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 001-41691

Kodiak AI, Inc.
(Exact name of registrant as specified in its charter)

Delaware	**98-1592112**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1049 Terra Bella Avenue **Mountain View, CA 94043**	**94043-7373**
(Address of Principal Executive Offices)	(Zip Code)

(650) 209-8005
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value $0.0001 per share	KDK	The Nasdaq Stock Market LLC
Redeemable warrants, each exercisable for one share of common stock at an exercise price of $9.28	KDKRW	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes ☒ No ☐

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

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

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

☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

As of July 31, 2026, the number of shares of the registrant’s common stock outstanding was 200,618,170.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (this “Quarterly Report”) contains forward-looking statements within the meaning of the federal securities laws, which statements involve substantial risks and uncertainties. Such forward-looking statements may include our or our management teams’ expectations, hopes, beliefs, intentions or strategies regarding the future. Forward-looking statements may be identified by the use of words such as “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “forecast,” “intend,” “may,” “plan,” “potential,” “project,” “seek,” “should,” “will,” “would” and similar expressions that predict or indicate future events or trends or that are not statements of historical matters, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements in this Quarterly Report may include, for example, statements about:

- our operational and product roadmap, and our ability to produce and deploy the Kodiak Driver at scale;
- the regulatory landscape for the Kodiak Driver and complexities with compliance related to such landscape, including with respect to recent changes in tariffs and trade policy;
- the evolution of our business model over time;
- developments relating to our competitors and industry;
- our ability to successfully collaborate with business partners, suppliers, and customers;
- our expectations regarding our ability to obtain, maintain, protect and enforce our intellectual property rights;
- our future capital requirements and sources and uses of cash;
- our expectations regarding our cash runway and ability to continue as a going concern;
- our ability to raise additional capital through future debt or equity offerings and any associated dilution or restrictive covenants;
- our expectations regarding the ongoing implementation of our enterprise resource planning system and any effect on our internal control over financial reporting;
- our success in retaining or recruiting, or changes required in, our officers, key employees or directors;
- our expectations regarding expansion plans and opportunities, including into international markets;
- the potential liquidity and trading of our public securities;
- the ongoing effects of current and future global economic conditions;
- any changes in our strategy, future operations, financial position, estimated revenues and losses, projected costs, prospects and plans; and
- expectations regarding our status as an emerging growth company under the JOBS Act.

These forward-looking statements are based on information available as of the date of this Quarterly Report and current expectations, forecasts and assumptions and involve a number of judgments, risks and uncertainties.

Accordingly, forward-looking statements should not be relied upon as representing our views as of any subsequent date. Except as required under applicable securities laws, neither we nor our affiliates have any obligation and specifically disclaim any such obligation to update forward-looking statements to reflect events or circumstances after the date they were made, whether as a result of new information, future events or otherwise. These forward-looking statements are provided for illustrative purposes only and are not intended to serve as and must not be relied on by investors as a guarantee, an assurance, a prediction or a definitive statement of fact or probability. We caution you that the foregoing list does not contain all of the forward-looking statements made in this Quarterly Report.

We operate in a competitive and rapidly changing environment. New risks and uncertainties emerge from time to time and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this Quarterly Report. We cannot assure you that the results, events and circumstances reflected in the forward-looking statements will be achieved or occur, and actual results, events or circumstances could differ materially from those described in the forward-looking statements. Some factors that could cause actual results to differ include:

- significant risks and uncertainties associated with rapidly evolving autonomous vehicle (“AV”) technology;
- our limited operating history, including our net losses and undemonstrated ability to achieve profitability;
- our ability to execute our Driver-as-a-Service or DaaS business model, including maintaining, retaining and expanding customer relationships and scaling production and commercial deliveries on expected timelines;
- any flaws or errors in our solutions or flaws in or misuse of AV technology in general;
- the risk of significant injury, including fatalities, presented by AV technology;
- the effects of competition on our business;
- risks related to working with third-party suppliers, OEMs, upfitters, service providers and partners for key components of the Kodiak Driver, including supply shortages, lead times, and operational design domain ("ODD") expansion;
- our dependence on a limited number of customers, including Atlas and defense customers, for a significant portion of our revenue;
- our reliance on the experience and expertise of our management team, engineers and other key employees;
- our ability to establish, maintain, protect or enforce our technology and intellectual property rights and defend intellectual property infringement claims from others;
- changes in the regulatory environment, including changes to tariff and trade policies;
- risks related to general business and economic conditions, including those related to the long-haul trucking, industrial trucking, oil and gas and defense ecosystems;
- real or perceived inaccuracies in our assumptions and estimates to calculate certain metrics;
- our ability to raise capital in the future and our ability to manage our growth, cash and expenses;
- our ability to maintain the listing of our securities on the Nasdaq Stock Market LLC (“Nasdaq”);
- any legal proceedings instituted against us; and
- other risks and uncertainties described in this Quarterly Report, including those detailed under the section titled “*Risk Factors*.”

If any of the risks or uncertainties described in this Quarterly Report materialize or the underlying assumptions prove incorrect, actual results and plans could differ materially from the results implied by any forward-looking statements. There may be additional risks that we presently do not know or that we currently believe are immaterial that could also cause actual results to differ from those contained in the forward-looking statements.

Part I - Financial Information

Item 1. Financial Statements

Kodiak AI, Inc.

Condensed Consolidated Balance Sheets

(In thousands, except par values; unaudited)

	June 30, 2026	December 31, 2025
Assets		
Current assets:		
Cash and cash equivalents	$ 46,750	$ 50,761
Marketable securities	104,306	69,908
Accounts receivable	512	879
Prepaid expenses and other current assets	4,967	4,464
Total current assets	156,535	126,012
Restricted cash	984	1,450
Property and equipment, net	31,301	26,553
Operating lease right-of-use assets	5,447	5,261
Other assets	117	131
Total assets	$ 194,384	$ 159,407
Liabilities, redeemable convertible preferred stock and stockholders' deficit		
Current liabilities:		
Accounts payable	$ 1,011	$ 1,455
Accrued expenses and other current liabilities	12,432	11,354
Operating lease liabilities, current	2,153	1,916
Debt, current portion	656	1,065
Second lien loans	12,025	10,872
Total current liabilities	28,277	26,662
Debt, net of current portion	29,460	29,878
Operating lease liabilities, noncurrent	3,509	3,584
Common stock warrants	97,734	158,346
Other liabilities	1,137	804
Total liabilities	160,117	219,274
Commitments and contingencies (Note 9)		
Redeemable convertible preferred stock		
Series A cumulative redeemable convertible preferred stock, $0.0001 par value; 20,000 shares authorized; 142 shares issued and outstanding	223,185	223,185
Stockholders' deficit		
Common stock, $0.0001 par value; 1,980,000 shares authorized; 194,173[1] and 175,440[1] shares issued and outstanding as of June 30, 2026 and December 31, 2025, respectively	19	17
Additional paid-in capital	625,883	570,578
Accumulated other comprehensive (loss) income	(118)	22
Accumulated deficit	(814,702)	(853,669)
Total stockholders' deficit	(188,918)	(283,052)
Total liabilities, redeemable convertible preferred stock and stockholders' deficit	$ 194,384	$ 159,407

[1] Excludes 6,250,000 shares legally issued and outstanding related to sponsor earn out securities (see Note 3).

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

Kodiak AI, Inc.

Condensed Consolidated Statements of Operations and Comprehensive (Loss) Income

(In thousands, except per share amounts; unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Revenues	$ 3,499	$ 503	$ 5,329	$ 1,974
Operating expenses:				
Research and development	22,702	12,218	40,252	22,352
General and administrative	12,439	7,161	24,859	12,286
Truck and freight operations	10,649	5,470	18,954	9,475
Sales and marketing	1,386	1,001	2,792	1,807
Total operating expenses	47,176	25,850	86,857	45,920
Loss from operations	(43,677)	(25,347)	(81,528)	(43,946)
Other income (expenses):				
Interest expense	(909)	(1,160)	(1,805)	(2,424)
Interest income and other, net	(524)	294	525	463
Change in fair value of common stock warrants	58,280	—	122,938	—
Change in fair value of second lien loans	(679)	(2,154)	(1,153)	(2,154)
Change in fair value of simple agreements for future equity	—	(84,173)	—	(192,548)
Change in fair value of redeemable convertible preferred stock warrant liabilities	—	(1,183)	—	(1,298)
Total other income (expenses), net	56,168	(88,376)	120,505	(197,961)
Net (loss) income before income taxes	12,491	(113,723)	38,977	(241,907)
Income tax expense	(14)	(3)	(10)	(4)
Net (loss) income	$ 12,477	$ (113,726)	$ 38,967	$ (241,911)
Unrealized losses on marketable securities, net of tax	(116)	—	(140)	—
Comprehensive (loss) income	$ 12,361	$ (113,726)	$ 38,827	$ (241,911)
Net (loss) income	$ 12,477	$ (113,726)	$ 38,967	$ (241,911)
Adjustments to net (loss) income attributable to common stockholders (see Note 16)	(50,152)	—	(54,433)	—
Net loss attributable to common stockholders	$ (37,675)	$ (113,726)	$ (15,466)	$ (241,911)
Net loss per common share, basic (see Note 16)	$ (0.20)	$ (1.89)	$ (0.09)	$ (4.05)
Net loss per common share, diluted (see Note 16)	$ (0.50)	$ (1.89)	$ (0.73)	$ (4.05)
Weighted-average common shares outstanding, basic	187,241	60,197	181,825	59,720
Weighted-average common shares outstanding, diluted	193,203	60,197	188,886	59,720

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

Kodiak AI, Inc.

Condensed Consolidated Statements of Redeemable Convertible Preferred Stock and Stockholders' Deficit

(In thousands; unaudited)

	Redeemable Convertible Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Comprehensive Income (Loss)	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount				
Balance as of December 31, 2025	142	$ 223,185	175,440	$ 17	$ 570,578	$ (853,669)	$ 22	$ (283,052)
Issuance of common stock upon exercise of common stock warrants	—	—	386	—	3,584	—	—	3,584
Issuance of common stock upon exercise of stock options	—	—	1,650	1	972	—	—	973
Stock-based compensation	—	—	—	—	6,111	—	—	6,111
Other comprehensive loss	—	—	—	—	—	—	(24)	(24)
Net income	—	—	—	—	—	26,490	—	26,490
Balance as of March 31, 2026	142	$ 223,185	177,476	$ 18	$ 581,245	$ (827,179)	$ (2)	$ (245,918)
Issuance of common stock and warrants in connection with a private placement, net of transaction costs	—	—	15,385	1	34,125	—	—	34,126
Issuance of common stock upon exercise of common stock warrants	—	—	594	—	3,563	—	—	3,563
Issuance of common stock upon exercise of stock options	—	—	718	—	469	—	—	469
Stock-based compensation	—	—	—	—	6,481	—	—	6,481
Other comprehensive loss	—	—	—	—	—	—	(116)	(116)
Net income	—	—	—	—	—	12,477	—	12,477
Balance as of June 30, 2026	142	$ 223,185	194,173	$ 19	$ 625,883	$ (814,702)	$ (118)	$ (188,918)

	Redeemable Convertible Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Comprehensive Income (Loss)	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount				
Balance as of December 31, 2024	93,963	$ 170,648	87,646	$ —	$ 17,309	$ (268,144)	$ —	$ (250,835)
Reverse recapitalization	(31,723)	—	(29,589)	6	(6)	—	—	—
Balance as of December 31, 2024	62,240	$ 170,648	58,057	$ 6	$ 17,303	$ (268,144)	$ —	$ (250,835)
Issuance of common stock upon exercise of common stock warrants	—	—	17	—	—	—	—	—
Issuance of common stock upon exercise of stock options	—	—	942	—	508	—	—	508
Stock-based compensation	—	—	—	—	1,878	—	—	1,878
Net loss	—	—	—	—	—	(128,185)	—	(128,185)
Balance as of March 31, 2025	62,240	$ 170,648	59,016	$ 6	$ 19,689	$ (396,329)	$ —	$ (376,634)
Issuance of common stock upon exercise of stock options	—	—	726	—	428	—	—	428
Stock-based compensation	—	—	—	—	3,013	—	—	3,013
Net loss	—	—	—	—	—	(113,726)	—	(113,726)
Balance as of June 30, 2025	62,240	$ 170,648	59,742	$ 6	$ 23,130	$ (510,055)	$ —	$ (486,919)

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

Kodiak AI, Inc.

Condensed Consolidated Statements of Cash Flows

(In thousands; unaudited)

	Six Months Ended June 30,	
	2026	2025
Operating activities:		
Net income (loss)	$ 38,967	$ (241,911)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Depreciation and amortization	3,058	1,247
Stock-based compensation	12,403	4,891
Non-cash lease expense	1,031	904
Accretion of discount on marketable securities	(612)	—
Transaction costs allocated to common stock warrants	1,984	—
Change in fair value of second lien loans	1,153	2,154
Change in fair value of simple agreements for future equity	—	192,548
Change in fair value of redeemable convertible preferred stock warrant liabilities	—	1,298
Change in fair value of common stock warrants	(122,938)	—
Non-cash interest expense	225	460
(Gain) loss on disposal of property and equipment, net	(221)	130
Changes in operating assets and liabilities:		
Accounts receivable	367	744
Prepaid expenses and other current assets	(38)	206
Other assets	14	—
Accounts payable	345	3,078
Accrued expenses and other current liabilities	1,331	(1,790)
Operating lease liabilities	(1,021)	(898)
Other liabilities	333	77
Net cash used in operating activities	(63,619)	(36,862)
Investing activities:		
Proceeds from maturities of marketable securities	70,267	—
Proceeds from sales of property and equipment	684	—
Purchases of marketable securities	(104,193)	—
Purchases of property and equipment	(9,464)	(5,236)
Net cash used in investing activities	(42,706)	(5,236)
Financing activities:		
Repayment of debt	(1,052)	(6,174)
Proceeds from issuance of second lien loans	—	29,740
Proceeds from issuance of simple agreements for future equity	—	23,660
Proceeds from issuance of common stock and warrants in connection with a private placement	100,000	—
Proceeds from exercise of stock options	1,454	886
Proceeds from exercise of common stock warrants	7,156	—
Payments of offering costs	(5,210)	(2,474)
Net cash provided by financing activities	102,348	45,638
Net change in cash and cash equivalents and restricted cash	(3,977)	3,540
Cash and cash equivalents and restricted cash at beginning of period	52,211	18,159
Cash and cash equivalents and restricted cash at end of period	$ 48,234	$ 21,699
Components of cash and restricted cash at period end:		
Cash and cash equivalents	$ 46,750	$ 20,249
Restricted cash included in prepaid and other current assets	500	—
Restricted cash	984	1,450
Total cash and cash equivalents and restricted cash	$ 48,234	$ 21,699
Supplemental disclosure of cash activities:		
Cash paid for interest	$ 1,594	$ 1,970
Cash paid for income taxes	$ 10	$ —
Supplemental disclosure of non-cash activities:		
Purchases of property and equipment included in accounts payable and accrued expenses and other current liabilities	$ 20	$ 2,876
Operating lease right-of-use asset obtained in exchange for operating lease liability upon modification of operating lease	$ 720	$ —
Operating lease right-of-use asset obtained in exchange for operating lease liability upon new operating lease	$ 497	$ —
Proceeds from exercise of stock options included in prepaid and other current assets	$ —	$ 50
Exchange of simple agreements for future equity for second lien loan	$ —	$ 10,000
Offering costs included in accounts payable and accrued liabilities and other current liabilities	$ 322	$ 4,696
Deferred offering costs related to merger included in debt, current portion	$ —	$ 3,922

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

Kodiak AI, Inc.

Notes to Condensed Consolidated Financial Statements (unaudited)

1. Description of Business

Overview

Kodiak AI, Inc. and its wholly owned subsidiary (the "Company" or "Kodiak"), headquartered in Mountain View, California, is a provider of artificial intelligence ("AI")-powered autonomous vehicle technology. This technology addresses the needs of the long-haul trucking, industrial trucking, and defense industries. The Company's core offering, the Kodiak Driver, is a single-platform virtual driver that combines advanced AI software with modular hardware for customer deployments. All Company operations are conducted in the United States.

On September 24, 2025 (the "Closing Date" or "Closing"), the Company (formerly known as Ares Acquisition Corporation II or "AACT") consummated a merger (the "Merger") with Kodiak Robotics, Inc. ("Legacy Kodiak"). The Merger was accounted for as a reverse recapitalization, with Legacy Kodiak being the accounting acquirer and AACT being the acquired company for accounting purposes.

Accordingly, the historical financial information presented in these unaudited condensed consolidated financial statements represents the accounts of Legacy Kodiak. Pursuant to a definitive business combination agreement dated April 14, 2025 (the "BCA"), the share and per share amounts for periods prior to the Merger have been retroactively converted as shares reflecting the per share merger consideration established in the Closing.

Liquidity and Going Concern

The Company has incurred recurring losses from operations and negative cash flows from operations since inception and, as of June 30, 2026, had an accumulated deficit of $814.7 million. As of June 30, 2026, the Company had cash and cash equivalents and marketable securities totaling $151.1 million, and short-term debt obligations totaling $12.7 million consisting of the current portion of debt and second lien loans. The Company expects to incur additional losses and increased expenses in future periods as it continues to scale its business, invest in research and development efforts, increase employee headcount, and incur other expenses commonly associated with being a public company.

Management's plans to fund its operations include seeking additional funding through debt or equity offerings. If additional capital is not obtained, management may need to modify its operational plan by reducing research and development initiatives and lowering growth expectations. These factors in the aggregate raise substantial doubt regarding the Company's ability to continue as a going concern for at least one year after the filing date of these condensed consolidated financial statements, and management's plans do not alleviate this substantial doubt. The condensed consolidated financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") and the requirements of the Securities and Exchange Commission (the "SEC") for interim financial reporting. Certain information and disclosures normally included in the financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to such rules and regulations. These unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes included in the Company's Form 10-K filed with the SEC on March 11, 2026.

In management's opinion, these unaudited condensed consolidated financial statements have been prepared on the same basis as the annual consolidated financial statements and reflect all adjustments, which include normal recurring adjustments, necessary for the fair statement of the Company's financial position as of June 30, 2026 and the results of operations for the three and six months ended June 30, 2026 and 2025. The results of operations for the three and six months ended June 30, 2026 are not necessarily indicative of the results to be expected for the full year ending December 31, 2026 or any other future interim or annual period.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts in the condensed consolidated financial statements and accompanying notes. These estimates form the basis for the judgments the Company makes about the carrying values of assets and liabilities that are not readily apparent from other sources, and the reported amounts of revenues and expenses during the reporting period. The Company bases its estimates and judgments on historical experience and on various other assumptions that the Company believes are reasonable under the circumstances. These estimates are based on management's knowledge about current events and expectations about actions the Company may undertake in the future. These judgments, estimates, and assumptions relate to, among other things, the estimated useful lives of property and equipment, the assessment of impairment of long-lived assets, the fair value of redeemable convertible preferred stock warrants (prior to the reverse recapitalization), the fair value of each simple agreement for future equity ("SAFE") (prior to the reverse recapitalization), the fair value of the Company's common stock (prior to the reverse recapitalization), the fair value of the Company's common stock warrants, the measurement of stock-based compensation, the determination of the incremental borrowing rate for operating lease liabilities, the evaluation of uncertain tax positions, and the assessment of the valuation allowance for deferred tax assets. Actual results may differ from these estimates.

Significant Accounting Policies

There were no significant changes to the Company's significant accounting policies disclosed in "Note 2 – Summary of Significant Accounting Policies" of its Annual Report on Form 10-K for the year ended December 31, 2025, which was filed with the SEC on March 11, 2026.

There have been no new accounting pronouncements issued or adopted during the three and six months ended June 30, 2026, that had, or are expected to have, a material impact on the Company's condensed consolidated financial statements.

Concentration of Risks

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist primarily of cash and cash equivalents and restricted cash deposited in accounts at several financial institutions that may exceed the Federal Deposit Insurance Corporation's insurance limit. The Company is exposed to credit risk in the event of a default by the financial institutions holding its cash and cash equivalents and restricted cash to the extent recorded on the balance sheets of such financial institutions. The Company believes it is not exposed to significant credit risk due to the financial position of the financial institutions in which those deposits are held.

The Company is also subject to credit risk from its accounts receivable and does not require any collateral. As of June 30, 2026, two customers represented 10% or greater of the Company's accounts receivable balance, accounting for 67% (Customer B) and 12% (Customer D). As of December 31, 2025, one customer accounted for 89% (Customer B).

Customers representing 10% or more of the Company's revenue for the three and six months ended June 30, 2026 and 2025 were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Customer A	— %	— %	— %	51 %
Customer B	56 %	49 %	65 %	21 %
Customer C	— %	14 %	— %	— %
Customer D	— %	13 %	— %	— %
Customer E	34 %	— %	23 %	— %

Emerging Growth Company Status

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

3. Reverse Recapitalization

In connection with the Merger, issued and outstanding shares of Legacy Kodiak common stock (including converted redeemable convertible preferred stock), and warrants and options to purchase Legacy Kodiak common stock were converted into rights to receive shares, warrants, or options of Kodiak at the per share merger consideration of approximately 0.66 (the “Exchange Ratio”) based on the following events contemplated by the BCA and in connection with the Closing:

i. Certain warrants to purchase shares of Legacy Kodiak redeemable convertible preferred stock were net exercised in exchange for shares of Legacy Kodiak redeemable convertible preferred stock;

ii. Legacy Kodiak redeemable convertible preferred stock, including shares resulting from the net exercise of the preferred stock warrants described above, were converted into shares of Legacy Kodiak common stock at a one-for-one conversion rate;

iii. All outstanding SAFEs were converted into shares of Legacy Kodiak common stock;

iv. All second lien loans outstanding at the Closing, excluding the $10.0 million SAFE from an affiliate of AACT that was exchanged for a second lien loan, were converted into shares of Legacy Kodiak common stock;

v. Warrants to purchase shares of Legacy Kodiak common stock were vested in full and net exercised in exchange for shares of Legacy Kodiak common stock;

vi. Legacy Kodiak common stock, including the shares issued as a result of the events described in items ii. through v. above, were converted into shares of Kodiak common stock;

vii. Outstanding options to purchase shares of Legacy Kodiak common stock were exchanged for options to purchase shares of Kodiak common stock; and

viii. Warrants to purchase shares of Legacy Kodiak preferred stock, not net exercised, were assumed by Kodiak and converted into the warrants to purchase shares of Kodiak common stock (the “Assumed Kodiak Warrants”).

Upon the consummation of the Merger, the 5,492,904 publicly held shares of AACT Class A ordinary shares were converted into shares of Kodiak common stock. In connection with the Merger, the Company received proceeds of $171.2 million, consisting of $145.0 million from certain investors (see below) and $26.2 million of cash held in AACT’s trust account after giving effect to redemptions. Legacy Kodiak incurred $32.0 million in transaction costs consisting of banking, legal, and other professional fees, of which $3.2 million was immediately expensed, $6.0 million was recorded as a reduction to the Series A cumulative redeemable convertible preferred stock, and $22.8 million was recorded as reduction to common stock additional paid-in capital.

The Merger was accounted for as a reverse recapitalization. Under this method of accounting, AACT was treated as the acquired company and the Merger was treated as the equivalent of Legacy Kodiak issuing shares for the net assets of AACT, accompanied by a recapitalization. The accounting acquirer was primarily determined based on Legacy Kodiak stockholders having the largest voting interest in Kodiak and the ability to appoint the majority of the members of the board of directors as well as Legacy Kodiak management holding executive management roles in Kodiak and being responsible for the day-to-day operations which are comprised of Legacy Kodiak activities.

The net assets of AACT were recognized at historical cost as of the Closing, with no goodwill or other intangible assets recorded. Operations prior to the merger presented are those of Legacy Kodiak and the accumulated deficit of Legacy Kodiak has been carried forward after the Closing.

Series A Preferred Investment

On September 15, 2025, in connection with a financing transaction related to the Merger, AACT entered into subscription agreements with certain institutional and accredited investors (collectively, the “Preferred Investors”) for an aggregate purchase price of $145.0 million. At the Closing, the Preferred Investors purchased shares of the Company’s Series A cumulative redeemable convertible preferred stock, par value $0.0001 per share (the “Series A Preferred Stock”), with a stated value of $1,200.00 per share (the “Stated Value”). Additionally, the Preferred Investors received warrants to purchase 125% of the shares of the Company’s common stock issuable upon conversion of the Series A Preferred Stock as of the Closing Date, at an exercise price of $12.00 per share (the “2025 PIPE Warrants”). At the Closing, the Company issued an aggregate of 142,155 shares of the Series A Preferred Stock and an aggregate of 17,769,375 PIPE Warrants to purchase shares of its common stock to the Preferred Investors, for total gross proceeds of $145.0 million (see Note 11).

Non-Redemption Agreements

On September 22, 2025, AACT and Legacy Kodiak entered into non-redemption agreements (the “NRA”) with certain unaffiliated third-party holders of AACT Class A ordinary shares (the “Non-Redemption Investors”). The Non-Redemption Investors agreed not to redeem, or to rescind their redemption requests for, an aggregate of 3,319,712 AACT Class A ordinary shares. The Company agreed to issue to the Non-Redemption Investors, for no additional consideration, either (i) warrants to purchase shares of Kodiak common stock at an exercise price of $12.00 per share (the “NRA Warrants”) or (ii) shares of Kodiak common stock (the “NRA Shares”). At the Closing, the Company issued NRA Warrants to purchase 7,606,666 shares of its common stock (see Note 10) and 368,028 NRA Shares. As the NRA Shares and NRA Warrants represented a nonreciprocal transfer of value to certain AACT equity holders, their fair values — $3.2 million for the NRA Shares and $37.0 million for NRA Warrants — were expensed during the third quarter of 2025.

Public Warrants and Private Placement Warrants

Each of the then issued and outstanding 24,999,987 redeemable warrants of AACT automatically converted at the Closing into a redeemable warrant to purchase one share of Kodiak common stock (the “Public Warrants”). Additionally, each of the then issued and outstanding 14,300,000 private placement warrants of AACT automatically converted at the Closing into a warrant to purchase one share of Kodiak common stock (the “Private Placement Warrants”) (see Note 12).

Sponsor Earn Out Securities

In connection with the Closing, 12,500,000 Class A ordinary shares of AACT held by Ares Acquisition Holdings II LP (the “AACT Sponsor”), were converted into 12,500,000 shares of Kodiak common stock. Of these, 6,250,000 shares vested and became outstanding upon the Closing, while the remaining 6,250,000 shares (the “Sponsor Earn Out Securities”) are subject to vesting conditions.

The Sponsor Earn Out Securities will vest upon the achievement of a volume-weighted average closing price of Kodiak common stock equal to or greater than $18.00 per share, subject to adjustments as set forth in the BCA (the “Triggering Event I Threshold”), for at least 20 trading days within any 30 consecutive trading-day period during the four-year period commencing September 24, 2025 (the “Earn Out Period”).

If a change of control occurs during the Earn Out Period that results in the holders of Kodiak common stock receiving a per share price equal to or greater than the Triggering Event I Threshold, the Sponsor Earn Out Securities will immediately vest as of the consummation of such change of control. The Sponsor Earn Out Securities are equity-classified instruments because the triggering event is an exercise contingency and not a settlement condition such that they are indexed to the Company's own common stock.

Advisor Shares

The Company issued 1,091,519 shares of common stock (the “Legacy Kodiak Advisor Shares”) at the Closing to an advisor of Legacy Kodiak in a private placement in satisfaction of $12.5 million of fees payable to such advisor in respect of services provided in connection with the Merger.

The number of shares of Kodiak common stock issued and outstanding following the consummation of the Merger was as follows (in thousands):

	Shares
AACT public shares	49,360
Less: redemptions of AACT public shares	(43,867)
AACT public shares, net of redemptions	5,493
AACT Sponsor shares outstanding	6,250
Total shares of AACT common stock outstanding prior to the Merger	11,743
Legacy Kodiak common stock	161,754
NRA Shares	368
Legacy Kodiak Advisor Shares	1,092
Total Kodiak common stock outstanding subsequent to the Merger	174,957

Earn Out Securities

As part of the Merger, immediately prior to the Closing, Legacy Kodiak security holders became eligible to receive, on a pro rata basis, 74,998,317 shares of Kodiak common stock and RSUs (collectively, the "Earn Out Securities"), which will be issued or vest, as applicable, upon achievement of specified stock-price-based milestones during the Earn Out Period, and, additionally in the case of the RSUs, upon satisfaction of service-based vesting conditions from the Closing to the date of each triggering event, as discussed below. The Earn Out Securities are divided into three equal tranches:

i. 24,999,439 Earn Out Securities that vest or are issued upon satisfaction of Triggering Event I (the volume weighted average closing sale price ("VWAP") of Kodiak common stock equal to or greater than \$18.00 per share for at least 20 out of 30 consecutive trading days, subject to adjustments provided in the BCA);

ii. 24,999,439 Earn Out Securities that vest or are issued upon satisfaction of Triggering Event II (VWAP ≥ \$23.00 for at least 20 out of 30 consecutive trading days, subject to adjustments); and

iii. 24,999,439 Earn Out Securities that vest or are issued upon satisfaction of Triggering Event III (VWAP ≥ \$28.00 for at least 20 out of 30 consecutive trading days, subject to adjustments).

In the event of a change of control during the Earn-Out Period that results in a per-share price for Kodiak common stock equal to or in excess of a triggering event threshold, the corresponding Triggering Event will be deemed to have occurred and the related Earn Out Securities shall be issued or vest immediately prior to the consummation of the change of control. Once issued after the triggering event, which is an exercise contingency and not a settlement condition, the Earn Out Securities are equity-classified instruments because they are indexed to the Company's own common stock. As of June 30, 2026, the Company had not met any of the triggering events.

Kodiak AI, Inc.

Notes to Condensed Consolidated Financial Statements (unaudited)

4. Cash Equivalents and Marketable Securities

The following tables summarize the amortized cost and fair value of the Company's cash equivalents and marketable securities by major category for the periods presented (in thousands):

	June 30, 2026			
	Amortized Cost	Gross Unrealized Gain	Gross Unrealized Loss	Estimated Fair Value
Cash equivalents:				
Money market funds	$ 32,527	$ —	$ —	$ 32,527
U.S. Treasury securities	9,978	—	—	9,978
Total cash equivalents	$ 42,505	$ —	$ —	$ 42,505
Marketable securities:				
U.S. Treasury securities	$ 104,424	$ —	$ (118)	$ 104,306
Total marketable securities	$ 104,424	$ —	$ (118)	$ 104,306

	December 31, 2025			
	Amortized Cost	Gross Unrealized Gain	Gross Unrealized Loss	Estimated Fair Value
Cash equivalents:				
Money market funds	$ 33,320	$ —	$ —	$ 33,320
Total cash equivalents	$ 33,320	$ —	$ —	$ 33,320
Marketable securities:				
U.S. Treasury securities	$ 69,886	$ 22	$ —	$ 69,908
Total marketable securities	$ 69,886	$ 22	$ —	$ 69,908

For the three and six months ended June 30, 2026, interest income was $1.2 million and $2.1 million, respectively, and was included within *interest income and other, net* in the condensed consolidated statements of operations and comprehensive (loss) income. Interest income for the three and six months ended June 30, 2025 was not material.

5. Fair Value Measurements

The carrying amounts of the Company's financial instruments, including accounts receivable, prepaid expenses and other current assets, accounts payable, accrued expenses and other current liabilities and the current portion of operating lease liabilities approximate their fair value due to the short-term nature of those instruments. The Company elected the fair value option for the second lien loans. The fair value of the Company's other borrowings approximates their carrying value, or amortized cost, due to the short-term nature of the obligations or the relevant prevailing market rate of interest.

The following tables summarize the Company's financial assets and liabilities measured at fair value on a recurring basis by level within the fair value hierarchy (in thousands):

	June 30, 2026			
	Level 1	Level 2	Level 3	Total
Assets				
Money market funds	$ 32,527	$ —	$ —	$ 32,527
U.S. Treasury securities	—	114,284	—	114,284
Total assets measured at fair value	$ 32,527	$ 114,284	$ —	$ 146,811
Liabilities				
Common stock warrants				

2026 PIPE Warrants	$	—	$	—	$	35,818	$	35,818
2025 PIPE Warrants		—		—		42,912		42,912
NRA Warrants		—		—		19,004		19,004
Second lien loan		—		—		12,025		12,025
Total liabilities measured at fair value	$	—	$	—	$	109,759	$	109,759

	December 31, 2025							
	Level 1		Level 2		Level 3		Total	
Assets								
Money market funds	$	33,320	$	—	$	—	$	33,320
U.S. Treasury securities		—		69,908		—		69,908
Total assets measured at fair value	$	33,320	$	69,908	$	—	$	103,228
Liabilities								
Common stock warrants								
2025 PIPE Warrants	$	—	$	—	$	110,881	$	110,881
NRA Warrants		—		—		47,465		47,465
Second lien loan		—		—		10,872		10,872
Total liabilities measured at fair value	$	—	$	—	$	169,218	$	169,218

All of the Company's money market funds and U.S. Treasury securities are highly liquid and actively traded marketable securities that generally transact at a stable $1.00 net asset value representing its estimated fair value.

The Company measures its warrant liabilities (see Note 10) and second lien loans (see Note 8) at fair value based on significant inputs not observable in the market and therefore represent Level 3 inputs.

The valuations of the warrant liabilities and second lien loans use assumptions and estimates the Company believes would be made by a market participant in making the same valuation. Changes in the fair value of these instruments were recognized in *other income (expenses)* in the Company's condensed consolidated statements of operations and comprehensive (loss) income.

Warrant Liabilities

2026 PIPE Warrants

In connection with the private placement of common stock and warrants to purchase shares of the Company's common stock (the "2026 PIPE Transaction"), on May 8, 2026 the Company issued 15,384,609 shares of warrants to purchase common stock (the "2026 PIPE Warrants") (see Note 12). The 2026 PIPE Warrants are classified as liabilities and measured at fair value on a recurring basis using the Black-Scholes option pricing model. Key assumptions used in the Black-Scholes model to estimate the fair value of the 2026 PIPE Warrants at issuance on May 8, 2026 and as of June 30, 2026 included: common stock price ranging from $7.25 and $5.08; exercise price of $6.00; expected remaining term of 5.00 years and 4.85 years; expected volatility of 54.0%; risk-free interest rate ranging from 4.0% and 4.2%; and an expected dividend yield of 0.0%.

2025 PIPE Warrants and NRA Warrants

Prior to the 2026 PIPE Transaction (see Note 12), the Company determined the fair value of its 2025 PIPE Warrants and NRA Warrants using a Monte Carlo simulation model due to exercise price reset features. In connection with the private placement, the exercise prices for the 2025 PIPE Warrants and the NRA Warrants were adjusted from $12.00 to $6.00 per share. Because $6.00 represents the contractual floor exercise price and cannot be reduced further under the reset mechanism, the Company began using a Black-Scholes option pricing model as of June 30, 2026.

As of June 30, 2026, key assumptions used in the Black-Scholes model to estimate the fair value of the 2025 PIPE Warrants and NRA Warrants included a common stock price of $5.08, an exercise price of $6.00, a remaining contractual term of 5.24 years, expected volatility of 56.0%, a risk-free interest rate of 4.2%, and an expected dividend yield of 0.0%. As of December 31, 2025, key assumptions used in the Monte Carlo simulation model included a risk-free rate of 3.8% and volatility of 55.0%. Changes in the fair value were recorded under *change in fair value of common stock warrants* in the condensed consolidated statements of operations and comprehensive (loss) income.

Second Lien Loans

The Company determined the fair value of the outstanding second lien loans with a principal amount of $10.0 million using a pay-off-to-maturity method. The key valuation assumptions used to determine the fair value as of June 30, 2026 and December 31, 2025 included an implied discount rate of 26.3% and 23.7%, respectively.

Fair Value Remeasurement

The following table summarizes changes in the estimated fair values of these liabilities (in thousands):

	2026 PIPE Warrants	2025 PIPE Warrants	NRA Warrants	Second Lien Loans
Balance as of December 31, 2025	$ —	$ 110,881	$ 47,465	$ 10,872
Issuance during the period	62,326	—	—	—
Fair value remeasurement	(26,508)	(67,969)	(28,461)	1,153
Balance as of June 30, 2026	$ 35,818	$ 42,912	$ 19,004	$ 12,025

	SAFE[1]	Legacy Kodiak Redeemable Convertible Preferred Stock Warrants[1]	Second Lien Loans
Balance as of December 31, 2024	$ 59,301	$ 1,619	$ —
Issuance during the period	23,660	—	29,740
Exchange of SAFE for second lien loan	(10,000)	—	10,000
Fair value remeasurement	192,548	1,298	2,154
Balance as of June 30, 2025	$ 265,509	$ 2,917	$ 41,894

[1] In connection with the Closing, these instruments were fully converted, exercised, or assumed and reclassified to equity (see Note 3). Accordingly, there were no outstanding balances as of June 30, 2026 and December 31, 2025.

Kodiak AI, Inc.

Notes to Condensed Consolidated Financial Statements (unaudited)

6. Balance Sheet Components

Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consisted of the following (in thousands):

	June 30, 2026	December 31, 2025
Prepaid expenses and other receivables	$ 3,745	$ 4,064
Restricted cash, current	500	—
Payroll tax credit receivable	400	400
Deferred contract costs	322	—
Total prepaid expenses and other current assets	$ 4,967	$ 4,464

Property and Equipment, Net

Property and equipment, net consisted of the following (in thousands):

	June 30, 2026	December 31, 2025
Equipment and hardware	$ 23,487	$ 14,708
Leasehold improvements	7,667	7,317
Vehicles	6,949	7,297
Technology infrastructure	3,213	3,195
Other	873	804
Total property and equipment	42,189	33,321
Less: accumulated depreciation	(19,415)	(17,151)
Construction in progress	8,527	10,383
Total property and equipment, net	$ 31,301	$ 26,553

Depreciation and amortization expense was $1.6 million and $3.1 million for the three and six months ended June 30, 2026, respectively, and $0.7 million and $1.2 million for the three and six months ended June 30, 2025, respectively.

Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consisted of the following (in thousands):

	June 30, 2026	December 31, 2025
Accrued bonus	$ 5,962	$ 5,349
Accrued payroll and related expenses	1,625	1,622
Other current liabilities and accrued expenses	3,765	4,203
Deferred revenue	1,080	180
Total accrued expenses and other current liabilities	$ 12,432	$ 11,354

7. Leases

The Company has operating lease arrangements for facilities under non-cancellable agreements with various expiration dates through 2031. The agreements may include renewal options to extend the term that the Company is not reasonably certain to exercise.

In May 2026, the Company extended an existing facility lease and entered into a new lease for additional facility space in California, both expiring in December 2027, resulting in aggregate additions of $1.2 million to operating lease right-of-use assets and lease liabilities.

Rent expense related to operating lease liabilities was $0.7 million and $1.4 million for the three and six months ended June 30, 2026, respectively, and $0.7 million and $1.3 million for the three and six months ended June 30, 2025, respectively. Variable lease costs and short-term lease expenses were not material during the periods presented.

As of June 30, 2026, future minimum lease payments for the Company’s operating lease liabilities were as follows (in thousands):

Year Ended December 31,	Amount
2026 (remaining six months)	$ 1,466
2027	2,315
2028	839
2029	866
2030	898
Thereafter	670
Total undiscounted lease payments	7,054
Less: Imputed interest	(1,392)
Present value of lease liabilities	5,662
Less: Operating lease liabilities, current	(2,153)
Operating lease liabilities, non-current	$ 3,509

The following table summarizes additional information related to operating leases for the periods presented:

	June 30, 2026	December 31, 2025
Weighted-average remaining lease term	3.6 years	4.1 years
Weighted-average discount rate	12.1 %	12.5 %

8. Debt

Second Lien Loans

In connection with the Merger, certain second lien loans automatically converted into Kodiak common stock. The remaining $10.0 million in principal, which originated from the exchange of a SAFE from an affiliate of AACT (see Note 3), remained outstanding as of June 30, 2026, with a fair value of $12.0 million and a maturity date of October 1, 2026.

The second lien loans bear interest at an interest rate per annum equal to the prime rate plus 9.00%, subject to a minimum rate of 13.75%. Interest accrues on the first business day of each month, and is capitalized and included in the principal balance due at maturity. The interest rate applicable to the second lien loans was 16.50%. The Company was in compliance with its covenants as of June 30, 2026.

2025 Credit Facility

In December 2025, the Company entered into a venture loan and security agreement (the “2025 Credit Facility”), which amended and restated its then-existing venture loan and security agreement originally executed in September 2022 (the “2022 Credit Facility”). The 2025 Credit Facility provided for secured term loans of up to an aggregate principal amount of $30.0 million, which was drawn in full upon execution. The proceeds (i) were used to repay the then-outstanding principal balance of $15.0 million and the final repayment fee of $1.2 million under the 2022 Credit Facility, and (ii) have been used for working capital and general corporate purposes. Borrowings under the 2025 Credit Facility are secured by substantially all of the assets of the Company, including the Company's intellectual property, subject to certain customary exceptions.

The 2025 Credit Facility contains customary covenants and customary events of default. The Company was in compliance with its covenants as of June 30, 2026.

Borrowings under the 2025 Credit Facility mature in January 2030 and provide for interest-only payments from February 1, 2026 to July 1, 2028. Consecutive payments of principal and interest are due beginning on August 1, 2028 once the interest-only period elapses. The 2025 Credit Facility bears interest that is payable monthly at 3.50% plus the greater of (i) 6.50% and (ii) the prime rate. The interest rate under the 2025 Credit Facility was 10.25%. In addition, a final payment fee of $1.2 million is due upon the earlier of prepayment or maturity of the debt. The Company has the option to prepay the entire balance of the debt subject to a prepayment fee ranging from 1.0% to 2.0% depending on the timing of such repayments.

Total debt issuance costs related to the 2025 Credit Facility of $0.8 million were recorded as a debt discount, which included $0.5 million for the fair value of 45,906 shares of common stock issued to the lender concurrently with the execution of the 2025 Credit Facility and a commitment fee of $0.3 million. The debt discount, together with the final payment fee and $0.1 million of unamortized debt issuance costs related to the 2022 Credit Facility is recognized as interest expense using the effective interest method over the term of the loan.

2022 Equipment Facility

In July 2022, the Company entered into a financing agreement with a lender to borrow up to $10.0 million as equipment line advances (the "2022 Equipment Facility") pursuant to which it borrowed at various dates an aggregate principal amount of $8.5 million. Borrowings under the 2022 Equipment Facility are secured by the specific assets that were financed. The 2022 Equipment Facility contains customary representations and warranties, non-financial covenants and customary events of default. The Company was in compliance with its covenants as of June 30, 2026. Borrowings under the 2022 Equipment Facility mature in March 2028 and repayments of principal and interest are due monthly commencing in the month following each draw.

In April 2026, the Company completed the sale of seven vehicles for total gross proceeds of $0.7 million. In connection with the transaction, a payment of $0.5 million was remitted by the buyer to the lender to satisfy the existing lien on the vehicles, which extinguished $0.5 million in aggregate principal outstanding under the 2022 Equipment Facility. The remaining net cash proceeds were remitted to the Company.

As of June 30, 2026, and December 31, 2025, the aggregate principal amount outstanding was $0.9 million and $1.9 million, respectively. The 2022 Equipment Facility bears an annual interest rate equivalent to a five-year swap plus 3.38% or ranging from approximately 6.0% to 7.0%.

Total debt issuance costs related to the 2022 Equipment Facility of $0.1 million were recorded as a debt discount, which included immaterial amounts related to the fair value of warrants to purchase shares of the Company's common stock issued concurrently with the execution of the 2022 Equipment Facility and other issuance costs. The debt discount is recognized as interest expense using the effective interest method.

As of June 30, 2026, the Company's future minimum principal payments under its debt arrangements are as follows (in thousands):

Year Ended December 31,	Second Lien Loans	Other Debt	Total
2026 (remaining six months)	$ 10,000	$ 323	$ 10,323
2027	—	524	524
2028	—	8,354	8,354
2029	—	20,000	20,000
2030	—	2,867	2,867
Total principal debt payments and final payment fee	10,000	32,068	42,068
Less: unamortized debt discount	—	(876)	(876)
Less: unamortized final payment fee	—	(1,076)	(1,076)

Less: Debt, current portion	(10,000)	(656)	(10,656)
Debt, net of current portion	$ —	$ 29,460	$ 29,460

9. Commitments and Contingencies

Litigation

From time to time, the Company may become involved in various litigation and administrative proceedings relating to claims arising from its operations in the normal course of business. As of June 30, 2026, the Company was not involved in any legal actions that could have a material effect on the Company's financial position, results of operations or liquidity.

Purchase Commitments

The Company's contracts with vendors in the conduct of the normal course of its business are generally terminable with advanced written notice and payment for any products or services received by the Company through the effective time of termination. However, the Company has entered into contracts to purchase services under which non-cancellable future minimum payments as of June 30, 2026, were as follows (in thousands):

Year ended December 31,	Amount
2026 (remaining six months)	$ 3,860
2027	3,113
2028	349
2029	130
Total	$ 7,452

10. Warrant Liabilities

Common Stock Warrant Liabilities

As of June 30, 2026, the Company had the following liability-classified warrants to purchase shares of its common stock outstanding (in thousands, except exercise price per share):

	Shares Underlying Warrants	Exercise Price Per Share	Expiration Date
2026 PIPE Warrants	15,385	$ 6.00	5/7/2031
2025 PIPE Warrants	17,176	$ 6.00	9/24/2031
NRA Warrants	7,607	$ 6.00	9/24/2031
Total outstanding	40,168		

2026 PIPE Warrants

In connection with the 2026 PIPE Transaction (see Note 12), the Company issued 2026 PIPE Warrants that were immediately exercisable upon issuance. The 2026 PIPE Warrants are subject to standard anti-dilution provisions as well as down-round provisions that provide for adjustments upon the expiration or termination of certain Company securities. As a result of down-round provisions, which may result in adjustments triggered by events that are not inputs to a fair value model, the 2026 PIPE Warrants did not meet the requirements for equity classification and are therefore classified as liabilities, subject to remeasurement at each reporting period (see Note 5).

