

**DIH HOLDING US, INC. AND SUBSIDIARIES**  
**INTERIM CONDENSED COMBINED BALANCE SHEETS**  
**(UNAUDITED) (in thousands)**

	<u>As of December 31, 2023</u>	<u>As of March 31, 2023</u>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 2,838	\$ 5,560
Restricted cash	583	415
Accounts receivable, net of allowances of \$964 and \$1,771, respectively	5,556	6,079
Inventories, net	7,494	6,121
Promissory note - related party	405	—
Due from related party	119	7,400
Other current assets	7,323	5,210
Total current assets	<u>24,318</u>	<u>30,785</u>
Property, and equipment, net	676	826
Capitalized software, net	2,093	2,203
Other intangible assets, net	380	380
Operating lease, right-of-use assets, net	5,081	3,200
Deferred tax assets	252	1
Other assets	48	39
Total assets	<u>\$ 32,848</u>	<u>\$ 37,434</u>
<b>Liabilities and Equity (Deficit)</b>		
Current liabilities:		
Accounts payable	\$ 5,097	\$ 3,200
Employee compensation	3,155	3,678
Due to related party	—	7,322
Current maturities of long-term debt	1,135	1,514
Revolving credit facilities	10,311	12,976
Current portion of deferred revenue	6,860	8,395
Manufacturing warranty obligation	1,190	979
Current portion of long-term operating lease	1,787	1,255
Advance payments from customers	12,152	6,878
Accrued expenses and other current liabilities	13,175	12,411
Total current liabilities	<u>54,862</u>	<u>58,608</u>
Long-term debt, net of current maturities	—	489
Non-current deferred revenues	4,284	2,282
Long-term operating lease	3,319	1,970
Deferred tax liabilities	388	391
Other non-current liabilities	3,943	2,748
Total liabilities	<u>\$ 66,796</u>	<u>\$ 66,488</u>
Commitments and contingencies (Note 15)		
Equity (Deficit):		
Net parent company investment	(37,140)	(32,977)
Accumulated other comprehensive income	3,192	3,923
Total (deficit)	<u>\$ (33,948)</u>	<u>\$ (29,054)</u>
Total liabilities and (deficit)	<u>\$ 32,848</u>	<u>\$ 37,434</u>

*See accompanying notes to the condensed combined financial statements.*

**DIH HOLDING US, INC. AND SUBSIDIARIES**  
**INTERIM CONDENSED COMBINED STATEMENTS OF OPERATIONS**  
**(UNAUDITED) (in thousands)**

	For the Nine Months Ended December	
	31,	
	2023	2022
Revenue	\$ 47,121	\$ 33,168
Cost of sales	23,945	14,983
Gross profit	23,176	18,185
Operating expenses:		
Selling, general, and administrative expense	19,892	18,270
Research and development	5,852	5,959
Total operating expenses	25,744	24,229
Operating loss	(2,568)	(6,044)
Other income (expense):		
Interest expense	(744)	(575)
Other income (expense), net	(202)	690
Total other income (expense)	(946)	115
Loss before income taxes	(3,514)	(5,929)
Income tax expense (benefit)	638	770
Net loss	\$ (4,152)	\$ (6,699)

*See accompanying notes to the condensed combined financial statements.*

**DIH HOLDING US, INC. AND SUBSIDIARIES**  
**INTERIM CONDENSED COMBINED STATEMENTS OF COMPREHENSIVE LOSS**  
**(UNAUDITED) (in thousands)**

	<b>For the Nine Months Ended December</b>	
	<b>31,</b>	
	<b>2023</b>	<b>2022</b>
Net loss	\$ (4,152)	\$ (6,699)
Other comprehensive (loss) income, net of tax:		
Foreign currency translation adjustments	471	538
Pension liability adjustments	(1,202)	(230)
Other comprehensive (loss) income	(731)	308
Comprehensive loss	(4,883)	(6,391)

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

	<b>Net Parent Company Investment</b>	<b>Accumulated Other Comprehensive Income (Loss)</b>	<b>Total Equity (Deficit)</b>
<b>Balance, March 31, 2022</b>	\$ (30,503)	\$ 4,081	\$ (26,422)
Net loss	(6,699)	-	(6,699)
Other comprehensive income, net of tax	-	308	308
<b>Balance, December 31, 2022</b>	<u>\$ (37,202)</u>	<u>\$ 4,389</u>	<u>\$ (32,813)</u>

