

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

FORM 10-Q

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

For the quarterly period ended March 31, 2026

or

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

For the transition period from _____ to _____

Commission File Number: 001-42570

AELUMA, INC.

(Exact name of registrant as specified in its charter)

(Former name and address, if changed since last report)

Delaware

(State or other jurisdiction
of incorporation)

85-2807351

(I.R.S. Employer
Identification No.)

27 Castilian Drive
Goleta, California 93117

(Address of principal executive offices)

(805) 351-2707

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of exchange on which registered
Common Stock, par value \$0.0001 per share	ALMU	The Nasdaq Stock Market LLC

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

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

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

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging growth company	<input checked="" type="checkbox"/>

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

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

As of May 8, 2026, there were 18,305,335 shares of the issuer's common stock, \$0.0001 par value per share, outstanding.

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

Aeluma, Inc. and Subsidiary
Condensed Consolidated Balance Sheets
(\$ in thousands, except per share data)

	March 31, 2026 (unaudited)	June 30, 2025
Assets		
Current assets:		
Cash and cash equivalents	\$ 37,780	\$ 3,628
Certificate of deposit	-	12,112
Accounts receivable	1,062	962
Prepays and other current assets	1,332	633
Total current assets	40,174	17,335
Property and equipment:		
Equipment	2,131	1,692
Leasehold improvements	547	547
Accumulated depreciation	(1,344)	(1,021)
Property and equipment, net	1,334	1,218
Right of use asset - operating	987	836
Other assets	22	17
Total assets	\$ 42,517	\$ 19,406
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	\$ 973	\$ 361
Accrued expenses and other current liabilities	370	206
Lease liability – operating, current portion	196	138
Total current liabilities	1,539	705
Lease liability - operating, long-term portion	893	803
Total liabilities	2,432	1,508
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$0.0001 par value: 10,000,000 authorized, and none issued and outstanding at March 31, 2026 and June 30, 2025	-	-
Common stock, \$0.0001 par value: 50,000,000 shares authorized, and 18,113,554 and 15,864,360 shares issued and outstanding at March 31, 2026 and June 30, 2025, respectively	2	2
Additional paid-in capital	61,875	34,542
Accumulated deficit	(21,792)	(16,646)
Total stockholders' equity	40,085	17,898
Total liabilities and stockholders' equity	\$ 42,517	\$ 19,406

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

Aeluma, Inc. and Subsidiary
Condensed Consolidated Statements of Operations (unaudited)
(\$ in thousands, except per share data)

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2026	2025	2026	2025
Revenue	\$ 1,222	\$ 1,255	\$ 3,879	\$ 3,348
Operating expenses:				
Cost of revenue	836	311	2,456	1,105
Research and development	882	471	2,394	1,130
General and administrative	1,629	1,305	4,843	2,287
Total operating expenses	<u>3,347</u>	<u>2,087</u>	<u>9,693</u>	<u>4,522</u>
Loss from operations	<u>(2,125)</u>	<u>(832)</u>	<u>(5,814)</u>	<u>(1,174)</u>
Other income (expense):				
Interest income	325	3	668	3
Amortization of discount on convertible notes	-	(287)	-	(715)
Changes in fair value of derivative liabilities	-	2,577	-	(278)
Total other income (expense), net	<u>325</u>	<u>2,293</u>	<u>668</u>	<u>(990)</u>
Income (loss) before income tax expense	<u>(1,800)</u>	<u>1,461</u>	<u>(5,146)</u>	<u>(2,164)</u>
Income tax expense	-	-	-	-
Net income (loss)	<u>\$ (1,800)</u>	<u>\$ 1,461</u>	<u>\$ (5,146)</u>	<u>\$ (2,164)</u>
Net income (loss) per share:				
Basic	<u>\$ (0.10)</u>	<u>\$ 0.12</u>	<u>\$ (0.30)</u>	<u>\$ (0.18)</u>
Diluted	<u>\$ (0.10)</u>	<u>\$ 0.11</u>	<u>\$ (0.30)</u>	<u>\$ (0.18)</u>
Weighted average common shares outstanding:				
Basic	<u>18,061,402</u>	<u>12,472,061</u>	<u>17,354,370</u>	<u>12,286,284</u>
Diluted	<u>18,061,402</u>	<u>13,206,919</u>	<u>17,354,370</u>	<u>12,286,284</u>

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

Aeluma, Inc. and Subsidiary
Condensed Consolidated Statement of Stockholders' Equity (unaudited)
(\$ in thousands)

Three Months Ended March 31, 2026 and 2025

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount			
Balance, January 1, 2026	18,002,727	\$ 2	\$ 60,793	\$ (19,992)	\$ 40,803
Restricted stock units vested	21,871	-	-	-	-
Restricted stock units surrendered due to net share settlement to satisfy employee tax liability	(3,666)	-	(56)	-	(56)
Stock options exercised	85,617	-	39	-	39
Stock warrants exercised	7,005	-	-	-	-
Stock-based compensation	-	-	1,099	-	1,099
Net loss	-	-	-	(1,800)	(1,800)
Balance, March 31, 2026	18,113,554	\$ 2	\$ 61,875	\$ (21,792)	\$ 40,085

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount			
Balance, January 1, 2025	12,242,481	\$ 1	\$ 16,215	\$ (17,249)	\$ (1,033)
Issuance of common stock, net of offering costs	2,628,571	1	12,587	-	12,588
Conversion of convertible notes	898,573	-	1,667	-	1,667
Conversion of derivative liabilities	-	-	2,471	-	2,471
Stock options exercised	25,842	-	10	-	10
Stock-based compensation	-	-	833	-	833
Net income	-	-	-	1,461	1,461
Balance, March 31, 2025	15,795,467	\$ 2	\$ 33,783	\$ (15,788)	\$ 17,997

Nine Months Ended March 31, 2026 and 2025

	Common Stock		Additional paid-in capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount			
Balance, July 1, 2025	15,864,360	\$ 2	\$ 34,542	\$ (16,646)	\$ 17,898
Issuance of common stock, net of offering costs	1,955,000	-	23,385	-	23,385
Restricted stock units vested	29,218	-	-	-	-
Restricted stock units surrendered due to net share settlement to satisfy employee tax liability	(3,666)	-	(56)	-	(56)
Stock options exercised	129,098	-	103	-	103
Stock warrants exercised	139,544	-	690	-	690
Stock-based compensation	-	-	3,211	-	3,211
Net loss	-	-	-	(5,146)	(5,146)
Balance, March 31, 2026	18,113,554	\$ 2	\$ 61,875	\$ (21,792)	\$ 40,085

	Common Stock		Additional paid-in capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount			
Balance, July 1, 2024	12,178,424	\$ 1	\$ 15,899	\$ (13,624)	\$ 2,276
Issuance of common stock, net of offering costs	2,628,571	1	12,587	-	12,588
Conversion of convertible notes	898,573	-	1,667	-	1,667
Conversion of derivative liabilities	-	-	2,471	-	2,471
Stock options exercised	88,169	-	10	-	10
Stock warrants exercised	1,730	-	-	-	-
Stock-based compensation	-	-	1,149	-	1,149
Net loss	-	-	-	(2,164)	(2,164)
Balance, March 31, 2025	15,795,467	\$ 2	\$ 33,783	\$ (15,788)	\$ 17,997

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

Aeluma, Inc. and Subsidiary
Condensed Consolidated Statements of Cash Flows (unaudited)
(\$ in thousands)

	Nine Months Ended	
	March 31,	
	2026	2025
Operating activities:		
Net loss	\$ (5,146)	\$ (2,164)
Adjustments to reconcile net loss to net cash used in operating activities:		
Amortization of deferred compensation	-	17
Stock-based compensation expense	3,211	1,149
Depreciation and amortization expense	325	307
Amortization of discount on convertible notes	-	715
Changes in fair value of derivative liabilities	-	278
Changes in operating assets and liabilities:		
Accounts receivable	(100)	(1,083)
Prepays and other current assets	(699)	(192)
Other assets	(7)	-
Accounts payable	612	(144)
Accrued expenses and other current liabilities	161	34
Net cash used in operating activities	(1,643)	(1,083)
Investing activities:		
Purchase of equipment	(439)	(85)
Net cash used in investing activities	(439)	(85)
Financing activities:		
Proceeds from stock option exercise	103	10
Proceeds from stock warrant exercise	690	-
Proceeds from convertible notes issuance	-	3,145
Proceeds from public offering, net of offering costs	23,385	12,587
Payment for taxes related to net share settlement of restricted stock units	(56)	-
Net cash provided by financing activities	24,122	15,742
Net change in cash and cash equivalents, and certificate of deposit	22,040	14,574
Cash and cash equivalents, and certificate of deposit, beginning of period	15,740	1,291
Cash and cash equivalents, and certificate of deposit, end of period	\$ 37,780	\$ 15,865
Supplemental non-cash disclosures:		
Right of use asset - operating obtained in exchange for lease liability -operating	\$ 274	\$ -
Conversion of convertible notes to stockholders' equity	-	1,667
Conversion of derivative liabilities to stockholders' equity	-	2,471

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

Aeluma, Inc. and Subsidiary
Notes to Condensed Consolidated Financial Statements (unaudited)

Note 1 – The Company and Basis of Presentation

Throughout these notes, “the Company,” “Aeluma,” “we,” “us,” “its” and “our” refer to Aeluma, Inc. and our wholly owned subsidiary Aeluma Operating Co. (“Subsidiary”). Aeluma develops novel optoelectronic and electronic devices for sensing, communication, and computing applications. Aeluma has pioneered a technique to produce semiconductor materials and chips using high-performance compound semiconductors on large-diameter substrates commonly used to manufacture mass-market microelectronics. This enables cost-effective manufacturing of high-performance photodetectors and photodetector arrays for imaging applications in mobile devices and other applications. Aeluma’s technology is broadly applicable across mobile, automotive, artificial intelligence (“AI”), defense & aerospace, communication, augmented reality (“AR”), virtual reality (“VR”), high-performance computing, and quantum computing. Aeluma is based in Goleta, California, where the Company operates in a 9,000 sq. ft. facility with a state-of-the-art research and development (“R&D”) and manufacturing cleanroom and access to world-class rapid prototyping capabilities. The facility houses unique equipment for scalable manufacturing. In September 2025, the Company added a second facility with 2,400 sq. ft. of office and meeting space, also in Goleta, California. Aeluma also partners with production-scale fabrication foundries and packaging companies. Aeluma maintains extensive patent protection and trade secrets related to its materials, manufacturing technology, and applications.