2025 PIPE Warrants and NRA Warrants

At the Closing, the Company issued 2025 PIPE Warrants and NRA Warrants to purchase shares of its common stock that were immediately exercisable upon issuance. Subsequently, on May 8, 2026, in connection with the private placement of common stock and warrants (see Note 12) the exercise prices of the 2025 PIPE Warrants and NRA Warrants were adjusted from $12.00 to $6.00 per share. As a result of the continuing down-round provisions, which may result in adjustments triggered by events that are not an input into a fair value model, the 2025 PIPE Warrants and NRA Warrants continue to be classified as liabilities, subject to remeasurement at each reporting period (see Note 5).

Legacy Kodiak Warrant Liabilities - Redeemable Convertible Preferred Stock Warrants

At the Closing, certain Legacy Kodiak warrants to purchase shares of redeemable convertible preferred stock that had previously been issued were net settled, resulting in the issuance of 614,799 shares of Kodiak common stock. In addition, certain Legacy Kodiak warrants to purchase shares of redeemable convertible preferred stock were assumed by the Company and became 558,559 shares to purchase its common stock, or the Assumed Kodiak Warrants (see Note 3).

Upon the Closing, the Kodiak Assumed Warrants were remeasured and reclassified to equity as the criteria for equity classification were met (see Note 12).

11. Redeemable Convertible Preferred Stock

Series A Cumulative Redeemable Convertible Preferred Stock

At the Closing, the Company issued an aggregate of 142,155 shares of the Series A Preferred Stock and the 17,769,375 freestanding 2025 PIPE Warrants for total gross proceeds of $145.0 million (see Note 3). The Company determined the fair value of the Series A Preferred Stock and the 2025 PIPE Warrants (see Note 5) at issuance using a Monte Carlo simulation model. The valuation of the Series A Preferred Stock incorporated key assumptions, including a dividend rate of 9.99% (payable in kind), a five-year redemption period, a discount rate of 25%, and a volatility assumption of 55%.

The valuations indicated an aggregate fair value of $315.6 million, consisting of $229.2 million for the Series A Preferred Stock and $86.4 million for the 2025 PIPE Warrants. As the aggregate fair value exceeded the $145.0 million of proceeds received, the Company recognized a total loss of $170.6 million during the third quarter of 2025.

As the Series A Preferred Stock become redeemable based on the passage of time as the holders may redeem at any time after the 5-year anniversary of the Closing Date, the Series A Preferred Stock was recorded in mezzanine equity in the condensed consolidated balance sheet. The Company elected to record changes in the redemption value as they occur and adjust the carrying amount equal to the redemption amount. As the carrying value of the Series A Preferred Stock of $223.2 million was greater than its redemption value (and liquidation preference) of $183.6 million as of June 30, 2026, no change in redemption value was required to be recorded for the three and six months ended June 30, 2026.

In May 2026, in connection with the private placement of common stock and warrants (see Note 12), the conversion price of the Series A Preferred Stock was adjusted from $12.00 to $6.00 per share. The Company recognized a deemed dividend of $46.1 million representing the incremental fair value transferred to holders from the conversion price reduction. Due to the Company's accumulated deficit, the deemed dividend was recorded within additional paid-in capital with no net impact on total stockholders' deficit. The deemed dividend is deducted from net (loss) income to determine net loss available to common stockholders in calculating net loss per share for the three and six months ended June 30, 2026 (see Note 16).

The significant rights and preferences of the Series A Preferred Stock are as follows:

Dividends

The Series A Preferred Stock accrues dividends daily at an annual rate of 9.99% when dividends are paid in additional shares of preferred stock, or 7.99% when paid in cash. Dividends compound on a semi-annual basis, payable on June 1 and December 1 each year, and accumulate whether or not declared. All dividends accrued from issuance through June 1, 2026 were paid in kind, which resulted in the value of the Series A Preferred Stock increasing from the initial value of $1,200.0 to an accrued value of $1,283.6 per share. As of June 30, 2026, dividends had accrued from June 2, 2026 through period-end but had not yet been paid or compounded.

Voting Rights

Holders of Series A Preferred Stock are entitled to vote together with common stock holders as a single class on most matters. Each holder is entitled to a number of votes equal to the number of common shares into which their preferred shares are convertible (i.e., as-converted basis). Additionally, the Company cannot take certain actions, such as liquidating, amending its charter in a way that is materially adverse to the preferred stock, or creating a new senior security, without the approval of a majority of the outstanding Series A Preferred Stock.

Liquidation Preference

Upon any liquidation or deemed liquidation event, holders of the Series A Preferred Stock are entitled to receive, before any distribution to holders of common stock or other junior securities, an amount per share equal to the greater of (i) the original issue price of the preferred stock plus any accumulated and unpaid dividends through the most recent semi-annual dividend date, or (ii) the amount that would have been received if all shares of Series A Preferred Stock had been converted into common stock immediately prior to the liquidation event.

Conversion

Each share of Series A Preferred Stock is convertible into shares of the Company's common stock at any time at the option of the holder. The number of shares issuable upon conversion is determined by dividing the carrying amount of the preferred share, including any accrued but unpaid dividends, by the applicable conversion price. The initial conversion price was $12.00 per share, subject to adjustment for stock dividends, stock splits, combinations, and similar events, as well as customary anti-dilution provisions. In connection with the private placement of common stock and warrants on May 8, 2026, the conversion price was adjusted to $6.00 per share (see Note 12).

Holder Redemption Rights

Holders of Series A Preferred Stock possess a right of redemption that can be exercised at any time after the fifth anniversary of the Closing Date, unless such a distribution is prohibited by applicable law. Upon a request for redemption, the Company is obligated to redeem the shares at a price equal to the original issue price of the preferred stock, plus any accrued and unpaid dividends.

Company Redemption Rights

The Company possesses a right of redemption for the Series A Preferred Stock, which can be exercised at any time, unless prohibited by applicable law. The redemption price varies depending on when the right is exercised: specifically, the price is 150% of the sum of the Stated Value per share and all dividends paid in additional shares of preferred stock, plus any accrued and unpaid dividends, prior to the first anniversary of the Closing Date. This redemption price decreases over time: to 140% from the first to second anniversary, to 130% from the second to third anniversary, to 120% from the third to fourth anniversary, to 110% from the fourth to fifth anniversary, and to 100% after the fifth anniversary of the Closing Date. The price is subject to adjustment for any stock dividends, stock splits, combinations, or other similar recapitalizations involving the Series A Preferred Stock.

12. Stockholders' Deficit

2026 Private Placement

On May 7, 2026, the Company entered into subscription agreements for the 2026 PIPE Transaction with new institutional investors, existing stockholders, and a Company affiliate, Ares Management Corporation ("Ares"). On May 8, 2026, the 2026 PIPE Transaction closed, generating aggregate gross proceeds of $100.0 million (including $5.0 million from Ares) through the issuance and sale of (i) 15,384,609 shares of common stock at $6.50 per share and (ii) accompanying freestanding 2026 PIPE Warrants to purchase up to 15,384,609 shares of common stock at an exercise price of $6.00 per share (see Note 5 and Note 10).

The 2026 PIPE Warrants did not meet the conditions for equity classification (see Note 5). Accordingly, the proceeds were allocated to the 2026 PIPE Warrants at initial fair value, with residual proceeds to the common stock issued in the transaction. The Company also incurred $5.5 million in transaction costs consisting of banking, legal, and other professional fees, which were allocated to the two instruments issued on a relative fair value basis, with $2.0 million recognized in the condensed consolidated statements of operations and comprehensive (loss) income and $3.5 million recorded as a reduction to additional paid-in capital.

Down-Round Adjustments

In connection with the 2026 PIPE Transaction, the exercise prices of the 2025 PIPE Warrants and NRA Warrants and the conversion price of the Series A Preferred Stock were each adjusted from $12.00 to $6.00 per share, representing the lowest price of securities issued in the 2026 PIPE Transaction. The original terms of each instrument included existing full ratchet down-round protection, and separately, in connection with the 2026 PIPE Transaction, the investors agreed to waive certain anti-dilution rights, which was accounted for as a modification. As the Series A Preferred Stock is classified as equity, the Company recognized the incremental value provided to the holders as a result of the down-round adjustments and waiver as a deemed dividend of $46.1 million (see Note 11). As the 2025 PIPE Warrants and NRA Warrants are classified as liabilities and remeasured each reporting period, the effect of the down-round adjustments and waiver was included within their fair value remeasurements recognized in the condensed consolidated statements of operations and comprehensive (loss) income (see Note 5 and Note 10).

Common Stock

In September 2025, the Company authorized 2,000,000,000 shares, consisting of 1,980,000,000 shares of Kodiak common stock, par value $0.0001 per share, and 20,000,000 shares of Kodiak preferred stock, par value $0.0001 per share. Each share of Kodiak common stock is entitled to one vote.

Common stock reserved for future issuance as of June 30, 2026 was as follows (in thousands):

	June 30, 2026
Earn Out Securities	74,998
Common stock warrants[1]	79,631
Outstanding stock options	52,135
Shares available for issuance under equity incentive plan	25,123
Cumulative redeemable convertible preferred stock[2]	30,604
Shares available for issuance under the ESPP	7,456
Total	269,947

[1] Common stock warrants include both equity-classified and liability-classified warrants (see Note 10).

[2] Includes shares issuable for accrued dividends paid-in-kind (see Note 11).

Equity-Classified Common Stock Warrants

As of June 30, 2026, the Company had the following equity-classified common stock warrants outstanding (in thousands, except exercise price per share):

	Shares Underlying Warrants		Exercise Price Per Share	Expiration Date
Public Warrants	24,604	$	9.28	9/24/2030
Private Placement Warrants	14,300	$	9.28	9/24/2030
Assumed Kodiak Warrants	559	$	2.24	12/31/2028, 6/30/2031
Total outstanding	39,463			

Public and Private Placement Warrants

The Company may redeem the Public Warrants if the last reported sales price of Kodiak common stock equals or exceeds $14.53 per share for any 20 trading days within a 30-trading day period ending on the third trading day prior to the date on which the Company provides notice of redemption to the warrant holders. The Public Warrants may be redeemed only in full, not in part, and require a minimum of 30 days' prior written notice. Once exercisable, the Public Warrants may be redeemed by the Company at a redemption price of $0.01 per warrant. The Company may require a cashless exercise of the Public Warrants upon redemption.

The Private Placement Warrants are substantially identical to the Public Warrants, except that they are exercisable on a cashless basis and are non-redeemable. The exercise price and number of shares of common stock for the warrants are subject to adjustment for certain corporate events, such as share dividends, recapitalizations, and mergers. The warrants are not adjusted for common stock issued below the exercise price, and the Company is not obligated to net cash settle them. Accordingly, the warrants are equity-classified because they are indexed to the Company's common stock and provide for the issuance of a fixed number of shares upon exercise.

Assumed Kodiak Warrants

In connection with the Merger, each outstanding and unexercised Legacy Kodiak warrant was converted into an Assumed Kodiak Warrant. Upon the Closing Date, the Assumed Kodiak Warrants were remeasured to fair value and reclassified from liability to equity (see Note 3). The warrants met the conditions for equity classification because they are indexed to the Company's common stock and provide for the issuance of a fixed number of shares upon exercise. The warrants do not contain any mandatory redemption features requiring settlement in cash or other assets.

13. Stock-based Compensation

The Company grants stock-based awards under the Kodiak 2025 Equity Incentive Plan (the "2025 EIP"). The Company also maintains the Legacy Kodiak 2018 Equity Incentive Plan (the "2018 Plan"), under which outstanding awards continue to vest but no further awards may be granted. As of June 30, 2026, 25,122,538 and 7,455,905 shares of the Company's common stock were available for future issuance under the 2025 EIP and the 2025 Employee Stock Purchase Plan (the

“ESPP”), respectively. The first offering period under the ESPP commenced on May 20, 2026. Stock-based compensation expense recognized under the ESPP for the three and six months ended June 30, 2026 was not material.

Stock Option Activity

Stock option activity under the Company’s equity incentive plan was as follows:

	Options Outstanding			
	Number of Options (in thousands)	Weighted–Average Exercise Price	Weighted-Average Remaining Contractual Life (in years)	Aggregate Intrinsic Value (in thousands)
Outstanding as of December 31, 2025	55,438	$ 1.90		
Granted	—	—		
Exercised	(2,368)	0.61		
Forfeited	(891)	3.08		
Expired	(44)	1.37		
Outstanding as of June 30, 2026	52,135	$ 1.94	6.5	$ 186,069
Exercisable as of June 30, 2026	37,261	$ 0.98	5.8	$ 155,862

The aggregate intrinsic value in the above table is calculated as the difference between the exercise price of the underlying stock options and the Company’s fair value of its common stock as of the balance sheet date.

As of June 30, 2026, total unrecognized compensation expense related to unvested options was $50.4 million, which the Company expects to recognize over an estimated weighted-average period of 2.5 years.

Restricted Stock Units

RSUs activity under the Company's equity incentive plan was as follows:

	Unvested RSUs Outstanding	
	Number of RSUs (in thousands)	Weighted–Average Grant-Date Fair Value
Outstanding as of December 31, 2025	2,622	$ 5.91
Granted	1,932	7.82
Vested	—	—
Forfeited	(411)	6.40
Outstanding as of June 30, 2026	4,143	$ 6.75

As of June 30, 2026, total unrecognized compensation expense related to unvested RSUs was $25.0 million, which the Company expects to recognize over an estimated weighted-average period of 3.6 years.

Stock-based Compensation

Total stock-based compensation recorded in the Company’s condensed consolidated statements of operations and comprehensive (loss) income was as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Research and development	$ 2,754	$ 1,735	$ 5,196	$ 2,920

General and administrative	3,075	995	6,114	1,477
Truck and freight operations	192	109	360	177
Sales and marketing	358	174	733	317
Total stock-based compensation	$ 6,379	$ 3,013	$ 12,403	$ 4,891

Stock-based compensation capitalized as part of property and equipment was not material for the three and six months ended June 30, 2026 and 2025.

14. Revenues

The Company's revenues are primarily derived from (i) providing Driver-as-a-Service ("DaaS") to customers, (ii) delivering freight via Kodiak-owned autonomous trucks powered by the Kodiak Driver, and (iii) providing ground autonomy solutions to the U.S. military. The Company recognizes revenue when customers obtain control of promised services in an amount that reflects the consideration the Company expects to receive for those services.

Disaggregation of Revenues

The Company's revenues were generated from customers located in the U.S. For the three and six months ended June 30, 2026, DaaS represented 56% and 65% of total revenues, ground autonomy solutions represented 34% and 23% of total revenues, and freight delivery represented 10% and 12% of total revenues, respectively. For the three and six months ended June 30, 2025, DaaS represented 49% and 21% of total revenues, ground autonomy solutions represented 0% and 51% of total revenues, and freight delivery represented 51% and 28% of total revenues, respectively.

The Company's contracts with a duration of one year or more consisted entirely of a DaaS arrangement with a single customer as of June 30, 2026. The aggregate amount of the transaction price allocated to unsatisfied performance obligations was $26.2 million as of June 30, 2026, which is expected to be recognized ratably over the respective service periods of each underlying contract through June 2030.

Contract Balances

As of June 30, 2026 and December 31, 2025, the Company did not have any material amounts related to unbilled receivables or contract assets. The Company's contract liabilities were $1.9 million and $0.7 million as of June 30, 2026 and December 31, 2025, respectively. Contract liabilities were included in *accrued expenses and other current liabilities* and *other liabilities* on the condensed consolidated balance sheets.

15. Income Taxes

The Company's income tax expense was not material for the three and six months ended June 30, 2026, and 2025.

The Company's effective tax rate for the three and six months ended June 30, 2026, and 2025 was approximately 0%. For the periods presented, the difference between the effective tax rate and the federal statutory rate of 21% primarily relates to certain non-deductible items, the absence of current taxable income, and the full valuation allowance on deferred tax assets.

16. Net Loss Per Common Share

The following table summarizes the computation of basic and diluted net loss per common share (in thousands, except per share amounts):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Numerator				
Net (loss) income	$ 12,477	$ (113,726)	$ 38,967	$ (241,911)

Kodiak AI, Inc.

Notes to Condensed Consolidated Financial Statements (unaudited)

Less: cumulative dividends to preferred stockholders	(4,100)	—	(8,381)	—
Less: deemed dividend to preferred stockholders related to a conversion price adjustment	(46,052)	—	(46,052)	—
Net loss attributable to common stockholders, basic	(37,675)	(113,726)	(15,466)	(241,911)
Less: gain on change in fair value of liability-classified warrants	(58,280)	—	(122,938)	—
Net loss attributable to common stockholders, diluted	$ (95,955)	$ (113,726)	$ (138,404)	$ (241,911)
Denominator				
Weighted-average common shares outstanding, basic	187,241	60,197	181,825	59,720
Effect of dilutive liability-classified warrants	5,962	—	7,061	—
Weighted-average common shares outstanding, diluted	193,203	60,197	188,886	59,720
Net loss per common share, basic	$ (0.20)	$ (1.89)	$ (0.09)	$ (4.05)
Net loss per common share, diluted	$ (0.50)	$ (1.89)	$ (0.73)	$ (4.05)

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

	Three and Six Months Ended June 30,	
	2026	2025
Common stock warrants	38,904	215
Redeemable convertible preferred stock	30,604	62,240
Common stock options and RSUs	56,278	53,957
Redeemable convertible preferred stock warrants	—	1,305
ESPP	79	—
Total	125,865	117,717

The 74,998,317 shares and 6,250,000 shares of common stock equivalent subject to the remaining Earn Out Securities and Sponsor Earn Out Securities, respectively, are excluded from the anti-dilutive table above as of June 30, 2026 as the underlying shares remain contingently issuable as the triggering events have not been satisfied (see Note 3).

Excluded from common stock warrants in the anti-dilutive table above as of June 30, 2026 and 2025 were those warrants with a nominal exercise price, which were included in the computation of basic and diluted net loss per share on the date all necessary conditions were satisfied for issuance, which was from the date any service-based vesting conditions were met.

17. Segment

The Company has one operating and reportable segment related to the development of autonomous vehicle technology and related services that can be applied at scale across a broad range of industries and environments. Factors used in determining the reportable segment include the nature of the Company's activities, the organizational and reporting structure and the type of information reviewed by the chief operating decision maker ("CODM"), its chief executive officer, to allocate resources and evaluate financial performance. *Net (loss) income* is the key measure of segment profit and loss that the CODM uses to allocate resources and assess performance. The CODM uses *net (loss) income* to evaluate the Company's expenditures and monitor budget-to-actual results. The CODM considers budget-to-actual variances and available cash when making decisions about the allocation of resources across the organization.

Significant expenses within *net (loss) income* include research and development, general and administrative, truck and freight operations and sales and marketing, which are separately presented on the Company's condensed consolidated statements of operations and comprehensive (loss) income. The Company's long-lived assets are located in the United States.

18. Subsequent Events

Purchase Commitments

In July 2026, the Company entered into a non-cancellable three-year agreement with a cloud service provider for enterprise cloud computing and storage services. Under the terms of the agreement, the Company has a total minimum purchase commitment of $28.5 million payable in equal annual amounts over the three-year contract term ending in July 2029.

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

On September 24, 2025 (the "Closing Date" or "Closing"), Kodiak Robotics, Inc. ("Legacy Kodiak") and Ares Acquisition Corporation II ("AACT") consummated the merger transaction (the "Merger") and AACT changed its name to Kodiak AI, Inc. (the "Company" or "Kodiak"). As a result, the financial statements of Legacy Kodiak are now the financial statements of Kodiak.

The following discussion and analysis of our financial condition, results of operations and cash flows should be read in conjunction with the (1) unaudited condensed consolidated financial statements and the related notes thereto included elsewhere in this Quarterly Report on Form 10-Q, and (2) the audited consolidated financial statements and notes thereto and management's discussion and analysis of financial condition and results of operations for the year ended December 31, 2025 included in the Annual Report on Form 10-K filed with the Securities and Exchange Commission (the "SEC"), on March 11, 2026.

Certain information contained in this discussion and analysis is also included elsewhere in this Quarterly Report, including information regarding our business plans and strategy, and includes forward-looking statements that involve risks and uncertainties. Actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors, including those discussed in the sections titled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" in this Quarterly Report.

Our investor relations website is located at https://investors.kodiak.ai. We use our investor relations website to post important information for investors, including news releases, analyst presentations, and supplemental financial information, and as a means of disclosing material non-public information and for complying with our disclosure obligations under Regulation FD. Accordingly, investors should monitor our investor relations website, in addition to following press releases, SEC filings and public conference calls and webcasts. From time to time, we may also post information that could be deemed material on our social media channels, which are listed on our investor relations website, and investors are encouraged to review those sources as well. We have included our investor relations website as an inactive textual reference only. Except as specifically incorporated by reference into this Report, information on such website is not part of this Report.

Overview

Kodiak is a leading provider of physical AI, with a focus on AI-powered autonomous vehicle ("AV") technology, that is designed to help tackle some of the toughest driving jobs. Our driverless solution can help address the critical problem of safely transporting goods in the face of unprecedented supply chain challenges. We believe that driverless trucks can enhance road safety, improve truck utilization, reduce costs, expand margins for fleet owners, alleviate supply chain pressures and create better jobs for truck drivers.

We serve customers in the long-haul trucking, industrial trucking, and defense industries. In December 2024, we launched our driverless solution, which we refer to as the Kodiak Driver. We believe the launch of the Kodiak Driver represents the first customer-owned and -operated driverless trucks in commercial service. In addition, our customers have utilized Kodiak-owned driverless trucks to deliver revenue-generating loads across the southern United States. As of June 30, 2026, Kodiak Driver-powered vehicles have logged over 40,000 Cumulative Hours of Paid Driverless Operations and have delivered over 20,000 loads. In the defense industry, we believe the Kodiak Driver can support national security initiatives and critical government applications.

We expect to continue to operate using a Driver-as-a-Service ("DaaS") business model, which we launched in December 2024 in connection with our partnership with Atlas Energy Solutions ("Atlas"). Under our DaaS model, our customers are provided with access to the Kodiak Driver on customer-owned and -operated vehicles. Under this model, we generate revenue through either a per-vehicle or per-mile license fee. This flexible approach to pricing is designed to align with our customers' diverse operational models, while generating predictable recurring revenue for us. By integrating the Kodiak Driver into customer-owned fleets, we expect to build an asset-light business that can scale with our customers' growth.

In September 2025, we completed the Merger accounted for as a reverse recapitalization, with Legacy Kodiak as the accounting acquirer. Consequently, historical results prior to the Merger are those of Legacy Kodiak. The transaction, including a concurrent private investment in public equity financing, generated $171.2 million in net proceeds through the issuance of Series A cumulative redeemable convertible preferred stock. We are using these funds to scale operations and support incremental public company costs. See Note 3 to our condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report for additional information.

Key Factors Affecting our Results

We believe that our performance and future success depend on several factors that present significant opportunities for us but also pose risks and challenges, including those discussed below and in the section of this Quarterly Report titled "*Risk Factors*."

Evolution of Business Model

Our business model has evolved and will continue to evolve in parallel with the growth of our business. Initially, our revenue was generated by transporting commercial freight using Kodiak-owned autonomous trucks and from our work with the U.S. Army. This approach allowed us to refine the Kodiak Driver, demonstrate commercial viability, grow our customer base and establish a freight network spanning approximately 26,000 miles across the southern United States and demonstrate the viability of the Kodiak Driver across multiple operating domains.

Under our DaaS model, which we launched in December 2024 with Atlas, our customers own and operate Kodiak Driver-powered trucks, and Kodiak provides the autonomy system, regular software updates, systems integrations, remote monitoring and operational and remote support. Under the DaaS model, revenue is generated on a recurring subscription basis, either through a per-vehicle or a per-mile license fee structure, with mileage minimums, where applicable. The DaaS model is designed to scale efficiently, support diverse customer operations, and establish recurring revenue streams while helping minimize our capital expenditures.

As we expand deployments under the DaaS model, we expect a shift in our cost structure to an asset-light business model. Historically, we primarily used Kodiak-owned trucks in our operations. We expect to continue to own and operate a limited fleet of trucks to support the continued development of the Kodiak Driver and continued business development efforts. In the near term, we expect our costs will continue to reflect the use of Kodiak-owned trucks. Over time, we expect customer-owned vehicles will represent a larger share of the deployed fleet, supporting a leaner, more capital-efficient and increasingly asset-light operating model. We also anticipate a shift in capital allocation, moving from an initial focus on technology development toward scaling operations. Future investments will increasingly focus on deployment growth and operational integration. As we grow, we expect to benefit from economies of scale driven by operational efficiencies and continued platform refinement.

Commercialization

We launched our DaaS business in December 2024 with Atlas, and as of June 30, 2026, have surpassed 40,000 Cumulative Hours of Paid Driverless Operations. We anticipate scaling our deployment with Atlas over the course of 2026 and beyond. We are also exploring opportunities among additional customers that operate in remote, unstructured environments similar to the Permian Basin. Like Atlas, these customers face acute driver recruitment issues and 24/7 operational requirements, presenting attractive growth and profitability opportunities. We additionally see an opportunity to expand our work on unimproved roads internationally, in similarly-well suited markets such as Australia, the Middle East, and Canada.

We also continue to prepare our long-haul trucking and industrial trucking customers for our DaaS business model through our Partner Deployment Program ("PDP") as we work to expand our safety case to the long-haul trucking vertical. Inclusive of both our operations with Atlas and with our over-the-road customers, as of June 30, 2026, Kodiak Driver-powered vehicles have delivered over 20,000 loads.

We also see increasing tailwinds in the defense market, as defense modernization programs increasingly focus on upgrading vehicle fleets with advanced technologies. The U.S. Department of War ("DoW") is increasingly prioritizing adapting commercial, off-the-shelf AI technologies for defense purposes, which creates opportunities for dual-use developers like Kodiak. Additionally, allied European nations are ramping up investment in autonomous ground vehicles in response to instability in the region.

Kodiak's ability to achieve our scale goals, as well as profitability, depends on our ability to meet both technical and commercial milestones and the need to scale our deployments with existing customers and attract new customers. Delays in our deployment timelines could result in Kodiak failing to achieve revenue and profitability targets. We intend to pursue additional long-haul trucking, industrial trucking, and defense partnerships as we scale our DaaS business model. If our assumptions about our commercial or technical development are overly optimistic, or if we are unable to successfully commercialize the Kodiak Driver, we may fail to generate operating cash flow or achieve profitability. A failure to meet our technical or commercial milestones may lead to unanticipated delays or cost overruns, which could in turn adversely impact margins and cash flows.

Economies of Scale, Sales and Marketing, & Competition

We believe that our DaaS model, where we charge our customers a per-truck or per-mile license fee, will enable us to achieve strong margin profiles at scale. Our future performance will depend on our ability to both deliver these high margins, including both revenue expansion and cost control measures, as well as scale our deployments beyond Atlas to higher volumes. Our approach allows us to focus on developing our core Kodiak Driver technologies while leveraging third-party ecosystem partnerships to ensure capital efficiency.

As we scale our DaaS model, we aim to transition our customers away from delivering freight on Kodiak-owned and -operated trucks to customer-owned and -operated trucks. We anticipate achieving additional economies of scale as we grow our deployments. We expect that these economies of scale will come from both increased efficiency and component cost reductions, as both we and our suppliers improve production efficiency. Achievement of this scale depends on our ability to transition our PDP customers to the DaaS model within our expected time frame.

While we expect to achieve and maintain strong margins on the Kodiak Driver, additional competition in AV technologies may negatively impact pricing, margins, and market share. This may lead to pricing pressure and lower margins that negatively impact operating results. However, we believe our capital efficient approach gives us a competitive advantage in terms of ensuring margins and unit economics. If we do not generate the margins we expect upon commercialization of our DaaS model, we may be required to raise additional debt or equity capital, which may not be available on acceptable terms or at all.

Regulatory Landscape

While there is currently no comprehensive federal regulatory framework governing the deployment of driverless trucks, we are able to operate our driverless trucking business today under existing regulation and related guidance. Many states support driverless deployment either through legislation or regulatory guidance, though different states have different requirements, such as first responder interaction protocols and insurance standards, which create compliance complexities.

As the regulatory environment related to driverless technologies advances, our business will need to continue to evolve accordingly. For example, additional state-level requirements or new federal standards could require operational or technical adjustments. We proactively engage with policymakers and regulators to help ensure the regulatory frameworks support safe and scalable driverless deployment.

Global Economic Conditions

Unfavorable economic conditions in the United States and globally may adversely impact our business growth and operating results. Macroeconomic factors such as inflation, higher interest rates, tariffs, banking disruptions, geopolitical tensions and conflicts in Ukraine and the Middle East have contributed to increased economic uncertainty and market volatility. Recent policy actions by the U.S. Government, including changes to trade policy, tariffs on key imports and shifts in industrial and environmental regulations, may further impact global supply chains and business investment decisions. These effects may not be fully reflected in our financial performance until future periods. Additionally, adverse conditions could limit our ability to secure financing on acceptable terms, or at all. Ongoing geopolitical instability and related sanctions may further disrupt global financial markets, including in the United States, potentially resulting in a material impact on our operations.

Key Operating Metrics

We monitor the following key operating metrics to help us evaluate our business, identify trends affecting our business, formulate business plans and financial projections and make strategic decisions.

Cumulative Hours of Paid Driverless Operations

We believe this metric is an important measure of the progress of the commercialization of our technology. We define Cumulative Hours of Paid Driverless Operations as the aggregate number of logged hours when the Kodiak Driver is actively engaged without a safety driver in the vehicle, and we are being paid by our customers.

This metric is critical to assessing the maturity, reliability and scalability of the Kodiak Driver. Growth in Cumulative Hours of Paid Driverless Operations indicates increasing driverless operational performance, customer adoption and commercial readiness.

In December 2024, we commenced tracking Cumulative Hours of Paid Driverless Operations following the initial delivery of the Kodiak Driver-powered trucks to Atlas. As of June 30, 2026, we have surpassed 40,000 Cumulative Hours of Paid Driverless Operations.

Customer-Owned Driverless Vehicles

We believe that Customer-Owned Driverless Vehicles is an important measure of the unit growth rate of our business. We expect growth in this metric to signal customer adoption of our DaaS model and future revenue expansion. We define Customer-Owned Driverless Vehicles as the number of customer-owned driverless vehicles with a then-current license for the Kodiak Driver during the applicable period.

This metric reflects commercial adoption, operational scaling and our ability to deliver autonomous vehicles capable of operating without a safety driver. As of June 30, 2026, our customers had 35 Customer-Owned Driverless Vehicles.

Non-GAAP Financial Measures

In addition to our financial results determined in accordance with U.S. generally accepted accounting principles (“GAAP”), we consider certain non-GAAP measures, including the following, which we use to evaluate our ongoing operations and for internal planning and forecasting purposes. We believe that non-GAAP financial information, when taken collectively with the financial information presented in accordance with GAAP, may be helpful to investors because it provides consistency and comparability with past financial performance. However, non-GAAP financial information is presented for supplemental informational purposes only, has limitations as an analytical tool, and should not be considered in isolation or as a substitute for financial information presented in accordance with GAAP.

Other companies, including companies in our industry, may calculate similarly titled non-GAAP measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial measures as tools for comparison. In addition, the utility of free cash flow as a measure of our liquidity is limited as it does not represent the total increase or decrease in our cash balance for a given period.

Investors are encouraged to review the related GAAP financial measures and the reconciliation of these non-GAAP financial measures to their most directly comparable GAAP financial measures and not rely on any single financial measure to evaluate our business.

Non-GAAP Loss from Operations

We define non-GAAP loss from operations as GAAP loss from operations, excluding stock-based compensation expense. We use non-GAAP loss from operations as part of our overall assessment of our performance, including the preparation of our annual operating budget and quarterly forecasts, to evaluate the effectiveness of our business strategies, and to communicate with our board of directors concerning our financial performance. Stock-based compensation is a non-cash expense that varies in amount from period to period and is dependent on market forces that are often beyond our control. As a result, management excludes this item from internal operating forecasts and models. Management believes that non-GAAP measures adjusted for stock-based compensation provide investors with a basis to measure our performance against the performance of other companies without the variability created by stock-based compensation as a result of the variety of equity awards used by other companies and the varying methodologies and assumptions used.

The following provides a reconciliation from GAAP loss from operations to non-GAAP loss from operations, the most directly comparable financial measure stated in accordance with GAAP.

(in thousands)	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
GAAP loss from operations	$ (43,677)	$ (25,347)	$ (81,528)	$ (43,946)
Stock-based compensation	6,379	3,013	12,403	4,891
Non-GAAP loss from operations	$ (37,298)	$ (22,334)	$ (69,125)	$ (39,055)

Free Cash Flow

We define free cash flow as net cash used in operating activities, which is its most directly comparable measure calculated in accordance with GAAP, less purchases of property and equipment. We believe free cash flow is a useful indicator of liquidity that provides our management, board of directors, and investors with information about our future ability to generate or use cash to enhance the strength of our balance sheet and further invest in our business and pursue potential strategic initiatives. The following provides a reconciliation from net cash used in operating activities to free cash flow.

(in thousands)	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
GAAP net cash used in operating activities	$ (34,125)	$ (20,356)	$ (63,619)	$ (36,862)
Purchases of property and equipment	(3,933)	(2,916)	(9,464)	(5,236)
Free cash flow	$ (38,058)	$ (23,272)	$ (73,083)	$ (42,098)

Components of Results of Operations

Revenues

We generate revenues from: (i) providing DaaS to customers; (ii) delivering freight via Kodiak-owned autonomous trucks powered by the Kodiak Driver; and (iii) providing ground autonomy solutions to the U.S. military. Defense contracts, and associated revenue, particularly those with the DoW and the U.S. Army, can be episodic in nature and difficult to predict from period-to-period. As we scale our DaaS business model beyond Atlas, we expect revenue under such arrangements to increase relative to our total revenues.

Operating Expenses

Our operating expenses consist of research and development, general and administrative, truck and freight operations and sales and marketing.

Research and Development

Research and development costs are expensed as incurred and consist primarily of personnel costs, hardware and electrical engineering prototyping, cloud computing and storage, third-party software licenses (including simulation), data labeling and third-party design services.

We expect our research and development expenses to continue to increase for the foreseeable future as we advance our innovation efforts, expand into new operational domains and enhance solutions leveraging our proprietary technology.

General and Administrative

General and administrative costs consist primarily of personnel costs, facilities rent, insurance, professional services (including external accounting and legal advisors), and other general and administrative costs.

We expect our general and administrative expenses to continue to increase for the foreseeable future to support our additional headcount, driven by expanding operations and as a result of operating as a public company. These increased costs primarily relate to legal, audit, accounting, regulatory and tax-related services associated with maintaining compliance with exchange listing and SEC requirements, incremental director and officer insurance costs, investor and public relations costs and other expenses that we did not incur as a private company.

Truck and Freight Operations

Truck and freight operations costs consist primarily of personnel costs, truck-related operational costs and DaaS operational infrastructure costs, including remote and on-site support and the depreciation of deployed Kodiak Driver hardware.

We expect our truck and freight operations costs to continue to increase due to the expansion of our testing and deployment with new and existing customers and to support our geographic expansion.

Sales and Marketing

Sales and marketing costs consist primarily of personnel costs and sales-related, branding and public relations activities. We expect our sales and marketing expenses to continue to increase to support the expected growth in our commercial operations.

Other Income (Expenses)

Other income (expenses) consists primarily of (i) changes in fair value as a result of the remeasurement of our common stock warrants, second lien loans, simple agreements for future equity (“SAFEs”), and redeemable convertible preferred stock warrant liabilities; (ii) interest income and other net, which includes income on our cash equivalents and marketable securities; and (iii) interest expense incurred on our debt obligations.

Results of Operations

Three Months Ended June 30, 2026 compared to Three Months Ended June 30, 2025

Our results of operations for the periods indicated are summarized in the table below (in thousands):

	Three Months Ended June 30,			
	2026	2025	$ Change	% Change
Revenues	$ 3,499	$ 503	$ 2,996	596%
Operating expenses:				
Research and development	22,702	12,218	10,484	86%
General and administrative	12,439	7,161	5,278	74%
Truck and freight operations	10,649	5,470	5,179	95%
Sales and marketing	1,386	1,001	385	38%
Total operating expenses	47,176	25,850	21,326	82%
Loss from operations	(43,677)	(25,347)	(18,330)	(72%)
Other income (expenses):				
Interest expense	(909)	(1,160)	251	22%
Interest income and other, net	(524)	294	(818)	(278%)
Change in fair value of common stock warrants	58,280	—	58,280	NM
Change in fair value of second lien loans	(679)	(2,154)	1,475	68%
Change in fair value of simple agreements for future equity	—	(84,173)	84,173	100%
Change in fair value of redeemable convertible preferred stock warrant liabilities	—	(1,183)	1,183	100%
Total other income (expenses), net	56,168	(88,376)	144,544	164%
Net (loss) income before income taxes	$ 12,491	$ (113,723)	$ 126,214	111%

NM = not meaningful

Revenues

Revenues increased by $3.0 million, or 596%, to $3.5 million for the three months ended June 30, 2026, from $0.5 million for the three months ended June 30, 2025. The increase was primarily attributed to a $1.7 million increase in DaaS revenue and $1.2 million from ground autonomy solutions.

Research and Development

Research and development expenses increased by $10.5 million, or 86%, to $22.7 million for the three months ended June 30, 2026 from $12.2 million for the three months ended June 30, 2025. The increase was primarily attributable to $5.5 million of higher headcount-related expenses, an increased investment of $3.3 million in software and other tools to support our artificial intelligence and machine learning initiatives, and an increased investment of $2.1 million in hardware and development related to our long-haul operations.

General and Administrative

General and administrative expenses increased by $5.3 million, or 74%, to $12.4 million for the three months ended June 30, 2026 from $7.2 million for the three months ended June 30, 2025. The increase was primarily attributable to $4.0 million of higher headcount-related expenses, as well as an increase of $1.2 million in costs incurred for legal, accounting, and other services, associated with operating as a public company.

Truck and Freight Operations

Truck and freight operations expenses increased by $5.2 million, or 95%, to $10.6 million for the three months ended June 30, 2026 from $5.5 million for the three months ended June 30, 2025. The increase was primarily attributable to an increase of $3.0 million in infrastructure costs and $2.1 million in higher headcount-related expenses, both driven by efforts to support DaaS operations and development related to our long-haul operations.

Sales and Marketing

Sales and marketing expenses increased by $0.4 million, or 38%, to $1.4 million for the three months ended June 30, 2026 from $1.0 million for the three months ended June 30, 2025. The increase was primarily attributable to $0.3 million in higher marketing expenses and $0.2 million in higher headcount-related expenses.

Other Income (Expenses)

Other income (expenses), net increased by $144.5 million, or 164%, for the three months ended June 30, 2026, compared to the three months ended June 30, 2025. The increase was primarily attributable to an $84.2 million loss on the change in fair value of simple agreements for future equity for the three months ended June 30, 2025 that did not recur in 2026 due to their conversion into shares of common stock in 2025, as well as a $58.3 million gain on the change in fair value of common stock warrants for the three months ended June 30, 2026. Our common stock warrants had not been issued until and after September 2025.

Six Months Ended June 30, 2026 compared to Six Months Ended June 30, 2025

Our results of operations for the periods indicated are summarized in the table below (in thousands):

	Six Months Ended June 30,			
	2026	2025	$ Change	% Change
Revenues	$ 5,329	$ 1,974	$ 3,355	170%
Operating expenses:				
Research and development	40,252	22,352	17,900	80%
General and administrative	24,859	12,286	12,573	102%
Truck and freight operations	18,954	9,475	9,479	100%
Sales and marketing	2,792	1,807	985	55%
Total operating expenses	86,857	45,920	40,937	89%
Loss from operations	(81,528)	(43,946)	(37,582)	(86%)
Other income (expenses):				
Interest expense	(1,805)	(2,424)	619	26%
Interest income and other, net	525	463	62	13%
Change in fair value of common stock warrants	122,938	—	122,938	NM
Change in fair value of second lien loans	(1,153)	(2,154)	1,001	46%
Change in fair value of simple agreements for future equity	—	(192,548)	192,548	100%
Change in fair value of redeemable convertible preferred stock warrant liabilities	—	(1,298)	1,298	100%
Total other income (expenses), net	120,505	(197,961)	318,466	161%
Net (loss) income before income taxes	$ 38,977	$ (241,907)	$ 280,884	116%

NM = not meaningful

Revenues

Revenues increased by $3.4 million, or 170%, to $5.3 million for the six months ended June 30, 2026, from $2.0 million for the six months ended June 30, 2025. The increase was primarily attributed to a $3.0 million increase in DaaS revenue and $0.3 million from ground autonomy solutions.

Research and Development

Research and development expenses increased by $17.9 million, or 80%, to $40.3 million for the six months ended June 30, 2026 from $22.4 million for the six months ended June 30, 2025. The increase was primarily attributable to $10.5 million of higher headcount-related expenses, an increased investment of $4.7 million in software and other tools to support our artificial intelligence and machine learning initiatives, and an increased investment of $3.0 million in hardware and development related to our long-haul operations.

General and Administrative

General and administrative expenses increased by $12.6 million, or 102%, to $24.9 million for the six months ended June 30, 2026 from $12.3 million for the six months ended June 30, 2025. The increase was primarily attributable to $8.9 million of higher headcount-related expenses, as well as an increase of $3.1 million in costs incurred for legal, accounting, and other services, associated with operating as a public company.

Truck and Freight Operations

Truck and freight operations expenses increased by $9.5 million, or 100%, to $19.0 million for the six months ended June 30, 2026 from $9.5 million for the six months ended June 30, 2025. The increase was primarily attributable to an increase of $4.8 million in infrastructure costs and $4.3 million in higher headcount-related expenses, both driven by efforts to support DaaS operations and development related to our long-haul operations.

Sales and Marketing

Sales and marketing expenses increased by $1.0 million, or 55%, to $2.8 million for the six months ended June 30, 2026 from $1.8 million for the six months ended June 30, 2025. The increase was primarily attributable to $0.7 million of higher headcount-related expenses, as well as an increase of $0.4 million in marketing expenses.

Other Income (Expenses)

Other income (expenses), net increased by $318.5 million, or 161% for the six months ended June 30, 2026, compared to the six months ended June 30, 2025. The increase was primarily attributable to a $192.5 million loss on the change in fair value of simple agreements for future equity for the six months ended June 30, 2025 that did not recur in 2026 due to their conversion into shares of common stock in 2025, as well as a $122.9 million gain on the change in fair value of common stock warrants for six months ended June 30, 2026. Our common stock warrants had not been issued until and after September 2025.

Liquidity and Capital Resources

Sources of Liquidity

Liquidity describes the ability of a company to generate sufficient cash flows to meet the cash requirements of its business operations, including working capital needs, debt service, acquisitions, contractual obligations and other commitments. We assess liquidity in terms of our cash flows from operations and their sufficiency to fund our operating and investing activities.

For the six months ended June 30, 2026, we incurred a $81.5 million loss from operations. We expect to incur additional losses and increased expenses in future periods as we continue to scale our business, invest in research and development efforts, increase employee headcount and incur additional expenses associated with being a public company.

As of June 30, 2026, we had cash and cash equivalents and marketable securities totaling $151.1 million, and short-term debt obligations totaling $12.7 million consisting of the current portion of debt and second lien loans. We have historically funded our operations primarily through the issuance of equity and debt securities. We do not anticipate our cash and cash equivalents and marketable securities will be sufficient to meet our capital requirements for at least one year from the filing date of this Quarterly Report under our current operating plan. We expect to be able to fund our business plan into the second quarter of 2027. We expect to seek additional funding through debt or equity offerings to fund our operating plan, which may include the near-term issuance of equity and equity-linked securities or the incurrence of additional indebtedness, potentially resulting in substantial dilution or restrictive covenants. If we do not generate sufficient cash to fund our operating plan, we may also adjust our operating plan to lower our anticipated research and development initiatives, reduce our growth plans or liquidate our assets, among other things. To the extent any or all of these events were to occur, our business, operating results, financial condition and prospects may be materially and adversely affected.

As of June 30, 2026, we may receive up to $603.3 million from the full cash exercise of all of our outstanding warrants. The likelihood that warrant holders will exercise the warrants and any cash proceeds that we would receive is dependent upon the market price of our common stock. To the extent the market price for our common stock is less than the then-effective exercise price per share of any warrants, holders of such warrants will be unlikely to exercise such warrants.

Cash Flows

Six Months Ended June 30, 2026 compared to Six Months Ended June 30, 2025

Our cash flows for the periods indicated are summarized in the table below (in thousands):

	Six Months Ended June 30,	
	2026	2025
Net cash (used in) provided by:		
Operating activities	$ (63,619)	$ (36,862)
Investing activities	(42,706)	(5,236)

Financing activities	102,348	45,638
Net change in cash and cash equivalents and restricted cash	$ (3,977)	$ 3,540

Operating Activities

Net cash used in operating activities for the six months ended June 30, 2026 was $63.6 million and consisted of a $103.9 million change in non-cash adjustments, partially offset by net income of $39.0 million and a $1.3 million change in our operating assets and liabilities. Non-cash adjustments primarily consisted of a $122.9 million change in the fair value of common stock warrants and a $0.6 million accretion of discount on marketable securities, partially offset by $12.4 million in stock-based compensation, $3.1 million in depreciation and amortization, a $1.2 million change in fair value of second lien loans, and $1.0 million in non-cash lease expense. The change in our operating assets and liabilities was primarily due to a $2.0 million increase in our accounts payable, accrued expenses and other current liabilities, and other liabilities, as well as a $0.4 million decrease in our accounts receivable, both driven primarily by the timing of payments. These activities were partially offset by a $1.0 million decrease in operating lease liabilities.

