

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2025

OR

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

For the transition period from ____ to ____

Commission File Number: 001-40710

Tigo Energy, Inc.

(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or other jurisdiction of
incorporation or organization)
655 Campbell Technology Parkway, Suite 150
Campbell, California
(Address of principal executive offices)

83-3583873
(I.R.S. Employer
Identification No.)
95008

(Zip Code)

Registrant's telephone number, including area code: (408) 402-0802

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, par value \$0.0001 per share	TYGO	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, 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 in Rule 12b-2 of the Exchange Act). Yes No

As of May 1, 2025, the registrant had 62,016,316 shares of common stock, \$0.0001 par value per share, outstanding.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains statements that are “forward-looking looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, without limitation, statements regarding the financial position, business strategy and the plans and objectives of management for future operations. These statements constitute projections, forecasts and forward-looking statements, and are not guarantees of performance. Such statements can be identified by the fact that they do not relate strictly to historical or current facts. When used in this Quarterly Report on Form 10-Q, words such as “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “might,” “plan,” “possible,” “potential,” “predict,” “project,” “should,” “strive,” “would” and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. When the Company discusses its strategies or plans, the Company is making projections, forecasts or forward-looking statements. Such statements are based on the beliefs of, as well as assumptions made by and information currently available to, the Company’s management.

Forward-looking statements in this Quarterly Report on Form 10-Q may include, for example, statements about:

- the Company’s ability to meet future liquidity requirements, including our ability to continue as a going concern, which will likely require us to explore refinancing our existing debt and/or raise additional capital in the future;
- the projected financial information and market opportunities of the Company;
- the Company’s ability to meet the listing requirements of Nasdaq;
- the Company’s ability to develop and sell its product offerings and services;
- the Company’s ability to manage risks associated with seasonal trends and the cyclical nature of the solar industry;
- the potential liquidity and trading of the Company’s securities;
- the Company’s ability to acquire and protect intellectual property;
- the Company’s ability to manage risks associated with the Company’s dependence on a small number of outside contract manufacturers, primarily in China and Thailand;
- the Company’s ability to continue working with leading solar manufacturers;
- the Company’s ability to respond to fluctuations in foreign currency exchange rates, trade tariffs or other trade barriers, and political unrest and regulatory changes in the markets into which the Company expands or otherwise operates in;
- the Company’s ability to enhance future operating and financial results;
- the Company’s ability to forecast demand accurately and monetize its inventory on-hand;
- the Company’s ability to retain or recruit, or changes required in, its officers, key employees or directors;
- the Company’s ability to implement and maintain effective internal controls; and
- factors relating to the Company’s business, operations and financial performance, including:
 - o the Company’s ability to comply with laws and regulations applicable to its business;
 - o market conditions and global and economic factors beyond the Company’s control;
 - o the Company’s ability to compete in the highly competitive and evolving solar industry;
 - o the Company’s ability to continue to develop new products and innovations to meet constantly evolving customer demands;
 - o the Company’s ability to enter into, successfully maintain and manage relationships with partners and distributors; and
 - o the Company’s ability to acquire or make investments in other businesses, patents, technologies, products or services to grow the business, and realize the anticipated benefits therefrom.

The Company cautions you that the foregoing list may not contain all of the forward-looking statements made in this Quarterly Report on Form 10-Q. These forward-looking statements are only predictions based on the Company’s current expectations and projections about future events and are subject to a number of risks, uncertainties and assumptions, including those described in this Quarterly Report on Form 10-Q, in particular the risks described in Part II, Item 1A, “Risk Factors” of this Quarterly Report and in Part I, Item 1A, “Risk Factors” in the Company’s Annual Report on Form 10-K filed with the Securities and Exchange Commission (the

“SEC”) on March 20, 2025 (the “2024 Annual Report”) and the Company’s other filings with the SEC. It is not possible for the management of the Company to predict all risks, nor can the Company assess the impact of all factors on the Company’s business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements the Company may make. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this Quarterly Report on Form 10-Q may not occur, and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements in this Quarterly Report on Form 10-Q.

The forward-looking statements included in this Quarterly Report on Form 10-Q are made only as of the date hereof. You should not rely upon forward-looking statements as predictions of future events. Although the Company believes that the expectations reflected in its forward-looking statements are reasonable, the Company cannot guarantee that the future results, levels of activity, performance or events and circumstances reflected in the forward-looking statements will be achieved or occur. The Company does not undertake any obligation to update publicly any forward-looking statements for any reason after the date of this Quarterly Report on Form 10-Q to conform these statements to actual results or to changes in expectations, except as required by law. You should read this Quarterly Report on Form 10-Q and the documents that have been filed as exhibits hereto with the understanding that the actual future results, levels of activity, performance, events and circumstances of the Company may be materially different from what is expected.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

TIGO ENERGY, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except per share data)
(Unaudited)

	March 31, 2025	December 31, 2024
ASSETS		
Current assets		
Cash and cash equivalents	\$ 8,501	\$ 11,746
Marketable securities, short-term	11,777	8,156
Accounts receivable, net of allowance for credit losses of \$2,133 and \$2,239 at March 31, 2025, and December 31, 2024, respectively	10,373	7,976
Inventory	18,906	21,997
Prepaid expenses and other current assets	2,225	3,533
Total current assets	51,782	53,408
Property and equipment, net	2,530	2,812
Operating right of use assets	1,275	1,576
Intangible assets, net	1,854	1,922
Other assets	989	984
Goodwill	12,209	12,209
Total assets	\$ 70,639	\$ 72,911
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 7,968	\$ 8,077
Accrued expenses and other current liabilities	5,875	7,361
Short-term debt, net of unamortized debt discount and issuance costs	42,746	—
Deferred revenue, current portion	687	525
Warranty liability, current portion	611	496
Operating lease liabilities, current portion	438	649
Total current liabilities	58,325	17,108
Warranty liability, net of current portion	6,713	5,302
Deferred revenue, net of current portion	691	644
Long-term debt, net of unamortized debt discount and issuance costs	—	40,511
Operating lease liabilities, net of current portion	843	961
Other long-term liabilities	292	—
Total liabilities	66,864	64,526
Commitments and Contingencies (Note 8)		
Stockholders' equity		
Common stock, \$0.0001 par value: 150,000,000 shares authorized; 61,914,519 and 60,800,130 shares issued and outstanding at March 31, 2025, and December 31, 2024, respectively	6	6
Additional paid-in capital	149,296	146,903
Accumulated deficit	(145,527)	(138,526)
Accumulated other comprehensive income	—	2
Total stockholders' equity	3,775	8,385
Total liabilities and stockholders' equity	\$ 70,639	\$ 72,911

See accompanying notes to condensed consolidated financial statements.

TIGO ENERGY, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(In thousands, except share and per share data)
(Unaudited)

	Three Months Ended March 31,	
	2025	2024
Net revenue	\$ 18,839	\$ 9,802
Cost of revenue	11,666	7,036
Gross profit	7,173	2,766
Operating expenses:		
Research and development	2,164	2,471
Sales and marketing	3,916	4,603
General and administrative	5,070	4,780
Total operating expenses	11,150	11,854
Loss from operations	(3,977)	(9,088)
Other (income) expenses, net:		
Change in fair value of contingent shares liability	—	(196)
Interest expense	2,871	2,826
Other income, net	(143)	(212)
Total other expenses, net	2,728	2,418
Loss before income tax expense	(6,705)	(11,506)
Income tax expense	296	—
Net loss	\$ (7,001)	\$ (11,506)
Other comprehensive loss:		
Unrealized (loss) gain resulting from change in fair value of marketable securities	\$ (2)	\$ 12
Total comprehensive loss	\$ (7,003)	\$ (11,494)
Loss per common share		
Basic	\$ (0.11)	\$ (0.19)
Diluted	\$ (0.11)	\$ (0.19)
Weighted-average common shares outstanding		
Basic	61,657,718	59,374,019
Diluted	61,657,718	59,374,019

See accompanying notes to condensed consolidated financial statements.

TIGO ENERGY, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In thousands, except share data)
(Unaudited)

	Common stock		Stockholders' equity			
	Shares	Amount	Additional paid-in capital	Accumulated deficit	Accumulated other comprehensive gain (loss)	Total stockholders' equity
Balance at December 31, 2024	60,800,130	\$ 6	\$ 146,903	\$ (138,526)	\$ 2	\$ 8,385
Issuance of common stock upon exercise of stock options	2,334	—	2	—	—	2
Stock-based compensation expense	—	—	1,576	—	—	1,576
Issuance of common stock in connection with employee incentive restricted stock awards	127,500	—	—	—	—	—
Issuance of common stock in connection with at-the-market offering, net of offering costs	984,966	—	815	—	—	815
Shares withheld for taxes upon restricted stock awards vesting	(411)	—	—	—	—	—
Unrealized loss resulting from change in fair value of marketable securities	—	—	—	—	(2)	(2)
Net loss	—	—	—	(7,001)	—	(7,001)
Balance at March 31, 2025	<u>61,914,519</u>	<u>\$ 6</u>	<u>\$ 149,296</u>	<u>\$ (145,527)</u>	<u>\$ —</u>	<u>\$ 3,775</u>

See accompanying notes to condensed consolidated financial statements.

TIGO ENERGY, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In thousands, except share data)
(Unaudited)

	Common stock		Stockholders' equity			
	Shares	Amount	Additional paid-in capital	Accumulated deficit	Accumulated other comprehensive (loss) gain	Total stockholders' equity
Balance at December 31, 2023	58,751,666	\$ 6	\$ 138,657	\$ (75,780)	\$ (59)	\$ 62,824
Issuance of common stock upon exercise of stock options	755,016	—	250	—	—	250
Stock-based compensation expense	—	—	2,505	—	—	2,505
Issuance of common stock in connection with the acquisition of fSight	166,271	—	239	—	—	239
Issuance of common stock in connection with employee incentive restricted stock awards	685,213	—	—	—	—	—
Unrealized gain resulting from change in fair value of marketable securities	—	—	—	—	12	12
Net loss	—	—	—	(11,506)	—	(11,506)
Balance at March 31, 2024	<u>60,358,166</u>	<u>\$ 6</u>	<u>\$ 141,651</u>	<u>\$ (87,286)</u>	<u>\$ (47)</u>	<u>\$ 54,324</u>

See accompanying notes to condensed consolidated financial statements.