The accompanying condensed consolidated financial statements have been presented in accordance with U.S. generally accepted accounting principles (“GAAP”). The summary of significant accounting policies presented below is designed to assist in understanding the Company’s financial statements. Such financial statements and accompanying notes are the representations of the Company’s management, who is responsible for the Company’s integrity and objectivity. This Quarterly Report on Form 10-Q for the period ended March 31, 2026, should be read in conjunction with our Annual Report on Form 10-K for the fiscal year ended June 30, 2025. The accompanying consolidated financial statements and footnotes have been condensed and therefore do not contain all disclosures required by GAAP. The interim financial data are unaudited; however, in the opinion of Aeluma, the interim data include all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of the results for the interim periods. Results for interim periods are not necessarily indicative of those to be expected for the full year.

Cash and Cash Equivalents

The Company considers cash in banks, deposits in transit, and highly liquid investments with original maturity of three months or less to be cash and cash equivalents. As of March 31, 2026, cash and cash equivalents consisted of cash on deposit and an investment in money market funds. The Company’s investment in money market funds is classified within Level 1 of the fair value hierarchy because it is valued using quoted market prices in active markets. The fund invests 100% of its assets in short-term U.S. Treasury obligations and has no minimum holding periods or redemption gates.

Revenue Recognition

The Company follows a five-step approach for recognizing revenue: (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, or as, the entity satisfies a performance obligation. Revenue is recognized when control of the promised goods or services is transferred to the customer. For performance obligations that are satisfied at a single point in time, the Company recognizes revenue at the point when control transfers, which is typically upon delivery, customer acceptance, or another specified milestone defined in the contract. For performance obligations satisfied over time, revenue is recognized as progress is made toward completion, using a measure that best depicts the transfer of control to the customer. Sales and other taxes the Company collects concurrent with revenue-producing activities are excluded from revenue. Incidental items that are immaterial in the context of the contract are recognized as expenses. The Company does not have any significant financing components associated with its revenue contracts, as payment is received within one year. The Company currently draws revenue from two primary sources:

- Commercial product and service contracts: Revenue is currently generated from multiple customers for R&D-related services and small-volume orders.
- Government contracts: Revenue is principally generated from R&D contracts with agencies of the U.S. government or with prime contractors. These contracts may include cost-reimbursement or fixed-price terms.

The Company capitalizes certain incremental costs incurred to obtain or fulfill a contract when such costs are expected to be recoverable. Prepaid costs, such as advance payments to vendors or subcontractors directly related to a customer contract, are recorded as assets and subsequently expensed consistent with the transfer of goods or services to the customer.

Government contracts include both cost-reimbursement and fixed-price contracts. Cost-reimbursement contracts provide for the reimbursement of allowable costs plus the payment of a fee. These contracts fall into four basic types: (i) cost-sharing contract under which government reimburses only a portion of the incurred costs, (ii) cost plus fixed fee contracts which provide for the payment of a fixed fee irrespective of the final cost of performance, (iii) cost plus incentive fee contracts which provide for increases or decreases in the fee, within specified limits, based upon actual results as compared to contractual targets relating to such factors as cost, performance and delivery schedule, and (iv) cost plus award fee contracts which provide for the payment of an award fee determined at the discretion of the customer based upon the performance of the contractor against pre-established criteria. Under cost-reimbursement type contracts, the contractor is reimbursed periodically for allowable costs and is paid a portion of the fee based on contract progress. Fixed-price contracts establish a set price for goods or services, which may be firm or adjustable under specific conditions. Adjustable fixed-price contracts can include elements such as ceiling or target prices, which are only subject to change through contract clauses that allow for equitable adjustments. Firm-fixed-price contracts do not permit any price changes based on the contractor's actual costs, placing full financial risk and responsibility on the contractor. In contrast, fixed-price contracts with economic price adjustments allow for price changes, either increases or decreases, based on predefined events or conditions.

For the three and nine months ended March 31, 2026, the Company was awarded government contracts of \$2.3 million and \$2.5 million, respectively, for the provision of services and delivery of materials. The awards are either firm-fixed-price contracts, where payments are made upon completion of specified performance milestones, or cost-reimbursement contracts, where allowable costs are reimbursed with an additional fee. For the three and nine months ended March 31, 2025, the Company was awarded two government contracts of \$11.9 million for providing services and delivering materials. The awards are firm-fixed-price contracts.

As of March 31, 2026, total remaining performance obligations under all obligated government contracts amounted to \$8.9 million.

Stock-Based Compensation

The Company accounts for stock-based compensation arrangements in accordance with guidance issued by the Financial Accounting Standards Board ("FASB"), which requires the measurement and recognition of compensation expense for all share-based payment awards made to employees, consultants, and directors based on estimated fair values.

The Company estimates the fair value of stock-based compensation awards on the date of grant using an option-pricing model for stock options. The value of the portion of the award that is ultimately expected to vest is recognized as an expense over the requisite service periods in the Company's consolidated statements of operations. The Company estimates the fair value of stock-based compensation awards using the Black-Scholes model. This model requires the Company to estimate the expected volatility and value of its common stock and the expected term of the stock options, all of which are highly complex and rely on subjective variables. For employees and directors, the expected life was calculated based on the simplified method as described by the U.S. Securities and Exchange Commission ("SEC") Staff Accounting Bulletin No. 110, Share-Based Payment. For other service providers, the expected life was calculated using the contractual term of the award. The Company's estimate of expected volatility was based on the volatility of peers. The Company has selected a risk-free rate based on the implied yield available on U.S. Treasury securities with a maturity equivalent to the expected term of the options. The Company accounts for forfeitures upon occurrence.

The Company estimates the fair value of restricted stock units ("RSUs") on the date of grant based on the fair market value of the Company's common stock. The value of the portion of the award that is ultimately expected to vest is recognized as stock-based compensation expense over the requisite service periods in the Company's consolidated statements of operations. Because RSUs do not include exercise features, the valuation of these awards does not require the use of an option-pricing model or assumptions related to expected volatility, expected term, or risk-free interest rates. The Company accounts for forfeitures upon occurrence.

Income (Loss) Per Share

Basic income (loss) per share is computed by dividing net income (loss) available to common shareholders by the weighted average number of common shares outstanding during the period. Diluted income (loss) per share is computed by dividing the net income (loss) attributable to common stockholders by the sum of the weighted average number of common shares outstanding plus potential dilutive common shares outstanding during the period. Potential dilutive securities, comprised of shares underlying stock options, restricted stock units, and warrants, are not reflected in diluted loss per share because such shares are anti-dilutive. The dilutive impact of potential common shares resulting from common stock equivalents is determined by applying the treasury stock method. For the three and nine months ended March 31, 2026, 1,883,328 shares underlying stock options, 274,493 shares underlying RSUs and 394,408 shares underlying warrants were excluded from the calculation of diluted income per share as their inclusion would have been anti-dilutive.

Concentration of Risk

The Company maintains its cash in bank deposit accounts, which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company's accounts are insured by the FDIC up to federally insured limits.

The Company manages its credit risk associated with exposure to its direct customers on outstanding accounts receivable through the application of credit approvals and other monitoring procedures. The Company closely monitors the aging of accounts receivable from its direct customers. Significant customers are those that represent 10% or more of revenue or accounts receivable. For the three months ended March 31, 2026, 60% and 16% of our revenue was derived from two customers and, for the three months ended March 31, 2025, 90% of our revenue was derived from one customer. For the nine months ended March 31, 2026, 68% and 15% of our revenue was derived from two customers and, for the nine months ended March 31, 2025, 70% of our revenue was derived from one customer. As of March 31, 2026, 76% and 17% of accounts receivables were attributable to two customers and, as of June 30, 2025, 100% of accounts receivable were attributable to one customer. All customers are government agencies.

Reclassification of Prior Year Presentation

Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the reported consolidated financial statements.

Recent Accounting Pronouncements under Evaluation

In July 2025, the FASB issued Accounting Standards Update ("ASU") 2025-05, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets*. This ASU provides a practical expedient to assume that conditions as of the balance sheet date remain unchanged over the life of the asset when estimating expected credit losses for current accounts receivable and current contract assets arising from transactions accounted for under Topic 606. This guidance is effective for annual reporting periods beginning after December 15, 2025, and for interim periods within those annual reporting periods, with early adoption permitted. The amendments in ASU 2025-05 should be applied prospectively. The Company is currently evaluating the impact of this new standard on its consolidated financial statements, however the adoption is not expected to have a material impact on the consolidated financial statements.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. This ASU amends the disclosure requirements for income taxes, including the requirement for further disaggregation of the income tax rate reconciliation and income taxes paid disclosures. The amendments in this guidance must be applied prospectively, with the option to apply retrospectively. This guidance is effective for fiscal years beginning after December 15, 2024. The Company is currently evaluating the impact of this new standard on its consolidated financial statements, however the adoption is not expected to have a significant impact on the consolidated financial statements.