Net cash used in operating activities for the six months ended June 30, 2025 was $36.9 million and consisted of a net loss of $241.9 million partially offset by $203.6 million in non-cash adjustments and a $1.4 million change in our operating assets and liabilities. Non-cash adjustments primarily consisted of $192.5 million in the change in fair value of SAFEs, $4.9 million in stock-based compensation, $2.2 million in the change in fair value of Second Lien Loans, $1.3 million in the change in fair value of redeemable convertible preferred stock warrant liabilities, $1.2 million in depreciation and amortization and $0.9 million in non-cash lease expense. The change in our operating assets and liabilities was primarily due to a $1.3 million increase in our accounts payable and accrued expenses and other current liabilities due to the timing of payments and a $0.7 million decrease in our accounts receivable related to our contract with the U.S. Army, partially offset by a $0.9 million decrease in operating lease liabilities.

Investing Activities

Net cash used in investing activities for the six months ended June 30, 2026 was $42.7 million and primarily consisted of $104.2 million in purchases of marketable securities and $9.5 million in purchases of property and equipment. These activities were partially offset by $70.3 million in proceeds from maturities of marketable securities.

Net cash used in investing activities for the six months ended June 30, 2025 was $5.2 million and related to purchases of property and equipment.

Financing Activities

Net cash provided by financing activities for the six months ended June 30, 2026 was $102.3 million and consisted of $100.0 million in gross proceeds from the issuance of common stock and warrants in connection with a private placement, $7.2 million in proceeds from the exercise of common stock warrants, and $1.5 million in proceeds from the exercise of stock options, partially offset by $5.2 million in payments of offering costs in connection with the private placement and $1.1 million for the repayment of debt obligations.

Net cash provided by financing activities for the six months ended June 30, 2025 was $45.6 million and consisted of $29.7 million in proceeds from the issuance of second lien loans, $23.7 million in proceeds from the issuance of SAFEs, and $0.9 million in proceeds from the exercise of stock options, partially offset by $6.2 million for the repayment of debt obligations and $2.5 million in payments of offering costs.

Contractual Obligations and Other Commitments

Debt Agreements

2025 Second Lien Credit Facility

As of June 30, 2026, $10.0 million in principal remained outstanding under our Second Lien Loan and Security Agreement, representing a loan previously exchanged from a SAFE with an affiliate of a lender party thereto prior to the Merger. This borrowing matures on October 1, 2026, and bears interest that is capitalized and included in the principal balance due at maturity.

2025 Credit Facility

As of June 30, 2026, we had outstanding term loans under our venture loan and security agreement (as amended, the “2025 Credit Facility”) in an aggregate principal amount of $30.0 million. Borrowings under the 2025 Credit Facility mature in January 2030 and currently require interest-only payments through July 1, 2028, after which consecutive payments of principal and interest become due.

2022 Equipment Financing

As of June 30, 2026, we had outstanding debt under our secured equipment line (the “2022 Equipment Facility”) in an aggregate principal amount of $0.9 million, of which $0.7 million is due within one year. The 2022 Equipment Facility matures in March 2028.

See Note 8 to our condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report for additional information regarding our debt agreements.

Other Commitments

Our other cash requirements as of June 30, 2026 were related to operating leases and certain purchase commitments with our service providers.

Our operating lease arrangements are related to facilities located in Mountain View, California, as well as in Lancaster and Odessa, Texas, under non-cancellable agreements expiring at various dates through 2031. As of June 30, 2026, the total undiscounted future lease payments under our operating leases were $7.1 million, of which $2.9 million are due within one year.

We may enter into purchase commitments with our service providers. As of June 30, 2026, the total purchase commitments under such vendor agreements were $7.5 million, of which $5.7 million are due within one year.

See Note 7 and Note 9 to our condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report for additional information regarding our leases and other commitments.

Emerging Growth Company Status

We are an “emerging growth company,” as defined in Section 2(a) of the Securities Act, as modified by the JOBS Act. As such, we are eligible to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not “emerging growth companies.” These include not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements and exemptions from the requirements of holding a non-binding advisory vote on executive compensation and shareholder approval of any golden parachute payments not previously approved. If some investors find our securities less attractive as a result, there may be a less active trading market for our securities and the prices of our securities may be more volatile.

In addition, Section 107 of the JOBS Act also provides that an “emerging growth company” can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards. In other words, an “emerging growth company” can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We intend to continue to take advantage of the benefits of this extended transition period.

We expect to remain an emerging growth company until the earlier of (1) the last day of the year (i) following April 4, 2028, which is the fifth anniversary of the effective date of AACT’s IPO registration statement, (ii) in which we have total annual gross revenue of at least $1.235 billion, or (iii) in which we are deemed to be a large accelerated filer, which means the market value of our common stock that is held by non-affiliates equals or exceeds $700.0 million as of the prior June 30, or (2) the date on which we have issued more than $1.0 billion in non-convertible debt securities during the prior three-year period. On the last business day of our second quarter in fiscal 2026, the aggregate market value of our common stock held by non-affiliates exceeded $700 million. As a result, as of December 31, 2026, the Company will be considered a large accelerated filer as defined in Rule 12b-2 of the Securities Exchange Act of 1934 and the Company will cease to be an emerging growth company. Accordingly, the Company will no longer be exempt from the auditor attestation requirements under Section 404(b) of the Sarbanes-Oxley Act of 2002, as amended, and the Company's independent registered public accounting firm will evaluate and report on the effectiveness of internal control over financial reporting. Further, following the loss of emerging growth company status, the Company will be required to comply with any new or revised accounting pronouncements as of public company effective dates.

We had elected to use the extended transition period for complying with new or revised accounting standards that have different effective dates for public and private companies until the earlier of the date that we (i) are no longer an emerging growth company or (ii) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, our financial statements may not be comparable to companies that comply with the new or revised accounting pronouncements as of public company effective dates. The JOBS Act does not preclude an emerging growth company from adopting a new or revised accounting standard earlier than the time that such standard applies to private companies. We expect to continue to use the extended transition period for any other new or revised accounting standards during the period in which we remain an emerging growth company.

Critical Accounting Estimates

There have been no significant changes to our critical accounting estimates as described in our Annual Report on Form 10-K for the year ended December 31, 2025, which was filed with the SEC on March 11, 2026.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We are exposed to various market and operational risks, including changes in interest rates and inflation, as well as risks related to the availability of funding sources, hazard events, and certain asset exposures.

Interest Rate Risk

Our results of operations are exposed to fluctuations in interest rates and broader macroeconomic conditions. Interest rate risk is influenced by numerous factors, including governmental monetary and fiscal policies, domestic and international economic conditions, and other factors beyond our control. We do not believe that a hypothetical 100-basis-point increase or decrease in interest rates would have a material impact on our business, financial condition, or results of operations.

Inflation Risk

We do not believe that inflation has had a material impact on our business, financial condition, or results of operations, apart from its effects on the general economy. We continue to monitor inflationary trends, including the potential impact of tariffs and related cost pressures. If inflation were to increase our operating costs, we may not be able to fully offset these higher costs through corresponding price adjustments, which could adversely affect our business, financial condition, and results of operations.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, have evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this Quarterly Report. Our disclosure controls and procedures are designed to ensure that information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and our Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, regardless of how well they were designed and are operating, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on the evaluation of our disclosure controls and procedures as of the end of the period covered by this Quarterly Report, our Chief Executive Officer and Chief Financial Officer have concluded that, as of such date, our disclosure controls and procedures were effective.

Changes in Internal Control Over Financial Reporting

We are currently in the process of implementing a new enterprise resource planning ("ERP") system. During the first half of fiscal 2026, this implementation impacted certain processes and procedures, resulting in changes to our internal control over financial reporting. We will continue to evaluate and monitor our internal control over financial reporting as processes and procedures in the affected areas evolve as we continue the implementation of our new ERP system.

With the exception of the implementation described above, there were no changes in our internal control over financial reporting identified in connection with the evaluation required by Rule 13a-15(f) or 15d-15(f) of the Exchange Act during the period covered by this Quarterly Report, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Controls

Our management, including our Chief Executive Officer and Chief Financial Officer, do not expect that our disclosure controls and procedures or our internal controls over financial reporting will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues, misstatements, errors, and instances of fraud, if any, within our company have been or will be prevented or detected. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, controls may become inadequate because of changes in conditions or the degree of compliance with the policies or procedures may deteriorate.

Part II - Other Information

Item 1. Legal Proceedings.

From time to time, we may become subject to or involved in various claims, lawsuits and other legal or other administrative proceedings in the ordinary course of business. We are not currently a party to any such claims, lawsuits or proceedings currently pending, individually or in the aggregate, that are likely to have a material adverse effect on our business. Future litigation may be necessary or warranted to defend ourselves or our partners or to establish or assert our rights. The results of any current or future legal proceedings or litigation cannot be predicted with certainty and regardless of the outcome, legal proceedings or litigation can have an adverse impact on us, including because of defense and settlement costs, diversion of management resources and other factors.

Item 1A. Risk Factors.

Investing in our securities involves a high degree of risk. Before deciding to invest in or to maintain an investment in our securities, you should carefully consider the risks and uncertainties described below, together with all of the other information in this Quarterly Report on Form 10-Q, including the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our condensed consolidated financial statements and related notes thereto included elsewhere in this Quarterly Report. Our business, as well as our reputation, financial condition, results of operations and price of our securities could also be adversely affected by any of these risks and other risks and uncertainties not currently known to us or that we currently do not believe are material. In that event, the market price of our securities could decline, and you could lose part or all of your investment.

Risk Factor Summary

The following summary of risk factors should be carefully considered. These are not the only risks we face. Additional risks that are unknown or currently considered less significant may also affect our business or financial results. If any of these risks occur, our business, financial condition, results of operations, or stock price could be materially and adversely affected. For further details, please see the full discussion of risk factors below.

- AV technology is emerging and rapidly evolving and involves significant risks and uncertainties.

- We have a history of net losses, and may not be able to achieve or maintain profitability in the future.
- Our limited operating history makes it difficult to evaluate our future prospects and the risks and challenges we may encounter.
- Our technology may have limited performance, and technology development and commercialization may take us longer to complete than we currently anticipate.
- Any failure to commercialize our solution at scale may have an adverse effect on our business, financial condition, and results of operations.
- We rely on a limited number of customers for a significant portion of our revenue.
- We depend on our commercial agreements with Atlas.
- AV technology presents the risk of significant injury, including fatalities.
- The Kodiak Driver, our virtual driver system that combines advanced AI-powered software with modular, vehicle-agnostic hardware, may not function as intended due to flaws or errors in our software, hardware, and systems, product defects, or due to human error.
- Any flaws or misuse of AV technology, whether actual or perceived, intended or inadvertent, by us or third parties, may adversely affect our business, financial condition, and results of operations.
- We operate in a highly competitive market, and we may be unable to compete effectively, including against competitors who may have greater resources.
- Our success is contingent on our ability to execute our DaaS business model, including by maintaining, managing, retaining, and expanding our existing customer relationships and obtaining new customers.
- Recent and further changes in the tariff and trade policies of the United States or of other countries could increase manufacturing costs, decrease demand for our solution, disrupt supply chains, or otherwise adversely affect our business and financial condition.
- We depend on the experience and expertise of our senior management team, engineers, and certain other key employees.
- We rely on our third-party suppliers, OEMs, upfitters, service providers and partners, some of which are single or limited-source suppliers or providers of certain key components for, and services used in connection with, the Kodiak Driver.
- We are subject to substantial regulations, including regulations governing motor carriers and autonomous vehicles.
- We may not be able to adequately establish, maintain, protect, and enforce our technology and intellectual property rights or prevent others from unauthorized use of our technology and intellectual property rights.
- We may be subject to intellectual property infringement claims, which, whether meritless or not, may be expensive and time consuming to defend, distract management, require us to pay significant damages and limit our ability to use certain technologies.
- A significant portion of our historical revenue has come from our contracts with the U.S. Department of War (“DoW”) and our failure to receive and maintain government contracts or changes in the contracting or fiscal policies of the U.S. Government may adversely affect our business, financial condition, and results of operations.
- We require significant capital to fund our operations and growth.
- Real or perceived inaccuracies in our assumptions and estimates to calculate certain metrics, including our Cumulative Hours of Paid Driverless Operations.
- General business and economic conditions, and risks related to the long-haul trucking, industrial trucking, oil and gas, and defense industries ecosystems, may adversely affect our business, financial condition, and results of operations.
- The sale of securities registered for resale and future sales of substantial amounts of our common stock in the public markets, or the perception that such sales could occur, may cause the market price of our securities to drop significantly, even if our business is doing well.

- There is no guarantee that the Public Warrants will ever be in the money, and they may expire worthless.
- Your Public Warrants may be redeemed prior to their exercise at a time that is disadvantageous to you.

Risks Related to Our Business

AV technology is an emerging and rapidly evolving technology and involves significant risks and uncertainties, any of which could impede or delay our ability to scale.

AV technology operates in environments where safety and precision are critical. There are a number of challenges in bringing a new and innovative technology to the market, including public perception of the technology and its performance and safety, long development cycles, specialized skills and expertise requirements of personnel, inconsistent and evolving regulatory frameworks, the potential for novel legal claims, and a need to build public trust in the real-world operations of an emerging technology. If we are delayed in overcoming, or are not able to overcome, these challenges, our commercial prospects, business, financial condition, and results of operations may be adversely affected, and we may not be able to sustain a viable business.

We may not succeed at commercial scale, or at all. The successful commercialization of the Kodiak Driver at scale involves many challenges and uncertainties, including:

- achieving acceptably safe autonomous performance as determined by us, our customers, government and regulatory agencies, our partners and the general public;
- continued development of the Kodiak Driver, including system design, product features, vehicle integrations and operating domain and geographical expansion, based on the needs of our customers;
- successfully completing system testing, validation, and to the extent required, safety approvals, including with respect to government and regulatory agencies and customer- or partner-specific requirements;
- maintaining relationships with third parties, including OEMs, third-party suppliers of the component parts of the Kodiak Driver, upfitters, large language model providers, and other technology providers that support our product development and service providers and other third parties who support our commercialization strategy;
- preserving our core intellectual property rights and obtaining rights from third parties for intellectual property that may be critical to our current and future research and development activities;
- continuing to fund and maintain our technology development activities while scaling our commercial operations; and
- obtaining or maintaining approvals, licenses, or certifications from regulatory agencies, if required.

We have a history of net losses, and we may not be able to achieve or maintain profitability in the future.

We have a history of net losses and may not be able to achieve or maintain profitability in the future. During the years ended December 31, 2025 and 2024, we incurred net losses of $585.5 million and $69.5 million, respectively. We intend to continue making investments in our business, particularly with respect to scaling driverless commercial operations of the Kodiak Driver, which may take longer than we currently expect or may never occur. We expect such investments will include continued investments in sales and marketing, development of new product features, infrastructure, adoption of AI tools, expansion of our operations, and general and administrative functions, including legal, regulatory, compliance, security, and accounting expenses related to our business. These investments may not result in increased revenue or growth in our business and may contribute to future losses. We have incurred, and expect to incur in the future, losses for a number of reasons, including further investments in scaling our commercial operations, unexpected expenditures or costs, and the other risks described in this "*Risk Factors*" section. If we are unable to successfully address these risks as we encounter them, our business, financial condition, and results of operations may be adversely affected.

Our limited operating history makes it difficult to evaluate our future prospects and the risks and challenges we may encounter.

Legacy Kodiak was founded in 2018, and since then we have been focused on developing driverless technology. We began driverless commercial operations in December 2024. Our limited operating history makes it difficult to evaluate our future prospects and the risks and challenges we may encounter. Risks and challenges we have faced or expect to face include our ability to:

- design, develop, test, and validate the Kodiak Driver for the variety of commercial applications and environments in which we plan to deploy, such as on-highway and off-highway operations, industrial applications, and defense applications and across a variety of vehicle types;
- produce and deliver our technology at an acceptable level of safety and performance;
- properly price our solution;
- plan for and manage our costs;
- hire, integrate, and retain talented people;
- forecast our revenue as well as budget for and manage our expenses;
- attract new partners and customers and retain and expand our deployment with existing partners and customers;
- navigate an evolving and complex regulatory environment;
- manage our supply chain and supplier relationships, including any tariff-related impacts on our supply chain;
- anticipate and respond to macroeconomic changes and changes in the markets in which we operate;
- maintain and enhance the value of our reputation and brand;
- effectively manage our growth and business operations, including the impacts of unforeseen market changes on our business;
- develop and protect intellectual property; and
- successfully develop new features, applications, and services to enhance the experience of our customers.

If we fail to address the risks and difficulties that we face, including those associated with the challenges listed above, as well as those described elsewhere in this section titled "Risk Factors," our business, financial condition and results of operations may be adversely affected. Further, because we have limited historical financial data and operate in a rapidly evolving market, any predictions about our future revenue and expenses may not be as accurate as they may be if we had a longer operating history or operated in a more predictable market. We have encountered in the past, and will encounter in the future, risks and uncertainties frequently experienced by growing companies with limited operating histories in rapidly changing industries. We use assumptions regarding these risks and uncertainties to plan and operate our business. If our assumptions are incorrect or change, or if we do not address these risks successfully, our results of operations may differ materially from our expectations and our business, financial condition, and results of operations may be adversely affected.

Our technology may have limited performance, and technology development and commercialization may take us longer to complete than we currently anticipate.

Commercial operation of driverless technology requires that we meet very high reliability standards for safety, performance and uptime. We may be unable to release new features or customize products that meet our intended commercial use cases or customer requirements in a timely manner or at all, and therefore experience more limited monetization of our technology. We believe the Kodiak Driver can operate in a wide range of environments, including a variety of road conditions, speeds, weather and traffic patterns, as well as different truck types and truck loads. However, if the Kodiak Driver, or its hardware or software fails to perform at scale in such environments, or if our technology development takes longer than currently projected, our commercial competitiveness, prospects, business, financial condition and results of operations may be adversely affected.

Further, technological development or commercialization at scale has taken longer than initially anticipated in the AV industry. While we have successfully launched commercial operations with the Kodiak Driver in an off-highway setting, it may take us more time than anticipated to expand our safety case for driverless operations for on-highway scenarios, to scale across our areas of operations, or to establish and grow our existing or future customer or partner relationships. Our future business depends in large part on our ability to continue to develop and successfully commercialize the Kodiak Driver. Our ability to develop, deliver, and commercialize the Kodiak Driver at scale to support or perform autonomous and driverless operations on a variety of vehicle types and in a variety of conditions is still largely unproven. Any failure to meet our technological and commercialization objectives may adversely affect our business, financial condition, and results of operations.

The Kodiak Driver may not be accepted and adopted by the market, the public, regulators or other stakeholders at the pace we expect or at all.

AV technology is still nascent and is neither generally understood nor universally accepted. We are at risk of adverse publicity which may result in decreased customer demand for, public acceptance of, or increased regulatory concerns regarding our technology. If we cannot gain sufficient trust in our technology, we will be unable to commercialize to scale as intended. For example, we may experience adverse publicity or media reports that argue autonomous technology is replacing human jobs or disrupting the economy. Labor unions may also raise concerns about autonomous truck safety, displacing drivers or otherwise negatively affecting employment opportunities for their members. This has in the past resulted in, and could in the future result in, negative publicity, lobbying efforts to U.S. local, state, and federal authorities, or equivalent authorities in the foreign jurisdictions in which we seek to do business, to implement legislation or regulations that make it more difficult to operate our business or boycotts of us or our users. Such negative publicity, media attention, or the activities of labor or other interest groups may cause current and future partners or customers to limit or terminate their business with us, which may significantly impact our ability to grow our business.

As the market for autonomous vehicles develops, the differences in the approaches of Kodiak and others may become more widely known to suppliers, insurers, regulators, and others. Until these distinctions are known and appreciated, the actions of a single market participant may be imputed to the autonomous industry as a whole. As such, as a result of any negative action or inaction by a third party, it is possible that suppliers, insurers, regulators, and others may refuse or cease to interact with or conduct business with the autonomous vehicle industry as a whole, including Kodiak.

If the market does not accept and adopt our services and technology at the pace we expect or at all, it may adversely affect our business, financial condition, and results of operations.

Any failure to commercialize our solution at scale may have an adverse effect on our business, financial condition, and results of operations.

We are a relatively new enterprise that is just beginning to commercially scale our business. For instance, in December 2024, we announced the delivery of our first Kodiak Driver-powered, customer-owned driverless trucks to Atlas. Following successful real-world operations and achievement of certain milestones, in March 2025, Atlas committed to deploying the Kodiak Driver on 100 Atlas-owned trucks, subject to the terms of a Master Services Agreement between us and Atlas, effective as of July 17, 2024 (as amended and restated, the “Atlas MSA”). Relationships with Atlas and other current customers are important to our existing operations. We also need to both successfully scale driverless operations with Atlas and other customers and attract new customers to commercially scale our business. As part of our scaling efforts, we may encounter considerable challenges in entering new markets and undertaking sales and marketing activities, many of which are beyond our control. The likelihood of our success must be considered in light of these potential risks, expenses, complications, delays, and the competitive environment in which we operate. Consequently, there is substantial uncertainty that our business model will prove successful and sustainable. We may not be able to generate significant revenue or achieve profitability. In addition, any failure to commercialize our solutions within our projected timelines may adversely affect our business, financial condition and results of operations. Any investment in us is therefore highly speculative and may result in the loss of your entire investment.

We rely on a limited number of customers for a significant portion of our revenue. The loss of, or a reduction in our commercial relationship with, any of those customers may adversely affect our business, financial condition, and results of operations.

A significant portion of our revenue has been generated from a limited number of customers, and we expect this concentration to continue in the near term. For example, for the years ended December 31, 2025, and 2024, we recognized revenue from the U.S. Army of $1.0 million and $13.3 million, respectively, representing 26% and 89% of our total revenue in those periods. While our contract with the U.S. Army was amended in connection with our work with the U.S. Marines and is still effective and the contract may be used for other work through its expiration in October 2026, there are currently a limited number of contracted deliverables to be completed. Government contracts, and associated revenue, particularly those with the DoW and its service branches, can be episodic in nature and difficult to predict from period to period. Further, we have historically derived a significant portion of our defense revenue from contracts pursuant to programs funded by governmental agencies, such as the DoW and the U.S. Army. A prolonged federal government shutdown may negatively impact the funding of, or eliminate, such programs or other programs we may otherwise be able to apply for or participate in, and shutdown and funding related delays in the contracting process may result in our incurring substantial labor or other costs without reimbursement, all of which may adversely affect our business, financial condition, and results of operations.

In 2024, we partnered with Atlas and deployed our first Kodiak Driver-powered, customer-owned trucks. In March 2025 upon the achievement of certain milestones, Atlas committed to deploying the Kodiak Driver on 100 Atlas-owned trucks, subject to the terms of the Atlas MSA. Until we have scaled our commercial operations in on-highway operations and other applications of the Kodiak Driver, we expect our contract with Atlas to account for a growing portion of our revenue as we continue to deploy additional trucks to Atlas. For example, for the three and six months ended June 30, 2026, we recognized revenue from Atlas of $1.9 million and $3.4 million, which represented 56% and 65% of our total revenue, respectively.

As we continue to scale our commercial business, the composition of our significant customers may vary. We believe our business, financial condition, and results of operations for the foreseeable future will continue to depend on the deployment of the Kodiak Driver by a relatively limited number of customers into their fleets.

Consequently, our financial results may fluctuate significantly from period to period based on the actions of one or more significant customers. A customer may decide not to license the Kodiak Driver or take other actions that affect us for reasons that we cannot anticipate or control. Those reasons could relate to the customer's financial condition, changes in the customer's business strategy or operations, changes in technology, the introduction of alternative competing products, or the perceived quality or cost-effectiveness of the Kodiak Driver. Our customers may not perform as well as their competitors, which may cause them to delay or reduce the amount of business they do with us, which may in turn impact our business, financial condition and results of operations.

Customers' individual or aggregate needs may decline due to a number of factors, including supply chain challenges and macroeconomic conditions. Our agreements with customers may be cancelled, including for reasons outside of our control. In addition, our customers may seek to renegotiate the terms of agreements or renewals, or choose not to renew or expand their licenses of the Kodiak Driver. The loss of or a reduction in sales or anticipated sales to any customer or our inability to attract new significant customers and partners may adversely affect our business, financial condition, and results of operations.

We depend heavily on our commercial agreements with Atlas. If we are not able to maintain and expand our relationship with Atlas, our business, financial condition and results of operations may be adversely affected.

We are party to the Atlas MSA, pursuant to which we license to Atlas, through its logistics subsidiary, Fountainhead Logistics, LLC, the Kodiak Driver and provide related services, on Atlas-owned trucks. Under the Atlas MSA, Atlas subscribes to the Kodiak Driver, paying an annual fee per vehicle. A four-year term commences under the Atlas MSA on the date the vehicle upfitted with the Kodiak Driver is delivered to and accepted by Atlas. The Atlas MSA remains in effect so long as there are active licenses of the Kodiak Driver thereunder.

As of June 30, 2026, Atlas is our sole customer with driverless vehicles integrated into their fleet. Until we have scaled our business, we expect the Atlas MSA to account for a significant and growing portion of our revenue. Although we anticipate that the Atlas MSA will generate revenue for us through the initial order of 100 Kodiak Driver-powered, Atlas-owned trucks and beyond, we may fail to satisfy our obligations under the Atlas MSA, Atlas may elect not to enter into additional orders for the Kodiak Driver, and we may not otherwise realize the anticipated benefits at the time or to the degree we anticipate, or at all. The loss of all or a portion of the revenue attributable to the Atlas MSA may adversely affect our business, financial condition and results of operations. Further, while Atlas is contractually obligated to deploy the Kodiak Driver on 100 Atlas-owned trucks at an agreed-upon schedule which may be adjusted by the mutual agreement of Kodiak and Atlas, Atlas is not required to license the Kodiak Driver in any additional trucks beyond this figure. Atlas may also license the Kodiak Driver slower than anticipated or seek a delay or defer delivery of Kodiak Driver-powered trucks, which may be exacerbated by the volatility and swings in productivity that have historically affected oil and gas industry participants. For example, Atlas is deploying the Kodiak Driver on a new truck platform beginning in the third quarter of 2026. As a result of this platform transition and associated procurement timelines, we have extended the deployment schedule for Atlas's initial 100-truck commitment into the first half of 2027. We may experience unexpected delays in connection with this platform transition in the event that our suppliers, OEMs, or other partners experience supply chain disruptions, capacity constraints, or are otherwise not able to meet agreed upon timelines. Our collaboration with third parties to provide vehicle integration services is subject to risks that are outside of our control.

Atlas has certain contractual rights in the MSA that could prevent, in limited circumstances, the Kodiak Driver being licensed to its competitors both performing transportation services and geographic locations where Atlas operates. Furthermore, both we and Atlas have the ability to terminate the Atlas MSA under certain circumstances. If Atlas terminates the Atlas MSA or does not elect to license more than 100 Kodiak Drivers, our business, financial condition, results of operations, and prospects may be adversely affected.

AV technology presents the risk of significant injury, including fatalities. Any incidents with our technologies could cause us to be subject to product liability claims that may result in significant direct or indirect costs and could adversely affect our brand image in our target markets, all of which may adversely affect our business, financial condition and results of operations.

AV technology presents the risk of significant injury, including fatalities. We may be subject to claims if our technology is involved in a crash and people are injured or allege to be injured or our technology causes or is alleged to have caused property damage. The occurrence of any errors or defects in our products may make us liable for damages and legal claims. In addition, we may incur significant costs to correct such issues, potentially including product recalls. Any negative publicity related to the perceived quality of our technology may affect our brand image, customer demand, and regulator and public trust. Also, liability claims may result in litigation, including class actions, the occurrence of which may be costly, lengthy and distracting and may adversely affect our business, financial condition and results of operations.

Any product recall or material incident in the future may result in adverse publicity, damage our brand and reputation and may adversely affect our business, financial condition and results of operations. In the future, we may voluntarily or involuntarily initiate a recall if any vehicles powered by our AV technology prove to be defective or non-compliant with applicable FMVSSs. Such recalls involve significant expense and diversion of management attention and other resources, which may adversely affect our brand image in our target markets, as well as our business, financial condition, and results of operations.

Once we scale our commercial operations, we may be required to obtain specialized insurance, which may not be available to the capacity or on the terms that we require to achieve the economics we expect. Further, any insurance that we carry may not be sufficient or it may not apply to all situations. Similarly, our customers and partners may be subjected to claims as a result of such accidents and bring legal claims against us. Any of these events may adversely affect our brand, relationships with customers and partners, business, financial condition, and results of operations.

The Kodiak Driver may not function as intended due to flaws or errors in our software, hardware, and systems, product defects, or due to human error, which may adversely affect our business.

Our AV technology is highly technical and complex and may contain undetected flaws, errors or vulnerabilities that may adversely affect our business, particularly to the extent such flaws, errors or vulnerabilities are not detected and remedied quickly. Certain errors or defects in our solutions may only be discovered after they have been tested, commercialized, and deployed. We have from time to time found defects and errors in our software and hardware, internal systems, manual processes, and technical integrations with third-party systems, including as a result of updates to our software, hardware and systems. Additionally, new errors or vulnerabilities may be introduced in the future. In connection with any such defects or errors, we may also face government inquiries or investigations, recalls and litigation, including with respect to personal injury or property damage. As a result of such defects or errors, we may incur additional costs or expenses to remediate the issues. We rely on component and product suppliers to manufacture components incorporated into the Kodiak Driver. As a result, our control over production and distribution is limited, and it is uncertain what effect such diminished control may have on the quality of our products. If there are defects in the manufacture of our hardware components, we may face similar negative publicity, investigations, and litigation, and we may not be fully compensated by our suppliers for any financial or other liability that we suffer as a result. As our business grows in size and complexity, these risks may increase.

We may also provide incremental releases of software updates and functional enhancements for our solutions, which increase the possibility of errors. The solutions we provide are designed to process complex environments and control complex components, all with high data loads and fast processing speeds. Any errors, data leaks, security breaches or incidents, disruptions in services, or other performance problems with our solutions caused by external or internal actors may hurt our reputation and damage our and our customers' businesses. Such incidents may disrupt the proper functioning of our solutions, cause errors, result in loss or unavailability of, unauthorized access to, or disclosure of, proprietary, confidential or otherwise sensitive data of us or our customers, or other destructive outcomes. Moreover, errors in our hardware or software design or manufacture may cause product safety issues. Any of the foregoing issues may lead to product recalls, result in costly and time-consuming efforts to redesign and redistribute our products, give rise to regulatory inquiries and investigations, and result in reimbursement obligations, lawsuits and other liabilities and losses, any of which may adversely affect our business, financial condition and results of operations.

Any flaws or misuse of AV technology, whether actual or perceived, intended or inadvertent, by us or third parties, may adversely affect our business, financial condition and results of operations.

AV technology is in the early stages of development and will continue to evolve. Similar to many innovations, AV technology presents risks and challenges. Some of those risks and challenges include potential misuse by third parties which negatively impact public confidence, violate applicable laws and regulations, or undermine safety. Such misuse may affect customer perception, public opinion, and the views of policymakers and regulators and result in decreased adoption of autonomous technology. While we have adopted a series of measures to prevent misuse of our technologies, we cannot assure you that any of our existing and future measures will be sufficient, effective, or that our technologies will not be misused or applied in a way that is inconsistent with our intention or public expectations.

Furthermore, any inappropriate or abusive usage of AV technology, whether actual or perceived, intended or inadvertent, and whether by us or by third parties, or flaws or deficiencies in AV technology, actual or perceived, in our solution or those of our competitors, may impair the general acceptance of autonomous technology by society, attract negative publicity and adversely affect our reputation, violate applicable laws and regulations. Any such misuse could subject us to legal or administrative proceedings, pressures from stockholders and/or labor organizations, and other public interest groups or heightened scrutiny by regulators. Each of the foregoing events may adversely affect our business, financial condition, and results of operations.

Unauthorized control or manipulation of systems in autonomous vehicles may cause them to operate improperly or not at all, or compromise their safety and cybersecurity, which may result in loss of confidence in us and our solutions and adversely affect our business, financial condition, and results of operations.

There have been reports of vehicles being “hacked” to grant access to and operation of the vehicles to unauthorized persons. Kodiak Driver-powered autonomous vehicles contain complex information technology networks and systems and are designed with built-in data connectivity. We have implemented, and continue to implement, measures intended to prevent unauthorized access to the information technology networks and systems installed in such vehicles. However, hackers or unauthorized third parties may attempt to gain unauthorized access to modify, alter, or use such networks and systems to gain control of, or to change, such vehicles’ functionality and performance characteristics, or access our Operations Center or Assisted Autonomy systems, or access data stored in or generated by us or our solutions. As techniques used to obtain unauthorized access to or sabotage systems change frequently and may not be known until launched against us or our third- party service providers, there can be no assurance that we will be able to anticipate, or implement adequate measures to protect against, these attacks. Any such incidents may result in unexpected control of or changes to the vehicles’ functionality and safe operation and may result in legal claims or proceedings against us and negative publicity, which may adversely affect our brand and reputation, business, financial condition and results of operations.

We have provided, and may in the future provide, certain progress and performance metrics, including the Autonomy Readiness Measure. These metrics are subject to inherent challenges in measurement; real or perceived inaccuracies in such metrics and metrics values that are below expectations could materially and adversely affect our business, prospects, financial condition and results of operations.

We have provided, and may in the future provide, a measure of our progress toward the long-haul launch of the Kodiak Driver (the “Autonomy Readiness Measure” or “ARM”). The ARM is the weighted function of completeness of our safety case, which is an internally-derived, claims-based approach that provides a generalized structured argument to addressing safety items implicated by developing and operating self-driving technology on public roads. There are inherent challenges in calculating the ARM, including the fact that management judgment is used, including when applying weighting to individual pieces of evidence that support the claims that we are making in our safety case based on, among other things, complexity, effort required to complete, scope of the Company’s commercial launch route, as well as when evaluating the percentage complete of a particular piece of evidence. If individual pieces of evidence supporting the claims of our safety case turn out to be more complex, more challenging to complete, insufficiently comprehensive or conclusive, or more time or capital intensive than we originally anticipated, adjustments will be required to be made to our calculations of the ARM. If our ARM is not an accurate representation of our progress toward long-haul launch, or investors perceive this measure not to be accurate, or we discover material inaccuracies in the safety case or our calculations of the ARM, our reputation may be significantly harmed, the timing of the long-haul launch of the Kodiak Driver could be delayed, and our stock price could decline, any of which could materially and adversely affect our business, prospects, financial condition and results of operations.

In addition, our internal systems and tools have a number of limitations, and our methodologies for tracking the ARM may change over time, which could result in unanticipated changes to the metrics or estimates that we publicly disclose. If the internal systems and tools we use to track these metrics are not an accurate indicator of our performance or contain other technical errors, the data we report may not be accurate. While these numbers are based on what we believe to be reasonable estimates of our metrics for the applicable period of measurement, there are inherent challenges in measuring our progress toward our long-haul launch.

Our brand and reputation may be harmed by negative publicity or safety and other concerns regarding the Kodiak Driver and our company. Failure to maintain, protect and enhance our brand may limit our ability to expand or retain our customer base, which may adversely affect our business, financial condition and results of operations.

We must maintain and enhance our brand identity and reputation and increase market awareness of the Kodiak Driver and our company. The successful promotion of our brand will depend on our efforts to achieve widespread acceptance of our technology and solutions, as well as attract and retain customers. We also need to maintain our current market leadership and successfully differentiate our technology and solutions from our competitors. These efforts require substantial expenditures and management attention. We anticipate that those expenditures will increase as our market becomes more competitive, and as we expand our operations. These investments in brand promotion and thought leadership may not yield increased revenue in amounts that offset the increased expenses we incur, or at all, and may require investment of substantial management time. Our brand value and reputation also depend on our ability to provide safe, secure and trustworthy solutions, address customer needs, and protect and use our customers' and partners' data in a manner that meets their expectations. Any safety or security incidents or the reporting or perception that they have occurred could result in legal claims or proceedings, regulatory inquiries, investigations and other proceedings, or negative publicity, any of which could harm our reputation or our brand. Damage to our reputation and loss of brand equity may reduce demand for our solutions, cause us to lose customers, and require additional resources to rebuild our reputation and restore the value of our brand, which may adversely affect our business, financial condition and results of operations.

From time to time, we may receive negative publicity, including negative comments on social media platforms or through traditional media about our company, our business, our directors and management, our brand, our technology and solutions, our workforce impacts, our suppliers, our customers or other business partners. This negative publicity may be the result of malicious harassment or unfair competition acts by third parties. We could become subject to government or regulatory investigation as a result of such third-party conduct. We might also be required to spend significant time and incur substantial costs to defend ourselves against such third-party conduct. We may be unable to refute the claims within a reasonable period of time, or at all. Any such negative publicity could negatively impact our brand and reputation, and may adversely affect our business, financial condition and results of operations.

We operate in a highly competitive market and some market participants have substantially greater resources. If we are unable to compete effectively, our business, financial condition and results of operations may be adversely affected.

The markets in which we operate are highly competitive and are characterized by rapid technological change. Our future success will depend on our ability to scale our commercial operations and adoption of our solutions in a timely manner to stay ahead of existing and new competitors. Several companies, including Aurora Innovation, Nuro, Tesla, Waabi, Waymo, and Zoox, are investing heavily in building AV technology. These companies compete with us directly and indirectly by offering AV technology for the same or similar use cases. If our competitors, including those mentioned above, develop superior technology, or are perceived to have better technology, they may capture market opportunities and establish relationships with customers and partners that might otherwise have been available to us. Further, certain of our competitors have greater financial, marketing, R&D, and other resources than we do, and in certain circumstances are supported by large multinational corporations. In the event that one or more of these competitors broadly commercializes their technology before or more successfully than we do, our business, financial condition and results of operations may be adversely affected.

We may experience difficulties in managing our growth and expanding our operations.

We expect to experience significant growth in the scope and nature of our operations and commercial deployments. Our ability to manage our operations and future growth will require us to continue to improve our operational, financial and management controls, compliance programs, and business processes. For example, we continue to implement certain new business information systems, including implementing a new ERP system to enhance and standardize our processes, as well as improve oversight. Any disruptions due to this implementation may impact our ability to process vendor payments, report financial results, maintain effective internal controls, or operate our business effectively. We are currently in the process of strengthening our compliance programs, including in relation to cybersecurity, privacy and anti-corruption. We may also need to reduce our reliance on manual operations in the areas of billing and reporting and make certain other improvements to support our complex arrangements and the rules governing revenue and expense recognition for our future operations. We may not be able to implement improvements in an efficient or timely manner. We may also discover deficiencies in existing controls, programs, systems and procedures, which may have an adverse effect on our business, financial condition and results of operations as well as the accuracy of our reporting.

Our success is contingent on our ability to successfully execute our DaaS business model, including by maintaining, managing, executing, retaining, and expanding our existing customer relationships and obtaining new customers.

Our DaaS business model, which we launched in December 2024 in connection with our partnership with Atlas, and our AV technology is integrated into customer vehicles. Any failure to successfully maintain, manage, execute, retain, and expand these existing customer relationships and obtain new customers operating under our DaaS model may adversely affect our business, financial condition, and results of operations.

In addition, customers may be less likely to adopt our solution if they are not convinced that our business will succeed or that our operations and technology will continue in the long term. Similarly, suppliers and other third parties will be less likely to invest time and resources in developing business relationships with us if they are not convinced that our business will succeed. Accordingly, in order to build and maintain our business, we must maintain confidence among partners, customers, suppliers, and other parties in our solution, long-term financial viability and business prospects. Maintaining such confidence may be particularly complicated by certain factors including those that are largely outside of our control. Such factors include our limited operating history, lack of customer familiarity with our technology, any delays in scaling deployments, delivery and service operations to meet demand, competition and uncertainty regarding the future of AVs compared with market expectations.

For our DaaS business model to be successful, we will need to enter into additional long-term contracts and commercial arrangements on acceptable terms with new and existing customers. In the event we are not able to enter into such contracts, we may not be able to implement our DaaS business model in the timeframe anticipated, or at all. This could have an adverse effect on our business, financial condition, and results of operations.

Our inability to plan and manage our costs may adversely affect our business, financial condition, and results of operations.

As we grow, we expect our expenses to increase. In order to become a profitable business, we must continuously push initiatives to optimize supporting cost components such as autonomous and truck systems maintenance, cloud storage, telecommunications and satellite data feeds, facilities, operations and personnel costs. In addition, we must manage hardware costs by engineering cost-effective designs for our platform components, achieve adequate scale, manage tariffs, and finalize hardware specifications while enabling continued software improvements. Planning for and managing costs will require significant coordination with our suppliers, partners, and customers. We may not adequately plan for or achieve adequate cost management as expected or at all, which may adversely affect our business, financial condition and results of operations.

Recent and further changes in the tariff and trade policies of the United States or of other countries could increase manufacturing costs, decrease demand for our solution, disrupt supply chains, or otherwise adversely affect our business and financial condition.

There is currently significant uncertainty about the future relationship between the United States and its trading partners with respect to trade policies, tariffs, and similar policies affecting cross-border operations. The U.S. Government has made and continues to make significant additional changes in U.S. trade policy, specifically tariffs, and may continue to take future actions that could negatively impact our business, including escalating tariffs on the import of goods from most U.S. trading partners. For example, between February 2025 and February 2026, the United States imposed additional 10-35% fentanyl-related tariffs on certain goods from China, Canada, and Mexico with exceptions for items qualifying for duty-free treatment under the U.S.-Mexico-Canada Agreement (“USMCA”), and additional reciprocal tariffs on China (currently 10%). Between April 2025 and February 2026, the U.S. Government also imposed additional reciprocal tariffs of between 10%-125% on imports from most U.S. trading partners, with certain products exempt from these reciprocal tariff measures. These additional U.S. tariffs were implemented under authorities asserted in the International Emergency Economic Powers Act (“IEEPA”) and rescinded on February 24, 2026, following a Supreme Court decision invalidating the use of IEEPA to authorize these tariffs. The availability, timing, and amount of any related refunds associated with payments of these duties remain uncertain and subject to further legal, regulatory, and administrative action, though the U.S. government began rolling out a system on April 20, 2026 to begin processing refund requests for certain affected entries. Between February 24, 2026 and July 24, 2026, the U.S. government also implemented a global “temporary import surcharge” of 10% on many of the same products affected by the prior reciprocal tariffs, under authorities provided for in Section 122 of the Trade Act of 1974. Upon expiration of the Section 122 temporary import surcharge on July 24, 2026, the U.S. government implemented tariffs of up to 10% or 12.5% on imported commodities from 60 U.S. trading partners, with certain items excepted, under authorities provided under Section 301 of the Trade Act of 1974, following a determination by the U.S. Trade Representative that these trading partners have insufficiently implemented or enforced forced labor laws. The United States also recently announced an intent to impose 50% tariffs on certain products of Canada effective August 19, 2026, under authorities provided in Section 338 of the Tariff Act of 1930. The U.S. Government has also implemented Section 232 tariffs on various items based on a finding that certain imports threaten to impair U.S. national security, including but not limited to certain articles of steel and aluminum; passenger vehicles, trucks, and automotive components; and articles of copper. The U.S. Government has also imposed, increased, or maintained additional Section 301 tariffs of 7.5%-100% on certain commodities from China. The scope of these tariffs and exclusions is subject to change. Additional trade-related investigations by the U.S. government are in progress and could result in the imposition of additional tariffs, including under Sections 232, 301, 122, and 338.

The recent changes in tariff and trade policy underscore the uncertainty regarding the future relationships between the United States and its trading partners. In response to these and other U.S. trade measures, China, Canada, and other affected countries have taken or threatened to take retaliatory actions to respond. Such actions include the imposition of retaliatory tariffs on imports of products of U.S. origin, the imposition of export controls on a wide array of products (including rare earth metals and other critical minerals), as well as other actions. The adoption of retaliatory actions by targeted countries has prompted and could prompt the United States to further increase its tariff measures, and continued escalation of tariffs and trade measures could result in the outbreak of a trade war. The trade and tariff policies of the United States and other countries are currently fluid and subject to further changes.

These and future changes to trade policy and tariffs could negatively impact our business. While we plan to obtain components from multiple sources whenever available and desirable, some of the components used in our hardware and technology are currently purchased from a single or limited number of suppliers. These single or limited source suppliers are located in China, the European Union and Mexico. Thus, while we will make efforts to mitigate the impacts of escalated tariffs on our supply chain, we may be unsuccessful in fully mitigating these effects, or unable to do so at reasonable cost. Recent increases in the tariffs imposed by the United States or other countries may: (i) have an uncertain effect on the manufacture of our products, including affecting the availability of our products, or of materials used in our products; (ii) affect the prices at which our products, or materials used in our products, may be obtained; (iii) result in customers delaying orders pending additional certainty in the tariff landscape; and (iv) may have other effects. Should the trade relationships between the United States and its trading partners remain strained or worsen, our business, liquidity, financial condition, and results of operations may therefore be materially and adversely affected.

We depend on the experience and expertise of our senior management team, engineers, and certain other key employees. The loss of any executive officer or key employee, or the inability to identify, recruit and retain qualified employees in a timely manner, may adversely affect our business, financial condition and results of operations.

Our success depends largely upon the continued services of our executive officers, engineers, and certain other key employees. We rely on our executive officers, engineers, and key employees in the areas of business strategy, research and development, marketing, communications, sales, services, supply chain management, and general and administrative functions. We compete for talent with other companies, including companies that are larger and have greater resources than we do. Competition for talent in the AV and AI industries, especially in the San Francisco Bay Area, is intense and often leads to increased compensation and other personnel costs. In addition, our compensation arrangements, such as our equity award programs, may not always be successful in attracting new employees and retaining and motivating our existing employees. Our continued ability to compete effectively depends on our ability to attract substantial numbers of qualified new employees and to retain and motivate our existing employees. Also, to the extent we hire employees from competitors or other companies, we may be subject to allegations that they have been improperly solicited or divulged proprietary or other confidential information of their former employers. Any material departures of our executive management team, engineers, or key employees, may individually or in the aggregate, adversely affect our business, financial condition, and results of operations.

