UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 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 June 30, 2026
or

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

For the transition period from ___ to ___

Commission File Number 001-13449

Quantum Corporation
(Exact name of registrant as specified in its charter)

Delaware	**94-2665054**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
10770 E. Briarwood Avenue **Centennial CO**	**80112**
(Address of Principal Executive Offices)	(Zip Code)

(408) 944-4000
Registrant's telephone number, including area code

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

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, $0.01 par value per share	QMCO	Nasdaq Global Market

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

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in

Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	o	Accelerated filer	☒
Non-accelerated filer	o	Smaller reporting company	☒
		Emerging growth company	o

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. o

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

As of August 6, 2026, there were 39,410,001 shares of Quantum Corporation’s common stock issued and outstanding.

QUANTUM CORPORATION

QUARTERLY REPORT ON FORM 10-Q
For the Quarter Ended June 30, 2026

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Note Regarding Forward-Looking Statements

As used in this Quarterly Report on Form 10-Q (this "Quarterly Report"), the terms the "Company," "Quantum," "we," "us," and "our" refer to Quantum Corporation and its subsidiaries taken as a whole, unless otherwise noted or unless the context indicates otherwise.

This report contains forward-looking statements. All statements contained in this report other than statements of historical fact, including, but not limited to, statements regarding our future operating results and financial position; our business strategy, focus and plans; our market growth and trends; our products, services and expected benefits thereof; and our objectives for future operations, are forward-looking statements. The words “believe,” “may,” “will,” “estimate,” “continue,” “anticipate,” “intend,” “expect,” “could,” “would,” “project,” “plan,” “potentially,” “preliminary,” “likely,” and similar expressions are intended to identify forward-looking statements. We have based these forward-looking statements largely on our current expectations and projections about future events and trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs. These forward-looking statements are subject to a number of risks, uncertainties, and assumptions, including the competitive pressures that we face; risks associated with executing our strategy; the impact of macroeconomic and geopolitical trends and events; the need to manage third-party suppliers and the distribution of our products and the delivery of our services effectively; the protection of our intellectual property assets, including intellectual property licensed from third parties; risks associated with our international operations; the development and transition of new products and services and the enhancement of existing products and services to meet customer needs; our response to emerging technological trends; the execution and performance of contracts by us and our suppliers, customers, clients and partners; the hiring and retention of key employees; risks associated with business combination and investment transactions; the execution, timing and results of any transformation or restructuring plans, including estimates and assumptions related to the cost and the anticipated benefits of the transformation and restructuring plans; the outcome of any claims and disputes; the ability to meet stock exchange continued listing standards; the possibility that the Nasdaq may delist our securities; our ability to remediate the material weaknesses in our internal control over financial reporting and to maintain effective internal control over financial reporting following remediation; risks related to changes in our management; and those risks described under Item 1A. Risk Factors. Moreover, we operate in a competitive and changing environment. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the effect of all factors on our 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 we may make. In light of these risks, uncertainties, and assumptions, the future events and trends discussed in this report may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. Accordingly, you should not rely on forward-looking statements as predictions of future events. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that the future results, performance, or events and circumstances reflected in the forward-looking statements will be achieved or occur. We undertake no obligation to update any of these forward-looking statements for any reason after the date of this report or to conform these statements to actual results or revised expectations.

PART I—FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

QUANTUM CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except per share amounts, unaudited)

	June 30, 2026	March 31, 2026
Assets		
Current assets:		
Cash and cash equivalents	54,449	15,572
Restricted cash	141	662
Accounts receivable, net of allowance for credit losses of $3,778 and $3,234, respectively	66,659	69,650
Inventories	15,195	16,103
Prepaid expenses	4,717	2,431
Other current assets	7,557	8,068
Total current assets	148,720	112,486
Property and equipment, net	9,054	9,284
Goodwill	12,969	12,969
Right-of-use assets, net	7,275	7,416
Other long-term assets	13,879	14,737
Total assets	$ 191,897	$ 156,892
Liabilities and Stockholders' Deficit		
Current liabilities:		
Accounts payable	$ 26,663	$ 29,342
Accrued compensation	10,120	12,428
Deferred revenue, current portion	76,158	75,654
Term debt	—	54,811
Warrant liabilities	31,690	14,105
Other current liabilities	15,327	19,457
Total current liabilities	159,959	205,797
Deferred revenue, net of current portion	38,980	39,030
Convertible note	—	90,034
Operating lease liabilities	7,979	8,172
Other long-term liabilities	12,805	12,716
Total liabilities	219,722	355,749
Commitments and contingencies (Note 10)		
Stockholders' deficit		
Preferred stock:		
Preferred stock, 20,000 shares authorized; no shares issued as of June 30, 2026 and March 31, 2026, respectively	—	—
Common stock:		
Common stock, $0.01 par value; 225,000 shares authorized; 39,375 and 14,638 shares issued and outstanding at June 30, 2026 and March 31, 2026, respectively	393	146
Additional paid-in capital	1,171,684	853,974
Accumulated deficit	(1,198,810)	(1,043,517)
Accumulated other comprehensive loss	(1,092)	(9,460)
Total stockholders' deficit	(27,825)	(198,857)
Total liabilities and stockholders' deficit	$ 191,897	$ 156,892

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

QUANTUM CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(in thousands, except per share amounts, unaudited)

	Three Months Ended June 30,	
	2026	**2025**
Revenue		
Product	$ 53,871	$ 37,535
Service and subscription	24,668	24,943
Royalty	2,264	1,808
Total revenue	80,803	64,286
Cost of revenue		
Product	39,723	30,745
Service and subscription	9,360	10,829
Total cost of revenue	49,083	41,574
Gross profit	31,720	22,712
Operating expenses		
Sales and marketing	11,027	12,655
General and administrative	9,609	13,569
Research and development	6,023	6,661
Restructuring charges	23	2,423
Total operating expenses	26,682	35,308
Income (loss) from operations	5,038	(12,596)
Other income (expense), net	211	(430)
Interest expense	(2,097)	(6,516)
Change in fair value of warrant liability	(16,305)	—
Change in fair value of convertible note	(129,715)	—
Gain (loss) on debt extinguishment, net	(11,716)	2,559
Loss before income taxes	(154,583)	(16,983)
Income tax provision	710	223
Net loss	$ (155,293)	$ (17,206)
Net loss per share - basic and diluted	$ (7.06)	$ (1.87)
Weighted average shares - basic and diluted	21,988	9,187
Net loss	$ (155,293)	$ (17,206)
Reclassification of loss on Convertible Note to loss on debt extinguishment	8,444	—
Foreign currency translation adjustments, net	(76)	722
Total comprehensive loss	$ (146,925)	$ (16,484)

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

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QUANTUM CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands, unaudited)

	Three Months Ended June 30,	
	2026	**2025**
Operating activities		
Net loss	$ (155,293)	$ (17,206)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	1,170	1,032
Amortization of debt issuance costs	530	2,075
Non-cash lease expense	260	343
Paid-in-kind interest	924	1,758
Provision for manufacturing and service inventories	163	2,701
Stock-based compensation	748	(529)
Warrants issued in connection with debt amendments	1,280	—
Change in fair value of warrant liabilities	16,305	—
Change in fair value of convertible note	129,715	—
Non-cash loss (gain) on debt extinguishment	8,372	(2,559)
Other non-cash	282	1,201
Changes in assets and liabilities:		
Accounts receivable	2,690	4,043
Inventories	745	(297)
Accounts payable	(2,804)	(4,484)
Prepaid expenses	(2,286)	(1,024)
Operating lease liabilities	(236)	(283)
Deferred revenue	454	(7,668)
Accrued restructuring charges	(496)	993
Accrued compensation	(1,811)	1,036
Other assets	895	840
Other liabilities	(660)	1,137
Net cash provided by (used in) operating activities	947	(16,891)
Investing activities		
Purchases of property and equipment	(395)	(1,192)
Net cash used in investing activities	(395)	(1,192)
Financing activities		
Repayment of long-term debt, net	(56,830)	—
Repayments of long-term debt on Assignment	—	(909)
Borrowings of credit facility	—	71,625
Repayments of credit facility and payment of amendment fees	—	(98,682)
Proceeds from shares related to the SEPA, net	—	66,993
Proceeds from shares issued related to private placement, net	94,638	—
Net cash provided by financing activities	37,808	39,027
Effect of exchange rate changes on cash and cash equivalents	(4)	—
Net change in cash, cash equivalents, and restricted cash	38,356	20,944
Cash, cash equivalents, and restricted cash at beginning of period	16,234	16,603
Cash, cash equivalents, and restricted cash at end of period	$ 54,590	$ 37,547
Supplemental disclosure of cash flow information		
Cash paid for interest	$ —	$ 2,987
Cash paid for income taxes, net of refunds	$ 142	$ 141
Non-cash investing and financing transactions:		
Purchases of property and equipment included in accounts payable	$ 164	$ 105
Right-of-use assets obtained in exchange for new lease liabilities	$ 30	$ —
Warrants issued in connection with debt amendments	$ 1,280	$ —
Common stock issued upon conversion of Convertible Note (14,104,620 shares)	$ 222,571	$ —

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the condensed consolidated balance sheets that sum to the total of the same such amounts shown in the condensed consolidated statements of cash flows:

Cash and cash equivalents	$ 54,449	$ 37,404
Restricted cash	141	143
Total cash, cash equivalents and restricted cash at the end of period	$ 54,590	$ 37,547

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

QUANTUM CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT
(in thousands, unaudited)

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Deficit
	Shares	Amount				
Balance, March 31, 2025	6,962	$ 70	$ 779,645	$ (942,471)	$ (1,610)	$ (164,366)
Net loss	—	—	—	(17,206)	—	(17,206)
Foreign currency translation adjustments, net of income taxes	—	—	—	—	722	722
Shares issued under employee incentive plans	37	—	—	—	—	—
Shares issued related to the SEPA, net of issuance costs	6,320	63	66,930	—	—	66,993
Stock-based compensation	—	—	(529)	—	—	(529)
Balance, June 30, 2025	13,319	$ 133	$ 846,046	$ (959,677)	$ (888)	$ (114,386)
Balance, March 31, 2026	14,638	$ 146	$ 853,974	$ (1,043,517)	$ (9,460)	$ (198,857)
Net loss	—	—	—	(155,293)	—	(155,293)
Foreign currency translation adjustments, net of income taxes	—	—	—	—	(76)	(76)
Change in fair value of convertible note	—	—	—	—	8,444	8,444
Shares issued related to private placement, net of issuance costs	10,616	106	94,532	—	—	94,638
Shares issued under employee stock incentive plans	16	—	—	—	—	—
Shares issued related to the convertible note	14,105	141	222,430	—	—	222,571
Stock-based compensation	—	—	748	—	—	748
Balance, June 30, 2026	39,375	$ 393	$ 1,171,684	$ (1,198,810)	$ (1,092)	$ (27,825)

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

INDEX TO NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

QUANTUM CORPORATION

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

NOTE 1: DESCRIPTION OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES

Description of Business

Quantum Corporation, together with its consolidated subsidiaries (“Quantum”, the “Company”, "our" or "we"), stores and manages digital video and other forms of unstructured data, providing streaming performance for video and rich media applications, along with low-cost, long-term storage systems for data protection and archiving. The Company helps customers around the world capture, create and share digital data and preserve and protect it for decades. The Company’s software-defined, hyperconverged storage solutions span from non-violate memory express (“NVMe”), to solid state drives (“SSD”), hard disk drives (“HDD”), tape and the cloud and are tied together leveraging a single namespace view of the entire data environment. The Company works closely with a broad network of distributors, value-added resellers (“VARs”), direct marketing resellers (“DMRs”), original equipment manufacturers (“OEMs”) and other suppliers to meet customers’ evolving needs.