In November 2024, the FASB issued ASU 2024-03, *Disaggregation of Income Statement Expenses (DISE)*. The ASU requires additional disclosure regarding specific types of expenses included in the income statement. This guidance applies to all public business entities and is effective for annual reporting periods beginning after December 15, 2026 and interim reporting periods within annual reporting periods beginning after December 15, 2027. The requirements will be applied prospectively with the option for retrospective application. The Company is currently evaluating the impact of this new standard on its consolidated financial statements, however the adoption is not expected to have a significant impact on the consolidated financial statements.

Note 2 – Convertible Notes

During August 2024, we issued convertible promissory notes in the aggregate principal amount of \$3.1 million to 10 accredited investors, pursuant to a private note financing. The Notes were set to mature in June 2026 and did not carry any interest. The Notes were convertible into shares of the Company's common stock par value \$0.0001 per share (the "Common Stock") upon the occurrence of certain events, (i.e., qualified financing resulting in at least \$5.0 million to the Company, if the Common Stock was uplisted to a national securities exchange or if neither of those such events occurred prior to the maturity date, (together with Sale of the Company (as hereinafter defined), a "Conversion Event")).

On March 25, 2025, the Company determined that a Conversion Event had occurred pursuant to the terms of the Notes. As a result, certain holders elected to convert their Notes at the applicable Ceiling Price of \$3.50 per share, resulting in the issuance of an aggregate of 898,573 shares of Common Stock in exchange for \$3.1 million in outstanding principal under the Notes. Following the conversion, the Company has no further obligations under the converted Notes. The shares issued upon conversion are subject to piggyback registration rights previously granted to the investors. See Public Offerings of Common Stock in Note 3 – Stockholders' Equity

Beginning with the quarter ended March 31, 2025, the carrying amount of convertible notes, totaling \$1.7 million, including unamortized debt discount of \$1.5 million, was reclassified to equity. For the three and nine months ended March 31, 2025, the Company recorded amortization of discount on convertible notes of \$287 thousand and \$715 thousand, respectively.

Note 3 – Stockholders' Equity

Authorized Shares

The Company's Articles of Incorporation authorize the issuance of two classes of shares of capital stock. The total number of shares that this corporation is authorized to issue is 50,000,000 shares of \$0.0001 par value common stock and 10,000,000 of \$0.0001 par value preferred stock. No preferred shares were issued or outstanding as of March 31, 2026.

Registration Rights Agreement

The Company is party to a registration rights agreement pursuant to which it has filed a registration statement on Form S-1 with the SEC, which was declared effective on March 26, 2025. The agreement provides for certain liquidated damages upon the occurrence of a "Registration Event," which is defined as the occurrence of any of the following events: (a) the registration statement ceases for any reason to remain effective or the Holders of Registrable Securities covered thereby are otherwise not permitted to utilize the prospectus therein to resell the Registrable Securities covered thereby, except for Blackout Periods permitted by the registration rights agreement; or (b) following the listing or inclusion for quotation on an Approved Market, the Registrable Securities, if issued and outstanding, are not listed or included for quotation on an Approved Market, or trading of the Common Stock is suspended or halted on the Approved Market, which at the time constitutes the principal markets for the Common Stock, for more than three (3) full, consecutive Trading Days (other than as a result of (A) actions or inactions of parties other than the Company or its affiliates or of the Approved Market not reasonably in the control of the Company, or (B) suspension or halt of substantially all trading in equity securities (including the Common Stock) on the Approved Market). The maximum amount of liquidated damages that may be paid by the Company shall be an amount equal to eight percent (8%) of the shares covered by the registration rights agreement. The registration statement initially covered the sale of 11,010,002 shares. The Company currently expects to satisfy all of its obligations under the Registration Agreement and does not expect to pay any damages pursuant to this agreement; therefore, no liability has been recorded.

Public Offerings of Common Stock

In March 2025, the Company sold an aggregate of 2,628,571 shares of its common stock in an underwritten public offering for gross proceeds of \$13.8 million, resulting in net proceeds of \$12.6 million after underwriting discounts, commissions, and offering expenses. The Company issued to the underwriter warrants to purchase up to 131,427 shares which are exercisable for a per share price of \$6.04 through March 2035. See Note 6 - Warrants

On September 19, 2025, the Company sold 1,955,000 shares of its common stock in an underwritten public offering for gross proceeds of \$25.4 million, resulting in net proceeds of \$23.4 million after underwriting discounts, commission, and offering expenses.

On March 20, 2026, we entered into a sales agreement, pursuant to which we may sell shares of our common stock having an aggregate offering price of up to \$50 million, through an “at-the-market” offering program. As of March 31, 2026, no sales of our common stock were transacted under this agreement. We are not obligated to sell, and the agents are not obligated to buy or sell, any shares under the agreement. Any shares will be offered and sold under the agreement will be pursuant to the Company’s effective shelf registration statement on Form S-3.

Note 4 – Stock-Based Compensation

Restricted Stock Awards

Restricted Stock Awards (“RSAs”) are grants of shares of our common stock that vest in accordance with terms and conditions established by the Company’s Board of Directors. Recipients of RSAs generally will have voting and dividend rights with respect to such shares upon grant without regard to vesting, unless the RSA agreement provides otherwise. Shares of restricted stock that do not vest are subject to forfeiture.

The Company has entered into various consulting agreements that involved the issuance of common stock in exchange for future services. These agreements included time-based vesting provisions and repurchase rights tied to service terms. In connection with these agreements, the Company recorded deferred compensation for the fair value of the shares in excess of the amounts paid. The deferred compensation was recognized as consulting expense in the condensed consolidated statements of operations over the applicable service periods.

For the three and nine months ended March 31, 2025, \$3 thousand and \$17 thousand, respectively, were recognized as consulting expense in the condensed consolidated statements of operations. All related shares had vested and the associated expense was fully amortized as of March 31, 2026. Accordingly, as of March 31, 2026, there was no deferred compensation remaining in the condensed consolidated balance sheets.

Restricted Stock Units

RSUs are rights to acquire shares of our common stock that vest and settle in accordance with terms and conditions established by our 2021 Equity Incentive Plan (the “2021 Plan”) and any forms of agreement approved by the administrator of the 2021 Plan.

During the three months ended September 30, 2025, the Company granted RSUs to employees representing rights to acquire up to 76,403 shares of common stock. Of those RSUs, 2,903 were fully vested on the date of grant and settled into the same number of shares of common stock. The remaining RSUs are scheduled to vest with respect to 25% of the shares on the first anniversary of the grant recipient’s start date and the remaining 75% in equal quarterly installments over the following 12 quarters. Each vesting installment is subject to the recipient’s continued service with the Company through the applicable vesting date.

During the three months ended December 31, 2025, the Company granted RSUs to employees, consultants and members of the Company’s board of directors representing rights to acquire up to 87,458 shares of common stock. The RSUs are scheduled to vest over varying periods of up to four years. Each vesting installment is subject to the recipient’s continued service with the Company through the applicable vesting date.

During the three months ended March 31, 2026, the Company granted RSUs to employees representing rights to acquire up to 139,850 shares of common stock. The RSUs are scheduled to vest over varying periods of up to four years. Each vesting installment is subject to the recipient's continued service with the Company through the applicable vesting date.

	March 31, 2026			
	Three Months Ended		Nine Months Ended	
	Number of Shares	Weighted Average Grant Date Fair Value per Share	Number of Shares	Weighted Average Grant Date Fair Value per Share
Beginning balance	156,292	\$ 18.03	-	\$ -
Granted	139,850	15.44	303,711	16.80
Vested	(21,649)	16.12	(29,218)	16.22
Canceled	-	-	-	-
Ending balance	274,493	\$ 16.87	274,493	\$ 16.87

Stock Options

For the three months ended September 30, 2025, the Company granted to employees and a member of the Company's board of directors options to purchase up to 157,906 shares of common stock. The stock options expire on the tenth anniversary of their dates of grant, have exercise prices ranging from \$16.37 to \$20.82, and vest in one month to forty-eight months. The right to exercise vested options is contingent upon the optionee's continued service with the Company through each applicable vesting date.

For the three months ended December 31, 2025, the Company granted to employees and a consultant options to purchase up to 77,000 shares of common stock. The stock options expire on the tenth anniversary of their dates of grant, have exercise prices ranging from \$14.71 to \$16.31, and vest in one month to forty-eight months. The right to exercise vested options is contingent upon the optionee's continued service with the Company through each applicable vesting date.

For the three months ended March 31, 2026, the Company granted to employees options to purchase up to 262,800 shares of common stock. The stock options expire on the tenth anniversary of their dates of grant, have exercise prices ranging from \$12.20 to \$21.60, and vest over varying periods of up to five years. The right to exercise vested options is contingent upon the optionee's continued service with the Company through each applicable vesting date.

