversely affect our business.

We rely on the efficient, uninterrupted and uncompromised operation of complex information technology systems and networks (and those of third parties) to operate our business. Any significant disruption to or other compromise of our systems, networks or data (or those of third parties upon whom we rely), including, but not limited to, due to new system implementations, computer viruses, social-engineering attacks, personnel (including former personnel) misconduct or error, supply-chain attacks, ransomware attacks, software bugs, software or hardware failure, security breaches, facility issues, natural disasters, terrorism, war, telecommunication failures, energy blackouts, loss, theft or similar threats, could have a material adverse impact on our operations, sales, and financial results. Such disruption or other compromise could result in a loss of our intellectual property or the release of sensitive competitive information or supplier, customer, personnel or other relevant stakeholder's personal data. Additionally, future or past business transactions (such as acquisitions or integrations) could expose us to additional cybersecurity risks and vulnerabilities, as our systems could be negatively affected by vulnerabilities present in acquired or integrated entities' systems and technologies. Furthermore, we may discover security issues that were not found during due diligence of such acquired or integrated entities, and it may be difficult to integrate companies into our information technology environment and security program. Any loss of such information could harm our competitive position, result in a loss of customer confidence, result in breaches of applicable obligations (such as laws and contracts) and cause us to incur significant costs to remedy the damages caused by any such disruptions or security breaches. Additionally, any failure to manage the collection, handling, transfer, or disposal of personal data of employees and customers may result in regulatory penalties, bans on processing personal data or orders not to use or destroy data, enforcement actions, remediation obligations, litigation, fines, and other actions.

We may experience attacks on our data and/or information systems, attempts to breach our security and attempts to introduce malicious software into our IT systems. Such threats are prevalent and continue to rise, are increasingly difficult to detect, and come from a variety of sources, including traditional computer "hackers," threat actors and "hacktivists," organized criminal threat actors, personnel (such as through theft or misuse), sophisticated nation states, and nation-state-supported actors. During times of war and other major conflicts, we and the third parties upon which we rely may be vulnerable to a heightened risk of these attacks. If attacks are successful, we may be unaware of the incident, its magnitude, or its effects until significant harm is done. Any such attack or disruption could result in additional costs related to rebuilding of our internal systems, defending litigation, responding to regulatory actions, or paying damages. Such attacks or disruptions could have a material adverse impact on our business, operations, and financial results. Attempts to gain unauthorized access to our IT systems or other attacks have in the past, in certain instances and to certain degrees, been successful (but have not caused significant harm), and may in the future be successful, and in some cases, we might be unaware of an incident or its magnitude and effects.

Third-party service providers, such as wafer foundries, assembly and test contractors, distributors and other vendors have access to certain portions of our and our customers' sensitive data. Our ability to monitor these third parties' information security practices is limited, and these third parties may not have adequate information security measures in place. In the event that these service providers do not adequately safeguard the data that they hold, security breaches and loss of data could result. Any such loss of data by our third-party service providers could negatively impact our business, operations, and financial results, as well as our relationship with our customers.

In particular, severe ransomware attacks are becoming increasingly prevalent and can lead to significant interruptions in our operations, ability to provide our products or services, loss of sensitive data and income, reputational harm, and diversion of funds. Extortion payments may alleviate the negative impact of a ransomware attack, but we may be unwilling or unable to make such payments due to, for example, applicable laws or regulations prohibiting such payments.

While we have implemented security measures designed to protect against security incidents, there can be no assurance that these measures will be effective. We take steps designed to detect, mitigate, and remediate vulnerabilities in our information systems (such as our hardware and/or software, including that of third parties upon which we rely). We may not, however, detect and remediate all such vulnerabilities including on a timely and effective basis. Further, we may experience delays in developing and deploying remedial measures and patches designed to address identified vulnerabilities. Vulnerabilities could be exploited and result in a security incident.

We may expend significant resources or modify our business activities to try to protect against security incidents. Additionally, certain data privacy and security obligations may require us to implement and maintain specific security measures or industry-standard or reasonable security measures to protect our information technology systems and sensitive data.

Risk Factors Related to Regulatory Matters and Compliance

To comply with environmental laws and regulations, we may need to modify our activities or incur substantial costs, and if we fail to comply with environmental regulations, we could be subject to substantial fines or be required to have our suppliers alter their processes.

The semiconductor memory industry is subject to a variety of international, federal, state, and local governmental regulations directed at preventing or mitigating environmental harm, as well as to the storage, discharge, handling, generation, disposal and labeling of toxic or other hazardous substances. Failure to comply with environmental regulations could subject us to civil or criminal sanctions and property damage or personal injury claims. Compliance with current or future environmental laws and regulations could restrict our ability to expand our business or require us to modify processes or incur other substantial expenses which could harm our business. In response to environmental concerns, some customers and government agencies impose requirements for the elimination of hazardous substances, such as lead (which is widely used in soldering connections in the process of semiconductor packaging and assembly), from electronic equipment. For example, the European Union (EU) adopted its Restriction on Hazardous Substance Directive which prohibits, with specified exceptions, the sale in the EU market of new electrical and electronic equipment containing more than agreed levels of lead or other hazardous materials and China has enacted similar regulations. Environmental laws and regulations such as these could become more stringent over time, causing a need to redesign technologies, imposing greater compliance costs, and increasing risks and penalties associated with violations, which could seriously harm our business.

Increasing public attention has been focused on the environmental impact of electronic manufacturing operations. While we have not experienced any materially adverse effects on our operations from recently adopted environmental regulations, our business and results of operations could suffer if for any reason we fail to control the storage or use of, or to adequately restrict the discharge or disposal of, hazardous substances under present or future environmental regulations.

Regulations related to "conflict minerals" may force us to incur additional expenses, may make our supply chain more complex and may result in damage to our reputation with customers.

Pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act, the SEC has adopted requirements for companies that use certain minerals and metals, known as conflict minerals, in their products, whether or not these products are manufactured by third parties. These requirements require companies to perform diligence and disclose and report whether or not such minerals originate from the Democratic Republic of Congo and adjoining countries. These requirements could adversely affect the sourcing, availability and pricing of minerals used in the manufacture of our products, and affect our costs and relationships with customers, distributors, and suppliers as we must obtain additional information from them to ensure our compliance with the disclosure requirement. In addition, we incur additional costs in complying with the disclosure requirements, including costs related to determining the source of any of the relevant minerals and metals used in our products. Since our supply chain is complex, we have not been able to sufficiently verify the origins of these minerals and metals used in our products through the due diligence procedures that we implement, which may harm our reputation. In such event, we may also face difficulties in satisfying customers who require that all of the components of our products are certified as conflict mineral free and these customers may discontinue, or materially reduce, purchases of our products, which could result in a material adverse effect on our results of operations and our financial condition may be adversely affected.

Our ability to use net operating losses to offset future taxable income may be subject to certain limitations.

In general, under Section 382 of the U.S. Internal Revenue Code of 1986, as amended, or the Code, a corporation that undergoes an "ownership change" is subject to limitations on its ability to utilize its pre-change net operating losses, or NOLs, to offset future taxable income and tax credits to offset tax. As of December 31, 2025, we had gross federal net operating loss carryforwards of approximately $95.2 million, of which $53.2 million will expire in 2030 through 2037 if not utilized, and $42.0 million that will carryover indefinitely. The Company experienced an ownership change in October 2016 and as a result, $43.8 million of the federal NOLs are expected to expire unutilized due to limitation under IRC Section 382. Consistent with prior years, the NOLs expected to expire unutilized are included in the NOL carryforward amounts disclosed, subject to a valuation allowance. As of December 31, 2025, we had state net operating loss carryforwards of approximately $48.4 million, of which $45.4 million will expire in 2030 through 2045 if not utilized, and $3.0 million that will carry over indefinitely. The federal NOLs generated prior to 2018 will continue to be governed by the NOL tax rules as they existed prior to the adoption of the 2017 Tax Act, which means that generally they will expire 20 years after they were generated if not used prior thereto. The 2017 Tax Act repealed the 20-year carryforward and two-year carryback of NOLs originating after December 31, 2017 and also limits the NOL deduction to 80% of taxable income for tax years beginning after December 31, 2017. Any NOLs generated in 2018 and forward will be carried forward and will not expire. Future changes in our stock ownership, many of which are outside of our control, could result in additional ownership changes under IRC Section 382 of the Code. The ability to utilize our net operating losses and tax credits could also be impaired under state law. As a result, we might not be able to utilize a material portion of our state NOLs and tax credits.

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

New tax laws, statutes, rules, regulations, or ordinances could be enacted at any time. For example, the Tax Cuts and Jobs Act, the Coronavirus Aid, Relief, and Economic Security Act, the Inflation Reduction Act, or the IRA, and the One Big Beautiful Bill Act (OBBBA) made many significant changes to U.S. tax laws, including the imposition by the IRA of, among other rules, a 15% minimum tax on the book income of certain large corporations and a 1% excise tax on certain corporate stock repurchases. Further, existing tax laws, statutes, rules, regulations, or ordinances could be interpreted differently, changed, repealed, or modified at any time. Any such enactment, interpretation, change, repeal, or modification could adversely affect us, possibly with retroactive effect. In particular, changes in corporate tax rates, the realization of net deferred tax assets, the taxation of foreign earnings, and the deductibility of expenses could have a material impact on the value of our deferred tax assets, result in significant one-time charges, and increase our future tax expenses.

Risks Related to Our Common Stock

We expect that the price of our common stock will fluctuate substantially.

The market price of our common stock is likely to be highly volatile and may fluctuate substantially due to many factors, including:

- the introduction of new products or product enhancements by us or others in our industry;
- announcements by us or our competitors of significant acquisitions, strategic partnerships, joint ventures, capital commitments or restructurings;
- disputes or other developments with respect to our or others' intellectual property rights;
- product liability claims or other litigation;
- quarterly variations in our results of operations or those of others in our industry;
- sales of large blocks of our common stock, including sales by our executive officers and directors;
- changes in senior management or key personnel;
- changes in earnings estimates or recommendations by securities analysts; and
- general market conditions and other factors, including factors unrelated to our operating performance or the operating performance of our competitors, including the effects of health-related events or outbreaks and the military conflict between Russia and Ukraine.

Stock markets generally have experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of those companies. Further, the semiconductor memory industry is highly cyclical, and our markets may experience significant cyclical fluctuations in demand as a result of changing economic conditions, budgeting and buying patterns of customers and other factors. Fluctuations in our revenue and operating results could also cause our stock price to decline.

In addition, in the past, class action litigation has often been instituted against companies whose securities have experienced periods of volatility in market price, or for other reasons. Securities litigation brought against us following volatility in our stock price or otherwise, regardless of the merit or ultimate results of such litigation, could result in substantial costs, which would hurt our financial condition and operating results and divert management's attention and resources from our business.

These and other factors may make the price of our stock volatile and subject to unexpected fluctuation.

Provisions in our corporate charter documents and under Delaware law could make an acquisition of us more difficult and may prevent attempts by our stockholders to replace or remove our current management.

Provisions in our amended and restated certificate of incorporation and our amended and restated bylaws may discourage, delay, or prevent a merger, acquisition, or other change in control of us that stockholders may consider favorable, including transactions in which stockholders might otherwise receive a premium for their shares. These provisions could also limit the price that investors might be willing to pay in the future for shares of our common stock, thereby depressing the market price of our common stock. In addition, these provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our board of directors. Because our board of directors is responsible for appointing the members of our management team, these provisions could in turn affect any attempt by our stockholders to replace current members of our management team. Among others, these provisions include that:

- our board of directors has the right to expand the size of our board of directors and to elect directors to fill a vacancy created by the expansion of the board of directors or the resignation, death or removal of a director, which prevents stockholders from being able to fill vacancies on our board of directors;
- our stockholders may not act by written consent or call special stockholders' meetings; as a result, a holder, or holders, controlling a majority of our capital stock would not be able to take certain actions other than at annual stockholders' meetings or special stockholders' meetings called by the board of directors pursuant to a resolution

adopted by a majority of the total number of authorized directors, the chairman of the board or the chief executive officer;

- our amended and restated certificate of incorporation prohibits cumulative voting in the election of directors, which limits the ability of minority stockholders to elect director candidates;
- the affirmative vote of holders of at least 66-2/3% of the voting power of all of the then outstanding shares of voting stock, voting as a single class, will be required (a) to amend certain provisions of our certificate of incorporation, including provisions relating to the size of the board, special meetings, actions by written consent and cumulative voting and (b) to amend or repeal our amended and restated bylaws, although such bylaws may be amended by a simple majority vote of our board of directors;
- stockholders must provide advance notice and additional disclosures to nominate individuals for election to the board of directors or to propose matters that can be acted upon at a stockholders' meeting, which may discourage or deter a potential acquiror from conducting a solicitation of proxies to elect the acquiror's own slate of directors or otherwise attempting to obtain control of our company; and
- our board of directors may issue, without stockholder approval, shares of undesignated preferred stock; the ability to issue undesignated preferred stock makes it possible for our board of directors to issue preferred stock with voting or other rights or preferences that could impede the success of any attempt to acquire us.

Moreover, because we are incorporated in Delaware, we are governed by the provisions of Section 203 of the Delaware General Corporation Law, which prohibits a person who owns in excess of 15% of our outstanding voting stock from merging or combining with us for a period of three years after the date of the transaction in which the person acquired in excess of 15% of our outstanding voting stock, unless the merger or combination is approved in a prescribed manner.

Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware and the federal district courts of the United States of America will be the exclusive forums for substantially all disputes between us and our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, or employees.

Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware is the exclusive forum for the following types of actions or proceedings under Delaware statutory or common law:

- any derivative action or proceeding brought on our behalf;
- any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee to us or our stockholders;
- any action asserting a claim against us arising under the Delaware General Corporation Law, our amended and restated certificate of incorporation or our amended and restated bylaws; and
- any action asserting a claim against us that is governed by the internal-affairs doctrine.