TIGO ENERGY, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Three Months Ended March 31,	
	2025	2024
Cash flows from operating activities:		
Net loss	\$ (7,001)	\$ (11,506)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	357	310
Provision to write down inventories to net realizable value	28	423
Change in fair value of contingent shares liability	—	(196)
Non-cash interest expense	2,235	2,235
Stock-based compensation	1,576	2,505
Change in allowance for credit losses	(94)	(990)
Non-cash lease expense	301	300
Accretion of interest on marketable securities	(91)	(128)
Changes in operating assets and liabilities:		
Accounts receivable	(2,303)	1,546
Inventory	3,063	5,221
Prepaid expenses and other assets	1,303	845
Accounts payable	(116)	(9,448)
Accrued expenses and other liabilities	(1,486)	(2,207)
Deferred revenue	209	250
Warranty liability	1,526	(153)
Operating lease liabilities	(329)	(273)
Other long-term liabilities	292	—
Net cash used in operating activities	<u>\$ (530)</u>	<u>\$ (11,266)</u>
Cash flows from investing activities:		
Purchase of marketable securities	(7,957)	—
Purchase of property and equipment	—	(367)
Sales and maturities of marketable securities	4,425	16,003
Net cash (used in) provided by investing activities	<u>\$ (3,532)</u>	<u>\$ 15,636</u>
Cash flows from financing activities:		
Proceeds from exercise of stock options	2	250
Proceeds from at-the-market offering	815	—
Net cash provided by financing activities	<u>\$ 817</u>	<u>\$ 250</u>
Net (decrease) increase in cash	(3,245)	4,620
Cash and cash equivalents at beginning of period	11,746	4,405
Cash and cash equivalents at end of period	<u>\$ 8,501</u>	<u>\$ 9,025</u>

(in thousands)	Three Months Ended March 31,	
	2025	2024
Supplemental disclosure of cash flow information:		
Cash paid for interest	\$ 1,261	\$ 1,250
Cash paid for income taxes	<u>\$ 18</u>	<u>\$ 126</u>
Supplemental schedule of non-cash investing and financing activities:		
Operating lease right of use assets obtained in exchange for operating lease liabilities	\$ —	\$ 82
Property and equipment in accounts payable	\$ 7	\$ 32
Non-cash consideration paid for fSight acquisition	\$ —	\$ 239
Contingent shares liability from fSight acquisition	\$ —	\$ 92
Unrealized (loss) gain resulting from change in fair value of marketable securities	<u>\$ (2)</u>	<u>\$ 12</u>

See accompanying notes to condensed consolidated financial statements.

TIGO ENERGY, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Nature of Operations

Tigo Energy, Inc. (f/k/a Roth CH Acquisition IV Co.) and subsidiaries (together, the “Company”) consists of Tigo Energy, Inc. (“Tigo”), its wholly-owned direct and indirect subsidiaries: Tigo Energy MergeCo, Inc. (f/k/a Tigo Energy, Inc.) (“Legacy Tigo”), Tigo Energy Brasil Ltda., Tigo Energy Philippines Inc., Tigo Energy Israel Ltd., Tigo Energy AI Ltd. (f/k/a Foresight Energy, Ltd. (“fSight”)), Tigo Energy Italy SRL, Tigo Energy Equipment Trading (Suzhou) Co., Ltd. and Tigo Energy Australia Pty Ltd. Prior to the consummation of the Business Combination (as defined below), the operations of the Company were conducted through Legacy Tigo. Legacy Tigo was incorporated in Delaware in 2007 and commenced operations in 2010.

The Company provides solar and energy storage solutions, including module level power electronics (“MLPE”) designed to maximize the energy output of individual solar modules, delivering more energy, active management, and enhanced safety for utility, commercial, and residential solar arrays. By combining its MLPE and solar optimizer technology with intelligent, cloud-based software capabilities, the Company enables advanced energy monitoring, system diagnostics, and real-time control. These smart hardware and software solutions enhance system performance, lower operating costs, and ensure compliance with safety regulations, including rapid shutdown requirements. In addition to MLPE, the Company develops and manufactures inverters and battery storage systems for the residential solar-plus storage market, further expanding its suite of solutions for efficient and reliable energy management. The Company is headquartered in Campbell, California, with offices in Europe, Asia, and the Middle East.

Entry into a Material Definitive Agreement

On December 5, 2022, Roth CH Acquisition IV Co., a Delaware corporation (“ROCG”), Roth IV Merger Sub Inc., a Delaware corporation and a wholly-owned subsidiary of ROCG (“Merger Sub”), and Legacy Tigo, entered into an Agreement and Plan of Merger, as amended on April 6, 2023 (the “Merger Agreement”), pursuant to which, among other transactions, on May 23, 2023 (the “Closing Date”), Merger Sub merged with and into Legacy Tigo (the “Merger”), with Legacy Tigo surviving the Merger as a wholly-owned subsidiary of ROCG (the Merger, together with the other transactions described in the Merger Agreement, the “Business Combination”). In connection with the closing of the Business Combination, ROCG changed its name to “Tigo Energy, Inc.”

Pursuant to the Business Combination, the merger between ROCG and Legacy Tigo was accounted for as a reverse recapitalization in accordance with U.S. GAAP (the “Reverse Recapitalization”). Under this method of accounting, ROCG was treated as the “acquired” company for financial reporting purposes. Accordingly, for accounting purposes, the Reverse Recapitalization was treated as the equivalent of Legacy Tigo issuing stock for the net assets of ROCG, accompanied by a recapitalization. The financial statements of the Company represent a continuation of the financial statements of Legacy Tigo with the Business Combination being treated as the equivalent of Legacy Tigo issuing stock for the net assets of ROCG, accompanied by a recapitalization.

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America (“GAAP”). Any reference in these notes to applicable guidance is meant to refer to GAAP as found in the Accounting Standards Codification (“ASC”) and Accounting Standards Updates (“ASU”) promulgated by the Financial Accounting Standards Board (“FASB”). The condensed consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

The Company has determined the functional currency of the subsidiaries to be the U.S. dollar. The Company remeasures monetary assets and liabilities of its foreign operations at exchange rates in effect at the balance sheet date and nonmonetary assets and liabilities at their historical exchange rates. Expenses are remeasured at the weighted-average exchange rates during the relevant reporting period. These remeasurement gains and losses are recorded in other income, net in the condensed consolidated statements of operations and comprehensive loss and were not material for the three months ended March 31, 2025, and 2024.

In the opinion of management, the accompanying unaudited condensed consolidated financial statements include all normal and recurring adjustments (which consist primarily of accruals, estimates and assumptions that impact the unaudited condensed consolidated financial statements) considered necessary to present fairly Tigo’s condensed consolidated balance sheet as of March 31, 2025 and its condensed consolidated statements of operations and comprehensive loss, cash flows, and stockholders’ equity for the three months ended March 31, 2025, and 2024. Operating results for the three months ended March 31, 2025, are not necessarily indicative of the results that may be expected for the full year ending December 31, 2025. The unaudited condensed consolidated financial statements,

Tigo Energy, Inc.
Notes to Condensed Consolidated Financial Statements (Unaudited)

presented herein, do not contain all of the required disclosures under GAAP for annual consolidated financial statements. The condensed consolidated balance sheet as of December 31, 2024, has been derived from the audited consolidated balance sheet as of that date. These unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2024, which was filed with the SEC on March 20, 2025.

2. Summary of Significant Accounting Policies

The Company's significant accounting policies are described in Note 2 to its audited consolidated financial statements for the year ended December 31, 2024, which are included in the Company's Annual Report on Form 10-K filed with the SEC on March 20, 2025.

Liquidity and Going Concern

In accordance with *ASU No. 2014-15, "Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern"* ("Subtopic 205-40"), the Company has evaluated whether there are conditions and events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the consolidated financial statements are issued.

As of March 31, 2025, the Company had cash and cash equivalents of \$8.5 million and negative net working capital, which we define as current assets less current liabilities, of \$6.5 million. The Convertible Promissory Note (as defined in Note 7, "Debt," below), has an aggregate principal amount outstanding of \$50.0 million as of March 31, 2025, and a maturity date of January 9, 2026. As of the date of this filing, the Company does not have sufficient cash, cash equivalents and marketable securities to repay this obligation. Management determined as a result of this evaluation, the Company's current cash, net working capital position, and the upcoming maturity date of its Convertible Promissory Note, raises substantial doubt about the Company's ability to continue as a going concern.

The Company's plan is to continue exploring options for raising additional capital through a combination of equity financing to supplement the Company's liquidity and/or refinancing of the Convertible Promissory Note. The Company's ability to raise capital may be constrained by the price of and demand for the Company's common stock. Additional capital may not be available on favorable terms or at all, and could further dilute our current stockholders. Management cannot conclude as of the date of this filing that its plans are probable of being successfully implemented. There can be no assurance that the Company will be able to raise sufficient additional capital or obtain financing that will provide it with sufficient liquidity to satisfy its Convertible Promissory Note obligation in January 2026.

The condensed consolidated financial statements have been prepared on a basis that assumes the Company will continue as a going concern which contemplates the realization of assets and satisfaction of liabilities and commitments in the ordinary course of business. Accordingly, the accompanying condensed consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Emerging Growth Company Status

The Company is an emerging growth company, as defined in the Jumpstart Our Business Startups Act of 2012 (JOBS Act). Under the JOBS Act, emerging growth companies can delay adopting new or revised accounting standards issued subsequent to the enactment of the JOBS Act, until such time as those standards apply to private companies. The Company has elected to use this extended transition period for complying with new or revised accounting standards that have different effective dates for public and private companies until the earlier of the date that it (i) is no longer an emerging growth company or (ii) affirmatively and irrevocably opts out of the extended transition period provided in the JOBS Act. As a result, these financial statements may not be comparable to companies that comply with the new or revised accounting pronouncements as of public company effective dates.

Tigo Energy, Inc.
Notes to Condensed Consolidated Financial Statements (Unaudited)

Use of Estimates

The preparation of the condensed consolidated financial statements, in conformity with GAAP, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Key estimates in the condensed consolidated financial statements include revenue recognition, fair value of investments, allowance for credit allowances, inventory valuation, impairment of long-lived assets, fair value of acquired intangible assets and goodwill, useful lives of acquired intangible assets and property and equipment, product warranty liabilities, incremental borrowing rate for right of use assets and lease liability, valuation allowance on deferred tax assets, assessment of probability of vesting of performance-based equity awards and stock-based compensation, including the underlying fair value of the common stock. These estimates are based on information available as of the date of the financial statements; therefore, actual results could differ materially from those estimates due to risks and uncertainties.