	<b>Net Parent Company Investment</b>	<b>Accumulated Other Comprehensive Income (Loss)</b>	<b>Total Equity (Deficit)</b>
<b>Balance, March 31, 2023</b>	\$ (32,977)	\$ 3,923	\$ (29,054)
Net loss	(4,152)	-	(4,152)
Other comprehensive loss, net of tax	-	(731)	(731)
Net transactions with parent	(11)	-	(11)
<b>Balance, December 31, 2023</b>	<u>\$ (37,140)</u>	<u>\$ 3,192</u>	<u>\$ (33,948)</u>

*See accompanying notes to the condensed combined financial statements.*

**DIH HOLDING US, INC. AND SUBSIDIARIES**  
**INTERIM CONDENSED COMBINED STATEMENTS OF CASH FLOWS**  
**(UNAUDITED) (in thousands)**

	For the Nine Months Ended December	
	31,	
	2023	2022
<b>Cash flows from operating activities:</b>		
Net loss	\$ (4,152)	\$ (6,699)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	388	93
Provision for credit losses	(807)	1,549
Allowance for inventory obsolescence	675	(205)
(Gain) /Loss on disposal of fixed assets	(15)	(3)
Pension contributions	(478)	(441)
Pension (income) expense	201	(614)
Foreign exchange (gain) loss	201	(685)
Noncash lease expense	1,503	1,258
Noncash interest expense	2	177
Deferred income tax	(258)	(18)
Changes in operating assets and liabilities:		
Accounts receivable	1,316	375
Inventories	(1,748)	(3,054)
Due from related parties	-	(9)
Due to related parties	-	1,283
Other assets	(1,979)	(1,851)
Operating lease liabilities	(1,425)	(1,111)
Accounts payable	1,602	851
Employee compensation	(549)	13
Other liabilities	202	591
Deferred revenue	819	1,048
Manufacturing warranty obligation	211	(116)
Advance payments from customers	5,573	8,037
Accrued expense and other current liabilities	634	1,545
Net cash provided by operating activities	1,916	2,014
<b>Cash flows from investing activities:</b>		
Purchases of property and equipment	(141)	(52)
Proceeds from sale of property and equipment	65	-
Capitalized software development costs	-	(13)
Payments to related party for promissory note	(405)	-
Net cash used in investing activities	(481)	(65)
<b>Cash flows from financing activities:</b>		
Payments on credit facilities	(3,123)	(2,074)
Payments on long term debt	(937)	(692)
Net cash used in financing activities	(4,060)	(2,766)
Effect of currency translation on cash and cash equivalents	71	(232)
Net decrease in cash, and cash equivalents, and restricted cash	(2,554)	(1,049)
Cash, and cash equivalents, and restricted cash - beginning of year	5,975	3,687
Cash, and cash equivalents, and restricted cash - end of year	\$ 3,421	\$ 2,638
Cash and cash equivalents - end of year	\$ 2,838	\$ 2,247
Restricted cash - end of year	583	391
Total cash, and cash equivalents, and restricted cash - end of year	\$ 3,421	\$ 2,638

**Supplemental disclosure of cash flow information:**

Interest paid	\$	740	\$	397
Income tax paid	\$	-	\$	17

**Supplemental disclosure of non-cash investing and financing activity:**

Settlement of related party receivables and payables	\$	7,322	\$	-
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*See accompanying notes to the condensed combined financial statements.*

**DIH HOLDING US, INC. AND SUBSIDIARIES**  
**RECONCILIATION OF Non-GAAP FINANCIAL MEASURES**  
**(UNAUDITED) (in thousands)**

	<b>For Nine Months Ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
Net loss	\$ (4,152)	\$ (6,699)
Adjusted to exclude the following:		
Taxes	638	770
Interest expense	744	575
Depreciation and amortization	388	93
Other non-recurring items <sup>(1)</sup>	2,837	125
Adjusted EBITDA	<u>\$ 455</u>	<u>\$ (5,136)</u>

(1) Represents transaction-related expenses incurred in connection with the Business Combination with ATAK completed on February 7, 2024.