This provision would not apply to suits brought to enforce a duty or liability created by the Exchange Act. Furthermore, Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all such Securities Act actions. Accordingly, both state and federal courts have jurisdiction to entertain such claims. To prevent having to litigate claims in multiple jurisdictions and the threat of inconsistent or contrary rulings by different courts, among other considerations, our amended and restated certificate of incorporation provides that, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act. While the Delaware courts have determined that such choice of forum provisions are facially valid, a stockholder may nevertheless seek to bring a claim in a venue other than those designated in the exclusive forum provisions. In such instance, we would expect to vigorously assert the validity and enforceability of the exclusive forum provisions of our amended and restated certificate of incorporation. This may require significant additional costs associated with resolving such action in other jurisdictions and there can be no assurance that the provisions will be enforced by a court in those other jurisdictions.

These exclusive forum provisions may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, or other employees, which may discourage lawsuits against us and our directors, officers, and other employees. If a court were to find either exclusive-forum provision in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur further significant additional costs associated with resolving the dispute in other jurisdictions, all of which could seriously harm our business.

General Risk Factors

We are subject to governmental export and import controls that could impair our ability to compete in international markets due to licensing requirements and subject us to liability if we are not in compliance with applicable laws.

Our products are subject to various restrictions under U.S. export control and sanctions laws and regulations, including the U.S. Department of Commerce's Export Administration Regulations (EAR) and various economic and trade sanctions regulations administered by the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC). These laws and regulations impose restrictions or prohibitions on the sale or supply of products and services to sanctioned countries, governments, persons and entities, and to persons engaged in restricted or prohibited end-uses.

Although we have taken precautions to protect against our products being exported or used in violation of law, we have inadvertently provided products and services to some customers in apparent violation of U.S. export control laws. In October 2024, we submitted to the U.S. Department of Commerce's Bureau of Industry and Security (BIS) an initial notification of voluntary self-disclosure concerning apparent violations. A final voluntary self-disclosure was submitted to BIS on April 30, 2025. If we are found to be in violation of U.S. sanctions or export control regulations, it can result in significant fines or penalties, as well as reputational harm and loss of business. While we are working to implement additional controls designed to prevent similar occurrences in the future, these controls may not be fully effective.

Changes to our products, export control or import regulations, economic sanctions or related laws, shifts in the enforcement or scope of existing regulations or changes in the countries, governments, persons or technologies targeted by such regulations could decrease our ability to export or sell our products to existing or potential customers. Any of the foregoing could adversely affect our business, financial condition, results of operations and cash flows.

International trade policies, including tariffs, sanctions and trade barriers may adversely affect our business, financial condition, results of operations and prospects.

Substantial new tariffs and other restrictive trade policies have created a dynamic and unpredictable trade landscape, which may adversely impact our business.

Current or future tariffs or other restrictive trade measures may significantly raise the costs of raw materials, components or finished goods, which may adversely impact both our product offerings and our operational expenses. Such cost increases may reduce our margins and require us to increase prices, which could harm our competitive position, reduce customer demand and damage customer relationships. Our manufacturers, suppliers and distribution channels are also affected by the current trade environment, and we may experience supply chain disruptions as a result of increased costs and uncertainty, as well as risks to the long-term viability of key vendors, which may impact our ability to meet customer demand or manage inventory efficiently. Tariff and other trade-related cost pressures and supply chain disruptions may lead to reputational harm if we are unable to deliver products or services on expected timelines or if any price increases are poorly received by customers or business partners. In addition, many of our customers operate businesses that may be impacted by trade policies, which may result in decreased demand for our products or extended sales cycles as customers assess the impact of evolving trade policies on their operations and face increased costs or decreased revenue due to tariffs and trade restrictions.

Trade disputes, trade restrictions, tariffs and other geopolitical tensions between the U.S. and other countries may also exacerbate unfavorable macroeconomic conditions including inflationary pressures, foreign exchange volatility, financial market instability, and economic recessions or downturns, which may also negatively impact customer demand for our products or services, delay purchases or renewals, limit expansion opportunities with customers, limit our access to capital, or otherwise negatively impact our business and operations. Ongoing tariff, trade restrictions and macroeconomic uncertainty has and may continue to contribute to volatility in the price of our common stock.

The complexity of announced or future tariffs may also increase the risk that we or our customers or suppliers may be subject to civil or criminal enforcement actions in the U.S. or foreign jurisdictions related to compliance with trade regulations. In addition, retaliatory trade policies or anti-U.S. sentiment in certain regions whether driven by trade tensions, political disagreements, or regulatory concerns may make customers, governments and investors more hesitant to engage with, purchase from or invest in U.S. firms. This may lead to increased preference for local competitors, changes to government procurement policies, heightened regulatory scrutiny, decreased intellectual property protections, delays in regulatory approvals or other retaliatory regulatory non-tariff policies, which may result in heightened international legal and operational risks and difficulties in attracting and retaining non-U.S. customers, suppliers, employees, partners and investors.

Ongoing uncertainty regarding trade policies may also further complicate our short- and long-term strategic planning, and that of our partners and customers, including decisions regarding hiring, product strategy, capital investment, supply chain design and geographic expansion.

While we continue to monitor trade developments, the ultimate impact of these risks remains uncertain and any prolonged economic downturn, escalation in trade tensions, or deterioration in international perception of U.S.-based companies could materially and adversely affect our business, results of operations, financial condition and prospects. In addition, tariffs and other trade developments have and may continue to heighten the risks related to the other risk factors described elsewhere in this report.

We are subject to U.S. and certain foreign anti-corruption laws and regulations. We could face liability and other serious consequences for violations which can harm our business.

We are subject to anti-corruption laws and regulations, including the FCPA, the U.S. domestic bribery statute contained in 18 U.S.C. § 201, the U.S. Travel Act and other state and national anti-bribery laws in the countries in which we conduct activities. Anti-corruption laws are interpreted broadly and generally prohibit companies and their employees, agents, contractors and other third-party collaborators from offering, promising, giving, or authorizing others to give anything of value, either directly or indirectly through third parties, to any person in the public or private sector to obtain or retain business. The FCPA also requires public companies to make and keep books and records that accurately and fairly reflect the transactions of the corporation and to devise and maintain an adequate system of internal accounting controls. We can be held liable for the corrupt or other illegal activities of our employees, agents, contractors, and other partners, even if we do not explicitly authorize or have actual knowledge of such activities.

There is no certainty that all of our employees, agents, suppliers, manufacturers, contractors or collaborators, or those of our affiliates, will comply with all applicable anti-corruption laws and regulations. Any violation of such laws and regulations may result in substantial civil and criminal fines and penalties against us, our officers, or our employees, imprisonment, the loss of export or import privileges, debarment, tax reassessments, breach of contract and fraud litigation, reputational harm, and other consequences. In addition, any such violations could include prohibitions on our ability to offer our products in one or more countries as well as difficulties in manufacturing or continuing to develop our products, and could materially damage our reputation, our brand, our international expansion efforts, our ability to attract and retain employees, and our business, prospects, operating results and financial condition.

Our business may be adversely impacted by natural disasters and other catastrophic events.

Our operations and business, and those of our manufacturing partners, customers, distributors, or suppliers, can be disrupted by natural disasters; industrial accidents; public health-related events or outbreaks; cybersecurity incidents; interruptions of service from utilities, transportation, telecommunications, or IT systems providers; manufacturing equipment failures; or other catastrophic events. For example, some of our foundries and suppliers' facilities in Asia are located near known earthquake fault zones and, therefore, are vulnerable to damage from earthquakes. We are also vulnerable to damage from other types of disasters, such as power loss, fire, floods, and similar events. If any such natural disasters or other catastrophic events were to occur, our ability to operate our business could be seriously impaired. In addition, we may not have adequate insurance to cover our losses resulting from disasters or other similar significant business interruptions. Any significant losses that are not recoverable under our insurance policies could seriously impair our business and financial condition.

Item 1B. Unresolved Staff Comments

None.

Item 1C. Cybersecurity

Risk Management and Strategy

We implement and maintain various information security processes designed to identify, assess and manage material risks from cybersecurity threats to our critical computer networks, third-party hosted services, communications systems, hardware and software, products and our critical data, including intellectual property, confidential information that is proprietary, strategic or competitive in nature (collectively, Information Systems and Data).

Our Senior Director of Information Technology (IT), internal IT, information security and legal functions, and third-party service providers (collectively, Cybersecurity Team) help identify, assess and manage our cybersecurity threats and risks. Our Cybersecurity Team identifies and assesses risks from cybersecurity threats by monitoring and evaluating our threat environment. The Cybersecurity Team uses various methods designed to accomplish this task including, for example: manual tools, automated tools, subscribing to reports and services that identify cybersecurity threats, analyzing reports of threats and threat actors, scanning the threat environment, evaluating our and our industry's risk profile, maintaining policies designed to coordinate our efforts with law enforcement to respond to threats, internal and external audits, conducting threat assessments, conducting third party threat assessments, and conducting vulnerability assessments.

Depending on the relevant information systems environment, we implement and maintain various technical, physical, and organizational measures, processes, standards and policies designed to manage and mitigate material risks from cybersecurity threats to our Information Systems and Data, including, for example: an incident response strategy, incident detection and response measures, a vulnerability management policy, risk assessments, encryption of certain data, network security controls, data segregation, access controls, physical security controls, systems monitoring controls, personnel training, penetration testing, cybersecurity insurance, dedicated cybersecurity personnel, background checks for certain personnel, vendor management strategies, and asset management strategy (such as tracking and disposal of Company information systems).

Our assessment and management of material risks from cybersecurity threats are integrated into our overall risk management processes. For example, the Senior Director of IT works with management to prioritize our risk management processes and mitigate cybersecurity threats that are more likely to lead to a material impact to our business.

We use service providers in an effort to identify, assess, and manage material risks from cybersecurity threats, including for example: threat intelligence service providers, cybersecurity consultants, penetration testing firms, cybersecurity software providers, managed cybersecurity service providers, and professional services firms (including legal counsel).

We use service providers to perform a variety of functions throughout our business, such as application providers, hosting companies, and contract manufacturing organizations. We maintain a vendor management strategy designed to manage cybersecurity risks associated with our use of these providers. The strategy includes vendor risk assessments, security assessment reviews, and imposing information security contractual obligations on a vendor as appropriate. Depending on the nature of the services provided, the sensitivity of the Information Systems and Data at issue, and the identity of the provider, our vendor management strategy may involve different levels of assessment designed to help identify, mitigating and manage cybersecurity risks associated with a particular provider.

For a description of the risks from cybersecurity threats that may materially affect us and how they may do so, see our risk factors under Part 1. Item 1A. Risk Factors in this Annual Report on Form 10-K, including "Interruptions in or other compromises of our information technology systems or data or that of third parties upon whom we rely could adversely affect our business."

Governance

Our board of directors addresses our cybersecurity risk management as part of its general oversight function. The board of directors is responsible for overseeing our cybersecurity risk management processes, including oversight and mitigation of risks from cybersecurity threats.

Our cybersecurity risk assessment and management processes are implemented and maintained by certain members of our management, including our Senior Director of IT, the Chief Executive Officer, and the Chief Financial Officer. Our Senior Director of IT has approximately 25 years of experience in IT and cybersecurity.

Our cybersecurity incident response and vulnerability management policies are designed to escalate certain cybersecurity incidents and threats to management members depending on the circumstances, including the Chief Executive Officer and Chief Financial Officer. The Chief Executive Officer and Chief Financial Officer work with our incident response team in an effort to help us mitigate and remediate cybersecurity incidents of which they are notified. In addition, our management and its designees report to the board of directors for certain cybersecurity incidents.

The board of directors receives periodic reports from management and its designees concerning our significant cybersecurity threats and risks, and the processes we have implemented in an effort to address them. The board of directors also has access to various reports, summaries or presentations related to cybersecurity threats, risk, and mitigation.

Item 2. Properties

We lease office space for our corporate headquarters located in Chandler, Arizona and for our design facility located in Austin, Texas. We also lease fabrication, lab, and office space for our manufacturing operations in Chandler, Arizona.

The Chandler, Arizona corporate headquarters lease is for 18,815 square feet of office and laboratory space, with an initial term that ends on January 31, 2029, and an option to renew the lease through January 31, 2034. The Austin, Texas lease is for 6,171 square feet of space for our design facility, with an initial term that ends on April 15, 2027, and an option to renew the lease through April 15, 2030. The Chandler, Arizona manufacturing operations lease is for 11,496 square feet of fabrication, lab, and office space and expires in January 2028.

We believe our existing facilities are well maintained and in good operating condition and they are adequate for our foreseeable business needs.

Item 3. Legal Proceedings

From time to time, we may become involved in legal proceedings arising from the ordinary course of our business. Management is currently not aware of any matters that will have a material adverse effect on our financial position, results of operations or cash flows.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

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

Trading Market for our Common Stock

Our common stock has been listed on the Nasdaq Global Market under the symbol “MRAM” since October 7, 2016. Prior to that date, there was no public trading market for our common stock.

Holders of Record

As of February 26, 2026, we had 16 holders of record of our common stock. The actual number of stockholders is greater than this number of record holders, and includes stockholders who are beneficial owners, but whose shares are held in street name by brokers and other nominees. This number of holders of record also does not include stockholders whose shares may be held in trust by other entities.

Dividends

We have never declared or paid any cash dividends on our capital stock, and we do not currently intend to pay any cash dividends on our capital stock in the foreseeable future. We currently intend to retain all available funds and any future earnings to support operations and to finance the growth and development of our business. Any future determination to pay dividends will be made at the discretion of our board of directors subject to applicable laws, and will depend upon, among other factors, our results of operations, financial condition, contractual restrictions, and capital requirements. Our future ability to pay cash dividends on our capital stock may also be limited by the terms of any future debt or preferred securities or future credit facility.

Item 6. [Reserved]

Item 7. 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 audited financial statements and related notes included elsewhere in this report. This discussion and other parts of this report contain forward-looking statements that involve risk and uncertainties, such as statements of our plans, objectives, expectations, and intentions. As a result of many factors, including those factors set forth in the "Risk Factors" section of this report, our actual results could differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.

For an overview of our business, see "Part I – Item 1. Business."

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 generally accepted accounting principles in the United States (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.

