

Sonendo, Inc.

Consolidated Financial Statements

For the Years Ended December 31, 2025 and 2024

SONENDO, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except par value and share amounts)

	December 31, 2025 (unaudited)	December 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 5,012	\$ 10,226
Short-term investments	—	1,401
Accounts receivable, net	1,527	3,682
Inventory, net	8,699	10,210
Prepaid expenses and other current assets	821	1,286
Current assets of discontinued operations	—	1,000
Total current assets	16,059	27,805
Property and equipment, net	—	—
Operating lease right-of-use assets	2,673	3,338
Other assets	104	122
Total assets	\$ 18,836	\$ 31,265
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 754	\$ 1,962
Accrued expenses	1,880	2,002
Accrued compensation	880	2,580
Operating lease liabilities	931	1,085
Current portion of term loan	13,458	10,800
Other current liabilities	1,238	1,510
Total current liabilities	19,141	19,939
Operating lease liabilities, net of current	1,773	2,168
Term loan, net of current	—	3,637
Other liabilities	239	330
Total liabilities	21,153	26,074
Commitments and contingencies (Note 9)		
Stockholders' equity:		
Preferred stock, \$0.001 par value; authorized — 10,000,000 shares; issued and outstanding - none	—	—
Common stock, \$0.001 par value; authorized — 500,000,000 shares; issued and outstanding— 4,764,978 shares as of December 31, 2025 and 427,330 shares as of December 31, 2024	5	—
Additional paid-in-capital	470,138	463,236
Accumulated other comprehensive gain	—	1
Accumulated deficit	(472,460)	(458,046)
Total stockholders' equity	(2,317)	5,191
Total liabilities and stockholders' equity	\$ 18,836	\$ 31,265

SONENDO, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

(in thousands)

	Year Ended December 31,	
	2025 (unaudited)	2024
Revenue, net	\$ 28,555	\$ 31,702
Cost of sales	16,589	19,860
Gross profit	11,966	11,842
Operating expenses:		
Selling and marketing	9,125	17,097
General and administrative	12,112	17,353
Research and development	4,269	6,758
Total operating expenses	25,506	41,208
Operating loss	(13,540)	(29,366)
Interest expense and other income:		
Interest expense	(2,218)	(5,471)
Other income	1,346	1,297
Total interest expense and other income	(872)	(4,174)
Loss before income tax expense	(14,412)	(33,540)
Income tax expense	(2)	(2)
Loss from continuing operations, net of tax	(14,414)	(33,542)
Income from discontinued operations, net of tax	—	5,509
Net loss	\$ (14,414)	\$ (28,033)
Other comprehensive loss (net of tax):		
Unrealized (loss) gain on short-term investments	—	(10)
Comprehensive loss	\$ (14,414)	\$ (28,043)

SONENDO, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(in thousands, except shares amount)

	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Gain (Loss)	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount				
Balance at December 31, 2023	317,737	\$ —	\$ 458,421	\$ 11	\$ (430,013)	\$ 28,419
Employee stock plans	6,835	—	(8)	—	—	(8)
Stock-based compensation	—	—	4,823	—	—	4,823
Exercise of pre-funded warrants	102,758	—	—	—	—	—
Unrealized loss on short-term investments	—	—	—	(10)	—	(10)
Net loss	—	—	—	—	(28,033)	(28,033)
Balance at December 31, 2024	427,330	\$ —	\$ 463,236	\$ 1	\$ (458,046)	\$ 5,191
Employee stock plans	97,648	—	(3)	—	—	(3)
Stock-based compensation	—	—	2,045	—	—	2,045
Issuance and revaluation of warrants	—	—	8	—	—	8
Issuance of common stock, net of issuance cost	4,240,000	5	4,852	—	—	4,857
Unrealized loss on short-term investments	—	—	—	(1)	—	(1)
Net loss	—	—	—	—	(14,414)	(14,414)
Balance at December 31, 2025 (unaudited)	4,764,978	\$ 5	\$ 470,138	\$ —	\$ (472,460)	\$ (2,317)

SONENDO, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands)

	Year Ended December 31,	
	2025	2024
	(unaudited)	
Cash flows from operating activities:		
Net loss	\$ (14,414)	\$ (28,033)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	-	288
Amortization of intangible assets	-	51
Amortization of right-of-use lease assets	923	1,119
Excess and obsolete inventory provisions	85	356
Impairment of long-lived assets	-	776
Credit loss expenses (recoveries)	(103)	(219)
Impairment of intangible assets	-	-
Stock-based compensation	1,963	4,823
Amortization of debt issuance costs	533	1,970
Accretion of available for sale securities, net	-	(406)
Gain on sale of discontinued operations	-	(5,703)
Changes in operating assets and liabilities:		
Accounts receivable	2,259	1,619
Inventory	1,426	75
Prepaid expenses and other assets	837	1,418
Accounts payable	(1,208)	786
Accrued expenses and other liabilities	(1,520)	(3,618)
Deferred revenue	(78)	224
Accrued compensation	(1,618)	(178)
Net cash used in operating activities	<u>(10,915)</u>	<u>(24,652)</u>
Cash flows from investing activities:		
Purchases of available-for-sale securities	-	(4,506)
Proceeds from maturities of available-for-sale securities	1,400	36,273
Purchases of property and equipment	-	(161)
Proceeds from sale of discontinued operations, net	1,000	14,208
Net cash provided by investing activities	<u>2,400</u>	<u>45,814</u>
Cash flows from financing activities:		
Principal repayments on term loan	(1,400)	(24,900)
Proceeds from issuance of common stock, net of issuance cost	4,856	-
Issuance of stock under employee stock plans	-	-
Taxes paid on vested stock awards under employee stock plans	(3)	(7)
Payment of debt issuance costs	(105)	-
Principal repayments on finance lease	(47)	(38)
Net cash provided by (used in) financing activities	<u>3,301</u>	<u>(24,945)</u>
Net decrease in cash and cash equivalents	<u>(5,214)</u>	<u>(3,783)</u>
Cash and cash equivalents at beginning of year	<u>10,226</u>	<u>14,009</u>
Cash and cash equivalents at end of year	<u>\$ 5,012</u>	<u>\$ 10,226</u>
Supplemental disclosures of cash flow information:		
Cash paid for:		
Taxes	\$ 2	\$ 2
Interest	\$ 1,971	\$ 3,475
Supplemental schedule of non-cash investing and financing activities:		
Operating lease right-of-use assets obtained in exchange for lease liabilities	\$ 629	\$ 1,836