Segment Information

Operating segments are defined as components of an enterprise about which separate discrete information is available for evaluation by the chief operating decision maker (“CODM”), or decision-making group, in deciding how to allocate resources and in assessing performance. The Company’s CODM is the Chief Executive Officer (the “CEO”). The Company has one business activity — the design, development and sale of solar energy optimization solutions. There are no segment managers who are held accountable for operations, operating results or plans for levels or components below the consolidated unit level. Accordingly, management has determined that the Company has a single operating and reportable segment. The CODM assesses performance for the Company, monitors budget versus actual results and determines how to allocate resources based on consolidated net loss as reported in the condensed consolidated statements of operations and comprehensive loss. There are no other significant expense categories regularly provided to the CODM that are not already included in the primary financial statements herein.

Recently issued accounting pronouncements not yet adopted

In December 2023, the FASB issued *ASU No. 2023-09, “Improvements to Income Tax Disclosures”* (“Topic 740”). This ASU requires disaggregated information about a reporting entity’s effective tax rate reconciliation as well as additional information on income taxes paid. The ASU is effective on a prospective basis for annual periods beginning after December 15, 2024, although retrospective application is permitted. Early adoption is also permitted for annual financial statements that have not yet been issued or made available for issuance. The Company is currently evaluating the impact that adopting this ASU will have on the Company’s income tax-related disclosures.

In November 2024, the FASB issued *ASU 2024-03, “Income Statement — Reporting Comprehensive Income — Expense Disaggregation Disclosures”* (“Subtopic 220-40”): *Disaggregation of Income (Loss) Statement Expenses* (“ASU 2024-03”). ASU 2024-03 requires disaggregation of certain costs and expenses included in each relevant expense caption on the Company’s condensed consolidated statements of operations and comprehensive loss in a separate note to the financial statements at each interim and annual reporting period, including amounts of purchases of inventory, employee compensation, depreciation, and intangible asset amortization. ASU 2024-04 is effective fiscal years beginning after December 15, 2026, and interim reporting periods within annual reporting periods beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the impact of adopting ASU 2024-03.

3. Net Loss Per Share

Basic net loss per share of common stock is computed by dividing net loss by the weighted-average number of shares of common stock outstanding during each period, without consideration for potential dilutive shares of common stock. Diluted net loss per share of common stock is computed by dividing the net loss by the weighted-average number of common share equivalents outstanding for the period determined using the treasury-stock method and if-converted method, as applicable. In periods in which the Company reports a net loss, diluted net loss per share will be the same as basic net loss per share since dilutive shares are not assumed to have been issued if their effect is antidilutive. As a result, for the periods in which the Company experienced a net loss, the weighted-average shares used to calculate both basic and diluted net loss per share are the same.

Tigo Energy, Inc.
Notes to Condensed Consolidated Financial Statements (Unaudited)

The following table sets forth the computation of basic and diluted net loss per share to common stockholders:

(in thousands, except share and per share data)	Three Months Ended March 31,	
	2025	2024
Numerator:		
Net loss	\$ (7,001)	\$ (11,506)
Denominator:		
Weighted-average shares of common stock outstanding – basic and diluted	61,657,718	59,374,019
Net loss per share of common stock – basic	\$ (0.11)	\$ (0.19)
Net loss per share of common stock – diluted	\$ (0.11)	\$ (0.19)

The Company excluded the effect of the below elements from our calculation of diluted loss per share, as their inclusion would have been anti-dilutive. These amounts represent the number of instruments outstanding at the end of the period.

	As of March 31,	
	2025	2024
Outstanding stock options, performance stock units and restricted stock units	4,759,548	1,694,503
Convertible promissory note	5,305,861	5,305,437
	<u>10,065,409</u>	<u>6,999,940</u>

Tigo Energy, Inc.
Notes to Condensed Consolidated Financial Statements (Unaudited)

4. Fair Value of Financial Instruments

Fair Value Measurements

The Company measures its financial assets and liabilities at fair value on a recurring basis using a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Authoritative guidance establishes three levels of the fair value hierarchy as follows:

- Level 1:* Quoted market prices in active markets for identical assets or liabilities;
- Level 2:* Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which significant inputs and significant value drivers are observable in active markets; and
- Level 3:* Fair value measurements derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

The following fair value hierarchy table presents information about the Company's assets and liabilities measured at fair value on a recurring basis:

(in thousands)	Fair value measurement at reporting date using		
	(Level 1)	(Level 2)	(Level 3)
March 31, 2025			
Assets:			
Cash equivalents:			
Money market accounts	\$ 2,905	\$ —	\$ —
U.S. agency securities	\$ —	\$ 996	\$ —
Marketable securities:			
U.S. agency securities	\$ —	\$ 11,777	\$ —
December 31, 2024			
Assets:			
Cash equivalents:			
Money market accounts	\$ 6,839	\$ —	\$ —
U.S. agency securities	\$ —	\$ 499	\$ —
Marketable securities:			
Corporate bonds	\$ —	\$ 2,018	\$ —
U.S. agency securities	\$ —	\$ 6,138	\$ —

During the three months ended March 31, 2025, there were no transfers between Level 1, Level 2 and Level 3.

The following is a summary of the changes in fair value of the Company's marketable securities as of March 31, 2025, and December 31, 2024, respectively:

(in thousands)	As of March 31, 2025			
	Amortized cost	Unrealized gain	Unrealized loss	Fair value
Available-for-sale marketable securities:				
Current assets				
U.S. agency securities	\$ 11,777	\$ —	\$ —	\$ 11,777
Total available-for-sale marketable securities	\$ 11,777	\$ —	\$ —	\$ 11,777

(in thousands)	As of December 31, 2024			
	Amortized cost	Unrealized gain	Unrealized loss	Fair value
Available-for-sale marketable securities:				
Current assets				
Corporate bonds	\$ 2,019	\$ —	\$ (1)	\$ 2,018
U.S. agency securities	6,135	3	—	6,138
Total available-for-sale marketable securities	\$ 8,154	\$ 3	\$ (1)	\$ 8,156

Tigo Energy, Inc.
Notes to Condensed Consolidated Financial Statements (Unaudited)

As of March 31, 2025, all available-for-sale marketable securities consisted of investments that mature within one year.

Fair Value of Financial Instruments

The carrying amounts of cash and cash equivalents, marketable securities, accounts receivable, accounts payable, and customer deposits approximate fair value due to their short-term nature. As of March 31, 2025, the fair value and carrying value of the Company's Convertible Promissory Note (Note 7) was \$44.2 million and \$42.7 million, respectively. The estimated fair value for the Company's Convertible Promissory Note was based on discounted expected future cash flows using prevailing interest rates which are Level 3 inputs under the fair value hierarchy.

5. Revenue Recognition

Geographic Net Revenue

The Company sells its products in the Americas (North and South America), EMEA (Europe, Middle East, and Africa), and APAC (Asia-Pacific) regions.

The following table summarizes net revenue by major geographic region:

(in thousands)	Three Months Ended March 31,	
	2025	2024
EMEA ⁽¹⁾	\$ 11,552	\$ 5,789
Americas ⁽²⁾	4,719	2,738
APAC	2,568	1,275
Total net revenue	\$ 18,839	\$ 9,802

⁽¹⁾ Our net revenues generated from Germany, the United Kingdom, Italy and the Czech Republic represented 15.0%, 14.4%, 10.9% and 10.6% of our total net revenue for the three months ended March 31, 2025, respectively.

⁽²⁾ Our net revenues generated from the United States represented 22.2% of our total net revenue for the three months ended March 31, 2025.

Deferred Revenue

Deferred revenue or contract liabilities consists of payments received from customers in advance of revenue recognition for the Company's products and service. The current portion of deferred revenue represents the unearned revenue that will be earned within 12 months of the balance sheet date. Correspondingly, noncurrent deferred revenue represents the unearned revenue that will be earned after 12 months from the balance sheet date.

The following table summarizes the changes in deferred revenue:

(in thousands)	Three Months Ended March 31,	
	2025	2024
Balance at the beginning of the period	\$ 1,169	\$ 801
Deferral of revenue	3,801	1,666
Recognition of unearned revenue	(3,592)	(1,416)
Balance at the end of the period	\$ 1,378	\$ 1,051

As of March 31, 2025, the Company expects to recognize \$1.4 million from remaining performance obligations over a weighted average term of 3.2 years. The Company recognized approximately \$0.3 million and \$0.2 million in revenue that was included in the beginning contract liabilities balance during the three months ended March 31, 2025, and 2024, respectively.

Product Warranty

The Company estimates the cost of its warranty obligations based on several key estimates: the warranty period (which vary from 5 to 25 years depending on the product), its historical experience of known product failure rates, use of materials to repair or replace defective products and parts, and service delivery costs incurred in correcting product failures. In addition, from time to time, specific warranty accruals may be made if unforeseen technical problems arise. Should the actual experience relative to these factors differ from the estimates, the Company may be required to record additional warranty reserves. Product warranty costs are recorded as expense to cost of revenue based on customer history, historical information and current trends.

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Notes to Condensed Consolidated Financial Statements (Unaudited)

The following table summarizes the changes in product warranty liability:

(in thousands)	Three Months Ended March 31,	
	2025	2024
Balance at the beginning of the period	\$ 5,798	\$ 5,632
Provision for warranty issued during period	363	138
Changes in estimate	1,280	(197)
Settlements	(117)	(94)
Balance at the end of the period	<u>\$ 7,324</u>	<u>\$ 5,479</u>

6. Supplementary Balance Sheet and Geographic Information

Selected financial data as of the dates presented below is as follows (in thousands, except useful life data):

Inventory, net	March 31, 2025	December 31, 2024
Raw materials	\$ 884	\$ 662
Finished goods	18,022	21,335
Inventory, net	<u>\$ 18,906</u>	<u>\$ 21,997</u>

The inventory reserve was \$22.2 million and \$24.1 million as of March 31, 2025, and December 31, 2024, respectively.