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 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:

	Year Ended December 31,	
	2025	2024
	(in thousands)	
Adjusted Net (Loss) Income reconciliation:		
Net (loss) income	$ (586)	$ 781
Stock-based compensation expense	5,776	6,713
Adjusted Net (Loss) Income	$ 5,190	$ 7,494

Design wins. To continue to grow our revenue, we must continue to achieve design wins for our MRAM products. We consider a design win to occur when an OEM or contract manufacturer notifies us that it has qualified one of our products as a component in a product or system for production. Because the life cycles for our customers' products can last for many years, if these products have successful commercial introductions, we expect to continue to generate revenues over an extended period of time for each successful design win. New design wins in each successive quarter of 2025 were 44, 53, 55, and 85, respectively, compared to 31, 44, 50, and 53 in each successive quarter of 2024, respectively.

Results of Operations

Below are factors we want to highlight for understanding our 2025 annual results and year-over-year comparison with proper historical perspective:

- Our commitment to improving our manufacturing excellence enabled us to drive yield improvements within our internal and external foundries network to sustain existing product margins.

The following table sets forth our results of operations for the periods indicated:

	Year Ended December 31,			
	2025	2024	2025	2024
	(In thousands)		(As a percentage of revenue)	
Product sales	$ 48,292	$ 42,203	87 %	84 %
Licensing, royalty, patent, engineering services and other revenue	6,910	8,199	13	16
Total revenue	55,202	50,402	100	100
Cost of product sales	25,938	22,812	47	45
Cost of licensing, royalty, patent, engineering services and other revenue	1,022	1,464	2	3
Total cost of sales	26,960	24,276	49	48
Gross profit	28,242	26,126	51	52
Operating expenses:				
Research and development	14,085	13,686	26	27
General and administrative	14,552	14,141	26	28
Sales and marketing	6,113	5,390	11	11
Total operating expenses	34,750	33,217	63	66
Loss from operations	(6,508)	(7,091)	(12)	(14)
Interest income	1,646	1,766	3	3
Other income, net	4,405	6,066	8	13
Net (loss) income before income taxes	(457)	741	(1)	2
Income tax (expense) benefit	(129)	40	—	—
Net (loss) income and comprehensive (loss) income	$ (586)	$ 781	(1)%	2 %

Comparison of the Years Ended December 31, 2025 and 2024

Revenue

We generated 75% and 79% of our revenue from products sold through distributors for the years ended December 31, 2025 and 2024, 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 to where the end products in which they are assembled are shipped. Our revenue by region for the periods indicated was as follows (in thousands):

	Year Ended December 31,	
	2025	2024
APAC	$ 34,527	$ 28,688
North America	10,890	10,710
EMEA	9,785	11,004
Total revenue	$ 55,202	$ 50,402

	Year Ended December 31,		Change	
	2025	2024	Amount	%
	(Dollars in thousands)			
Product sales	$ 48,292	$ 42,203	$ 6,089	14.4 %
Licensing, royalty, patent, engineering services and other revenue	6,910	8,199	(1,289)	(15.7)%
Total revenue	$ 55,202	$ 50,402	$ 4,800	9.5 %

Total revenue increased by $4.8 million, or 9.5%, from $50.4 million during the year ended December 31, 2024, to $55.2 million during the year ended December 31, 2025. The increase was due to an increase in product sales revenue of $6.1 million, and partially offset by a decrease in licensing, royalty, patent, engineering services and other revenue of $1.3 million.

Licensing, royalty, patent, 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. We estimate royalty revenue earned throughout the year, with an annual adjustment recognized for actual sales in the first quarter of each fiscal year. Licensing, royalty, patent, engineering services and other revenue decreased by $1.3 million, from $8.2 million during the year ended December 31, 2024, to $6.9 million during the year ended December 31, 2025. The decrease was primarily due to the conclusion of a contractual arrangement with a customer for the development of reliability models for strategic radiation hardened toggle MRAM.

Cost of Sales and Gross Margin

	Year Ended December 31,		Change	
	2025	2024	Amount	%
	(Dollars in thousands)			
Cost of sales	$ 25,938	$ 22,812	$ 3,126	13.7 %
Cost of licensing, royalty, patent, engineering services and other revenue	1,022	1,464	(442)	(30.2)%
Total cost of sales	$ 26,960	$ 24,276	$ 2,684	11.1 %
Gross margin	51.2 %	51.8 %	*	*

Cost of product sales increased by $3.1 million, or 13.7%, from $22.8 million during the year ended December 31, 2024, to $25.9 million during the year ended December 31, 2025. Cost of product sales relate primarily to costs of our Toggle and STT products and have increased consistently and proportionately with the increase in revenues.

Cost of licensing, royalty, patent, engineering services and other revenue decreased by $0.4 million, or 30.2%, from $1.5 million during the year ended December 31, 2024, to $1.0 million during the year ended December 31, 2025. The decrease was primarily due to a decrease in licensing costs related to labor and materials associated with the progression of our RAD-Hard projects.

Gross margin decreased from 51.8% during the year ended December 31, 2024, to 51.2% during the year ended December 31, 2025. Gross margin slightly decreased as a result of the different revenue mix.

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 component of each of our operating expense categories.

	Year Ended December 31,		Change	
	2025	2024	Amount	%
	(Dollars in thousands)			
Research and development	$ 14,085	$ 13,686	$ 399	2.9 %
Research and development as a % of revenue	26 %	27 %		

Research and Development Expenses. Research and development expenses increased by $0.4 million, or 2.9%, from $13.7 million during the year ended December 31, 2024, to $14.1 million during the year ended December 31, 2025. Research and development expenses relate primarily to the development and enhancement of our new Extended Serial Peripheral Interface (xSPI) family of STT-MRAM products, which offer high-performance, multiple I/O, SPI-compatibility and feature a high-speed, low pin count SPI compatible interface.

	Year Ended December 31,		Change	
	2025	2024	Amount	%
	(Dollars in thousands)			
General and administrative	$ 14,552	$ 14,141	$ 411	2.9 %
General and administrative as a % of revenue	26 %	28 %		

General and Administrative Expenses. General and administrative expenses increased by $0.4 million, or 2.9%, from $14.1 million during the year ended December 31, 2024, to $14.6 million during the year ended December 31, 2025. The increase is primarily due to one-time professional service fees.

	Year Ended December 31,		Change	
	2025	2024	Amount	%
	(Dollars in thousands)			
Sales and marketing	$ 6,113	$ 5,390	$ 723	13.4 %
Sales and marketing as a % of revenue	11 %	11 %		

Sales and Marketing Expenses. Sales and marketing expenses increased by $0.7 million, or 13.4%, from $5.4 million during the year ended December 31, 2024, to $6.1 million during the year ended December 31, 2025. The increase is sales and marketing expenses relates primarily to higher compensation costs and contract labor.

Interest Income

	Year Ended December 31,		Change	
	2025	2024	Amount	%
	(Dollars in thousands)			
Interest income	$ 1,646	$ 1,766	$ (120)	(6.8)%

Interest income decreased by $0.1 million, or 6.8%, from $1.8 million during the year ended December 31, 2024, to $1.6 million during the year ended December 31, 2025. The decrease is primarily due to the decrease in interest rates.

Other Income, Net

	Year Ended December 31,		Change	
	2025	2024	Amount	%
	(Dollars in thousands)			
Other income, net	$ 4,405	$ 6,066	$ (1,661)	(27.4)%

Other income, net decreased by $1.7 million, from $6.1 million during the year ended December 31, 2024, to $4.4 million during the year ended December 31, 2025. 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 aerospace and defense segments.

On July 4, 2025, the OBBBA was enacted. The OBBBA maintains the 21 percent corporate tax rate and makes permanent many of the beneficial expired and expiring tax provisions originally enacted in the Tax Cuts and Jobs Act of 2017, including the immediate expensing of domestic research and development expenditures, more favorable interest deductibility and 100 percent bonus depreciation with effective dates in 2025. Revisions to the international tax framework are effective in 2026. In the fourth quarter of 2025, the Company elected to immediately expense new domestic research and development expenditures, but continue amortizing the existing capitalized and unamortized expenditures as of December 31, 2024.

Liquidity and Capital Resources

As of December 31, 2025, we had $44.5 million of cash and cash equivalents, compared to $42.1 million as of December 31, 2024. 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):

	Year Ended December 31,	
	2025	2024
	(In thousands)	
Cash provided by operating activities	$ 9,960	$ 7,099
Cash used in investing activities	(8,674)	(3,060)
Cash provided by financing activities	1,067	1,112

Cash Flows from Operating Activities

During the year ended December 31, 2025, cash provided by operating activities was $10.0 million, which consisted of net loss of $0.6 million, non-cash charges of $9.0 million and changes in net operating assets and liabilities of $1.6 million. The non-cash charges primarily consisted of stock-based compensation of $5.8 million and depreciation and amortization of $3.2 million. The change in our net operating assets and liabilities was primarily due to a decrease in accounts receivable of $3.6 million due to timing of cash receipts for outstanding balances, an increase in accrued liabilities of $0.8 million, a decrease in other assets of $0.4 million, an increase in long-term income tax liability of $0.1 million, offset by an increase in inventory of $1.6 million to meet anticipated production volumes, a decrease in accounts payable of $0.5 million, a decrease in contract obligations of $0.6 million, and an increase in prepaid and other current assets of $0.6 million.

During the year ended December 31, 2024, cash provided by operating activities was $7.1 million, which consisted of net income of $0.8 million, non-cash charges of $8.4 million and changes in net operating assets and liabilities of $2.1 million. The non-cash charges primarily consisted of stock-based compensation of $6.7 million and depreciation and amortization of $1.7 million. The change in our net operating assets and liabilities was primarily due to an increase in contract obligations of $2.0 million due to contracts the Company entered into in the third quarter of 2024, an increase in accounts receivable of $0.2 million due to timing of cash receipts for outstanding balances, an increase in inventory of $0.7 million to meet anticipated production volumes, an increase in prepaid and other current assets of $0.3 million, an increase in other assets of $0.5 million, a decrease in accounts payable of $0.4 million, a decrease in accrued liabilities of $1.9 million, and a decrease in deferred revenue of $0.3 million.

Cash Flows from Investing Activities

During the year ended December 31, 2025, cash used in investing activities was $8.7 million, which consisted of capital expenditures primarily for the purchase of manufacturing equipment and purchased software.

During the year ended December 31, 2024, cash used in investing activities was $3.1 million, which consisted of capital expenditures primarily for the purchase of manufacturing equipment and purchased software.

Cash Flows from Financing Activities

During the year ended December 31, 2025, cash provided by financing activities was $1.1 million, which consisted of proceeds from stock option exercises and purchases of shares under our employee stock purchase plan.

During the year ended December 31, 2024, cash used in financing activities was $1.1 million, which consisted of proceeds from stock option exercises and purchases of shares under our employee stock purchase plan.

Critical Accounting Policies and Significant Judgments and Estimates

Our financial statements have been prepared in accordance with U.S. GAAP. The preparation of these 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.

Revenue Recognition

We recognize revenue when a customer obtains control of the promised products or services, in an amount that reflects the consideration we expect to receive in exchange for those products or services. We recognize revenue net of allowances for returns and price concessions, and any taxes imposed on revenue transactions, which are subsequently remitted to governmental authorities.

Nature of Products and Services

We derive our revenue from the sale of MRAM-based products in discrete unit form, licenses of and royalties on our MRAM and magnetic sensor technology, the sale of backend foundry services, and design services to third parties. We recognize sales of products in discrete unit form at a point in time, revenue related to licensing agreements when we have delivered control of the technology, revenue related to royalty agreements in the period in which sales generated from products sold using our technology occurs, sales of backend foundry services over time, and design services to third parties either at a point in time or over time, depending on the nature of the services.

Product Revenue

For products sold in their discrete form, we either sell our products directly to OEMs, ODMs, contract manufacturers (CMs), or through a network of distributors, who in turn sell to those customers. For sales directly to OEMs, ODMs and CMs, we recognize revenue when the OEM, ODM or CM obtains control of the product, which occurs at a point in time, generally upon shipment to the customer.

From time to time, we may provide distributors with price adjustments subsequent to the delivery of product to them and such amounts are dependent on the end customer and product sales price. Price adjustments can be based on a variety of factors, including customer, product, quantity, geography, and competitive differentiation. Price protection rights grant distributors the right to a credit in the event of declines in the price of our products. Under these circumstances, we remit back to the distributor a portion of their original purchase price after the resale transaction is completed in the form of a credit against the distributors' outstanding accounts receivable balance. The credits are on a per unit basis and are not given to the distributor until the distributor provides information regarding the sale to their end customer. We estimate these credits and record such estimates in the same period the related revenue is recognized, resulting in a reduction of product revenue and the establishment of an allowance for price adjustments for amounts due to distributors. We estimate credits to distributors based on the historical rate of credits provided to distributors relative to sales and evaluation of current market conditions. Revenue on shipments to distributors is recorded when control of the products has been transferred to the distributor.

We estimate the amount of our product sales that may be returned by our customers and record this estimate as a reduction of revenue in the period the related product revenue is recognized. We estimate our product return liability by analyzing our historical returns, current economic trends and changes in customer demand and acceptance of products. We have received insignificant returns to date and believe that returns of our products will continue to be minimal.

Upon the transfer of control, generally at shipment, we record a trade receivable for the selling price as there is a legally enforceable obligation of the distributor to pay for the product delivered, an allowance is recorded for the estimated discount that will be provided to the distributor, and the net of these amounts is recorded as revenue on the statements of operations and comprehensive (loss) income.

License Revenue

For licenses of technology, recognition of revenue is dependent upon whether we have delivered rights to the technology, and whether there are future performance obligations under the contract. In some instances, the license agreements call for future events or activities to occur in order for milestone amounts to become due from the customer. The terms of such agreements include payment to us of one or more of the following: non-refundable upfront fees; and royalties on net sales of licensed products. Historically, these license agreements have not included other future performance obligations once the license has been transferred to the customer.

We recognize revenue from non-refundable upfront payments when the license is transferred to the customer and we have no other performance obligations.

We also have entered into multiple contractual agreements with customers for the development of a RAD-Hard product, consisting of a technology license, a design license agreement and development contract and for the development of a strategic radiation hardened field programmable gate array product, consisting of a technology license to provide design and development services under the contractual agreements. We applied a five-step approach in determining the amount and timing of revenue to be recognized: (1) identifying the contract with a customer; (2) identifying the performance obligations in the contract; (3) determining the transaction price; (4) allocating the transaction price to the performance obligations in the contract; and (5) recognizing revenue when the performance obligation is satisfied.