Furthermore, changes to our board of directors and senior management, and unfavorable publicity regarding succession planning may adversely affect our ability to attract and retain qualified personnel. We do not maintain meaningful key-person insurance for any member of our senior management team or any other key employee.

We do not have employment agreements with our executive officers or other key personnel that require them to continue to work for us for any specified period. Accordingly, our executive officers and other key personnel may terminate their employment with us at any time. The loss of one or more of our executive officers, engineers, or key employees may adversely affect our business, financial condition, and results of operations.

We rely on our third-party suppliers, OEMs, upfitters, service providers and partners, some of which are single or limited-source suppliers or providers of certain key components for, and services used in connection with, the Kodiak Driver, and are thus susceptible to supply shortages, long lead times for components, supply changes, and limitations or constraints on service provider support availability or capacity.

We rely on third-party suppliers, OEMs, upfitters, service providers and partners to design, develop, industrialize, manufacture, and supply components for the Kodiak Driver. While we plan to obtain components from multiple sources whenever available and desirable, some of the components used in our hardware and technology are currently purchased from a single or limited number of suppliers. Further, our agreement with Bosch provides for certain exclusivity rights should components reach certain quality, pricing, volume and other levels. We refer to these suppliers as our single or limited source suppliers. Some of the components we obtain from single or limited source suppliers are manufactured in China, and the pricing of these components has been and may continue to be significantly affected by tariffs.

Components from single or limited source suppliers are susceptible to supply shortages, long lead times, and changes in trade policies and other supply changes, any of which may disrupt our supply chain and may delay the scaling of our commercial operations. If we change suppliers for any components, significant delays may occur, including initial delays for software and hardware integration, engineering, and validation. Changing suppliers may also create a delay or shortage in supply and changes to manufacturing processes. These delays may adversely affect our business, financial condition, results of operations and delay the scaling of our product.

We currently rely on partners, such as Roush, for vehicle integration, or upfitting, of the Kodiak Driver and for remote monitoring and remote assistance services. Collaboration with third parties to provide these services is subject to risks that are outside of our control. As we scale our operations, we expect to increase our reliance on these third parties.

We have in the past, and may in the future, experience delays in development and production when and if our suppliers do not meet agreed upon timelines or experience capacity constraints. There is also a risk of potential disputes with suppliers, OEMs, and partners which may stop or slow our ability to integrate the Kodiak Driver in customer fleets. If OEMs, suppliers or other partners determine that they will not support AV deployments or limit how AV technology can be deployed, including ODD expansion, using their components, or if we are unable to work collaboratively with such partners to integrate the Kodiak Driver with commonly used commercial trucks, our business, financial condition and results of operations may be adversely affected. In addition, we cannot guarantee that our suppliers, OEMs, or upfitting partners will not deviate from agreed-upon quality standards, which could result in delays or, if undetected by us, quality issues that may adversely affect our brand and reputation, business, prospects and results of operations.

We may be unable to enter into agreements with suppliers, OEMs, or upfitting partners on terms and conditions acceptable to us. As a result, we may need to contract with other third parties or significantly add to our own production capacity. While we believe that we could establish alternate supply or service partner relationships, we may be unable to do so in the short term, or at all, at prices or quality levels and/or on terms that are favorable to us. Accordingly, we may experience significant delays while re-engineering our system to accept replacement parts. We may not be able to engage other third parties or establish or expand our own production capacity to meet our needs on acceptable terms, or at all. The expense and time required to adequately complete any transition may be greater than anticipated. Any of the foregoing may adversely affect our business, financial condition, and results of operations.

We are subject to cybersecurity risks related to our operational systems, security systems, infrastructure, integrated software and partners' and customers' data processed by us or third-party vendors. Any material failure, security breach or other cyber incidents may prevent us from effectively operating our business, and could result in

investigations, litigation, or penalties, any of which may adversely affect our business, financial condition, and results of operations.

We are at risk for breaches or other cyber incidents of operational systems, including business, financial, accounting, product development, data processing or production processes, owned by us or our third-party vendors or suppliers; facility security systems, owned by us, our customers, or our third-party vendors or suppliers; in-product technology owned by us or our third-party vendors or suppliers; our integrated software or artificial intelligence; and partner, customer, or driver data that we process or our third-party vendors or suppliers process on our behalf. Any such cyber incident may materially disrupt operational systems; result in loss of intellectual property, trade secrets or other proprietary or competitively sensitive information; compromise certain information of partners, customers, employees, suppliers, drivers or others; jeopardize the security of our facilities; or affect the performance of the Kodiak Driver. A cyber incident may be caused by disasters, insiders, through inadvertence or with malicious intent, or malicious third parties using sophisticated, targeted methods to circumvent firewalls, encryption and other security defenses, including hacking, fraud, trickery or other forms of deception. The techniques used by cyber attackers change frequently and may be difficult to detect for long periods of time. AI and machine learning may increase cybersecurity risks we face through, for example, being used to increase the prevalence, intensity, or impact of cyber attacks or to detect, and take advantage of, potential vulnerabilities. Although we maintain and continue to develop measures designed to protect us against security breaches and other cyber incidents, such measures require frequent updates and improvements. We cannot guarantee that such measures will be adequate to detect, prevent or mitigate cyber incidents. The implementation, maintenance, segregation and improvement of systems and measures designed to prevent cyber incidents requires significant management time, support and cost.

Moreover, there are inherent risks associated with developing, improving, expanding and updating current measures, including the disruption of our data management, procurement, production, finance, supply chain and sales and service processes. These risks may affect our ability to manage our data, procure parts or supplies or produce, sell, deliver and service our solutions, adequately protect our intellectual property or achieve and maintain compliance with, or realize available benefits under, applicable laws, regulations and contracts. We cannot be sure that the measures upon which we rely, including those of our customers, third-party vendors or suppliers, will be effectively implemented, maintained or expanded as planned. If we do not successfully implement, maintain or expand these systems as planned, our operations may be disrupted, our ability to accurately and timely report our financial results may be impaired, and deficiencies may arise in our internal control over financial reporting, which may impact our ability to certify our financial results. Moreover, our proprietary information or intellectual property may be compromised or misappropriated, or data (including personal information) could be exfiltrated or improperly used. Any material failure, security breach or other cyber incident may prevent us from effectively operating our business, cause us to lose competitive advantages, and subject us to investigations, litigation, or penalties, any of which may adversely affect our business, financial condition, and results of operations. If these systems do not operate as we expect them to, we may be required to expend significant resources to make corrections or find alternative sources for performing these functions. In addition, our cyber insurance coverage may not be sufficient to cover all the losses we may experience as a result of a cyber incident.

Interruptions, outages, or failures of information technology and communications infrastructure and systems that we rely upon may adversely affect our business, financial condition, and results of operations.

We currently rely on a variety of information technology and communications infrastructure and related systems, including cloud computing, cloud storage and telecom and satellite data feeds. For example, we use Amazon Web Services (“AWS”), which had a material outage in October 2025, to host portions of our technology and support our technology development. The availability and effectiveness of our services depend on the continued operation of AWS, and other third- party information technology and communications systems. Our systems, and those of our third-party service providers, including AWS, are vulnerable to damage, interruption, or any other compromise as the result of, among others, physical theft, fire, terrorist attacks, natural disasters such as earthquakes, floods, power losses or shortages, war, telecommunications and satellite communication failures, viruses, denial or degradation of service attacks, ransomware, social engineering schemes, insider theft or misuse or other attempts to harm our systems. We use reputable third-party service providers or vendors to process a significant portion of our data. However, these providers are also vulnerable to harms similar to those that may damage our systems, including sabotage and cyberattacks, which may cause potential disruptions to our business, or unauthorized access to or use of our data, including personal information. Because our technology requires significant processing power, it may become increasingly difficult to maintain and improve our performance, especially during peak usage times, as we expand the use of the Kodiak Driver. Some of our systems may not be fully redundant, and our disaster recovery planning cannot account for all eventualities. Any problems with our communications, infrastructure, third-party cloud hosting providers or similar systems may result in lengthy interruptions to our business, adversely affecting our business, financial condition and results of operations.

Risks Related to the Government Contracts

A significant portion of our historical revenue has come from our contracts with the DoW, and our failure to receive and maintain government contracts or changes in the contracting or fiscal policies of the U.S. Government may adversely affect our business, financial condition, and results of operations.

We have historically derived a significant portion of our revenue from contracts with U.S. Government agencies, in particular contracts with the U.S. Army for the automation of ground vehicles. Sales to such government agencies are subject to a number of challenges and risks. Selling to government agencies can be highly competitive, expensive, and time-consuming, often requiring significant upfront time and expense without any assurance that these efforts will generate a sale. We also must comply with laws and regulations relating to the formation, administration, and performance of contracts, and contract clauses including those arising from law, regulations and executive orders, all of which impose obligations and provide U.S. Government customers rights, many of which are not typically found in commercial contracts.

Accordingly, our business, financial condition and results of operations may be adversely affected by certain events or activities, including:

- changes in fiscal or contracting policies or decreases in available government funding, particularly in the event of a federal government shutdown;
- changes in government programs, funding priorities, and requirements;
- changes in the political environment, including before or after a change to the leadership within the government administration, and any resulting uncertainty or changes in policy or priorities and resultant funding;
- changes in government administration and national and international priorities, including developments in the geopolitical environment;
- changes in the government's attitude towards the capabilities that we offer, especially in the areas of national defense;
- changes in the government's attitude towards us as a company or our solutions as viable or acceptable autonomy solutions;
- appeals, disputes, or litigation relating to government procurement, including bid protests by unsuccessful bidders on potential or actual awards of contracts to us by the government;
- the adoption of new laws or regulations or changes to existing laws or regulations;
- budgetary constraints, including automatic reductions as a result of "sequestration" or similar measures and constraints imposed by any lapses in appropriations for the federal government or certain of its departments and agencies;
- influence by, or competition from, third parties with respect to pending, new, or existing contracts with government customers;
- potential delays or changes in the government appropriations or procurement processes, including as a result of events such as war, incidents of terrorism, natural disasters, and public health concerns or epidemics;
- increased or unexpected costs or unanticipated delays caused by other factors outside of our control, such as supply chain constraints; and
- government exercises of contractual rights, including the right to terminate contracts when in the government's interest; exercise contract options; the right to reduce orders under or otherwise modify contracts; cancel multi-year contracts and related orders if funds for contract performance for any subsequent year become unavailable; and prohibit future procurement awards with a particular agency due to a finding of organizational conflicts of interest based upon prior related work performed for the agency that would give a contractor an unfair advantage over competing contractors, or the existence of conflicting roles that might bias a contractor's judgment.

Any such event, activity, or action, among others, may cause governmental agencies to delay or refrain from purchasing our solutions in the future, reduce the size or payment amounts of purchases from existing or new government customers, or otherwise adversely affect our business, financial condition, and results of operations.

In addition, we may be required to compete for contracts in a competitive bidding process. We may compete directly with other suppliers or align with a prime or subcontractor competing for a contract. We may not be awarded the contract if the pricing or product offering is not competitive, either at our level or the prime or subcontractor level. In addition, in the event we are awarded a contract, we are subject to protests by losing bidders of contract awards that can result in the reopening of the bidding process, re-evaluation and new award of the contract to another bidder. In addition, we may be subject to multiple rebid requirements over the life of a program in order to continue to participate in such program, which can result in the loss of the program or significantly reduce our revenue or margin from the program. Further, the U.S. Government or a government contractor customer could require us to relinquish data rights to a product in connection with performing work on a government contract, which could lead to a loss of valuable technology and intellectual property in order to participate in a government program.

Significant costs may be incurred to ensure compliance with requirements unique to government contracts. Uncertainty exists with regard to proposed and future changes to government contract regulatory requirements, and such changes could subject our company to increased risks and costs. We may be subject to the Federal Acquisition Regulation (“FAR”) and agency supplemental acquisition regulations including the Defense Federal Acquisition Regulation Supplement (“DFARS”) as well as other contractual terms that subject us to federal cybersecurity requirements. U.S. Government customers contractually require us to notify them of security breaches or other cyber incidents. If an actual or perceived breach of security measures, unauthorized access to our system or the systems of the third-party vendors that we rely upon, or any other cybersecurity threat occurs, we may face direct or indirect liability, costs, damages, or contract termination. In addition, our reputation in the industry and with current and potential customers may be compromised, our ability to attract new customers could be negatively affected, and our business, financial condition, and results of operations could be materially and adversely affected. Amendments to DoW cybersecurity requirements, such as through amendments to the FAR or DFARS, may increase our costs or delay the award of contracts if we are unable to certify that we satisfy such cybersecurity requirements.

Certain of our customer contracts may be terminated by the customer at any time for convenience and/or may contain other provisions permitting the customer to discontinue contract performance, and if terminated contracts are not replaced, our results of operations may differ materially and adversely from those anticipated. In addition, our contracts with government customers often contain provisions with additional rights and remedies favorable to such customers that are not typically found in commercial contracts.

All or substantially all of our contracts, including our government contracts, contain termination for convenience provisions. Customers that terminate such contracts may also be entitled to a pro rata refund of the amount of the customer deposit for the period of time remaining in the contract term after the applicable termination notice period expires. Government contracts often contain provisions and are subject to laws and regulations that provide government customers with additional rights and remedies not typically found in commercial contracts. These rights and remedies allow government customers, among other things, to:

- terminate existing contracts for convenience with short notice;
- reduce orders under or otherwise modify contracts;
- for some contracts, (i) demand a refund, make a forward price adjustment, or terminate a contract for default if a contractor provided inaccurate or incomplete data during the contract negotiation process and (ii) reduce the contract price under triggering circumstances, including the revision of price lists or other documents upon which the contract award was predicated;
- cancel multi-year contracts and related orders if funds for contract performance for any subsequent year become unavailable;
- decline to exercise an option to renew a multi-year contract or issue task orders in connection with indefinite delivery/indefinite quantity contracts;
- claim rights in solutions, systems, or technology produced by us, appropriate such work-product for their continued use without continuing to contract for our services, and disclose such work-product to third parties, including other government agencies and our competitors, which could harm our competitive position;

- prohibit future procurement awards with a particular agency due to a finding of organizational conflicts of interest based upon prior related work performed for the agency that would give a contractor an unfair advantage over competing contractors, or the existence of conflicting roles that might bias a contractor's judgment;
- subject the award of contracts to protest by competitors, which may require the contracting federal agency or department to suspend our performance pending the outcome of the protest and may also result in a requirement to resubmit offers for the contract or in the termination, reduction, or modification of the awarded contract;
- suspend us from doing business with the applicable government; and
- control or prohibit the export of our services.

If a customer were to unexpectedly terminate, cancel, or decline to exercise an option to renew with respect to one or more of our significant contracts, or if a government were to suspend or debar us from doing business with such government, our business, financial condition, and results of operations would be materially harmed.

Failure to comply with laws, regulations, or contractual provisions applicable to our business could cause us to lose U.S. Government customers or our ability to contract with the United States and other governments.

As a government contractor, we must comply with laws, regulations, and contractual provisions relating to the formation, administration, and performance of government contracts and inclusion on government contract vehicles, which affect how we and our partners do business with government agencies. As a result of actual or perceived noncompliance with government contracting laws, regulations, or contractual provisions, we may be subject to audits and internal investigations. This may prove costly to our business financially, divert management time, tarnish our brand among customers and potential customers, affect our ability to hire, attract and maintain qualified employees, or limit our ability to continue selling our platforms and services to our government customers. These laws and regulations may impose other added costs on our business. Failure to comply with these or other applicable regulations and requirements, including non-compliance in the past, could subject us to investigations, administrative proceedings, sanctions, enforcement actions, disgorgement of profits, claims for damages, civil and criminal penalties, termination of contracts and suspension or debarment from government contracting for a period of time with government agencies. Any negative outcome from such inquiries or investigations or failure to prevail in any possible civil or criminal litigation, damages, penalties, disruption, or limitation in our ability to do business with a government could adversely affect our business, financial condition and results of operations.

Risks Related to Our Intellectual Property Rights

We may not be able to adequately establish, maintain, protect, and enforce our technology and intellectual property rights or prevent others from unauthorized use of our technology and intellectual property rights, which may adversely affect our business, financial condition, and results of operations. Our efforts to protect and enforce our intellectual property rights and prevent third parties from violating our intellectual property rights may be costly and time-consuming, or less effective than anticipated.

Our technology and intellectual property rights are a valuable asset of our business. Our success depends in part on our ability to protect our core technology and intellectual property rights. Failure to adequately protect our technology or intellectual property rights may result in the loss of our ability to maintain a competitive advantage. Even if we are able to protect our technology and intellectual property rights, our competitors may be able to offer similar products and services without infringing our rights. We rely on a combination of patents, trademarks, copyrights and trade secrets, in addition to employee and third-party nondisclosure agreements, intellectual property assignment agreements, intellectual property licenses, and other contractual rights, to establish, maintain, protect and enforce our rights in our technology and intellectual property rights, including trade secrets and other confidential information. Intellectual property laws and our procedures and restrictions provide only limited protection. Any of our intellectual property rights may be challenged, invalidated, circumvented, infringed or misappropriated. If we fail to protect our intellectual property rights adequately, we may lose an important advantage in the markets in which we compete. While we take measures to protect our technology and intellectual property rights, such efforts may be insufficient or ineffective, and any of our intellectual property rights may be challenged, which may result in them being narrowed in scope or declared invalid or unenforceable. Other parties may also independently develop technologies that are substantially similar or superior to ours, and we may not be able to prohibit uses of such technologies. We may also be forced to bring claims against third parties, or defend claims that they may bring against us, to determine the ownership or other rights in technology or intellectual property rights we regard as our own. The measures we take to protect our technology and intellectual property rights from unauthorized use by others may not be effective and there can be no assurance that our intellectual property rights or enforcement efforts will be sufficient to protect against others offering products, services or technologies that are substantially similar or superior to ours or that compete with our business.

To the extent that our employees, consultants, contractors, advisors and other third parties use intellectual property owned by others in their work for us, disputes may arise as to the rights in related or resulting know-how and inventions. While we seek to protect our rights in such know-how and inventions, the measures we take may not be sufficient. Costly and time-consuming litigation may be necessary to enforce and determine the scope of our proprietary rights, and failure to obtain or maintain protection for our know-how and inventions may adversely affect our business, financial condition and results of operations.

New regulations related to AI tools and the effects of such tools on the protectability of intellectual property are still being developed. Regulations may limit whether AI may generate or create enforceable intellectual property rights when AI tools are used. The use of AI tools by competitors may make identification of infringement of our intellectual property more difficult to detect.

We may in the future be involved in litigation to enforce our intellectual property rights and to protect our trade secrets. Our efforts to enforce our intellectual property rights or trade secrets may be met with defenses, counterclaims and countersuits, including challenges on the validity and enforceability of our intellectual property. Any litigation initiated by us concerning the violation by third parties of our intellectual property rights is likely to be expensive and time-consuming and is likely to be distracting to management. Any such litigation could lead to the invalidation of, or render unenforceable, our intellectual property rights, or may otherwise have negative consequences for us. Further, detecting unauthorized use of our technology or intellectual property rights may be difficult, expensive, and time consuming, and we may not be able to identify and seek to prevent such uses. Our inability to protect our proprietary technology against unauthorized copying or use, as well as any costly litigation or diversion of our management’s attention and resources, may delay the introduction and implementation of new technologies. This could result in us being required to substitute inferior or more costly technologies into the Kodiak Driver, or injure our reputation and the goodwill associated with our brand and business operations. Moreover, in certain foreign countries where the intellectual property laws may not be as protective as those in the United States and where mechanisms for enforcement of intellectual property rights may be weak, we may be unable to stop others from infringing or misappropriating our intellectual property rights. If we fail to meaningfully establish, maintain, protect and enforce our intellectual property and proprietary rights, our business, financial condition and results of operations may be adversely affected.

We believe that our patents are fundamental to our solutions in the area of AV technology. Unauthorized parties may attempt to copy or reverse engineer our technology or certain aspects of our solutions that we consider proprietary. AI tools may make it easier for unauthorized parties to create copies of or reverse engineer our technologies. Litigation may be necessary in the future to enforce or defend our patents, to prevent unauthorized parties from copying or reverse engineering our solutions, to determine the validity and scope of the proprietary rights of others or to block the importation of infringing products into the United States. Initiation of any action related to patents may have multi-faceted responses, including defenses and counterclaims in the initiated action, invalidity actions in other governmental agencies, and other actions in other jurisdictions, possibly internationally. Such defenses could result in the invalidation or narrowing of our patent rights.

Whether initiated by us or a third party, any such litigation may result in substantial costs and diversion of management resources and attention. Additionally, it may force us to acquire intellectual property rights or licenses, which may involve substantial royalty or other payments and may not be available on acceptable terms, or at all. This may adversely affect our business, financial condition, and results of operations. Even if we obtain favorable outcomes in litigation, we may not be able to obtain adequate remedies, especially in the context of unauthorized parties copying or reverse engineering our solutions.

We rely on licenses from third parties for technology and intellectual property rights that are critical to our business, and we may lose the rights to use such technology or intellectual property rights if those agreements are terminated or not renewed.

We rely on licenses from certain of our partners and other third parties for technology and intellectual property rights that are or may become critical to our business. Termination of our current or future license agreements may cause us to have to negotiate new or restated agreements with less favorable terms or cause us to lose our rights under the original agreements. In such event, we could also incur delays and costs associated with the procurement of licenses for substitute technology or intellectual property rights, which may not be of the same quality or effectiveness as those provided under the prior license.

In the case of a loss of intellectual property rights used in the Kodiak Driver or our other proprietary systems, we may not be able to continue to integrate certain components into our solution or for our operations. We could also experience disruption to our manufacturing and procurement processes as we test and requalify any potential replacement technology. Even if we retain the licenses, the licenses may not be exclusive with respect to such component design or technologies, which may aid our competitors and adversely affect our business, financial condition, and results of operations.

We may be subject to intellectual property infringement claims, which, whether meritless or not, may be expensive and time-consuming to defend, distract management, require us to pay significant damages and limit our ability to use certain technologies, any of which may adversely affect our business, financial condition and results of operations.

The industry in which our business operates is characterized by a large number of patents, some of which may be of questionable scope, validity or enforceability, and some of which may appear to overlap with other issued patents. As a result, there is a significant amount of uncertainty in the industry regarding patent protection and infringement. In recent years, there has been a significant volume of litigation globally, including in the AV industry involving patents and other intellectual property rights, including suits initiated by non-practicing entities, such as patent holding companies. Third parties have asserted, and may in the future assert, that we have infringed, misappropriated or otherwise violated their intellectual property rights. We may not be able to obtain a license on commercially reasonable terms, or at all. As we face increasing competition and as a public company, the possibility of third parties asserting claims against us relating to intellectual property rights grows. Such claims and litigation may involve one or more of our competitors seeking to use their patents and other intellectual property rights to obtain a competitive advantage. Such claims could also be initiated by patent holding companies or other adverse intellectual property rights holders who have no relevant product and service revenue. Patents, patent applications and other intellectual property rights may provide little or no deterrence to these rights holders in bringing intellectual property rights claims against us. Patent holding companies may also be advantaged in a lawsuit by limited costs, at least in part because they do not provide products or services.

There may be intellectual property rights held by others, including issued or pending patents, that cover significant aspects of our technologies or business methods. We cannot assure you that we are not infringing or violating or have not infringed or violated any third-party intellectual property rights or that we will not be held to have done so or be accused of doing so in the future. Our use of AI tools in the development of our product may introduce infringement risks that may be harder for us to detect. In addition, because patent applications can take many years to issue and are not initially published for the public to view, there may be applications now pending of which we are unaware, which may later result in issued patents that technology may infringe. Given the highly competitive nature of the space in which we operate, we expect that in the future we may receive notices that claim we or our collaborators have misappropriated or misused other parties' intellectual property rights, particularly as the number of competitors in our market grows.

Regardless of the merits, defending ourselves against any intellectual property claims brought by third parties may be time-consuming and could result in substantial costs and a diversion of our resources. These claims and any resulting lawsuits, if resolved adversely to us, may subject us to significant liability for damages, impose temporary or permanent injunctions against our solution, technologies or business operations, or invalidate or render unenforceable our intellectual property rights. We may not be able to obtain necessary licenses on commercially reasonable terms, or at all.

If our technology is determined to infringe a valid and enforceable patent, or if we wish to avoid potential intellectual property litigation on any alleged infringement, misappropriation or other violation of third party intellectual property rights, we may be required to do one or more of the following: (i) cease development, sales, provision or use of our solutions that incorporate, use, implement, or rely on the asserted intellectual property right; (ii) obtain a license from the owner of the asserted intellectual property right, which may be unavailable on commercially reasonable terms, or at all, or which may be non-exclusive, in which case our competitors and other third parties may obtain access to the same technologies licensed to us; (iii) pay substantial royalties or other damages; or (iv) redesign our technology or one or more aspects or systems of the Kodiak Driver to avoid any infringement or allegations thereof. These options may not always be commercially feasible. Additionally, in our ordinary course of business, we agree to indemnify our customers, partners and other commercial counterparties for claims of infringement of intellectual property rights arising out of their use of our technology, so we may face liability to our business partners or third parties for indemnification, the costs of defending the claim, or other remedies in the event that a claim subject to our indemnification obligation is made against them.

We license third-party technology or intellectual property rights. Consequently, we could face claims that our use of such in-licensed technology or exercise of such intellectual property rights infringes, misappropriates or otherwise violates the intellectual property rights of others. In such cases, we may be permitted to seek indemnification from our licensors under our agreement with the licensor. However, our rights to indemnification may be unavailable or insufficient to cover our costs and losses.

We also may not be successful in attempts to redesign our technology to avoid any alleged infringement. A successful claim of infringement against us, or our failure or inability to develop and implement non-infringing technology or receive a license for the infringed intellectual property rights on acceptable terms and on a timely basis, could adversely affect our business and results of operations. Furthermore, such lawsuits, regardless of their merit or success, would likely be time-consuming and expensive to resolve and might divert management's time and attention from our business, which may adversely affect our business, financial condition and results of operations. Also, such lawsuits, regardless of their merit or success, may harm our reputation with customers and in the industry at large.

Our applications for patents or other intellectual property rights registration may not issue or be registered, which may adversely affect our ability to prevent others from commercially exploiting products and technologies similar to ours.

Registration of intellectual property rights can be an expensive and time-consuming process. This may involve both research as to the pre-existing rights of other parties and engagement with complex government procedures and documentation. It is possible that examiners, registrars, and other government authorities who oversee applications for registration of intellectual property rights would contest the validity or registrability of our intellectual property rights. Overcoming such registration challenges could require significant effort and expense. Regulations and procedures related to the examination of patent applications related to AI technologies continue to evolve. Existing or future pending patent applications may not be drafted in a manner sufficient to meet future requirements of examination. If we are not able to timely obtain registrations for our intellectual property rights, this will negatively affect our ability to enforce the same against infringers, which may in turn create risks for our business as said infringers continue to operate.

We cannot be certain that we are the first inventor of the subject matter to which we have filed a particular patent application, or if we are the first party to file such a patent application. If another party has filed a patent application that covers the same subject matter as the application we have submitted, we may not be entitled to the protection sought by the patent application. As a result, we cannot be certain that the patent applications that we file will issue, or that our issued patents will afford protection against competitors with similar technology. In addition, our competitors may design around our issued patents. Any unanticipated issues in the scope of the patent protection we seek may adversely affect our business, financial condition and results of operations.

Further, changes to patent law, or the inability to enforce our patents in certain jurisdictions, may limit the scope of our patents, limit the enforceability or validity of our patents, or be limited by subject matter eligibility, in part or fully.

Parties in various jurisdictions and/or overlapping markets may be currently using brands, logos, or trademarks that are the same as or confusingly similar to those that we currently use or intend to use. While we will endeavor to avoid the use of any brand or trademark which would cause consumer confusion, it is possible that the use of our brands or trademarks could create consumer confusion in certain markets or jurisdictions. In such an event, we may be required to modify or discontinue the use of our existing brands or trademarks in part or in whole. Any efforts to redesign or replace existing branding may be costly, disrupt customer recognition or public perception, require substantial marketing investments to rebuild brand awareness, or otherwise result in delays or disruption to the effective marketing of our solution. Any of these may adversely affect our business, financial condition, and results of operations.

Our patents may expire and may not be extended, our patent applications may not be granted and our patent rights may be contested, circumvented, invalidated, or their scope limited. As a result, we may not be able to prevent others from developing or exploiting competing technologies, which may adversely affect our business, prospects, financial condition and results of operations.

We cannot be certain that we will be granted patents pursuant to our pending applications. Even if our patent applications succeed and we are issued patents in accordance with them, these patents may still be contested, circumvented or invalidated in the future. Future innovations by others may provide opportunities to design around our granted patents. In addition, the rights granted under any issued patents may not provide us with meaningful protection or competitive advantages. The claims under any patents that issue from our patent applications may not be broad enough to prevent others from developing technologies that are similar or that achieve results similar to ours. The intellectual property rights of others may also bar us and our customers and licensees from exploiting any patents that issue from our pending applications or may otherwise limit the scope of any issued patent claims.

Numerous patents and pending patent applications owned by others exist in the fields in which we have developed and are developing our technology. These patents and patent applications might have priority over our patent applications and may result in our patent applications not being issued or being subject to significant limitations in their scope. Finally, in addition to those who may claim priority, any of our existing or pending patents may also be challenged by others on the basis that they are otherwise invalid or unenforceable.

Certain of our innovations are embodied in proprietary information that may not be patentable or subject to copyrights, trademark, trade dress or service mark protection.

Certain of our innovations are embodied in proprietary information, such as trade secrets, know-how and confidential information, such that those innovations may not be patentable or subject to copyright, trademark, trade dress, service mark protection or other registrable intellectual property, or that we believe is best protected by means that do not require public disclosure. We generally seek to protect this proprietary information by entering into third-party confidentiality agreements and consulting services or employment agreements that contain non-disclosure and non-use provisions with our employees, consultants, contractors and other third parties. However, we may fail to enter into the necessary agreements, and even if entered into, these agreements may be breached or may otherwise fail to prevent disclosure or misappropriation of our proprietary information, may be limited as to their term and may not provide an adequate remedy in the event of unauthorized disclosure or use of proprietary information. Trade secrets or confidential information may also be willfully or unintentionally disclosed, including by employees, who may leave our company and join our competitors.

Notwithstanding contractual protections, we have limited control over the protection of our trade secrets held or used by our customers, OEMs, upfitters, suppliers and partners, and may lose future trade secret protection if any unauthorized disclosure of such information occurs. If any of our trade secrets were to be lawfully obtained by a competitor or other third party from our customers, OEMs, upfitters, suppliers and partners, we may have no right to prevent them from using that trade secret to compete with us. If any of our trade secrets were to be disclosed, whether lawfully or otherwise, to a competitor or other third party, our business, financial condition and results of operations may be adversely affected.

While we maintain policies to prevent trade secrets or confidential information from being disclosed in an inappropriate manner to third-party controlled large language models or other artificial intelligence, breaches of these policies, or unauthorized disclosures by third parties, may result in disclosure of information to third parties and could result in loss of our trade secrets or disclosure of our trade secrets or confidential information to our competitors. In addition, our proprietary information may be independently developed by our competitors or other third parties and we would have no basis to stop such uses. Any failure to protect our trade secrets or other proprietary information may adversely affect our business, financial condition, and results of operations.

Furthermore, laws regarding trade secret rights in certain markets where we operate may afford little or no protection to our trade secrets.

We also rely on physical and electronic security measures to protect our proprietary information, but we cannot provide assurance that these security measures will not be breached or provide adequate protection for our property or any proprietary information that we hold. There is a risk that third parties may obtain and improperly utilize or disclose our proprietary information to our competitive disadvantage. We may not be able to detect or prevent the unauthorized use of such information or take appropriate and timely steps to enforce our intellectual property rights.

We may be subject to claims that we or our employees have wrongfully used or disclosed trade secrets or other proprietary information of our employees' former employers, which, whether or not meritless, could be distracting to management, expensive and time-consuming to defend, and result in significant liability and harm our reputation, any of which may adversely affect our business, financial condition, and results of operations.

Our industry is highly competitive, specifically with respect to management, engineers and other key employees, and claims of trade secret misappropriation have been made in the past between competitors. We may be subject to claims that we or our employees have inadvertently, purposefully, or otherwise used or disclosed trade secrets or other proprietary information of an employee's former employer. While we use reasonable efforts to advise against, and require our employees not to use any trade secrets or proprietary information from their former employers in the development of our technology and intellectual property, we cannot guarantee that our processes or requirements will be effective. Litigation may be necessary to defend against these claims, whether or not they have merit. Even if we are successful in defending against these claims, litigation may result in substantial costs and demands on management resources. If we fail in defending such claims, in addition to paying significant monetary damages, we may also lose the ability to utilize valuable intellectual property rights or retain key personnel. A loss of key personnel or their work product, or the ability to use proprietary information we regarded as our own, may hamper or prevent our ability to scale our commercial operations, which may adversely affect our business, financial condition and results of operations. In addition, if we are required to re-design or re-engineer our technology as a result of any such litigation, whether or not such litigation has merit, our business, financial condition, and results of operations may be adversely affected.

Our software contains third-party open-source software components, which may expose us to information security vulnerabilities, result in failures, errors, and defects, and may not be supported now or in the future. Our failure to comply with the terms of the underlying open-source software licenses may restrict our ability to sell our products, give rise to claims for infringement or breach of contract, or require us to disclose and license certain of our proprietary source code.

Our software contains components that are licensed under so-called "open-source," "free" or other similar licenses. Use and distribution of open-source software may entail greater risks than use of third-party commercial software, as open-source licensors generally do not provide support, warranties, indemnification, or other contractual protections regarding infringement claims or the quality of the code. Accordingly, we cannot assure that the authors of such open-source software will implement or push updates to address security risks or will not abandon further development and maintenance. In addition, the public availability of such software may make it easier for others to compromise, copy or reverse-engineer our technology. Many of the risks associated with the use of open-source software cannot be eliminated. If not properly addressed, these risks could negatively affect our business, our intellectual property and the security of our systems, products and services. To the extent that our systems depend upon the successful operation of the open-source software it uses, any undetected errors or defects in such open-source software may prevent the deployment or impair the functionality or security of our systems or applications, delay the introduction of new solutions, result in a failure of our systems, products or services, and injure our reputation. For example, undetected errors or defects in open-source software may render it vulnerable to breaches or cyberattacks and make our systems more vulnerable to security breaches and other cyber incidents.

Open-source software is made available to the general public on an "as-is" basis under the terms of a non-negotiable license. Open-source license terms are often ambiguous, sporadically and unpredictably enforced, and there is little legal precedent governing their interpretation. Certain open-source licenses may give rise to obligations to disclose or license our source code or other intellectual property rights if such open-source software is integrated with our proprietary software or distributed in certain ways. We currently combine our proprietary software with open-source software, but not in a manner that we believe requires the release of the source code of our material proprietary software to the public. If we combine or distribute our proprietary software with open-source software in a manner that is determined to require disclosure of our proprietary software under the terms of an open-source license, we may decide to release the source code to our proprietary software as open-source software or cease using the relevant open-source software which might be costly or otherwise difficult to replace. In addition, if the license terms for newer versions of the open-source software that we use change, we may be forced to re-design or re-engineer our software, incur additional costs or discontinue the use of certain offerings if re-designing or re-engineering may not be accomplished in a timely manner.

Although we monitor our use of open-source software to avoid subjecting material proprietary software to unintended conditions, there is a risk that these licenses may be construed in a way that may impose unanticipated conditions or restrictions on our ability to commercialize our offerings. We may be subject to lawsuits by parties claiming ownership of what we believe to be open-source software or claiming non-compliance with the terms and conditions of an open-source license. Should that occur, we may incur significant legal costs defending ourselves against such allegations. If we were held to have breached or to have failed to fully comply with such terms and conditions, we may face infringement claims or other liability, including contractual liability, may be required to seek costly licenses from third parties to continue providing our technology, including on terms that are not economically feasible, to re-design or re-engineer our technology, or to make generally available, in source code form our proprietary code, any of which may adversely affect our business, financial condition and operating results. We cannot guarantee that we have used open-source software in a manner that will not subject us to liability or in a manner that is consistent with our current policies and procedures.

We may not be able to protect our intellectual property rights globally, and changes in U.S. intellectual property law may diminish the value of our intellectual property rights in general, thereby impairing our ability to protect our products.

Decisions by the U.S. Supreme Court involving patent rights may have a significant impact on our ability to protect our technology and enforce our intellectual property rights. In addition, the extent to which intellectual property rights can be used to protect artificial intelligence, datasets, weights, and biases is not yet settled under U.S. law, and is subject to change. Any change to the treatment of intellectual property rights, or to the available scope of intellectual property rights in such technologies, may adversely affect our business, financial condition, and results of operations.

Further, the standards applied by the U.S. Patent and Trademark Office ("USPTO") and foreign patent offices in granting patents are not always applied uniformly or predictably. For example, there is no uniform worldwide policy regarding patentable subject matter or the scope of claims allowable for business methods. As such, we do not know the degree of future protection that we will have on our technologies, products, and services. While we will endeavor to protect our technologies, products, and services with intellectual property rights such as patents, as appropriate, the process of obtaining patents is time-consuming, expensive, and sometimes unpredictable.

The U.S. Supreme Court has ruled on several patent cases in recent years, such as *Impression Products, Inc. v. Lexmark International, Inc., Association for Molecular Pathology v. Myriad Genetics, Inc., Mayo Collaborative Services v. Prometheus Laboratories, Inc*. and *Alice Corporation Pty. Ltd. v. CLS Bank International*, and the Court of Appeal for the Federal Circuit has ruled on cases such as *Recentive Analytics, Inc. v. Fox. Corp*. In each case the courts have either narrowed the scope of patent protection available in certain circumstances or weakened the rights of patent owners in certain situations. In addition to increasing uncertainty with regard to our ability to obtain patents in the future, these rulings have created uncertainty with respect to the value of patents, once obtained. Depending on decisions by the U.S. Congress, the federal courts, and the USPTO, the laws and regulations governing patents may change in unpredictable ways, which may weaken our ability to obtain new patents or to enforce our existing patents and patents that we might obtain in the future. Actions in foreign jurisdictions may create similar problems or may create divergent issues based on uncertain or different results.

Risks Related to Our Legal and Regulatory Environment

We are subject to substantial regulations, including regulations governing motor carriers and autonomous vehicles, and unfavorable changes to, whether initiated by regulators or through the pressure of organized labor, or failure by us to comply with, these regulations may adversely affect our business, financial condition and results of operations.

Currently, there are no FMVSSs or Federal Motor Carrier Safety Regulations ("FMCSRs") that expressly relate to the performance of AV technology. Further, there are currently no widely accepted uniform standards regarding AV technology and its commercial use. We work closely with law enforcement and regulators, and we have built organizational, operational, and safety processes to ensure that the performance of our technology meets rigorous standards. However, these measures may not meet future regulatory requirements enacted by government bodies. We may also be subject to future regulatory requirements that could limit the operation and commercialization of AV technology. In some jurisdictions, we may be required to present our own safety justification and evidence base, and in other areas it is possible that we may be required to pass specific autonomous safety tests. The failure to pass these safety tests or receive appropriate regulatory approvals for commercialization may adversely affect our business, financial condition, and results of operations.

We move freight in interstate and intrastate commerce as a motor carrier authorized by the Federal Motor Carrier Safety Administration ("FMCSA") and other state transportation agencies and are subject to rules and regulations related to the safe operation on public roadways. Failure to comply with these rules and regulations may result in inquiries, investigations, and possible termination of motor carrier authority. For example, we are subject to the FMCSRs, including certain regulations that may be difficult for the Kodiak Driver to comply with. Most notably, operators of commercial motor vehicles, including us and our customers, are required in certain circumstances to place warning devices around trucks, including Kodiak Driver-powered trucks, stopped on the side of public roadways. While FMCSA has approved an exemption process for warning triangle placement, we may not receive an exemption from USDOT, or USDOT may not change or eliminate this regulation, to provide us with an alternative approach to complying with this requirement or other similar operational requirements. Also, in installing our product onto the base vehicles, we must ensure the vehicles are not taken out of FMVSS compliance. Failure to do so may subject us to significant liabilities and possible barring of further vehicle development.

It is also possible that future autonomous regulations are not standardized, and our technology becomes subject to differing regulations across jurisdictions (e.g. federal, state, local, and international). For example, in Europe, certain vehicle safety regulations apply to automated braking and steering systems, and certain treaties also restrict the operations of certain higher levels of automation. As of June 30, 2026, 26 U.S. states have passed legislation allowing for the deployment of driverless trucks, and most other states allow testing with a safety driver in the vehicle. Many other states are considering legislation and regulations that may adversely affect autonomous and driverless technologies. Despite advances in U.S. state legislation, there is currently no comprehensive U.S. federal framework for autonomous vehicle deployment. This regulatory patchwork, and the ongoing legislative and regulatory efforts at various jurisdictional levels, may hinder the commercial deployment of our technology and adversely affect our business prospects and financial condition.

Further, organized labor, in particular the International Brotherhood of Teamsters, has opposed driverless technology and is increasingly using its political influence to attempt to slow or stop driverless deployment. In 2026, supporters of organized labor in approximately 10 states introduced legislation that would require human drivers to be physically present in all commercial motor vehicles equipped with AV technology. These states included Alaska, Colorado, Delaware, Maryland, and Minnesota. As of June 30, 2026, no such introduced legislation has become law; however, organized labor and other opponents to driverless development may ultimately be successful and, even if unsuccessful, we may spend significant time and resources in opposition to such efforts, any of which may adversely affect our business, prospects, and results of operations.

Changes in automotive or autonomy safety regulations, enforcement of such regulations, or concerns about AV technologies that result in regulation of the AV ground transportation industry may adversely affect our business.

Government vehicle safety regulations could have a substantial impact on our business, prospects, and our future plans. Government safety regulations are subject to change based on a number of factors that are not within our control. Such factors include new scientific or technological data, adverse publicity regarding industry recalls and perceived or actual safety risks associated with autonomous ground transportation technology, crashes involving autonomous vehicles, domestic and foreign political developments or considerations, and litigation relating to autonomous vehicles. Changes in government regulations, especially in autonomous ground transportation and the ground transportation industry may adversely affect our business. If government priorities shift and we are unable to adapt to changing regulations, our business may be adversely affected.

The costs of complying with safety regulations may increase as regulators impose more stringent compliance and reporting requirements in response to product recalls and safety issues in the automotive industry. As the trucks that carry our systems go into production, we will be subject to existing stringent requirements under the Vehicle Safety Act, including a duty to report, subject to strict timing requirements, safety defects. The Vehicle Safety Act imposes potentially significant civil penalties for violations including the failure to comply with such reporting actions.

We are also subject to the existing U.S. Transportation Recall Enhancement, Accountability and Documentation Act (the “TREAD Act”), which requires motor vehicle equipment manufacturers, such as us, to comply with “Early Warning” requirements by reporting certain information to the NHTSA such as information related to defects or reports of injury. The TREAD Act imposes criminal liability for violating such requirements if a defect subsequently causes death or bodily injury. In addition, the Vehicle Safety Act authorizes NHTSA to require a manufacturer to recall and repair vehicles that contain safety defects or fail to comply with U.S. federal motor vehicle safety standards. Sales into foreign countries may be subject to similar regulations.

Failures, or perceived failures, to comply with privacy or cybersecurity laws and regulations may adversely impact our business, and such legal requirements are evolving, uncertain and may require changes to our policies and operations, which could increase our costs or prevent us from effectively operating our business.

Our current and potential future operations and sales subject us to privacy and cybersecurity laws and regulations, including with respect to our collection, use, storage, disclosure, transfer and security of data, including personal data. Among other things, these regimes may impose cybersecurity requirements, disclosure requirements, and restrictions on personal data collection, uses, and sharing that may impact our operations and the development of our business. These requirements are evolving rapidly, with new laws and regulations proposed and enacted frequently in various jurisdictions, including the United States. Our solutions may evolve both to address evolving laws and regulations, potential customer or partner requirements, or to add new features and functionality that may change our privacy or cybersecurity obligations. Therefore, the full impact of these privacy and cybersecurity regimes on our business is unknown. Further, as laws and regulations change, or their interpretation changes, we may be required to implement measures that could adversely impact our expected business or commercial operations, and these changes could be costly to implement, result in increased risks to our business and operations, or otherwise adversely impact our business and operations or opportunities for commercialization of our technologies.

We are assessing the continually evolving privacy and cybersecurity regimes applicable to our business and measures we believe are appropriate in response. Since these privacy and cybersecurity regimes are evolving, uncertain and complex, we may need to update or enhance our compliance measures as our products, markets and customer and partner demands further develop. These updates or enhancements could require implementation costs. In addition, we may not be able to monitor and react to all developments in a timely manner. The compliance measures we do adopt may prove or be perceived to be ineffective. Any failure, or perceived failure, by us to comply with current and future regulatory, partner or customer-driven privacy or cybersecurity requirements may result in significant liability or costs. Any such actual or perceived failure could also result in a material loss of revenue resulting from the adverse impact on our reputation and brand, disruption to our business and relationships, and diminished ability to retain or attract partners and customers. Such events may result in governmental enforcement actions and prosecutions, private litigation, fines and penalties or adverse publicity, and may cause partners and customers to lose trust in us, which may have an adverse effect on our reputation and business, financial condition and results of operations.

An uncertain and evolving legal and regulatory environment relating to artificial intelligence may adversely affect our business, financial condition, and results of operations.