Property and equipment, net	Estimated Useful Life	March 31, 2025	December 31, 2024
Machinery and equipment	7 years	\$ 6,091	\$ 6,051
Vehicles	5 years	31	31
Computer software	5 years	212	212
Computer equipment	5 years	634	602
Furniture and fixtures	5 years	215	216
Leasehold improvements	3 - 6 years	465	465
		<u>7,648</u>	<u>7,577</u>
Less: Accumulated depreciation		5,118	4,765
Property and equipment, net		<u>\$ 2,530</u>	<u>\$ 2,812</u>

For the three months ended March 31, 2025, and 2024 the Company recorded depreciation expense of \$0.3 million and \$0.2 million, respectively, in the condensed consolidated statements of operations and comprehensive loss.

Accrued expenses and other current liabilities	March 31, 2025	December 31, 2024
Accrued vacation	\$ 970	\$ 924
Accrued compensation	1,447	1,119
Accrued interest	562	1,187
Accrued professional fees	685	894
Accrued warehouse and freight	206	917
Accrued other ⁽¹⁾	1,975	1,773
Other current liabilities	30	547
Accrued expenses and other current liabilities	<u>\$ 5,875</u>	<u>\$ 7,361</u>

⁽¹⁾ Accrued other as of March 31, 2025, and December 31, 2024, primarily consist of accrued expenses related to legal expense, insurance expense and sales discounts.

(in thousands)	March 31, 2025	December 31, 2024
Allowance for credit losses, beginning balance	\$ 2,239	\$ 4,011
Net charges to recovery	(106)	(1,629)
Write-offs, net of recoveries	—	(143)
Allowance for credit losses, ending balance	<u>\$ 2,133</u>	<u>\$ 2,239</u>

Tigo Energy, Inc.
Notes to Condensed Consolidated Financial Statements (Unaudited)

Long-lived assets by Geographic Region

The following table presents the Company's long-lived assets, which consist of tangible property and equipment, net of depreciation, and operating ROU assets, by geographic region (in thousands):

	March 31, 2025	December 31, 2024
Long-lived assets		
EMEA ⁽¹⁾	\$ 1,419	\$ 1,545
Americas ⁽²⁾	490	719
APAC ⁽³⁾	1,896	2,124
Total long-lived assets	<u>\$ 3,805</u>	<u>\$ 4,388</u>

⁽¹⁾ As of March 31, 2025, and December 31, 2024, 28.4% and 26.6% of the Company's total long-lived assets were located in Israel, respectively.

⁽²⁾ As of March 31, 2025, and December 31, 2024, 12.9% and 16.4% of the Company's total long-lived assets were located in the U.S., respectively.

⁽³⁾ As of March 31, 2025, 34.3% and 15.5% of the Company's total long-lived assets were located in Thailand and China, respectively. As of December 31, 2024, 35.5% and 13.0% of the Company's total long-lived assets were located in Thailand and China, respectively.

7. Debt

The Company's debt consisted of the following (in thousands):

	March 31, 2025	December 31, 2024
Convertible Promissory Note	\$ 50,000	\$ 50,000
Less: short-term debt, net of unamortized debt discount and issuance costs ⁽¹⁾	(42,746)	—
Less: unamortized debt discount and issuance costs	(7,254)	(9,489)
Long-term debt, net of unamortized debt discount and issuance costs	<u>\$ —</u>	<u>\$ 40,511</u>

⁽¹⁾ On January 9, 2025, the Convertible Promissory Note was reclassified from non-current liabilities to current liabilities as the maturity date falls within the twelve months of the reporting date.

Convertible Promissory Notes

On January 9, 2023, the Company entered into the Note Purchase Agreement ("Note Purchase Agreement") with L1 Energy Capital Management S.a.r.l. ("L1 Energy") pursuant to which the Company issued the Convertible Promissory Note in the aggregate principal amount of \$50.0 million (the "Convertible Promissory Note"). Outstanding borrowings under the Convertible Promissory Note bears interest at a rate of 5.0% per year. The principal amount of the Convertible Promissory Note is due at the maturity date of January 9, 2026, and interest is payable semiannually. As of March 31, 2025, there was \$0.6 million of accrued interest in the condensed consolidated balance sheet.

Under the terms of the Note Purchase Agreement, the Convertible Promissory Note may be converted at the option of the note holder into the Company's common stock or an equivalent equity instrument resulting from a public company event. The conversion price is based on a pre-money valuation divided by the aggregate number of the Company's outstanding shares at the issuance date and adjusted for any cash dividends paid on the Company's capital stock. The conversion price and number of conversion shares are subject to standard anti-dilution adjustments. Upon a change of control event the note holder may (i) convert the Convertible Promissory Note immediately prior to the event into the Company's common stock at a conversion price equal to the lesser of the Convertible Promissory Note's original conversion price or the price per share of the Company's common stock implied by the change of control event transaction agreement or (ii) require the redemption of the Convertible Promissory Note in cash, including the payment of a make-whole amount of all unpaid interest that would have otherwise been payable had the Convertible Promissory Note remained outstanding through the maturity date. The Company's obligations under the Note Purchase Agreement may be accelerated, subject to customary grace and cure periods, upon the occurrence of an event of default. The Note Purchase Agreement defines events of default as the occurrence of any one of the following: 1) a default in payment of any part of principal or unpaid accrued interest on the Convertible Promissory Note when due and payable; 2) the Company issues a written statement that it is unable to pay its debts as they become due, or the Company files a voluntary petition for bankruptcy or insolvency proceeding, the Company, or its directors or majority shareholders take action looking to the dissolution or liquidation of the Company; 3) the involuntary bankruptcy of the Company defined as the commencement of any proceeding against the Company seeking any bankruptcy reorganization; 4) the Company defaults on any of its performance obligations under the Note Purchase Agreement; 5) any material portion of the assets of the Company or any subsidiary of the Company is seized or a levy is filed against such assets; 6) a default that remains uncured on any other agreement evidencing the indebtedness of the Company or its subsidiaries for an amount of \$10 million or more whose terms allow for the acceleration of the repayment of such indebtedness due to the consummation of the transactions contemplated in this Note Purchase Agreement.

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Notes to Condensed Consolidated Financial Statements (Unaudited)

Future aggregate principal maturities of debt are as follows as of March 31, 2025 (in thousands):

Remainder of 2025	\$	—
2026		50,000
2027		—
2028		—
2029		—
Thereafter		—
	\$	<u>50,000</u>

8. Commitments and Contingencies

Employment Agreements

The Company entered into employment agreements with key personnel providing compensation and severance in certain circumstances, as defined in the respective employment agreements.

Legal

In the normal course of business, the Company may become involved in litigation or legal disputes that are not covered by insurance. While the Company intends to vigorously defend itself with respect to such disputes, any potential outcomes resulting from such claims would be inherently difficult to quantify. The Company makes a provision for a liability relating to legal matters when it is both probable that a liability has been incurred, and the amount of the loss can be reasonably estimated. During the three months ended March 31, 2025, the Company did not record a material loss with respect to any legal claims or other legal matters arising in the normal course of business.

Indemnification Agreements

From time to time, in its normal course of business, the Company may indemnify other parties with which it enters into contractual relationships, including customers, lessors and parties to other transactions with the Company. The Company may agree to hold other parties harmless against specific losses, such as those that could arise from third-party claims or a breach of representation or covenant. It may not be possible to determine the maximum potential amount of liability under such indemnification agreements due to the unique facts and circumstances that are likely to be involved in each particular claim and indemnification provision. In addition, we believe the likelihood is remote that payments under any indemnification agreements described above will have a material effect on the Company's condensed consolidated financial statements.

The Company has also indemnified its Directors and Executive Officers, to the extent legally permissible, against all liabilities reasonably incurred in connection with any action in which such individual may be involved by reason of such individual being or having been a Director or Executive Officer.

The Company believes the current estimated fair value of any obligation from these indemnification agreements is minimal; therefore, these condensed consolidated financial statements do not include a liability for potential indemnification-related obligations at March 31, 2025.

9. Common and Preferred Stock

Common and Preferred Stock

The Company is authorized to issue 150,000,000 shares of Common Stock. Each share of Common Stock entitles the holder to one vote on all matters submitted to a vote of the Company's stockholders.

The Company is authorized to issue 10,000,000 shares of Preferred Stock. As of March 31, 2025, there was no Preferred Stock outstanding.

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Common Stock Reserved for Future Issuance

Shares of Common Stock reserved for future issuance were as follows:

	As of March 31, 2025
Stock options issued and outstanding	5,210,843
Restricted stock units and performance stock units issued and outstanding	4,585,199
Shares available for potential conversion of L1 Convertible Note	5,305,861
Shares available for grant under 2023 Equity Incentive Plan	3,494,141
	18,596,044

At-The-Market Offering Program

In November 2024, we entered into an At-The-Market Offering Agreement (the “ATM Agreement”) with Craig-Hallum Capital Group LLC (the “Sales Agent”), allowing for the sale of common stock with an aggregate gross offering price of up to \$14.2 million (the “2024 ATM Program”). Under the ATM Agreement, the Sales Agent may sell shares in an “at-the-market” offering under Rule 415(a)(4) of the Securities Act, including sales on Nasdaq or other trading markets, to or through market makers, directly to the Sales Agent as principal, or in negotiated transactions at prevailing market prices. The offering of Shares pursuant to the ATM Agreement will terminate upon (a) five business days’ advance notice from the Company to the Sales Agent or five business days’ advance notice from the Sales Agent to the Company or (b) otherwise by mutual agreement of the parties pursuant to the terms of the ATM Agreement. Sales under the 2024 ATM Program are subject to a maximum commission of up to 3.0% of the gross proceeds per share sold through the Sales Agent.

The following is a summary of the shares issued under our 2024 ATM Program during the three months ended March 31, 2025 (in thousands except average price per share):

Period Ended	Shares Issued	Average Net Price Per Share⁽¹⁾	Gross Proceeds	Net Proceeds
March 31, 2025	984,966	\$ 1.05	\$ 1,070	\$ 1,037

⁽¹⁾ Represents the average price per share after commission.

