



**LANTRONIX, INC.**  
**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS**  
**(In thousands)**

	<b>March 31, 2026</b>	<b>June 30, 2025</b>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 23,515	\$ 20,098
Accounts receivable, net	23,510	25,092
Inventories, net	26,422	26,371
Contract manufacturers' receivables	884	3,071
Prepaid expenses and other current assets	2,647	2,761
Total current assets	<u>76,978</u>	<u>77,393</u>
Property and equipment, net	1,673	2,456
Goodwill	31,089	31,089
Intangible assets, net	2,327	3,738
Lease right-of-use assets	7,307	8,422
Other assets	643	624
Total assets	<u>\$ 120,017</u>	<u>\$ 123,722</u>
<b>Liabilities and stockholders' equity</b>		
Current liabilities:		
Accounts payable	\$ 13,729	\$ 13,259
Accrued payroll and related expenses	3,860	3,471
Current portion of long-term debt, net	-	3,070
Other current liabilities	10,503	10,622
Total current liabilities	<u>28,092</u>	<u>30,422</u>
Long-term debt, net	8,691	8,684
Other non-current liabilities	8,764	10,238
Total liabilities	<u>45,547</u>	<u>49,344</u>
Commitments and contingencies		
Stockholders' equity:		
Common stock	4	4
Additional paid-in capital	312,428	308,397
Accumulated deficit	(238,306)	(234,394)
Accumulated other comprehensive income	344	371
Total stockholders' equity	<u>74,470</u>	<u>74,378</u>
Total liabilities and stockholders' equity	<u>\$ 120,017</u>	<u>\$ 123,722</u>



**LANTRONIX, INC.**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(In thousands, except per share data)

	Three Months Ended			Nine Months Ended	
	March 31,	December 31,	March 31,	March 31,	
	2026	2025	2025	2026	2025
Net revenue	\$ 30,177	\$ 29,774	\$ 28,500	\$ 89,745	\$ 94,084
Cost of revenue	17,172	16,807	16,097	50,427	53,922
Gross profit	13,005	12,967	12,403	39,318	40,162
Operating expenses:					
Selling, general and administrative	9,432	8,740	8,959	27,714	27,237
Research and development	4,149	4,620	4,463	13,367	14,403
Restructuring, severance and related charges	288	43	1,581	424	2,674
Acquisition-related costs	48	40	100	131	337
Amortization of intangible assets	216	598	879	1,411	3,378
Total operating expenses	14,133	14,041	15,982	43,047	48,029
Loss from operations	(1,128)	(1,074)	(3,579)	(3,729)	(7,867)
Interest expense, net	(2)	(9)	(159)	(26)	(404)
Other income (loss), net	(17)	(4)	(19)	162	(48)
Loss before income taxes	(1,147)	(1,087)	(3,757)	(3,593)	(8,319)
Provision for income taxes	34	243	111	319	423
Net loss	\$ (1,181)	\$ (1,330)	\$ (3,868)	\$ (3,912)	\$ (8,742)
Net loss per share - basic and diluted	\$ (0.03)	\$ (0.03)	\$ (0.10)	\$ (0.10)	\$ (0.23)
Weighted-average common shares - basic and diluted	39,731	39,496	38,820	39,472	38,493