The Company estimates the fair value of each option granted using the Black-Scholes option-pricing model. The Company used the following assumptions to estimate the fair value of stock options for the period presented:

	Nine Months Ended March 31,	
	2026	2025
Weighted-average fair value	\$ 14.26	\$ 5.66
Expected volatility	101.4% - 119.2%	113.9% - 138.3%
Expected term	5.0 years - 7.4 years	0.9 years - 6.0 years
Dividend yield	0.00%	0.00%
Risk-free interest rate	3.69% - 4.07%	3.87% - 4.60%

The following is a schedule summarizing stock option activities for the periods presented (\$ in thousands, except per share data):

Three Months Ended

	Number of Options	Weighted Average Exercise Price	Aggregate Intrinsic Value ⁽¹⁾
Outstanding at January 1, 2026	1,724,069	\$ 7.22	\$ 17,688
Granted	262,800	15.34	
Exercised	(102,500)	2.99	
Canceled	(1,041)	2.00	
Outstanding at March 31, 2026	1,883,328	\$ 8.59	\$ 10,606
Exercisable at March 31, 2026	1,020,637	\$ 4.75	\$ 8,569

	Number of Options	Weighted Average Exercise Price	Aggregate Intrinsic Value ⁽¹⁾
Outstanding at January 1, 2025	954,821	\$ 2.51	\$ 4,908
Granted	451,354	7.81	
Exercised	(37,291)	2.35	
Canceled	(4,688)	2.00	
Outstanding at March 31, 2025	1,364,196	\$ 4.27	\$ 4,167
Exercisable at March 31, 2025	768,114	\$ 3.11	\$ 3,090

(1) Represents the excess of the fair value on the last day of the period (which was \$13.09 and \$7.21 as of March 31, 2026 and 2025, respectively) over the exercise price, multiplied by the number of options.

Nine Months Ended

	Number of Options	Weighted Average Exercise Price	Aggregate Intrinsic Value ⁽¹⁾
Outstanding at July 1, 2025	1,570,675	\$ 5.33	\$ 17,410
Granted	497,706	16.94	
Exercised	(149,436)	2.84	
Canceled	(35,617)	5.67	
Outstanding at March 31, 2026	1,883,328	\$ 8.59	\$ 10,606
Exercisable at March 31, 2026	1,020,637	\$ 4.75	\$ 8,569

	Number of Options	Weighted Average Exercise Price	Aggregate Intrinsic Value ⁽¹⁾
Outstanding at July 1, 2024	1,068,446	\$ 2.41	\$ 1,258
Granted	517,354	7.21	
Exercised	(192,957)	2.16	
Canceled	(28,647)	2.33	
Outstanding at March 31, 2025	1,364,196	\$ 4.27	\$ 4,167
Exercisable at March 31, 2025	768,114	\$ 3.11	\$ 3,090

(1) Represents the excess of the fair value on the last day of the period (which was \$13.09 and \$7.21 as of March 31, 2026 and 2025, respectively) over the exercise price, multiplied by the number of options.

The Company granted performance-based equity awards that vest upon achievement of specified sales targets over a defined performance period. Stock-based compensation expense is recognized only when achievement of the sales targets is considered probable. The Company reassesses this probability at each reporting date and adjusts expense accordingly. If the targets are not deemed probable, no expense is recognized and any previously recognized amounts are reversed. For both the three and nine months ended March 31, 2026, the Company recognized \$44 thousand of expense related to these awards. As of March 31, 2026, remaining unrecognized compensation cost for these grants was \$1.2 million, to be recognized over 4.8 years, subject to achieving the sales targets.

For the three months ended March 31, 2026 and 2025, stock-based compensation expenses for stock options and RSUs were \$1.1 million and \$832 thousand, respectively. For the nine months ended March 31, 2026 and 2025, stock-based compensation expenses for stock options and RSUs were \$3.2 million and \$1.1 million, respectively. Unrecognized stock-based compensation expense was \$13.0 million, and the average expected recognition period was 2.0 years as of March 31, 2026.

Note 5 – Operating Lease

Lease expense for operating leases is recognized on a straight-line basis over the term of the lease. Right of Use (“ROU”) assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. The Company includes lease extension and termination options in the lease term when it is reasonably certain, based on consideration of relevant economic factors, that such options will be exercised.

The Company entered into an amendment dated November 20, 2025, which modified its existing lease originally executed on February 22, 2021, for a facility in Goleta, California, reflecting the exercise of one of the two original sixty-month extension options and extending the lease term for an additional five years from April 1, 2026 through March 31, 2031. The Company has one option to extend the term for an additional five years remaining under the lease.

The Company is party to a 5-year operating lease for an office in Goleta, California through September 21, 2030, with total lease payments of \$303 thousand. The Company recorded the net present value of \$274 thousand for both the ROU asset and lease liability on September 5, 2025.

The following table presents maturities of operating lease liabilities on an undiscounted basis as of March 31, 2026 (\$ in thousands):

Years ending June 30,	
2026	\$ 59
2027	237
2028	243
2029	248
2030	253
Thereafter	162
Total	1,202
Less imputed interest	(113)
Total lease liability - operating	1,089
Less: lease liability - operating, current portion	196
Lease liability - operating, long-term portion	\$ 893

The weighted average remaining lease term and the discount rate for the lease at March 31, 2026 are 4.8 years and 3.95%, respectively. The total lease expenses were \$57 thousand and \$48 thousand for the three months ended March 31, 2026 and 2025, respectively. The total lease expenses were \$161 thousand and \$131 thousand for the nine months ended March 31, 2026 and 2025, respectively. The variable costs for common area operating expenses and electricity were \$87 thousand and \$31 thousand for the three months ended March 31, 2026 and 2025, respectively. The variable costs for common area operating expenses and electricity were \$245 thousand and \$231 thousand for the nine months ended March 31, 2026 and 2025, respectively.

Note 6 – Warrants

All of our outstanding warrants to purchase common stock are exercisable at any time prior to their expiration dates and include a provision that allows for cashless exercise at the time of exercise. Under the cashless exercise provision, the holder may elect to receive a reduced number of shares of common stock determined according to a formula based on the fair market value of the Company’s common stock at the time of exercise, rather than paying the exercise price in cash. During the three months ended March 31, 2026, warrants to purchase 8,000 shares were exercised, resulting in the issuance of 7,005 shares of common stock. During the nine months ended March 31, 2026, warrants to purchase 148,480 shares were exercised, resulting in the issuance of 139,544 shares of common stock.

The following warrants to purchase common stock were outstanding as of March 31, 2026:

Number of Shares	Exercise Price	Expiration Date
266,255	\$ 2.00	June 22, 2026
37,058	2.00	June 28, 2026
11,393	2.00	July 1, 2026
26,762	3.00	December 22, 2027
4,542	3.00	January 10, 2028
6,660	3.00	March 31, 2028
41,738	3.00	March 10, 2028
<u>394,408</u>		

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

Special Note Regarding Forward-Looking Statements

This report contains forward-looking statements and information that are based on the beliefs of our management as well as assumptions made by and information currently available to us. Such statements should not be unduly relied upon. Forward-looking statements include statements about our expectations, beliefs, plans, objectives, intentions, assumptions and other statements that are not historical facts or that are not present facts or conditions. Forward-looking statements and information can generally be identified by the use of forward-looking terminology or words, such as "anticipate," "approximately," "believe," "continue," "estimate," "expect," "forecast," "intend," "may," "ongoing," "pending," "perceive," "plan," "potential," "predict," "project," "seeks," "should," "views" or similar words or phrases or variations thereon, or the negatives of those words or phrases, or statements that events, conditions or results "can," "will," "may," "must," "would," "could" or "should" occur or be achieved and similar expressions in connection with any discussion, expectation or projection of future operating or financial performance, costs, regulations, events or trends. The absence of these words does not necessarily mean that a statement is not forward-looking.

Forward-looking statements and information are based on management's current expectations and assumptions, which are inherently subject to uncertainties, risks and changes in circumstances that are difficult to predict. These statements reflect our current view concerning future events and are subject to risks, uncertainties, and assumptions. There are important factors that could cause actual results to vary materially from those described in this report as anticipated, estimated or expected, as well as general conditions in the economy, capital markets, the SEC regulations which affect trading in the securities of "penny stocks," and other risks and uncertainties. Except as required by law, we assume no obligation to update any forward-looking statements publicly, or to update the reasons actual results could differ materially from those anticipated in any forward-looking statements, even if new information becomes available in the future. Depending on the market for our stock and other conditional tests, a specific safe harbor under the Private Securities Litigation Reform Act of 1995 may be available. Notwithstanding the above, Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), expressly state that the safe harbor for forward-looking statements does not apply to companies that issue penny stock. Because we may from time to time be considered to be an issuer of penny stock, the safe harbor for forward-looking statements may not apply to us at certain times.

You should read the following discussion and analysis of our financial condition and results of operations, together with our consolidated financial statements and the related notes and other financial information included in this report. Some of the information contained in this discussion and analysis or set forth elsewhere in this report, including information with respect to our plans and strategy for our business, includes forward-looking statements that involve risks and uncertainties. You should review the disclosure under the heading "Risk Factors" in other filings we make with the SEC for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis. You should not place undue reliance on forward-looking statements as predictive of future results.

Unless otherwise stated or the context otherwise indicates, references to "Aeluma," the "Company," "we," "our," "us," or similar terms refer to Aeluma, Inc. and Subsidiary.

Overview

Aeluma develops novel optoelectronic and electronic devices for sensing, communication, and computing applications. Aeluma has pioneered a technique to produce semiconductor materials and chips using high-performance compound semiconductors on large-diameter substrates that are commonly used to manufacture mass-market microelectronics. This enables cost-effective manufacturing of high-performance photodetectors and photodetector arrays for imaging applications in mobile devices, as well as other applications. Aeluma's technology has the potential to impact a broad range of market verticals. We operate in a 9,000 sq. ft. facility with a state-of-the-art R&D/manufacturing cleanroom and access to world-class rapid prototyping capabilities. The facility houses unique equipment for scalable manufacturing. Aeluma also partners with production-scale fabrication foundries and packaging companies. Aeluma maintains extensive patent protection and trade secrets that relate to its materials, manufacturing technology, and applications. On September 5, 2025, we commenced a new five-year lease for an office adjacent to our existing facility to accommodate anticipated headcount growth and support future expansion. Since the fiscal year ended June 30, 2025, we have made progress on our expansion initiatives, including selectively increasing headcount to support operational and strategic objectives. Headcount increased compared to the fourth quarter of 2025 with the addition of eight qualified and experienced personnel.