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) for interim financial information. All intercompany balances and transactions have been eliminated. Certain information and footnote disclosures normally included in annual financial statements have been condensed or omitted. The Company believes the disclosures made are adequate to prevent the information presented from being misleading. However, the accompanying unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto included within the Company’s Annual Report
on Form 10-K for the fiscal year ended March 31, 2026 (the “Annual Report”).

The unaudited condensed consolidated interim financial statements reflect all adjustments, consisting only of normal and recurring items, necessary to present fairly our financial position as of June 30, 2026, the results of operations and comprehensive loss, our cash flows, and changes in stockholders’ deficit, as of and for the three months ended June 30, 2026 and 2025. Interim results are not necessarily indicative of full year performance because of short-term variations.

The condensed consolidated balance sheet at March 31, 2026 was derived from audited financial statements for the year ended March 31, 2026 included in the Annual Report but does not contain all of the footnote disclosures from the annual financial statements.

Reclassifications

Certain prior-period amounts in the condensed consolidated statements of cash flows have been reclassified to conform to the current period presentation. These reclassifications had no effect on total cash flows.

We have aggregated Manufacturing and Service Inventory into a single line called Inventories on the Condensed Consolidated Balance Sheets and we have aggregated Accrued Restructuring into Accrued Compensation. Details of the balances in the Inventories line item has been included in *Note 3 : Balance Sheet Information* and Accrued Restructuring has been included in *Note 6 : Restructuring Charges.*

Liquidity

These condensed consolidated financial statements have been prepared in accordance with GAAP assuming the Company will continue as a going concern. The going concern assumption contemplates the realization of assets and satisfaction of liabilities in the normal course of business.

The Company generated cash flows from operations of approximately $0.9 million for the quarter ended June 30, 2026, and had negative cash flows from operations of $(16.9) million for the quarter ended June 30, 2025. The Company has funded operations through the sale of common stock and term debt borrowings in *Note 4: Debt* and *Note 7: Common Stock.* Management believes that it has the ability to obtain additional debt or equity financing, if required, and has historically been able to do so. Management also believes that current working capital will provide the Company with sufficient capital to fund operations for at least one year from the consolidated financial statement issuance date.

On June 1, 2026, the Company entered into Securities Purchase Agreements to issue and sell to certain accredited investors an aggregate of 10,615,712 shares of the Company's common stock. After deducting placement agent fees and other offering expenses payable by the Company, the Company received net proceeds of $94.6 million. On June 4, 2026, the Company paid an aggregate of $57.8 million in connection with the termination of the Term Loan Credit Agreement. This fully paid down and extinguished the Company's Term Loans. Also on June 4, 2026, the Company provided a notice to YA II PN, Ltd. ("YA") regarding its termination of the Standby Equity Purchase Agreement (the "SEPA"), effective June 11, 2026. There were no amounts owed to YA under the SEPA at the time the termination notice was provided.

Use of Estimates

The preparation of condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported and disclosed in the condensed consolidated financial statements and accompanying notes. Actual results could differ from these estimates and assumptions due to risks and uncertainties. Such estimates include, but are not limited to, the determination of standalone selling price for revenue arrangements with multiple performance obligations, inventory adjustments, useful lives of intangible assets and property and equipment, stock-based compensation, fair value of warrants, fair value of the convertible note and provision for income taxes including related reserves. Management bases its estimates on historical experience and on various other assumptions which management believes to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities.

Restricted Cash

Restricted cash is comprised of bank guarantees and similar required minimum balances that serve as cash collateral in connection with various items including insurance requirements, value added taxes, ongoing tax audits and leases in certain countries.

Accounts Receivable and Allowance for Credit Losses

Accounts receivable are recorded at the invoiced amount, and stated at realizable value, net of an allowance for credit losses. The Company maintains an allowance for credit losses for estimated losses based on historical experience and expected collectability of outstanding accounts receivable. The Company performs ongoing credit evaluations of its customers' financial condition, and for the majority of its customers require no collateral. For customers that do not meet the Company's credit standards, the Company may require a form of collateral, such as cash deposits or letters of credit, prior to the completion of a transaction. These credit evaluations require significant judgment and are based on multiple sources of information. The Company analyzes such factors as its historical bad debt experience, industry and geographic concentrations of credit risk, current economic trends and changes in customer payment terms. The Company will write-off customer balances in full to the reserve when it has determined that the balance is not recoverable. Changes in the allowance for credit losses are recorded in general and administrative expenses.

The company has applied the practical expedient for credit losses, where current conditions that do not affect the historical loss information are taken into account when determining the expected credit loss.

Warrant Accounting

The Company accounts for warrants as either equity-classified or liability-classified instruments based on an assessment of the warrant's specific terms and applicable authoritative guidance Accounting Standards Codification ("ASC") Topic 480*, Distinguishing Liabilities from Equity* ("Topic 480") and ASC Topic 815, *Derivatives and Hedging* ("Topic 815"). The assessment considers whether the warrants are freestanding financial instruments pursuant to Topic 480, meet the definition of a liability pursuant to Topic 480, and whether the warrants meet all of the requirements for equity classification under Topic 815, including whether the warrants are indexed to the Company's own common shares and whether the warrant holders could potentially require "net cash settlement" in a circumstance outside of the Company's control, among other conditions for equity classification. This assessment, which requires the use of professional judgment, is conducted at the time of warrant issuance and as of each subsequent quarterly period end date while the warrants are outstanding.

For issued or modified warrants that meet all of the criteria for equity classification, the warrants are required to be recorded as a component of additional paid-in capital at the time of issuance or modification. For issued or modified warrants that do not meet all the criteria for equity classification, the warrants are required to be recorded at their initial fair value on the date of issuance, and each balance sheet date thereafter. This liability is subject to remeasurement at each balance sheet date until exercised, and any change in fair value is recognized in the Company's condensed consolidated statements of operations and comprehensive loss. Quantum issued a Conversion Warrant in June 2026 and Forbearance Warrant in September 2025. See *Note 4: Debt* and *Note 7: Common Stock,* for further details.

Accounting Pronouncements Recently Adopted

In July 2025, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2025-05, *Financial Instruments—Credit Losses (Topic 326): Measurements of Credit Losses for Accounts Receivable and Contract Assets*. The amendments in this update provide a practical expedient related to the estimation of expected credit losses for current accounts receivable and current contract assets that arise from transactions accounted for under FASB ASC 606. Under ASU 2025-05, an entity is required to disclose whether it has elected to use the practical expedient. An entity that makes the accounting policy election is required to disclose the date through which subsequent cash collections are evaluated. ASU 2025-05 is effective for the Company beginning in the fiscal year beginning April 1, 2026, with early adoption permitted. The adoption of this new standard did not have a material impact on our financial statement disclosures.

Recent Accounting Pronouncements Not Yet Adopted

In November 2024, the FASB issued ASU 2024-03, *Income Statement - Reporting Comprehensive Income -Expense Disaggregation Disclosures (Subtopic220-40): Disaggregation of Income Statement Expenses*, which requires additional disclosures of specific expense categories included within each expense caption presented on the Statements of Operations. The new standard can be applied on either a fully retrospective or prospective basis. ASU 2024-03 will be effective for our fiscal year beginning April 1, 2027, and interim periods within our fiscal year beginning April 1, 2028, with early adoption permitted. The Company is currently evaluating the impact of this new standard on its financial statement disclosure.

In September 2025, the FASB issued ASU 2025-06, *Targeted Improvements to the Accounting for Internal-Use Software" (Topic 350)*. The updates eliminate references to software development project stages and revises the criteria that must be met to begin capitalizing internal-use software costs. The standard permits entities to adopt the guidance using a prospective, retrospective, or modified transition approach and becomes effective for the Company beginning January 1, 2028, with early adoption permitted. The Company is currently assessing the potential impact that ASU 2025-06 will have on its financial statement disclosures.

In December 2025, the FASB issued ASU 2025-11, *Interim Reporting (Topic 270): Narrow-Scope Improvements*, which clarifies certain aspects of interim reporting guidance. The standard is effective for interim periods within fiscal years beginning after December 15, 2027, which will be the Company's fiscal year beginning April 1, 2029, with early adoption permitted. The Company is currently evaluating the impact of this guidance on its interim financial statement disclosures.

NOTE 2: REVENUE

Contract Balances

The following table presents the Company's contract assets and liabilities:

	June 30, 2026	March 31, 2026	June 30, 2025	March 31, 2025
Accounts receivable, net	$ 66,659	$ 69,650	$ 48,445	$ 52,502
Contract assets - included in Other current assets	342	351	278	278
Deferred revenue, current portion	76,158	75,654	69,675	75,076
Deferred revenue, net of current portion	38,980	39,030	36,580	38,847

Remaining Performance Obligations

Total remaining performance obligations ("RPO") refers to goods and services which have been contracted for but not recognized into revenue. RPO consists of both deferred revenue, which is included in the condensed consolidated balance sheets, and non-cancelable amounts from contracts that will be invoiced in the future. As of June 30, 2026, the total balance was $165.9 million. This amount excludes variable consideration related to sales-based royalties.

Remaining performance obligations consisted of the following (in thousands):

	Current	Non-Current	Total
As of June 30, 2026	$ 126,924	$ 38,980	$ 165,904

Deferred revenue primarily consists of amounts invoiced and paid but not recognized as revenue, including performance obligations pertaining to subscription services. The table below reflects our deferred revenue as of June 30, 2026 (in thousands):

	Deferred revenue as of June 30, 2026		
	Current	Non-current	Total
Service revenue	$ 62,133	$ 29,645	$ 91,778
Subscription revenue	12,899	9,335	22,234
Product revenue	1,126	—	1,126
Total	$ 76,158	$ 38,980	$ 115,138

The Company recognized revenue $22.9 million in the 3 months ended June 30,2026 and $26.6 million in the 3 months ended June 30, 2025 that was included in the contract liability balances at March 31, 2026 and 2025, respectively.

NOTE 3: BALANCE SHEET INFORMATION

Certain significant amounts included in the Company's consolidated balance sheets consist of the following (in thousands):

Inventories

	June 30, 2026	March 31,2026
Manufactured finished goods	$ 6,307	$ 5,887
Work in progress	729	990
Raw materials	8,159	8,508
Service parts	—	718
Total inventories	$ 15,195	$ 16,103

Goodwill

As of June 30, 2026 and March 31, 2026, goodwill was approximately $13.0 million. There were no impairments to goodwill as of June 30, 2026 and March 31, 2026.

Other Long-term Assets

	June 30, 2026	March 31, 2026
Capitalized SaaS implementation costs for internal use	$ 11,584	$ 12,063
Deferred taxes	1,062	1,062
Contract cost asset	907	994
Other	326	618
Total other long-term assets	$ 13,879	$ 14,737

Other current liabilities

	June 30, 2026	March 31, 2026
Accrued expenses	$ 6,506	$ 7,456
Accrued interest	—	2,827
Accrued supplier owned inventory obsolescence	2,633	2,057
Accrued income taxes	1,365	1,153
Accrued warranty	920	772
Lease liability	877	799
Accrued product returns	717	783
Other	2,309	3,610
Total other accrued liabilities	$ 15,327	$ 19,457

The following table details the change in the accrued warranty balance (in thousands):

	June 30, 2026	June 30, 2025
Beginning balance	$ 772	$ 1,032
Current period accruals	483	622
Adjustments to prior estimates	196	(19)
Charges incurred	(507)	(735)
Reclassification to long-term warranty	(25)	27
Ending balance	$ 920	$ 927

NOTE 4: DEBT

The following table summarizes the Company's borrowing as of the dates presented (in thousands):

	June 30, 2026	March 31, 2026
Term loan	$ —	$ 55,906
Convertible note	—	90,034
Less: current portion	—	(54,811)
Less unamortized debt issuance costs[(1)]	—	(1,095)
Long-term debt, net	$ —	$ 90,034

[(1)] The unamortized debt issuance costs related to the Term Loan are presented as a reduction of the carrying amount of the corresponding debt balance on the accompanying condensed consolidated balance sheet as of March 31, 2026.