**LANTRONIX, INC.**  
**UNAUDITED RECONCILIATION OF NON-GAAP ADJUSTMENTS**  
(In thousands, except per share data)

	Three Months Ended			Nine Months Ended	
	March 31, 2026	December 31, 2025	March 31, 2025	March 31, 2026      2025	
GAAP net loss	\$ (1,181)	\$ (1,330)	\$ (3,868)	\$ (3,912)	\$ (8,742)
Non-GAAP adjustments:					
Cost of revenue:					
Share-based compensation	36	29	34	100	146
Employer portion of withholding taxes on stock grants	2	4	-	8	7
Amortization of manufacturing profit in acquired inventory	-	-	44	18	44
Depreciation and amortization	<u>108</u>	<u>106</u>	<u>101</u>	<u>320</u>	<u>338</u>
Total adjustments to cost of revenue	<u>146</u>	<u>139</u>	<u>179</u>	<u>446</u>	<u>535</u>
Selling, general and administrative:					
Share-based compensation	1,358	1,354	1,159	4,166	3,329
Employer portion of withholding taxes on stock grants	51	38	13	116	111
Depreciation and amortization	<u>246</u>	<u>252</u>	<u>345</u>	<u>788</u>	<u>1,044</u>
Total adjustments to selling, general and administrative	<u>1,655</u>	<u>1,644</u>	<u>1,517</u>	<u>5,070</u>	<u>4,484</u>
Research and development:					
Share-based compensation	207	197	324	688	1,155
Employer portion of withholding taxes on stock grants	13	12	4	31	25
Depreciation and amortization	<u>41</u>	<u>49</u>	<u>56</u>	<u>140</u>	<u>236</u>
Total adjustments to research and development	<u>261</u>	<u>258</u>	<u>384</u>	<u>859</u>	<u>1,416</u>
Restructuring, severance and related charges	288	43	1,581	424	2,674
Acquisition related costs	48	40	100	131	337
Amortization of purchased intangible assets	216	598	879	1,411	3,378
Litigation settlement cost	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>198</u>
Total non-GAAP adjustments to operating expenses	<u>2,468</u>	<u>2,583</u>	<u>4,461</u>	<u>7,895</u>	<u>12,487</u>
Interest expense, net	2	9	159	26	404
Other (income) expense, net	17	4	19	(162)	48
Provision for income taxes	<u>34</u>	<u>243</u>	<u>111</u>	<u>319</u>	<u>423</u>
Total non-GAAP adjustments	<u>2,667</u>	<u>2,978</u>	<u>4,929</u>	<u>8,524</u>	<u>13,897</u>
Non-GAAP net income	<u>\$ 1,486</u>	<u>\$ 1,648</u>	<u>\$ 1,061</u>	<u>\$ 4,612</u>	<u>\$ 5,155</u>
Non-GAAP net income per share - diluted	<u>\$ 0.04</u>	<u>\$ 0.04</u>	<u>\$ 0.03</u>	<u>\$ 0.11</u>	<u>\$ 0.13</u>
Denominator for GAAP net loss per share - diluted	39,731	39,496	38,820	39,472	38,493
Non-GAAP adjustment	<u>2,134</u>	<u>2,209</u>	<u>1,300</u>	<u>2,185</u>	<u>1,034</u>
Denominator for non-GAAP net income per share - diluted	<u>41,865</u>	<u>41,705</u>	<u>40,120</u>	<u>41,657</u>	<u>39,527</u>
GAAP cost of revenue	\$ 17,172	\$ 16,807	\$ 16,097	\$ 50,427	\$ 53,922
Non-GAAP adjustments to cost of revenue	<u>(146)</u>	<u>(139)</u>	<u>(179)</u>	<u>(446)</u>	<u>(535)</u>
Non-GAAP cost of revenue	<u>17,026</u>	<u>16,668</u>	<u>15,918</u>	<u>49,981</u>	<u>53,387</u>
Non-GAAP gross profit	<u>\$ 13,151</u>	<u>\$ 13,106</u>	<u>\$ 12,582</u>	<u>\$ 39,764</u>	<u>\$ 40,697</u>
Non-GAAP gross margin	<u>43.6%</u>	<u>44.0%</u>	<u>44.1%</u>	<u>44.3%</u>	<u>43.3%</u>



**LANTRONIX, INC.**  
**UNAUDITED NET REVENUES BY PRODUCT LINE AND REGION**  
(In thousands)

	<b>Three Months Ended</b>			<b>Nine Months Ended</b>	
	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>	<b>March 31, 2026</b>	<b>March 31, 2025</b>
Embedded IoT Solutions	\$ 14,616	\$ 13,865	\$ 11,990	\$ 39,948	\$ 36,161
IoT System Solutions	13,229	13,281	14,730	42,969	52,081
Software & Services	2,332	2,628	1,780	6,828	5,842
	<u>\$ 30,177</u>	<u>\$ 29,774</u>	<u>\$ 28,500</u>	<u>\$ 89,745</u>	<u>\$ 94,084</u>

	<b>Three Months Ended</b>			<b>Nine Months Ended</b>	
	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>	<b>March 31, 2026</b>	<b>March 31, 2025</b>
Americas	\$ 20,268	\$ 20,481	\$ 16,497	\$ 61,400	\$ 50,303
EMEA	6,175	5,138	6,048	16,400	25,568
Asia Pacific Japan	3,734	4,155	5,955	11,945	18,213
	<u>\$ 30,177</u>	<u>\$ 29,774</u>	<u>\$ 28,500</u>	<u>\$ 89,745</u>	<u>\$ 94,084</u>