Aeluma is a transformative semiconductor company specializing in high-performance technology that scales. Applications include mobile, automotive, AI, defense & aerospace, communication, AR/VR, high-performance computing, and quantum computing. Aeluma aims to break out of traditional manufacturing to expand the reach of its technology into mass markets. The demand for higher-performance semiconductors in consumer markets is increasing (<https://www.marketsandmarkets.com/Market-Reports/shortwave-ir-market-52975079.html>). Aeluma's disruptive technology is scalable, cost-effective, while not sacrificing performance.

Additionally, Aeluma's technology may be used to manufacture other electronic and optoelectronic devices including lasers, transistors, and solar cells.

Recent Government Contracts

During the three and nine months ended March 31, 2026, we entered into four and five new material government contracts, respectively, that include NASA, the State University of New York, and the Office of the Secretary of Defense. We also continue to perform under existing contracts, including contracts with the U.S. Navy, the U.S. Department of Energy, and U.S. Defense Advanced Research Projects Agency, which remain significant sources of revenue.

Public Offerings of Common Stock

We completed two underwritten public offerings of our common stock, raising net proceeds of \$12.6 million in March 2025 and \$23.4 million in September 2025. As of March 31, 2026, the proceeds from these offerings continue to support our working capital, operations, and planned business development activities.

On March 20, 2026, we entered into a sales agreement, pursuant to which we may sell shares of our common stock having an aggregate offering price of up to \$50 million, through an "at-the-market" offering program. As of March 31, 2026, no sales of our common stock were transacted under this agreement. We are not obligated to sell, and the agents are not obligated to buy or sell, any shares under the agreement. Any shares will be offered and sold under the agreement will be pursuant to the Company's effective shelf registration statement on Form S-3.

Management continues to monitor capital market conditions and may consider other future financing if needed.

Plan of Operations

Our technology is based on heterogeneous integration of compound semiconductor materials on large-diameter substrates such as silicon. This heterogeneous integration enables the subsequent device fabrication and manufacturing in large-scale manufacturing environments that are suited to mass markets.

We will continue to develop our technology that includes novel materials and devices based on our core intellectual property. Our primary focus is to manufacture high-performance semiconductor technologies that scale for mass markets. Aeluma operates R&D and manufacturing facilities at its headquarters in Goleta, California, and has developed relationships with volume fabrication foundries and packaging partners. We will continue to mature our manufacturing processes to further our commercialization traction. We have generated revenue through various customer and government contracts, including small-volume orders, engineering sample evaluations, non-recurring engineering (NRE) development efforts, and R&D projects. We will continue to perform on these various efforts, expand our business development and marketing efforts, further engage with our manufacturing partners, and continue our efforts toward volume production and commercialization. We expect to rely on such external capabilities to scale our production capacity in support of high-volume markets.

Limited Operating History

We have a limited operating history and our operations remain in the development stage. To date, our activities have been primarily concentrated on product design, engineering validation, prototyping, and establishing manufacturing and supply chain relationships. We have not yet generated significant revenues from commercial product sales and continue to devote substantial resources to research and development, product qualification, and market readiness.

To support these activities, we completed public offerings in March 2025 and September 2025, raising gross proceeds of \$13.8 million and \$25.4 million, respectively. The proceeds have been used primarily to fund research and development efforts, expand engineering capabilities, and support general corporate operations. The proceeds from the completed offerings have provided near-term capital to support our operations and ongoing development efforts. However, we continue to face risks typical of development stage companies including, but not limited to, operational and financial challenges, uncertainty in product development, and product-market fit.

On March 20, 2026, we entered into a sales agreement, pursuant to which we may, from time to time, offer and sell shares of our common stock, par value \$0.0001 per share. The Sales Agreement provides for an aggregate offering amount of up to \$50.0 million of our common stock, through an “at-the-market” offering program. Proceeds from the sales will be used for general corporate purposes, including working capital and other liquidity needs.

Components of Results of Operations

Revenue

Our revenue currently consists of commercial product sales and government contracts.

Operating Expenses

Cost of revenue consists of costs of materials, as well as direct compensation and other expenses incurred to provide deliverables that result in payment of our services performed and wafers delivered. All such costs are derived through an allocation of R&D expenses that are directly associated with specific projects. We anticipate that our cost of revenue will vary substantially depending on the nature of products and/or services delivered in each customer engagement.

R&D expenses consist primarily of compensation and related costs for personnel, including stock-based compensation and employee benefits, costs associated with design, fabrication, packaging and testing of our devices, and facility lease and utility expenses. We expense R&D expenses as incurred.

General and administrative expenses consist primarily of compensation and related costs for personnel, including stock-based compensation and employee benefits. In addition, general and administrative expenses include third-party consulting, legal, insurance, audit and accounting services, and office lease and utility expenses.

Other Income (Expense)

Interest income consists primarily of interest earned in interest-bearing savings accounts, certificates of deposit held at a bank, and money market funds that invest 100% of their assets in short-term U.S. Treasury obligations.

Amortization of discount on convertible notes represents the non-cash interest expense associated with the amortization of convertible notes issued to our debtholders.

Changes in the fair value of derivative liabilities reflect valuation changes in the derivatives held by us.

Income Tax Expense

Income tax expense consists primarily of income taxes in certain state jurisdictions in which we conduct business.

Results of Operations

Our results of operations for the nine months ended March 31, 2026, as compared to the same period of 2025, were as follows (\$ in thousands):

	Nine Months Ended March 31,			
	2026	2025	\$ Change	% Change
Revenue	\$ 3,879	\$ 3,348	\$ 531	16%
Operating expenses	9,693	4,522	5,171	114%
Other income (expense)	668	(990)	1,658	-167%
Loss before income tax expense	(5,146)	(2,164)	(2,982)	138%
Income tax expense	-	-	-	-
Net loss	\$ (5,146)	\$ (2,164)	\$ (2,982)	138%

Revenue: Revenue increased \$531 thousand to \$3.9 million, of which \$3.8 million was derived from government contracts and \$41 thousand from other products and services for the nine months ended March 31, 2026. Revenue was \$3.3 million, of which \$3.1 million was derived from government contracts and \$201 thousand from other products and services, for the same period of 2025.

Operating expenses: Operating expenses increased \$5.2 million, or 114%, to \$9.7 million for the nine months ended March 31, 2026, compared to \$4.5 million for the same period in 2025. The increase was primarily driven by an increase in material purchases to support the delivery of our products and services associated with revenue, as well as higher compensation and related costs, including salaries, stock-based compensation and employee benefits driven by new employees hired to support the expansion of the business and scaling of operations.

Other income (expense): Other income of \$668 thousand for the nine months ended March 31, 2026 consisted of interest income, compared to other (expense) of \$990 thousand for the same period of 2025, comprised of amortization of discount on convertible notes of (\$715) thousand and changes in fair value of derivative liabilities of \$(279) thousand, and interest income of \$3 thousand.

Income tax expense: No income tax expense was recorded for the nine months ended March 31, 2026 and 2025.

Liquidity and Capital Resources

As of March 31, 2026, we had cash, cash equivalents, and a certificate of deposit totaling \$37.8 million, compared to \$15.7 million as of June 30, 2025. The increase in cash was primarily attributable to net proceeds from the public offerings, totaling \$23.4 million. These funds are primarily held in cash on deposit and money market funds that invest 100% of their assets in short-term U.S. Treasury obligations.

Prior to the public offerings, our operations were primarily financed through the issuance of convertible notes and sales of common stock in private placement transactions. We intend to continue to use the net proceeds from the offerings to support operational growth, invest in product development, and fund working capital and general corporate purposes.

On March 20, 2026, we entered into a Sales Agreement under which we may, from time to time, offer and sell shares of our common stock, par value \$0.0001 per share, for aggregate gross proceeds of up to \$50.0 million, through an “at-the-market” offering program. Any proceeds, if and when received, are expected to be used for general corporate purposes, including working capital and other liquidity needs.

We continue to assess our capital requirements and may pursue additional financing opportunities to support long-term growth initiatives or respond to changes in market conditions.

As of March 31, 2026, we had net working capital, defined as total current assets less total current liabilities, of \$38.6 million, compared to \$16.6 million at June 30, 2025. The increase was primarily driven by a \$22.8 million increase in current assets, which rose to \$40.2 million from \$17.3 million over the same period, largely due to a \$22.0 million increase in cash and cash equivalents, including the certificate of deposit balance at June 30, 2025. Current liabilities totaled \$1.5 million and \$705 thousand as of March 31, 2026 and June 30, 2025, respectively, and the balances primarily consisted of accounts payable, along with accrued expenses and other short-term obligations expected to be settled within one year.

The following table shows a summary of our cash flows for the periods presented (\$ in thousands):

	Nine Months Ended March 31,			
	2026	2025	\$ Change	% Change
Net cash provided by (used in)				
Operating activities	\$ (1,643)	\$ (1,083)	\$ (560)	-52%
Investing activities	(439)	(85)	(354)	-416%
Financing activities	24,122	15,742	8,380	53%
Increase in cash and cash equivalents, and certificate of deposit	\$ 22,040	\$ 14,574	\$ 7,466	51%

Net cash used in our operating activities was \$1.6 million and \$1.1 million for the nine months ended March 31, 2026 and 2025, respectively. For the nine months ended March 31, 2026, the net cash used in operating activities primarily resulted from a net loss of \$5.1 million and a decrease in prepaids and other current assets of \$699 thousand, primarily offset by non-cash stock-based compensation expense of \$3.2 million and an increase in accounts payable of \$612 thousand. For the nine months ended March 31, 2025, the net cash used in operating activities was primarily attributable to a net loss of \$2.2 million and a decrease in accounts receivable of \$1.1 million. These amounts were partially offset by non-cash expenses, including stock-based compensation expense of \$1.1 million, amortization of discount on convertible notes of \$715 thousand, depreciation and amortization expense of \$307 thousand, and changes in fair value of derivative liabilities of \$278 thousand.

