

DIH HOLDING US, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share data, unaudited)

	<u>March 31,</u>	
	<u>2024</u>	<u>2023</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 3,225	\$ 3,175
Accounts receivable, net of allowances of \$667 and \$1,683, respectively	5,197	5,998
Inventories, net	7,830	4,850
Due from related party	5,688	6,383
Other current assets	5,116	4,855
Total current assets	27,056	25,261
Property, and equipment, net	530	742
Capitalized software, net	2,131	2,019
Other intangible assets, net	380	380
Operating lease, right-of-use assets, net	4,466	2,604
Other tax assets	267	1
Other assets	905	772
Total assets	<u>\$ 35,735</u>	<u>\$ 31,779</u>
Liabilities and Deficit		
Current liabilities:		
Accounts payable	\$ 4,305	\$ 2,190
Employee compensation	2,664	3,163
Due to related party	10,192	6,841
Current portion of deferred revenue	5,211	7,714
Manufacturing warranty obligation	513	973
Current portion of long-term operating lease	1,572	1,005
Advance payments from customers	10,562	6,255
Accrued expenses and other current liabilities	9,935	8,631
Total current liabilities	44,954	36,772
Notes payable - related party	11,457	17,301
Non-current deferred revenues	4,670	2,282
Long-term operating lease	2,917	1,621
Deferred tax liabilities	112	110
Other non-current liabilities	4,171	2,647
Total liabilities	<u>\$ 68,281</u>	<u>\$ 60,733</u>
Commitments and contingencies		
Deficit:		
Preferred Stock, \$0.00001 par value; 10,000,000 shares authorized; no shares issued and outstanding at March 31, 2024; no shares authorized, issued and outstanding at March 31, 2023	—	—
Common stock, \$0.0001 par value; 100,000,000 shares authorized; 34,544,935 shares issued and outstanding at March 31, 2024; 25,000,000 shares authorized, issued and outstanding at March 31, 2023	3	2
Additional paid-in-capital	2,613	(1,898)
Accumulated deficit	(35,212)	(26,769)
Accumulated other comprehensive income (loss)	50	(289)
Total deficit	<u>\$ (32,546)</u>	<u>\$ (28,954)</u>
Total liabilities and deficit	<u>\$ 35,735</u>	<u>\$ 31,779</u>

DIH HOLDING US, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data, unaudited)

	Three Months Ended March		Years Ended March	
	31,		31,	
	2024	2023	2024	2023
Revenue	\$ 19,356	\$ 21,556	\$ 64,473	\$ 54,059
Cost of sales	9,547	6,742	34,702	23,474
Gross profit	9,809	14,814	29,771	30,585
Operating expenses:				
Selling, general, and administrative expense	8,124	6,813	25,776	22,957
Research and development	1,928	1,977	6,609	6,919
Total operating expenses	10,052	8,790	32,385	29,876
Operating income (loss)	(243)	6,024	(2,614)	709
Other income (expense):				
Interest (expense)	(232)	(117)	(693)	(277)
Other income (expense), net	(3,709)	27	(3,890)	572
Total other income (expense)	(3,941)	(90)	(4,583)	295
Income (loss) before income taxes	(4,184)	5,934	(7,197)	1,004
Income tax expense (benefit)	587	1,255	1,246	2,018
Net Income (loss)	\$ (4,771)	\$ 4,679	\$ (8,443)	\$ (1,014)
Net earnings (loss) per share, basic and diluted	\$ (0.16)	\$ 0.19	\$ (0.32)	\$ (0.04)
Weighted-average shares outstanding, basic and diluted	30,559	25,000	26,382	25,000

DIH HOLDING US, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(in thousands, unaudited)

	Three Months Ended March		Years Ended March 31,	
	31,			
	2024	2023	2024	2023
Net income (loss)	\$ (4,771)	\$ 4,679	\$ (8,443)	\$ (1,014)
Other comprehensive (loss) income, net of tax				
Foreign currency translation adjustments, net of tax of \$0	627	(282)	1,455	(503)
Pension liability adjustments, net of tax of \$0	(100)	(230)	(1,116)	(421)
Other comprehensive (loss) income	(924)	(512)	339	(924)
Comprehensive loss	<u>\$ (1,938)</u>	<u>\$ 4,167</u>	<u>\$ (8,104)</u>	<u>\$ (1,938)</u>