On August 5, 2021, the Company entered into a Term Loan Credit and Security Agreement (the “Term Loan Credit Agreement”), pursuant to which a senior secured Term Loan was issued (the “2021 Term Loan”), maturing on August 5, 2026. The Company also entered into an Amended and Restated Revolving Credit and Security Agreement on December 27, 2018 (the “PNC Credit Facility” and, together with the Term Loan Credit Agreement, the “Credit Agreements”), which, per its terms, was maturing on August 5, 2026 and provided for borrowings up to a maximum principal amount of the lesser of: (a) $40.0 million or (b) the amount of the borrowing base, as defined in the PNC Credit Facility agreement.

On June 1, 2023, the Company entered into amendments to the Credit Agreements (the “June 2023 Amendment”) which, among other things, provided an advance of $15.0 million in additional Term Loan borrowings (the “2023 Term Loan” and, together with the 2021 Term Loan, the "Term Loan") and incurred $0.9 million in original issuance discount and origination fees which was recorded as a reduction to the carrying amount of the 2023 Term Loan and amortized to interest expense over the term of the loan. The terms of the 2023 Term Loan were substantially similar to the terms of the 2021 Term Loan, including in relation to maturity and security, except that, among other things, (a) the Applicable Margin (i) for any 2023 Term Loan designated an “ABR Loan” was 9.00% per annum and (ii) for any 2023 Term Loan designated as a “SOFR Loan” was 10.00% per annum, (b) accrued interest on the 2023 Term Loan was payable in kind ("PIK"), and was capitalized and added to the principal amount of the 2023 Term Loan at the end of each interest period applicable thereto, (c) the 2023 Term Loan did not amortize prior to the maturity date thereof, and (d) the 2023 Term Loan could not be prepaid prior to the payment in full of the existing Term Loans. In connection with the 2023 Term Loan, the Company issued warrants to purchase an aggregate of 62,500 shares (the “June 2023 Warrants”) of the Company’s common stock, at an exercise price of $20.00 per share.

On July 11, 2024, the Company entered into amendments to the Credit Agreements (the “July 2024 Amendments”) which, among other things, delayed the testing of the Company’s June 30, 2024 net leverage ratio financial covenant until July 31, 2024. In connection with the amendments, the Company issued the Term Loan lenders warrants to purchase an aggregate of 50,000 shares of the common stock at a purchase price of $8.20 (the “July 2024 Warrants”).

The July 2024 Amendments to the 2021 Term Loan were accounted for as a modification. The fair value of the July 2024 Warrants of $0.4 million was reflected as a reduction to the carrying amount of the 2021 Term Loan and amortized to interest expense over the remaining term of the loan. The July 2024 Amendments to the PNC Credit Facility were accounted for as a modification and the $0.1 million in related fees and expenses were recorded to other assets and were amortized to interest expense over the remaining term of the agreement.

On August 13, 2024, the Company entered into amendments to the Credit Agreements (the “August 2024 Amendments”) which, among other things, (i) waived compliance with the June 30, 2024 net leverage ratio financial covenant; (ii) waived any non-compliance with the minimum liquidity financial covenant through the date of the amendments; (iii) removed the fixed charges coverage ratio financial covenant until the fiscal quarter ended September 30, 2025; (iv) waived the testing requirement for the net leverage ratio financial covenant for the fiscal quarter ended September 30, 2024; (v) replaced the net leverage ratio financial covenant with a minimum EBITDA financial covenant for the fiscal quarters ended December 31, 2024 and March 31, 2025; (vi) reset the net leverage ratio financial covenant requirements for the fiscal quarters ended June 30, 2025 and September 30, 2025; (vii) reduced the minimum liquidity covenant to $10 million through September 30, 2025; (viii) adjusted the applicable interest rates on the Term Loan and PNC Credit Facility; (ix) removed required 2021 Term Loan principal amortization until the fiscal quarter ended September 30, 2025; and (x) repriced certain lender warrants.

In connection with the August 2024 Amendments, the Company entered into a new senior secured delayed draw Term Loan facility with a borrowing capacity of up to $26.3 million ($25.0 million after original issuance discount) and a commitment period expiring on October 31, 2024 (each draw, an “August 2024 Term Loan”). The Company borrowed $10.5 million at closing (“Initial August 2024 Term Loan”). Borrowings under the August 2024 Term Loan had an August 5, 2026 maturity date, which aligned with the 2021 Term Loan. The principal was payable quarterly beginning September 30, 2025, at a rate per annum equal to 5% of the original principal balance. The August 2024 Term Loan’s interest rate margin was (a) until March 31, 2025 (i) for any August 2024 Term Loan designated as a ‘SOFR Loan’, 12.00% per annum and (ii) for any August 2024 Term Loan designated an ‘ABR Loan’, 11.00% per annum, in each case, with 6.00% of such interest rate margin paid-in-kind, and (b) from April 1, 2025, (i) for any August 2024 Term Loan designated as a ‘SOFR Loan’, 14.00% per annum and (ii) for any August 2024 Term Loan designated an ‘ABR Loan’, 13.00% per annum, in each case, with 8.00% of such interest rate margin paid-in-kind. The August 2024 Term Loan also included a multiple on invested capital payable to the August 2024 Term Loan lenders. Subsequently, the Company borrowed the remaining $15.8 million of the August 2024 Term Loan’s borrowing capacity before September 30, 2024.

Subsequent to the August 2024 Amendments, the 2021 Term Loan amortized at 5.00% per annum commencing on September 30, 2025. Subsequent to the August 2024 Amendments and (A) until March 31, 2025, loans under the 2021 Term Loan designated as ABR Loans bore interest at a rate per annum equal to the “ABR Rate” (calculated as the greatest of (i) 1.75%; (ii) the Federal funds rate plus 0.50%; (iii) a secured overnight financing rate (the “SOFR Rate”) based upon an interest period of one month plus 1.0%; and (iv) the “Prime Rate” last quoted by The Wall Street Journal), plus an applicable margin of 8.75%, and (y) SOFR Rate Loans bore interest at a rate per annum equal to the SOFR Rate plus an applicable margin of 9.75%, in each case, with 3.75% of such interest rate margin paid-in-kind, with two specified step-downs in such applicable margin upon the receipt by the Company of cash proceeds from certain specified capital raises, and (B) from and after April 1, 2025, loans under the 2021 Term Loan designated as (x) ABR Loans bore interest at a rate per annum equal to the ABR Rate, plus an applicable margin of 8.75%, and (y) SOFR Rate Loans bore interest at a rate per annum equal to the SOFR Rate plus an applicable margin of 9.75%, in each case, with 3.75% of such applicable margin paid-in-kind, with a step-up of 1.00% per annum (which would have been paid-in-kind) if the Company’s total net leverage ratio was greater than 4.00x, and a step-down of 1.00% per annum if the Company's total net leverage ratio was less than 3.50x (which would have reduced the paid-in-kind component of the applicable margin). The SOFR Rate was subject to a floor of 2.00%. The Company could designate a loan as an ABR Rate Loan or SOFR Rate Loan in its discretion.

The August 2024 Amendments to the 2021 Term Loan held by one lender was accounted for as a modification. The $1.2 million fair value of the August 2024 Warrants issued to this lender and the $0.5 million of PIK fees paid to this lender were reflected as a reduction to the carrying amount of their Term Loan and their initial delayed draw Term Loan and amortized to interest expense over the remaining term of the loan. The August 2024 Amendments to the 2021 Term Loan held by another lender was accounted for as a debt extinguishment. The Company recorded a loss on debt extinguishment of $3.0 million related to the write-off of a portion of unamortized debt issuance costs and fees and expenses incurred with the August 2024 Amendments.

On April 2, 2025, the Company consented to an assignment (the "Master Assignment Agreement") of the 2021 Term Loan and 2024 Term Loans. One of the lenders sold $51.4 million of Term Loan and assigned all of its interests to Dialectic Technology SPV, LLC ("Dialectic"). The Master Assignment Agreement was accounted for as a debt extinguishment. The Company recorded a gain on debt extinguishment of $2.4 million related to the net of discount on issuance of Term Loans to a new lender and write-off of all unamortized debt issuance costs and fees related to the previous lender. The $0.4 million in new lender fees were recorded as a reduction to the carrying amounts of the Term Loans and amortized to interest expense over the remaining term of the loan.

On May 5, 2025, the Company entered into an amendment (the "May 2025 Term Loan Amendment") to the Term Loan. The May 2025 Term Loan Amendment, among other things, revised the prepayment requirements under the Term Loan Credit Agreement in connection with the net cash proceeds received from the SEPA. The May 2025 Term Loan Amendment was accounted for as a modification and the $0.1 million in lender amendment fees were recorded as a reduction to the carrying amounts of the Term Loans and amortized to interest expense over the remaining term of the loan.

On August 13, 2025, the Company terminated its PNC Credit Facility. As of the date of termination, there were no amounts outstanding under the facility. In connection with the termination, the Company paid an exit fee of $1.2 million, which was recorded within Loss on Debt Extinguishment on the consolidated statement of operations and comprehensive loss.

On August 13, 2025, the Company obtained waivers to certain covenants including the net leverage covenant under the Term Loan Credit Agreement for the quarter ended June 30, 2025. Additionally, the requirement to use certain proceeds of the SEPA to pay down the Term Loan was waived.

On September 23, 2025, the Company entered into the Fifteenth Amendment to the Term Loan Credit Agreement with Quantum LTO Holdings, LLC, Dialectic, OC III LVS XXXIII LP ("LVS XXXIII"), OC III LVS XL LP ("LVS XL" and together with LVS XXXIII, the "OC III Lenders"), and Alter Domus (US) LLC, as disbursing agent and collateral agent (the "Fifteenth Amendment"). The Fifteenth Amendment, among other things, (i) permits the Company to retain up to $15.0 million of net cash proceeds from the SEPA received on or after the date of the Fifteenth Amendment for working capital and general corporate purposes, (ii) converts certain tranches of Term Loans held by the OC III Lenders into new and separate tranches, (iii) defers payment of cash interest on Term Loans held by Dialectic accruing during the quarters ended September 30, 2025 and December 31, 2025, until the earliest of (a) the date the Company elects to pay such deferred cash interest, (b) the maturity of such Term Loans, or (c) the date the Debt Exchange (as defined below) occurs, at which point such deferred interest will be subject to the terms of the Convertible Note indenture, and increases the interest rate applicable to such Term Loans by 2.00% during the period that such cash interest is being deferred, (iv) eliminates the existing maximum total net leverage ratio covenant and minimum daily liquidity covenant (noting that, following the Debt Exchange (as defined below), the Convertible Note will be subject to a minimum liquidity covenant), and (v) amends certain other provisions, including mandatory prepayment events, payment of fees and expenses, and reporting requirements.

In connection with the Fifteenth Amendment, the Company issued a warrant (the "Forbearance Warrant") to Dialectic to purchase up to 2,653,308 shares of its common stock, representing 19.9% of the Company's outstanding shares as of the date of the Transaction Agreement (as defined below) as consideration for the forbearance, waivers, and amendments granted under the Fifteenth Amendment. See *Note 7: Common Stock,* for additional information.