Net cash used in our investing activities totaled \$439 thousand and \$85 thousand for the nine months ended March 31, 2026 and 2025, respectively. These investing activities primarily consisted of purchases of equipment.

Net cash provided by our financing activities was \$24.1 million for the nine months ended March 31, 2026, compared to \$15.7 million for the same period in 2025. For the nine months ended March 31, 2026, we received \$23.4 million, net of offering costs, from the public offering, \$690 thousand from the exercise of stock warrants, and \$103 thousand from the exercise of stock options. For the nine months ended March 1, 2025, we received \$12.6 million, net of offering costs, from the public offering and \$3.1 million from the issuance of convertible notes.

Critical Accounting Estimates

Certain accounting policies require us to make significant estimates and assumptions that have a material impact on the carrying value of certain assets and liabilities, and we consider these to be critical accounting policies. For a description of these critical accounting policies, see Notes to Condensed Consolidated Financial Statements, Note 1 — The Company and Basis of Presentation in this Report on Form 10-Q. Actual results could differ significantly from these estimates and assumptions, which could have a material impact on the carrying value of assets and liabilities at the balance sheet dates and our results of operations for the reporting periods.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Not applicable.

Item 4. Controls and Procedures.

Inherent Limitations on Effectiveness of Controls

Our management, including our principal executive officer and principal financial officer, does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent or detect all errors and all fraud. A control system, no matter how well-designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. The design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Further, because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, have been detected.

Evaluation of Disclosure Controls and Procedures

Our disclosure controls and procedures are designed to ensure that information we are required to disclose in reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance.

Our management, with the participation of our chief executive officer and our chief financial officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this Report. Based on this evaluation, management, including our chief executive officer and our chief financial officer, concluded that as of March 31, 2026, our disclosure controls and procedures were not effective. Our current staffing resources in our finance department are insufficient to support the complexity of our financial reporting requirements. As a result, we have had an inadequate level of precision, evidence or timeliness in the performance of review controls.

Our management team continues to implement mitigating measures and has further advanced our review of disclosure controls and procedures, enhanced documentation standards, and made progress in recruiting and onboarding additional accounting personnel. While our disclosure controls and procedures remained ineffective as of March 31, 2026, these ongoing efforts represent meaningful progress toward remediation. Management expects that, as these measures continue to be implemented, they will strengthen our control environment and improve the effectiveness of our disclosure controls and procedures over time.

Changes in Internal Control over Financial Reporting

There were no other changes in our internal control over financial reporting (as the term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the three months ended March 31, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings.

We are not currently involved in any material legal proceedings. From time to time, we anticipate that we will be, involved in legal proceedings, claims, and litigation arising in the ordinary course of our business and otherwise. The ultimate costs to resolve any such matters could have a material adverse effect on our financial statements. We could be forced to incur material expenses with respect to these legal proceedings, and in the event that there is an outcome in any that is adverse to us, our financial position and prospects could be harmed.

Item 1A. Risk Factors

This Quarterly Report on Form 10-Q should be read in conjunction with the risk factors included in Item 1A. “Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended June 30, 2025. The management team is not aware of any material changes to the risk factors disclosed under the heading “Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended June 30, 2025, except for the risk factors set forth below.

A prolonged U.S. federal government shutdown could materially and adversely affect our business, operations, and legal proceedings.

Any disruption in the operations of the U.S. federal government, including a temporary or prolonged shutdown resulting from the failure of Congress to enact appropriations bills or raise the federal debt ceiling, could materially and adversely affect our business, revenue, operations, financial condition, and legal matters. A federal government shutdown may result in the furlough of federal employees, reduced availability of government services, and suspension or delay of activities by key agencies that regulate, fund, or interact with our business, including the SEC, the U.S. Patent and Trademark Office, NASA, and the U.S. Department of Defense. During such periods, review and approval of our filings, applications, and submissions could be delayed, and we may be unable to access or rely upon certain government data or systems.

In addition, the Administrative Office of the U.S. Courts and federal judiciary operations rely on appropriated funds and fee-based reserves that may be exhausted in the event of an extended shutdown. If federal court funding lapses or is limited to “essential” functions only, civil litigation, bankruptcy proceedings, and regulatory enforcement actions involving the Company, or our affiliates could be postponed or suspended. Any such delay could impede our ability to resolve disputes, enforce contractual rights, or obtain timely judicial relief, which may have a material adverse effect on our financial position or prospects.

Even the threat of a government shutdown or prolonged budget negotiation uncertainty may adversely affect the broader U.S. economy, investor confidence, and capital markets. Such conditions could negatively impact our access to financing, timing of capital-raising transactions, and the liquidity or trading volume of our securities. Accordingly, a federal government shutdown or uncertainty regarding the continuity of government operations could have a material adverse effect on our business, results of operations, and stock price.

Federal Budget and Debt-Ceiling Disputes May Adversely Affect Capital Markets and Our Financing Activities.

The uncertainty surrounding government funding debates and debt-ceiling negotiations can negatively affect market conditions, investor sentiment, and the liquidity of small-cap and microcap issuers such as ours. If market volatility or trading disruptions were to occur during a shutdown, our ability to execute at-the-market offerings or other financing transactions under our effective shelf registration statement could be materially impaired.

Accordingly, any federal government shutdown, lapse in federal court funding, or protracted budget impasse could materially and adversely affect our regulatory compliance, financing capabilities, litigation outcomes, and overall financial condition.

Dependence on customers in regulated industries and changes in applicable laws and regulations could adversely affect demand for our products and business.

Our business prospects depend, in part, on the demand for our products from customers operating in industries that are or may be subject to evolving federal, state, local and foreign laws and regulations. Changes in, or the interpretation, implementation or enforcement of, such laws and regulations, including those relating to environmental protection, trade policy, export controls, data privacy, taxation, or industry-specific compliance requirements, may increase our customers’ costs of doing business, restrict their operations, delay or cancel their capital expenditure plans, or otherwise adversely affect their financial condition.

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

On March 10, 2026, a warrant to purchase up to 8,000 shares was exercised in full via a cashless exercise based on an exercise price of \$2.00 per share, resulting in the issuance to the holder of a net of 6,989 shares of common stock. The shares were issued in reliance on an exemption from registration set forth in Section 4(a)(2) of the Securities Act of 1933, as amended (the “*Securities Act*”) to “accredited investors,” as defined in Rule 501 of Regulation D of the SEC, without the use of any general solicitation or advertising to market or otherwise offer the securities for sale. None of the shares issued were registered under the Securities Act or applicable state securities laws and none may be offered or sold in the United States absent registration under the Securities Act, or an exemption from such registration requirements.

We did not sell any other equity securities that were not registered under the Securities Act during the quarter ended March 31, 2026, that were not otherwise disclosed in our Current Reports on Form 8-K.

Item 3. Defaults upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Insider Trading Arrangements and Related Disclosure

During the three months ended March 31, 2026, no director or executive officer adopted, modified or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(a) of Regulation S-K.

Item 6. Exhibits

Exhibit No.	Description
3.2	Amended and Restated Certificate of Incorporation, filed June 22, 2021 (incorporated by reference to the Current Report on Form 8-K filed on June 28, 2021)
3.3	Amended and Restated Bylaws (incorporated by reference to the Current Report on Form 8-K filed on June 28, 2021)
10.1	Sales Agreement, dated as of March 20, 2026 (incorporated by reference to the Current Report on Form 8-K filed on March 20, 2026)
10.2+	Form of Restricted Stock Unit Award Agreement under 2021 Equity Incentive Plan
31.1	Certification of Chief Executive Officer Pursuant to Section 302 of Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer Pursuant to Section 302 of Sarbanes-Oxley Act of 2002
32.1*	Certification of Chief Executive Officer Pursuant to Section 906 of Sarbanes-Oxley Act of 2002
32.2*	Certification of Chief Financial Officer Pursuant to Section 906 of Sarbanes-Oxley Act of 2002
101.INS	Inline XBRL Instance 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)

+ Indicates a management contract or compensatory plan, contract, or arrangement.

* Furnished and not filed for purposes of Section 18 of the Exchange Act.

SIGNATURES

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

Date: May 13, 2026

Aeluma, Inc.

By: /s/ Jonathan Klamkin
Name: Jonathan Klamkin
Title: President and Chief Executive Officer
(Duly Authorized Officer)

Date: May 13, 2026

By: /s/ Christopher Stewart
Name: Christopher Stewart
Title: Chief Financial Officer (Principal Financial Officer and
Accounting Officer)

AELUMA, INC.
2021 EQUITY INCENTIVE PLAN

NOTICE OF RESTRICTED STOCK UNIT AWARD
AND RESTRICTED STOCK UNIT AGREEMENT

Capitalized terms that are not defined in this Notice of Restricted Stock Unit Award and Restricted Stock Unit Agreement (the "Notice of Grant"), the Terms and Conditions of Restricted Stock Unit Award, or any of the exhibits to these documents (all together, the "Agreement") have the meanings given to them in the Aeluma, Inc. 2021 Equity Incentive Plan (the "Plan").