We concluded these contractual arrangements represent one arrangement and evaluated our promises to the customer and whether the performance obligations granted under the arrangement were distinct. The licenses provided to the customer are not transferable, are of limited value without the promised development services, and the customer cannot benefit from the license agreements without the specific obligated services in the development subcontract, as there is strong interdependence between the licenses and the development subcontract. Accordingly, we determined the licenses were not distinct within the context of the contract and combined the license with other performance obligations.

As a result, we are 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 over the performance obligation period.

Inventory

We record inventories at the lower of cost, determined on a first-in, first-out basis or net realizable value. We write down inventory for estimated excess or obsolete inventory equal to the difference between cost and estimated net realizable value. Inventory write downs establish a new cost basis for inventory and charges are not subsequently reversed even if circumstances subsequently indicate that increased carrying amounts are recoverable. In estimating these reserves, our evaluation takes into consideration historical and expected future demand considering current market conditions and trends, the effect new products may have on the sale of existing products, technological obsolescence, and other factors. We record inventory write-downs for the valuation of inventory when required based on our analyses and any write-downs result in a new cost basis for the affected item.

Recent Accounting Pronouncements

See Note 2 in the accompanying Notes to Financial Statements in Part II, Item 8 of this Annual Report on Form 10-K for more information about recent accounting pronouncements, the timing of their adoption, and our assessment, to the extent we have made one yet, of their potential impact on our financial condition of results of operations.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Not required for a smaller reporting company.

Item 8. Financial Statements and Supplementary Data

EVERSPIN TECHNOLOGIES, INC.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of Everspin Technologies, Inc.

Opinion on the Financial Statements

We have audited the accompanying balance sheets of Everspin Technologies, Inc. (the Company) as of December 31, 2025 and 2024, the related statements of operations and comprehensive (loss) income, stockholders' equity, and cash flows for each of the two years in the period ended December 31, 2025, 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 each of the two years in the period ended December 31, 2025, in conformity with U.S. generally accepted accounting principles.

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.

Critical Audit Matter

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

Accounting for Inventory

Description of the Matter	As discussed in Note 2 to the financial statements, Inventory is valued at the lower of cost or net realizable value. At December 31, 2025, the Company’s inventory balance was $10.7 million. Auditing the Company's accounting for inventory was challenging and complex primarily due to the high volume of transactions and multiple data sources involved in the initiation, processing, and recording of inventory transactions. The data sources include information received from the Company’s third-party suppliers involved in the manufacturing process.
How We Addressed the Matter in Our Audit	To test the Company’s accounting for inventory, we performed audit procedures that included, among others, performing direct confirmations of inventory held at third-party suppliers, and testing a sample of inventory transactions and manufacturing costs incurred during the year to evaluate the cost of inventory.

/s/ Ernst & Young LLP

We have served as the Company’s auditor since 2008.

Phoenix, Arizona
March 4, 2026

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

	December 31, 2025	December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	$ 44,450	$ 42,097
Accounts receivable, net	8,101	11,722
Inventory	10,734	9,110
Prepaid expenses and other current assets	1,877	1,272
Total current assets	65,162	64,201
Property and equipment, net	14,140	3,220
Intangible assets, net	1,714	3,416
Right-of-use assets	3,251	4,549
Other assets	342	2,403
Total assets	$ 84,609	$ 77,789
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 5,180	$ 2,278
Accrued liabilities	3,651	2,449
Deferred revenue	—	78
Lease liabilities, current portion	1,381	1,306
Contract obligations	1,472	2,034
Software liabilities, current portion	1,769	1,769
Total current liabilities	13,453	9,914
Lease liabilities, net of current portion	1,956	3,336
Software liabilities, net of current portion	15	1,784
Long-term income tax liability	268	162
Total liabilities	$ 15,692	$ 15,196
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 December 31, 2025 and 2024, respectively	—	—
Common stock, $0.0001 par value per share; 100,000,000 shares authorized; 22,977,797 and 22,059,697 shares issued and outstanding as of December 31, 2025 and 2024, respectively	2	2
Additional paid-in capital	206,370	199,460
Accumulated deficit	(137,455)	(136,869)
Total stockholders' equity	68,917	62,593
Total liabilities and stockholders' equity	$ 84,609	$ 77,789

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

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

	Year Ended December 31,	
	2025	2024
Product sales	$ 48,292	$ 42,203
Licensing, royalty, patent, engineering services and other revenue	6,910	8,199
Total revenue	55,202	50,402
Cost of product sales	25,938	22,812
Cost of licensing, royalty, patent, engineering services and other revenue	1,022	1,464
Total cost of sales	26,960	24,276
Gross profit	28,242	26,126
Operating expenses:		
Research and development	14,085	13,686
General and administrative	14,552	14,141
Sales and marketing	6,113	5,390
Total operating expenses	34,750	33,217
Loss from operations	(6,508)	(7,091)
Interest income	1,646	1,766
Other income, net	4,405	6,066
Net (loss) income before income taxes	(457)	741
Income tax (expense) benefit	(129)	40
Net (loss) income and comprehensive (loss) income	$ (586)	$ 781
Net (loss) income per common share:		
Basic	$ (0.03)	$ 0.04
Diluted	$ (0.03)	$ 0.04
Weighted average shares of common stock outstanding:		
Basic	22,568,253	21,642,793
Diluted	22,568,253	22,156,420

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

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

	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount			
Balance at December 31, 2023	21,080,472	$ 2	$ 191,569	$ (137,650)	$ 53,921
Issuance of common stock under stock incentive plans and exercise of stock options	979,225	—	1,178	—	1,178
Stock-based compensation expense	—	—	6,713	—	6,713
Net income	—	—	—	781	781
Balance at December 31, 2024	22,059,697	$ 2	$ 199,460	$ (136,869)	$ 62,593
Issuance of common stock under stock incentive plans and exercise of stock options	918,100	—	1,134	—	1,134
Stock-based compensation expense	—	—	5,776	—	5,776
Net loss	—	—	—	(586)	(586)
Balance at December 31, 2025	22,977,797	$ 2	$ 206,370	$ (137,455)	$ 68,917

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

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

	Year Ended December 31, 2025	2024
Cash flows from operating activities		
Net (loss) income	$ (586)	$ 781
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	3,212	1,731
Gain on sale of property and equipment	(25)	—
Stock-based compensation	5,776	6,713
Changes in operating assets and liabilities:		
Accounts receivable	3,621	(168)
Inventory	(1,624)	(719)
Prepaid expenses and other current assets	(605)	(284)
Other assets	360	(492)
Accounts payable	(501)	(374)
Accrued liabilities	806	(1,939)
Deferred revenue	(78)	(258)
Contract obligations	(562)	2,034
Lease liabilities, net	60	74
Long-term income tax liability	106	—
Net cash provided by operating activities	9,960	7,099
Cash flows from investing activities		
Purchases of property and equipment	(6,838)	(3,049)
Purchases of intangible assets	(1,836)	(11)
Net cash used in investing activities	(8,674)	(3,060)
Cash flows from financing activities		
Proceeds from exercise of stock options and purchase of shares in employee stock purchase plan	1,134	1,178
Payments on finance leases	(67)	(66)
Net cash provided by financing activities	1,067	1,112
Net increase in cash and cash equivalents	2,353	5,151
Cash and cash equivalents at beginning of period	42,097	36,946
Cash and cash equivalents at end of period	$ 44,450	$ 42,097
Supplementary cash flow information:		
Cash paid for taxes	$ 38	$ 202
Operating cash flows paid for operating leases	$ 1,415	$ 1,399
Financing cash flows paid for finance leases	$ 67	$ 66
Non-cash investing and financing activities:		
Internal-use software asset obtained in exchange for software liabilities	$ —	$ 3,564
Right-of-use assets obtained in exchange for finance lease liabilities	$ —	$ 297
Purchases of property and equipment in accounts payable and accrued liabilities	$ 3,982	$ 182

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

EVERSPIN TECHNOLOGIES, INC.
Notes to Financial Statements

1. Organization and Operations

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 (RAM) 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, 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

Use of Estimates

The preparation of the 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 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.

Reclassification

Certain reclassifications of previously reported amounts have been made to conform to the current period presentation. Specifically, interest income was previously presented within other income, net for the year ended December 31, 2024 in the Annual Report on Form 10-K filed with the SEC on February 27, 2025. Interest income is presented separately in the statement of operations and comprehensive (loss) income within these financial statements.

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.

Significant segment expenses within net income are those separately presented on the Company’s statements of operations and comprehensive (loss) income, 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

Accounts receivable are recorded at the invoiced amount and do not bear interest. The Company generally does not require collateral or other security in support of accounts receivable. Allowances would be provided for individual accounts receivable when the Company becomes aware of a customer’s inability to meet its financial obligations, such as in the case of bankruptcy, deterioration in the customer’s operating results or change in financial position. If circumstances related to customers change, estimates of the recoverability of receivables would be further adjusted. The Company also considers a number of factors in evaluating the sufficiency of its allowance for doubtful accounts, including the length of time receivables are past due, significant one-time events, creditworthiness of customers and historical experience. Account balances would be charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. The Company's evaluation determined that no material allowance for doubtful accounts was necessary at December 31, 2025 and 2024.

The unbilled accounts receivable is an estimate of the unconditional consideration to which the Company expects to be entitled for uses of the Company's intellectual property. The Company's right is unconditional because nothing other than the passage of time is required before payment of the amounts are due. Certain customers report on a lagged basis and actual information is not available timely. The estimates recorded are based on historical trends in the customer's usage and current market conditions. At December 31, 2025 and 2024, the unbilled accounts receivable balance was $0.2 million in each year. The Company's unbilled conditional consideration is recorded to a contract asset account included in Prepaid Expenses and Other Current Assets. The conditions to the Company's right to the consideration can include a contractual requirement to satisfy a performance obligation that has not yet begun or for which performance is in process as of the balance sheet date. At December 31, 2025 and 2024, the unbilled contract asset balance was $0.4 million and $0.5 million, respectively.

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. At December 31, 2025 and 2024, the allowance for product returns and price adjustments was $0.3 million and $0.4 million, respectively.

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

	December 31, 2025	December 31, 2024
Trade accounts receivable	$ 8,231	$ 11,944
Unbilled accounts receivable	179	187
Allowance for product returns and price adjustments	(309)	(409)
Accounts receivable, net	$ 8,101	$ 11,722

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	
	Year Ended December 31,		As of December 31,	
Customers	2025	2024	2025	2024
Customer A	25 %	*	57 %	*
Customer B	*	27 %	*	61 %

* Less than 10%

Inventory

Inventory is valued at the lower of cost, using the first-in, first-out or specific identification method, or net realizable value. The carrying value of inventory is adjusted for excess and obsolescence based on the Company's evaluation which takes into consideration historical and expected future demand, the effect new products may have on the sale of existing products, technological obsolescence, and other factors including inventory age and shipment. At the point of loss recognition, a new lower cost basis for that inventory is established and subsequent changes in facts and circumstances do not result in the restoration or increase in that new cost basis.

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. The Company's financial instruments consist of Level 1 assets. Where quoted prices are available in an active market, securities are classified as Level 1. Level 1 assets consist of highly liquid money market funds that are included in cash equivalents.

The following tables set forth the fair value of the Company's financial assets and liabilities measured at fair value on a recurring basis (in thousands):

	December 31, 2024			
	Level 1	**Level 2**	**Level 3**	**Total**
Assets:				
Money market funds	$ 33,617	$ —	$ —	$ 33,617
Total assets measured at fair value	$ 33,617	$ —	$ —	$ 33,617

Property and Equipment, Net

Property and equipment are stated at cost, less accumulated depreciation and amortization. Depreciation begins at the time the asset is placed in service. Maintenance and repairs are charged to operations as incurred. Depreciation is computed using the straight-line method over the following estimated useful lives of the assets:

	Useful Lives
Computer and network equipment	2 years
Manufacturing equipment	2 – 7 years
Furniture and fixtures	7 years
Leasehold improvements	Lesser of useful life of the asset or the remaining lease term

Upon sale or retirement of assets, the cost and related accumulated depreciation are removed from the balance sheet and any resulting gain or loss is reflected in operations. Amortization expense of assets acquired through finance leases is included in the statements of operations and comprehensive (loss) income.

Intangible Assets, Net

The Company's intangible assets are comprised of internally developed software and licensed software from third parties to be used in research and development activities that have alternative future use. Costs incurred to develop software for internal use during the application development phase are capitalized and amortized over such software's estimated useful life. Costs related to the design or maintenance of internal-use software are included in operating expenses as incurred. Licensed software is initially recorded at fair value based on the present value of the license fees to be paid over the term of the license, with a corresponding liability. The licensed software intangible asset is amortized on a straight-line basis over the shorter of the license term or the economic life of the asset, beginning when the asset is substantially ready for use. The licensed software liability is accreted to its settlement amount using the effective interest method.

Leases

The Company leases office, lab, manufacturing space and equipment in various locations with initial lease terms of up to seven years. These leases require monthly lease payments that may be subject to annual increases throughout the lease term. The terms of these leases also include renewal options at the election of the Company to renew or extend the lease for a range of an additional two to five years. These optional periods have not been considered in the determination of the right-of-use ("ROU") assets or lease liabilities associated with these leases as the Company did not consider it reasonably certain it would exercise the options.

The Company determines if an arrangement is a lease at inception. ROU assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. The classification of the Company's leases as operating or finance leases along with the initial measurement and recognition of the associated ROU assets and lease liabilities is performed at the lease commencement date. The measurement of lease liabilities is based on the present value of future lease payments over the lease term. The Company uses its incremental borrowing rate, based on the information available at commencement date, to determine the present value of lease payments when its leases do not provide an implicit rate. The Company uses the implicit rate when readily determinable. The ROU asset is based on the measurement of the lease liability, includes any lease payments made prior to or on lease commencement and excludes lease incentives and initial direct costs incurred, as applicable. Lease expense for the Company's operating leases is recognized on a straight-line basis over the lease term. Amortization expense for ROU assets associated with finance leases is recognized on a straight-line basis over the shorter of the useful life of the asset or the lease term and interest expense associated with finance leases is recognized on the balance of the lease liability using the effective interest method based on the estimated incremental borrowing rate.