10. Stock-Based Compensation

The Company adopted the 2008 Stock Plan (“2008 Plan”) under which it may issue stock options to purchase shares of common stock, and award restricted stock and stock appreciation rights to employees, Directors and consultants. The 2008 Plan expired in March 2018 and all award issuance therefore ceased. Options generally vest over a four-year period with a one-year cliff. The option term is no longer than five years for incentive stock options for which the grantee owns greater than 10% of the Company’s capital stock and no longer than 10 years for all other options. The Company has a repurchase option on unvested restricted stock exercisable upon the voluntary or involuntary termination of the purchaser’s employment with the Company for any reason. The Company’s repurchase right lapses in accordance with the vesting terms. Options outstanding under the 2008 Plan will remain outstanding until they are exercised, canceled or expire.

In May 2018, the Company adopted the 2018 Stock Plan (“2018 Plan”) under which the Company may issue stock options to purchase shares of common stock, and award restricted stock and stock appreciation rights to employees, Directors and consultants.

Under the 2018 Plan, the Board of Directors may grant incentive stock options or nonqualified stock options. Incentive stock options may only be granted to Company employees. The 2018 Plan expired in May 2023 and all award issuance therefore ceased. The exercise price of incentive stock options and non-qualified stock options cannot be less than 100% of the fair value per share of the Company’s common stock on the grant date. If an individual owns more than 10% of the Company’s outstanding capital stock, the price of each share incentive stock option will be at least 110% of the fair value. Fair value was determined by the Board of Directors. Options generally vest over a four-year period with a one-year cliff. The option term is no longer than five years for incentive stock options for which the grantee owns greater than 10% of the Company’s capital stock and no longer than 10 years for all other options. The Company has a repurchase option on unvested restricted stock exercisable upon the voluntary or involuntary termination of the purchaser’s employment with the Company for any reason. The Company’s repurchase right lapses in accordance with the vesting terms. Options outstanding under the 2018 Plan will remain outstanding until they are exercised, canceled or expire.

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In May 2023, the Company adopted the 2023 Equity Incentive Plan (“2023 Plan”) under which the Company may issue stock options to purchase shares of common stock, award restricted stock, restricted stock units (“RSU”), performance stock units (“PSUs”), dividend equivalents, stock appreciation rights, and other stock-based or cash-based awards to employees, Directors and consultants.

Stock options granted to newly hired employees generally vest over a four-year period, following the date of grant, with 25% vesting on the first anniversary of the grant date and the remaining vesting in equal monthly installments thereafter, and grants of additional stock options to employees generally vest in equal monthly installments over a four-year period with no cliff vesting. As of March 31, 2025, 706,990 stock options granted under the 2023 Plan had vested and were exercisable. There have been no stock options exercised under the 2023 Plan. The RSUs generally vest over a three-year period, following the date of grant, with a third of the award vesting on each year on the annual anniversary of the grant date.

Collectively, the 2008 Stock Plan, 2018 Stock Plan and the 2023 Equity Incentive Plan are referred to as “the Plans”.

The Company measures stock-based awards at their grant-date fair value and records compensation expense on a straight-line basis over the vesting period of the awards. The Company also measures the PSU awards at their grant-date fair value and assumes that performance goals will be achieved. If the performance goals are not met, no compensation expense is recognized and any recognized compensation expense is reversed. The Company recorded stock-based compensation expense in the following expense categories in its accompanying condensed consolidated statements of operations and comprehensive loss:

(in thousands)	Three Months Ended March 31,	
	2025	2024
Cost of sales	\$ 21	\$ 64
Research and development	306	456
Sales and marketing	403	830
General and administrative	846	1,155
Total stock-based compensation	\$ 1,576	\$ 2,505

Option Exchange Program

On November 12, 2024, the Company commenced an offer to certain eligible employees and directors the opportunity to exchange certain outstanding options to purchase shares of common stock, for new options (“Replacement Options”) to purchase a number of shares of our common stock (the “Option Exchange”). The Option Exchange expired at 11:59 P.M. Eastern Time on December 10, 2024. Pursuant to the terms and conditions of the Option Exchange, the Company accepted for exchange eligible options to purchase an aggregate of 725,028 shares of common stock, representing approximately 96.6% of the total shares of common stock underlying such eligible options. All surrendered options were cancelled effective as of the expiration of the Option Exchange. Effective promptly following the expiration of the Option Exchange, the Company granted Replacement Options to purchase an aggregate of 181,107 shares of common stock under the 2023 Equity Incentive Plan.

The Company did not recognize additional stock-based compensation expense as a result of the Option Exchange.

Stock Options

The following table summarizes stock option activity for the Plans for the three months ended March 31, 2025:

	Number of shares	Weighted average exercise price per share	Weighted average remaining contractual term (years)	Aggregate intrinsic value (in 000’s)
Outstanding at December 31, 2024	5,403,090	\$ 1.74	7.18	
Exercised	(2,334)	\$ 0.60		
Forfeited/expired	(189,913)	\$ 6.06		
Outstanding at March 31, 2025	5,210,843	\$ 1.58	6.94	\$ 313
Exercisable at March 31, 2025	2,750,633	\$ 1.41	4.94	\$ 313

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As of March 31, 2025, the total unrecognized compensation expense related to unvested stock option awards was \$6.1 million, which the Company expects to recognize over a weighted-average period of 2.7 years. There were no options granted during the three months ended March 31, 2025, and 2024.

The fair value of options is estimated using the Black-Scholes option pricing model, which takes into account inputs such as the exercise price, the value of the underlying common stock at the grant date, expected term, expected volatility, risk-free interest rate and dividend yield. The fair value of each grant of options was determined using the methods and assumptions discussed below.

- The expected term of employee options with service-based vesting is determined using the “simplified” method, as prescribed in the U.S. Securities and Exchange Commission’s Staff Accounting Bulletin (“SAB”) No. 107, whereby the expected life equals the arithmetic average of the vesting term and the original contractual term of the option due to the Company’s lack of sufficient historical data. The expected term of non-employee options is equal to the contractual term.
- The expected volatility is based on historical volatilities of similar entities within the Company’s industry which were commensurate with the expected term assumption as described in SAB No. 107.
- The risk-free interest rate is based on the interest rate payable on U.S. Treasury securities in effect at the time of grant for a period that is commensurate with the assumed expected term.
- The expected dividend yield is 0% because the Company has not historically paid and does not expect in the foreseeable future to pay a dividend on its common stock.
- As the Company’s common stock has not historically been publicly traded, its Board of Directors periodically estimated the fair value of the Company’s common stock considering, among other things, contemporaneous valuations of its common stock prepared by an unrelated third-party valuation firm in accordance with the guidance provided by the American Institute of Certified Public Accountants 2013 Practice Aid, Valuation of Privately-Held-Company Equity Securities Issued as Compensation.

Restricted Stock Units

The following table summarizes RSU activity for the Plans for the three months ended March 31, 2025:

	Number of shares		Weighted average grant date fair value per share
Outstanding at December 31, 2024	2,103,946	\$	3.50
Granted	36,070	\$	0.90
Vested	(126,000)	\$	1.50
Forfeited/expired	(24,472)	\$	4.05
Outstanding at March 31, 2025	1,989,544	\$	3.58

As of March 31, 2025, the total unrecognized compensation expense related to unvested RSUs was \$4.8 million, which the Company expects to recognize over a weighted-average period of 1.6 years.

Performance Stock Units

As of March 31, 2025, and December 31, 2024, the Company had an outstanding balance of 1,760,048 PSUs, with a weighted average grant date fair value per share of \$1.58. The PSUs vest over a three-year period beginning on January 1, 2025, with one-third of the award eligible to vest at the end of each fiscal year through December 31, 2027, based on the Company’s level of achievement of certain performance-based criteria tied to annual net revenue and adjusted EBITDA targets. The PSUs were valued using the market value of the Company’s Common Stock at the closing market price on the grant date.

As of March 31, 2025, the total unrecognized compensation expense related to PSUs that were deemed probable to vest at the end of their respective performance period was \$0.1 million, which the Company expects to recognize over a weighted-average period of 0.8 years.

11. Leases

As a lessee, the Company currently leases office space and vehicles in the United States, Italy, Israel, China, Philippines and Thailand. All of the Company leases are classified as operating leases. The Company has no leases classified as finance or sales-type

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leases. For leases with terms greater than 12 months, the Company records the related assets and obligations at the present value of lease payments over the term. Many of the Company's leases include rental escalation clauses, renewal options and/or termination options that are factored into the Company's determination of lease payments.

When available, the Company uses the rate implicit in the lease to discount lease payments to present value; however, most of its leases do not provide a readily determinable implicit rate. Therefore, the Company must estimate its incremental borrowing rate to discount the lease payments based on information available at lease commencement. The majority of the Company's leases have remaining lease terms of one to five years, some of which include options to extend the leases for up to eight years, and some of which include options to terminate the leases within one year.

The components of lease expense are as follows:

(in thousands)	Three Months Ended March 31,	
	2025	2024
Operating lease costs	\$ 317	\$ 334
Variable lease costs	123	92
Total lease cost	\$ 440	\$ 426

Other information related to leases was as follows:

Supplemental Cash Flows Information (in thousands)	Three Months Ended March 31,	
	2025	2024
Operating lease right of use assets obtained in exchange for operating lease liabilities	\$ —	\$ 82
Cash paid for amounts included in the measurement of lease liabilities	\$ 337	\$ 335

	March 31, 2025	December 31, 2024
Weighted-average remaining lease term (years)	2.6	2.5
Weighted-average discount rate	4.8%	4.9%

Future maturities of lease liabilities were as follows as of March 31, 2025:

(in thousands)	Operating Leases
Remainder of 2025	\$ 398
2026	472
2027	361
2028	135
2029	8
Thereafter	—
Total future minimum lease payments	\$ 1,374
Less: imputed interest	93
Present value of lease liabilities	\$ 1,281

12. Goodwill and Intangible Assets

As of March 31, 2025, the Company had a goodwill balance of \$12.2 million. The goodwill balance is related to the acquisition of Tigo Energy AI Ltd (f/k/a Foresight Energy, Ltd. ("fSight")).