The Participant has been granted this Restricted Stock Unit ("RSU") award according to the terms below and subject to the terms and conditions of the Plan and this Agreement, as follows:

Participant	_____
Grant Number	_____
Grant Date	_____
Vesting Start Date	_____
Number of RSUs Granted	_____

Vesting Schedule:

Unless the vesting is accelerated, these RSUs will vest on the following schedule:

If the Participant ceases to be an Employee for any or no reason before he or she fully vests in these RSUs, the unvested RSUs will terminate according to the terms of Section 5 of this Agreement.

The Participant's signature below indicates that:

- (i) He or she agrees that this Restricted Stock Unit award is granted under and governed by the terms and conditions of the Plan and this Agreement, including their exhibits and appendices.
- (ii) He or she understands that the Company is not providing any tax, legal, or financial advice and is not making any recommendations regarding his or her participation in the Plan or his or her acquisition or sale of Shares.
- (iii) He or she has reviewed the Plan and this Agreement, has had an opportunity to obtain the advice of personal tax, legal, and financial advisors prior to signing this Agreement, and fully understands all provisions of the Plan and Agreement. He or she will consult with his or her own personal tax, legal, and financial advisors before taking any action related to the Plan.
- (iv) He or she has read and agrees to each provision of Section 10 of this Agreement.
- (v) He or she will notify the Company of any change to the contact address below.

PARTICIPANT

Signature

Address: _____

EXHIBIT A

TERMS AND CONDITIONS OF RESTRICTED STOCK UNIT AWARD

1. Grant. The Company grants the Participant an award of RSUs as described in the Notice of Grant. If there is a conflict between the Plan, this Agreement, or any other agreement with the Participant governing these RSUs, those documents will take precedence and prevail in the following order: (a) the Plan, (b) the Agreement, and (c) any other agreement between the Company and the Participant governing these RSUs.

2. Company's Obligation to Pay. Each RSU is a right to receive a Share on the date it vests. Until an RSU vests, the Participant has no right to payment of the Share. Before a vested RSU is paid, the RSU is an unsecured obligation of the Company, payable (if at all) only from the Company's general assets. A vested RSU will be paid to the Participant (or in the event of his or her death, to his or her estate) in whole Shares as soon as practicable after vesting (but no later than 60 days following the vesting date), subject to him or her satisfying any obligations for Tax-Related Items (as defined in Section 7 of this Agreement) and any delay in payment required under Section 7 of this Agreement. The Participant cannot specify (directly or indirectly) the taxable year of the payment of any vested RSU under this Agreement.

3. Vesting. These RSUs will vest only under the Vesting Schedule in the Notice of Grant and Section 4 of this Agreement. RSUs scheduled to vest on a certain date or upon the occurrence of a certain condition will not vest unless the Participant continues to be an Employee until the time such vesting is scheduled to occur. The Administrator may modify the Vesting Schedule according to its authority under the Plan if the Participant takes a leave of absence or has a reduction in hours worked.

4. Administrator Discretion. The Administrator has the discretion to accelerate the vesting of any RSUs at any time, subject to the terms of the Plan. In that case, those RSUs will be vested as of the date specified by the Administrator.

5. Forfeiture upon Termination of Status as an Employee. Upon the Participant's termination as an Employee for any reason, these RSUs will immediately stop vesting, and on the 30th day following the Termination of Status Date (or any earlier date on or following the Termination of Status Date determined by the Administrator), any of these RSUs that have not yet vested will be forfeited by the Participant, subject to Applicable Laws. The date of the Participant's termination as an Employee is detailed in Section 6(c)(iv) of the Plan.

6. Death of Participant. Any distribution or delivery to be made to the Participant under this Agreement will, if he or she is then deceased, be made to the administrator or executor of his or her estate or, if the Administrator permits, his or her designated beneficiary. Any such transferee must furnish the Company with (a) written notice of his or her status as transferee, and (b) evidence satisfactory to the Company to establish the validity of the transfer and compliance with any laws or regulations that apply to the transfer.

7. Tax Obligations.

(a) **Tax Withholding.**

(i) No Shares will be issued to the Participant until he or she makes satisfactory arrangements (as determined by the Administrator) for the payment of income, employment, social security, payroll tax, fringe benefit tax, payment on account, or other tax-related items related to his or her participation in the Plan and legally applicable to him or her that the Administrator determines must be withheld ("Tax-Related Items"), including those that result from the grant, vesting, or payment of these RSUs, the subsequent sale of Shares acquired pursuant to such payment, or the receipt of any dividends. If the Participant is a non-U.S. employee, the method of payment of Tax-Related Items may be restricted by any Appendix. If the Participant fails to make satisfactory arrangements for the payment of any Tax-Related Items under this Agreement when any of these RSUs otherwise are supposed to vest or Tax-Related Items related to RSUs otherwise are due, he or she will permanently forfeit the applicable RSUs and any right to receive Shares under such RSUs, and such RSUs will be returned to the Company at no cost to the Company.

(ii) The Company has the right (but not the obligation) to satisfy any Tax-Related Items by withholding from proceeds of a sale of Shares acquired upon payment of these RSUs arranged by the Company (on the Participant's behalf pursuant to this authorization without further consent), and this will be the method by which such tax withholding obligations are satisfied until the Company determines otherwise, subject to Applicable Laws.

(iii) The Company also has the right (but not the obligation) to satisfy any Tax-Related Items by reducing the number of Shares otherwise deliverable to the Participant.

(iv) Further, if the Participant is subject to taxation in more than one jurisdiction between the Grant Date and the date of any relevant taxable or tax withholding event, the Company and/or any member of the Company Group for whom he or she is performing services (each, an "Employer") or former Employer(s) may withhold or account for tax in more than one jurisdiction.

(v) Regardless of any action of the Company or the Employer(s), the Participant acknowledges that the ultimate liability for all Tax-Related Items is and remains his or her responsibility and may exceed the amount actually withheld by the Company or the Employer(s). The Participant further acknowledges that the Company and the Employer(s) (1) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of these RSUs and (2) do not commit to and are under no obligation to structure the terms of the grant or any aspect of these RSUs to reduce or eliminate his or her liability for Tax-Related Items or achieve any particular tax result.

(b) **Code Section 409A.** This Section 7(b) does not apply if the Participant is not a U.S. taxpayer.

(i) If the vesting of any RSUs is accelerated in connection with a termination of the Participant's status as an Employee that is a "separation from service" within the meaning of Code Section 409A and (x) the Participant is a "specified employee" within the meaning of Code Section 409A at that time and (y) the payment of such accelerated RSUs would result in the imposition of additional tax under Code Section 409A if paid to the Participant within the 6-month period following such termination, then the accelerated RSUs will not be paid until the first day after the 6-month period ends.

(ii) If the Participant's status as an Employee terminates due to death or the Participant dies after he or she stops being an Employee, the delay under Section 7(b)(i) of this Agreement will not apply, and these RSUs will be paid in Shares to the Participant's estate as soon as practicable.

(iii) All payments and benefits under this Agreement are intended to be exempt from Code Section 409A or comply with any requirements necessary to avoid the imposition of additional tax under Code Section 409A(a)(1)(B) so that none of these RSUs or Shares issuable upon the vesting of RSUs will be subject to the additional tax imposed under Code Section 409A, and any ambiguities will be interpreted according to that intent.

(iv) Each payment under this Agreement is a separate payment under Treasury Regulations Section 1.409A-2(b)(2).

8. Forfeiture or Clawback. These RSUs (including any proceeds, gains or other economic benefit received by the Participant from any subsequent sale of Shares issued upon payment of the RSUs) will be subject to any compensation recovery or clawback policy implemented by the Company before or after the date of this Agreement. This includes any clawback policy adopted to comply with the requirements of Applicable Laws.

9. Rights as Stockholder. The Participant's rights as a stockholder of the Company (including the right to vote and to receive dividends and distributions) will not begin until Shares have been issued and recorded on the records of the Company or its transfer agents or registrars.

10. Acknowledgements and Agreements. The Participant's signature on the Notice of Grant accepting these RSUs indicates that:

(a) HE OR SHE ACKNOWLEDGES AND AGREES THAT THE VESTING OF THESE RSUS IS EARNED ONLY BY CONTINUING AS AN EMPLOYEE AND THAT BEING HIRED OR BEING GRANTED THESE RSUS WILL NOT RESULT IN VESTING.

(b) HE OR SHE FURTHER ACKNOWLEDGES AND AGREES THAT THESE RSUS AND THIS AGREEMENT DO NOT CREATE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED ENGAGEMENT AS AN EMPLOYEE FOR THE VESTING PERIOD, FOR ANY PERIOD, OR AT ALL AND DOES NOT INTERFERE IN ANY WAY WITH HIS OR HER RIGHT OR THE RIGHT OF THE EMPLOYER(S) TO TERMINATE HIS OR HER RELATIONSHIP AS AN EMPLOYEE AT ANY TIME, WITH OR WITHOUT CAUSE, SUBJECT TO APPLICABLE LAWS.

(c) The Participant agrees that this Agreement and its incorporated documents reflect all agreements on its subject matters and that he or she is not accepting this Agreement based on any promises, representations, or inducements other than those reflected in the Agreement.

(d) The Participant agrees that the Company's delivery of any documents related to the Plan or these RSUs (including the Plan, the Agreement, the Plan's prospectus, and any reports of the Company provided generally to the Company's stockholders) to him or her may be made by electronic delivery, which may include the delivery of a link to a Company intranet or to the Internet site of a third party involved in administering the Plan, the delivery of the document via e-mail, or any other means of electronic delivery specified by the Company. If the attempted electronic delivery of such documents fails, the Participant will be provided with a paper copy of the documents. The Participant acknowledges that he or she may receive from the Company a paper copy of any documents that were delivered electronically at no cost to him or her by contacting the Company by telephone or in writing. The Participant may revoke his or her consent to the electronic delivery of documents or may change the electronic mail address to which such documents are to be delivered (if the Participant has provided an electronic mail address) at any time by notifying the Company of such revoked consent or revised e-mail address by telephone, postal service, or electronic mail. Finally, the Participant understands that he or she is not required to consent to electronic delivery of documents.