The Company has lease agreements with lease and non-lease components. The Company has elected to not separate lease and non-lease components for any leases involving real estate and office equipment classes of assets and, as a result, accounts for the lease and non-lease components as a single lease component. The Company has elected to separate lease and non-lease components for any leases involving manufacturing facility classes of assets. Further, the Company elected the short-term lease exception policy, permitting it to not apply the recognition requirements of this standard to leases with terms of 12 months or less (short-term leases) for all classes of assets. As of December 31, 2025, the Company did not have any short-term leases.

Operating leases are included in right-of-use assets, lease liabilities, and lease liabilities, net of current portion in the Company's balance sheet. Finance leases are immaterial.

Impairment of Long-lived Assets

The Company evaluates its long-lived assets, including property and equipment, leases, and intangible assets, at the asset group level, for impairment whenever events or changes in circumstances indicate that the carrying value of these assets may not be recoverable. If such events or changes in circumstances occur, for purposes of this assessment, long-lived assets are grouped with other assets and liabilities at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. Recoverability of these assets is measured by comparison of the carrying amount of each asset group to the future undiscounted cash flows the asset group is expected to generate over its remaining life. If the asset group is considered to be impaired, the amount of any impairment is measured as the difference between the carrying value and the fair value of the impaired asset. There have been no impairments of the Company's long-lived assets during either of the periods presented.

Government Tax Credits, Incentives and Grants

From time to time, the Company may receive government funding in the form of tax credits, operating-related grants, capital-related grants, or other incentives to support various business activities, including capital development, research and development, and other activities as defined by the relevant government agency awarding the tax credit, incentive, or grant. The amount received is typically based on the amount of qualifying costs incurred. The Company typically has to meet certain requirements to retain the government funding. The Company records operating-related grants and non-income related tax credits as other income in the statements of operations and comprehensive (loss) income when there is reasonable assurance that the grant will be received, and the Company will comply with the conditions specified in the grant agreement.

The Company received Employee Retention Tax Credit ("ERTC") refunds from the United States Treasury totaling $2.0 million, relating to the payroll periods from October 1, 2020 through September 30, 2021. These amounts were recognized as other income during the year ended December 31, 2023 when the amounts were reasonably assured to be retained by the Company. The Company's compliance with the program's qualifications may be subject to audit. In July of 2025, the OBBBA was signed into law, and it included provisions to extend the statute of limitations for the ERTC to be audited. Amounts received by the Company under this program are subject to audit through the year ended December 31, 2029.

Revenue Recognition

The Company recognizes revenue when a customer obtains control of the promised products or services, in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. Revenue is recognized net of allowances for returns and price adjustments, and any taxes imposed on specific revenue-producing transactions, which are subsequently remitted to governmental authorities.

Nature of Products and Services

The Company's revenue is derived from the sale of MRAM-based products in discrete unit form, licenses of and royalties on its MRAM and magnetic sensor technology, the sale of backend foundry services and design services to third parties. Sales of products in discrete unit form are recognized at a point in time, revenue related to licensing agreements is recognized when the Company has delivered control of the technology, revenue related to royalty agreements is recognized in the period in which sales generated from products sold using the Company's technology occurs, sales of backend foundry services are recognized over time, and design services to third parties are recognized either at a point in time or over time, depending on the nature of the services.

Product Revenue

For products sold in their discrete form, the Company either sells its products directly to OEMs, ODMs and CMs, or through a network of distributors, who in turn sell to those customers. For sales directly to OEMs, ODMs and CMs, revenue is recognized when the OEM, ODM or CM obtains control of the product, which occurs at a point in time, generally upon shipment to the customer. Contracts for sales of products are generally less than one year.

From time to time, the Company may provide distributors with price adjustments subsequent to the delivery of product to them and such amounts are dependent on the end customer and product sales price. Price adjustments can be based on a variety of factors, including customer, product, quantity, geography, and competitive differentiation. Price protection rights grant distributors the right to a credit in the event of declines in the price of the Company's products. Under these circumstances, the Company remits back to the distributor a portion of their original purchase price after the resale transaction is completed in the form of a credit against the distributors' outstanding accounts receivable balance. The credits are on a per unit basis and are not given to the distributor until the distributor provides information regarding the sale to their end customer. The Company estimates these credits and record such estimates in the same period the related revenue is recognized, resulting in a reduction of product revenue and the establishment of an allowance for price adjustments for amounts due to distributors. 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. Revenue on shipments to distributors is recorded when control of the products has been transferred to the distributor.

The Company estimates the amount of our product sales that may be returned by its customers and records this estimate as a reduction of revenue in the period the related product revenue is recognized. The Company estimates its product return liability by analyzing its historical returns, current economic trends and changes in customer demand and acceptance of products. The Company has received insignificant returns to date and believes that returns of its products will continue to not be material.

Upon the transfer of control, generally at shipment, the Company records a trade receivable for the selling price as there is a legally enforceable obligation of the distributor to pay for the product delivered, an allowance is recorded for the estimated discount that will be provided to the distributor, and the net of these amounts is recorded as revenue on the statements of operations and comprehensive (loss) income.

License Revenue

For licenses of technology, recognition of revenue is dependent upon whether the Company has delivered rights to the technology, and whether there are future performance obligations under the contract. In some instances, the license agreements call for future events or activities to occur in order for milestones amounts to become due from the customer. The terms of such agreements include payment to the Company of one or more of the following: non-refundable upfront fees; and royalties on net sales of licensed products. Historically, these license agreements have not included other future performance obligations for the Company once the license has been transferred to the customer.

Revenue from non-refundable upfront payments is recognized when the license is transferred to the customer and the Company has no other performance obligations.

The Company entered into a contractual agreement with a customer in 2021 for the development of a RAD-Hard product, consisting of a technology license, a design license agreement and development contract, and separate contractual agreements with a customer in 2024 and 2025 for the development of a strategic radiation hardened field programmable gate array product, consisting of a technology license to provide design and development services under the contractual agreement. The Company applies a five-step approach in determining the amount and timing of revenue to be recognized: (1) identifying the contract with a customer; (2) identifying the performance obligations in the contract; (3) determining the transaction price; (4) allocating the transaction price to the performance obligations in the contract; and (5) recognizing revenue when the performance obligation is satisfied.

The Company concluded these contractual arrangements represent one arrangement and evaluated its promises to the customer and whether the performance obligations granted under the arrangement were distinct. The licenses provided to the customer are not transferable, are of limited value without the promised development services, and the customer cannot benefit from the license agreements without the specific obligated services in the development subcontract, as there is strong interdependence between the licenses and the development subcontract. Accordingly, the Company determined the licenses were not distinct within the context of the contract and combined the license with other performance obligations.

As a result, the Company is recognizing revenue related to the performance obligations over the duration of the contract using the input method based on costs incurred to date relative to the total expected costs of the contract over the contract period.

Royalties

Revenue from sales-based royalties from licenses of the Company’s technology are recognized at the later of when (1) the sale occurs or (2) the performance obligation to which some or all of the sales-based royalty has been allocated is satisfied (in whole or in part). The Company will record an unbilled receivable (within accounts receivable, net) for the portion of sales-based royalties that have been earned but not invoiced at the end of each reporting period.

Engineering services and other Revenue

For certain revenue streams, the Company recognizes revenue based on the pattern of transfer of the services. The Company uses the input method of measuring costs incurred to date compared to total estimated costs to be incurred under the contract as this method most faithfully depicts its performance. The Company will record an unbilled receivable (within accounts receivable, net) for the portion of the work that has been completed but not invoiced at the end of each reporting period.

At the inception of each agreement that includes milestone payments, the Company evaluates whether the milestones are considered probable of being reached and estimates the amount to be included in the transaction price by using the most likely amount method. If it is probable that a significant reversal of cumulative revenue would not occur, the associated milestone value is included in the transaction price. At the end of each subsequent reporting period, the Company re-evaluates the probability or achievement of each such milestone and any related constraint, and if necessary, adjusts its estimate of the overall transaction price. Any such adjustments are recorded on a cumulative catch-up basis, which would affect revenues and earnings in the period of adjustment.

Other Income, Net

Other income, net primarily consists of a strategic award, realized gains and losses on sale of assets, and gains and losses on foreign currency transactions.

Product Warranty

The Company generally sells products with a limited warranty of product quality and a limited indemnification of customers against intellectual property infringement claims related to the Company's products. The Company accrues for known warranty and indemnification issues if a loss is probable and can be reasonably estimated and accrues for estimated losses incurred for unidentified issues based on historical experience. A warranty liability was not recorded at December 31, 2025 and 2024, as the estimated future warranty costs were not material based on the Company's historical experience.

Research and Development

Research and development expenses are incurred in support of internal development programs or as part of the Company's joint development agreement with GLOBALFOUNDRIES (see Note 9). Research and development expenses include personnel-related costs (including stock-based compensation), circuit design costs, purchases of materials and laboratory supplies, fabrication and packaging of experimental integrated circuit products, amortization of certain intangible assets, depreciation of research and development related capital equipment and overhead and are expensed as incurred.

Stock-based Compensation

Stock-based compensation arrangements include stock option grants and restricted stock unit (RSU) awards under the Company's equity incentive plans, as well as shares issued under the Company's Employee Stock Purchase Plan (ESPP), through which employees may purchase the Company's common stock at a discount to the market price.

The Company uses RSUs with a service condition as its primary equity incentive compensation instrument for employees. Share-based compensation expense for RSUs is measured on the grant date based on the fair market value of the Company's common stock and is recognized over the requisite service period using the straight-line method. The Company accounts for forfeitures as they occur.

The Company measures its stock option grants based on the estimated fair value of the options as of the grant date using the Black-Scholes option-pricing model. Stock-based compensation expense for stock option grants is recognized over the requisite service period using the straight-line method. The Company accounts for forfeitures as they occur. The Black-Scholes option-pricing model requires the input of subjective assumptions including:

Expected volatility. The Company determines the expected stock price volatility based on the historical volatility of its common stock as well as the stock of industry peers for the expected term of the option. Industry peers consist of several public companies in the technology industry similar in size, stage of life cycle and financial leverage. If circumstances change such that the identified companies are no longer similar, the Company will revise its peer group to substitute more suitable companies in this calculation.

Risk-free interest rate. The risk-free interest rate is based on the U.S. Treasury yield with a maturity equal to the expected term of the option in effect at the time of grant.

Expected term. The expected term represents the period that the stock-based awards are expected to be outstanding. The Company used the simplified method to determine the expected term, which is calculated as the average of the time to vesting and the contractual life of the options.

Dividend yield. The Company has never paid dividends on its common stock and is prohibited from paying dividends on its common stock. Therefore, the Company used an expected dividend yield of zero.

Income Taxes

The Company uses the liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are determined based on the differences between the financial reporting and the tax bases of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company must then assess the likelihood that the resulting deferred tax assets will be realized. A valuation allowance is provided when it is more likely than not that some portion or all of a deferred tax asset will not be realized.

The Company recognizes benefits of uncertain tax positions if it is more likely than not that such positions will be sustained upon examination based solely on their technical merits, as the largest amount of benefit that is more likely than not to be realized upon the ultimate settlement. The Company's policy is to recognize interest and penalties related to the underpayment of income taxes as a component of income tax expense or benefit.

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, warrants, and options. In periods with a net loss, diluted net loss per common share is the same as basic net loss per common share since the effect of potentially dilutive securities is anti-dilutive.

Recently Adopted Accounting Pronouncements

The Company adopted Accounting Standards Update (ASU) 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which improves income tax disclosure requirements, primarily through disaggregated information about effective income tax rate reconciliation and additional disclosures regarding income taxes paid. The guidance is effective for fiscal years beginning after December 15, 2024, and interim periods within fiscal years beginning after December 15, 2024.

The Company adopted ASU 2023-09 effective January 1, 2025, on a prospective basis. The adoption of ASU 2023-09 did not have a significant impact to the financial statements.

Recently Issued Pronouncements

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.

In July 2025, the FASB issued ASU No. 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. ASU 2025-05 is effective for the Company's annual reporting periods beginning after December 15, 2025, and interim reporting periods in those fiscal years. Entities that elect the practical expedient and, if applicable, make the accounting policy election are required to apply the amendments prospectively. The Company is currently evaluating the impact that the standard will have on its financial statements.

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.

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.

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.

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 to the financial statements.

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

Revenue

The Company sells products to its distributors, OEMs, ODMs and CMs. The Company also recognizes revenue under licensing, patent, and royalty agreements with some customers. The following table presents the Company's revenues disaggregated by sales channel (in thousands):

	Year Ended December 31,	
	2025	2024
Distributor	$ 41,667	$ 39,943
Non-distributor	13,535	10,459
Total revenue	$ 55,202	$ 50,402

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

	Year Ended December 31,	
	2025	2024
Point in time	$ 49,066	$ 42,903
Over time	6,136	7,499
Total revenue	$ 55,202	$ 50,402

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

	Year Ended December 31,	
	2025	2024
Product sales	$ 48,292	$ 42,203
Licensing	1,108	6,346
Royalties	774	700
Engineering services and other revenue	5,028	1,153
Total revenue	$ 55,202	$ 50,402

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 timely. The estimates are based on historical trends in the customer's activity and current market conditions. The amounts are reported in licensing, royalty, patent, engineering services and other revenue in the statements of operations and comprehensive (loss) income.

The Company recognizes revenue by geography based on the region in which its products are sold, and not to where the end products in which they are assembled are shipped. Revenue by region for the periods indicated was as follows (in thousands):

	Year Ended December 31,	
	2025	2024
APAC	$ 34,527	$ 28,688
North America	10,890	10,710
EMEA	9,785	11,004
Total revenue	$ 55,202	$ 50,402

Other Income, Net

On August 14, 2024, the Company received a strategic award to develop a long-term plan to provide manufacturing services for aerospace 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 ASC 606 by analogy.