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The Company's intangible assets by major asset class are as follows:

March 31, 2025				
(in thousands, except for useful life amounts)	Weighted Average Useful Life (Years)	Gross	Accumulated Amortization	Net Book Value
Amortizing:				
Patents	6.7	\$ 450	\$ (155)	\$ 295
Customer relationships	10.0	170	(37)	133
Developed technology	10.0	1,820	(394)	1,426
Total intangible assets		\$ 2,440	\$ (586)	\$ 1,854

December 31, 2024				
(in thousands, except for useful life amounts)	Weighted Average Useful Life (Years)	Gross	Accumulated Amortization	Net Book Value
Amortizing:				
Patents	6.7	\$ 450	\$ (137)	\$ 313
Customer relationships	10.0	170	(33)	137
Developed technology	10.0	1,820	(348)	1,472
Total intangible assets		\$ 2,440	\$ (518)	\$ 1,922

The Company recognized amortization expense related to intangible assets of \$0.1 million and \$0.1 million for the three months ended March 31, 2025, and 2024, respectively.

Amortization expense related to intangible assets at March 31, 2025, in each of the next five years and beyond is expected to be incurred as follows:

(in thousands)	Amount
Remainder of 2025	\$ 203
2026	270
2027	262
2028	260
2029	227
Thereafter	632
	\$ 1,854

13. Income Taxes

The income tax provision is calculated for an interim period by distinguishing between elements recognized in the income tax provision through applying an estimated annual effective tax rate to a measure of year-to-date operating results referred to as "ordinary income (or loss)," and discretely recognizing specific events referred to as "discrete items" as they occur. The Company's effective tax rates for the three months ended March 31, 2025, and 2024 differ from the federal statutory rate of 21% principally as a result of valuation allowances expected to be maintained against the Company's deferred tax assets. Additionally, the Company recorded a discrete tax expense for the three months ended March 31, 2025, of \$0.3 million related to the estimated settlement of a foreign tax examination. During three months ended March 31, 2025, the Italian tax authority initiated a tax examination of the Company's Italian operations. As of March 31, 2025, the tax examination is close to settlement and the Company has accrued the amount that it expects to incur. The Company did not record income tax expense for the three months ended March 31, 2024.

14. Subsequent Events

The Company evaluated subsequent events and transactions that occurred after the balance sheet date up to the date that the condensed consolidated financial statements were issued. Based upon this review the Company did not identify any subsequent events that would have required adjustment or disclosure in the condensed consolidated financial statements.

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

The following discussion should be read in conjunction with our condensed consolidated financial statements and the related notes that appear elsewhere in this Quarterly Report on Form 10-Q, and the audited consolidated financial statements and notes thereto included in our 2024 Annual Report. In addition to historical data, this discussion contains forward-looking statements about our business, results of operations, cash flows, financial condition and prospects based on current expectations that involve risks, uncertainties and assumptions. Our actual results could differ materially from such forward-looking statements. Factors that could cause or contribute to those differences include, but are not limited to, those identified below and those discussed in the sections titled “Cautionary Note Regarding Forward-Looking Statements” included elsewhere in this Quarterly Report on Form 10-Q, including those set forth in Part II, Item 1A, “Risk Factors” in this Quarterly Report on Form 10-Q and in Part I, Item 1A, “Risk Factors” in the 2024 Annual Report. Additionally, our historical results are not necessarily indicative of the results that may be expected for any period in the future.

Overview

Our mission is to deliver smart systems solutions, combining hardware and software, which enhance safety, increase energy yield, and lower operating costs of residential, commercial, and utility-scale solar systems. We believe we are a worldwide leader in the development and delivery of products and solutions that are flexible and dependable, increase the energy generation of solar energy systems and address the need for change. We primarily offer products and services through distributors and solar installers. We have a worldwide footprint with product installations in over 100 countries and on all seven continents.

Key Factors that May Influence Future Results of Operations

Our financial results of operations may not be comparable from period to period due to several factors. Key factors affecting our results of operations are summarized below.

Trade Tariffs. It is uncertain what impact new or existing tariffs, trade restrictions, or retaliatory actions may have on us, the solar industry, and our customers. U.S. net revenue represented 22.2% of our total net revenue for the three months ended March 31, 2025. Substantially all of our MLPE products, which represented 67.4% of U.S. net revenues during the three months ended March 31, 2025, were manufactured in Thailand and future purchases may be subject to a 10% reciprocal import tariff as of the date of this report. In addition, substantially all of our GO ESS products, which represented 21.6% of U.S. net revenues during the three months ended March 31, 2025, were manufactured in China and future purchases may be subject to reciprocal import tariffs of 145% as of the date of this report.

While we are actively evaluating alternative sourcing strategies, the global supply chain for key hardware components necessary to manufacture our products remains concentrated in regions affected by these trade measures, and identifying qualified suppliers outside of these regions with sufficient capacity and technical expertise remains challenging.

Any escalation in trade tensions, new or expanded tariffs, or broader geopolitical instability could impact our sourcing flexibility, product pricing, cost structure, and/or customer demand for our product lines. These factors, combined with potential economic softening, could lead to elevated inventory levels and reduced leverage in supplier pricing negotiations. Any of these outcomes could negatively affect our operations, financial performance, and cash flows.

Managing Supply Chain. We rely on contract manufacturers and suppliers to produce our components, with a significant portion of our supply chain originating in Thailand and China. Our ability to grow depends, in part, on the ability of our contract manufacturers and suppliers to provide high quality services and deliver components and finished products on time and at reasonable costs. While we have diversified our supply chain, some of our suppliers and contract manufacturers are sole-source suppliers. Our concentration of suppliers could lead to supply shortages, long lead times for components and supply changes. In the event we are unable to mitigate the impact of delays and/or price increases in raw materials, electronic components and freight, as a result of new or existing tariffs, trade restrictions, retaliatory actions, or otherwise, it could delay the manufacturing and delivery of our products, which would adversely impact our cash flows and results of operations, including revenue and gross margin. In addition, in a slowing economic environment in the U.S. and worldwide, our inventory levels may continue to increase due to existing purchase commitments and our ability to negotiate volume pricing discounts may be impaired.

Demand for Products. The demand for our products in Europe and the United States experienced a notable slowdown beginning in the second quarter in 2023 and continued into 2024. Although our net revenue has increased on a sequential basis in each quarter of 2024 and continuing into the first quarter of 2025, our quarterly and year-to-date results have remained substantially lower than comparable periods prior to the slowdown. In Europe, the slowdown was primarily due to elevated inventory levels with distributors and an overall channel inventory correction as they responded to a slower demand environment. Additionally, there has been uncertainty surrounding the net energy metering policies and solar export penalties in the European markets, such as Germany, Belgium, Italy and the United Kingdom, which also contributed to the overall slowdown in demand in Europe. In the United States, the slowdown was primarily attributable due to higher interest rates than recent prior periods and the transition from the second iteration of net metering (“NEM 2.0”) to the third iteration of net metering (“NEM 3.0”) in California.

As a result of these factors, we recognized inventory charges of \$23.5 million to write down inventories to their estimated net realizable value during the year ended December 31, 2024. The charge was primarily related to slow-moving inventory within the GO ESS line of energy storage solutions.

In addition, in response to the factors noted above, we reduced staffing levels across all geographies in December 2023 by approximately 15%, and in April 2024 by approximately 10%.

Further write-downs of inventories and additional cost reduction measures in future quarters could occur if market conditions do not improve or further deteriorate which could continue to have an adverse effect on our results of operations in 2025.

Unfavorable Macroeconomic and Market Conditions. The global macroeconomic and market uncertainty, including higher interest rates and inflation, has caused disruptions in financial markets and may continue to have an adverse effect on the U.S. and world economies. Since the second quarter of 2023, we have experienced a significant number of customer requests to delay purchase order deliveries and a smaller number of purchase order cancellations and returns. Other customers may decide to delay purchasing our products and services or not purchase at all. A tighter credit market for consumer and business spending could, in turn, adversely affect the spending levels of installers and end users and lead to increased price competition for our products. Reductions in customer spending in response to unfavorable or uncertain macroeconomic and market conditions, globally or in a particular region where we operate, have adversely affected, and could continue to adversely affect our business, results of operations and financial condition.

Expansion of Sales with Existing Customers and Adding New Customers. Our ability to grow our revenue is, in part, dependent on our ability to expand product offerings and services in the U.S. residential market. In our North American market, revenue is generally generated from our product offerings and services in the commercial and industrial markets. We plan to expand our presence in the residential market through offerings with residential solar providers. We also expect to continue to evaluate and invest in new market opportunities internationally. We believe that our entry into new markets will continue to facilitate revenue growth and customer diversification. We primarily acquire new customers through collaboration with our industry partners and distributors. While we expect that a substantial portion of our future revenues in the near-term will be generated from our existing customers, we expect to invest in our sales and marketing to broaden reach with new residential customers in the U.S. and EMEA.

Expansion of New Products and Services. We have made substantial investments in research and development and sales and marketing to achieve a leading position in our market and revenue growth. While a substantial majority of our revenue is generated from the sale of our MLPE products, we also generate a small portion of revenue from our offerings of GO Energy Storage Systems (“GO ESS”) and Predict+ service, and the Company intends to continue developing and promoting these product and service lines.

Key Operating and Financial Metrics

We regularly review a number of metrics, including the following key operating and financial metrics, to evaluate our business, measure our performance, identify trends in our business, prepare financial projections and make strategic decisions. We believe the operating and financial metrics presented are useful in evaluating our operating performance, as they are similar to measures used by our public competitors and are regularly used by securities analysts, institutional investors, and other interested parties in analyzing operating performance and prospects.

The following table sets forth these metrics for the periods presented:

(in thousands, except percentages)	Three Months Ended March 31,		Change in	
	2025	2024	\$	%
Net revenue	\$ 18,839	\$ 9,802	\$ 9,037	92.2%
Gross profit	\$ 7,173	\$ 2,766	\$ 4,407	159.3%
Gross margin	38.1%	28.2%		
Operating loss	\$ (3,977)	\$ (9,088)	\$ 5,111	56.2%
Net loss	\$ (7,001)	\$ (11,506)	\$ 4,505	39.2%

Gross Profit and Gross Margin

We define gross profit as total net revenue less cost of revenue, and define gross margin, expressed as a percentage, as the ratio of gross profit to revenue. Gross profit and margin can be used to understand our financial performance and efficiency and allow investors to evaluate its pricing strategy and compare it against competitors. We use these metrics to make strategic decisions identifying areas for improvement, set targets for future performance and make informed decisions about how to allocate resources going forward.