DIH HOLDING US, INC. AND SUBSIDIARIES
INTERIM CONDENSED COMBINED STATEMENTS OF CHANGES IN EQUITY (DEFICIT)
(in thousands, unaudited)

	<u>Common Stock</u>		<u>Additional Paid-In Capital</u>	<u>Accumulated Deficit</u>	<u>Accumulated Other Comprehensive Income (Loss)</u>	<u>Total Equity (Deficit)</u>
	<u>Shares⁽¹⁾</u>	<u>Amount</u>				
Balance, March 31, 2022	25,000,000	\$ 2	\$ (1,776)	\$ (25,755)	\$ 635	\$ (26,894)
Net loss	—	—	—	(1,014)	—	(1,014)
Other comprehensive loss, net of tax	—	—	—	—	(924)	(924)
Net transactions with DIH Cayman	—	—	(122)	—	—	(122)
Balance, March 31, 2023	<u>25,000,000</u>	<u>\$ 2</u>	<u>\$ (1,898)</u>	<u>\$ (26,769)</u>	<u>\$ (289)</u>	<u>\$ (28,954)</u>
Net loss	—	—	—	(8,443)	—	(8,443)
Issuance of common stock upon reverse recapitalization	9,544,935	1	4,511	—	—	4,512
Other comprehensive income, net of tax	—	—	—	—	339	339
Balance, March 31, 2024	<u>34,544,935</u>	<u>\$ 3</u>	<u>\$ 2,613</u>	<u>\$ (35,212)</u>	<u>\$ 50</u>	<u>\$ (32,546)</u>

DIH HOLDING US, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands, unaudited)

	<u>Years Ended March 31,</u>	
	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Net loss	\$ (8,443)	\$ (1,014)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	302	66
Provision for credit losses	(1,016)	669
Allowance for inventory obsolescence	617	(1,639)
Noncash business combination expense	3,514	-
Pension contributions	(530)	(569)
Pension (income) expense	(75)	(400)
Foreign exchange (gain) loss	376	(584)
Noncash lease expense	1,590	1,423
Noncash interest expense	28	19
Change in manufacturing warranty obligation estimate	(626)	—
Deferred and other noncash income tax expense	(304)	58
Changes in operating assets and liabilities:		
Accounts receivable	1,853	(514)
Inventories	(3,259)	518
Due from related parties	1,018	(969)
Due to related parties	3,337	2,471
Other assets	(229)	(1,805)
Operating lease liabilities	(1,782)	(1,448)
Accounts payable	2,920	38
Employee compensation	(551)	(151)
Other liabilities	970	(96)
Deferred revenue	(90)	4,059
Manufacturing warranty obligation	163	160
Advance payments from customers	4,338	2,083
Accrued expense and other current liabilities	1,071	3,126
Net cash provided by operating activities	5,192	5,501
Cash flows from investing activities:		
Purchases of property and equipment	(202)	(145)
Net cash used in investing activities	(202)	(145)
Cash flows from financing activities:		
Proceeds from reverse recapitalization	899	—
Payments on related party notes payable	(5,844)	(4,053)
Net cash used in financing activities	(4,945)	(4,053)
Effect of currency translation on cash and cash equivalents	5	(61)
Net increase in cash, and cash equivalents, and restricted cash	50	1,242
Cash, and cash equivalents, and restricted cash - beginning of year	3,175	1,933
Cash, and cash equivalents, and restricted cash - end of year	\$ 3,225	\$ 3,175
Cash and cash equivalents - end of year	\$ 3,225	\$ 3,175
Restricted cash - end of year	—	—
Total cash, and cash equivalents, and restricted cash - end of year	\$ 3,225	\$ 3,175
Supplemental disclosure of cash flow information:		
Interest paid	\$ 665	\$ 258
Income tax paid	\$ —	\$ 210
Supplemental disclosure of non-cash investing and financing activity:		
Accrued liability related to asset acquisition	\$ —	\$ 533
Accounts payable settled through escrow account upon reverse recapitalization	\$ 1,439	\$ —