The Company records the total consideration from the Award as other income using an input method based on costs incurred to date relative to the total expected costs of the Award over its term. Amounts invoiced in excess of income recognized are recorded as a contract obligations liability on the balance sheets. This liability represents the Company's obligation to perform future services for which the Company has received or is entitled to receive payment but which are not yet fulfilled. During the year ended December 31, 2025 and 2024, the Company has invoiced $4.0 million and $8.1 million, respectively, related to this Award of which no balance is outstanding as of December 31, 2025 and 2024. The contract obligations liability was $1.5 million and $2.0 million as of December 31, 2025 and 2024, respectively. The Company recorded $4.5 million and $6.1 million of other income related to this Award in the year ended December 31, 2025 and 2024, respectively.

4. Balance Sheet Components

Inventory

Inventory consisted of the following (in thousands):

	December 31, 2025	December 31, 2024
Raw materials	$ 323	$ 238
Work-in-process	9,269	7,510
Finished goods	1,142	1,362
Total inventory	$ 10,734	$ 9,110

Property and Equipment, Net

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

	December 31, 2025	December 31, 2024
Manufacturing equipment	$ 15,070	$ 14,199
Computer and network equipment	731	602
Furniture and fixtures	113	113
Construction in Progress	11,131	—
Leasehold improvements	1,476	1,476
Total property and equipment, gross	28,521	16,390
Less: accumulated depreciation	(14,381)	(13,170)
Total property and equipment, net	$ 14,140	$ 3,220

Depreciation expense during years ended December 31, 2025 and 2024 was $1.5 million and $1.6 million, respectively.

Intangible Assets, Net

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

	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

	December 31, 2024			
	Weighted-Average Life (in years)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Internal-use software	2.0	$ 4,389	$ (973)	$ 3,416
Total intangible assets		$ 4,389	$ (973)	$ 3,416

Amortization expense for intangible assets was $1.8 million and $0.1 million for the years ended December 31, 2025 and 2024, respectively.

The table below presents estimated future amortization expense for finite-lived intangible assets (in thousands):

As of December 31, 2025		**Amount**
2026	$	1,633
2027		22
2028		22
2029		21
Thereafter		16
Total	$	1,714

Accrued Liabilities

Accrued liabilities consisted of the following (in thousands):

		December 31, 2025		**December 31, 2024**
Payroll-related expenses	$	2,481	$	1,606
Inventory		425		157
Other		745		686
Total accrued liabilities	$	3,651	$	2,449

Deferred Revenue

In March 2025, the Company renewed a contractual arrangement with a customer for the development of a strategic radiation hardened (“RAD-Hard”) field programmable gate array product. The total consideration in the arrangement is $1.2 million. The Company is recognizing revenue related to the performance obligation 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 first quarter of 2025. As of December 31, 2025, the Company has billed $0.7 million for the performance under the agreement and has recognized $0.7 million in revenue for the year ended December 31, 2025.

The Company concluded this contractual arrangement represents one arrangement and evaluated its promises to the customer and whether the performance obligations granted under the arrangement were distinct. The licenses provided to the customer are not transferable, are of limited value without the promised development services, and the customer cannot benefit from the license agreements without the specific obligated services in the development subcontract, as there is strong interdependency between the licenses and the development subcontract. Accordingly, the Company determined the licenses were not distinct within the context of the contract and combined the license with other performance obligations.

In January 2025, the Company executed a contractual arrangement with a customer to provide engineering services supporting the customer’s development that uses capabilities of MRAM for in-memory computing. The total consideration in the arrangement is $4.1 million. The Company is recognizing revenue related to the performance obligation 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 first quarter of 2025. As of December 31, 2025, the Company has billed $4.1 million for the performance under the agreement and has recognized $4.1 million in revenue for the year ended December 31, 2025.

The Company concluded that this contractual arrangement represents one arrangement and assessed the nature of the promises made to the customer to determine whether the performance obligations were distinct. The Company determined that the engineering services are not separately identifiable from the promised development services, as the engineering services are highly interrelated with, and dependent upon, the overall development services over the life of the contract. Accordingly, the Company concluded that the engineering services are not distinct within the context of the contract and, therefore, should be combined with the other promised services into a single performance obligation. Deferred revenue related to these agreements was $0.0 million and $0.1 million as of December 31, 2025 and 2024, 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 December 31, 2025	Amount
2026	$ 1,497
2027	1,380
2028	595
2029	48
Total lease payments	3,520
Less: imputed interest	(183)
Total lease liabilities	3,337
Less: current portion of lease liabilities	(1,381)
Total lease liabilities, net of current portion	$ 1,956

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

	December 31, 2025	December 31, 2024
Weighted-average remaining lease term (years)	2.44	3.39
Weighted-average discount rate	4.50 %	4.50 %

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

	December 31, 2025	December 31, 2024
Weighted-average remaining lease term (years)	3.16	4.15
Weighted-average discount rate	3.90 %	3.90 %

Lease costs for the Company's operating leases were $1.4 million for each of the years ended December 31, 2025 and 2024, respectively. Lease costs for the Company's finance lease were immaterial for the years ended December 31, 2025 and 2024.

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 disclosed in the subsequent event footnote 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.

Indemnifications

In the ordinary course of business, the Company enters into agreements that may include indemnification provisions. Pursuant to such agreements, the Company may indemnify, hold harmless and defend an indemnified party for losses suffered or incurred by the indemnified party. Some of the provisions will limit losses to those arising from third party actions. In some cases, the indemnification will continue after the termination of the agreement. The maximum potential amount of future payments the Company could be required to make under these provisions is not determinable. The

Company has never incurred material costs to defend lawsuits or settle claims related to these indemnification provisions. The Company has also entered into indemnification agreements with its directors and officers that may require the Company to indemnify its directors and officers against liabilities that may arise by reason of their status or service as directors or officers to the fullest extent permitted by Delaware corporate law. The Company currently has directors' and officers' insurance.

6. Stockholders' Equity

Common Stock

Common stockholders are entitled to dividends if and when declared by the board of directors. As of December 31, 2025, no dividends on common stock had been declared by the board of directors.

Reserved Shares of Common Stock

The Company had reserved shares of common stock for future issuance as follows:

	December 31, 2025	December 31, 2024
Options issued and outstanding	1,365,002	1,521,857
Shares available for future option grants	249,349	545,525
RSUs subject to future vesting	1,294,166	987,965
Common stock warrants	—	18,461
Total	2,908,517	3,073,808

Warrants

In connection with the Company's prior credit facility with Ares Venture Finance entered into in June 2015, the Company issued Ares Venture Finance a warrant to purchase 18,461 shares of the Company's common stock at an exercise price of $26.00 per share. The warrant expired on June 5, 2025.

7. Stock-Based Compensation

Share-Based Compensation Expense

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

	Year Ended December 31,	
	2025	2024
General and administrative	$ 2,745	$ 3,304
Research and development	1,755	1,902
Sales and marketing	611	720
Cost of sales	665	787
Total stock-based compensation	$ 5,776	$ 6,713

2016 Employee Incentive Plan

The Company's board of directors adopted the 2016 Equity Incentive Plan (the 2016 Plan) on April 25, 2016, which was subsequently approved on September 20, 2016 by the Company's stockholders. The 2016 Plan became effective on October 7, 2016, the date the Company's S-8 registration statement relating to the 2016 Plan was declared effective by the SEC.

The 2016 Plan provides for the grant of incentive stock options, non-statutory stock options, stock appreciation rights, restricted stock awards, restricted stock unit awards, performance-based stock awards, and other forms of equity compensation to employees, directors, and consultants. In addition, the 2016 Plan provides for the grant of performance cash awards to employees, directors, and consultants.

The maximum number of shares of common stock that may be issued under the 2016 Plan was initially 500,000 subject to an automatic increase on January 1 of each year, beginning on January 1, 2017, and continuing through and including January 1, 2026, by 3% of the total number of shares of capital stock outstanding on December 31 of the preceding calendar year, or a lesser number of shares determined by the Company's board of directors. On May 20, 2021, the Company's stockholders approved an amendment to the 2016 Plan to increase the total number of authorized shares of common stock available for grant thereunder by an additional 550,000 shares. At December 31, 2025, of the 2,899,603 shares of common stock reserved and available for grant under the 2016 Plan, 249,349 shares of common stock remain available for grant under the 2016 Plan. The Company authorized 661,790 shares during the year ended December 31, 2025.

2008 Employee Incentive Plan

The 2008 Equity Incentive Plan (the 2008 Plan) provided for the issuance of incentive stock options (ISO), nonqualified stock options, and other stock compensation awards.

Due to the adoption of the 2016 Plan, no further grants will be made under the 2008 Plan. However, any outstanding stock awards granted under the 2008 Plan will remain outstanding, subject to the terms of the Company's 2008 Plan and the applicable stock award agreements, until such outstanding stock awards that are stock options are exercised or until they terminate or expire by their terms, or until such stock awards are fully settled, terminated, or forfeited. At December 31, 2025, 8,361 options under the 2008 Plan remained outstanding.

Summary of Stock Option Activity

The following table summarizes the stock option activity for all grants under the 2008 Plan and 2016 Plan:

	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, 2024	1,521,857	$ 6.04	5.9	$ 1,507
Options granted	—			
Options exercised	(140,841)	$ 4.76		$ 401
Options cancelled/forfeited	(16,014)	$ 7.26		
Balance—December 31, 2025	1,365,002	$ 6.16	4.9	$ 4,303
Options exercisable—December 31, 2025	1,347,618	$ 6.13	4.9	$ 4,281

The total grant date fair value of options vested was $0.7 million and $1.2 million during the years ended December 31, 2025 and 2024, respectively.

No options were granted during the years ended December 31, 2025 and 2024.

As of December 31, 2025, there was $0.1 million of total unrecognized compensation expense related to unvested options which is expected to be recognized over a weighted-average period of 0.3 years. Stock-based compensation cost for options capitalized within inventory at December 31, 2025 and 2024 was not material.

2016 Employee Stock Purchase Plan

The Company's board of directors adopted the 2016 Employee Stock Purchase Plan (the ESPP) on April 25, 2016, which was subsequently approved on September 20, 2016 by the Company's stockholders. The Company had 1,141,546 shares available for issuance under the ESPP as of December 31, 2025. Employees purchased 110,850 shares for $0.5

million during the year ended December 31, 2025, and 69,166 shares for $0.4 million during the year ended December 31, 2024.

Restricted Stock Units

In September 2017, the Company's board of directors authorized the issuance of restricted stock units (RSUs), under the 2016 Plan and adopted a form of Restricted Stock Unit Award Agreement, which is intended to serve as a standard form agreement for RSU grants issued to employees, executive officers, directors, and consultants. The fair value of the RSUs is recognized as expense ratably over the vesting period, as determined by the board of directors on the date of grant.

The following table summarizes RSU activity for the year ended December 31, 2025:

	RSUs Outstanding	
	Number of Restricted Stock Units	Weighted-Average Grant Date Fair Value Per Share
Balance—December 31, 2024	987,965	$ 7.89
Granted	1,000,090	$ 5.82
Vested	(666,409)	$ 7.26
Cancelled/forfeited	(27,480)	$ 6.89
Balance—December 31, 2025	1,294,166	$ 6.63

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 December 31, 2025, there was $7.0 million of unrecognized stock-based compensation expense related to RSUs to be recognized over a weighted-average period of 2.6 years. Compensation cost capitalized within inventory was immaterial as of December 31, 2025 and 2024.

8. 401(k) Plan

The Company has a defined contribution employee benefit plan pursuant to Section 401(k) of the Internal Revenue Code. The plan allows eligible employees to defer a portion of their annual compensation up to certain statutory limits. At the election of the Board of Directors, the Company may elect to match employee contributions but has not done so to date.

9. 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 STT-MRAM technology to produce a family of discrete and embedded MRAM technologies. The term of the agreement is until the completion, termination, or expiration of the last statement of work entered into pursuant to the joint development agreement. 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 agreement 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 quantified STT-MRAM devices that utilize certain design information, GF will be required to pay the Company a royalty.

10. Geographic Information

Property and equipment, net by country was as follows (in thousands):

	Year Ended December 31,	
	2025	2024
United States	$ 13,787	$ 2,165
Singapore	238	974
Other	115	81
	$ 14,140	$ 3,220

Revenue from customers is designated based on the geographic region or country to which the product is delivered or the licensee is located. Revenue by country was as follows (in thousands):

	Year Ended December 31,	
	2025	2024
United States	$ 9,862	$ 9,968
Japan	6,066	5,974
Hong Kong	6,694	16,220
Germany	6,185	7,168
Singapore	13,154	3,363
Canada	1,028	742
All other	12,213	6,967
Total revenue	$ 55,202	$ 50,402

11. Income Taxes

For the years ended December 31, 2025 and 2024, the Company's provision for income tax consisted of (in thousands):

	Year Ended December 31,	
	2025	2024
Current:		
Federal	$ (18)	$ 52
State	15	38
Foreign	8	—
Total Current	$ 5	$ 90
Deferred:		
Federal	$ —	$ 21
State	124	(151)
Foreign	—	—
Total Deferred	$ 124	$ (130)
Provision for income taxes	$ 129	$ (40)

Net income tax payments in 2025 were as follows:

	Year Ended December 31, 2025
Federal	$ —
State	38
Foreign	—
Total net income tax payments	$ 38

The reconciliation of the statutory federal income tax rate to the Company's effective tax rate is as follows:

	Year Ended December 31, 2025	
	Rate	Amount
U.S. federal statutory tax rate	21.0 %	$ (96)
State taxes, net of federal income tax effect (a)	(23.3)	106
Tax credits - Research and development credits	40.6	(184)
Changes in valuation allowances	53.8	(245)
Nontaxable or nondeductible items		
Stock-based compensation	(47.4)	216
IRC Section 162(m) limitation	(55.0)	251
Other adjustments	(3.8)	17
Changes in unrecognized tax benefits	(14.0)	64
Provision for income taxes	(28.1)%	$ 129

(a) State taxes in Indiana and Minnesota made up the majority (greater than 50%) of the tax effect in this category.