Key Components and Comparison of Results of Operations

Net Revenue

(in thousands, except percentages)	Three Months Ended March 31,		Change in	
	2025	2024	\$	%
Net revenue	\$ 18,839	\$ 9,802	\$ 9,037	92.2%

Three months ended March 31, 2025, and 2024

Net revenue increased by \$9.0 million or 92.2% for the three months ended March 31, 2025, as compared to the same period in 2024, which is driven primarily by an increase of \$8.0 million or 101.2% in net revenue from our MLPE product line, in addition to an increase of \$0.7 million or 49.3% in net revenue from our GO ESS product line. The increase is primarily due to a continued recovery in sales that began in the first quarter of 2024 following an industry-wide macroeconomic slowdown that began in the second half of 2023. Please see the section below for a discussion of the factors influencing the fluctuations in net revenue for each of our geographic regions.

(in thousands, except percentages)	Three Months Ended March 31,		Change in	
	2025	2024	\$	%
EMEA	\$ 11,552	\$ 5,789	\$ 5,763	99.6%
Americas	4,719	2,738	1,981	72.4%
APAC	2,568	1,275	1,293	101.4%
Total net revenue	\$ 18,839	\$ 9,802	\$ 9,037	92.2%

Three months ended March 31, 2025, and 2024

- EMEA - Net revenue for the EMEA region increased by \$5.8 million or 99.6% for the three months ended March 31, 2025, as compared to the same period in 2024, which is driven primarily by an increase of \$5.0 million and \$0.7 million in net revenue from our MLPE and GO ESS product lines, respectively. The growth was primarily driven by higher demand of our MLPE products in the United Kingdom, Germany and Italy, in addition to the sale of \$1.0 million of GO ESS product to a customer in Italy.
- Americas - Net revenue for the Americas region increased by \$2.0 million or 72.4% for the three months ended March 31, 2025, as compared to the same period in 2024, which is driven primarily by an increase of \$1.8 million in net revenue from our MLPE product line. This growth was primarily driven by higher demand of our MLPE products in the United States.
- APAC - Net revenue for the APAC region increased by \$1.3 million or 101.4% for the three months ended March 31, 2025, as compared to the same period in 2024, which is driven primarily by an increase of \$1.3 million in net revenue from our MLPE product line. This growth was primarily driven by higher demand of our MLPE products in China and Thailand.

Cost of Revenues and Gross Profit

(in thousands, except percentages)	Three Months Ended March 31,		Change in	
	2025	2024	\$	%
Cost of revenue	\$ 11,666	\$ 7,036	\$ 4,630	65.8%
Gross profit	\$ 7,173	\$ 2,766	\$ 4,407	159.3%
Gross margin	38.1%	28.2%		

Three months ended March 31, 2025, and 2024

Cost of revenues increased by \$4.6 million or 65.8% and gross profit increased by \$4.4 million or 159.3% for the three months ended March 31, 2025, as compared to the same period in 2024, which is primarily driven by a 92.2% increase in net revenue for the three months ended March 31, 2025, compared to the same periods in 2024. In addition to higher net revenue, the increase was driven by a \$1.7 million increase in product warranty expense which was primarily driven by a change in estimate in service delivery costs that were higher due to current macroeconomic conditions. The increase was partially offset due to a portion of the higher net revenue including sales of previously impaired GO ESS inventory during the three months ended March 31, 2025.

Gross margin increased by 9.9 percentage points for the three months ended March 31, 2025, as compared to the same periods in 2024. The increase is primarily due to an increase in net revenue, with a portion of those sales including previously impaired GO ESS inventory.

Research and Development

(in thousands, except percentages)	Three Months Ended March 31,		Change in	
	2025	2024	\$	%
Research and development	\$ 2,164	\$ 2,471	\$ (307)	(12.4)%
Percentage of net revenue	11.5%	25.2%		

Three months ended March 31, 2025, and 2024

Research and development expense decreased by \$0.3 million or 12.4% for the three months ended March 31, 2025, as compared to the same period in 2024. The decrease is attributed to reduced payroll expense resulting from a lower headcount during the three months ended March 31, 2025, compared to the same period in 2024.

The amount of research and development expenses may fluctuate from period to period due to differing levels and stages of development activity.

Sales and Marketing

(in thousands, except percentages)	Three Months Ended March 31,		Change in	
	2025	2024	\$	%
Sales and marketing	\$ 3,916	\$ 4,603	\$ (687)	(14.9)%
Percentage of net revenue	20.8%	47.0%		

Three months ended March 31, 2025, and 2024

Sales and marketing expense decreased by \$0.7 million or 14.9% for the three months ended March 31, 2025, as compared to the same period in 2024. The decrease is attributed to reduced payroll expense resulting from a lower headcount during the three months ended March 31, 2025, compared to the same period in 2024.

General and Administrative

(in thousands, except percentages)	Three Months Ended March 31,		Change in	
	2025	2024	\$	%
General and administrative	\$ 5,070	\$ 4,780	\$ 290	6.1%
Percentage of net revenue	26.9%	48.8%		

Three months ended March 31, 2025, and 2024

General and administrative expense increased by \$0.3 million or 6.1% for the three months ended March 31, 2025, as compared to the same period in 2024, primarily due to the collection of accounts receivable that were previously reserved for as bad debt expense during the three months ended March 31, 2024, and is partially offset by decreases in insurance expense and professional fees during the three months ended March 31, 2025, compared to same period in 2024.

Other Expenses, Net

(in thousands, except percentages)	Three Months Ended March 31,		Change in	
	2025	2024	\$	%
Change in fair value of contingent shares liability	\$ —	\$ (196)	\$ 196	n/m
Interest expense	2,871	2,826	45	1.6%
Other income, net	(143)	(212)	69	32.5%
Total other expenses, net	\$ 2,728	\$ 2,418	\$ 310	12.8%

Three months ended March 31, 2025, and 2024

The change in fair value of contingent shares liability for the three months ended March 31, 2024, was attributable to the revaluation of the contingent shares at each reporting period based on the Company's share price as of the revaluation date. The final release of the contingent shares occurred on July 25, 2024.

Interest expense increased by a de minimis amount for the three months ended March 31, 2025, as compared to the same period in 2024.

Other income, net decreased by a de minimis amount for the three months ended March 31, 2025, as compared to the same period in 2024.

Income Tax Expense

(in thousands, except percentages)	Three Months Ended March 31,		Change in	
	2025	2024	\$	%
Income tax expense	\$ 296	\$ —	\$ 296	n/m

Three months ended March 31, 2025, and 2024

Income tax expense increased \$0.3 million for the three months ended March 31, 2025, as compared to the same period in 2024, primarily related to an estimated settlement of foreign tax examination. For more information, see Note 13, “Income Taxes” of the notes to condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Liquidity, Going Concern and Capital Resources

As of March 31, 2025, our principal sources of liquidity were cash and cash equivalents and marketable securities of \$20.3 million and negative working capital, which we define as current assets less current liabilities, of \$6.5 million. Our principal uses of cash are for funding our operations, capital expenditures, other working capital requirements, other investments and the repayment of our Convertible Promissory Note (as defined below) due in January 2026.

In accordance with *ASU No. 2014-15, Disclosure of Uncertainties about an Entity’s Ability to Continue as a Going Concern* (“Subtopic 205-40”), we evaluated whether there are conditions and events, considered in the aggregate, that raise substantial doubt about our ability to continue as a going concern within one year after the date that the consolidated financial statements are issued. The Convertible Promissory Note, which has an aggregate principal amount outstanding of \$50.0 million as of March 31, 2025, has a maturity date of January 9, 2026. See Note 7, “Debt,” of the notes to condensed consolidated financial statements for additional information regarding the Convertible Promissory Note. Management determined as a result of this evaluation, our current cash, working capital position, and upcoming maturity date of its Convertible Promissory Note, raises substantial doubt about our ability to continue as a going concern within one year after the date that the consolidated financial statements are issued.

Our plan is to continue exploring options for raising additional capital through a combination of equity financing to supplement our liquidity and/or refinancing of the Convertible Promissory Note. Our ability to raise capital may be constrained by the price of and demand for our common stock. Additional capital may not be available on favorable terms or at all, and could further dilute our current stockholders. Management cannot conclude as of the date of this filing that its plans are probable of being successfully implemented. There can be no assurance that we will be able to raise sufficient additional capital or obtain financing that will provide it with sufficient liquidity to satisfy its Convertible Promissory Note obligation in January 2026.

The condensed consolidated financial statements have been prepared on a basis that assumes we will continue as a going concern which contemplates the realization of assets and satisfaction of liabilities and commitments in the ordinary course of business. Accordingly, the accompanying condensed consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

At-the-market offering. In November 2024, we entered into the ATM Agreement with the Sales Agent, pursuant to which we may offer and sell shares of our common stock having an aggregate gross sales price of up to \$14.2 million, from time to time, through the Sales Agent in transactions deemed to be “at-the-market” offerings under federal securities laws (the “2024 ATM Program”). The offering of Shares pursuant to the ATM Agreement will terminate upon (a) five business days’ advance notice from us to the Sales Agent or five business days’ advance notice from the Sales Agent to us or (b) otherwise by mutual agreement of the parties pursuant to the terms of the ATM Agreement. Sales under the 2024 ATM Program are subject to a maximum commission of up to 3.0% of the gross proceeds per share sold through the Sales Agent.

During the three months ended March 31, 2025, a total of 984,966 shares of common stock were issued pursuant to the Sales Agreement for aggregate gross proceeds of approximately \$1.1 million, before deducting commissions and offering expenses payable by us. As of March 31, 2025, \$13.1 million remained available under the ATM Agreement. Refer to Note 9, “Common Stock”, in Part I, Item 1 of this Quarterly Report on Form 10-Q for additional information.

Convertible Note. As of March 31, 2025, our Convertible Note obligation was \$50.0 million. Upon reaching the maturity date of the Convertible Note, January 9, 2026, we would need to pay cash or issue shares of common stock equal to the aggregate principal amount of the Convertible Note to be converted. As noted above, there is substantial doubt about our ability to continue as a going concern within one year after the date that the consolidated financial statements are issued due to the upcoming maturity date of the Convertible Note. Management continues to explore options to address the substantial doubt, however there can be no assurance that we will be able to raise sufficient additional capital or obtain financing that will provide it with sufficient liquidity to satisfy the Convertible Promissory Note obligation. Refer to the section above for more information regarding our going concern analysis and management’s plan to address the substantial doubt. Refer to Note 7, in Part I, Item 1 of this Quarterly Report on Form 10-Q for additional information.