We use artificial intelligence in our operations, product development, services, and our solution, and we rely on certain third-party artificial intelligence technologies in our operations, including generative AI-based VLMs. AI technologies are subject to evolving laws, regulations, guidance, and industry standards, which may expose us to legal liability or regulatory risk, including with respect to privacy, cybersecurity, publicity, contractual, or other rights. Litigation or other proceedings may be initiated by certain individuals claiming infringement of rights such as intellectual property, privacy or personality rights with respect to data we us to train our artificial intelligence models. We have adopted a series of measures, including the implementation of policies and management systems, to mitigate such risks. However, we cannot guarantee that these measures will be effective.

The use of artificial intelligence technologies also presents emerging ethical and social issues. Those issues may draw public scrutiny or controversy and may also create or assist in producing unexpected results, errors, or inadequacies, any of which may be difficult to detect. Issues relating to our use of artificial intelligence and the evolving legal and regulatory landscape applicable to such technologies may adversely affect our business, financial condition, and results of operations.

We are subject to economic sanctions and export and import control laws and regulations. Our failure to comply with these laws and regulations may adversely affect our business, financial condition, and results of operations.

Our solutions are subject to U.S. economic sanctions, export controls and import control laws and regulations, including the U.S. Export Administration Regulations, U.S. Customs regulations, and various economic and trade sanctions regulations administered by the U.S. Treasury Department's Office of Foreign Assets Control. Additionally, U.S. economic sanctions apply to activities of our personnel in the United States as well as our personnel that are U.S. persons wherever located. U.S. economic sanctions and export control laws and regulations may prohibit the shipment of certain products and services to U.S. embargoed or sanctioned countries, governments, and persons, as well as shipments for certain end uses (e.g., military end uses). In addition, complying with customs laws, frequently changing U.S. tariff obligations, sanctions and export controls laws and regulations for a particular geography may be time-consuming and result in the delay or loss of revenue opportunities. Exports of our products and technology, and imports of items, including components, must be made in full compliance with applicable U.S. laws and regulations. If we fail to comply with these laws and regulations, we and certain of our employees may be subject to substantial civil or criminal penalties, including the possible loss of export or import privileges, fines that may be imposed on us and responsible employees or managers and, in extreme cases, the incarceration of responsible employees or managers.

We are subject to anti-corruption, anti-bribery, anti-money laundering, financial and economic sanctions and similar laws, and non-compliance with such laws can subject us to administrative, civil and criminal fines and penalties,

collateral consequences, remedial measures and legal expenses, all of which may adversely affect our business, prospects, financial condition and results of operations and also our reputation.

We are subject to anti-corruption, anti-bribery, anti-money laundering, financial and economic sanctions and similar laws and regulations in various jurisdictions in which we conduct business or in the future may conduct activities, including the U.S. Foreign Corrupt Practices Act (the "FCPA"), the U.K. Bribery Act 2010, and other anti-corruption laws and regulations. The FCPA and the U.K. Bribery Act 2010 prohibit us and our officers, directors, employees and business partners acting on our behalf, including agents, from corruptly offering, promising, authorizing or providing anything of value to a "foreign official" for the purposes of influencing official decisions or obtaining or retaining business or otherwise obtaining favorable treatment. The FCPA also requires companies to make and keep books, records and accounts that accurately reflect transactions and dispositions of assets and to maintain a system of adequate internal accounting controls. The U.K. Bribery Act 2010 and other laws also prohibit non-governmental "commercial" bribery and soliciting or accepting bribes. A violation of these laws or regulations may adversely affect our business, financial condition and results of operations and also our reputation. While we have policies and procedures designed to ensure compliance with these regulations, we cannot assure you that none of our directors, officers, employees, representatives, consultants, agents, and business partners will engage in improper conduct for which we may be held responsible.

Our non-compliance with anti-corruption, anti-bribery, anti-money laundering or financial and economic sanctions laws may subject us to whistleblower complaints, adverse media coverage, investigations, severe administrative, civil and criminal sanctions, collateral consequences, remedial measures and legal expenses. Should any of the foregoing occur, it could adversely affect our business, prospects, financial condition and results of operations and also our reputation. Responding to any investigation or action could also result in a materially significant diversion of management's attention and resources and significant defense costs and other professional fees. In addition, changes in economic sanctions laws in the future may adversely affect our business, financial condition, and results of operations.

We are subject to, and must remain in compliance with, environmental laws and regulations that may adversely affect our financial condition and results of operations.

We are subject to federal, state, local and foreign laws, regulations and ordinances relating to the protection of the environment. Such laws and regulations include those relating to emissions to the air, discharges to surface and subsurface waters, safe drinking water, greenhouse gases and the management of hazardous substances, oils and waste materials, as well as those specific to logistics for the oil and gas industry. Compliance with such laws and regulations can be costly, and our failure to comply with existing or new laws and regulations may result in the assessment of fines or penalties, the revocation or denial of permits, or the issuance of orders enjoining performance of some of our operations. Furthermore, under certain environmental laws and regulations, generators of waste materials, and current and former owners or operators of facilities, can be subject to liability for investigation and remediation costs at locations that have experienced or otherwise been affected by releases or contamination from hazardous substances or petroleum products, without regard to whether the generator, owner or operator knew of or caused the contamination or release. Liability under these laws and regulations has been interpreted to be strict, joint and several unless the harm is divisible and there is a reasonable basis for allocation of the responsibility. Accordingly, we may have to make expenditures for investigation or remediation costs incurred by governmental entities or third parties in connection with any releases or contamination at current or former properties. Environmental liabilities may arise and adversely affect our financial condition and results of operations.

Concern over climate change, including the impact of global warming, has led to legislative and regulatory efforts to limit carbon and other greenhouse gas emissions, and these efforts may continue, particularly at the state and local levels. Emission-related regulatory actions and climate disclosure requirements could result in increased costs that may adversely impact our results of operations. Such regulatory actions may require changes in our operating practices or require additional reporting disclosures. Compliance with climate-related disclosure laws and regulations may also increase our exposure to litigation or governmental investigations or proceedings. We may also encounter difficulties in collecting and managing data that affect timely compliance or incur significant costs to comply with increased regulation regarding environmental monitoring and climate disclosure requirements. More generally, compliance with environmental laws and regulations can require significant expenditures. In addition, we may incur costs to comply with such current or future laws and regulations, the violation of which may lead to substantial fines and penalties.

We are subject to, and must remain in compliance with, numerous laws and governmental regulations concerning the manufacturing, use, distribution, and sale of our technology. Some of our customers or partners may also require that we comply with their own unique requirements relating to these matters.

We develop and sell technology that contains electronic components. Such components may be subject to or may contain materials that are subject to government regulation in both the locations where manufacture and assembly of our products takes place, as well as the locations where we sell our solutions. This is a complex process which requires continual monitoring of regulations to ensure that we and our suppliers are in compliance with existing regulations in each market where we operate and where we intend to operate. If there is an unanticipated new regulation that significantly affects our use and sourcing of various components or requires more expensive components, that regulation may adversely affect our business, financial condition and results of operations. Some of our customers or partners may also require that we comply with their own unique requirements relating to these matters. If we fail to adhere to such requirements or new regulations or fail to continually monitor updates to existing regulations, we may be subject to litigation, loss of customers or partners or negative publicity, any of which may adversely affect our business, financial condition and results of operations.

Risks Related to Financial and Tax Matters

We require a significant amount of capital to fund our operations and growth. If we cannot obtain sufficient capital on acceptable terms, our business, financial condition, and results of operations may be adversely affected.

The development and commercialization of our AV technology and solutions are capital-intensive. Our limited operating history means we have limited historical data on the demand for our solutions. As a result, our future capital requirements are uncertain and actual capital requirements may differ from those currently anticipated, particularly as we incur additional costs associated with operating as a public company. We expect to focus our investments on scaling our commercial operations and expect to continue investing in R&D to further enhance our AV technology. We may need to seek equity or debt financing, including in the form of issuing equity and equity-linked securities and incurring additional indebtedness, to fund a portion of our future expenditures, notwithstanding the recent PIPE Transaction. Such financing might not be available to us in a timely manner, on terms that are acceptable, or at all.

Our ability to obtain the necessary financing to carry out our business plan is subject to a number of factors, including general market conditions, our financial condition, investor acceptance of our business plan, regulatory requirements and the scale of our commercial operations. We may raise these additional funds through the issuance of equity, equity-linked, or debt securities. To the extent that we raise additional financing by issuing equity securities or equity-linked securities, our stockholders may experience substantial dilution. To the extent we engage in additional debt financing, we may become subject to further restrictive covenants that may limit our flexibility in conducting future business activities. Financial institutions may request credit enhancements such as third-party guarantees and pledges of equity interest in order to extend loans to us. We cannot be certain that additional funds will be available to us on attractive terms when required, or at all. If we cannot raise additional funds when we need them, our business, financial condition and results of operations may be adversely affected.

Our estimates of our cash needs may prove inaccurate in which case we may need to raise capital or change our operating plans and timelines.

We are spending significant amounts to develop our business and have estimated, inclusive of the recent PIPE Transaction, how much cash we will need on a quarterly basis until we need to raise additional funds or become cash flow positive, and we expect to be able to fund our business plan into the second quarter of 2027. Our estimates are based on our current operating plan and are subject to significant uncertainties and contingencies, many of which are beyond our control. Our estimates regarding our cash requirements and ability to fund our business plan through a certain period may prove inaccurate, causing the actual amount to differ from our estimates. We expect to seek additional funding through debt or equity offerings to fund our operating plan. We may also find that our business operations are more expensive than we currently anticipate or that these efforts may not result in revenues, which may further increase our cash needs and losses. If our cash expenditures are higher than expected, we may need to raise additional capital or adjust our operating plans and timelines. There can be no assurance that we will be able to raise additional capital on acceptable terms or at all.

We have relied upon, and may continue to rely upon, certain assumptions and estimates to calculate certain metrics, including our Cumulative Hours of Paid Driverless Operations, and real or perceived inaccuracies in such metrics may adversely affect our business, financial condition, and results of operations.

Certain of the metrics and figures that we disclose, such as Cumulative Hours of Paid Driverless Operations, have been calculated using internal company data that has not been independently verified. While these metrics and figures are based on what we believe to be reasonable calculations for the applicable periods of measurement, there are inherent challenges in measuring these metrics and figures. We regularly review our metrics, and may adjust our processes for calculating metrics and other figures to improve their accuracy, but these efforts may not prove successful, and we may discover material inaccuracies. In addition, our methodologies for calculating these metrics may be updated from time to time and may differ from the methodologies used by other companies to calculate similar metrics and figures. We may also discover unexpected errors in the data that we are using that resulted from technical or other errors.

In addition, our total addressable market and opportunity estimates are subject to significant uncertainty and are based on assumptions and estimates that may prove inaccurate. The projections, forecasts and estimates that we disclose from time to time relating to the expected size and growth of the markets for AV technology may prove similarly imprecise. There is no guarantee that we will be able to successfully commercialize our solutions at scale within the addressable market opportunities presented. Even if the market in which we compete meets our size estimates and growth forecasts, our business could fail to grow at the levels we expect or at all for a variety of reasons outside our control, including competition in our industry. If securities analysts or investors do not consider any metric we may disclose in the future to be accurate representations of our business, or if we discover material inaccuracies in our estimates, then the market price of our securities may decline, and our business, financial condition, and results of operations may be adversely affected.

If our judgments or estimates relating to our critical accounting policies are based on assumptions that change or prove to be incorrect, our results of operations may fall below expectations of securities analysts and investors, resulting in a decline in our stock price.

The preparation of our financial statements in conformity with GAAP requires management to make judgments, estimates, and assumptions that affect the amounts reported in the financial statements and accompanying notes. We base our estimates in part on historical experience, market observable inputs, if available, and various other assumptions that we believe to be reasonable under the circumstances, as provided in the section titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Estimates*." Significant judgments, estimates, and assumptions used in preparing our financial statements include, or may in the future include, those related to revenue recognition, stock-based compensation, and valuation of financial instruments. Our results of operations may be adversely affected if our assumptions change or if actual circumstances differ from those in our assumptions, which may cause our results of operations to fall below the expectations of securities analysts and investors, resulting in a decline in the trading price of our securities.

Our current and future insurance coverage may not be adequate to protect us from all business risks or may be prohibitively expensive.

In the ordinary course of business, we may be subject to losses resulting from product liability, accidents, acts of God, errors and omissions, cyber claims, and other claims against us, for which we may have insufficient insurance coverage or no insurance coverage. Further, because we operate in a new and thus inherently risky industry, insurance policies may not be available to us on terms and rates that are acceptable to us or at all. In addition, as a general matter, the policies that we do have may include significant deductibles or self-insured retentions. Accordingly, we cannot be certain that our current and future insurance coverage will be sufficient to cover all future losses or claims against us. A loss that is uninsured or which exceeds policy limits may require us to pay substantial amounts, which may adversely affect our business, financial condition and results of operations. Further, actions or inactions of others in our industry, through no fault of our own, may materially increase the cost of insurance and/or materially decrease the coverage available to us on commercially reasonable terms. Insurance policies may not exist, or may be insufficient, for possible novel claims or causes of action which may be pled or come into existence in the future based upon our continued development of new technologies.

If we are unable to develop and maintain an effective system of internal control over financial reporting, we may not be able to accurately report our financial results in a timely manner, which may adversely affect investor confidence in us and adversely affect our business and operating results.

As a public company, we are subject to the reporting requirements of the Exchange Act, the Sarbanes-Oxley Act, and Nasdaq listing standards. Among other things, the Sarbanes-Oxley Act and related Exchange Act rules require that we maintain effective disclosure controls and procedures and internal control over financial reporting. Section 404 of the Sarbanes-Oxley Act requires that we evaluate and report on our system of internal controls. We currently qualify as an "emerging growth company" as defined in the Jumpstart Our Business Startups Act (the "JOBS Act") and, as such, have been exempt from the auditor attestation requirements of Section 404(b) of the Sarbanes-Oxley Act. We expect to cease qualifying as an emerging growth company as of December 31, 2026, and we expect our independent registered public accounting firm to be required to attest to the effectiveness of our internal control over financial reporting beginning with our Annual Report on Form 10-K for the fiscal year ending December 31, 2026.

We are continuing to develop and refine our disclosure controls and other procedures that are designed to assure that information required to be disclosed by us in the reports that we will file with the SEC is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms and that information required to be disclosed in reports under the Exchange Act is accumulated and communicated to management, including our principal executive and financial officers, to allow timely decisions regarding disclosure. We are also continuing to improve our internal control over financial reporting, including in preparation for our first auditor attestation report on the effectiveness of our internal control over financial reporting. We have expended, and anticipate that we will continue to expend, significant resources to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting.

Our current controls and any new controls that we develop may become inadequate because of changes in the conditions in our business. Further, weaknesses in our disclosure controls or our internal control over financial reporting may be discovered in the future. Any failure to develop or maintain effective controls, or any difficulties encountered in their implementation or improvement, may harm our results of operations or cause us to fail to meet our reporting obligations and may result in a restatement of our financial statements for prior periods. Any failure to implement and maintain effective internal control over financial reporting may also adversely affect the results of periodic management evaluations and annual independent registered public accounting firm attestation reports regarding the effectiveness of our internal control over financial reporting that we will be required to include in our periodic reports beginning with our Annual Report on Form 10-K for the fiscal year ending December 31, 2026. When our independent registered public accounting firm is first required to attest to the effectiveness of our internal control over financial reporting, it may issue a report that is adverse in the event that it is not satisfied with the level at which our internal control over financial reporting is documented, designed, or operating. . Ineffective disclosure controls and procedures and internal control over financial reporting may also cause investors to lose confidence in our reported financial and other information, which would likely adversely affect the market price of our securities. In addition, if we are unable to continue to meet these requirements, we may not be able to remain listed on Nasdaq.

Any failure to maintain effective disclosure controls and internal control over financial reporting may adversely affect our business, financial condition, and results of operations and may cause a decline in the market price of our securities.

Unanticipated changes in effective tax rates, adverse outcomes resulting from examination of our income, changes in tax laws or regulations, changes in our ability to utilize our net operating loss, or other tax-related changes may adversely affect our business, prospects, financial condition, and results of operations.

We are subject to income and other taxes in the United States and other jurisdictions, each of which has its own rules. Our current and future effective tax rates may be subject to volatility or adversely affected by a number of factors, including changes in the valuation of our deferred tax assets and liabilities; expected timing and amount of the release of any tax valuation allowances; tax effects of stock-based compensation; changes in tax laws, regulations or interpretations thereof; or lower than anticipated future earnings in jurisdictions where we have lower statutory tax rates and higher than anticipated future earnings in jurisdictions where we have higher statutory tax rates. In addition, we may be subject to audits of our income, sales and other taxes by taxing authorities. Although we believe our tax liabilities are reasonably estimated and accounted for in accordance with applicable laws and principles, an adverse resolution by one or more taxing authorities may have a material impact on our business, financial condition, or results of operations.

Recent changes and currently proposed changes in tax laws may have a material adverse effect on our business, cash flow, results of operations or financial conditions.

We are and will be generally subject to tax laws, regulations, and policies of several taxing jurisdictions. In addition, potential changes in tax laws, as well as other factors, may cause us to experience fluctuations in our future tax obligations and effective tax rates and otherwise adversely affect our future tax positions and/or our future tax liabilities. For example, in August of 2022, the United States enacted a 1% stock repurchase excise tax and a 15% alternative minimum tax on adjusted financial statement income as part of the Inflation Reduction Act of 2022. Additionally, the One Big Beautiful Bill Act (or “OBBB Act”), enacted on July 4, 2025, among other changes, added Section 174A to the Code, permitting the deduction of certain U.S. research and development expenditures incurred in tax years beginning on or after January 1, 2025, but expenditures attributable to research and development conducted outside the U.S. continue to be required to be capitalized and amortized over a 15-year period. We are currently evaluating the full impact of the OBBB Act on us. Further, many countries, and organizations such as the Organization for Economic Cooperation and Development (the “OECD”) have proposed implementing changes to existing tax laws. The OECD has made proposals regarding the implementation of global minimum tax of at least 15% for multinationals with global revenue exceeding certain thresholds, known as “Pillar Two.” The OECD and participating jurisdictions have agreed to a “side-by-side” elective safe harbor that would exempt electing U.S.-parented multinational entities from certain provisions of Pillar Two for fiscal years beginning on or after January 1, 2026. Any of these or other developments or changes in U.S. federal, state, or international tax laws or tax rulings may adversely affect our current and future effective tax rate and our operating results. There can be no assurance that our current and future effective tax rates or tax payments will not be adversely affected by these or other developments or changes in law.

Our ability to utilize our net operating loss carryforwards may be limited.

As of December 31, 2025, we had estimated U.S. federal and state net operating loss carryforwards of approximately $288.7 million and $180.9 million, respectively. Our U.S. state net operating loss carryforwards subject to expiration will begin to expire in 2039. In general, we may potentially use these net operating losses to offset taxable income for U.S. federal and state income tax purposes. Furthermore, our U.S. federal net operating losses generally may only be used to offset 80% of our taxable income. This may require us to pay U.S. federal income taxes in future years despite generating a loss for U.S. federal income tax purposes in prior years. Limitations under state law may differ. We have established a valuation allowance against the carrying value of these deferred tax assets.

In addition to the potential net operating loss limitations previously noted above, under Section 382 of the Internal Revenue Code, a corporation that undergoes an “ownership change” is subject to limitations on its ability to use its pre-change net operating loss carryforwards to offset future taxable income. The limitations apply if a corporation undergoes an “ownership change,” which is generally defined as a greater than 50 percentage point change (by value) in its equity ownership by one or more stockholders or groups of stockholders who own at least 5% of a company’s stock over a rolling three-year period. If we have experienced an ownership change at any time since our incorporation, we may already be subject to limitations on our ability to utilize our existing net operating loss carryforwards and other tax attributes to offset taxable income or tax liability. In addition, future changes in our stock ownership, which may be outside of our control, may trigger an ownership change. Similar provisions of state tax law may also apply to limit our use of accumulated state tax attributes. As a result, even if we earn net taxable income in the future, our ability to use our pre-change net operating loss carryforwards and other tax attributes to offset such taxable income or tax liability may be subject to limitations, which may potentially result in increased future income tax liability to us. In addition, for state income tax purposes, there may be periods during which the use of net operating loss carryforwards is suspended or otherwise limited, which could accelerate or permanently increase state taxes owed. For example, California recently enacted legislation that limits the use of state net operating losses for taxable years beginning on or after January 1, 2024 and before January 1, 2027.

We may incur substantial indebtedness which may adversely affect our business and limit our ability to plan for or respond to changes in our business.

We have in the past incurred and may continue to incur substantial indebtedness. Our ability to make payments on our debt obligations and to fund planned capital expenditures depends on our ability to generate cash from our future operations. To a certain extent, this, is subject to financial, competitive, legislative, regulatory and other factors that are beyond our control. In addition, if we cannot service our indebtedness, we may have to take actions such as selling assets, seeking additional equity or reducing or delaying capital expenditures, strategic investments and alliances, any of which may impede the implementation of our business plans, prevent us from entering into transactions that may otherwise benefit our business and/or adversely affect our financial condition and results of operations. We may not be able to refinance our indebtedness or take such other actions, if necessary, on commercially reasonable terms, or at all.

Our credit facilities contain restrictive covenants and other terms that may impair our ability to conduct business.

Among other things, and in each case subject to certain exceptions, our credit facilities contain a number of customary affirmative and negative covenants that will limit or restrict our ability to: incur additional indebtedness (including guaranty obligations); incur liens; engage in mergers, consolidations, liquidations and dissolutions; sell assets; pay dividends and make other payments in respect of capital stock; make acquisitions, investments, loans and advances; make payments on or modify the terms of certain existing indebtedness; engage in certain transactions with affiliates; enter into pledges with respect to our intellectual property; and change our line of business. As a result of these covenants and restrictions, we are limited in how we conduct our business. We may also be unable to raise additional debt or other financing to compete effectively or to take advantage of new business opportunities. Our ability to comply with these covenants and restrictions may be affected by events beyond our control. Breaches of these covenants and restrictions may result in a default under the credit facilities, which would give the lenders the right to terminate their commitments to provide additional loans under the credit facilities and to declare all borrowings, together with accrued and unpaid interest and fees, to be immediately due and payable. The terms of any future indebtedness we may incur may include additional restrictive covenants. We may not be able to maintain compliance with these covenants. If we fail to do so, we may not be able to obtain waivers from the lenders or amend the covenants, which may adversely affect our business, financial condition and results of operations.

We may be unable to generate sufficient cash flow to satisfy our significant debt service obligations, which may adversely affect our business, financial condition, results of operations, and cash flows.

Our ability to make scheduled payments on or to refinance our debt obligations depends on our financial condition and results of operations, which are subject to prevailing economic and competitive conditions and to certain financial, business, legislative, regulatory, and other factors beyond our control. We may not be able to maintain a level of cash flows from operating activities sufficient to permit us to pay the principal, premium, if any, or interest on our indebtedness. If our cash flows and capital resources are insufficient to fund our debt service obligations, we may be forced to reduce or delay strategic acquisitions and partnerships, capital expenditures, and payments on account of other obligations, seek additional capital, restructure, or refinance our indebtedness, or sell assets. These alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations. Our ability to restructure or refinance our debt will depend on the condition of the capital markets and our financial condition at such time. Any refinancing of our debt could be at higher interest rates and could require us to comply with more onerous covenants, which could further restrict our business operations. In addition, we cannot assure you that we will be able to refinance any of our indebtedness on commercially reasonable terms, or at all.

If we are unable to repay or otherwise refinance our indebtedness when due, or if any other event of default is not cured or waived, the applicable lenders could accelerate our outstanding obligations or proceed against the collateral granted to them to secure that indebtedness. Should that occur, it could force us into bankruptcy or liquidation. In the event the applicable lenders accelerate the repayment of our borrowings, we may not have sufficient assets to repay that indebtedness. Any acceleration of amounts due under the agreements governing our credit facilities or the exercise by the applicable lenders of their rights under the security documents could have a material and adverse effect on our business.

There is substantial doubt about our ability to continue as a "going concern."

Although our audited financial statements for the years ended December 31, 2025, 2024, and 2023 were prepared under the assumption that we will continue our operations as a going concern, we have incurred and expect to continue to incur significant expenses and operating losses. Management has concluded that these circumstances raise substantial doubt about our ability to continue as a going concern, and the reports of our independent registered public accounting firms that accompany our financial statements for the years ended December 31, 2025, 2024, and 2023 include an explanatory paragraph which states certain conditions exist that raise substantial doubt about our ability to continue as a going concern in relation to the foregoing.

Our future capital requirements will depend on many factors, including the rate of adoption of the Kodiak Driver and our DaaS model and the associated revenue growth, the expenses associated with such growth, and the timing and extent of our research and development efforts. If we are unable to raise sufficient capital when needed, our business, financial condition and results of operations may be adversely affected, and we may need to significantly modify our operational plans to continue as a going concern. We do not anticipate that our cash and cash equivalents as of June 30, 2026 will be sufficient to meet our capital requirements for at least one year under our current operating plan. We expect to be able to fund our business plan into the second quarter of 2027. See Note 12 to our condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report for additional information regarding the PIPE Transaction. We expect to seek additional funding from debt or equity offerings, which may result in substantial dilution or additional restrictive covenants. If we do not generate sufficient cash to fund our operating plan, we may also adjust our operating plan to reduce our research and development initiatives, lower our anticipated growth plans or liquidate our assets, among other things. To the extent any or all of these events were to occur, our business, operating results, financial condition and prospects may be materially and adversely affected. In conjunction with such a liquidation, the values we receive for our assets in liquidation or dissolution may be significantly lower than the values reflected in our financial statements. Our lack of cash resources and our potential inability to continue as a going concern may adversely affect our stock price and our ability to raise new capital or to enter into critical contractual relations with third parties due to concerns about our ability to meet our contractual obligations.

The financial statements contained elsewhere in this report do not include any adjustments that might result from our inability to continue as a going concern. Please see the section of this Quarterly Report titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources*" for additional information.

Risks Related to Our Securities

There can be no assurance that we will be able to comply with the continued listing standards of Nasdaq.

Our common stock and Public Warrants are listed on Nasdaq under the symbols "KDK" and "KDKRW," respectively. Although we currently meet the continued listing standards set forth in the Nasdaq listing standards, we cannot assure you that our securities will continue to be listed on Nasdaq in the future. To continue listing our securities on Nasdaq, we must maintain certain financial, distribution and share price levels. Generally, we must maintain a minimum market capitalization (generally $50 million), a minimum market capitalization attributable to publicly held shares (generally $15 million) and a minimum number of holders of our securities (generally 400 public holders).

If Nasdaq delists our securities from trading on its exchange and we are not able to list our securities on another stock exchange, we expect our securities could be quoted on an over-the-counter market. If this were to occur, we could face significant material adverse consequences, including:

- a limited availability of market quotations for our securities;
- reduced liquidity for our securities;
- a determination that our securities are a "penny stock" which will require brokers trading in our securities to adhere to more stringent rules and possibly result in a reduced level of trading activity in the secondary trading market for our securities;
- a limited amount of news and analyst coverage; and
- a decreased ability to issue additional securities or obtain additional financing in the future.

An active trading market for our securities may not develop, which may limit your ability to sell such securities.

Although we list our common stock and Public Warrants on Nasdaq under the ticker symbols "KDK" and "KDKRW," respectively, an active trading market for such securities may never develop or be sustained. A public trading market having the desirable characteristics of depth, liquidity and orderliness depends upon the existence of willing buyers and sellers at any given time, such existence being dependent upon the individual decisions of buyers and sellers over which neither we nor any market maker has control. The failure of an active and liquid trading market to develop and continue would likely have a material adverse effect on the value of our common stock and Public Warrants. An inactive market may also impair our ability to raise capital to continue to fund operations by issuing our common stock and Public Warrants.

Delaware law and our Certificate of Incorporation and Bylaws contain certain provisions, including anti- takeover provisions, that limit the ability of stockholders to take certain actions and could delay or discourage takeover attempts that stockholders may consider favorable.

Our Certificate of Incorporation, Bylaws and the DGCL contain provisions that could have the effect of rendering more difficult, delaying, or preventing an acquisition deemed undesirable by our Board and therefore depress the trading price of our common stock. These provisions could also make it difficult for stockholders to take certain actions, including electing directors who are not nominated by the then-current members of our Board or taking other corporate actions, including effecting changes in management. Among other things, our Certificate of Incorporation and Bylaws include provisions regarding:

- the ability of our Board to issue shares of our preferred stock, known as “blank check” preferred stock, and to fix by resolution or resolutions the designations, powers, preferences and rights, and the qualifications, limitations or restrictions thereof, of any series of our preferred stock, without stockholder approval, which could be used to significantly dilute the ownership of a hostile acquirer;
- the limitation of the liability of, and the indemnification of, our directors and officers;
- the right, subject to the rights of holders of our preferred stock to elect directors under specific circumstances, of our Board to appoint a director to fill a vacancy or unfilled seat created by the expansion of our Board or the resignation, death or removal of a director, which prevents stockholders from being able to fill vacancies or other unfilled seats on our Board;
- the requirement, so long as our Board is classified, that directors may only be removed from our Board for cause and upon the affirmative vote of the holders of at least the majority of the total voting power of our issued and outstanding common stock entitled to vote in the election of directors, voting as a single class;
- the requirement that, subject to the terms of any series of our preferred stock, a special meeting of stockholders may be called only by: (i) our Board acting pursuant to a resolution adopted by a majority of the directors then serving on our Board; (ii) the chairperson of our Board; or (iii) our Chief Executive Officer or president and the explicit prohibition on stockholders calling a special meeting, which could delay the ability of stockholders to force consideration of a proposal or to take action, including the removal of directors;
- controlling the procedures for the conduct and scheduling of our Board and stockholder meetings;
- the requirement for the affirmative vote of holders of at least 66 2/3% of the total voting power of all of our then outstanding voting securities entitled to vote thereon, voting together as a single class, to amend or modify certain provisions in our Certificate of Incorporation which could preclude stockholders from bringing matters before annual or special meetings of stockholders and delay changes in our Board and also may inhibit the ability of an acquirer to effect such amendments to facilitate an unsolicited takeover attempt;
- the ability of our Board to alter or amend our Bylaws, which may allow our Board to take additional actions to prevent an unsolicited takeover and inhibit the ability of an acquirer to amend our Bylaws to facilitate an unsolicited takeover attempt; and
- advance notice procedures with which our stockholders must comply to nominate candidates to our Board or to propose matters to be acted upon at a stockholders’ meeting, which could preclude stockholders from bringing matters before annual or special meetings of stockholders and delay changes in our Board and also may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer’s own slate of directors or otherwise attempting to obtain our control.

These provisions, alone or together, could delay or prevent hostile takeovers and changes in control or changes in our Board or management.

As a Delaware corporation, we are generally subject to provisions of Delaware law, including the DGCL.

Any provision of our Certificate of Incorporation, Bylaws or Delaware law that has the effect of delaying or preventing a change in control could limit the opportunity for stockholders to receive a premium for their shares of our common stock and could also affect the price that some investors are willing to pay for our common stock.

Our Bylaws designate a state or federal court located within the State of Delaware as the exclusive forum for certain types of actions and proceedings, and the federal district courts as the exclusive forum for Securities Act claims, which

could limit our stockholders' ability to choose the judicial forum for disputes with us or our directors, officers, stockholders or employees.

Our Bylaws provide that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, if the Court of Chancery does not have jurisdiction, another state court in Delaware or the U.S. District Court for the District of Delaware) shall, to the fullest extent permitted by law, be the sole and exclusive forum for (i) any derivative action, suit or proceeding brought on our behalf, (ii) any action, suit or proceeding asserting a claim of breach of a fiduciary duty owed by any of our director, stockholder, officer or other employee to us or our stockholders, (iii) any action, suit or proceeding arising pursuant to any provision of the DGCL, our Certificate of Incorporation or our Bylaws (as either may be amended from time to time) or (iv) any action, suit or proceeding asserting a claim governed by the internal affairs doctrine, except for, as to each of (i) through (iv) above, any claim as to which such court determines that there is an indispensable party not subject to the jurisdiction of such court (and the indispensable party does not consent to the personal jurisdiction of such court within 10 days following such determination). If any action the subject matter of which is within the scope of the immediately preceding sentence is filed in a court other than the Court of Chancery in the State of Delaware (a "Foreign Action") in the name of any stockholder, such stockholder shall be deemed to have consented to (i) the personal jurisdiction of the state and federal courts in the State of Delaware in connection with any action brought in any such court to enforce the provisions of the immediately preceding sentence and (ii) having service of process made upon such stockholder in any such action by service upon such stockholder's counsel in the Foreign Action as agent for such stockholder. Our Bylaws also provide that, to the fullest extent permitted by law, the federal district courts of the United States will be the sole and exclusive forum for the resolutions of any complaint asserting a cause or causes of action arising under the Securities Act. This provision in our Bylaws would not address or apply to claims that arise under the Exchange Act. Section 27 of the Exchange Act creates exclusive federal jurisdiction over all suits brought to enforce any duty or liability created by the Exchange Act or the rules and regulations under the Exchange Act. To the extent these provisions could be construed to apply to such claims, there is uncertainty as to whether a court would enforce such provisions in connection with such claims, and stockholders cannot waive compliance with the federal securities laws and the rules and regulations under the federal securities laws.

Any person or entity purchasing, holding or otherwise acquiring any interest in any of our securities will be deemed to have notice of and consented to the provisions of our Bylaws described in the preceding paragraph. These exclusive-forum provisions may limit a stockholder's ability to bring a claim in a judicial forum of its choosing for disputes with us or our directors, officers, stockholder or other employees, which may discourage lawsuits against us and our directors, officers, stockholders and other employees. The enforceability of similar exclusive-forum provisions in other companies' certificates of incorporation has been challenged in legal proceedings, and it is possible that, in connection with one or more actions or proceedings described above, a court could rule that this provision in our Bylaws is inapplicable or unenforceable. If a court were to find these exclusive-forum provisions to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving the dispute in other jurisdictions, which could harm our results of operations.

Our Certificate of Incorporation does not limit the ability of the SPAC Sponsor, certain affiliates or funds associated with the SPAC Sponsor or our non-employee directors to compete with us.

Ares Acquisition Holdings II LP (the "SPAC Sponsor"), certain affiliates or funds associated with the SPAC Sponsor and our non-employee directors and their respective affiliates engage in a broad spectrum of activities, including investments in similar business activities or lines of business in which we now engage or propose to engage. In the ordinary course of their business activities, the SPAC Sponsor, certain affiliates or funds associated with the SPAC Sponsor and our non-employee directors and their respective affiliates may engage in activities in which their interests conflict with our interests or those of our stockholders. Our Certificate of Incorporation provides that, to the fullest extent permitted by law, none of the SPAC Sponsor, certain affiliates or funds associated with the SPAC Sponsor, our non-employee directors or any of their respective affiliates (including any non-employee director who serves as our officer in such person's director and officer capacities) has any duty to refrain from engaging, directly or indirectly, in the same business activities or similar business activities or lines of business in which we engage or propose to engage or otherwise competing with us, our stockholders, or any of our affiliates.

Further, to the fullest extent permitted by law, in the event that any of the SPAC Sponsor, certain affiliates or funds associated with the SPAC Sponsor and our non-employee directors and their respective affiliates acquires knowledge of a potential transaction or other business opportunity which may be a corporate opportunity for itself, herself or himself and us or any of our affiliates, they will have no duty to communicate or offer such transaction or other business opportunity to us or any of our affiliates and will not be liable to us or our stockholders or to any of our affiliates for breach of any fiduciary duty as a stockholder, director or officer of ours solely by reason of the fact that they pursue or acquire such corporate opportunity for themselves, offer or direct such corporate opportunity to another Person, or do not communicate information regarding such corporate opportunity to us or any of our affiliates. The SPAC Sponsor, certain affiliates or funds associated with the SPAC Sponsor and their respective directors and officers may pursue, in their capacities other than as directors of our Board, acquisition opportunities that may be complementary to our business, and, as a result, those acquisition opportunities may not be available to us. The SPAC Sponsor, certain affiliates or funds associated with the SPAC Sponsor and their respective directors and officers may have an interest in pursuing acquisitions, divestitures and other transactions that, in its judgment, could enhance its investment, even though such transactions might involve risks to you.

Our business and operations could be negatively affected if we become subject to any securities litigation or stockholder activism, which could cause us to incur significant expense, hinder execution of business and growth strategy and impact our stock price.

In the past, following periods of volatility in the market price of a company's securities, securities class action litigation has often been brought against that company. Stockholder activism, which could take many forms or arise in a variety of situations, has been increasing recently. Volatility in the stock price of our common stock or other reasons may in the future cause it to become the target of securities litigation or stockholder activism. Securities litigation and stockholder activism, including potential proxy contests, could result in substantial costs and divert management's and our Board's attention and resources from our business, which may adversely affect our business, financial condition and results of operations. Additionally, such securities litigation and stockholder activism could give rise to perceived uncertainties as to our future, adversely affect its relationships with service providers and make it more difficult to attract and retain qualified personnel. We may also be required to incur significant legal fees and other expenses related to any securities litigation and activist stockholder matters.

Further, our stock price could be subject to significant fluctuation or otherwise be adversely affected by the events, risks and uncertainties of any securities litigation and stockholder activism.

Risks Related to Our Warrants

We may amend the terms of the Public Warrants in a manner that may be adverse to holders of Public Warrants with the approval by the holders of at least 50% of the then-outstanding Public Warrants. As a result, the exercise price of your Public Warrants could be increased, the exercise period could be shortened and the number of common stock purchasable upon exercise of a Public Warrant could be decreased, all without your approval.

The Public Warrants are issued under a Warrant Agreement (the "Warrant Agreement"). The Warrant Agreement provides that the terms of the Public Warrants may be amended with the approval of the holders of at least 50% of the then-outstanding Public Warrants to make any change that adversely affects the interests of the registered holders of Public Warrants. Accordingly, we may amend the terms of the Public Warrants in a manner adverse to a holder if holders of at least 50% of the then-outstanding Public Warrants approve of such amendment and, solely with respect to any amendment to the terms of the Private Placement Warrants or any provision of the purchase agreement with respect to the Private Placement Warrants, 50% of the number of the then-outstanding Private Placement Warrants. Examples of such amendments could be to increase the exercise price of the Warrants, convert the Warrants into cash, shorten the exercise period or decrease the number of common stock purchasable upon exercise of a Warrant.

The Warrant Agreement designates the courts of the State of New York or the U.S. District Court for the Southern District of New York as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by holders of our Public Warrants, which could limit the ability of Public Warrant holders to obtain a favorable judicial forum for disputes with us.

Subject to applicable law, the Warrant Agreement provides that: (i) any action, proceeding, claim or dispute against us arising out of or relating in any way to the Warrant Agreement, including under the Securities Act, will be brought and enforced in the courts of the State of New York or the U.S. District Court for the Southern District of New York; and (ii) that we irrevocably submit to such jurisdiction, which jurisdiction shall be the exclusive forum for any such action, proceeding or claim. We will waive any objection to such exclusive jurisdiction and that such courts represent an inconvenient forum. However, with respect to any complaint asserting a cause of action arising under the Securities Act or the rules and regulations promulgated thereunder, there is uncertainty as to whether a court would enforce this provision, because Section 22 of the Securities Act creates concurrent jurisdiction for state and federal courts over all suits brought to enforce any duty or liability created by the Securities Act or the rules and regulations thereunder.

Notwithstanding the foregoing, these provisions of the Warrant Agreement will not apply to suits brought to enforce any liability or duty created by the Exchange Act or any other claim for which the federal district courts of the U.S. are the sole and exclusive forum. Any person or entity purchasing or otherwise acquiring any interest in any of the Public Warrants shall be deemed to have notice of and to have consented to the forum provisions in the Warrant Agreement. If any action, the subject matter of which is within the scope the forum provisions of the Warrant Agreement, is filed in a court other than a court of the State of New York or the U.S. District Court for the Southern District of New York (a "foreign action") in the name of any holder of the Public Warrants, such holder shall be deemed to have consented to: (i) the personal jurisdiction of the state and federal courts located in the State of New York in connection with any action brought in any such court to enforce the forum provisions (an "enforcement action"), and (ii) having service of process made upon such warrant holder in any such enforcement action by service upon such warrant holder's counsel in the foreign action as agent for such warrant holder.

This choice-of-forum provision may limit a warrant holder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us, which may discourage such lawsuits. Alternatively, if a court were to find this provision of the Warrant Agreement inapplicable or unenforceable with respect to one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could materially and adversely affect our business, financial condition and results of operations and result in a diversion of the time and resources of our management and members of our Board.

There is no guarantee that our Public Warrants will ever be in the money, and they may expire worthless.

The exercise price for our Public Warrants is $9.28 per share of our common stock, subject to adjustment. There is no guarantee that the Public Warrants will be in the money prior to their expiration, and as such, our Public Warrants may expire worthless.

Your Public Warrants may be redeemed prior to their exercise at a time that is disadvantageous to you.

We may redeem outstanding Public Warrants at any time after they become exercisable and prior to their expiration, at a price of $0.01 per warrant, if the closing price of our common stock equals or exceeds $14.53 per share (as adjusted for adjustments to the number of shares issuable upon exercise or the exercise price of a warrant) for any 20 trading days within a 30-trading day period ending on the third trading day prior to the date on which we send the notice of redemption to the warrant holders, and if certain other conditions are met. If and when the Public Warrants become redeemable by us, we may exercise our redemption right even if we are unable to register or qualify the underlying securities for sale under all applicable state securities laws. As a result, we may redeem Public Warrants even if the holders are otherwise unable to exercise the warrants. Redemption of the outstanding Public Warrants could force you to: (i) exercise your Public Warrants and pay the exercise price therefor at a time when it may be disadvantageous for you to do so; (ii) sell your Public Warrants at the then- current market price when you might otherwise wish to hold your Public Warrants; or (iii) accept the nominal redemption price which, at the time the outstanding warrants are called for redemption, is likely to be substantially less than the market value of your Public Warrants.

You may only be able to exercise your Public Warrants on a "cashless basis" under certain circumstances, and if you do so, you will receive fewer shares of our common stock from such exercise than if you were to exercise such Public Warrants for cash.

The Warrant Agreement provides that in the following circumstances holders of Public Warrants who seek to exercise their Public Warrants will not be permitted to do for cash and will, instead, be required to do so on a cashless basis in accordance with Section 3(a)(9) of the Securities Act: (i) if the shares of our common stock issuable upon exercise of the Public Warrants are not registered under the Securities Act in accordance with the terms of the Warrant Agreement; (ii) if we have so elected and the shares of our common stock are at the time of any exercise of a Public Warrant not listed on a Stock Exchange such that they satisfy the definition of "covered securities" under Section 18(b)(1) of the Securities Act; and (iii) if we have so elected and we call the Public Warrants for redemption.

If you exercise your Public Warrants on a cashless basis, you would pay the warrant exercise price by surrendering the Public Warrants for that number of shares of our common stock equal to the quotient obtained by dividing: (i) the product of the number of shares of our common stock underlying the Public Warrants, multiplied by the excess of the "fair market value" of shares of our common stock (as defined in the next sentence) over the exercise price of the Public Warrants by (ii) the fair market value. The "fair market value" is the average reported closing price of the shares of our common stock for the ten trading days ending on the third trading day prior to the date on which the notice of exercise is received by the warrant agent or on which the notice of redemption is sent to the holders of Public Warrants, as applicable. As a result, you would receive fewer shares of our common stock from such exercise than if you were to exercise such Public Warrants for cash.

Our ability to require holders of our Public Warrants to exercise such Public Warrants on a cashless basis after we call the Public Warrants for redemption will cause holders to receive fewer shares of our common stock upon exercise than they would have received had they been able to pay the exercise price of their Public Warrants in cash.

If we call the Public Warrants for redemption, we may require all holders that wish to exercise Public Warrants to do so on a cashless basis. If we elect to require holders to exercise their Public Warrants on a cashless basis or if holders elect to do so when there is no effective registration statement, the number of shares of our common stock received by a holder upon exercise will be less than if such holder exercised his or her Public Warrant for cash. For example, if the holder is exercising 1,000 Public Warrants at $10.00 per share through a cashless exercise when our common stock has a fair market value of $20.00 per share, then upon the cashless exercise the holder will receive 500 shares of our common stock. The holder would have received 1,000 shares of our common stock if the exercise price was paid in cash. This will have the effect of reducing the potential “upside” of the holder’s investment in us because the warrant holder will hold a smaller number of shares of our common stock upon a cashless exercise of the Public Warrants.

Risks Related to Our Organizational Structure

The future resales of substantial amounts of our common stock in the public markets, or the perception that such sales could occur, may cause the market price of our securities to drop significantly, even if our business is doing well.

Sales of a substantial number of shares of our common stock in the public markets may occur at any time. Any future sales of a substantial number of shares of our common stock in the public market or the perception in the market that the holders of a large number of shares intend to sell shares, may reduce the market price of our common stock. Despite such a decline in the public trading price, certain stockholders may still experience a positive rate of return on the securities they purchased due to the lower price at which they purchased their shares compared to other public investors and be incentivized to sell its securities when others are not.

Under our Bylaws, all shares held by the SPAC Sponsor immediately prior to the Closing and all shares of our common stock issued or issuable as consideration under the Business Combination Agreement to Legacy Kodiak Securityholders are subject to lockup restrictions, subject to certain customary and other exceptions, until September 24, 2026 (the “Lockup Period”). Notwithstanding the foregoing, if the closing price of our common stock equals or exceeds $12.00 for 20 of 30 consecutive trading days commencing on or after February 21, 2026, then the Lockup Period will terminate. In addition, in connection with the Closing, our Board waived the lockup restrictions with respect to (i) shares of our common stock issued upon the conversion of our second lien loans, other than those shares of our common stock to be issued to AAC II Holdings II LP, an affiliate of the SPAC Sponsor (the "SPAC Sponsor Affiliate Investor") with respect to the initial second lien loans provided by the SPAC Sponsor Affiliate Investor and to an entity affiliated with one of our directors and (ii) 226 shares of our common stock for each Legacy Kodiak securityholder that was not an affiliate of Legacy Kodiak. Following the expiration of the Lockup Period, the applicable stockholders will not be restricted from selling shares of our common stock held by them, other than by applicable securities laws. As such, sales of a substantial number of shares of our common stock in the public market may occur at such time. As restrictions on resale end and registration statements are available for use, the sale or possibility of sale of these shares may have the effect of increasing the volatility in our share price or the market price of our securities may decline if the holders of currently restricted shares sell them or are perceived by the market as intending to sell them.