	Year ended December 31, 2024
Tax at statutory federal rate	21.0 %
State taxes, net of federal benefit	3.6
Stock-based compensation	34.8
IRC section 162(m) limitation	29.0
R&D tax credits	(564.7)
Change in valuation allowance	486.1
Other	(15.1)
Provision for income taxes	(5.3)%

The tax effects of temporary differences and carryforwards that give rise to significant portions of the deferred tax assets are as follows (in thousands):

	Year Ended December 31, 2025	Year Ended December 31, 2024
Deferred tax assets:		
Net operating loss carryforwards	$ 21,832	$ 20,564
Inventory	260	462
Accruals	614	366
Depreciation and amortization	4	9
Research and experimental credits	4,304	3,995
Research and experimental expenditures	4,374	6,412
Stock-based compensation	397	428
Right of use liability	735	1,045
Gross deferred tax assets	32,520	33,281
Valuation allowance	(31,337)	(31,343)
Deferred tax assets	1,183	1,938
Deferred tax liabilities:		
Right of use asset	(716)	(1,024)
Other	(322)	(646)
Deferred tax liabilities	(1,038)	(1,670)
Net deferred tax assets	$ 145	$ 268

The Company is required to reduce its deferred tax assets by a valuation allowance if it is more likely than not that some or all of its deferred tax assets will not be realized. Management must use judgment in assessing the potential need for a valuation allowance, which requires an evaluation of both negative and positive evidence. The weight given to the potential effect of negative and positive evidence should be commensurate with the extent to which it can be objectively verified. In determining the need for and amount of the valuation allowance, if any, the Company assesses the likelihood that it will be able to recover its deferred tax assets using historical levels of income, estimates of future income and tax planning strategies. As a result of projected taxable income, the Company determined that, based on all available evidence, there was substantial certainty as to whether it will recover recorded net deferred taxes for certain state jurisdictions in future periods. However, as it pertains to the federal, Arizona, and Colorado net deferred tax assets, based on all the available evidence, there is substantial uncertainty as to whether it will recover recorded net deferred taxes in future periods. Accordingly, the Company recorded a partial valuation allowance against its net deferred tax assets as of December 31, 2025 and 2024, respectively. The net valuation allowance decreased by less than $0.1 million in 2025, as reflected below (in thousands).

	Year Ended December 31, 2025	Year Ended December 31, 2024
Valuation Allowance at beginning of year	(31,343)	(27,748)
Current Year Change	6	(3,595)
Valuation Allowance at end of year	(31,337)	(31,343)

As of December 31, 2025, the Company has federal net operating loss carryforwards of approximately $95.2 million, of which $53.2 million will expire in 2030 through 2037 if not utilized, and $42.0 million that will carryover indefinitely. In addition, the Company has state net operating loss carryforwards of approximately $48.4 million, of which $45.4 million will expire in 2030 through 2045 if not utilized, and $3.0 million that will carryover indefinitely.

The Tax Reform Act of 1986 (the Act) provides for a limitation on the annual use of net operating loss carryforwards following certain ownership changes (as defined by the Act and codified under IRC Section 382) that could limit the Company’s ability to utilize these carryforwards. Further, a portion of the carryforwards may expire before utilized to reduce future income tax liabilities as a result of the annual limitation. The Company experienced an ownership change in

October 2016 and as a result, $43.8 million ($9.2 million tax effected) of the federal NOLs are expected to expire unutilized due to limitation under IRC Section 382. Consistent with prior years, the NOLs expected to expire unutilized are included in the NOL carryforward amounts disclosed, subject to a valuation allowance.

The Company files income tax returns in the U.S. federal and various state jurisdictions. The Company is generally subject to U.S. federal and state income tax examination for all tax years beginning in 2008, due to the net operating losses that are carried forward.

A summary of changes in the Company’s gross unrecognized tax benefits for the years ended December 31, 2025 and 2024 was as follows (in thousands):

	Year Ended December 31,	
	2025	2024
Unrecognized tax expense, beginning of the year	$ 1,389	$ 473
Decrease related to prior year tax positions	(126)	—
Increase related to prior year tax positions	—	662
Increase related to current year tax positions	184	254
Unrecognized tax expense, end of year	$ 1,447	$ 1,389

Included in the balance of unrecognized tax benefits as of December 31, 2025, are $0.1 million of tax benefit that, if recognized, would affect the effective tax rate. Included in the balance of uncertain tax benefits as of December 31, 2025 is $1.3 million of tax benefits that, if recognized, would result in adjustments to deferred taxes.

The Company's policy is to recognize interest and penalties accrued on any unrecognized tax benefit as a component of income tax expense. The Company has accrued penalties and interest of $0.2 million, as of both December 31, 2025 and 2024.

On July 4, 2025, the President signed into law the OBBBA. The OBBBA maintains the 21 percent corporate tax rate and makes permanent many of the beneficial expired and expiring tax provisions originally enacted in the Tax Cuts and Jobs Act of 2017, including the immediate expensing of domestic research and development expenditures, more favorable interest deductibility and 100 percent bonus depreciation with effective dates in 2025. Revisions to the international tax framework are effective in 2026. In the fourth quarter of 2025, the Company elected to immediately expense new domestic research and development expenditures, but continue amortizing the existing capitalized and unamortized expenditures as of December 31, 2024.

12. Net (Loss) Income Per Common Share

The following table sets forth the computation of basic and diluted net (loss) income per share (in thousands, except share and per share amounts):

Basic EPS

	Year Ended December 31,	
	2025	2024
Numerator:		
Net (loss) income	$ (586)	$ 781
Denominator:		
Weighted-average shares of common stock outstanding, basic	22,568,253	21,642,793
Net (loss) income per common share, basic	$ (0.03)	$ 0.04

Diluted EPS

	Year Ended December 31,	
	2025	2024
Numerator:		
Net (loss) income	$ (586)	$ 781
Net (loss) income attributable to common stockholders, diluted	$ (586)	$ 781
Denominator:		
Weighted-average shares of common stock outstanding, basic	22,568,253	21,642,793
Dilutive effect of stock options and RSUs	—	513,627
Weighted-average shares of common stock outstanding, diluted	22,568,253	22,156,420
Net (loss) income per common share, diluted	$ (0.03)	$ 0.04

The following outstanding shares of potentially dilutive securities have been excluded from the computation of diluted net (loss) income per common share for the periods presented as their inclusion would be anti-dilutive:

	Year Ended December 31,	
	2025	2024
Options to purchase common stock	787,937	741,141
RSUs	645,747	21,624
ESPP	2,003	—
Total	1,435,687	762,765

13. Subsequent Events

Patent Infringement Lawsuit

On January 28, 2026, Avalanche Technology, Inc. filed a patent infringement lawsuit in the United States District Court for the District of Delaware against the Company. The lawsuit requests customary remedies for patent infringement and the ITC Complaint requests that the U.S. International Trade Commission Investigation commence an investigation pursuant to Section 337 of the Tariff Act of 1930, as amended. The Company denies all allegations and intends to vigorously defend against these claims.

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Evaluation of disclosure controls and procedures.

Our management, with the participation of our management team, 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 December 31, 2025.

Based on this evaluation, our CEO and CFO concluded that our disclosure controls and procedures were effective at the reasonable assurance level as of December 31, 2025.

Management's Annual Report on Internal Control Over Financial Reporting

This Annual Report on Form 10-K includes a report of management's assessment regarding internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act). This Annual Report on Form 10-K does not include an attestation report of our independent registered public accounting firm because, as a "smaller reporting company", and non-accelerated filer, our independent registered public accounting firm is not required to issue such an attestation report.

The following report is provided by management in respect of our internal control over financial reporting:

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Our management used the Committee of Sponsoring Organizations of the Treadway Commission's Internal Control - Integrated Framework (2013), or the COSO framework, to evaluate the effectiveness of internal control over financial reporting. Management believes that the COSO framework is a suitable framework for its evaluation of financial reporting because it is free from bias, permits reasonably consistent qualitative and quantitative measurements of our internal control over financial reporting, is sufficiently complete so that those relevant factors that would alter a conclusion about the effectiveness of our internal control over financial reporting are not omitted and is relevant to an evaluation of internal control over financial reporting. Management has assessed the effectiveness of our internal control over financial reporting as of December 31, 2025, and has concluded that such internal control over financial reporting was effective.

Changes in internal control over financial reporting.

There have been no changes in our internal control over financial reporting that occurred during the year ended December 31, 2025, 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.

Item 9B. 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 December 31, 2025.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

Information required by this item will be contained in our definitive proxy statement to be filed with the SEC on Schedule 14A in connection with our 2026 Annual Meeting of Stockholders, or the Proxy Statement, which will be filed not later than 120 days after the end of our fiscal year ended December 31, 2025, under the headings “Management,” “Proposal 1 - Election of Directors,” “Board Committees and Meetings,” and, to the extent applicable, “Delinquent Section 16(a) Reports,” and is incorporated herein by reference.

We have adopted a Code of Business Conduct and Ethics that applies to our officers, directors and employees which is available on our website at www.everspin.com. The Code of Business Conduct and Ethics is intended to qualify as a “code of ethics” within the meaning of Section 406 of the Sarbanes-Oxley Act of 2002 and Item 406 of Regulation S-K. In addition, we intend to promptly disclose (1) the nature of any substantive amendment to our Code of Business Conduct and Ethics that applies to our principal executive officer, principal financial officer, principal accounting officer or controller or persons performing similar functions and (2) the nature of any waiver, including an implicit waiver, from a provision of our code of ethics that is granted to one of these specified officers, the name of such person who is granted the waiver and the date of the waiver, on our website in the future.

Item 11. Executive Compensation

The information required by this item regarding executive compensation is incorporated by reference to the information set forth in the sections titled “Executive Compensation” and “Compensation of Non-Employee Board Members” in our Proxy Statement.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by this item regarding security ownership of certain beneficial owners and management is incorporated by reference to the information set forth in the sections titled “Security Ownership of Certain Beneficial Owners and Management” and “Securities Authorized for Issuance Under Equity Compensation Plans” in our Proxy Statement.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information required by this item regarding certain relationships and related transactions and director independence is incorporated by reference to the information set forth in the sections titled “Certain Relationships and Related Party Transactions” and “Corporate Governance”, respectively, in our Proxy Statement.

Item 14. Principal Accountant Fees and Services

The information required by this item regarding principal accountant fees and services is incorporated by reference to the information set forth in the section titled “Principal Accountant Fees and Services” in our Proxy Statement.

PART IV

Item 15. Exhibits and Financial Statement Schedules

(a) The following documents are filed as part of this report:

1. Financial Statements

   Information in response to this Item is included in Part II, Item 8 of this Annual Report on Form 10-K.

2. Financial Statement Schedules

   All schedules are omitted because they are not applicable or the required information is shown in the financial statements or notes thereto.

3. Exhibits

   The following exhibits, as required by Item 601 of Regulation S-K are attached or incorporated by reference as stated below.

EXHIBIT INDEX

Exhibit Number	Description	Incorporation By Reference			
		Form	SEC File No.	Exhibit	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
4.1	Form of Common Stock Certificate of the registrant.	S-1	333-213569	4.1	9/09/2016
4.4	Description of Common Stock.	10-K	001-37900	4.4	3/04/2021
10.1†	Form of Indemnity Agreement between the registrant and its directors and officers.	S-1	333-213569	10.1	9/09/2016
10.2†	2008 Equity Incentive Plan, as amended, and Form of Stock Option Grant Notice, Option Agreement and Form of Notice of Exercise.	S-1/A	333-213569	10.2	9/26/2016
10.3†	Amended and Restated 2016 Equity Incentive Plan.	8-K	001-37900	10.1	5/22/2018
10.3.1†	First Amendment to the Amended and Restated 2016 Equity Incentive Plan.	8-K	001-37900	10.1	5/25/2021
10.4†	Form of Stock Option Grant Notice, Option Agreement and Form of Notice of Exercise used with the 2016 Equity Incentive Plan.	S-1/A	333-213569	10.3	9/26/2016
10.5†	Form of Restricted Stock Unit Award Agreement under the 2016 Equity Incentive Plan.	10-Q	001-37900	10.3	11/13/2017
10.6†	2016 Employee Stock Purchase Plan.	S-1/A	333-213569	10.4	9/26/2016
10.7	Lease, dated as of June 6, 2008, by and between the registrant and Freescale Semiconductor, Inc.	S-1	333-213569	10.5	9/09/2016
10.7.1	Amendment No. 1 to Lease, dated as of February 2, 2009, by and between the registrant and Freescale Semiconductor, Inc.	S-1	333-213569	10.6	9/09/2016

10.7.2	Amendment No. 2 to Lease, dated as of February 18, 2010, by and between the registrant and Freescale Semiconductor, Inc.	S-1	333-213569	10.7	9/09/2016
10.7.3	Amendment No. 3 to Lease, dated as of July 20, 2011, by and between the registrant and Freescale Semiconductor, Inc.	S-1	333-213569	10.8	9/09/2016
10.7.4	Amendment No. 4 to Lease, dated as of June, 2014 by and between the registrant and Freescale Semiconductor, Inc.	S-1	333-213569	10.9	9/09/2016
10.7.5	Amendment No. 5 to Lease, dated as of March 22, 2017 by and between the registrant and Freescale Semiconductor, Inc.	8-K	001-37900	10.1	3/28/2017
10.7.6	Amendment No. 6 to Lease, dated as of October 31, 2017 by and between the registrant and NXP USA, Inc. (formerly Freescale Semiconductor, Inc.).	10-K	001-37900	10.40	3/15/2018
10.7.7	Amendment No. 7 to Lease, effective as of June 30, 2018 by and between the registrant and NXP USA, Inc. (formerly Freescale Semiconductor, Inc.).	10-Q	001-37900	10.1	11/14/2018
10.7.8	Amendment No. 8 to Lease, effective as of November 30, 2019 by and between the registrant and NXP USA, Inc. (formerly Freescale Semiconductor, Inc.).	10-K	001-37900	10.15	3/13/2020
10.7.9	Amendment No. 9 to Lease, effective as of March 31, 2020 by and between the registrant and NXP USA, Inc. (formerly Freescale Semiconductor, Inc.).	10-Q	001-37900	10.2	8/06/2020
10.7.10	Amendment No. 10 to Lease, effective as of February 12, 2022 by and between the registrant and NXP USA, Inc. (formerly Freescale Semiconductor, Inc.).	10-K	001-37900	10.7.10	3/2/2023
10.9	Commercial Industrial Lease Agreement, dated as of May 18, 2012 by and between the registrant and Principal Life Insurance Company.	S-1	333-213569	10.17	9/09/2016
10.9.1	Amendment No. 1 to Commercial Industrial Lease Agreement, dated August 12, 2016 by and between the registrant and Legacy Stonelake JV-T, LLC, successor in interest to Principal Life Insurance Company.	S-1	333-213569	10.22	9/09/2016