With respect to the Term Loans held by Dialectic, the Fifteenth Amendment was accounted for as an extinguishment under ASC 470-50, resulting in the recognition of a new debt instrument, the derecognition of the original Term

Loans, and a loss on extinguishment of $31.0 million, which is included in loss on debt extinguishment on the consolidated statement of operations and comprehensive loss for fiscal year ended March 31, 2026. The fair value of the Forbearance Warrant was treated as a lender fee and included in the extinguishment loss calculation. The Fifteenth Amendment to the Term Loans held by OC III Lenders was accounted for as a modification. See *Note 11: Fair Value of Financial Instruments,* for additional information.

On September 23, 2025, the Company entered into an agreement with Dialectic and the OC III Lenders (the “Transaction Agreement”). Pursuant to the Transaction Agreement, the Company agreed to issue to Dialectic, on a dollar-for-dollar basis, one or more 10.00% PIK Senior Secured Convertible Note due 2028 ("Convertible Note") in exchange for the amounts then outstanding under the Term Loans held by Dialectic (the “Debt Exchange”). On December 18, 2025, the Company closed the transactions contemplated by the Transaction Agreement (the “Closing”), including its issuance to Dialectic of the Convertible Note and extinguishing $54.7 million of Term Debt. Associated lender fees of $2.2 million were also incurred. The Closing was conditioned upon, among other things, approval of the Debt Exchange by the Company’s stockholders, which approval was obtained on December 16, 2025.

The Convertible Note had a three-year maturity and bore interest at 10% per annum, payable in-kind and compounded annually. The Convertible Note was secured by substantially all of the assets of the Company that secure the Term Loan. The initial conversion price equaled $10.00 per share of the Company’s common stock (the “Conversion Price”). The Conversion Price was subject to four quarterly reset on the last day of each calendar quarter immediately following September 15, 2025 (each, a “Reset Price Date”) to the greater of (a) $4.00 per share and (b) the lesser of (i) the then-current Conversion Price and (ii) the 30-day Volume-Weighted Average Price (VWAP) of the Company’s common stock immediately preceding the Reset Price Date.
The Lender could have, at any time, elected to exchange all or any portion of the outstanding principal amount, accrued and unpaid interest and premium (if any) of the Convertible Note for shares of the Company’s common stock at the then-applicable Conversion Price. Beginning six months after the Closing, if certain conditions were met, the Company could have, at its election, required the Lender to exchange a portion of the outstanding Convertible Note into shares of the Company’s common stock at the then-applicable Conversion Price if the 10-day VWAP exceeded specified multiples of the Conversion Price (the “Company Mandatory Exchange”). The Company Mandatory Exchange, if triggered, occured in tranches of 20%, 20%, 30%, and the remaining balance. If certain conditions were met, at the Company’s option, on the maturity date, any outstanding principal, accrued and unpaid interest, and premium (if any) could be exchanged for shares of the Company’s common stock at 80% of the average of the Daily VWAP for each of the five lowest consecutive trading days during the 20 consecutive trading days ending on (and including) the trading day immediately prior to the maturity date.

The Company accounted for the exchange of Dialectic’s Term Loans for the Convertible Note as an extinguishment of the Term Loans and recognized a loss on debt extinguishment of $28.9 million on the consolidated statements of operations and comprehensive loss for the fiscal year ended March 31, 2026. The Company elected the fair value option under ASC 825 for the Convertible Note. See *Note 11: Fair Value of Financial Instruments*, for additional information.

On June 1, 2026, the Company entered into a Sixteenth Amendment (the “Sixteenth Amendment”) to its Term Loan Credit Agreement. Pursuant to the Sixteenth Amendment, among other things, the maturity date of the loans under the Term Loan Credit Agreement was extended to September 2028 and a portion of the proceeds of future equity issuances by the Company were allowed to be retained by the Company rather than 100% of the net proceeds having to be used to mandatorily prepay loans under the Term Loan Credit Agreement. In addition, the Sixteenth Amendment clarifies that, following the conversion or exchange of the Convertible Note (as described below), the liens securing the Convertible Note, and the intercreditor agreement governing the priority of those liens vis-a-vis the liens securing the obligations of the Company under the Existing Credit Agreement, would be terminated, and all of the outstanding obligations under the Term Loan Credit Agreement would continue to be secured by the assets of the Company on a first priority basis.

In order to facilitate the Private Placement and the Sixteenth Amendment, Dialectic, as the sole beneficial owner of the Convertible Note, agreed to voluntarily convert the Convertible Note into common stock. Pursuant to a Conversion Agreement dated June 1, 2026 (the “Conversion Agreement”), by and among the Company, Dialectic and, solely with respect to Sections 7.1 and 7.3 and Articles III and X thereof, U.S. Bank Trust Company, National Association, as the trustee and Notes Collateral Agent under the Indenture (the “Indenture”), dated as of December 18, 2025, by and among the Company, the guarantors party thereto and U.S. Bank Trust Company, National Association, as trustee and collateral agent, on June 4, 2026, Dialectic converted the entire principal amount of the Convertible Note, together with all accrued and unpaid interest thereon, which was approximately $57.2 million, at the Closing, subject to certain conditions set forth in the Conversion Agreement (the “Conversion”). At the Closing, the Convertible Note was canceled.

As consideration for Dialectic’s agreement to voluntarily convert the Convertible Note to facilitate the Private Placement and the Sixteenth Amendment, the Company agreed to, at the Closing, (i) amend the Convertible Note to waive certain notice and settlement requirements otherwise applicable to a voluntary exchange; (ii) issue to Dialectic 3.1 million additional shares of the Company’s common stock in connection with the Conversion (the “Share Consideration”), which represents the quotient of (A) $13.0 million, the present value of nominal PIK interest that would accrue on the Convertible Note from the Closing to the maturity date thereof, assuming it had remained outstanding until the end of the stated term, discounted at a rate of 11%, plus (B) $2.8 million, the Term Loan Deferred Cash Interest Amount (as defined in the Term Loan Credit Agreement) owed to Dialectic, divided by $5.1940, the current conversion price of the Convertible Note; and (iii) issue to Dialectic the Conversion Warrant (as defined in *Note 7: Common Stock)*.

On June 4, 2026, the Company paid an aggregate of $57.8 million in connection with the termination of the Term Loan Credit Agreement, consisting of the entire outstanding principal amount, accrued interest, and fees and expenses incurred in connection with the termination. The Company recorded a loss on debt extinguishment of $11.7 million associated with this transaction.

On June 4, 2026 and pursuant to the terms of that the Conversion Agreement, all of the Company’s outstanding Convertible Notes were canceled, and the Indenture was satisfied and discharged in full. See *Note 11: Fair Value of Financial Instruments* for full details of the transaction.

Related Party Transactions

The Forbearance Warrant, Conversion Warrant and Convertible Note issued to Dialectic constitute related party transactions, as John Fichthorn, a member of the Company's Board, is also Managing Partner of Dialectic Capital Management, the investment adviser to Dialectic. The fair values of the Forbearance Warrant and Conversion warrant as of June 30, 2026 are included in *Note 11: Fair Value of Financial Instruments*. The Convertible Note was cancelled on June 4, 2026 when the Indenture was satisfied and discharged in full.

NOTE 5: LEASES

Supplemental condensed consolidated balance sheets information related to leases is as follows (in thousands):

Operating leases	June 30, 2026	March 31, 2026
Operating lease right-of-use assets	$ 7,275	$ 7,416
Operating lease liability, current - included in other accrued liabilities	$ 877	$ 799
Operating lease liability	7,979	8,172
Total operating lease liabilities	$ 8,856	$ 8,971

The components of lease expense were as follows (in thousands):

	Three Months Ended June 30,	
Lease expense	2026	2025
Operating lease expense	$ 540	$ 669
Variable lease expense	33	39
Short-term lease expense	108	75
Total lease expense	$ 681	$ 783

Maturity of Lease Liabilities	Operating Leases
Remainder of fiscal year 2027	$ 1,476
2028	1,618
2029	1,244
2030	1,237
2031	1,285
Thereafter	9,569
Total lease payments	16,429
Less: Imputed interest	(7,573)
Present value of lease liabilities	$ 8,856

Lease Term and Discount Rate	June 30, 2026	March 31, 2026
Weighted average remaining operating lease term (years)	10.00	10.16
Weighted average discount rate for operating leases	12.68 %	12.67 %

Operating cash outflows related to operating leases totaled $0.5 million and $0.7 million for the three months ended June 30, 2026 and 2025, respectively.

NOTE 6: RESTRUCTURING CHARGES

During the quarters ended June 30, 2026 and 2025, the Company approved certain restructuring plans to complete a plan to rationalize its cost structure. All restructuring activities from prior years were completed by the fourth quarter of fiscal 2026. During fiscal year 2026, all employees were notified; however, due to local requirements, not all employees had left employment by the end of the fiscal year.

The following tables show the activity for accrued restructuring (in thousands):

	Severance and benefits
Balance as of March 31, 2025	$ 786
Restructuring charges	2,423
Cash payments	(1,475)
Other non-cash	45
Balance as of June 30, 2025	1,779
Balance as of March 31, 2026	566
Restructuring charges	23
Cash payments	(521)
Other non-cash	2
Balance as of June 30, 2026	$ 70

NOTE 7: COMMON STOCK

Stock Options

On April 1, 2026, the Company granted options to purchase 1.5 million shares of the Company’s common stock. The stock options were valued using the Black-Scholes option pricing model on the grant date. There were no options granted during the first quarter of fiscal 2026. There

The significant assumptions used by the Company to estimate the fair value of the option awards are summarized below:

	April 1, 2026
Term (years)	7.00 years
Volatility [1]	99.9%
Dividend yield [2]	0.00%
Risk-free interest rate [3]	4.02%
Grant date fair value	$3.94

[1] Volatility is based of the Company's historical stock price over a period of the expected term of the options.
[2] Dividend yield is set to 0.00% as the Company has not historically paid dividends.
[3] Risk-free interest rate is based on the Treasury yield for the expected term of the options.

Stock-based Compensation Expense

The following table details the Company's stock-based compensation expense (in thousands):

	Three Months Ended June 30,	
	2026	2025
Cost of revenue	$ 8	$ (21)
Research and development	99	68
Sales and marketing	138	76
General and administrative	503	(652)
Total stock-based compensation	$ 748	$ (529)

	Three Months Ended June 30,	
	2026	2025
Restricted stock units	$ 337	$ (305)
Performance share units	(13)	(224)
Stock options	424	—
Total stock-based compensation	$ 748	$ (529)

Warrant

On June 1, 2026, as additional consideration for the Conversion, the Company issued to Dialectic a warrant (the “Conversion Warrant”) to purchase up to 105,911 shares of common stock at an exercise price of $5.1940 per share (the “Conversion Warrant Exercise Price”) (equal to the conversion price of the Convertible Note in effect following the reset period ending March 31, 2026), at any time until the fifth anniversary of the issuance of the Conversion Warrant. Upon exercise, the aggregate exercise price may be paid, at Dialectic’s election, in cash or on a net issuance basis, based upon the then current market price of the common stock at the time of exercise. The Conversion Warrant includes certain antidilution protections in favor of Dialectic, subject to certain limitations, including limitations that restrict Dialectic from beneficially owning more than 19.99% of the Company’s outstanding Common Stock and certain exclusions. Additionally, Dialectic may require the Company to repurchase the unexercised portion of the Conversion Warrant for an amount equal to $844,255, proportionately adjusted for the portion of the Conversion Warrant subject to repurchase, after the fourth anniversary of the issuance of the Conversion Warrant, or, prior to the fourth anniversary, upon a change of control of the Company or immediately prior to the occurrence of a voluntary dissolution, liquidation or winding up of the affairs of the Company.