Further, a significant number of shares of our common stock are subject to issuance upon exercise of the Warrants, and the number of shares covered by the Warrants may increase. For example, the 2025 PIPE Warrants and NRA Warrants contain anti-dilution adjustments, including with respect to certain issuances or sales of common stock at prices less than the exercise price then in effect. In connection with the consummation of the PIPE Transaction, the exercise price of the 2025 PIPE Warrants and NRA Warrants was adjusted to $6.00 per share. Further, future adjustments to the exercise price of the Warrants may result in substantial additional dilution to existing stockholders and may depress the market price of our common stock. For example, pursuant to the Warrant Agreement, the exercise price per share of the Private Placement Warrants and the Public Warrants were adjusted from $11.50 to $9.28 after trading closed on October 20, 2025. The issuance of the shares of common stock underlying these Warrants or any adjustments to the exercise price of such Warrants will have a dilutive impact on other stockholders and may reduce the market price of our common stock.

In addition, each share of our Series A Preferred Stock is convertible into common stock at any time at the option of the holder at a rate equal to the Accrued Value, divided by the then-applicable conversion price, plus any accrued but unpaid dividends on such share. In the event we elect to pay dividends in kind, the Accrued Value will increase, thereby increasing the number of shares of our common stock into which each share of our Series A Preferred Stock is convertible and the related voting power of the Series A Preferred Stock, which will be dilutive to other stockholders. For example, we have elected to pay all accrued dividends on the Series A Preferred Stock since issuance in kind, which resulted in the Accrued Value of the Series A Preferred Stock increasing from $1,200.00 to $1,283.61.

The conversion price was initially $12.00, but is subject to adjustments for stock dividends, splits, combinations and similar events and customary anti-dilution adjustments, including with respect to certain future issuances or sales of common stock at prices less than the conversion price then in effect. In connection with the consummation of the PIPE Transaction, the conversion price was adjusted to $6.00 per share.

The conversion of our Series A Preferred Stock to such shares of common stock or any adjustments to the conversion price will have a dilutive impact on other stockholders and may reduce the market price of our common stock.

Additionally, we have filed a registration statement to register shares reserved for future issuance under our 2025 Plan and the ESPP. Subject to the satisfaction of applicable vesting restrictions and the expiration or waiver of the lock-up restrictions discussed above applicable to certain of the shares, the shares issued thereunder will be available for immediate resale in the public market. These sales, any future sales of a substantial number of shares of our common stock in the public market or the perception in the market that the holders of a large number of shares intend to sell shares, may reduce the market price of our common stock.

We have incurred and will continue to incur significant expenses and administrative burdens as a public company, which may adversely affect our business, prospects, financial condition, and results of operations.

As a public company, we face increased legal, accounting, administrative and other costs and expenses that we did not incur as a private company. The Exchange Act, Sarbanes-Oxley Act, including the requirements of Section 404, as well as rules and regulations subsequently implemented by the SEC, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and the rules and regulations promulgated and to be promulgated thereunder, as well as the Public Company Accounting Oversight Board and the stock exchanges, impose additional reporting and other obligations on public companies. The development and implementation of the standards and controls necessary for us to achieve the level of accounting standards required of a public company in the United States may require costs greater than expected. We expect to expand our employee base and hire additional employees to support our operations as a public company, which will increase our operating costs in future periods.

Compliance with public company requirements has increased costs and made certain activities more time- consuming. A number of these requirements require us to carry out activities we have not done previously. For example, as a public company, we maintain board committees and internal controls and disclosure controls and procedures. In addition, we continue to incur expenses associated with SEC reporting requirements. Furthermore, if any issues in complying with those requirements are identified (for example, if the auditors identify a material weakness or significant deficiency in the internal control over financial reporting), we may incur additional costs rectifying those issues, and the existence of those issues may adversely affect our reputation or investor perceptions of us. In addition, as a public company, it is also more expensive to maintain director and officer liability insurance. Risks associated with our status as a public company may make it more difficult to attract and retain qualified persons to serve on our Board or as executive officers. The additional reporting and other obligations imposed by these rules and regulations have and will continue to increase legal and financial compliance costs and the costs of related legal, accounting and administrative activities. These increased costs will require us to reserve a significant amount of money that may otherwise be used to expand the business and achieve strategic objectives. Advocacy efforts by stockholders and third parties may also prompt additional changes in governance and reporting requirements, which may further increase costs.

Our management team has limited experience in operating a public company.

Our executive officers have limited experience in the management of a publicly traded company. Our management team may not successfully or effectively manage our recent transition to operating as a public company, which is subject to significant regulatory oversight and reporting obligations under federal securities laws and continuous scrutiny of securities analysts and investors. Their limited experience in dealing with the increasingly complex laws pertaining to public companies may be a significant disadvantage in that it is likely that an increasing amount of their time may be devoted to these activities which will result in less time being devoted to our management and growth.

Claims for indemnification by our directors and officers may reduce our available funds to satisfy successful third-party claims against us and may reduce the amount of money available to us.

Our Certificate of Incorporation and Bylaws provide that we will indemnify our directors and officers, in each case to the fullest extent permitted by Delaware law.

In addition, as permitted by Section 145 of the DGCL, our Bylaws and our indemnification agreements that we entered into with our directors and officers provide that:

- we will indemnify our directors and officers for serving in those capacities or for serving other business enterprises at our request, to the fullest extent permitted by Delaware law. Delaware law provides that a corporation may indemnify such person if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the registrant and, with respect to any criminal proceeding, had no reasonable cause to believe such person's conduct was unlawful;
- we may, in our discretion, indemnify employees and agents in those circumstances where indemnification is permitted by applicable law;
- we are required to advance expenses, as incurred, to our directors and officers in connection with defending a proceeding, except that such directors or officers shall undertake to repay such advances if it is ultimately determined that such person is not entitled to indemnification;
- we are not obligated pursuant to our Bylaws to indemnify a person with respect to proceedings initiated by that person against us or our other indemnitees, except with respect to proceedings authorized by our Board or brought to enforce a right to indemnification;
- the rights conferred in our Bylaws are not exclusive, and we are authorized to enter into indemnification agreements with our directors, officers, employees and agents and to obtain insurance to indemnify such persons; and
- we may not retroactively amend our Bylaws provisions to reduce our indemnification obligations to directors, officers, employees and agents.

We do not intend to pay cash dividends for the foreseeable future.

We have never declared or paid any cash dividends on our capital stock and do not intend to pay any cash dividends in the foreseeable future except for our dividend obligations with respect to the Series A Preferred Stock. We expect to retain future earnings, if any, to fund the development and growth of our business. Any future determination to pay dividends on our capital stock will be at the discretion of our Board subject to the limitations under the Certificate of Designation for our Series A Preferred Stock. Accordingly, investors must rely on sales of our securities after price appreciation, which may never occur, as the only way to realize any future gains on their investments.

The market price and trading volume of our common stock may be volatile and may decline significantly.

The stock markets, including Nasdaq, have from time to time experienced significant price and volume fluctuations. Even if an active, liquid and orderly trading market develops and is sustained for our common stock, the market price of our common stock may be volatile and may decline significantly. In addition, the trading volume in our common stock may fluctuate and cause significant price variations to occur. If the market price of our common stock declines significantly, you may be unable to resell your shares at an attractive price, or at all. We cannot assure you that the market price of our common stock will not fluctuate widely or decline significantly in the future in response to a number of factors, including, among others, the following:

- the realization of any of the risk factors presented in this Quarterly Report on Form 10-Q;
- changes in the industries in which we and our customers operate;
- developments involving our competitors;
- changes in laws and regulations affecting our business;

- actual or anticipated differences in our estimates, or in the estimates of analysts, for our revenues, results of operations, level of indebtedness, liquidity or financial condition;
- additions and departures of key personnel;
- failure to comply with the requirements of the listing exchange;
- failure to comply with the Sarbanes-Oxley Act or other laws or regulations;
- future issuances, sales, resales or repurchases or anticipated issuances, sales, resales or repurchases, of our securities;
- publication of research reports by securities analysts about us or our competitors or our industry;
- the public's reaction to our press releases, other public announcements and filings with the SEC;
- actions by stockholders, including sales of the securities;
- the performance and market valuations of other similar companies;
- commencement of, or involvement in, litigation involving us;
- broad disruptions in the financial markets, including sudden disruptions in the credit markets;
- speculation in the press or investment community;
- actual, potential or perceived control, accounting or reporting problems;
- changes in accounting principles, policies and guidelines; and
- other events or factors, including those resulting from infectious diseases, health epidemics and pandemics, natural disasters, war, acts of terrorism or responses to these events.

In the past, securities class-action litigation has often been instituted against companies following periods of volatility in the market price of their shares. This type of litigation may result in substantial costs and divert our management's attention and resources, which may have a material adverse effect on us.

If securities or industry analysts cease publishing research or reports about us, our business, or the market in which we operate, or if they change their recommendations regarding our securities adversely, the price and trading volume of our securities may decline.

The trading market for our securities will be influenced by the research and reports that industry or securities analysts may publish about us, our business, market or competitors. If any of the analysts who cover or may in the future cover us change their recommendation regarding our shares of common stock adversely, or provide more favorable relative recommendations about our competitors, the price of our common stock may likely decline. If any analyst who covers or may in the future cover us were to cease our coverage of us or fail to regularly publish reports on it, we may lose visibility in the financial markets, which in turn may cause our share price or trading volume to decline.

We qualify as an "emerging growth company" within the meaning of the Securities Act. If we take advantage of certain exemptions from disclosure requirements available to emerging growth companies, this could make our securities less attractive to investors and may make it more difficult to compare our performance with other public companies.

We currently qualify as an "emerging growth company" as defined in Section 2(a)(19) of the Securities Act, as modified by the JOBS Act. As such, we are eligible for and intend to take advantage of certain exemptions or reduced disclosure obligations from various reporting requirements applicable to other public companies that are not emerging growth companies for as long as we continue to be an emerging growth company, including (i) the exemption from the auditor attestation requirements with respect to internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act, (ii) the exemptions from say-on-pay, say-on-frequency and say-on-golden parachute voting requirements and (iii) reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements. As a result, our stockholders may not have access to certain information they may deem important. We will cease to qualify as an emerging growth company on the last day of our fiscal year ending December 31, 2026 because our non-affiliate public float exceeded $700 million as of the last business day of our second fiscal quarter of 2026, at which time we will also become a "large accelerated filer" as defined in Rule 12b-2 under the Exchange Act. Additionally, under Section 2(a)(19) of the Securities Act, emerging growth company status would be lost immediately if we issued more than $1 billion in non-convertible debt in any three-year period. In addition, Section 107 of the JOBS Act also provides that an emerging growth company can take advantage of the exemption from complying with new or revised accounting standards provided in Section 7(a)(2)(B) of the Securities Act as long as we are an emerging growth company. An emerging growth company can therefore delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected not to opt out of such extended transition period and, therefore, we may not be subject to the same new or revised accounting standards as other public companies that are not emerging growth companies. This may make comparison of our financial statements with those of public companies that comply with public company effective dates difficult or impossible because of the potential differences in accounting standards used. Upon our loss of emerging growth company status, we will be required to comply with new or revised accounting standards on the effective dates applicable to public companies that are not emerging growth companies. As a result, we may be required to adopt certain accounting standards on an accelerated basis relative to our prior transition timeline, which could require additional resources and could impact our reported financial results and the comparability of our financial statements across periods. Investors may find our common stock less attractive because we rely on these exemptions or reduced disclosure obligations, which may result in a less active trading market for our common stock and its price may be more volatile.

General and Macroeconomic Risks

Our business is subject to the risks of earthquakes, fire, floods and other natural catastrophic events, global pandemics, and interruptions by man-made problems, such as terrorism. Material disruptions of our business or information systems resulting from these events may adversely affect our business, financial condition, and results of operations.

A significant natural disaster, such as an earthquake, fire, flood, hurricane or significant power outage or other similar events, such as infectious disease outbreaks or pandemic events, may adversely affect our business, financial condition and results of operations. In particular, our corporate headquarters are located in the San Francisco Bay Area, a region known for seismic activity and increasingly for the threat of fires. Natural disasters and associated events may occur in the future with increasing frequency or severity as a result of climate change, which could cause business interruptions. In addition, natural disasters, acts of terrorism or war may cause disruptions in our remaining operations, our or our partners' businesses, our suppliers' or the economy as a whole. We also rely on information technology systems to communicate among our workforce and with third parties. Any disruption to our communications, whether caused by a natural disaster or by man-made problems, such as power disruptions, may adversely affect our business. We do not have a formal disaster recovery plan or policy in place and do not currently require that our partners have such plans or policies in place. All of the aforementioned risks may be further increased if our disaster recovery plans prove to be inadequate. Any of the foregoing may result in business interruptions that may adversely affect our business, financial condition and results of operations. Further, the insurance we maintain may be insufficient to cover our losses resulting from such business interruptions, and any incidents may result in loss of, or increased costs of, such insurance.

General business and economic conditions, and risks related to the long-haul trucking, industrial trucking, oil and gas and defense ecosystems, may adversely affect our business, financial condition, and results of operations.

Our performance is subject to macroeconomic conditions that are beyond our control and the effect of such conditions on levels of activity in ground transportation. Such macroeconomic factors include interest rates, the rate of inflation, unemployment levels, the availability of government stimulus and unemployment compensation payments, the impact of a federal government shutdown, supply chain constraints, trade barriers and sanctions, geopolitical conflicts, natural disasters, health epidemics, gasoline prices, adjustments in monthly payments, adjustable-rate mortgages and other debt payments, and consumer perceptions of economic condition. For example, changes in macroeconomic conditions due to actual or proposed tariff changes could increase consumer prices, unemployment rates, and inflation, each of which in turn could affect consumer spending and the amount of products requiring ground transportation by our customers or partners. A deterioration of macroeconomic conditions may therefore cause fluctuations in our ability to scale our commercial operations or adversely affect our business, financial condition, and results of operations.

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

Not applicable.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

Rule 10b5-1 Trading Plans

During the quarter ended June 30, 2026, the following director and officers, as defined in Rule 16a-1(f), adopted a “Rule 10b5-1 trading arrangement” or a “non-Rule 10b5-1 trading arrangement,” each as defined in Regulation S-K Item 408:

On May 29, 2026, Don Burnette, our Chief Executive Officer and a member of our Board of Directors, adopted a Rule 10b5-1 trading arrangement providing for the sale from time to time of up to 4,750,000 shares of our common stock. The trading arrangement is intended to satisfy the affirmative defense in Rule 10b5-1(c). The duration of the trading arrangement is until September 24, 2027, or earlier if all transactions under the trading arrangement are completed.

On June 5, 2026, Jordan Coleman, our Chief Legal and Policy Officer, adopted a Rule 10b5-1 trading arrangement providing for the sale from time to time of up to 1,162,250 shares of our common stock. The trading arrangement is intended to satisfy the affirmative defense in Rule 10b5-1(c). The duration of the trading arrangement is until June 16, 2027, or earlier if all transactions under the trading arrangement are completed.

On June 11, 2026, Michael Wiesinger, our Chief Operating Officer, adopted a Rule 10b5-1 trading arrangement providing for the sale from time to time of up to 1,328,635 shares of our common stock. The trading arrangement is intended to satisfy the affirmative defense in Rule 10b5-1(c). The duration of the trading arrangement is until June 16, 2027, or earlier if all transactions under the trading arrangement are completed.

On June 12, 2026, Surajit Datta, our Chief Financial Officer, adopted a Rule 10b5-1 trading arrangement providing for the sale from time to time of up to 100,000 shares of our common stock. The trading arrangement is intended to satisfy the affirmative defense in Rule 10b5-1(c). The duration of the trading arrangement is until June 17, 2027, or earlier if all transactions under the trading arrangement are completed.

On June 12, 2026, Zsuzsanna Major, our Chief People Officer, adopted a Rule 10b5-1 trading arrangement providing for the sale from time to time of up to 1,250,961 shares of our common stock. The trading arrangement is intended to satisfy the affirmative defense in Rule 10b5-1(c). The duration of the trading arrangement is until June 16, 2027, or earlier if all transactions under the trading arrangement are completed.

During the quarter ended June 30, 2026, no other directors or officers, as defined in Rule 16a-1(f), adopted or terminated a “Rule 10b5-1 trading arrangement” or a “non-Rule 10b5-1 trading arrangement,” each as defined in Regulation S-K Item 408.

Item 6. Exhibits.

We have filed the exhibits listed on the accompanying Exhibit Index, which is incorporated herein by reference.

		Incorporated by Reference				
Exhibit Number	Description	Form	File No.	Exhibit Number	Filing Date	Filed Herewith
10.1*	Amended and Restated Master Services Agreement between Kodiak Robotics, Inc. and Fountainhead Logistics, LLC, dated August 5, 2026					X
31.1	Certification of Principal Executive Officer pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
31.2	Certification of Principal Financial Officer pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					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††	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.					X
101.SCH††	Inline XBRL Taxonomy Extension Schema Document					X
101.CAL††	Inline XBRL Taxonomy Extension Calculation Linkbase Document					X
101.DEF††	Inline XBRL Taxonomy Extension Definition Linkbase Document					X
101.LAB††	Inline XBRL Taxonomy Extension Label Linkbase Document					X
101.PRE††	Inline XBRL Taxonomy Extension Presentation Linkbase Document					X
104††	Cover Page Interactive Data File (embedded within the Inline XBRL document)					X

Certain confidential information contained in this exhibit has been omitted because it is both (i) not material; and (ii) the type that the registrants treat as private or confidential.

These certifications furnished in Exhibits 32.1 and 32.2 hereto are deemed to accompany this Quarterly Report on Form 10-Q and are not deemed “filed” for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section, nor shall they be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act.

† The financial information contained in these XBRL documents is unaudited.

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.

Signature	Title	Date
/s/ Don Burnette Don Burnette	Chief Executive Officer and Director (Principal Executive Officer)	August 7, 2026
/s/ Surajit Datta Surajit Datta	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	August 7, 2026

CERTAIN CONFIDENTIAL INFORMATION, MARKED BY [***], HAS BEEN EXCLUDED FROM THIS EXHIBIT BECAUSE (I) IT IS NOT MATERIAL AND (II) THE REGISTRANT CUSTOMARILY AND ACTUALLY TREATS THE INFORMATION AS PRIVATE AND CONFIDENTIAL.

Amended and Restated Master Services Agreement

This Amended and Restated Master Services Agreement (this "**Agreement**"), effective as of the date of last signature hereto (the "**Effective Date**"), is by and between Kodiak Robotics, Inc., a Delaware corporation with offices located at 1049 Terra Bella Ave., Mountain View, CA 94043 ("**Licensor**"), and Fountainhead Logistics LLC, a Delaware limited liability company with offices located at [***] ("**Licensee**"). Licensor and Licensee may be referred to herein collectively as the "**Parties**" or individually as a "**Party**".

WHEREAS, the Parties entered into a certain Master Services Agreement dated July 17, 2024, as supplemented dated December 8, 2024, as amended dated June 13, 2025, as amended May 27, 2026, as amended July 7, 2026 (the "**Existing Master Services Agreement**");

WHEREAS, Licensor and Licensee (or its Affiliates) previously entered into certain agreements involving Licensor's autonomous driving capabilities, with such agreements described more particularly in Section 29.8(a);

WHEREAS, Licensor has successfully demonstrated certain autonomous driving capabilities in Licensee's business, including the driverless delivery of sand;

WHEREAS, Licensor desires to license the Kodiak Technology and provide certain other Services associated with the Kodiak Technology to Licensee;

WHEREAS, Licensee desires to obtain a license to use the Kodiak Technology and receive certain other Services associated with the Kodiak Technology for its business purposes, subject to the terms and conditions of this Agreement; and

WHEREAS, the Parties desire to amend and restate the Existing Master Services Agreement in its entirety, together with all Amendments.

NOW, THEREFORE, in consideration of the mutual covenants, terms, and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Definitions.

"**Action**" means any claim, action, cause of action, demand, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, subpoena, or investigation of civil, criminal, administrative, regulatory, or any other nature, whether at law, in equity, or otherwise.

"**Affiliate**" of a Person means any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with such Person.

The term "control" (including the terms "controlled by" and "under common control with") means the direct or indirect power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise.

"**Aggregate**" means to compile Licensee's data collected under this Agreement with other datasets and using commercially reasonable efforts to reduce the percentage of the dataset represented by Licensee's data to the lowest reasonable level.

"**[***]**" has the meaning set forth in Section 23.2.

"**Agreed Hardware Value**" has the meaning set forth in Section 5.6(b).

"**Agreement**" has the meaning set forth in the preamble.

"**[***]**" has the meaning set forth in Section 12.2(a).

"**Atlas Technology**" has the meaning set forth in Section 18.1(b).

"**Availability Notice**" has the meaning set forth in Section 8.

"**Business Day**" means a day other than a Saturday, Sunday, or other day on which banking institutions of the United States are authorized or required by Law to be closed for business.

"**[***]**" has the meaning set forth in Section 23.3.

"**Confidential Information**" has the meaning set forth in Section 17.1.

"**Decommission**" has the meaning set forth in Section 10.

"**Delivery Date**" has the meaning set forth in Section 16.1.

"**Discloser**" has the meaning set forth in Section 17.1.

"**Documentation**" means Licensor's operational policies and procedures, training documentation, user manuals, and other documentation relating to the Hardware and Software (the "**Kodiak Technology**") installed on the Tractors that Licensor provides or makes available to Licensee in any form or medium which describe the functionality, components, features, or requirements of the Kodiak Technology; provided that, once the Documentation is incorporated into a particular SOW, the Documentation is deemed comprehensive and complete as to such SOW until such time as the SOW is amended in accordance with Section 29.15.

"**DOT**" has the meaning set forth in Section 13.1(a).

"**DOT Inspection**" has the meaning set forth in Section 12.5(a).

"**Effective Date**" has the meaning set forth in the preamble.

“**[***]**” has the meaning set forth in Section 12.5(c).

“**Equipment**” means each tractor that the Parties mutually agree shall be Upfitted with Kodiak Technology.

“**Existing Agreements**” means (i) that certain Non-Disclosure Agreement between Licensor and Parent dated as of November 2, 2023; and (ii) that certain Amended & Restated Autonomous Vehicle Transportation Agreement between Licensor and Licensee’s Affiliate dated as of June 20, 2024 and governing various testing activities and Licensor’s provision of transportation services with Licensor vehicle(s) equipped with Licensor’s autonomous driving technology, in each case as set forth with more particularity therein.

“**[***]**” has the meaning set forth in Section 18.5.

“**Fleet**” means Licensee’s fleet of Tractors.

“**First Meeting**” has the meaning set forth in Section 29.18(b).

“**FMCSRs**” has the meaning set forth in Section 12.

“**Force Majeure Event**” has the meaning set forth in Section 29.13(a).

“**Hardware**” has the meaning set forth in Section 4.1.

“**Hardware License**” has the meaning set forth in Section 5.1.

“**Hardware Loss**” has the meaning set forth in Section 5.6(a).

“**Indemnitee**” has the meaning set forth in Section 21.5.

“**Indemnitor**” has the meaning set forth in Section 21.5.

“**Intellectual Property Rights**” means any and all registered and unregistered intellectual, proprietary, or industrial rights granted, applied for, or otherwise now or hereafter in existence under or related to any patent, copyright, trademark, trade secret, database protection, data, machine learning/ artificial intelligence model, algorithm or other intellectual property, and all similar or equivalent rights or forms of protection, in any part of the world.

“**Jointly Developed Technology & IP**” has the meaning set forth in Section 18.1(e).

“**Jointly Developed Technology & IP Notice**” has the meaning set forth in Section 18.1(e).

“**Kodiak Technology**” has the meaning set forth in “**Documentation**” above.

“**Law**” means any statute, law, ordinance, regulation, rule, code, order, constitution, treaty, common law, judgment, decree, or other requirement of any federal, state, local, or foreign government or political subdivision or entity thereof, including any court or tribunal of competent jurisdiction.

“**License Fees**” has the meaning set forth in Section 16.1.

“**Licensee**” has the meaning set forth in the preamble.

“**Licensee Background IP**” has the meaning set forth in Section 18.1(b).

“**Licensee Foreground IP**” has the meaning set forth in Section 18.1(d).

“**Licensee Indemnitee**” has the meaning set forth in Section 21.1(a).

“**Licensor**” has the meaning set forth in the preamble.

“**Licensor Background IP**” has the meaning set forth in Section 18.1(c).

“**Licensor Foreground IP**” has the meaning set forth in Section 18.1(d).

“**Licensor Indemnitee**” has the meaning set forth in Section 21.2(a).

“**Limited Hardware Warranty**” has the meaning set forth in Section 19.2(a).

“**Losses**” means all losses, damages, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs, or expenses of whatever kind, including reasonable attorneys’ fees and the costs of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers.

“**Maintenance Release**” has the meaning set forth in Section 13.2(c).

“**New Version**” means any new version of the Software that Licensor may from time to time introduce and market generally as a distinct licensed product (as may be indicated by Licensor’s designation of a new version number).

“**Non-[***] Operations**” [***].

“**Notice of Mediation**” has the meaning set forth in Section 29.18(d).

“**ODD**” shall mean the then-approved operational design domain, including road type, route, weather conditions, speed limits, connectivity requirements, and other relevant factors, as set forth, and supplemented, amended and/or restated from time to time in each applicable SOW.

“**OEM**” has the meaning set forth in Section 5.4(c).

“**Open Source Components**” means any software component that is licensed pursuant to any license that is, or is substantially similar to, a license now or in the future approved by the Open Source Initiative and listed at http://www.opensource.org/licenses (including all versions of [***]) or any license under which such software component or other materials are distributed or licensed as "free software," "open source software," or under similar terms or models.

"**Open Source License**" has the meaning set forth in Section 6.2.

"**Parent**" has the meaning set forth in Section 29.2.

"**Party**" and "**Parties**" have the meaning set forth in the preamble.

"**Payment Date**" has the meaning set forth in Section 16.3.

"**Payment Failure**" has the meaning set forth in Section 28.2(a).

"**Permitted Use**" has the meaning set forth in Section 2.1.

"**Person**" means an individual, corporation, partnership, joint venture, limited liability entity, governmental authority, unincorporated organization, trust, association, or other entity.

"**Pre-production Version**" has the meaning set forth in Section 27.

"**Recipient**" has the meaning set forth in Section 17.1.

"**[***]**" has the meaning set forth in Section 10.1.

"**Representatives**" means, with respect to a Party, that Party's and its Affiliates' respective employees, officers, directors, consultants, third-party technology and/or service providers, and professional advisors.

"**Service Level Agreement**" means **Exhibit E** attached hereto that describes Licensor's performance metrics and obligations related to the uptime of Tractors and Kodiak Technology.

"**Services**" means Upfitting; maintenance of Hardware, Software, and Kodiak Technology; and any other services set forth in this Agreement or a SOW.

[***]

"**Software**" means the executable, object-code version of the then-installed software on a given Tractor, and any Maintenance Releases provided to Licensee or installed on Licensee's Tractors pursuant to this Agreement.

"**Software License**" has the meaning set forth in Section 6.1.

"**SOW**" means a statement of work or other ordering document for Services executed by a duly authorized representative of each Party under this Agreement. The form of SOW is attached as **Exhibit D**. Each SOW shall set forth, at a minimum, the applicable Equipment to be purchased and the ODD and Documentation applicable to such Equipment.

"**Suspension**" has the meaning set forth in Section 7.

“**Term**” has the meaning set forth in Section 28.1.

“**Territory**” means [***] roads and lands in connection with [***] within the [***] perimeters (as commonly known) and as may be expanded in accordance with Section 25 or an SOW.

“**Third-Party Materials**” means materials and information, in any form or medium, that are not proprietary to Licensor, including any third-party: (a) documents, data, content, or specifications; (b) Open Source Components or other software, hardware, or other products, facilities, equipment or devices; and (c) accessories, components, parts, or features of any of the foregoing.

“**Tractor**” means Equipment that has been Upfitted with Kodiak Technology.

“**Truck Delivery Schedule**” means the latest version of that certain document titled as Truck Delivery Schedule that sets forth estimated dates for Equipment ordering and delivery, with such document being amendable from time to time upon mutual agreement by the Parties. The latest version of such document shall be the document most recently acknowledged by both Parties with the signature of each Relationship Contact (as defined in the Service Level Agreement). For avoidance of doubt, this document creates no obligations or liabilities other than as expressly set forth in this Agreement.

“**UCC**” has the meaning set forth in Section 29.19.

“**Upfit**”, “**Upfitted**”, or “**Upfitting**” has the meaning set forth in Section 4.1.

“**Upfitter**” has the meaning set forth in Section 4.2.

“**Warranty Period**” has the meaning set forth in Section 19.2.

2. Scope of Agreement.

2.1 Purpose. The Parties intend to collaborate on development and commercialization of Kodiak Technology. Licensor agrees to Upfit and provide services for up to [***] pieces of Equipment with the Kodiak Technology for Licensee’s use, subject to the terms and conditions of this Agreement, and Licensee agrees to license the Kodiak Technology for use in such Tractors subject to and in accordance with the terms of this Agreement. Licensee may operate and use the Tractors in the Territory and within the ODD, subject to the terms and conditions of this Agreement for the purpose of logistics applications in the oil and gas industry (the “**Permitted Use**”). Where reasonably necessary, Licensor may, at its sole cost, employ human safety drivers to support the Kodiak Technology in its application to the Permitted Use.

2.2 Scope of Work. Licensor agrees to provide to Licensee the Services set forth in each applicable SOW. Following Licensor’s successful completion of the milestones set forth in **Exhibit C**, Licensee will be obligated to purchase an initial [***] Tractors and take delivery of such Tractors as made available from Licensor, subject to any of Licensee’s termination rights set forth in Section 28.2 of this Agreement (the “**Initial Purchase Obligation**”). Licensee shall, following Licensor's written confirmation that the milestones have been successfully completed (for which email shall suffice), have the obligation to order and deliver the number of pieces of Equipment (up to [***] such pieces of Equipment) to Licensor for Upfitting in accordance with the Truck Delivery Schedule, subject to the OEM's availability and the terms of this Agreement. Notwithstanding the foregoing, if Licensor successfully completes the milestones, at least [***] pieces of Equipment shall be ordered by Licensee from the Equipment OEM in the quantities and no later than [***].

3. Equipment.

3.1 Cost. Licensee acknowledges and agrees that the cost of the Equipment and, solely as it relates to adding redundant actuation [***], Upfitting ("**Redundant Actuation Upfitting**") and the Hardware redundant actuation components being Upfit ("**Redundant Actuation Hardware**") are independent of and not included in the License Fees. [***].

3.2 Selection of Equipment. The Parties shall mutually determine the year, make, model, and supplier, and other aspects as mutually agreed, of the Equipment to be Upfitted, and each such piece of Equipment shall be identified on **Exhibit B** (the initial list is attached and shall be periodically updated to reflect the addition or removal of Tractors to or from Licensee's Fleet as subsequently agreed by the Parties). Neither Party will be liable to the other for any failure or delay in delivery of any Equipment solely as a result of any OEM, OEM dealership, or other dealer of Equipment.

4. Upfitting of Equipment.

4.1 Upfitting. Upfitting of the Equipment includes [***]. This process is referred to herein collectively as "**Upfit**", "**Upfitted**", or "**Upfitting**". All Upfitting shall be completed in accordance with the applicable SOW. [***].

4.2 Upfitter. Licensor shall select reasonable and appropriate vendor(s) responsible for all or any portion of the Upfitting of the Equipment (the "**Upfitter**"). Licensee shall coordinate the delivery of each piece of Equipment (a) to the Upfitter and (b) following completion of Upfitting by the Upfitter for such piece of Equipment, to Licensor to the extent reasonably required by the Licensor. Licensor shall cause the Upfitter to inspect the Equipment upon arrival and to notify Licensee regarding any observed defects. Licensor shall complete the Upfitting, if needed, by installing any Hardware and Software not installed by the Upfitter. Licensor shall solely bear the risk of loss for Equipment during Upfitting.

4.3 Logistics. Licensee shall be responsible for, at its sole cost and expense, coordinating transportation of the Equipment between the OEM, the Upfitter, the Licensor (if needed) and ultimate delivery to Licensee's place of business. Licensee shall solely bear the risk of loss for Equipment during transportation of Equipment as set forth in this Section 4.3.

4.4 Timing. Licensor agrees to cause the Upfitting (including Upfitting occurring following events described in Section 10) to be completed within a reasonable time following the date of receipt of a piece of Equipment by the Upfitter; provided that such receipt of a piece of

Equipment shall be no sooner than as set forth on the Truck Delivery Schedule, unless otherwise agreed to in writing by the Parties. On the [***] after such date of receipt (subject to the proviso in the immediately foregoing sentence) and for each day thereafter until completion of Upfitting, Licensor shall pay to Licensee a penalty equal to [***]. The parties agree to review the [***].

5. Hardware.

5.1 Hardware License. Subject to Licensee's compliance with this Agreement (including payment of all undisputed Fees), Licensor hereby authorizes Licensee to use the Hardware solely for the Permitted Use during the Term (the "**Hardware License**"). For clarity, while the Hardware License is an intellectual property license, it does not grant or transfer to Licensee any ownership or other rights under any Intellectual Property Rights in or to any Hardware, other than a limited right to use the Hardware that is provided by Licensor hereunder. Further, [***], Licensee shall not obtain any license or other rights under any Intellectual Property Rights related to how the same works with and within the Kodiak Technology in conjunction with the Kodiak Technology [***].

5.2 Rights to Hardware. The Hardware, [***], will at all times remain the sole and exclusive property of Licensor. Subject to the Hardware License, Licensee shall use Hardware, [***], and shall ensure that such Hardware is used, only in furtherance of the Permitted Use and in accordance with this Agreement. Licensee shall not, and shall not permit any other Person to, transfer, deliver, or pledge as debt collateral the licensed Hardware to any other Person, except as expressly permitted by this Agreement. Licensee shall as soon as commercially feasible grant Licensor reasonable access to the Hardware for purpose of inspection, observation, measurement of usage, alteration, repair, and installation of upgrades or other improvements upon request by Licensor or at Licensee's request.

5.3 Liens and Encumbrances.

(a) Licensee agrees not to directly create or permit to exist, and to promptly and at Licensee's own expense, discharge, any lien, charge, or encumbrance on the Hardware or any other property of Licensor, or its Affiliates, within the scope of the services being provided by Licensor under this Agreement, except for any lien, charge, or encumbrance (i) resulting from the acts of Licensor [***]. Licensee agrees to notify Licensor if any such action occurs promptly after gaining knowledge of the same. It is a breach of this Agreement if Licensee or its Representative places, files, or threatens to place or file, a lien or encumbrance on the Hardware [***]. If a lien is placed on any such property, Licensee shall promptly remove it at Licensee's sole cost. Licensee shall indemnify, defend, and hold harmless any Licensor Indemnitee (defined herein) from and against any such breach. To the extent that Licensor directly creates or permits to exist any lien, charge, or encumbrance on the Hardware [***], Licensee shall permit Licensor to place a lien on such Hardware that shall be superior to all other liens on such Hardware. It is a breach of this Agreement if Licensor or its Representative places, files, or threatens to place or file, a lien or encumbrance on any property of Licensee, or its Affiliates within the scope of the transportation services referenced herein, including the Equipment, trailers, dollies, and cargo, or any property of any of Licensee's or Licensee's Affiliates' customers. If a lien is placed on any such property, Licensor shall promptly remove it at Licensor's sole cost. Licensor shall indemnify, defend, and hold harmless any Licensee Indemnitee (defined herein) from and against any such breach.

(b) Prior to Licensor creating or permitting to exist any third-party lien, charge or encumbrance on the Hardware Licensor shall cause the secured party with respect to any such lien, charge or encumbrance to enter into an agreement directly with Licensee (in a form reasonably acceptable to Licensee) pursuant to which such secured party (i) acknowledges Licensee's rights pursuant to this Agreement and (ii) agrees that, among other things, as long as Licensee is not in default under this Agreement, Licensee's rights pursuant to this Agreement shall not be diminished or interfered with by such secured party or any party acting on behalf of such secured party.

5.4 Licensee's Obligations Related to the Hardware. With respect to the Hardware and installation and use thereof, Licensee further acknowledges and agrees that:

(a) [***].

(b) Upon the earliest of (i) demand by Licensor as expressly authorized herein, (ii) the expiration of the Hardware License with respect to a Tractor, or (iii) the expiration or termination of this Agreement, Licensee shall promptly, but in no event more than [***], make the Tractor available to Licensor for removal of Hardware [***], in reasonable and safe condition, subject to ordinary wear and tear; which for the avoidance of doubt shall not restrict or prevent Licensee from use of the Tractors or Equipment by way of manual operation after expiration of the Hardware License.

(c) Licensor will avoid damaging the Tractors when removing Hardware (ordinary wear and tear excepted), however, Licensor shall not be responsible for restoring any Equipment to its original condition as received from the original equipment manufacturer (the "**OEM**"). [***].

(d) Between Licensor and Licensee, Licensee shall be responsible for using the Hardware in line with the Permitted Use; provided that, Licensee shall not be responsible where a Licensor Representative causes use of the Hardware outside the Permitted Use, including while in [***] mode.

(e) Licensee shall not make alterations to Hardware or otherwise abuse, tamper with, or remove from the Tractor any Hardware.

5.5 Hardware License Restrictions. Except as expressly permitted by this Agreement or the applicable SOW or Documentation, Licensee shall not, shall not attempt to, and shall not permit any other Person to:

(a) modify, correct, adapt, enhance, or otherwise prepare derivative works or improvements of any Hardware;

(b) rent, lease, lend, sell, assign, distribute, transfer, or otherwise make available the Hardware to any third party, other than authorized vendors, mutually agreed by the Parties, for repair and/or replacement;

(c) reverse engineer, or disassemble, or extract any Software from the Hardware, or otherwise attempt to derive or gain access inside the casings of the Hardware, in whole or in part;

(d) bypass or breach any security device, protection, or other measure used for or contained in the Hardware;

(e) remove, efface, alter, obscure, combine, supplement, or otherwise change any Hardware;

(f) combine or integrate the Hardware with the Atlas Technology in any manner or for any purpose with the actual knowledge that it infringes, misappropriates, or otherwise violates any Intellectual Property Right or other right of any Person, or violates any applicable Law;

(g) use the Hardware for purposes of: (i) benchmarking or competitive analysis of the Hardware, other than in collaboration with Licensor; or (ii) developing, using, or providing a competing product or service that is competitive with Licensor; or

(h) use the Hardware other than for the Permitted Use or in any manner or for any purpose or application not expressly permitted by this Agreement.

Notwithstanding the foregoing, Licensee will not be in violation of this Section 5.5 to the extent that a Licensor Representative causes any of the foregoing.

5.6 Loss, Damage, or Destruction; Agreed Value.

(a) Loss. Other than with respect to a Hardware Loss that (i) that falls within the scope of Section 13.2(b) or the warranties set forth in Section 19.2, (ii) occurs during the Upfitting process, or (iii) is caused by the acts or omissions of Licensor or its Representatives, Licensee shall bear the risks of damage, theft, destruction, or other loss of or to the Hardware. If the Hardware becomes stolen, destroyed, damaged, confiscated, requisitioned, commandeered, or otherwise lost (each, a "**Hardware Loss**"), and such Hardware Loss does not fall within the scope of any of the above (i)-(iii) set forth in this section, Licensee agrees to (y) promptly notify Licensor of such Hardware Loss in writing and (z) no later than the next Payment Date immediately following the replacement of such Hardware by Licensor, pay Licensor an amount equal to the Agreed Hardware Value for such Hardware as of the date of Hardware Loss; provided that, in the event of a partial Hardware Loss, the Parties shall work together in good faith to determine a reasonable payment amount. Except where covered by any of the above (i)-(iii) set forth in this section, Licensor shall not be required to replace any Hardware on any Tractor that sustained a Hardware Loss. Should Licensor have new Hardware or formerly decommissioned Hardware for installation, Licensee may request in writing that one or the other be installed on the Tractor that sustained the Hardware Loss, and Licensee shall be responsible for any and all costs, fees, and expenses for new Hardware and/or Upfitting, except where covered by any of the above (i)-(iii) set forth in this section. Licensor shall be solely responsible for Hardware Loss covered by any of the above (i)-(iii) set forth in this section. Licensor shall install new Hardware or formerly decommissioned Hardware for re-installation. [***].

(b) Agreed Hardware Value. "**Agreed Hardware Value**" means the amount set forth in the respective SOW for the Hardware for the applicable month following installation of such Hardware associated with the Tractor at issue. Licensor and Licensee acknowledge and agree that the Agreed Hardware Value during the Term represents the Parties' collective best and reasonable estimates of the actual fair market value of the Hardware as of the date of execution of the applicable SOW.

5.7 [***].

6. Software License.

6.1 License Grant. Subject to Licensee's compliance with this Agreement (including payment of all undisputed Fees), Licensor hereby grants to Licensee a non-exclusive, term-limited, non-sublicensable, and non-transferable (except in compliance with Section 29.9) license to use the Software and Documentation solely for the Permitted Use in conjunction with the Kodiak Technology during the Term (the "**Software License**").

6.2 Open Source Licenses. Licensee acknowledges and agrees that (a) the Software includes Open Source Components licensed pursuant to the Open Source licenses set forth in the Documentation (each, an "**Open Source License**"), and (b) Licensee's use of the Open Source Components included in the Software is governed by, and subject to, the terms and conditions of such Open Source Licenses. Licensor agrees to identify any such Open Source Licenses in the applicable Documentation.

6.3 Security Measures. Licensee acknowledges and agrees that (a) the Software may contain technological measures designed to prevent unauthorized or illegal use of the Software, and (b) Licensor may (i) use such technological measures, and other lawful means, to verify Licensee's compliance with this Agreement and enforce Licensor's rights, including all Intellectual Property Rights, in and to the Software; and (ii) itself and through its Representatives collect, maintain, process, and use diagnostic, technical, usage, and related information, including information about Licensee's Tractors, that Licensor may gather to improve the performance of the Software or develop Maintenance Releases (which for the avoidance of doubt, all of the aforementioned shall be considered confidential).

6.4 License Restrictions. Except as expressly permitted by this Agreement or the applicable SOW or Documentation, and except to the extent such restrictions are prohibited by applicable Law, and subject to Section 6.2 with respect to Open Source Components included in the Software, Licensee shall not, shall not attempt to, and shall not permit any other Person to:

(a) copy the Software, in whole or in part;

(b) modify, correct, adapt, translate, enhance, or otherwise prepare derivative works or improvements of any Software;

(c) sell, sublicense, assign, distribute, publish, transfer, or otherwise make available the Software to any third party;

(d) reverse engineer, disassemble, decompile, decrypt, or decode the Software, or otherwise attempt to derive or gain access to the source code of the Software, in whole or in part;

(e) bypass or breach any security device, protection, or other measure used for or contained in the Software or Documentation;

(f) remove, delete, efface, alter, obscure, translate, combine, supplement, or otherwise change any trademarks, terms of the Documentation, warranties, disclaimers, or Intellectual Property Rights, proprietary rights, or other symbols, notices, marks, or serial numbers on or relating to any copy of the Software or Documentation;

(g) combine or integrate the Software with the Atlas Technology in any manner or for any purpose with the actual knowledge that it infringes, misappropriates, or otherwise violates any Intellectual Property Right or other right of any Person, or that violates any applicable Law;

(h) use the Software for purposes of: (i) benchmarking or competitive analysis of the Software; or (ii) developing, using, or providing a product or service that may compete with or replace any function of the Licensor's products and services provided hereunder; or

(i) use the Software or Documentation other than for the Permitted Use or in any manner or for any purpose or application not expressly permitted by this Agreement.

7. Suspension. Notwithstanding anything to the contrary in this Agreement, Licensor may suspend or otherwise prevent use of the Software, or any feature thereof, with respect to any Tractor, which may disable the Kodiak Technology and/or Tractor, for any of the following reasons: (a) Licensor reasonably determines in good faith that (i) use of the Kodiak Technology and/or Tractors is reasonably likely to result in or cause a material safety-related issue, including issues that may result from [***] as set forth in the ODD, or (ii) Licensor's provision of, or Licensee's use of, the Kodiak Technology is prohibited by Law; (b) Licensee uses the Kodiak Technology (i) in violation of applicable Law; (ii) outside of the Territory; (iii) not in accordance with the ODD; or (iv) for any other use other than the Permitted Use or that otherwise violates this Agreement; or (c) Licensee's failure to pay all undisputed License Fees when due and owing following a [***] cure period; provided that such cure period shall not be invoked more than [***] in the previous [***] (any such suspension or prevention of use, a "**Suspension**"). Licensor will promptly provide written notice (for which email shall suffice) of any Suspension to Licensee (and where reasonably practicable under the circumstances, such notice shall be in advance of the Suspension) and to provide updates regarding resumption of Licensee's ability to use the Software following any Suspension. Licensor will comply with Section 21.6, as

applicable, and use commercially reasonable efforts to resume Licensee's ability to use the Software as soon as reasonably possible after the event giving rise to the Suspension is cured. If Licensor complies with this section, Licensor will have no liability for any damage, liabilities, losses (including any lost profits), or any other consequences that Licensee may incur as a result of a Suspension.