10.10	Sublease Agreement, dated January 31, 2017 by and between the registrant and NXP USA, Inc. and Consent to of Landlord to Sublease, dated March 10, 2017, by and among the registrant, NXP USA, Inc. and VWP-BV CM 5670, LLC.	8-K	001-37900	10.1	3/28/2017
10.10.1	First Amendment to Sublease Agreement, dated February 13, 2017, by and between the registrant and NXP USA, Inc. and Consent of Landlord to Amendment to Sublease, dated March 10, 2017, by and among the registrant, NXP USA, Inc. and VWP-BV CM 5670, LLC.	8-K	001-37900	10.2	3/28/2017
10.10.2	Second Amendment to Sublease Agreement dated March 2, 2017 by and between the registrant and NXP USA, Inc. and Consent of Landlord to Sublease, dated March 10, 2017, by and among the registrant, NXP USA, Inc. and VWP-BV CM 5670, LLC.	8-K	001-37900	10.3	3/28/2017
10.10.3	Third Amendment to Sublease Agreement, dated October 17, 2017 by and between the registrant and NXP USA, Inc. and Consent of Landlord to Sublease, dated March 10, 2017, by and among the registrant, NXP USA, Inc. and VWP-BV CM 5670, LLC.	10-K	001-37900	10.39	3/15/2018
10.11++	STT-MRAM Joint Development Agreement, dated as of October 17, 2014 by and between the registrant and GLOBALFOUNDRIES Inc.	10-Q	001-37900	10.1	11/2/2023
10.11.1++	Amendment No. 1 to the STT-MRAM Joint Development Agreement, dated as of May 27, 2016 by and between the registrant and GLOBALFOUNDRIES Inc.	10-Q	001-37900	10.2	11/2/2023
10.11.2++	Amendment No. 2 to the STT-MRAM Joint Development Agreement, effective as of July 25, 2017 by and between the registrant and GLOBALFOUNDRIES Inc.	10-K	001-37900	10.11.2	3/04/2021
10.11.3++	Amendment No. 3 to the STT-MRAM Joint Development Agreement, effective as of January 1, 2018 by and between the registrant and GLOBALFOUNDRIES Inc.	10-Q	001-37900	10.3	11/2/2023
10.11.4++	Amendment No. 4 to the STT-MRAM Joint Development Agreement, effective as of December 31, 2019 by and between the registrant and GLOBALFOUNDRIES, Inc.	10-K	001-37900	10.11.4	3/04/2021

10.12+	Manufacturing Agreement, dated as of October 23, 2014 by and between the registrant and GLOBALFOUNDRIES Singapore Pte. Ltd.	S-1	333-213569	10.20	9/09/2016
10.13	Restricted Stock Purchase Agreement, dated as of October 21, 2014 by and between the registrant and GLOBALFOUNDRIES Inc.	S-1	333-213569	10.21	9/09/2016
10.14	Common Stock Purchase Agreement, dated as of September 23, 2016 by and between the registrant and GigaDevice (HK) Limited.	S-1/A	333-213569	10.23	9/26/2016
10.15	Subcontract Agreement, dated as of October 3, 2022, by and between the registrant and QuickLogic Corporation.	10-Q	001-37900	10.2	11/10/2022
10.16†	Non-employee Director Compensation Program, as Amended.	10-Q	001-37900	10.1	5/4/2023
10.17†	Offer Letter, dated December 30, 2020, by and between the registrant and Darin Billerbeck.	10-K	001-37900	10.26	3/04/2021
10.18†	Executive Employment Agreement, effective as of April 3, 2021, by and between the registrant and Sanjeev Aggarwal.	8-K	001-37900	10.1	7/22/2021
10.19†	First Amendment to Executive Employment Agreement, effective as of March 14, 2022, by and between the registrant and Sanjeev Aggarwal.	8-K	001-37900	10.1	3/02/2022
10.20†	First Amendment to Offer Letter, effective as of March 14, 2022, by and between the registrant and Darin Billerbeck.	8-K	001-37900	10.2	3/02/2022
10.21†	Amended and Restated Executive Severance and Change in Control Plan.	10-Q	001-37900	10.2	5/02/2024
10.22†	Restricted Stock Unit Grants to Executive Chairman, CEO and CFO.	8-K	001-37900	Item 5.02	5/12/2022
10.23†	Offer Letter, dated July 10, 2018, by and between the registrant and David Schrenk.	10-Q	001-37900	10.1	5/02/2024
10.24†^	Joint Development Agreement, dated August 8, 2024, by and between the registrant and Frontgrade Colorado Springs LLC.	10-Q	001-37900	10.3	11/05/2024
10.25†	Offer Letter, dated November 12, 2024, by and between the registrant and William Cooper.	8-K	001-37900	10.1	1/08/2025
10.26†	Executive Employment Agreement, dated February 26, 2025, by and between the registrant and William Cooper.	10-K	001-37900	10.30	2/27/2025

10.27†*	Offer Letter, dated July 18, 2025, by and between the registrant and Sean Dougherty.				
19.1	Insider Trading and Trading Window Policy	10-K	001-37900	19.1	2/27/2025
23.1*	Consent of Ernst & Young LLP, Independent Registered Public Accounting Firm				
24.1*	Power of Attorney (included on the Signatures page of this Annual Report on Form 10-K).				
31.1*	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as amended.				
31.2*	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as amended.				
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.				
97.1	Incentive Compensation Recoupment Policy	10-K	001-37900	97.1	2/29/2024
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 Securities Exchange Act of 1934, as amended (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 of 1933, as amended, or the Exchange Act, except as otherwise specifically stated in such filing.

+ Confidential treatment has been granted for certain portions of this exhibit.

++ Portions of the exhibit, marked by brackets, have been omitted because the omitted information (i) is not material and (ii) would likely cause competitive harm if publicly disclosed.

^ Portions of the exhibit have been omitted pursuant to Item 601(b) of Regulation S-K because the omitted information is (a) not material and (b) the type of information that the Registrant both customarily and actually treats as private and confidential. In addition, certain exhibits and schedules to the exhibit have been omitted pursuant to Item 601(b)(2) of Regulation S-K.

† Indicates a management contract or compensatory plan.

(b) We have filed or incorporated into this Annual Report on Form 10-K by reference, the exhibits listed on the Exhibit Index immediately above.

(c) See Item 15(a)2 above.

Item 16. Form 10-K Summary

Not provided.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized, in Chandler, Arizona, on March 4, 2026.

Everspin Technologies, Inc.

By: /s/ Sanjeev Aggarwal
Sanjeev Aggarwal
Chief Executive Officer
(Principal Executive Officer)

By: /s/ William Cooper
William Cooper
Chief Financial Officer
(Principal Financial and Accounting Officer)

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Sanjeev Aggarwal and William Cooper, and each of them, as his true and lawful attorneys-in-fact and agents, each with the full power of substitution, for him and in his name, place or stead, in any and all capacities, to sign any and all amendments to this Annual Report on Form 10-K, and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or their or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, this Report has been signed below by the following persons on behalf of the Registrant in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Sanjeev Aggarwal Sanjeev Aggarwal	Chief Executive Officer and Director (Principal Executive Officer)	March 4, 2026
/s/ William Cooper William Cooper	Chief Financial Officer (Principal Financial and Accounting Officer)	March 4, 2026
/s/ Darin G. Billerbeck Darin G. Billerbeck	Chairman of the Board	March 4, 2026
/s/ Lawrence G. Finch Lawrence G. Finch	Director	March 4, 2026
/s/ Geoff Ribar Geoff Ribar	Director	March 4, 2026
/s/ Tara Long Tara Long	Director	March 4, 2026
/s/ Glen Hawk Glen Hawk	Director	March 4, 2026
/s/ Douglas Mitchell Douglas Mitchell	Director	March 4, 2026

Exhibit 10.1

July 18, 2025

Sean Dougherty
seansmd@gmail.com

Dear Sean,

I am delighted to provide you this offer to join Everspin Technologies, Inc. as VP Sales, reporting to the President & CEO.

Your base salary to start will be $265,000 annually, payable bi-weekly, and subject to deductions for taxes and other withholdings as required by US law or the policies of the company. This will be a Salary-Exempt position. You will also be eligible for a target bonus of 50% of your base salary. Your bonus for 2025 will be pro-rated based on your start date.

Upon approval by the Everspin Board of Directors, you will receive 80,000 Everspin Restricted Stock Units. These RSU's vest at the rate of 25% per year on first day of the quarter following the anniversary date of the grant. Due to the taxable nature of Restricted Stock Units, there is a sell to cover provision requirement with the RSU's to cover tax liability at each vesting date. These grants are subject to continued employment with Everspin, transferability restrictions, and such other terms as may be set forth in the Everspin Stock Option Plan or your individual stock option agreement.

You will also receive a sign-on bonus of $20,000 (subject to taxes and other withholdings), which will be paid during your first pay period after you start. Should you voluntarily vacate your position within a one-year period, you will be required to refund the company the $20,000 bonus in full.

Benefits: The detailed components of the Company's benefit plan are attached. Major benefits include:

- Comprehensive Medical, Dental, and Vision Care Coverage
- Prescription Drug Program
- Short-term and Long-term Disability Coverage
- Flexible Spending Accounts and Health Savings Accounts
- Supplemental Life and Disability Insurance
- 401(k) participation (if eligible)
- Paid Time Off and Holidays, consistent with Company policy
- Eligibility to participate in Everspin's Employee Stock Purchase Plan
- Quarterly Profit Sharing

Your employment with Everspin Technologies is "at will", meaning that you may terminate your employment at any time and for any reason whatsoever. Likewise, Everspin Technologies may terminate your employment at any time and for any reason, with or without cause or advance notice.

Other Arrangements: This offer of employment is contingent on your agreement to and execution of an Employee Proprietary Information and Inventions Assignment Agreement (copy attached), successful completion of reference checks, and is contingent on the satisfactory results of your background screening.

This offer is considered accepted with your signature below. This offer will terminate if not accepted in writing by 5:00 pm on Friday, July 25, 2025.

We welcome you to Everspin Technologies, Inc., and are excited about the contribution you can make to its success.

Sincerely,

/s/ Amy Farrow

Amy Farrow
Human Resources Director
Everspin Technologies, Inc.

Accepted;

/s/ Sean Dougherty

7/19/2025
Date

Anticipated Start Date: August 04, 2025

5670 W. Chandler Blvd. Suite 130, Chandler, AZ 85226 (480) 347-1111 Fax (480) 347-1175
www.Everspin.com

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the following Registration Statements:

1) Registration Statement (Form S-8 No. 333-214018) pertaining to the Everspin Technologies, Inc. 2008 Equity Incentive Plan, 2016 Equity Incentive Plan and the 2016 Employee Stock Purchase Plan,
2) Registration Statement (Form S-8 No. 333-219938) pertaining to the Everspin Technologies, Inc. 2016 Equity Incentive Plan and the 2016 Employee Stock Purchase Plan,
3) Registration Statement (Form S-8 No. 333-225119) pertaining to the Everspin Technologies, Inc. 2016 Equity Incentive Plan and the 2016 Employee Stock Purchase Plan,
4) Registration Statement (Form S-8 No. 333-230349) pertaining to the Everspin Technologies, Inc. 2016 Equity Incentive Plan and the 2016 Employee Stock Purchase Plan,
5) Registration Statement (Form S-8 No. 333-237146) pertaining to the Everspin Technologies, Inc. 2016 Equity Incentive Plan and the 2016 Employee Stock Purchase Plan,
6) Registration Statement (Form S-8 No. 333-253884) pertaining to the Everspin Technologies, Inc. 2016 Equity Incentive Plan and the 2016 Employee Stock Purchase Plan,
7) Registration Statement (Form S-8 No. 333-258794) pertaining to the Everspin Technologies, Inc. Amended and Restated 2016 Equity Incentive Plan,
8) Registration Statement (Form S-8 No. 333-263404) pertaining to the Everspin Technologies, Inc. Amended and Restated 2016 Equity Incentive Plan and Everspin Technologies, Inc. 2016 Employee Stock Purchase Plan,
9) Registration Statement (Form S-8 No. 333-270242) pertaining to the Everspin Technologies, Inc. Amended and Restated 2016 Equity Incentive Plan and Everspin Technologies, Inc. 2016 Employee Stock Purchase Plan,
10) Registration Statement (Form S-3 No. 333-275585) of Everspin Technologies, Inc.,
11) Registration Statement (Form S-8 No. 333-277543) pertaining to the Everspin Technologies, Inc. Amended and Restated 2016 Equity Incentive Plan and Everspin Technologies, Inc. 2016 Employee Stock Purchase Plan, and
12) Registration Statement (Form S-8 No. 333-285371) pertaining to the Everspin Technologies, Inc. Amended and Restated 2016 Equity Incentive Plan and Everspin Technologies, Inc. 2016 Employee Stock Purchase Plan;

of our report dated March 4, 2026, with respect to the financial statements of Everspin Technologies, Inc. included in this Annual Report (Form 10-K) of Everspin Technologies, Inc. for the year ended December 31, 2025.

/s/ Ernst & Young LLP

Phoenix, Arizona

March 4, 2026

Exhibit 31.1

Certification of the Principal Executive Officer

I, Sanjeev Aggarwal, certify that:

1. I have reviewed this Annual Report on Form 10-K 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), 15d-15(e)), and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

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

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

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

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

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

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

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

Date: March 4, 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 Annual Report on Form 10-K 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), 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

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

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

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

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

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

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

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

Date: March 4, 2026

/s/ William Cooper

William Cooper
(Chief Financial Officer)
(Principal Financial Officer)

Exhibit 32.1

Certification Pursuant to
18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Annual Report of Everspin Technologies, Inc. (the "Company") on Form 10-K for the year ended December 31, 2025 (the "Report"), Sanjeev Aggarwal, Chief Executive Officer of the Company, and William Cooper, Chief Financial Officer of the Company, each hereby certifies, 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. Section 1350), as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

1. The 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 Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 4, 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-K 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-K), irrespective of any general incorporation language contained in such filing.