Additionally, on June 1, 2026, the Company and Dialectic entered into a First Amendment to the Registration Rights Agreement dated as of September 23, 2025 (the “First Amendment”), pursuant to which, among other things, the Forbearance Warrant was amended to update its terms to be consistent with the Conversion Warrant, including the exercise price of $5.1940 per share.

Private Placement

On June 1, 2026, the Company entered into Securities Purchase Agreements with certain accredited investors, pursuant to which the Company, in a private placement (the “Private Placement”), agreed to issue and sell to the Investors an aggregate of 10,615,712 shares of the Company’s common stock, par value $0.01 per share, at a price of $9.42 per share, for aggregate gross proceeds to the Company of $100.0 million. After deducting placement agent fees and other offering expenses payable by the Company, the Company received net proceeds of approximately $94.6 million. The Private Placement closed June 4, 2026.

Standby Equity Purchase Agreement

On January 25, 2025, we entered into the SEPA with YA in which pursuant to and subject to its terms, the Company has the right, but not the obligation, to sell up to $200.0 million of common stock at any time during the three-year period following the date of the SEPA. On January 27, 2025, the Company filed a registration statement on Form S-1 in connection with the SEPA. The Registration Statement on Form S-1 was declared effective February 11, 2025.

On June 4, 2026, in accordance with the terms of the SEPA, the Company provided a notice to YA regarding its termination of the SEPA, effective June 11, 2026. There were no amounts owed to YA under the SEPA at the time the termination notice was provided.

The Company did not make any sales on the SEPA during the first quarter of fiscal 2027. Comparatively, the Company had sales of 6.32 million shares for net proceeds of approximately $67 million in the first quarter of fiscal 2026.

NOTE 8: NET LOSS PER SHARE

Equity Instruments Outstanding

The Company has stock options, warrants, performance share units and restricted stock units granted under various stock incentive plans that, upon exercise and vesting, would increase shares outstanding.

The dilutive impact related to shares of common stock from incentive plans and outstanding warrants is determined by applying the treasury stock method to the assumed vesting of outstanding performance share units and restricted stock units and the exercise of outstanding options and warrants. The dilutive impact related to shares of common stock from contingently issuable performance share units is determined by applying a two-step approach using both the contingently issuable share guidance and the treasury stock method.

The following weighted-average outstanding shares of common stock equivalents were excluded from the computation of diluted net loss per share attributable to common stockholders for the periods presented because including them would have been anti-dilutive (in thousands):

	Three Months Ended June 30,	
	2026	2025
Stock awards[1]	357	210
Warrants	265	—
Total	622	210

[1] Stock awards include stock options, performance share units and restricted stock units

The Company had outstanding market based restricted stock units as of June 30, 2026 and 2025 that were eligible to vest into shares of common stock subject to the achievement of certain stock price targets in addition to a time-based vesting period. These contingently issuable shares are excluded from the computation of diluted earnings per share if, based on current period results, the shares would not be issuable if the end of the reporting period were the end of the contingency period. There were 2,506 and 77,545 shares of contingently issuable market-based restricted stock units that were excluded from the table above as the market conditions were not satisfied as of June 30, 2026 and 2025, respectively.

NOTE 9: INCOME TAXES

The effective tax rate for the three months ended June 30, 2026 and 2025 was -0.5%, and -1.1%, respectively. The effective tax rates differed from the federal statutory tax rate of 21% during each of these periods due primarily to unbenefited losses experienced in jurisdictions with valuation allowances on deferred tax assets as well as the forecasted mix of earnings in domestic and international jurisdictions.

As of June 30, 2026, including interest and penalties, the Company had $78.3 million of unrecognized tax benefits, $69.1 million of which, if recognized, would favorably affect the effective tax rate without consideration of the valuation allowance. As of June 30, 2026, the Company had accrued interest and penalties related to these unrecognized tax benefits of $1.2 million. The Company recognizes interest and penalties related to income tax matters in the income tax provision in the condensed consolidated statements of operations and comprehensive loss. As of June 30, 2026, $71.3 million of unrecognized tax benefits were recorded as a contra deferred tax asset in other long-term assets in the condensed consolidated balance sheets and $7.0 million (including interest and penalties) were recorded in other long-term liabilities in the condensed consolidated balance sheets. During the next 12 months, it is reasonably possible that approximately $1.8 million of tax benefits, inclusive of interest and penalties, that are currently unrecognized could be recognized as a result of the expiration of applicable statutes of limitations. Upon recognition of the tax benefit related to the expiring statutes of limitation, $0.8 million will be offset by the establishment of a related valuation allowance. The net tax benefit recognized in the statements of operations and comprehensive loss is estimated to be $1.0 million.

NOTE 10: COMMITMENTS AND CONTINGENCIES

Commitments to Purchase Inventory

The Company uses contract manufacturers for its manufacturing operations. Under these arrangements, the contract manufacturer procures inventory to manufacture products based upon its forecast of customer demand. The Company has similar arrangements with certain other suppliers. The Company is responsible for the financial impact on the supplier or contract manufacturer of any reduction or product mix shift in the forecast relative to materials that the third party had already purchased under a prior forecast. Such a variance in forecasted demand could require a cash payment for inventory in excess of current customer demand or for costs of excess or obsolete inventory. As of June 30, 2026, the Company had issued non-cancelable commitments for $142.6 million to purchase inventory from its contract manufacturers and suppliers.

Legal Proceedings

From time to time, we are a party to various legal proceedings and claims arising from the normal course of business activities. Based on current available information, we do not expect that the ultimate outcome of any additional currently pending unresolved matters, individually or in the aggregate, will have a material adverse effect on our results of operations, cash flows or financial position.

Litigation

Shareholder Litigation

On September 4, 2025, a shareholder class action complaint was filed in the United States District Court for the District of Colorado. The complaint identifies Seung Lee as the plaintiff and names Quantum Corporation and James J. Lerner, Kenneth P. Gianella, and Laura Nash as defendants. It alleges violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 and SEC Rule 10b-5 related to certain disclosures made in the Company’s quarterly and annual reports regarding its financial reporting for the third quarter of the Company’s fiscal year 2025 and its restatement of that financial reporting. The complaint sought to designate the plaintiff as the lead plaintiff for the class and define a class period of November 15, 2024 through August 18, 2025. On January 27, 2026, a revised final complaint named Hunsu Son as the lead plaintiff and reiterated the violations alleged in the original complaint. The revised complaint seeks an award of unspecified damages, costs, and expenses. The Company has filed a motion to dismiss the litigation, which has not yet been decided. At this time, Quantum is not able to determine whether this lawsuit would have any material adverse effect on our business, operating results, or financial condition.

Derivative Litigation

On October 28, 2025, a shareholder derivative complaint was filed in the United States District Court for the District of Colorado. The complaint was filed by Brent Cullison derivatively on behalf of Quantum Corporation against James J. Lerner, Kenneth P. Gianella, Laura Nash, Don Jaworski, John Fichthorn, Hugues Meyrath, John R. Tracy, Emily White, James C. Clancy, and Tony J. Blevins. The complaint substantially repeats the allegations of the shareholder litigation described above and alleges related breaches of fiduciary duties and other causes of action. The complaint seeks recovery of damages sustained by Quantum arising from the allegations, as well as fees and costs incurred.

Another shareholder derivative complaint was filed in the same court on November 4, 2025. That complaint names Felicia Marti on behalf of Quantum Corporation as the plaintiff, with James J. Lerner, Kenneth P. Gianella, Laura Nash, John Fichthorn, Donald J. Jaworski, Hugues Meyrath, John R. Tracy, and Emily White named as defendants.The complaint substantially repeats the allegations of the Cullison derivative litigation and seeks relief of recovery of damages sustained by Quantum arising from the allegations, certain corporate governance reforms, and fees and costs incurred.
The court ordered the separate Cullison and Marti shareholder derivative complaints to be consolidated and stayed pending final resolution of the motion to dismiss the amended complaint in the *Lee* shareholder class action litigation. At this time, Quantum is not able to determine whether the consolidated lawsuits would have any material impact on our business, operating results, or financial condition.

Leases

At June 30 2026 and March 31, 2026, the Company had various non-cancelable operating leases for office facilities. Refer to *Note 5: Leases,* for additional information regarding lease commitments.

NOTE 11: FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company follows the guidance in ASC 820, *Fair Value Measurement,* for its financial assets and liabilities that are re-measured and reported at fair value at each reporting period and non-financial assets and liabilities that are re-measured and reported at fair value at least annually. The Company has certain non-financial assets that are measured at fair value on a non-recurring basis when there is an indicator of impairment, and they are recorded at fair value only when an impairment is recognized. These assets include property and equipment and amortizable intangible assets. The Company did not record impairments to any non-financial assets in the fiscal quarters ended June 30, 2026 and 2025.

The carrying amounts reported in the accompanying condensed consolidated financial statements for cash and cash equivalents, restricted cash, accounts receivable, accounts payable and other current liabilities approximate their respective fair values because of the short-term nature of these accounts.

Debt

The fair value of the Company's debt was estimated using a discounted cash flow approach based on the Company's current borrowing rates for similar types of debt instruments, adjusted for credit and nonperformance risk. The Company uses significant other observable market data and assumptions (Level 2 inputs, as defined in ASC 820, *Fair Value Measurement*) that it believes market participants would use in pricing such debt.

The carrying value and estimated fair value of the Company's debt were as follows (in thousands):

	June 30, 2026		March 31, 2026	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Term Loan	$ —	$ —	$ 55,906	$ 51,339

Warrants

Forbearance Warrant

On September 23, 2025, the Company established the initial fair value for the Forbearance Warrant issued to Dialectic in connection with the Fifteenth Amendment. The fair value was subsequently remeasured as of June 30, 2026 and March 31,2026, and the resulting changes in fair value were recognized in the condensed consolidated statement of operations and comprehensive loss under "Change in fair value of warrant liability."

The Forbearance Warrant was valued using a Monte Carlo simulation model in conjunction with a Probability-Weighted Expected Return Model. This model incorporates various assumptions, including the Company's common stock price, expected volatility, risk-free interest rate, and the remaining contractual term of the warrant.

Because the valuation relies on significant unobservable inputs, the fair value of the Forbearance Warrant is classified as Level 3 within the fair value hierarchy (as defined in ASC 820, *Fair Value Measurement*).

The following table summarizes the key assumptions used in estimating the fair value of the Forbearance Warrant at issuance and at June 30, 2026 and March 31, 2026:

	June 30, 2026	March 31, 2026
Discount period (years)	6.23 years	6.48 years
Risk-free interest rate	3.94% - 4.21%	3.65% - 4.02%
Stock price volatility	100.00%	100.00%
Stock price at valuation date	$11.00	$4.75
Probability[1]	10% - 15% - 75%	15% - 15% - 70%
Fair value (in thousands)	$30,395	$14,105

(1) Scenario probability as of issuance was based on timing expectations of management that a liquidation event occurring was estimated at 35%; a fundamental transaction occurring was estimated at 15%; and none of the previous events were estimated at 50% at March 31, 2026 and were revised at June 30, 2026 to a 10% of a liquidation event occurring; a 15% of a fundamental transaction occurring; and none of the previous events were estimated at 75%.