8. Delivery. Upon completion of Upfitting, Licensor shall (a) make each Tractor available for inspection and acceptance by Licensee at Licensor's facility located in Lancaster, Texas, or at such other location as may be mutually agreed by Licensor and Licensee (of which such determination of mutually agreed to location shall be made in good faith and not unreasonably withheld), which for the avoidance of doubt may in the future be the Upfitter's location, and (b) provide prompt written notice (for which email shall suffice) to Licensee of such availability for inspection acceptance ("**Availability Notice**"). Upon Licensee's receipt of an Availability Notice, Licensee shall promptly arrange to inspect and accept the applicable Tractor as set forth in Section 9. Risk of loss of a Tractor shall shift back to Licensee upon Licensee's acceptance of such Tractor as set forth in Section 9.

9. Acceptance. Within [***] of Licensee's receipt of the applicable Availability Notice, Licensee shall inspect the applicable Tractor. Licensee shall accept a Tractor if Licensee determines, in Licensee's reasonable discretion, not to be unreasonably withheld, that, following [***]. If Licensee accepts a Tractor, then Licensee shall execute a Certificate of Acceptance of Tractor as set forth in **Exhibit A**; provided that Licensee shall be deemed to have accepted such Tractor if Licensee has failed to inspect such Tractor within [***] of Licensee's receipt of the applicable Availability Notice or (ii) transports such Tractor from the premises of the location of inspection and acceptance. If Licensee rejects a Tractor, then the Parties shall cooperate in good faith to remediate the deficiencies resulting in such rejection, and promptly following remediation of such deficiencies, Licensee shall again inspect such Tractor as set forth in this Section 9. Licensee's acceptance (including Licensee's deemed acceptance) of a Tractor shall conclusively establish that Licensee unconditionally accepts the Tractor "as is" and subject to this Agreement; provided that such Tractor shall still be subject to the warranties set forth in this Agreement and the service level requirements in the Service Level Agreement.

10. Decommissioning or Replacement of Tractors. If at any time Tractors will be permanently removed from autonomous use for any reason, Licensee shall provide Licensor access to remove the Kodiak Technology (except the Redundant Actuation Hardware) from such Tractor ("**Decommissioning**") upon or prior to the Tractor being removed from Licensee's autonomous fleet. Licensor will use any Hardware removed during such Decommissioning to provide maintenance services solely for other Tractors in Licensee's Fleet, subject to Licensor's determination, in its reasonable discretion, that such Hardware is safe, compatible, and suitable for continued use.

10.1 If a Tractor is Decommissioned solely as a result of the acts or omissions of Licensor (as between Licensee and Licensor), then [***]. Licensee shall not be obligated to [***] from the date on which such Tractor is Decommissioned until a [***] is placed in service.

Licensor shall use commercially reasonable efforts to minimize the period between Decommissioning and placement of the [***] in service.

10.2 If a Tractor is Decommissioned solely as a result of the acts or omissions of Licensee (as between Licensee and Licensor), then [***]. If a [***] is placed back into autonomous operation, then Licensee shall remain responsible for all License Fees for the entirety of the License Fee Term in accordance with Section 16.3 applicable to such Tractor, as if the Decommissioned Tractor were never taken out of service and as if the Decommissioned Tractor and the [***] are one and the same Tractor for purposes of the License Term. Licensor shall use commercially reasonable efforts to minimize the period between Decommissioning and placement of the [***] in service, but in any event, Licensee shall be responsible for [***].

10.3 Where a Decommissioning occurs by either Party, but the overall Party fault is not attributable solely to one Party or the responsibility determination is unclear or indeterminable, the Parties shall, [***].

10.4 Access to the Tractors. Upon at least [***] written notice to Licensee (for which email shall suffice), Licensee shall provide Licensor reasonable access during its ordinary business hours for the purpose of Decommissioning the Tractors.

10.5 Removal of Accessions. Licensee agrees and acknowledges that no Kodiak Technology, except the Redundant Actuation Hardware, shall be considered accessions to the Equipment. Licensor's removal of Kodiak Technology garners no requirement or responsibility by Licensor to refurbish Equipment back to OEM specifications or original condition.

10.6 Licensor Rights. Licensor may require Decommissioning of any Tractor for any of the following reasons: [***].

For clarity, the Parties will evaluate on a case-by-case basis in good faith which of Section 10.1, Section 10.2, or Section 10.3 applies where Licensor requires Decommissioning pursuant to this section.

11. System Integrations. Licensee shall provide Licensor access to and permit Licensor to integrate Kodiak Technology and Kodiak's fleet and operations management systems with any systems reasonably necessary for operation of the Tractors [***]; provided that anything required by Applicable Law or in order for Licensor to perform its obligations hereunder must be provided. [***].

12. Use of the Tractor. Licensee shall use each Tractor in the operation of Licensee's business, solely for the Permitted Use, in accordance with the Documentation, and in compliance with all applicable Laws (including all Federal Motor Carrier Safety Regulations ("**FMCSRs**") and other applicable highway safety, vehicle inspection, vehicle maintenance, traffic, road, truck size-and-weight, hazardous materials transportation, environmental, health, cargo security, and other Laws). Except as otherwise provided herein, Licensee shall, for purposes of applicable state and federal Department of Transportation regulations relating to operating authority, have

exclusive possession, control, and use of, and shall assume complete responsibility for the operation of, the Tractors during the Term.

12.1 [***]

12.2 Autonomous Driving. Tractors are designed to perform autonomous driving services within the ODD, subject to the following:

(a) [***]

(b) Remote Viewing. Licensee acknowledges and agrees that remote viewing of the Tractors by Licensor or its Representatives shall not be deemed control or operation of the Tractors for purposes of any applicable Law. Remote viewing includes viewing real-time or past Hardware data, Software data, location data, camera footage, and other performance or usage data, and shall only be conducted by Licensor to perform its obligations under this Agreement.

12.3 Licensor Drivers. All employees or contractors of Licensor who operate the Tractors, whether manually or through use of [***], shall be considered and remain employees or contractors, respectively, of Licensor, and shall not be considered to be employees of Licensee. Licensor further agrees to indemnify, defend, and hold harmless Licensee from and against any Actions alleging that any Licensor Representatives are employees of Licensee or its Affiliates.

12.4 Modifications to Tractors. Other than ordinary course maintenance as set forth in Section 13, Licensee may not, without the Licensor's prior written consent, (a) make alterations, additions, improvements, or other modifications to the Tractors other than cosmetic alterations, or (b) add, change, or remove any equipment (including any Hardware) that is or will be affixed to the Tractors. Without limiting the foregoing, Licensee shall not damage, remove, or deface any markings indicating sensor locations or identifying autonomous driving capability, and if any such markings are damaged, removed, or defaced, Licensee shall notify Licensee in writing promptly of such damage, removal, or defacement, upon which Licensor shall provide new marking to Licensee that Licensee shall place on the Tractor in the same manner as the previous marking. Notwithstanding any of the foregoing, the restrictions set forth in this section shall not apply to a Tractor following the expiration of its License Fee Term, provided the Kodiak Technology has been removed.

12.5 Inspections.

(a) DOT Inspections. Licensee shall, using qualified personnel and at its sole expense, perform all necessary inspections of Tractors and related equipment, including trailers, and perform all other duties as required by and in accordance with all applicable Laws (including all FMCSRs and other applicable highway safety, vehicle inspection, vehicle maintenance, traffic, road, truck size-and-weight, hazardous materials transportation, environmental, health, cargo security, and other Laws) related to the safe operation and on-road use of the Tractors. Without limiting the foregoing, Licensee shall complete a full inspection of the kind required annually by 49 C.F.R. § 396.17 (each, a "**DOT Inspection**") for each Tractor at the frequency required by applicable Law. In addition to a DOT Inspection, Licensee agrees to perform an inspection substantially similar to a DOT Inspection using its own Representatives for each Tractor at least once each year. Licensee shall represent, and Licensor shall be entitled to rely on the representation, that any necessary maintenance or repairs performed as a result of a roadside or other inspection were performed per industry standard and in a good and workmanlike manner prior to engaging any such Tractor in autonomy. Necessary maintenance and repairs due to violations resulting from a DOT Inspection or the findings of its own inspections shall be performed and completed prior to using such Tractor outside of manual mode. Notwithstanding the foregoing, at any time during the Term, Licensor may inspect the Tractors then subject to a License Fee Term following Licensor's written request at any mutually agreed time or location.

(b) Pre-Trip and Post-Trip Inspection. Licensee shall, using qualified personnel and at its sole expense, be required to complete pre-trip and post-trip inspections as set forth in the Documentation.

(c) [***]

12.6 Law Enforcement Interaction. The Parties shall work together in good faith to develop a standard operating procedure for interactions between law enforcement authorities and Tractors operating [***].

12.7 Cargo. Licensee shall be solely responsible for the loading, unloading, and securing of cargo for trailers to be attached to Tractors, including ensuring all required processes and procedures (whether required by Licensee under its internal policies and procedures, Licensee's end-customers or applicable Law).

12.8 [***]

13. Maintenance.

13.1 Licensee Obligations.

(a) Tractor Maintenance and Repairs. Licensee shall, at its sole expense, maintain the Tractor in safe condition and in compliance with all applicable Laws (including Laws enforced by the United States Department of Transportation ("**DOT**") and, solely to the extent that any Tractors are operated in California, the California Air Resources Board).

(b) Maintenance of Kodiak Technology. As described in Section 13.2(b), the Parties shall work together in good faith to develop and implement a certification process within [***] of the first autonomous Tractor delivery for Licensee to inspect and maintain Kodiak Technology installed in the Tractors. Prior to implementation of such certification process, Licensor shall be responsible for performance of such inspection, calibration, and maintenance, and shall maintain and, promptly upon Licensee's written request, provide copies of, all records of maintenance. Upon implementation of such certification process, Licensee shall be primarily responsible for performance of such inspection and maintenance, and shall maintain all records of such inspection and maintenance.

(c) Records Management. Licensee shall maintain all inspection, maintenance, and repair records (including, but not limited to, records for inspections by Licensee, pre-trip and post-trip inspections, DOT Inspections, [***], inspections at weigh stations, roadside inspections, parts and/or labor invoices, and maintenance records) for each Tractor for a minimum of [***] from such inspection, maintenance, or repair, and Licensee agrees that prior to operation of an applicable Tractor, all necessary maintenance and repairs will be completed and performed per industry standard, in a good and workmanlike manner, and, where applicable, in accordance with any Documentation requirements, and Licensor shall be entitled to rely on the completion of such maintenance and repairs when the applicable Tractor is put into operation.

13.2 Licensor Obligations.

(a) Tractor Access. Licensee shall provide Licensor reasonable access during its ordinary business hours for the purpose of performing maintenance of the Kodiak Technology at Licensee or Licensor facilities.

(b) Hardware Maintenance. Licensor shall be responsible for all ordinary maintenance and repair of the Hardware for the period lasting until [***] after the Delivery Date of the first Tractor, or if the certification process described below is earlier completed then the date such certification process is put into effect. [***]. Licensee acknowledges that coverage under the manufacturer's warranties and maintenance plans may be voided in the event that certain seals installed on the Hardware are broken, and notwithstanding Licensee's maintenance responsibilities set forth in Section 13.1(b), Licensee shall promptly inform Licensor when the Hardware is defective or damaged and shall not attempt to repair, replace, or remove such Hardware, nor permit any adjustments or repairs to be made to such Hardware other than by Licensor, a facility affiliated with the manufacturer, or as otherwise authorized in writing by Licensor. To the extent that all or certain components of the Hardware must be removed for repair or replacement, [***].

(c) Software Updates. During the Term, Licensor shall integrate into the Kodiak Technology for each Tractor any upgrades, New Versions, and bug fixes (including updated Documentation) ("**Maintenance Releases**") that are applicable to the ODD and which meet Licensor's applicable safety standards, as determined in Licensor's reasonable discretion; provided that, a Maintenance Release shall not be made available to Licensee until Licensor has successfully tested it in its environment on the same version of the applicable technology. Promptly upon written notice from Licensor, Licensee shall remove any applicable Tractor from operation so that Licensor may integrate any Maintenance Releases into the Kodiak Technology for such Tractor. Licensor shall use commercially reasonable efforts to advise Licensee of scheduled Maintenance Releases in advance. Licensee acknowledges that Maintenance Releases cannot be integrated into the Kodiak Technology for any Tractor while in operation, and Licensee shall not operate, or permit the operation of, any Tractor during the integration of Maintenance Releases into the Kodiak Technology for such Tractor. Licensor shall integrate Maintenance Releases on a Tractor and shall use commercially reasonable efforts to return such Tractor to Licensee within [***] of Licensor's removal of such Tractor from operation. Licensor will use commercially reasonable efforts to integrate Maintenance Releases during Hardware maintenance and vehicle maintenance downtime to minimize a Tractor's removal from Licensee's operations (Licensee shall use commercially reasonable efforts to advise Licensor of scheduled vehicle maintenance in advance, and anticipated duration of vehicle maintenance to aid Licensor in scheduling performance of the Maintenance Releases). Licensor shall promptly notify Licensee regarding any condition relating to the Kodiak Technology (including, without limitation, a virus, bug, or other technical malfunction) that is reasonably likely to result in or cause a material safety-related issue. In any such case, Licensor shall provide proposed updates to the Documentation, if necessary or appropriate.

14. Regulatory Requirements. Each Party recognizes that the underlying purpose of this Agreement is related to motor carrier transportation services and subject to applicable Laws. Licensor and Licensee each acknowledge that it has a full and complete understanding and knowledge of the requirements of all applicable motor carrier transportation authorities. Each of Licensor and Licensee agrees, as applicable, as follows:

14.1 Licensee shall be, and at all times during the Term shall remain, registered with the Federal Motor Carrier Safety Administration ("**FMCSA**") and all other regulatory agencies as required by applicable Law, and shall retain such authority necessary to cover the commodities and geographical scope of all transportation services provided by the Tractors in connection with this Agreement. Licensee represents and warrants that it has a DOT safety rating of "satisfactory" or "unrated." Licensee shall, as soon as reasonably practicable (but no longer than [***]), notify Licensor if Licensee obtains any DOT safety rating other than "satisfactory" or "unrated" and cease all autonomous operations until the Parties have discussed and determined in good faith how to address such DOT safety rating; provided that, upon Licensee's request, Licensor agrees to engage in any such discussions in good faith, without delay, and in a manner that supports safe resumption of autonomous operations as soon as reasonably practicable. The Parties agree that, if Licensee complies with the foregoing sentence, Licensee shall have no liability to Licensor relating to its DOT safety rating and shall not be in breach or default of this Agreement. Licensee must at all times meet FMCSA's safety standards sufficient to operate the Tractors without FMCSA intervention or restriction pertaining to any of the safety evaluation areas measured by FMCSA's Compliance, Safety, Accountability Program.

14.2 Each Party will share with the other Party, solely to the extent required by applicable Law or reasonably necessary to perform a Party's obligations hereunder, in a timely manner, all applicable driver logs and supporting documents, incident information, vehicle information, accident reports, and any other information, data, documents, or reports required to comply with the requirements of any motor carrier transportation authority with jurisdiction over such other Party; provided, however, that no information subject to HIPAA or Laws related to personally identifiable information shall be provided under this Section 14.2. The Parties agree to cooperate in good faith if some or all of the requested information is privileged or confidential.

14.3 Licensor agrees to comply with all reasonable specifications provided by Licensee with regard to rules and requirements at origin, destination, and routes communicated to Licensor with which Licensor may safely comply without violating applicable Law or Licensor's

Documentation, and without endangering the public, Licensor's workers, and the property being transported; provided that, Licensor will promptly advise Licensee if it considers any specifications not to be reasonable.

15. [***]

16. Cost; Obligation to License.

16.1 License Fees. Commencing on the date of acceptance or deemed acceptance of a Tractor in accordance with Section 9 (the "**Delivery Date**"), Licensee shall pay Licensor [***] license fees (the "**License Fees**") for such Tractor for a period lasting until [***] after the Delivery Date (the "**License Fee Term**"). [***].

16.2 Taxes. All License Fees and other amounts payable by Licensee under this Agreement are exclusive of taxes and similar assessments. Without limiting the foregoing, Licensee is responsible for all sales, use, and excise taxes, and any other taxes, duties, and charges of any kind imposed by any federal, state, provincial, or local governmental or regulatory authority on any amounts payable by Licensee hereunder, other than any taxes imposed on Licensor's income.

16.3 Payment. Licensee shall pay all undisputed License Fees due and owing under this Agreement on or before the respective Delivery Date and on or before the [***] (the "**Payment Date**"). Licensee shall make all payments hereunder in US dollars.

16.4 Late Payment. If Licensee fails to make any undisputed payment when due and Licensor has provided [***] written notice to Licensee of such late payment (provided that such prior [***] written notice shall not be required if it has occurred more than [***] in the previous [***]), then in addition to all other remedies that may be available to Licensor:

(a) [***];

(b) Licensee shall reimburse Licensor for all reasonable costs incurred by Licensor in collecting any late payment of undisputed amounts due under this Agreement or related interest, including attorneys' fees, court costs, and collection agency fees; and

(c) [***].

16.5 No Deductions or Setoffs. All undisputed amounts payable to Licensor under this Agreement shall be paid by Licensee to Licensor in full without any setoff, recoupment, counterclaim, deduction, debit, or other withholding for any reason (other than any deduction or withholding of taxes as required by applicable Law or credits due pursuant to the Service Level Agreement).

16.6 Payment Dispute. During the Term, if Licensee in good faith disputes the amount payable to Licensor for any amounts invoiced hereunder or any SOW, Licensee must pay the amount Licensee reasonably believes is owed to Licensor, without deduction or setoff, under the terms stated on each disputed invoice and notify Licensor in writing of the details of the dispute within [***] of the invoice receipt. The Parties shall work in good faith to resolve any disputes involving invoices in accordance with Section 29.18.

17. Confidentiality and Information Security.

17.1 Confidential Information. In connection with this Agreement, each Party ("**Discloser**") may disclose or make available Confidential Information to the other Party ("**Recipient**"). Subject to Section 17.2 below, "**Confidential Information**" means: (a) any information (including any and all combinations of individual items of information) disclosed (directly or indirectly) by Discloser to Recipient pursuant to this Agreement that is in written, graphic, machine readable or other tangible form (including research, product plans, products, services, equipment, customers, markets, software, inventions, discoveries, ideas, processes, designs, drawings, formulations, specifications, product configuration information, marketing and finance documents, prototypes, samples, data sets, and equipment) and is marked "Confidential," "Proprietary," or in some other manner to indicate its confidential nature; (b) oral information disclosed (directly or indirectly) by Discloser to Recipient pursuant to this Agreement; provided that such information is designated as confidential at the time of its initial disclosure and reduced to a written summary by Discloser that is marked in a manner to indicate its confidential nature and delivered to Recipient within [***] after its initial disclosure; and (c) information otherwise reasonably expected to be treated in a confidential manner under the circumstances of disclosure or by the nature of the information itself [***]. Confidential Information may include information of a third party that is in the possession of Discloser and is disclosed to Recipient under this Agreement. Without limiting the foregoing: [***] the Software and Documentation are the Confidential Information of Licensor [***].

17.2 Exclusions. Confidential Information shall not include any information that: (a) was publicly known or made publicly available without a duty of confidentiality prior to the time of disclosure by Discloser to Recipient; (b) becomes publicly known or made publicly available without a duty of confidentiality after disclosure by Discloser to Recipient through no action or inaction of Recipient in breach of this Agreement; (c) is in the possession of Recipient or its Representatives without confidentiality obligations at the time of disclosure by Discloser to Recipient; (d) is obtained by Recipient or any of its Representatives from a third party without an accompanying duty of confidentiality and without a breach of such third party's obligations of confidentiality; or (e) is or was independently developed by Recipient or its Representatives without use of or reference to Discloser's Confidential Information; provided that any combination of individual items of information shall not be deemed to be within any of the foregoing exceptions merely because one or more of the individual items are within such exception, unless the combination as a whole is within such exception.

17.3 Protection of Confidential Information. Recipient shall during the Term and for [***] after termination or expiration of this Agreement:

(a) not access or use Confidential Information other than as necessary to exercise its rights or perform its obligations under and in accordance with this Agreement;

(b) except as may be permitted under the terms and conditions of Section 17.4, not disclose or permit access to Confidential Information other than to its Representatives who: (i) need to know such Confidential Information for purposes of Recipient's exercise of its rights or performance of its obligations under and in accordance with this Agreement; (ii) have been informed of the confidential nature of the Confidential Information and Recipient's obligations under this Section 17; and (iii) are bound by confidentiality and non-use obligations at least as protective of the Confidential Information as the terms set forth in this Section 17;

(c) safeguard the Confidential Information from unauthorized use, access, or disclosure using at least the degree of care it uses to protect its own Confidential Information of a similar nature and in no event less than a reasonable degree of care;

(d) promptly notify the Discloser of any unauthorized use or disclosure, or suspected unauthorized use or disclosure, of Confidential Information and use its best efforts to prevent further unauthorized use or disclosure; and

(e) ensure its Representatives' compliance with and be responsible and liable for any of its Representatives' acts or omissions that would constitute a breach of this Section 17 if done by Recipient.

17.4 Notwithstanding anything to the contrary in this Agreement, Recipient's obligations under this Section 17 shall, with respect to: (a) identities of and business operations of any customers of Licensee or its Affiliates, survive indefinitely; and (b) any Confidential Information that constitutes a trade secret under any applicable Law, continue until such time, if ever, as such Confidential Information ceases to qualify for trade secret protection under such applicable Laws, other than as a result of any act or omission of Recipient or any of its Representatives.

17.5 Compelled Disclosures. If Recipient or any of its Representatives is required by applicable Law to disclose any Confidential Information, then, to the extent permitted by applicable Law, the Recipient will: (a) promptly, and if permitted by applicable Law, prior to such disclosure, notify Discloser in writing of such requirement so that Discloser may seek a protective order or other remedy or waive compliance; and (b) provide reasonable assistance to Discloser in opposing such disclosure or seeking a protective order or other limitations on disclosure at Discloser's cost. If Discloser waives compliance or, after providing the notice and assistance required under this 17.4, Recipient remains required by applicable Law to disclose any Confidential Information, Recipient will disclose only that portion of the Confidential Information that, on the advice of Recipient's legal counsel, Recipient is required by applicable Law to disclose and, upon Discloser's written request, will use commercially reasonable efforts to obtain assurances from the applicable court, tribunal, or other presiding authority that such Confidential Information will be afforded confidential treatment.

17.6 Disclosure in Connection with Due Diligence, Solicitation, or Reporting. Notwithstanding anything to the contrary in this Section 17, each Party consents to the other Party disclosing pursuant to third-party NDAs this Agreement or contents of this Agreement so long as the purpose of such disclosure is related to due diligence, solicitation, or reporting for, of, or to investors and potential investors, potential acquirers, or potential OEMs, suppliers, and other partners critical for success of this Agreement.

17.7 [***]

18. Intellectual Property Rights.

18.1 Intellectual Property Ownership.

(a) The Parties acknowledge and agree that:

(i) the Kodiak Technology and Documentation are, as applicable, [***], and [***], to Licensee [***];

(ii) Licensor and its licensors [***]; and

(iii) Licensee hereby unconditionally and irrevocably [***], whether held or acquired by operation of law, contract, assignment, or otherwise. Licensor hereby unconditionally and irrevocably [***], whether held or acquired by operation of law, contract, assignment, or otherwise.

(b) Subject to the license set forth in Section 18.2(b), Licensee will retain all right, title, and interest in and to any [***] ("**Atlas Technology**"), and in and to any other Intellectual Property Rights (i) owned or developed by or on behalf of Licensee prior to July 17, 2024 or (ii) developed by or on behalf of Licensee independent of and outside the scope of this Agreement (collectively, the "**Licensee Background IP**").

(c) Subject to [***], Licensor will retain all right, title, and interest in and to [***] (collectively, the "**Licensor Background IP**").

(d) Subject to [***] Licensor will retain all right, title, and interest to [***] (the "**Licensor Foreground IP**"). Subject to [***], Licensee will retain all right, title, and interest to [***] (the "**Licensee Foreground IP**").

(e) If either Party believes that any technology is jointly developed by the efforts of both Parties in the course of performance under this Agreement (such that the Parties would otherwise be joint owners of the technology under the rules of U.S. patent or U.S. copyright law, as applicable), including all Intellectual Property Rights therein ("**Jointly Developed Technology & IP**") has been conceived and developed, then such Party shall provide written notice thereof to the other Party within [***] following the date on which such Party believes Jointly Developed Technology & IP was developed (the "**Jointly Developed Technology & IP Notice**"). The Parties shall meet pursuant to Section 29 to determine, within [***] of the written notice, whether Jointly Developed Technology & IP was in fact jointly created and, if so, the Parties shall determine [***]. For clarity, nothing in this Section 18.1(e) will affect any other provisions or obligations of a Party under this Agreement and nothing in this Section 18.1(e) will grant or otherwise convey, whether express, implied, by reason of estoppel, or otherwise, to a Party any license, title, or other right or interest with respect to any rights of the other Party that are not Jointly Developed Technology & IP.

(f) Ownership of Data Acquired through all Uses. To the extent permitted by applicable Law and in accordance with this Agreement, [***]. Licensee shall provide such data, or access to such data, as prescribed between the Parties. Notwithstanding anything to the contrary in this Agreement, Licensor shall not share any Confidential Information of Licensee that is or is embodied by such data to any third party. Licensor agrees that certain data [***] shall be subject to the confidentiality obligations set forth in Section 17.

18.2 Licenses. Subject to the terms and conditions of this Agreement, the Parties grant the following licenses: [***].

18.3 Licensee Cooperation and Notice of Infringement. Licensee shall, during the Term:

(a) take all industry standard practices to safeguard the Kodiak Technology and Documentation (including all copies thereof) from infringement, misappropriation, theft, misuse, unauthorized access, or other violation, including, but not limited to, those set forth in Section 17.7;

(b) at Licensor's expense, take all such steps as Licensor may reasonably require to assist Licensor in maintaining the validity, enforceability, and Licensor's ownership of the Intellectual Property Rights in and to the Kodiak Technology and Documentation;

(c) promptly notify Licensor in writing if Licensee becomes aware of: (i) any actual or suspected infringement, misappropriation, or other violation of Licensor's Intellectual Property Rights in or to the Kodiak Technology or Documentation; or (ii) any claim that the Kodiak Technology or Documentation, including any production, use, marketing, sale, or other exploitation of the Kodiak Technology or Documentation, in whole or in part, infringes, misappropriates, or otherwise violates the Intellectual Property Rights or other rights of any Person; and

(d) at Licensor's sole expense, fully cooperate with and assist Licensor in all reasonable respects in the conduct of any Action by Licensor to prevent or abate any actual or threatened infringement, misappropriation, or other violation of Licensor's rights in and to, and to resolve any Actions relating to, the Kodiak Technology or Documentation, including by requiring Licensee's employees to testify upon Licensor's written request and making available for discovery or trial relevant records, papers, information, samples, specimens, and other materials. The Parties agree to cooperate in good faith in the event that any such Action involves or requires sharing of information that is privileged or confidential.

This Section 18.3 shall apply equally to Licensor with respect to Licensee's Intellectual Property Rights such that Licensee's Intellectual Property Rights are protected pursuant to identical provisions.

18.4 No Implied Rights. Except for the rights and licenses expressly granted under this Agreement, nothing in this Agreement grants, assigns, or otherwise transfers, by implication, waiver, estoppel, or otherwise, to Licensee or any third party any Intellectual Property Rights or other right, title, or interest in or to the Kodiak Technology or Documentation. [***].

18.5 [***].

18.6 Proprietary Markings. Licensee will not alter, remove, or destroy any patent, copyright, logo, trademark, trade name, proprietary marking, confidentiality legend, serial number, other identification code, indicator of origin, or other marking placed upon or contained within the Kodiak Technology or Documentation. Licensee will not affix any other marking to the Kodiak Technology or Documentation without Licensor's prior written consent; provided that this Section 18.6 shall not be deemed to prohibit badging or branding of Tractors by Licensee.

19. Representations and Warranties.

19.1 Mutual Representations and Warranties. Each Party represents, warrants, and covenants to the other Party that:

(a) it is duly organized, validly existing, and in good standing as a corporation or other entity under the Laws of the jurisdiction of its incorporation or other organization;

(b) it has the full right, power, and authority to enter into and perform its obligations and grant the rights, licenses, and authorizations it grants and is required to grant under this Agreement;

(c) the execution of this Agreement by its representative whose signature is set forth at the end of this Agreement has been duly authorized by all necessary corporate or organizational action of such Party; and

(d) when executed and delivered by both Parties, this Agreement will constitute the legal, valid, and binding obligation of such Party, enforceable against such Party in accordance with its terms.

19.2 Limited Warranty. Subject to the limitations and conditions set forth in Sections 19.3 and 19.4, Licensor represents, warrants, and covenants to Licensee that during the License Fee Term of a Tractor (the "**Warranty Period**"):

(a) any Hardware [***].

(b) the Software [***];

(c) no Maintenance Release [***];

(d) the Kodiak Technology [***];

(e) the Software [***].

Notwithstanding anything to the contrary herein, and without affecting Licensee's waivers, any claim or action for breach of warranty by Licensee shall be commenced within [***] after any such cause of action accrues based on Licensee's constructive knowledge.

19.3 Licensee Requirements. The warranties set forth in Section 19.2 apply only if Licensee: (a) notifies Licensor in writing of the breach of such warranties before or within [***] following the expiration of the applicable Warranty Period; [***]; provided that, if Licensee is in breach as of such date, the applicable warranty will continue to apply if Licensee cures. For avoidance of doubt, a breach of Licensee's payment obligations in accordance with this Agreement shall be deemed to bear a reasonable nexus between compliance and the applicable warranty claim for the purposes of Section 19.3(d).

19.4 Exceptions. Notwithstanding anything to the contrary in this Agreement, the warranties set forth in Section 19.2 do not apply to issues to the extent arising out of or relating to: [***].

19.5 Remedial Efforts. If Licensor breaches, or is alleged to have breached, any of the warranties set forth in Section 19.2, Licensor shall reasonably promptly, at its sole option and expense, take any of the following steps to remedy such breach: [***].

Licensor will bear the shipping expense for Hardware returned to Licensor for remediation pursuant to the Limited Hardware Warranty, but will not bear shipping expenses and will return to Licensee any Hardware returned without obtaining prior authorization or otherwise not covered by the Limited Hardware Warranty. If the Parties, working together in good faith, mutually determine that the returned Hardware is not covered by the Limited Hardware Warranty, then Licensee agrees to pay for Licensor's costs of handling and investigating the claim, repairing or replacing the Hardware (at the Agreed Hardware Value, in the case of total replacement), and all shipping charges associated with the Hardware determined not to be covered by such Limited Hardware Warranty. The remedies set forth in this Section 19.5 are Licensee's sole remedies and Licensor's sole liability under the limited warranty set forth in Section 19.2; which for the avoidance of doubt, does not limit Licensor's obligations under Section 21 or the Service Level Agreement.

19.6 DISCLAIMER OF WARRANTIES.

(a) EXCEPT FOR THE WARRANTIES SET FORTH HEREIN, ALL KODIAK TECHNOLOGY, DOCUMENTATION, AND OTHER PRODUCTS, INFORMATION, MATERIALS, AND SERVICES PROVIDED BY EITHER PARTY ARE PROVIDED "AS IS." EACH PARTY SPECIFICALLY DISCLAIMS ALL IMPLIED OR STATUTORY WARRANTIES, INCLUDING ALL IMPLIED OR STATUTORY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, AND ALL WARRANTIES ARISING FROM COURSE OF DEALING, USAGE, OR TRADE PRACTICE. EXCEPT AS PROVIDED HEREIN, LICENSOR MAKES NO WARRANTY OF ANY KIND THAT THE KODIAK TECHNOLOGY OR

DOCUMENTATION, OR ANY PRODUCTS OR RESULTS OF THE USE THEREOF, WILL MEET LICENSEE'S OR ANY OTHER PERSONS' REQUIREMENTS, OPERATE WITHOUT INTERRUPTION, ACHIEVE ANY INTENDED RESULT, BE COMPATIBLE OR WORK WITH ANY SOFTWARE OR OTHER SERVICES, OR BE SECURE, ACCURATE, COMPLETE, FREE OF HARMFUL CODE, OR ERROR-FREE. EXCEPT AS OTHERWISE SET FORTH HEREIN, WITHOUT LIMITING THE FOREGOING, LICENSEE MAKES NO WARRANTY OF ANY KIND THAT THE ATLAS TECHNOLOGY OR DATA PROVIDED UNDER THIS AGREEMENT TO LICENSOR WILL BE SECURE, ACCURATE, COMPLETE, FREE OF HARMFUL CODE, OR ERROR-FREE.

(b) EQUIPMENT. LICENSOR, NOT BEING THE MANUFACTURER OR THE VENDOR OF THE EQUIPMENT, DISCLAIMS ALL EXPRESS, IMPLIED, AND STATUTORY REPRESENTATIONS AND WARRANTIES OF ANY KIND OR AS TO ANY MATTER WHATSOEVER SOLELY RELATING TO THE EQUIPMENT, INCLUDING, WITHOUT LIMITATION, THE DESIGN OR CONDITION OF THE EQUIPMENT, ANY PATENT OR LATENT DEFECTS, THE MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF THE EQUIPMENT, OR THE CAPACITY OR DURABILITY OF THE EQUIPMENT, OR THE QUALITY OF THE MATERIAL OR WORKMANSHIP OR CONFORMITY OF THE EQUIPMENT TO THE PROVISIONS AND SPECIFICATIONS OF ANY PURCHASE ORDER, OR, EXCEPT TO THE EXTENT ARISING FROM THE INTERACTION WITH THE KODIAK TECHNOLOGY, ANY PATENT INFRINGEMENT RELATED TO THE EQUIPMENT.

20. Insurance.

20.1 Licensee Required Insurance Coverages. Licensee warrants to Licensor that it shall, prior to the delivery of any Tractors hereunder, at its sole cost and expense, at all times during the Term have and maintain in full force and effect for any and all Tractors subject to this Agreement, insurance meeting the following criteria. Notwithstanding the foregoing, the Parties may agree to increased insurance limitations in accordance with the terms of future SOWs. [***]:

(a) Licensee shall maintain all risks property insurance, including coverage for physical loss or damage, that will provide coverage to Licensee at all times with a policy limit of at least [***].

(b) Licensee shall maintain [***] which shall provide coverage to Licensee whenever the Tractor is being operated for any reason, in a combined single limit of not less than [***] or such greater limit as required by applicable Law, [***]. This insurance coverage shall [***]. Licensee may satisfy this obligation by providing proof of a combination of: [***].

(c) Licensee shall maintain [***] in the amount of not less than [***] per occurrence. [***];

(d) Licensee shall maintain [***] as well as [***] in an amount no less than as required by state, federal provincial, or other applicable Law;

(e) Licensee shall maintain [***] in the amount not less than [***];

(f) Licensee shall maintain [***] in an amount no less than [***]; provided that: (i) before the [***] Tractor is delivered, Licensee shall maintain such insurance in an amount no less than [***]; and (ii) before the [***] Tractor is delivered, Licensee shall maintain such insurance in an amount no less than [***];

(g) Licensee shall maintain [***] in an amount no less than [***] per occurrence;

(h) Licensee shall maintain [***] in an amount no less than [***] per claim; provided that, (i) before the [***] Tractor is delivered, Licensee shall maintain such insurance in an amount no less than [***] per claim; and (ii) before the [***] Tractor is delivered, Licensee shall maintain such insurance in an amount no less than [***] per claim; and

(i) In addition to the insurance coverages required under this Agreement, it is solely Licensee's responsibility to procure, carry, and maintain any other insurance coverage that Licensee may desire for the Tractors or for Licensee's other needs.

(j) <u>Requirements Applicable to All of Licensee's Insurance Coverages</u>. Licensee will furnish to Licensor written certificates (and copies of policies if reasonably requested) obtained from Licensee's insurance carrier(s) showing that all insurance coverages required above have been procured from insurance carriers rated at least "A-" by A.M. Best (or of equivalent financial strength in the commercially reasonable judgment of Licensor), that the coverages are being properly maintained, and that the premiums thereof are paid. Each insurance certificate shall specify the name of the insurance carrier, the policy number, the expiration date, and list Licensor as additional insured with primary coverage (as applicable). Licensee agrees to provide, or cause its insurance carrier to provide, written notice of cancellation or modification of a policy to Licensor at least [***] prior to such cancellation or modification.

20.2 <u>Licensor Required Insurance Coverages</u>. Licensor warrants to Licensee it shall, prior to the delivery of any Tractors hereunder, at its sole cost and expense, at all times during the Term have and maintain in full force and effect meeting the following criteria. Notwithstanding the foregoing, the Parties may agree to increased insurance limitations in accordance with the terms of future SOWs. To the extent permitted by applicable Law, [***]:

(a) Licensor shall maintain [***] that will provide coverage to Licensee at all times with a policy limit of at least [***] per occurrence;

(b) Licensor shall maintain [***] which shall provide coverage to Licensee [***];

(c) Licensor shall maintain [***] in the amount of not less than [***] per occurrence;

(d) Licensor shall maintain [***] as well as [***] at statutory limits and in any event in an amount no less than as required by state, federal, provincial, or other applicable Law;

(e) Licensor shall maintain [***] in the amount not less than [***];

(f) Licensor shall maintain [***] coverage in an amount no less than [***];

(g) Licensor shall maintain [***] in an amount no less than [***] per claim; provided that: (i) before the [***] Tractor is delivered, Licensor shall maintain such insurance in an amount no less than [***] per claim; and (ii) before the [***] Tractor is delivered, Licensor shall maintain such insurance in an amount no less than [***] per claim;

(h) Licensor shall maintain [***] with no cybersecurity exclusion in an amount no less than [***]; provided that: (i) before the [***] Tractor is delivered, Licensor shall maintain such insurance in an amount no less than [***] per claim; and (ii) before the [***] Tractor is delivered, Licensor shall maintain such insurance in an amount no less than [***] per claim; and

(i) Licensor shall maintain [***] in an amount no less than [***].

(j) In addition to the insurance coverages required under this Agreement, it is solely Licensor's responsibility to procure, carry, and maintain any other insurance coverage that Licensor may desire for the Tractors or for Licensor's other needs.

(k) <u>Requirements Applicable to All of Licensor's Insurance Coverages</u>. Licensor will furnish to Licensee written certificates obtained from Licensor's insurance carrier(s) showing that all insurance coverages required above have been procured from insurance carriers rated at least "A-" by A.M. Best (or of equivalent financial strength in the commercially reasonable judgment of Licensee), that the coverages are being properly maintained, and that the premiums thereof are paid. Each insurance certificate shall specify the name of the insurance carrier, the policy number, the expiration date, and where allowed list Licensee as additional insured. Licensor agrees to provide, or cause its insurance carrier to provide, written notice of cancellation or modification of a policy to Licensee at least [***] prior to such cancellation or modification.

21. <u>Indemnification</u>.

21.1 <u>Licensor Indemnification</u>.

(a) Except to the extent caused by the negligence or willful misconduct of Licensee, Licensor shall defend, indemnify, and hold harmless Licensee, Licensee's Affiliates, any customer of Licensee, and its and their respective directors, officers, managers, members, employees, suppliers, representatives, agents, assigns, and insurers (each a "**Licensee Indemnitee**") from and against any and all Losses incurred by such Licensee Indemnitee resulting from any Action by a third party, to the extent such Actions arise from or are caused by: [***]

(b) Notwithstanding the foregoing, Licensor has no obligations under this Section 21.1 to the extent that any Actions by a third party or alleged third-party Losses arise from: [***].

21.2 Licensee Indemnification.

(a) Except to the extent caused by Licensor's negligence or willful misconduct, Licensee shall indemnify, defend, and hold harmless Licensor and its Affiliates, and each of its and their respective directors, officers, managers, members, employees, suppliers, representatives, agents, assigns, and insurers (each, a "**Licensor Indemnitee**") from and against any and all third-party Losses incurred by such Licensor Indemnitee resulting from any Action by a third party, to the extent such Actions arise from or are caused by: [***].

(b) Notwithstanding the foregoing, Licensee has no obligations under this Section 21.2 to the extent that any Actions by a third party or alleged third party Losses arise from: [***].

21.3 Proportionate Liability. In the event of a third-party Action or Loss for which each Party has an indemnification obligation under this Agreement, each Party shall be responsible for indemnifying up to a share of the total liability in any Action or Loss in proportion to its respective fault. The Licensor Indemnitees and Licensee Indemnitees shall be entitled to a proportionate share of their respective liability in any Action or Loss.

21.4 Indemnification Term. All indemnification obligations of either Party shall continue [***]. The obligation of the Parties described above shall not be limited in any way by insurance or any limitation on the amount or type of damages, compensation or benefits payable by or for the Indemnitor under workers' or workmen's compensation acts, disability benefit acts, or other employee benefit acts.

21.5 Indemnification Procedure. Each Party shall promptly notify the other Party in writing of any Action for which such Party believes it is entitled to be indemnified pursuant to Section 21.1 or Section 21.2. The Party seeking indemnification (the "**Indemnitee**") shall cooperate with the other Party (the "**Indemnitor**") at the Indemnitor's sole cost and expense. The Indemnitor shall promptly assume control of the defense and investigation of such Action and shall employ counsel to handle and defend the same, such counsel to be reasonably agreeable to both Indemnitee and Indemnitor, at the Indemnitor's sole cost and expense. The Indemnitee may participate in and observe the proceedings at its own cost and expense with counsel of its own choosing. The Indemnitor shall not settle any Action without the Indemnitee's consent, which shall not be unreasonably withheld or delayed.

21.6 Mitigation. [***]

21.7 Sole Remedy. THIS SECTION 21 SETS FORTH EACH OF LICENSOR'S AND LICENSEE'S SOLE REMEDIES WITH REGARD TO THIRD-PARTY LOSSES OR DAMAGES RELATED TO, ARISING OUT OF, OR CAUSED BY THE KODIAK TECHNOLOGY, AND EACH OF LICENSEE'S AND LICENSOR'S SOLE LIABILITY AND OBLIGATION FOR ANY ACTUAL, THREATENED, OR ALLEGED CLAIMS THAT THE SOFTWARE OR DOCUMENTATION OR ANY SUBJECT MATTER OF THIS AGREEMENT INFRINGES, MISAPPROPRIATES, OR OTHERWISE VIOLATES ANY INTELLECTUAL PROPERTY RIGHTS OF ANY THIRD PARTY.

22. Actions Where a Party Is Not Involved. The Parties may, in the future, together or individually, become a party to a legal action or become identified as a potentially responsible party in connection with a matter that may result in litigation related to this Agreement. The Parties have certain substantially similar interests and recognize that certain mutually beneficial activities might be undertaken with regard to responding to allegations that have been, or may be, asserted against them relating to this Agreement (hereafter "**Covered Matters**"). The Parties may, with the purpose of assisting in any common defense or investigation of allegations made against them, engage in communications or elect to disclose or transmit to each other otherwise privileged, confidential or proprietary communications, information, or documents; mental impressions; investigative information; memoranda; interview reports; expert reports; and other privileged, confidential, proprietary or otherwise protected communications, information, or documents relating to the Covered Matters (the "**Covered Materials**") that may be protected from disclosure to adverse or other Parties as a result of the attorney-client privilege, the work-product privilege, the joint defense doctrine, the common interest doctrine and/or other applicable privileges, rights, or rules and desire that such Covered Materials shall remain privileged and confidential or otherwise protected from disclosure. The Parties recognize and agree that Covered Materials voluntarily exchanged among the Parties are covered by the "Joint Defense Doctrine" and/or the "Common Interest Doctrine." All Covered Materials previously exchanged among the Parties are subject to this Section 22. This Section 22 is subject to confidentiality provisions in Section 17. Further, each Party shall have the right, but not the obligation, to observe and/or participate in any Action where such Party is not a named party nor a Indemnitor or Indemnitee, and involves the Tractors in any way subject to the same rights above at such Party's sole cost and expense. The Parties hereby agree that such right shall not create a conflict, limit the procedure or arguments for the other Party, nor threaten such Party's confidentiality, attorney client privilege or other similar rights, and shall be considered covered by the "Joint Defense Doctrine" and/or the "Common Interest Doctrine." Each Party understands and acknowledges that it is represented exclusively by its own counsel in the matters and that this Section 22 does not and will not create any attorney-client relationship with counsel for any other Party. This right is not tied to indemnification of a Licensee Indemnitee or Licensor Indemnitee.

23. Liability for [***].

23.1 Liability. Licensee shall [***]. To the extent the Loss is caused by the Kodiak Technology or Licensor or its Representatives, Licensor shall be liable to Licensee for [***]. Licensor shall not be liable or responsible for any reason for Loss associated [***]. To the extent

Licensor is liable to Licensee for Loss, Licensor shall reasonably promptly, at Licensor's option, either:

(a) Pay for the Loss amount, equal to the [***]; provided that, in the event of a partial Loss, the Parties shall work together in good faith to determine a reasonable payment amount; or

(b) [***].

23.2 [***]

23.3 Cargo Liability. Subject to the terms of this Agreement, and solely to the extent the loss or damage is caused by the Kodiak Technology, Licensor shall [***], occurring while in the care, custody, or control of Licensor up to a maximum liability of maximum of [***], unless Licensor expressly agrees in writing to [***]. Licensor shall not be liable for any loss or damage to [***].

24. Limitations of Liability.

24.1 EXCLUSION OF DAMAGES. EXCEPT AS OTHERWISE SET FORTH IN SECTION 24.3, IN NO EVENT WILL EITHER PARTY, OR ANY OF ITS LICENSORS, SERVICE PROVIDERS, OR SUPPLIERS, BE LIABLE UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ITS SUBJECT MATTER UNDER ANY LEGAL OR EQUITABLE THEORY, INCLUDING BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, AND OTHERWISE, FOR ANY (a) INCREASED COSTS, DIMINUTION IN VALUE OR LOST BUSINESS, PRODUCTION, REVENUES, OR PROFITS, (b) LOSS OF GOODWILL OR REPUTATION, (c) USE, INABILITY TO USE, LOSS, INTERRUPTION, DELAY, OR RECOVERY OF ANY KODIAK TECHNOLOGY, ATLAS TECHNOLOGY, OR OPEN SOURCE COMPONENTS OR OTHER THIRD-PARTY MATERIALS, (d) LOSS, DAMAGE, CORRUPTION, OR RECOVERY OF DATA, OR BREACH OF DATA OR SYSTEM SECURITY, OR (e) CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL, ENHANCED, OR PUNITIVE DAMAGES, IN EACH CASE REGARDLESS OF WHETHER SUCH PERSONS WERE ADVISED OF THE POSSIBILITY OF SUCH LOSSES OR DAMAGES OR SUCH LOSSES OR DAMAGES WERE OTHERWISE FORESEEABLE, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.