Cash Flows

The following table summarizes our cash flows for the periods presented:

(in thousands)	Three Months Ended March 31,	
	2025	2024
Net cash used in operating activities	\$ (530)	\$ (11,266)
Net cash (used in) provided by investing activities	(3,532)	15,636
Net cash provided by financing activities	817	250
Net (decrease) increase in cash and cash equivalents	<u>\$ (3,245)</u>	<u>\$ 4,620</u>

Management closely monitors expenditures and is focused on obtaining new customers and continuing to develop our products and services. Cash from operations and our liquidity could also be affected by various risks and uncertainties, including, but not limited to, economic concerns related to tariffs, interest rates, inflation or the supply chain, including timing of cash collections from customers and other risks which are detailed in the section entitled “Cautionary Note Regarding Forward-Looking Statements” included elsewhere in this Quarterly Report on Form 10-Q, including in Part II, Item 1A, “Risk Factors” of this Quarterly Report on Form 10-Q and in Part I, Item 1A, “Risk Factors” in the 2024 Annual Report.

Cash Flows Used in Operating Activities

Cash flows from operating activities consisted of net loss adjusted for certain non-cash reconciling items, such as non-cash interest expense, stock-based compensation expense, provision to write down inventories to net realizable value, depreciation and amortization, and non-cash lease expense, and changes in our operating assets and liabilities. Cash used in operating activities decreased by \$10.7 million in the three months ended March 31, 2025, as compared to the same period in 2024.

Cash Flows (Used in) Provided by Investing Activities

Net cash used in investing activities was \$3.5 million for the three months ended March 31, 2025, which is primarily attributable to the purchase of marketable securities and was partially offset by the sale of marketable securities. Net cash provided by investing activities was \$15.6 million for the three months ended March 31, 2024, which is primarily attributable to the sale of marketable securities and was partially offset by the purchase property and equipment.

Cash Flows Provided by Financing Activities

Net cash provided by financing activities increased by \$0.6 million in the three months ended March 31, 2025, compared to the same period in 2024 which is primarily attributable to the proceeds from the Company’s at-the-market offering and payments of tax withholdings on stock options.

Contractual Obligations

Our contractual obligations primarily consist of our Convertible Promissory Note, obligations under operating leases and inventory component purchases. As of March 31, 2025, there have been no material changes from our disclosure in our 2024 Annual Report. For more information on our future minimum operating leases, see Note 11, “Leases” and for more information on our Convertible Promissory Notes and other related debt, see Note 7, “Debt,” of the notes to condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Off-Balance Sheet Arrangements

During the periods presented, the Company did not have any off-balance sheet arrangements.

Critical Accounting Estimates

For the period ended March 31, 2025, there have been no material changes to our critical accounting estimates from the information reported in our 2024 Annual Report.

Recent Accounting Pronouncements

For a description of recent accounting pronouncements, including the expected dates of adoption and estimated effects, if any, on the Company's condensed consolidated financial statements, see Part I, Note 2, "Summary of Significant Accounting Policies", in the notes to condensed consolidated financial statements in this Quarterly Report on Form 10-Q.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

As a "smaller reporting company" as defined by Rule 12b-2 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the Company is not required to provide the information required under this item.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as of March 31, 2025, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act").

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission's rules and forms. Disclosure controls and procedures include controls and procedures designed to ensure that information required to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure. Based upon the evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls were effective as of March 31, 2025.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting identified in connection with the evaluation required by Rules 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the three months ended March 31, 2025, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Limitations on the Effectiveness of Disclosure Controls and Procedures

Our management, including our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures or internal control over financial reporting will prevent all errors and all fraud. A control system, no matter how well designed and implemented, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. Further, 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. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues within a company are detected. The inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple errors or mistakes. Controls can also be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and may not be detected. Also, projections of any

evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings

From time to time, the Company may be subject to various claims, lawsuits, and other legal and administrative proceedings that may arise in the ordinary course of business. Some of these claims, lawsuits, and other proceedings may range in complexity and result in substantial uncertainty; it is possible that they may result in damages, fines, penalties, non-monetary sanctions, or relief. While the Company intends to vigorously defend itself with respect to such disputes, any potential outcomes resulting from such claims would be inherently difficult to quantify.

Item 1A. Risk Factors

In addition to the other information set forth in this Quarterly Report on Form 10-Q, you should carefully consider the risk factors disclosed in the section entitled “Risk Factors” in Part I, Item 1A, of the Company’s 2024 Annual Report, and the other reports that we have filed with the SEC. Any of the risks discussed in such reports, as well as additional risks and uncertainties not currently known to us or that we currently deem immaterial, could materially and adversely affect our results of operations, financial condition or prospects. During the period covered by this Quarterly Report on Form 10-Q, there have been no material changes in our risk factors as previously disclosed except the following:

Our failure to meet the continued listing requirements of Nasdaq could result in a delisting of our securities.

On April 3, 2025, we received a letter from Nasdaq indicating that the listing of the Company’s common stock was not in compliance with Nasdaq Listing Rule 5550(a)(2), as the closing bid price of our common stock was less than \$1.00 per share over a consecutive 30- trading-day period. Pursuant to Nasdaq Listing Rule 5810(c)(3)(A), we have a period of 180 calendar days, or until September 30, 2025, to regain compliance with the minimum bid price requirement, with the possibility of extension for an additional 180 calendar days if we meet Nasdaq’s continued listing requirement for market value of publicly held shares and all other initial listing standards for the Nasdaq Capital Market with the exception of the minimum bid price requirement. In addition, we would be required to provide written notice of our intention to cure the deficiency during such additional compliance period, by effecting a reverse stock split, if necessary

We can regain compliance if our common stock is at least \$1.00 for a minimum of 10 consecutive business days (unless Nasdaq exercises its discretion to extend the 10-day period) at any time during the 180 day compliance period (or additional compliance period, if applicable) (the “Nasdaq Listing Requirement”).

If it appears to Nasdaq that we will not be able to cure the deficiency in connection with the minimum bid price requirement, or if we are otherwise not eligible for the additional compliance period, and we do not regain compliance by September 30, 2025 for the minimum bid price requirement, Nasdaq will provide written notification to us that our shares of common stock are subject to delisting. At that time, we may appeal the delisting determination to a hearings panel pursuant to the procedures set forth in the applicable Nasdaq Listing Rules.

The notice is a notice of deficiency, not delisting, and does not currently affect the listing or trading of our common stock on Nasdaq, which continues to trade under the symbol “TYGO.” However, as of March 31, 2025, we did not meet the Nasdaq Listing Requirement, and we may not meet that requirement before the end of the compliance period (or additional compliance period, if applicable).

We continue to actively monitor the closing bid price of our common stock and are evaluating available options, including seeking to effect a reverse stock split and intend to take appropriate steps to maintain our listing on Nasdaq. However, there can be no assurance that we will be able to regain compliance with the minimum bid price requirement.

Such a delisting would likely have a negative effect on the price of the securities and would impair your ability to sell or purchase the securities when you wish to do so. In the event of a delisting, we can provide no assurance that any action taken by us to restore compliance with listing requirements would allow our securities to become listed again, stabilize the market price or improve the liquidity of our securities, prevent our securities from dropping below the Nasdaq minimum bid price requirement or prevent future non-compliance with Nasdaq’s listing requirements. Additionally, if our securities are not listed on, or become delisted from, Nasdaq for any reason, and are quoted on the OTC Bulletin Board, an inter-dealer automated quotation system for equity securities that is not a

national securities exchange, the liquidity and price of our securities may be more limited than if we were quoted or listed on Nasdaq or another national securities exchange. You may be unable to sell your securities unless a market can be established or sustained.

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

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit No.	Description
3.1	Second Amended and Restated Certificate of Incorporation of Tigo Energy, Inc. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, filed with the SEC on May 30, 2023).
3.2	Amended and Restated Bylaws of Tigo Energy, Inc. (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K, filed with the SEC on May 30, 2023).
10.1	Amended and Restated Employment Agreement, dated as of February 19, 2025, by and between Zvi Alon and Tigo Energy, Inc. (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed with the SEC on February 21, 2025).
10.2	Amended and Restated Employment Agreement, dated as of February 19, 2025, by and between Bill Roeschlein and Tigo Energy, Inc. incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K, filed with the SEC on February 21, 2025).
10.3	Executive Short Term Incentive Plan (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed with the SEC on February 21, 2025).
31.1†	Certification of Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a)
31.2†	Certification of Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a)
32.1*	Certification of Chief Executive Officer pursuant to Rule 13a-14(b)/15d-14(b)
32.2*	Certification of Chief Financial Officer pursuant to Rule 13a-14(b)/15d-14(b)
101.INS†	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH†	Inline XBRL Taxonomy Extension Schema with Embedded Linkbase Documents
104†	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

† Filed herewith.

* Furnished herewith

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.

Tigo Energy, Inc.

By: /s/ Bill Roeschlein

Bill Roeschlein
Chief Financial Officer

Date: May 6, 2025

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO RULE 13A-14(A) AND 15D-14(A) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Zvi Alon, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarterly period ended March 31, 2025 of Tigo Energy, 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(s) 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 (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2025

/s/ Zvi Alon

Zvi Alon

Chief Executive Officer and Chairman of the Board
(Principal Executive Officer)

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO RULE 13A-14(A) AND 15D-14(A) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Bill Roeschlein, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarterly period ended March 31, 2025 of Tigo Energy, 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(s) 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 (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2025

/s/ Bill Roeschlein

Bill Roeschlein
Chief Financial Officer
(Principal Financial and Accounting Officer)

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO
18 U.S.C. 1350
(SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002)**

In connection with the Quarterly Report on Form 10-Q of Tigo Energy, Inc. (the “Company”) for the quarter ended March 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Zvi Alon, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 6, 2025

/s/ Zvi Alon

Zvi Alon
Chief Executive Officer and Chairman of the Board
(Principal Executive Officer)

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO
18 U.S.C. 1350
(SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002)**

In connection with the Quarterly Report on Form 10-Q of Tigo Energy, Inc. (the "Company") for the quarter ended March 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Bill Roeschlein, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 6, 2025

/s/ Bill Roeschlein

Bill Roeschlein
Chief Financial Officer
(Principal Financial and Accounting Officer)