The table below sets forth a summary of changes in the fair value of the Company's Forbearance Warrant liabilities for the period ended June 30, 2026:

Balance at March 31, 2026	**$**	**14,105**
Change in fair value of warrant liabilities		16,290
Balance at June 30, 2026	**$**	**30,395**

Conversion Warrant

On June 1, 2026, the Company established the initial fair value for the Conversion Warrant issued to Dialectic in connection with the Sixteenth Amendment. The fair value was subsequently remeasured as of June 30, 2026, and the resulting change in fair value was recognized in the condensed consolidated statement of operations and comprehensive loss under "Change in fair value of warrant liability."

The Conversion Warrant was valued using a Monte Carlo simulation model in conjunction with a Probability-Weighted Expected Return Model. This model incorporates various assumptions, including the Company's common stock price, expected volatility, risk-free interest rate, and the remaining contractual term of the warrant.

Because the valuation relies on significant unobservable inputs, the fair value of the Conversion Warrant is classified as Level 3 within the fair value hierarchy (as defined in ASC 820, *Fair Value Measurement*).

The following table summarizes the key assumptions used in estimating the fair value of the Conversion Warrant at issuance and at June 30, 2026:

	June 30, 2026	June 1, 2026
Discount period (years)	4.92 years	5 years
Risk-free interest rate	3.94% - 4.15%	3.81% - 4.14%
Stock price volatility	100.00%	100.00%
Stock price at valuation date	$11.00	$10.49
Probability[1]	10% - 15% - 75%	10% - 15% - 75%
Fair value (in thousands)	$1,295	$1,280

(1) Scenario probability as of issuance was based on timing expectations of management that a liquidation event occurring was estimated at 10%; a fundamental transaction occurring was estimated at 15%; and none of the previous events were estimated at 50% and were not revised at June 30, 2026.

The table below sets forth a summary of changes in the fair value of the Company's Conversion warrant liabilities for the period ended June 30, 2026:

Balance at March 31, 2026	**$**	**—**
Issuance of warrants		1,280
Change in fair value of warrant liabilities		15
Balance at June 30, 2026	**$**	**1,295**

Convertible Note

On June 4, 2026 and pursuant to the terms of that the Conversion Agreement, all of the Company’s outstanding Convertible Notes were canceled, and the Indenture was satisfied and discharged in full. At the time of settlement, the Company issued to Dialectic 14,104,620 shares of common stock with an aggregate fair value of $222.6 million, at a share price of $15.78. Of this amount, $219.7 million represents the fair value of the Convertible Note prior to conversion, and $2.8 million represents the deferred cash interest owed to Dialectic under the Term Loan Credit Agreement that was settled through the share issuance. The change in the fair value of the Convertible Note was recognized in the condensed consolidated statement of operations and comprehensive loss under “Change in fair value of convertible note.”

The table below sets forth a summary of changes in the fair value of the Company’s Convertible Note for the period ended June 30, 2026:

Balance at March 31, 2026	**$**	**90,034**
Change in fair value of convertible note		129,715
Exercise of convertible note		(219,749)
Balance at June 30, 2026	**$**	**—**

NOTE 12: SEGMENT INFORMATION

The Company operates as a single operating segment and a single reportable segment. The Company's chief operating decision maker ("CODM") is its Chief Executive Officer. The measure of segment profit or loss that the CODM uses to allocate resources and assess performance is net income (loss). The CODM uses net income (loss) to make resource allocation decisions, evaluate budgets and forecasts, and assess the Company's overall performance, including monitoring budgeted versus actual results.

Disaggregation of Revenue

The following table depicts the disaggregation of revenue by geographic areas and major product offerings and geographies and is consistent with how the Company evaluates its financial performance (in thousands):

	Three Months Ended June 30,			
	2026	%	2025	%
Americas[1]				
Product revenue	$ 24,272		$ 22,750	
Service and subscription	13,454		14,359	
Total revenue	37,726	46.7 %	37,109	57.7 %
EMEA				
Product revenue	19,501		9,983	
Service and subscription	8,698		8,482	
Total revenue	28,199	34.9 %	18,465	28.7 %
APAC				
Product revenue	10,098		4,802	
Service and subscription	2,516		2,102	
Total revenue	12,614	15.6 %	6,904	10.7 %
Consolidated				
Product revenue	53,871		37,535	
Service and subscription	24,668		24,943	
Royalty[2]	2,264	2.8 %	1,808	2.8 %
Total revenue	$ 80,803	100 %	$ 64,286	100 %

[1] Revenue for Americas geographic region outside of the United States is not significant.
[2] Royalty revenue is not allocable to geographic regions.

Revenue by Solution

	Three Months Ended June 30,			
	2026	%	2025	%
Primary storage systems	$ 8,487	11 %	$ 12,529	19 %
Secondary storage systems	37,032	46 %	18,506	29 %
Device and media	10,361	13 %	9,941	15 %
Service	22,659	28 %	21,502	33 %
Royalty	2,264	3 %	1,808	3 %
Total revenue[1]	$ 80,803	100 %	$ 64,286	100 %

[1] Subscription revenue of $2.0 million and $3.4 million allocated to Primary and Secondary storage systems for the three months ended June 30, 2026 and 2025, respectively.

Net Loss

The following table shows reported segment revenue, segment profit or loss, and significant segment expenses were as follows (in thousands):

	Three Months Ended June 30,	
	2026	2025
Total revenue	$ 80,803	$ 64,286
Total cost of revenue	49,083	41,574
Gross profit	31,720	22,712
Gross margin	39.3 %	35.3 %
Operating expenses		
Salaries & fringe[1]	15,743	18,001
Outside services[2]	4,346	7,676
Infrastructure[3]	1,836	2,522
Operational costs[4]	2,317	2,332
Restructuring	23	2,423
Other segment items[5]	2,417	2,354
Total operating expenses	26,682	35,308
Income (loss) from operations	5,038	(12,596)
Other income (expense), net	211	(430)
Interest expense	(2,097)	(6,516)
Change in fair value of warrant liability	(16,305)	—
Change in fair value of convertible note	(129,715)	—
Gain (loss) on debt extinguishment, net	(11,716)	2,559
Loss before income taxes	(154,583)	(16,983)
Income tax provision	710	223
Net loss	$ (155,293)	$ (17,206)

[1] Salaries & fringe includes spend on contractors.
[2] Outside services includes contractor, recruiting and legal expenses.
[3] Infrastructure includes property related expenses, including fixed and variable lease expense, telecommunications and depreciation.
[4] Operational costs include due and subscriptions, computer expenses, office supplies and other miscellaneous items.
[5] Other segment items includes travel related spend, marketing expense, taxes, fees and other miscellaneous items.

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis compares the change in the condensed consolidated financial statements for the quarter ended June 30, 2026 and June 30, 2025, and should be read together with our condensed consolidated financial statements and the related notes thereto included in this Quarterly Report on Form 10-Q, and the audited consolidated financial statements and notes thereto and management’s discussion and analysis of financial condition and results of operations included in our Annual Report on Form 10-K for the fiscal year ended March 31, 2026 (the “Annual Report”). In particular, the risk factors contained in Part I, Item 1A of the Annual Report under the heading “Risk Factors” may reflect trends, demands,commitments, events, or uncertainties that could materially impact our results of operations and liquidity and capital resources. For comparisons of quarters ended June 30, 2025 and June 30, 2024, see our Management's Discussion and Analysis of Financial Condition and Results of Operations in Item 2 of our Quarterly Report on Form 10-Q for the quarter ended June 30, 2025, filed with the SEC on September 11, 2025 and amended on September 23, 2025 and incorporated herein by reference. Our fiscal year ends on March 31 of each calendar year. "Fiscal 2027" refers to the fiscal year ending March 31, 2027, and "Fiscal 2026" refers to the fiscal year ended March 31, 2026.

The following discussion contains forward-looking statements, such as statements regarding anticipated impacts on our business, our future operating results and financial position, our business strategy and plans, our market growth and trends, and our objectives for future operations. Please see "Note Regarding Forward-Looking Statements" for more information about relying on these forward-looking statements.

Overview and Highlights

We are a technology company whose mission is to deliver innovative solutions to forward-thinking organizations across the world. We design, manufacture and sell technology and services that help customers capture, create and share digital content, and protect it for decades. We emphasize innovative technology in the design and manufacture of our products to help our customers unlock the value in their video and unstructured data in new ways to solve their most pressing business challenges.

We generate revenue by designing, manufacturing, and selling technology and services. Our most significant expenses are related to compensating employees; designing, manufacturing, marketing, and selling our products and services; data center costs in support of our cloud-based services; and income taxes.

Macroeconomic Conditions

We continue to actively monitor, evaluate and respond to the current uncertain macro environment, including the impact of changing interest rates, inflation, tariffs, lingering supply chain challenges, and fluctuation in the U.S. dollar. During the quarter we continued to experience longer sales cycles for opportunities with our enterprise as well as commercial customers.

The macro environment remains unpredictable and our past results may not be indicative of future performance.

RESULTS OF OPERATIONS

(in thousands)	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025
Total revenue	$ 80,803	$ 64,286
Total cost of revenue [1]	49,083	41,574
Gross profit	31,720	22,712
Operating expenses		
Sales and marketing [1]	11,027	12,655
General and administrative [1]	9,609	13,569
Research and development [1]	6,023	6,661
Restructuring charges	23	2,423
Total operating expenses	26,682	35,308
Loss from operations	5,038	(12,596)
Other income and expense, net	211	(430)
Interest expense	(2,097)	(6,516)
Change in fair value of warrant liability	(16,305)	—
Change in fair value of convertible note	(129,715)	—
Gain (loss) on debt extinguishment, net	(11,716)	2,559
Loss before income taxes	(154,583)	(16,983)
Income tax provision	710	223
Net loss	$ (155,293)	$ (17,206)

[1] Includes stock-based compensation as follows:

(in thousands)	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025
Cost of revenue	$ 8	$ (21)
Research and development	99	68
Sales and marketing	138	76
General and administrative	503	(652)
Total	$ 748	$ (529)

Comparison of the Three Months Ended June 30, 2026 and 2025

Revenue

(in thousands)	Three Months Ended June 30, 2026	% of revenue	2025	% of revenue	$ Change	% Change
Product revenue	$ 53,871	67 %	$ 37,535	58 %	$ 16,336	44 %
Service and subscription revenue	24,668	31 %	24,943	39 %	(275)	(1)%
Royalty revenue	2,264	3 %	1,808	3 %	456	25 %
Total revenue	$ 80,803	100 %	$ 64,286	100 %	$ 16,517	26 %

Product Revenue

In the three months ended June 30, 2026, product revenue increased $16.3 million, or 44%, as compared to the same period in fiscal 2026. The primary driver of this increase was strong demand across all secondary storage product lines including Scalar tape storage products, DXi backup appliances, and ActiveScale object storage appliances. Demand growth increased worldwide with product revenues increasing across all regions. Overall secondary storage revenue increased by $18.5 million, or 100.1% as compared to the same period in fiscal 2026. Devices and media revenues also increased by $0.4 million, or 4.2% as compared to fiscal 2026. These increases were partially offset by declines in primary storage.

Service and Subscription Revenue

Service and subscription revenue was essentially flat with a small decrease of $0.3 million, or 1%, in the three months ended June 30, 2026, compared to the same period in fiscal 2026.

Royalty Revenue

We receive royalties from third parties that license our linear-tape open media patents through our membership in the linear-tape open consortium. Royalty revenue increased $0.5 million, or 25%, in the three months ended June 30, 2026, as compared to the same period in fiscal 2026, related to higher overall unit shipments.