24.2 CAP ON MONETARY LIABILITY. EXCEPT AS EXPRESSLY OTHERWISE PROVIDED IN SECTION 24.3, THE COLLECTIVE AGGREGATE LIABILITY OF EACH PARTY AND ITS LICENSORS TO THE OTHER PARTY, ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING UNDER OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, OR ANY OTHER LEGAL OR EQUITABLE THEORY, SHALL BE UP TO BUT NOT EXCEED THE GREATER OF THE TOTAL AMOUNTS OF LICENSE FEES PAID UNDER THIS AGREEMENT IN THE [***] PERIOD PRECEDING THE EVENT GIVING RISE TO THE

CLAIM OR [***]. THE FOREGOING LIMITATIONS APPLY EVEN IF ANY REMEDY FAILS OF ITS ESSENTIAL PURPOSE.

24.3 Exceptions. The exclusions and limitations in Sections 24.1 and 24.2 do not apply with respect to breach of Sections 17.1-17.6; 18; either Party's obligations under Sections 20-21; the obligations set forth in the Service Level Agreement; or in the case of a Party's gross negligence, willful misconduct, or fraud. Further, the exclusions in 24.1 and 24.2 do not apply with respect to breach of Section 17.7; instead, breach of such section shall be subject to a limitation of liability up to the greater of: (a) [***] or (b) the amount of cyber insurance coverage the breaching Party is contractually required to maintain at the time of the applicable breach.

25. [***]. Until such time as Licensor has provided Availability Notices to Licensee for [***].

26. Non-Exclusivity. [***], Licensor and Licensee agree that this is a non-exclusive agreement and that Licensee may utilize other transportation service providers to fulfill its transportation needs and/or its customers'. [***], Licensor may provide the Kodiak Technology to other transportation services providers.

27. Pre-production Services. The Parties may agree in the future to collaborate and potentially use a Pre-Production Version. Licensor may, from time to time, offer access to services that are classified as a pre-production version, which means Licensor is testing and learning from versions that are pre-production and/or pre-release ("**Pre-production Version**"), which for the avoidance of doubt shall not include Software relating to autonomous driving. Licensor will not make available any Pre-Production Version prior to obtaining the written consent of Licensee's General Counsel to do so. Access to and use of Pre-production Versions may be subject to additional agreements. Licensor makes no representations that a Pre-production Version will ever be made generally available and reserves the right to discontinue or modify a Pre-production Version at any time without notice. Pre-production Versions are provided as-is, may contain bugs, errors, or other defects, and Licensee's use of a Pre-production Version is at its sole risk. Licensor can terminate or disable Licensee's use of the Pre-production Version at any time. Likewise, Licensee may decide to stop using the Pre-production Version at any time. Licensor may remove Licensee's access to features of the Pre-production Version at any time. Licensee understands that Licensor is not responsible for any issues, problems, or damages arising out of or caused by the Pre-production Version, except to the extent such causes property damage or personal injury during operation of the Tractor by Licensor. Licensor has no obligation to provide any kind of support for the Pre-production Version.

28. Term and Termination.

28.1 Term. The term of the Existing Master Services Agreement commenced on July 17, 2024, and, from and after the Effective Date, this Agreement amends, restates, and continues such term for so long as any Tractors are active under this Agreement, unless terminated earlier as set forth in Section 28.2 (the "**Term**"). With respect to each Tractor, the Hardware License and Software License applicable to such Tractor each have a term of [***] that commences on the Delivery Date, unless terminated earlier as set forth in Section 28.2.

28.2 Termination. This Agreement may be terminated at any time:

(a) by Licensor, effective on written notice to Licensee, if Licensee fails to pay any undisputed amount when due under this Agreement, where such failure continues more than [***] after Licensor's delivery of written notice thereof ("**Payment Failure**");

(b) by Licensor, immediately on written notice to Licensee if [***] or more Payment Failures occur in any [***] period;

(c) by Licensee, effective on [***] if Licensor fails to complete all milestones set forth in **Exhibit C** by such date;

(d) by Licensee, effective [***] following written notice by Licensee that Licensor failed to complete Upfitting within [***] of when Licensee made the applicable Equipment available for Upfitting, provided Licensor has not cured such failure during the [***] period;

(e) By Licensee, effective [***] following written notice to Licensor of failure to comply with the Service Level Agreement for a minimum of [***] in any [***] period and Licensor is not able to cure non-compliance within [***] after such notice [***];

(f) by either Party, effective on written notice to the other Party, if the other Party materially breaches this Agreement or any SOW and such breach: (i) is incapable of cure; or (ii) being capable of cure, remains uncured [***] after the non-breaching Party provides the breaching Party with written notice of such breach; and

(g) by either Party, effective immediately, if the other Party: (i) is dissolved or liquidated or takes any corporate action for such purpose; (ii) becomes insolvent or is generally unable to pay its debts as they become due; (iii) becomes the subject of any voluntary or involuntary bankruptcy proceeding under any domestic or foreign bankruptcy or insolvency Law; (iv) makes or seeks to make a general assignment for the benefit of its creditors; or (v) applies for, or consents to, the appointment of a trustee, receiver or custodian for a substantial part of its property.

28.3 Effect of Termination or Expiration.

(a) Except for termination due to Licensee's breach of the Agreement, Licensor shall (i) provide reasonable cooperation and assistance to Licensee upon Licensee's written request and at Licensee's expense, in transitioning to an alternate service provider; and (ii) on a pro rata basis, repay all License Fees and other charges paid in advance for any portion of the License Fee Term occurring after the date of termination or expiration or Services which have not been provided.

(b) On the expiration or earlier termination of this Agreement:

(i) Except for as otherwise stated herein and as granted in Section 18.2(a), all rights, licenses, and authorizations granted to Licensee hereunder will immediately terminate, and Licensee will [***];

(ii) Except for as otherwise stated herein and as granted in Section 18.2(b), all rights, licenses, and authorizations granted to Licensor hereunder will immediately terminate, and Licensor will (A) immediately cease all use of and other activities with respect to the Atlas Technology; (B) within [***] deliver to Licensee or, at Licensee's option, destroy, and permanently erase from all devices and systems Licensor directly or indirectly controls, Licensee's Confidential Information (except for Jointly Developed Technology & IP or any overlapping Licensor Confidential Information), including all documents, files, and tangible materials (and any partial and complete copies) containing, reflecting, incorporating, or based on any of the foregoing, whether or not modified or merged into other materials; and (C) certify to Licensee in a signed written instrument that it has complied with the requirements of this Section 28.3(b)(ii); and

(iii) all undisputed amounts that are due and payable by Licensee of any kind under this Agreement as of the effective date of expiration or termination of this Agreement are immediately payable and due no later than [***] after the effective date of the expiration or termination of this Agreement. For avoidance of doubt, with respect to License Fees, Licensee shall be responsible for only the prorated amount of License Fee based on the amount of time elapsed in the applicable License Fee Term as of the date of expiration or termination. Licensor shall provide notice to Licensee of any remaining credits as of the date of expiration or termination of the Agreement, and Licensee may offset its final payment accordingly (or, if Licensee chooses not to offset for any reason, Licensor shall promptly pay to Licensee an amount equal to the credits due as of the date of expiration or termination).

28.4 Surviving Terms. The provisions set forth in the following sections, and any other right, obligation, or provision under this Agreement that, by its nature, should survive termination or expiration of this Agreement, will survive any expiration or termination of this Agreement: this Section 28.4 and Sections 1, 3.1, 5, 6, 17, 18, 21, 22, 24, 26, 28.3, and 29.

29. Miscellaneous.

29.1 Further Assurances. Each Party agrees to promptly execute and deliver to the other Party such further documents and assurances, and take such further action as the other Party may from time to time reasonably request, in order to more effectively carry out the purpose of this Agreement and to protect the rights and remedies of the requesting Party hereunder, including without limitation, the execution and delivery of financing statements under the UCC and appropriate consents and waivers from lienholders, landlords, and mortgagees. Each Party authorizes the other Party to sign and execute any and all necessary forms to protect such Party's rights and remedies, including, but not limited to insurance claims, financing statements under the UCC, and appropriate consents and waivers.

29.2 Parent Guaranty. Licensee is a subsidiary of Atlas Sand Company, LLC (the "**Parent**"). Licensor agrees to enter into this Agreement with Licensee, provided Parent is a guarantor of Licensee's payment obligations hereunder. Licensee shall cause Parent to enter into that certain Parent Guaranty, the form of which is attached hereto as **Exhibit G**, dated as of the date hereof, in favor of Licensor, pursuant to which Parent shall guaranty Licensee's payment obligations under this Agreement subject to and in accordance with the terms and conditions thereof. The Parties acknowledge that the Parent Guaranty (as defined in Section 29.8(b)) has been executed prior to the Effective Date and remains in effect.

29.3 Relationship of the Parties. The relationship between the Parties is that of independent contractors. Nothing contained in this Agreement will be construed as creating any agency, partnership, joint venture, or other form of joint enterprise, employment, or fiduciary relationship between the Parties, and neither Party shall have authority to contract for or bind the other Party in any manner whatsoever.

29.4 Public Announcements. Within [***] following July 17, 2024, the Parties will work together in good faith on a mutually agreeable press release and to create videos and other marketing materials showcasing their work together, also to be mutually agreeable, and each Party may post such materials on their websites and social media pages and use in public relations, media relations, digital marketing and social media channels as desired. The Parties, in close cooperation, shall mutually decide the content, format, and timing of such materials and public announcements relating to the Parties' work together, provided, however, that such announcement shall occur no later than [***] following July 17, 2024. The Parties agree to cooperate promptly and in good faith if a Party may be legally required, pursuant to the rules and regulations of the U.S. Securities and Exchange Commission or of any stock exchange or trading system, to make any press release, public announcement, filing or other communication relating to this Agreement or the transactions contemplated hereby. Each Party agrees that any information provided pursuant to the preceding sentence shall, as of the date of such public statement, filing or communication, be true and correct in all material respects and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading. In the event of any disagreement between the Parties relating to any legally required public statement, filing or communication to be made by Licensee, the position of Licensee, following good faith consultation with Licensee's legal counsel, shall prevail. Notwithstanding the foregoing, each Party shall have the opportunity to review, comment on and approve such public announcements and marketing materials, such review and approval not to be unreasonably withheld or delayed.

29.5 Notices. Except as otherwise expressly set forth in this Agreement, any notice, request, consent, claim, demand, waiver, or other communication under this Agreement have legal effect only if in writing and addressed to a Party as follows (or to such other address or such other person that such addressee Party may designate from time to time in accordance with this Section 29.5):

If to Licensor:	Kodiak Robotics, Inc. 1049 Terra Bella Ave. Mountain View, CA 94043 Email: [***] Attention: Legal Department
If to Licensee:	Fountainhead Logistics, LLC [***] Email: [***] Attention: Legal Department Invoices to [***]

Notices sent in accordance with this Section 29.5 will be deemed effectively given: (a) when delivered, if delivered by hand, with signed confirmation of delivery; (b) when delivered, if sent by a nationally recognized overnight courier, signature required; (c) when sent, if by facsimile or email (with confirmation of transmission), if sent during the addressee's normal business hours, and on the next Business Day, if sent after the addressee's normal business hours; and (d) on the third day after the date mailed by certified or registered mail, return receipt requested, postage prepaid.

For avoidance of doubt, where the Agreement provides that email shall suffice for a particular notice, if the notifying Party uses email for the notice, the notifying Party shall send the applicable notice to the other Party's email address identified above (or to such other email address that such addressee Party may designate from time to time in accordance with this Section 29.5).

29.6 Interpretation. For purposes of this Agreement: (a) the words "include," "includes," and "including" are deemed to be followed by the words "without limitation"; (b) the word "or" is not exclusive; (c) the words "herein," "hereof," "hereby," "hereto," and "hereunder" refer to this Agreement as a whole; (d) words denoting the singular have a comparable meaning when used in the plural, and vice versa; and (e) words denoting any gender include all genders. Unless the context otherwise requires, references in this Agreement: (i) to sections, exhibits, schedules, attachments, and appendices mean the sections of, and exhibits, schedules, attachments, and appendices attached to this Agreement; (ii) to an agreement, instrument, or other document means such agreement, instrument, or other document as amended, supplemented, and modified from time to time to the extent permitted by the provisions thereof; and (iii) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. The Parties intend this Agreement to be construed without regard to any presumption or rule requiring construction or interpretation against the Party drafting an instrument or causing any instrument to be drafted. The exhibits, schedules, attachments, and appendices referred to herein are an integral part of this Agreement to the same extent as if they were set forth verbatim herein.

29.7 Headings. The headings in this Agreement are for reference only and do not affect the interpretation of this Agreement.

29.8 Entire Agreement.

(a) This Agreement, together with any other documents incorporated herein by reference, constitutes the sole and entire agreement of the Parties with respect to the subject matter of this Agreement and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to such subject matter; provided that, for the avoidance of doubt, the Parties intend for the Existing Agreements to be unaffected by this Agreement and to remain in full force and effect in accordance with their terms. In the event of any inconsistency between the statements made in the body of this Agreement, the related exhibits, schedules, attachments, and appendices (other than an exception expressly set forth as such therein) and any other documents incorporated herein by reference, the following order of precedence governs: (a) first, this Agreement, excluding its exhibits, schedules, attachments, and appendices; (b) second, the exhibits, schedules, attachments, and appendices to this Agreement as of the Effective Date; and (c) third, any other documents incorporated herein by reference. For avoidance of doubt, Existing Agreements shall not have any effect on this Agreement, or the rights, obligations, or remedies herein.

(b) Notwithstanding anything to the contrary in Section 29.8(a), the Parties acknowledge and agree that the following agreements, statements of work, consents, guaranties, supplements, and other ancillary documents entered into in connection with or relating to the Existing Master Services Agreement are preserved as set forth in this Section 29.8(b): (i) that certain Parent Guaranty Agreement, dated as of July 17, 2024, made by Atlas Sand Company, LLC in favor and for the benefit of Kodiak Robotics, Inc. (the "**Parent Guaranty**"); (ii) that certain Consent, made by and between Licensor and Licensee, regarding Fountainhead Equipment Leasing, LLC and related matters, dated to be effective as of December 16, 2024; (iii) that certain Supplement to Master Services Agreement, made by and between Licensor and Licensee, dated to be effective as of December 8, 2024; and (iv) each statement of work issued under the Existing Master Services Agreement (collectively, the "**Preserved Ancillary Documents**"). The Preserved Ancillary Documents remain in full force and effect in accordance with their respective terms, and each statement of work that so remains in effect shall be deemed to be a SOW issued under, and governed by, this Agreement.

29.9 Assignment. Neither Party to this Agreement shall assign or transfer its obligations hereunder or any interest herein without the prior express written consent of the other Party, except that either Party may assign this Agreement without the other Party's consent in the event it is involved in a merger, acquisition, sale of all or substantially all of its assets, reorganization, or other change of control transaction, in each case, encompassing the assets or business related to this Agreement. No assignment, delegation, or transfer will relieve a Party of any of its obligations or performance under this Agreement. Any purported assignment, delegation, or transfer in violation of this Section 29.9 is void. This Agreement is binding on and inures to the benefit of the Parties hereto and their respective successors and permitted assigns.

29.10 Waiver. No waiver by any Party of any of the provisions hereof shall be effective unless explicitly set out in writing and signed by the Party so waiving. No waiver by any Party shall operate or be construed as a waiver in respect of any failure, breach, or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.

29.11 Export Regulation. The Software may be subject to US export control laws, including the US Export Control Reform Act and its associated regulations. Each Party will not, directly or indirectly, export, re-export, or release the Software to, or make the Software accessible from, any country, jurisdiction or Person to which export, re-export, or release is prohibited by applicable Law. Each Party will comply with all applicable Laws and complete all required undertakings (including obtaining any necessary export license or other governmental approval) prior to exporting, re-exporting, releasing, or otherwise making the Software available outside the US.

29.12 US Government Rights. Each of the Documentation and the software components that constitute the Software is a "commercial product" as that term is defined at 48 C.F.R. 2.101, consisting of "commercial computer software" and "commercial computer software documentation" as such terms are used in 48 C.F.R. 12.212. Accordingly, if Licensee is an agency of the US Government or any contractor therefor, Licensee only receives those rights with respect to the Software and Documentation as are granted to all other end users under license, in accordance with (a) 48 C.F.R. §227.7201 through 48 C.F.R. §227.7204, with respect to the Department of Defense and their contractors, or (b) 48 C.F.R. §12.212, with respect to all other US Government licensees and their contractors.

29.13 Force Majeure.

(a) No Breach or Default. In no event will either Party be liable or responsible to the other Party, or be deemed to have defaulted under or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement (except for any obligations to make payments), when and to the extent such failure or delay: (A) is caused by any circumstances beyond such Party's reasonable control; (B) did not exist as of the date the applicable obligation became effective (whether the date of this Agreement or the date of the SOW, as applicable); and (C) is not related to or resulting from the affecting Party's negligence or breach of the Agreement (a "**Force Majeure Event**"), including (i) acts of God; (ii) flood, fire, earthquake, other natural disasters, epidemic, pandemic, or explosion; (iii) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot or other civil unrest; (iv) changes in applicable Law; (v) embargoes or blockades in effect on or after the date of this Agreement; and (vi) national or regional emergency.

(b) Affected Party Obligations. In the event of any failure or delay caused by a Force Majeure Event, the affected Party will give prompt written notice to the other Party stating the period of time the occurrence is expected to continue and use commercially reasonable efforts to end the failure or delay and minimize the effects of such Force Majeure Event.

(c) Supply Chain Delays. To the extent Licensor is delayed in delivering Tractors or performing services due to events listed in Section 29.13(a), Licensor agrees to allocate a pro rata portion of Licensor's then-existing production during the Force Majeure Event based on the then existing definitive orders (and in the case of Licensee, all then effective SOWs)_of vehicles with Kodiak Technology across all Licensor customers.

29.14 No Third-Party Beneficiaries. This Agreement is for the sole benefit of the Parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or will confer on any other Person any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement.

29.15 Amendment and Modification. No amendment to or modification of this Agreement, any SOW, or the Documentation applicable to a SOW is effective unless it is in writing and signed by an authorized representative of each Party.

29.16 Severability. If any provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability will not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. On such determination that any term or other provision is invalid, illegal, or unenforceable, the Parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

29.17 Governing Law; Submission to Jurisdiction. This Agreement is governed by and construed in accordance with the internal laws of the State of New York without giving effect to any choice or conflict of law provision or rule that would require or permit the application of the laws of any jurisdiction other than those of the State of New York. Any legal suit, action, or proceeding arising out of or related to this Agreement or the licenses granted hereunder that is not resolved pursuant to Section 29.18 will be instituted in the federal courts of the United States or the courts of the State of New York, and each Party irrevocably submits to the jurisdiction of such courts in any such suit, action, or proceeding. Service of process, summons, notice, or other document by mail to such Party's address set forth herein will be effective service of process for any suit, action, or other proceeding brought in any such court.

29.18 Dispute Resolution.

(a) The Parties shall attempt in good faith to resolve any dispute arising out of or relating to this Agreement promptly by negotiation between executives who have authority to settle the controversy and who are at a higher level of management than the persons with direct responsibility for administration of this Agreement. Any Party may give the other Party written notice of any dispute not resolved in the normal course of business. Within [***] after delivery of the notice, the receiving Party shall submit to the other a written response. The notice and response shall include with reasonable particularity (i) a statement of each Party's position and a summary of arguments supporting that position, and (ii) the name and title of the executive who will represent that Party and of any other person who will accompany the executive. Within [***] after delivery of the notice, the executives of both Parties shall meet at a mutually acceptable time and place.

(b) Unless otherwise agreed in writing by the Parties, the above-described negotiation shall end at the close of the first meeting of executives described above ("**First Meeting**"). Such closure shall not preclude continuing or later negotiations, if desired.

(c) All offers, promises, conduct and statements, whether oral or written, made in the course of dispute resolution negotiations by any of the parties, their agents, employees, experts, and attorneys are confidential, privileged and inadmissible for any purpose, including impeachment, in arbitration or other proceeding involving the Parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the negotiation.

(d) If the dispute has not been resolved by negotiation in accordance with clause (a) above, then the Parties shall proceed to mediation unless the Parties at the time of the dispute agree to a different timeframe. A "**Notice of Mediation**" shall be served, signifying that the negotiation was not successful and to commence the mediation process. The Parties shall agree on a mediator; however, if they cannot agree within [***], then the Parties agree JAMS shall appoint a mediator. The mediation session shall be held within [***] of the retention of the mediator, and last for at least one full mediation day, before any Party has the option to withdraw from the process. The Parties may agree to continue the mediation process beyond one day, until there is a settlement agreement, or one Party or the mediator states that there is no reason to continue because of an impasse that cannot be overcome and sends a "notice of termination of mediation." All reasonable efforts will be made to complete the mediation within [***] of the first mediation session.

(e) All applicable statutes of limitation and defenses based upon the passage of time shall be tolled while the procedures specified in clauses (a) and (b) above are pending and for [***] thereafter. The Parties will take such action, if any, required to effectuate such tolling.

29.19 Waiver of UCC. To the extent permitted by applicable Law, each Party waives any and all rights and remedies conferred upon such Party by the Uniform Commercial Code (and any other applicable jurisdiction, if any) (the "**UCC**"), including but not limited to such Party's rights under the UCC to: (a) cancel this Agreement; (b) repudiate this Agreement; (c) reject the Tractor; (d) revoke acceptance of the Tractor; (e) recover damages from the other Party for any breaches of warranty or for any other reason; (f) hold a security interest in the Hardware in such Party's possession or control for any reason; (g) deduct all or any part of any claimed damages resulting from such Party's default, if any, under this Agreement; (h) accept partial delivery of the Tractor; (i) "cover" by making any purchase or lease of, or contract to purchase or lease, equipment in substitution for the Tractor due from the other Party; (j) recover any general, special, incidental or consequential damages, for any reason whatsoever; and (k) claim or otherwise request specific performance, replevin, detinue, sequestration, claim and delivery, or the like for any Tractor. To the extent permitted by applicable Law and except as covered under Section 29.23, each Party also waives any rights now or hereafter conferred by statute or otherwise that may require the other Party to sell, lease or otherwise use the Tractor, Kodiak Technology, or any other tools or equipment owned by the other Party in mitigation of the other Party's damages as set forth as a remedy of the other Party in this Agreement or that may otherwise limit or modify any of the other Party's rights or remedies in this Agreement.

29.20 Waiver of Jury Trial. Each Party irrevocably and unconditionally waives any right it may have to a trial by jury in respect of any legal action arising out of or relating to this Agreement or the transactions contemplated hereby.

29.21 Equitable Relief. Each Party acknowledges and agrees that a breach or threatened breach by such Party of any of its obligations under Sections 17, 18, 19, or 22 of this Agreement would cause the other Party irreparable harm for which monetary damages would not be an adequate remedy and that, in the event of such breach or threatened breach, the other Party may be entitled to equitable relief, including in a restraining order, an injunction, specific performance, and any other relief that may be available from any court of competent jurisdiction. Such remedies are not exclusive and are in addition to all other remedies that may be available at law, in equity, or otherwise.

29.22 Counterparts. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email, or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

29.23 Bankruptcy. This Agreement shall be deemed a license of rights to intellectual property for purposes of Section 365(n) of the U.S. Bankruptcy Code and Licensee shall retain and may fully exercise all of its rights and elections under the U.S. Bankruptcy Code.

29.24 Standard of Performance. In its performance of this Agreement, each Party agrees to: (a) comply with applicable Law; (b) perform its obligations hereunder in compliance with all licenses, permits, and authorizations required by applicable Law and maintain same, to the extent required by applicable Law, where the failure to be in compliance could reasonably be expected to have, or does actually have, a material negative impact on such Party, its operations or business, or its ability to perform its obligations hereunder; and (c) perform its obligations in a good and workmanlike manner and in accordance with industry standards. Without limiting the foregoing, each Party may not use or possess at any point while performing obligations pursuant to this Agreement any illegal drugs, prescription drugs for which the individual has no prescription, legal drugs in excessive amounts, any substances that might impair driving ability, drug paraphernalia, alcoholic beverages, firearms and other weapons, contraband, or stolen property; provided that, for avoidance of doubt, each Party is permitted to use and possess industry standard tools or equipment.

29.25 Consent to Conduct Business Using Electronic Methods. Licensor and Licensee consent to conduct business using, to the extent either Party elects to do so in a particular instance, any method permitted by applicable Law. This consent encompasses the use of electronic methods (including email correspondence) to transmit and effect the signature of any document, including, without limitation, any supplement, modification, addendum, amendment, notice, consent and/or waiver, required by this Agreement or required by applicable Law to be generated and maintained (or exchanged by private parties). The Parties agree that when either Party uses any electronic method to accomplish electronic signatures, the chosen method: (a) identifies and authenticates the sender as the source of the electronic communication; (b) indicates the sender's approval of the information contained in the electronic communication; and (c) produces an electronic document with the same integrity, accuracy, and accessibility as a paper document or handwritten signature. Either Party may elect, with respect to any document, to use a manual/hardcopy signature, provided that the election will not preclude the other Party from applying an electronic signature to the same document.

[signature page follows]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the Effective Date.

Kodiak Robotics, Inc.	Fountainhead Logistics, LLC
By: /s/ Don Burnette	By:/s/ Blake McCarthy
Name: Don Burnette	Name: Blake McCarthy
Title: Chief Executive Officer	Title: Chief Financial Officer
Date: August 5, 2026	Date: August 5, 2026

EXHIBIT A
CERTIFICATE OF ACCEPTANCE OF TRACTOR

Reference is made to that certain Amended & Restated Master Services Agreement (the "**Agreement**") by and between Kodiak Robotics, Inc., a Delaware corporation with offices located at 1049 Terra Bella Ave., Mountain View, CA 94043 ("**Licensor**"), and Fountainhead Logistics LLC, a Delaware limited liability company with offices located at [***] ("**Licensee**") and dated as of [____]. Capitalized terms used but not defined herein shall have the meanings accorded to such terms in the Agreement.

By signing below, Licensee hereby certifies that the Tractor(s) identified in the SOW dated [______] and attached as Exhibit D-[__] to the Agreement [has/have] been received by Licensee and [is/are] accepted pursuant to Section 9 of the Agreement.

Licensee: Fountainhead Logistics, LLC

By: ________________________________
Signature of Authorized Representative

____
Name (Typed or Printed)

____
Date

____
Approved

EXHIBIT B
TRACTORS

The Tractors shall be identified as attached to this Agreement and as successively numbered Exhibit “B”s (e.g., Exhibit B-1, Exhibit B-2, etc.).

Each Tractor is identified:

Tractor	Year	Make	Model	Serial (VIN)#	Carrier Unit #	Term	Fleet Entry Date	Decommission Date

EXHIBIT C
MILESTONES
[***]

EXHIBIT D
FORM OF STATEMENT OF WORK ("SOW")

The SOW shall be defined and mutually agreed upon between Licensor and Licensee as attached to this Agreement and as successively numbered Exhibit "D"s (e.g., Exhibit D-1, Exhibit D-2, etc.). [***]

[Signature page follows.]

IN WITNESS WHEREOF, the Parties hereto have executed this SOW Exhibit D-1 as of [date].

Kodiak Robotics, Inc.	**Fountainhead Logistics, LLC**
By:_____________________	**By:**____________________
Name: __________________	**Name:**__________________
Title: ___________________	**Title:**___________________

ANNEX A
Information Security Protocols

[***]

EXHIBIT E

Service Level Agreement

This Service Level Agreement (this "**SLA**"), effective as of the Effective Date, is by and between Kodiak Robotics, Inc., a Delaware corporation with offices located at 1049 Terra Bella Ave., Mountain View, CA 94043 ("Provider") and Fountainhead Logistics, LLC, a Delaware limited liability company with offices located at [***] ("**Customer**"). Provider and Customer may be referred to herein collectively as the "**Parties**" or individually as a "**Party**".

WHEREAS, Provider and Customer are parties to the Agreement, pursuant to which Provider agrees to license the Kodiak Technology and provide certain other services associated with the Kodiak Technology to Customer; and

WHEREAS, Provider and Customer desire to establish certain service level requirements with respect to the provision of services pursuant to the Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, terms, and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Support Contact Channels. For purposes of this SLA, Provider's contact information (each, a "Support Contact Channel") shall be as follows, provided, that Provider may change or add to such Support Contact Channels upon advance written notice of at least [***] to Customer: by email at [***], and by telephone at [***]. Provider will monitor the Support Contact Channels [***], and promptly follow up by email on any correspondence received via a Support Contact Channel pursuant to this SLA.

2. Response Request Support.

   a. Interruption Reports. If Customer reasonably believes an interruption of operations of a Tractor that prevents or inhibits that Tractor from operating with autonomous driving, the Kodiak Technology, or [***] (an "**Interruption**") has occurred, Customer will provide an interruption report (an "**Interruption Report**") to Provider through the Support Contact Channels. Customer shall provide or assist in obtaining information enabling Provider to determine the cause of the Interruption, including: [***]. Provider shall respond to the Interruption Report within [***] from the time Customer submits the Interruption Report in writing to the Support Contact Channel. Provider's response will include [***].
   b. Provider Notices. Provider will monitor the status of Tractors through Provider's operations center [***]. If Provider identifies an Interruption, then Provider shall provide to Customer a notice (a "**Provider Notice**") describing such Interruption within [***] of identification. Where Provider has provided a Provider Notice to Customer, Customer is not required to provide an Interruption Report, and the Provider Notice shall serve as both the Interruption Report and the response from Provider set forth in Section 2(a).
   c. Affected Tractors. Provider will, within [***] of Provider's receipt of the Interruption Report or provision of the Provider Notice, as applicable, notify Customer of whether the

Tractors described in such Interruption Report or Provider Notice [***] (Tractors that experience an Interruption as a result of the Kodiak Technology, "**Affected Tractors**").

3. Service Availability. The Tractors shall be capable of operating with autonomous driving and [***] except during the following circumstances ("**Unavailable Uptime**"): [***]

4. Updates, Maintenance, and Testing Events. Customer shall ensure that Provider has access to each Tractor for updating, testing, providing maintenance, modifying, changing or substituting the equipment constituting the Software and/or Hardware, in each case, in accordance with the Agreement, if Provider reasonably determines and notifies the Customer that such update, modification, change, or substitution is necessary as a result of casualty, availability (or unavailability) of replacement parts, age of equipment, legal or regulatory changes, agreed-upon adjustments to functionality, material changes to operating and maintenance costs of equipment, allowance for the services to continue to be performed in accordance with the Agreement, or support of service levels under this SLA. Provider shall provide Customer with a proposed schedule specifying the date and time during which Provider may access Tractors by Tractor ID, following which, the Parties shall in good faith mutually agree to a final schedule. [***]

   [***]Driving Allowance Hours calculated as a percentage of total monthly hours.

5. Downtime Management. With respect to an Affected Tractor, downtime is calculated [***] ("**Interruption Downtime**"). Provider may initially troubleshoot any Interruption as determined in its reasonable discretion, including through the use of [***] (which may be local to the ODD for Software and Hardware testing, mapping or other developmental or transportation support purposes), [***], or other methods in each case to the extent agreed to by Customer ("**Initial Mitigation**"). To the extent that Provider substitutes [***], then no Downtime shall accrue for the period of time that such [***] is in operation. "**Tractor Downtime**" for an Interruption shall be the sum of [***]. The "**Total Downtime**" for a month [***], which, for the avoidance of doubt, shall exclude any [***] Driving Allowance Hours and Unavailable Uptime.

6. Final Troubleshooting Support Report. Provider shall provide to Customer a final report (the "**Final Report**") for the Affected Tractors no later than the latter of [***] after an Interruption Report or [***] after implementation of the Permanent Solution to the applicable Interruption. A "**Permanent Solution**" will restore the Affected Tractors back into full operation, to the extent that the applicable Interruption was caused by the Kodiak Technology or Provider's Representatives (with Customer being responsible for resolving any factors contributing to the Interruption that were not caused by the Kodiak Technology or Provider's Representatives). The Final Report shall include [***].

7. Uptime Calculation. The "**Uptime**" during a month shall be calculated using Total Available Time and Total Downtime. [***].

8. Calculation of Service Credits. "**Service Credits**" are calculated on a monthly basis as follows:
   a. with respect to each Interruption, for:
      i. [***]
      ii. [***] (each of (i) and (ii), a "**Response Failure**")

   and

b. [***] ("**Uptime Failure**").

The Response Failure Credit shall be $[***] per Response Failure. If there are multiple Response Failures in a month, then the total response failure credit will be the number of Response Failures times the Response Failure Credit ("**Total Response Failure Credit**").

The Service Credit for Uptime Failure will be determined based on the Service Credits Percentage calculation set forth below: [***]

The Threshold Percentage is: [***]

The total amount of the Uptime Service Credit will be [***] ("**Uptime Failure Credit**").

The Total Credit amount is the sum of [***].

The sum of the timely Total Response Failure and Uptime Failure Credit may not exceed [***] of the total Fees for any month. The Service Credit will be applied to the next bill sent to Customer after the end of the current month.

9. Periodic Review. The SLA is effective from the Effective Date until the expiration or termination of the Agreement. The SLA will be reviewed mutually and in good faith on an annual basis to determine whether any adjustments to its terms should be implemented. In the event that no such review occurs, the SLA then in effect will remain in effect. For Provider, [***], email: [***], shall be the "**Relationship Contact**" for purposes of initiating such review. For Customer, [***], email: [***] shall be the Relationship Contact for purpose of initiating periodic review. Either Party's Relationship Contact may initiate a periodic review through the Relationship Contact of the other Party after the one-year anniversary of July 17, 2024, and each anniversary thereafter. Either Party may change its Relationship Contact by written notice to the other Party's Relationship Contact.

10. Audit Procedure. Provider or its nominee (including its accountants and auditors) may, in Provider's sole discretion, inspect and audit Customer's use of the Kodiak Technology under this SLA at any time during the Term and for [***] following the termination or earlier expiration of this SLA. All audits will be conducted during regular business hours, and in a manner that does not unreasonably interfere with Customer's business operations. Customer shall make available all such books, records, equipment, information, and personnel, and provide all such cooperation and assistance, as may reasonably be requested by or on behalf of Provider with respect to such audit.

11. Cost and Results of Audit. If the Parties have disagreed about the calculation of Uptime Percentage or any other measure later agreed to by the Parties, and the audit set forth in Section 10 determines that Uptime Percentage or any such other measure later agreed to by the Parties has been met or exceeded, the Parties agree the related disagreement has been resolved and this SLA shall continue. If the audit determines that metrics subject to the disagreement have not been met, Provider shall issue Customer a proportional and pro-rata credit that Customer may use towards payment of Fees on the next payment schedule. Each Party shall bear its own costs for the audit and shared costs that have been agreed upon between the Parties shall be split evenly between the Parties unless otherwise agreed upon in writing.

12. General Terms and Conditions. The terms and conditions set forth in the Agreement shall govern the terms herein. If a term or condition of this SLA is contrary to a term and condition of the Agreement, then this SLA shall control the meaning of such term and condition. Any capitalized term not defined herein has the meaning given to it in the Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this SLA as of the Effective Date.

Kodiak Robotics, Inc.	**Fountainhead Logistics, LLC**
By:______________________	**By:_____________________**
Name: ___________________	**Name:___________________**
Title: ____________________	**Title:____________________**

EXHIBIT F

[***]

EXHIBIT G

PARENT GUARANTY AGREEMENT

This Parent Guaranty Agreement ("**Guaranty**"), dated as of July 17, 2024, is made by Atlas Sand Company, LLC (the "**Parent**" or "**Guarantor**"), a Delaware limited liability company with offices located at [***] in favor and for the benefit of Kodiak Robotics, Inc., a Delaware corporation with a business address located at 1049 Terra Bella Ave., Mountain View, CA 94043 (the "**Licensor**") in connection with that certain Master Services Agreement dated July 17, 2024 (the "**Agreement**"), by and between the Licensor and Fountainhead Logistics, LLC, a Delaware limited liability company with a business address located at [***] (the "**Licensee**").

1. Guaranty. In consideration of the substantial direct and indirect economic and other benefits derived by the Guarantor from entry by the Licensor into the Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1.1 The Guarantor hereby absolutely, unconditionally, and irrevocably guarantees, as primary obligor and not merely as surety, the punctual payment, when due or otherwise, whether now existing or hereafter arising, of all payment obligations of the Licensee to pay the License Fees (as defined in the Agreement) to the Licensor under the Agreement (collectively, the "Obligations"). This is a guaranty of payment and not of collection only. This is also a continuing guaranty and all Obligations shall be presumed to have been created in reliance hereon.

1.2 Notwithstanding any provision herein contained to the contrary, the Guarantor's liability with respect to the Obligations shall be limited to an amount not to exceed, as of any date of determination, the amount that could be claimed by the Licensor from the Guarantor without rendering such claim voidable or avoidable under Section 548 of the Bankruptcy Code or under any applicable state Uniform Fraudulent Transfer Act, Uniform Fraudulent Conveyance Act, or similar statute or common law.

2. Guaranty of Payment Absolute and Unconditional; Waivers. This Guaranty is a guaranty of payment and is absolute and unconditional. The Guarantor agrees that the Licensor need only to attempt to collect any Obligations from the Licensee pursuant to the terms of the Agreement before seeking enforcement of the Obligations upon the Guarantor.

The Guarantor guarantees that the Obligations will be paid strictly in accordance with the terms of the Agreement, regardless of any law, regulation, or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of the Licensor with respect thereto. The obligations of the Guarantor under this Guaranty are independent of the Obligations, and a separate action or actions may be brought and prosecuted against the Licensee or the Licensee may be joined in any such action or actions. The liability of the Guarantor under this Guaranty constitutes a primary obligation and not a contract of surety, and to the extent permitted by law, shall be irrevocable, continuing, absolute, and unconditional, and shall not be discharged for any reason until Licensor has been indefeasibly paid in full. Without limiting the generality of the foregoing, the obligations of the Guarantor hereunder shall remain in force irrespective of: (a) any invalidity, illegality or unenforceability of, or any defect in, any of the Obligations or any defense which the Borrower may have with respect thereto; (b) the existence or absence of any legal action to enforce the Obligations, the issuance of any judgment therefor or the execution of any such

judgment; or (c) any other circumstance which might otherwise constitute a defense available to, or discharge of, a guarantor or surety of any type.
The Guarantor hereby unconditionally and irrevocably waives any right to revoke this Guaranty and acknowledges that this Guaranty is continuing in nature and applies to all presently existing and future Obligations.

3. Reinstatement. This Guaranty shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any of the Obligations is rescinded or must otherwise be returned by the Licensor or any other entity upon the insolvency, bankruptcy, or reorganization of the Licensee or otherwise (and whether as a result of any demand, settlement, litigation, or otherwise), all as though such payment had not been made.

4. Subrogation. The Guarantor will not exercise any rights that it may now or hereafter acquire against the Licensee that arise from the existence, payment, performance, or enforcement of the Guarantor's obligations under this Guaranty, including, without limitation, any right of subrogation, reimbursement, exoneration, contribution, or indemnification, whether or not such claim, remedy, or right arises in equity or under contract, statute, or common law, including, without limitation, the right to take or receive from the Licensee, directly or indirectly, in cash or other property, or by set-off or in any other manner, payment or security solely on account of such claim, remedy, or right, unless and until all of the Obligations and all other amounts payable under this Guaranty shall have been indefeasibly paid in full.

5. Representations and Warranties. The Guarantor represents and warrants that: (a) this Guaranty (i) does not violate any agreement, instrument, law, regulation or order applicable to Guarantor; (ii) does not require the consent or approval of any person or entity, including but not limited to any governmental authority, or any filing or registration of any kind, except to the extent that such consent and approval has been received; and (iii) is the legal, valid and binding obligation of the Guarantor enforceable against the Guarantor in accordance with its terms, except to the extent that enforcement may be limited by applicable bankruptcy, insolvency and other similar laws affecting creditors' rights generally; and (b) in executing and delivering this Guaranty, the Guarantor has (i) without reliance on the Licensor or any information received from the Licensor and based upon such documents and information it deems appropriate, made an independent investigation of the Agreement contemplated hereby, the Licensee's business, assets, operations, prospects and condition, financial or otherwise, and any circumstances which may bear upon such transactions, the obligations and risks undertaken herein with respect to the Obligations; (ii) adequate means to obtain from the Licensee on a continuing basis information concerning the Licensee; and (iii) has full and complete access to the Agreement as of the date hereof and shall have full and complete access to each amended Agreement and any other, exhibits, SOWs, and/or other documents in connection with the Agreement.

6. Miscellaneous. The Parties further agree as follows:

6.1 **Expenses**. The Guarantor shall pay to the Licensor, on demand, the amount of any and all reasonable out-of-pocket expenses, including, without limitation, legal expenses and attorneys' fees, which the Licensor may incur in connection with the enforcement by the Licensor of its rights under this Guaranty following the failure by the Guarantor to comply with its obligations hereunder.

6.2 **Waivers, Amendments, Remedies**. No course of dealing by the Licensor and no failure by the Licensor to exercise, or delay by the Licensor in exercising, any right, remedy, or power hereunder shall operate as a waiver thereof, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right, remedy, or power of the Licensor. No amendment,

modification, or waiver of any provision of this Guaranty and no consent to any departure by the Guarantor therefrom, shall, in any event, be effective unless contained in a writing signed by the Parties, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. The rights, remedies, and powers of the Licensor, not only hereunder, but also under any instruments
and agreements evidencing or securing the Obligations and under applicable law, are cumulative and may be exercised by the Licensor from time to time in such order as the Licensor may reasonably elect.

6.3 **Notices**. All notices or other communications given or made hereunder shall be in writing and shall be deemed delivered the first business day after being delivered by electronic means to the party to receive the same at its address set forth below or to such other address as either party shall hereafter give to the other by notice duly made under this Section:

To Licensor: [***]

To Guarantor: [***]

6.4 **Term; Binding Effect**. This Guaranty shall (a) remain in full force and effect until payment and satisfaction in full of all of the Obligations; (b) be binding upon the Guarantor and its successors and permitted assigns; provided that Guarantor may not assign any of its rights or obligations hereunder without the prior written consent of the Licensor; and (c) inure to the benefit of the Licensor and its successors and assigns. The Licensor may not assign any of its rights, interest or obligations hereunder to any other person without the prior written consent of the Guarantor; provided that the Licensor may assign its rights hereunder to any transferee of the Agreement without the consent of the Guarantor to the extent such transfer is duly authorized in accordance with the terms of the Agreement. Upon the payment in full of the Obligations (a) this Guaranty shall terminate and (b) the Licensor will, upon the Guarantor's request and at the Guarantor's expense, execute and deliver to the Guarantor such documents as the Guarantor shall reasonably request to evidence such termination, all without any representation, warranty, or recourse whatsoever.

6.5 **Satisfaction of Obligations**. For all purposes of this Guaranty, the payment in full of the Obligations shall be conclusively deemed to have occurred when the Obligations shall have been indefeasibly paid in full.

6.6 **Counterparties, Execution**. This Guaranty may be executed in any number of counterparts and by the different signatories hereto on separate counterparts, each of which, when so executed, shall be deemed an original, but all such counterparts shall constitute but one and the same instrument. This Guaranty may be executed by electronic signature and delivered by electronic transmission.

6.7 **Governing Law**. The Parties agree that this Guaranty shall be subject to the governing law and jurisdictional requirements set forth in Section 29.17 of the Agreement, mutatis mutandis.

6.8 **Waiver of Jury Trial**. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY RELATING TO THIS GUARANTY WHETHER BASED ON CONTRACT, TORT, OR ANY OTHER THEORY. EACH PARTY HERETO (A) CERTIFIES THAT NO AGENT, ATTORNEY, REPRESENTATIVE, OR ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT SEEK TO ENFORCE THE FOREGOING WAIVER IN THE EVENT

OF LITIGATION, AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS GUARANTY BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Guaranty as of the date first above written.

GUARANTOR
Atlas Sand Company, LLC

By:____________________________________

Name:

Title:

LICENSOR
Kodiak Robotics, Inc.

By____________________________________

Name:

Title:

EXHIBIT H

[***]

EXHIBIT I

[***]

EXHIBIT J

[***]

EXHIBIT 31.1

CERTIFICATION PURSUANT TO

RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,

AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Don Burnette, certify that:

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

    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.

Dated: August 7, 2026

/s/ Don Burnette

Don Burnette

Chief Executive Officer

(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION PURSUANT TO

RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,

AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Surajit Datta, certify that:

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

   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.

Dated: August 7, 2026

/s/ Surajit Datta

Surajit Datta

Chief Financial Officer

(Principal Financial Officer)

EXHIBIT 32.1

CERTIFICATION PURSUANT TO

18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Kodiak AI, Inc. (the "Company") on Form 10-Q for the period ended June 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

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

Dated: August 7, 2026

/s/ Don Burnette

Don Burnette

Chief Executive Officer

(Principal Executive Officer)

EXHIBIT 32.2

CERTIFICATION PURSUANT TO

18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Kodiak AI, Inc. (the "Company") on Form 10-Q for the period ended June 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

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

Dated: August 7, 2026

/s/ Surajit Datta

Surajit Datta

Chief Financial Officer

(Principal Financial Officer)