(e) The Participant may deliver any documents related to the Plan or these RSUs to the Company by e-mail or any other means of electronic delivery approved by the Administrator, but he or she must provide the Company or any designated third-party administrator with a paper copy of any documents if his or her attempted electronic delivery of such documents fails.

(f) The Participant accepts that all good faith decisions or interpretations of the Administrator regarding the Plan and Awards under the Plan are binding, conclusive, and final. No member of the Administrator will be personally liable for any such decisions or interpretations.

(g) The Participant agrees that the Plan is established voluntarily by the Company, is discretionary in nature, and may be amended, suspended, or terminated by the Company at any time, to the extent permitted by the Plan.

(h) The Participant agrees that the grant of these RSUs is voluntary and occasional and does not create any contractual or other right to receive future grants of restricted stock units or benefits in lieu of restricted stock units, even if restricted stock units have been granted in the past.

(i) The Participant agrees that any decisions regarding future Awards will be in the Company's sole discretion.

(j) The Participant agrees that he or she is voluntarily participating in the Plan.

(k) The Participant agrees that these RSUs and any Shares acquired under these RSUs are not intended to replace any pension rights or compensation.

(l) The Participant agrees that these RSUs, any Shares acquired under these RSUs, and their income and value are not part of normal or expected compensation for any purpose, including for calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, holiday pay, long-service awards, pension or retirement or welfare benefits, or similar payments.

(m) The Participant agrees that the future value of the Shares underlying these RSUs is unknown, indeterminable, and cannot be predicted with certainty.

(n) The Participant agrees that, for purposes of these RSUs, his or her engagement as an Employee is terminated as of the Termination of Status Date (regardless of the reason for such termination and whether or not the termination is later found to be invalid or in breach of employment laws in the jurisdiction where he or she is an Employee or the terms of his or her service agreement, if any), unless otherwise expressly provided in this Agreement or determined by the Administrator.

(o) The Participant agrees that any right to vest in these RSUs terminates as of the Termination of Status Date and will not be extended by any notice period (e.g., the period that he or she is an Employee would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws (including common law, if applicable) in the jurisdiction where he or she is an Employee or by his or her service agreement or employment agreement, if any, unless he or she is providing bona fide services during such time).

(p) The Participant agrees that the Administrator has the exclusive discretion to determine when he or she is no longer actively providing services for purposes of these RSUs (including whether he or she is still considered to be providing services while on a leave of absence).

(q) The Participant agrees that no member of the Company Group is liable for any foreign exchange rate fluctuation between the Participant's local currency and the United States Dollar that may affect the value of these RSUs or of any amounts due to him or her from the payment of these RSUs or the subsequent sale of any Shares acquired upon such payment.

(r) The Participant agrees that he or she has no claim or entitlement to compensation or damages from any forfeiture of these RSUs resulting from the termination of his or her status as an Employee (for any reason whatsoever, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where he or she is an Employee or the terms of his or her service agreement, if any), and in consideration of the grant of these RSUs to which he or she is otherwise not entitled, he or she irrevocably agrees never to institute any claim against the Company or any member of the Company Group, waives his or her ability (if any) to bring any such claim, and releases the Company and all members of the Company Group from any such claim. If any such claim is nevertheless allowed by a court of competent jurisdiction, then the Participant's participation in the Plan constitutes his or her irrevocable agreement to not pursue such claim and to execute any and all documents necessary to request dismissal or withdrawal of such claim.

11. Miscellaneous.

(a) **Address for Notices.** Any notice to be given to the Company under the terms of this Agreement must be addressed to the Company at Aeluma, Inc., 27 Castilian Drive, Goleta, CA, 93117, until the Company designates another address in writing.

(b) **Non-Transferability of RSUs.** These RSUs may not be transferred other than by will or the laws of descent or distribution.

(c) **Binding Agreement.** If any RSUs are transferred, this Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors, and assigns of the parties to this Agreement.

(d) **Additional Conditions to Issuance of Stock.** If the Company determines that the listing, registration, qualification, or rule compliance of the Common Stock on any securities exchange or under any state, federal, or foreign law or the tax code and related regulations or the consent or approval of any governmental regulatory authority is necessary or desirable as a condition to the issuance of Shares to the Participant (or his or her estate), the Company will try to meet the requirements of any such state, federal, or foreign law or securities exchange and to obtain any such consent or approval of any such governmental authority or securities exchange, but the Shares will not be issued until such conditions have been met in a manner acceptable to the Company.

(e) **Captions.** Captions provided in this Agreement are for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

(f) **Agreement Severable.** If any provision of this Agreement is held invalid or unenforceable, that provision will be severed from the remaining provisions of this Agreement and the invalidity or unenforceability will have no effect on the remainder of the Agreement.

(g) **Non-U.S. Appendix.** These RSUs are subject to any special terms and conditions set forth in any appendix to this Agreement for the Participant's country (the "**Appendix**"). If the Participant relocates to a country included in the Appendix, the special terms and conditions for that country will apply to him or her to the extent the Company determines that applying such terms and conditions is necessary or advisable for legal or administrative reasons.

(h) **Choice of Law; Choice of Forum.** The Plan, this Agreement, these RSUs, and all determinations made, and actions taken under the Plan, to the extent not otherwise governed by the laws of the United States, will be governed by the laws of the State of Delaware without giving effect to principles of conflicts of law. For purposes of litigating any dispute that arises under the Plan, the Participant's acceptance of these RSUs is his or her consent to the jurisdiction of the State of Delaware and his or her agreement that any such litigation will be conducted in the Delaware Court of Chancery or the federal courts for the United States for the District of Delaware and no other courts, regardless of where he or she is performing services.

(i) **Modifications to the Agreement.** The Plan and this Agreement constitute the entire understanding of the parties on the subjects covered. The Participant expressly warrants that he or she is not accepting this Agreement in reliance on any promises, representations, or inducements other than those contained herein. Modifications to this Agreement or the Plan can be made only in an express written contract executed by a duly authorized officer of the Company. The Company reserves the right to revise the Agreement as it deems necessary or advisable, in its sole discretion and without the consent of the Participant, to comply with Code Section 409A, to otherwise avoid imposition of any additional tax or income recognition under Code Section 409A in connection with these RSUs, or to comply with other Applicable Laws.

(j) **Waiver.** The Participant acknowledges that a waiver by the Company of a breach of any provision of this Agreement will not operate or be construed as a waiver of any other provision of this Agreement or of any subsequent breach of this Agreement by him or her.

EXHIBIT B

APPENDIX TO RESTRICTED STOCK UNIT AGREEMENT

Terms and Conditions

This Appendix to Restricted Stock Unit Agreement (the “**Appendix**”) includes additional terms and conditions that govern these RSUs granted to the Participant under the Plan if he or she resides in one of the countries listed below on the Grant Date or he or she moves to one of the listed countries.

Notifications

This Appendix may also include information regarding exchange controls and certain other issues of which the Participant should be aware with respect to participation in the Plan. The information is based on the securities, exchange control, and other Applicable Laws in effect in the respective countries as of May 1, 2025. Such Applicable Laws are often complex and change frequently. As a result, the Company strongly recommends that the Participant not rely on the information in this Appendix as the only source of information relating to the consequences of participation in the Plan because the information may be out of date at the time the Participant sells Shares acquired under the Plan.

In addition, the information contained in this Appendix is general in nature and may not apply to the Participant’s particular situation, and the Company is not in a position to assure him or her of a particular result. The Participant is advised to seek appropriate professional advice as to how the Applicable Laws in his or her country may apply to his or her situation.

Finally, if the Participant is a citizen or resident of a country other than the one in which he or she is currently working, transfers employment after these RSUs are granted, or is considered a resident of another country for local law purposes, the information in this Appendix may not apply to him or her, and the Administrator will determine to what extent the terms and conditions in this Appendix apply.

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO EXCHANGE ACT RULE 13A-14(A) / 15D-14(A) AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Jonathan Klamkin, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended March 31, 2026, of Aeluma, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; 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 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:
 - 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: May 13, 2026

By: /s/ Jonathan Klamkin
Jonathan Klamkin
Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO EXCHANGE ACT
RULE 13A-14(A) / 15D-14(A), AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Christopher Stewart, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended March 31, 2026, of Aeluma, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; 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 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:
 - 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: May 13, 2026

By: /s/ Christopher Stewart
Christopher Stewart
Chief Financial Officer
(Principal Financial and Accounting Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Jonathan Klamkin, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

1. The Quarterly Report on Form 10-Q of Aeluma, Inc. (the "Company") for the period ended March 31, 2026 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (U.S.C. 78m or 78o(d)); 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: May 13, 2026

By: /s/ Jonathan Klamkin
Jonathan Klamkin
Chief Executive Officer
(Principal Executive Officer)

The foregoing certification is being furnished solely pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code) and is not being filed as part of a separate disclosure document.

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Christopher Stewart, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

1. The Quarterly Report on Form 10-Q of Aeluma, Inc. (the "Company") for the period ended March 31, 2026 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (U.S.C. 78m or 78o(d)); 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: May 13, 2026

By: /s/ Christopher Stewart
Christopher Stewart
Chief Financial Officer
(Principal Financial and Accounting Officer)

The foregoing certification is being furnished solely pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code) and is not being filed as part of a separate disclosure document.