Gross Profit and Margin

(in thousands)	Three Months Ended June 30, 2026	Gross margin %	2025	Gross margin %	$ Change	Basis point change
Product gross profit	$ 14,148	26.3 %	$ 6,790	18.1 %	$ 7,358	820
Service and subscription gross profit	15,308	62.1 %	14,114	56.6 %	1,194	550
Royalty gross profit	2,264	100.0 %	1,808	100.0 %	456	—
Gross profit	$ 31,720	39.3 %	$ 22,712	35.3 %	$ 9,008	400

Gross profit and margin percentages are key metrics that management monitors to assess the performance on the business.

Product Gross Margin

Product gross margin increased by 820 basis points for the three months ended June 30, 2026, as compared to fiscal 2026. This increase was due primarily to a mix more heavily weighted towards higher margin products, as well as a temporary benefit from higher pricing.

Service and Subscription Gross Margin

Service and subscription gross margin increased 550 basis points for the three months ended June 30, 2026, as compared to fiscal 2026. This increase was primarily due to lower operational costs and efficiency gains in the support organization.

Royalty Gross Margin

Royalties do not have significant related cost of sales.

Operating Expenses

(in thousands)	Three Months Ended June 30, 2026	% of revenue	2025	% of revenue	$ Change	% Change
Sales and marketing	$ 11,027	14 %	$ 12,655	20 %	$ (1,628)	(13)%
General and administrative	9,609	12 %	13,569	21 %	(3,960)	(29)%
Research and development	6,023	7 %	6,661	10 %	(638)	(10)%
Restructuring charges	23	— %	2,423	4 %	(2,400)	(99)%
Total operating expenses	$ 26,682	33 %	$ 35,308	55 %	$ (8,626)	(24)%

In the three months ended June 30, 2026, sales and marketing expenses decreased $1.6 million, or 13%, as compared with fiscal 2026. This decrease was primarily driven by an improved organizational structure following management changes in fiscal 2026.

In the three months ended June 30, 2026, general and administrative expenses decreased $4.0 million, or 29%, as compared with fiscal 2026 This decrease was primarily driven by large non-recurring projects in the prior year related to restructuring and compliance related activities. Expenses also decreased as administrative efficiency gains were realized through more streamlined functions and process automation.

In the three months ended June 30, 2026, research and development expenses decreased $0.6 million, or 10%, as compared with fiscal 2026. This decrease was the result of the efficiencies realized through improved organization design, further aligning commonalities between major products.

In the three months ended June 30, 2026, restructuring charges decreased $2.4 million, or 99%, as compared with fiscal 2025. This decrease is because the corporate restructuring activities are largely complete.

Other Expense, net

(in thousands)	Three Months Ended June 30, 2026	% of revenue	2025	% of revenue	$ Change	% Change
Other income (expense), net	$ 211	0 %	$ (430)	(1)%	$ (641)	(149)%

In the three months ended June 30, 2026, the change in other expense resulted in a net increase of $0.6 million or 149%, compared to fiscal 2025. The increase was primarily related to differences in foreign currency gains and losses during each period.

Interest expense

(in thousands)	Three Months Ended June 30, 2026	% of revenue	2025	% of revenue	$ Change	% Change
Interest expense	$ (2,097)	(3)%	$ (6,516)	(10)%	4,419	(68)%

In the three months ended June 30, 2026, interest expense decreased by $4.4 million, or 68%, as compared to fiscal 2025. This decrease was primarily due to the restructuring and subsequent repayment of our Term Loan (as defined herein) in September 2025 and in June 2026, respectively.

Warrant liabilities

(in thousands)	Three Months Ended June 30, 2026	% of revenue	2025	% of revenue	$ Change	% Change
Change in fair value of warrant liabilities	$ (16,305)	(20)%	$ —	— %	$ (16,305)	— %

In the three months ended June 30, 2026, we recorded a non-cash loss of $16.3 million related to the change in fair value of our forbearance warrant which was issued in September 2025 and conversion warrant which was issued in June 2026. The loss was primarily driven by fluctuations in our stock price.

Convertible note

(in thousands)	Three Months Ended June 30, 2026	% of revenue	2025	% of revenue	$ Change	% Change
Change in fair value of convertible note	$ (129,715)	(161)%	$ —	— %	$ (129,715)	— %

In the three months ended June 30, 2026, we recorded a non-cash loss of $(129.7) million related to the change in fair value of our convertible note issued in December 2025. This change was primarily driven by fluctuations in our stock price and the conversion of the convertible note in June 2026.

(Loss) gain on debt extinguishment, net

(in thousands)	Three Months Ended June 30, 2026	% of revenue	2025	% of revenue	$ Change	% Change
Loss on debt extinguishment, net	$ (11,716)	(14)%	$ 2,559	4 %	$ (14,275)	(558)%

In the three months ended June 30, 2026, we recorded a loss of $11.7 million on debt extinguishment, primarily related to the repayment of our Term Loan in June 2026. In the same period in fiscal 2025, the gain on debt extinguishment, net was related to the net of discount on issuance of term loans to a new lender and write-off of all unamortized debt issuance costs and fees.

Income Tax Provision

(in thousands)	Three Months Ended June 30, 2026	% of pretax income	2025	% of pretax income	$ Change	% Change
Income tax provision	$ 710	0 %	$ 223	(1)%	$ (487)	(218)%

Income tax provision for the three months ended June 30, 2026 and 2025 is primarily influenced by foreign and state income taxes.

Due to our history of net losses in the United States, the protracted period for utilizing tax attributes incertain foreign jurisdictions, and the difficulty in predicting future results, we believe that we cannot rely on projections of future taxable income to realize most of our deferred tax assets. Accordingly, we have established a full valuation allowance against our U.S. and certain foreign net deferred tax assets. Significant management judgment is required in assessing our ability to realize any future benefit from our net deferred tax assets. We intend to maintain this valuation allowance until sufficient positive evidence exists to support its reversal. Our income tax expense recorded in the future will be reduced to the extent that sufficient positive evidence materializes to support a reversal of, or decrease in, our valuation allowance.

Liquidity and Capital Resources

We consider liquidity in terms of the sufficiency of internal and external cash resources to fund our operating, investing and financing activities. Our principal sources of liquidity include cash from operating activities, cash and cash equivalents on our balance sheet and proceeds from the sale of common stock. We require significant cash resources to provide for our research and development activities, fund our working capital needs, and make capital expenditures. Our future liquidity requirements will depend on multiple factors, including our research and development plans and capital investment needs.

We had cash and cash equivalents of $54.4 million as of June 30, 2026, which excludes $0.1 million of short-term restricted cash. Our total outstanding Term Loan debt was fully repaid in the three months ended June 30, 2026.

We generated cash flows from operations of approximately $0.9 million for the three months ended June 30, 2026, compared to negative cash flows of $16.9 million for the three months ended June 30, 2025. We generated net losses of approximately $155.3 million and $17.2 million for the three months ended June 30, 2026 and 2025, respectively. We have funded operations through the sale of common stock and debt borrowings as described in *Note 4: Debt* and *Note 7 : Common Stock*.

On June 1, 2026, the Company entered into Securities Purchase Agreements to issue and sell to certain accredited investors an aggregate of 10,615,712 shares of the Company's Common Stock. After deducting placement agent fees and other offering expenses payable by the Company, the Company received net proceeds of $94.7 million. On June 4, 2026, the Company paid an aggregate of $57.8 million in connection with the termination of the Term Loan Credit Agreement. This fully paid down and extinguished our Term Loans (as defined herein). Also on June 4, 2026, the Company provided a notice to YA regarding its termination of the SEPA, effective June 11, 2026. There were no amounts owed to YA under the SEPA at the time the termination notice was provided. With the cash proceeds, after repayment of the Term Loans, we forecast that operating performance, cash and current working capital will provide us with sufficient capital to fund operations for at least one year from when the condensed consolidated financial statements are available to be issued.

Cash Flows

The following table summarizes our consolidated cash flows for the periods indicated.

	Three Months Ended June 30,	
(in thousands)	**2026**	**2025**
Cash provided by (used in):		
Operating activities	$ 947	$ (16,891)
Investing activities	(395)	(1,192)
Financing activities	37,808	39,027
Effect of exchange rate changes	(4)	—
Net change in cash, cash equivalents, and restricted cash	$ 38,356	$ 20,944

Net Cash Provided By (Used In) Operating Activities

Net cash provided by operating activities increased by $17.8 million to $0.9 million for the three months ended June 30, 2026 compared to net cash used of $(16.9) million for the three months ended June 30, 2025, primarily due to non-cash fair value adjustments related to the warrant liabilities and Convertible Note and a favorable change in deferred revenue, partially offset by unfavorable changes in accrued compensation and other liabilities.

Net cash used by operating activities was $16.9 million for the three months ended June 30, 2025. This use of cash was primarily attributed to lower earnings.

Net Cash Used in Investing Activities

Net cash used in investing activities was $0.4 million and $1.2 million for the three months ended June 30, 2026 and 2025, respectively, primarily attributable to capital expenditures.

Net Cash Provided by Financing Activities

Net cash provided by financing activities was $37.8 million for the three months ended June 30, 2026 due primarily to cash proceeds from the private placement, partially offset by the repayment of the Term Loans and associated fees.

Net cash provided by financing activities was $39.0 million for the three months ended June 30, 2025 which was related primarily to borrowings on our Term Loan.

Commitments and Contingencies

Our contingent liabilities consist primarily of certain financial guarantees, both express and implied, related to product liability and potential infringement of intellectual property. We have little history of costs associated with such indemnification requirements and contingent liabilities associated with product liability may be mitigated by our insurance coverage. In the normal course of business to facilitate transactions of our services and products, we indemnify certain parties with respect to certain matters, such as intellectual property infringement or other claims. We also have indemnification agreements with our current and former officers and directors. It is not possible to determine the maximum potential amount under these indemnification agreements due to the limited history of our indemnification claims, and the unique facts and circumstances involved in each particular agreement. Historically, payments made by us under these agreements have not had a material impact on our operating results, financial position or cash flows.

We are also subject to ordinary course of business litigation, See *Note 10: Commitments and Contingencies*, to our consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q.

Contractual Obligations

Contractual obligations are cash amounts that we are obligated to pay as part of certain contracts that we have entered into during the normal course of business.

Off-Balance Sheet Arrangements

We do not currently have any other off-balance sheet arrangements and do not have any holdings in variable interest entities.

CRITICAL ACCOUNTING ESTIMATES AND POLICIES

The preparation of our condensed consolidated financial statements in accordance with generally accepted accounting principles requires management to make judgments, estimates and assumptions that affect the amounts reported in the condensed consolidated financial statements and accompanying notes included elsewhere in this Quarterly Report. On an ongoing basis, we evaluate estimates, which are based on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. We consider certain accounting policies to be critical to understanding our financial statements because the application of these policies requires significant judgment on the part of management, which could have a material impact on our financial statements if actual performance should differ from historical experience or if our assumptions were to change. Our accounting policies that include estimates that require management's subjective or complex judgments about the effects of matters that are inherently uncertain are summarized in the Annual Report under the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Estimates and Policies." For additional information on our significant accounting policies, see Note 1 to our unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report.

Recently Issued and Adopted Accounting Pronouncements

For recently issued and adopted accounting pronouncements, see *Note 1: Description of Business and Significant Accounting Policies*, to our condensed consolidated financial statements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no material changes to our quantitative and qualitative disclosures about market risk from those described under "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in the Annual Report, which such section is incorporated herein by reference.

ITEM 4. CONTROLS AND PROCEDURES

Limitations on Effectiveness of Controls and Procedures

In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints, and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (the “Exchange Act”), as of the end of the period covered by this Quarterly Report. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were not effective due to material weaknesses in internal control over financial reporting described below.

Notwithstanding the identified material weaknesses, management, including our Chief Executive Officer and Chief Financial Officer have determined, based on the procedures performed, that the condensed consolidated financial statements included in this Quarterly Report on Form 10-Q fairly represent in all material respects the financial condition, results of operations and cash flows of the Company for the periods presented in accordance with U.S. generally accepted accounting principles.

Management's Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our internal control over financial reporting using the framework set forth by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control—Integrated Framework (2013). Based on this assessment, management concluded that the Company’s internal control over financial reporting was not effective as of June 30, 2026, due to the material weaknesses described below.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

Management did not adequately design and implement effective control activities resulting in the identification of the following material weaknesses:

Revenue Recognition

The Company did not maintain effective internal controls related to revenue recognition for the following:

1. Controls for reviewing and updating deferral schedules, which drive the timing of service revenue recognition. Specifically, the start and end dates in the deferral schedules were not consistently aligned with the contractual service periods.
2. Controls over the accuracy of the inputs into the sales order entry process. Specifically, the Company did not execute the controls which cover the review of data inputs in the sales order entry process over a sufficient proportion of the total revenue recognized for the year. These data points include price, quantity, and related customer data.
3. Controls over the allocation of revenue to performance obligations on a standalone selling price basis. Specifically, the Company did not sufficiently document evidence of review of the calculations allocating revenue to performance obligations based on the standalone selling price under Topic 606.

Manufacturing Inventory

The Company did not maintain effective internal controls related to manufacturing inventory. Specifically, controls to reconcile physical inventory with our underlying system records were not adequately executed as of March 31, 2026.

Income taxes

The Company did not maintain effective internal controls over the review of the income tax provision for the year ended March 31, 2026. Management concluded that this deficiency constitutes a material weakness in our internal control over financial reporting. Nonetheless, we have concluded that this material weakness does not require a restatement of or change in our condensed consolidated financial statements for any prior annual or interim period.

Control Environment

Based on the material weaknesses identified, management concluded that the Company did not maintain effective entity-level controls within the control environment to prevent or detect material misstatements to the condensed consolidated financial statements. Specifically, the Company (i) lacked sufficiently qualified staff or resources to perform control activities and (ii) conducted inadequate monitoring activities resulting in untimely or ineffective identification of internal control risks to support the design implementation and evaluation of the internal controls necessary to provide effective oversight over financial reporting.

While none of the material weaknesses resulted in material misstatements to our condensed consolidated financial statements, each creates a reasonable possibility that a material misstatement could occur and not be prevented or detected on a timely basis.

Remediation Plan

The Company has implemented and is implementing enhancements to address the identified material weaknesses.

Controls for reviewing and updating deferral schedules

Management has designed and is testing a process to automate the start and end date for the deferral schedule to align with the period over which service is delivered to the customer. We anticipate implementing this by the end of our second fiscal quarter.

Controls over the accuracy of the inputs into the sales order entry process.

Management is implementing tools to assist with automating the ingestion of the purchase order from the customer and, therefore, automating the review of data accuracy. We anticipate that manual review would still be required on an exception basis but the automation would allow the Company to increase the population reviewed to 100%. We anticipate implementing this by the end of fiscal year 2027.

Controls over the allocation of revenue to performance obligations on a standalone selling price basis

In fiscal year 2025, and as noted in Part II, Item 9A of our Annual Report on Form 10-K for the year ended March 31, 2025, the Company implemented a new process for allocation of revenue on a standalone selling price basis, but the Company did not sufficiently execute controls over the review of that process. After the start of fiscal year 2026, management implemented a detailed review and documentation process for the allocation of revenue to performance obligations. However, because the detailed review and documentation process did not operate for the full fiscal year, management has concluded that the material weakness remains as of June 30, 2026.

Manufacturing Inventory

Management is implementing two concurrent workstreams to address this control weakness. First, management is working with third-party logistics partners to implement enhanced Electronic Data Interchange ("EDI") processes that will provide timely, automated updates to inventory movement records, directly supporting the accuracy of third-party logistics location reconciliations. Second, management is establishing a formal reconciliation cadence with defined ownership, frequency, and review sign-off requirements. To support consistent execution, management is conducting targeted training on inventory accounting principles with the Inventory Operations Team. These actions are targeted for completion by the end of the third fiscal quarter of fiscal year 2027.

Income taxes

Management is strengthening our income tax control by improving documentation standards, providing enhanced technical oversight and mandatory training for the tax provision reviewer. We anticipate implementing these processes by the end of fiscal year 2027.

Control Environment

Management is addressing the staffing and monitoring deficiencies underlying this conclusion through targeted hiring to fill key financial reporting roles with appropriately qualified personnel, implementation of a formal monitoring program with defined escalation procedures, and deployment of automation tools to reduce manual control risk. These actions will be evaluated on an ongoing basis as the Company works to remediate the underlying material weaknesses.

The Company is committed to maintaining a strong internal control environment and believes the remediation effort will represent significant improvements in its controls over the control environment. Additional controls may also be required over time. While the Company believes that these efforts will improve its internal control over financial reporting, the Company will not be able to conclude whether the steps the Company is taking will remediate the material weaknesses in internal control over financial reporting until a sufficient period has passed to allow management to test the design and operational effectiveness of the new and enhanced controls. Until the remediation steps set forth above are fully implemented and evaluated, the material weaknesses will continue to exist.

Changes in Internal Controls over Financial Reporting

Except for the matters discussed above, there were no changes in our internal controls over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) identified in connection with the evaluation of our internal control performed during the fiscal quarter ended June 30, 2026, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II

ITEM 1. LEGAL PROCEEDINGS

From time to time, we are involved in legal proceedings and claims arising in the ordinary course of business. See Note 10: Commitments and Contingencies to the unaudited condensed consolidated financial statements for a discussion of our legal matters.

ITEM 1A. RISK FACTORS

There have been no material changes to the previously disclosed risk factors discussed in “Part I, Item 1A, Risk Factors” in the Annual Report. You should consider carefully these factors, together with all of the other information in this Quarterly Report, including our unaudited condensed consolidated financial statements and related notes included elsewhere in this Quarterly Report, before making an investment decision.

ITEM 5. OTHER INFORMATION

During the fiscal quarter ended June 30, 2026, no director or officer adopted or terminated any contract, instruction, or written plan for the purchase or sale of securities of the Company pursuant to Rule 10b5-1(c) or any non-Rule 10b5-1 trading arrangement (as defined in Item 408(c) of Regulation S-K).

ITEM 6. EXHIBITS

The exhibits required to be filed or furnished as part of this Quarterly Report are listed below. Notwithstanding any language to the contrary, exhibits 32.1 and 32.2 shall not be deemed to be filed as part of this Quarterly Report for purposes of Section 18 of the Exchange Act or deemed to be incorporated by reference into any filing under the Exchange Act or the Securities Act of 1933, except to the extent that the Company specifically incorporates it by reference.

		Incorporated by Reference			
Exhibit Number	Exhibit Description	Form	Filing Date	Exhibit	Filed or Furnished Herewith
3.1	Amended and Restated Certificate of Incorporation of the Company, as amended through August 26, 2024	S-1	01/27/25	3.1	
3.2	Amended and Restated Bylaws of the Company, as amended through June 12, 2025	8-K	06/18/25	3.1	
4.1	Form of Registration Rights Agreement dated June 1, 2026, by and among the Company and the Investors party thereto.	8-K	06/02/26	4.1	
4.2	Warrant to Purchase Common Stock dated June 1, 2026, issued to Dialectic Technology SPV LLC.	8-K	06/02/26	4.2	
4.3	First Amendment to the Registration Rights Agreement dated June 1, 2026, by and between the Company and Dialectic Technology SPV LLC, to the Registration Rights Agreement dated September 23, 2025.	8-K	06/02/26	4.3	
4.4	First Amendment to Warrant to Purchase Common Stock dated June 1, 2026, by and between the Company and Dialectic Technology SPV LLC, to the Warrant issued to Dialectic Technology SPV LLC on September 23, 2025.	8-K	06/02/26	4.4	
4.5	Form of Right of First Refusal Agreement dated June 1, 2026, by and among the Company, Dialectic Technology SPV LLC and certain stockholders party thereto.	8-K	06/02/26	4.5	
10.1	Form of Securities Purchase Agreement dated June 1, 2026, by and among the Company and the Investors party thereto.	8-K	06/02/26	10.1	
10.2	Sixteenth Amendment to Term Loan Credit and Security Agreement dated June 1, 2026, by and among the Company, Quantum LTO Holdings, LLC, the borrowers and guarantors party thereto, the lenders party thereto, and Alter Domus (US) LLC, as disbursing agent and collateral agent.	8-K	06/02/26	10.2	
10.3	Conversion Agreement dated June 1, 2026, by and among the Company, Dialectic Technology SPV LLC and U.S. Bank Trust Company, National Association, as trustee and notes collateral agent (solely with respect to Sections 7.1 and 7.3 and Articles III and X thereof).	8-K	06/02/26	10.3	

Exhibit Number	Exhibit Description	Incorporated by Reference			Filed or Furnished Herewith
		Form	Filing Date	Exhibit	
31.1	Certification of the Principal Executive Officer pursuant to Section 302(a) of the Sarbanes-Oxley Act of 2002				X
31.2	Certification of the Principal Financial Officer pursuant to Section 302(a) of the Sarbanes-Oxley Act of 2002				X
32.1	Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002				X
32.2	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002				X
101.INS	XBRL Instance Document				X
101.SCH	XBRL Taxonomy Extension Schema Document				X
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document				X
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document				X
101.LAB	XBRL Taxonomy Extension Label Linkbase Document				X
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document				X
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)				X

* Schedules and attachments have been omitted pursuant to Item 601(b)(2) of Regulation S-K. The registrant hereby undertakes to furnish supplemental copies of any of the omitted schedules and attachments upon request by the Securities and Exchange Commission.

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.

Quantum Corporation
(Registrant)

August 10, 2026	/s/ Hugues Meyrath
(Date)	Hugues Meyrath President and Chief Executive Officer (Principal Executive Officer)
August 10, 2026	/s/ William H. White
(Date)	William H. White Chief Financial Officer (Principal Financial Officer)

Exhibit 31.1

CERTIFICATION PURSUANT TO SECTION 302(a)
OF THE SARBANES-OXLEY ACT OF 2002

I, Hugues Meyrath, certify that:

1) I have reviewed this Quarterly Report on Form 10-Q of Quantum Corporation;

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: August 10, 2026

/s/ Hugues Meyrath

Hugues Meyrath
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION PURSUANT TO SECTION 302(a)
OF THE SARBANES-OXLEY ACT OF 2002

I, William H. White, certify that:

1) I have reviewed this Quarterly Report on Form 10-Q of Quantum Corporation;

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: August 10, 2026

/s/ William H. White

William H. White
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350

I, Hugues Meyrath, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of Quantum Corporation, on Form 10-Q for the quarterly period ended June 30, 2026, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that information contained in such Quarterly Report on Form 10-Q fairly presents in all material respects the financial condition and results of operations of Quantum Corporation.

Date: August 10, 2026

/s/ Hugues Meyrath

Hugues Meyrath
President and Chief Executive Officer
(Principal Executive Officer)

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350

I, William H. White, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of Quantum Corporation, on Form 10-Q for the quarterly period ended June 30, 2026, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that information contained in such Quarterly Report on Form 10-Q fairly presents in all material respects the financial condition and results of operations of Quantum Corporation.

Date: August 10, 2026

/s/ William H. White

William H. White
Chief Financial Officer
(Principal Financial Officer)