Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 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: 001-41827

Lite Strategy, Inc.
(Exact name of registrant as specified in its charter)

DELAWARE	51-0407811
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

9920 Pacific Heights Blvd., Suite 150, San Diego, CA 92121
(Address of principal executive offices) (Zip Code)

(858) 369-7100
(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, $0.00000002 par value	**LITS**	**The Nasdaq Stock Market LLC**

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

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

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

Large accelerated filer	☐	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 October 30, 2026, the number of shares outstanding of the issuer's common stock, $0.00000002 par value, was 29,884,653.

Lite Strategy, Inc.

Table of Contents

		Page
PART I	**FINANCIAL INFORMATION**	3
Item 1.	Condensed Consolidated Financial Statements (Unaudited)	3
	Condensed Consolidated Balance Sheets as of September 30, 2026 and June 30, 2026 (Unaudited)	3
	Condensed Consolidated Statements of Operations for the three months ended September 30, 2026 and 2025 (Unaudited)	4
	Condensed Consolidated Statements of Stockholders' Equity for the three months ended September 30, 2026 and 2025 (Unaudited)	5
	Condensed Consolidated Statements of Cash Flows for the three months ended September 30, 2026 and 2025 (Unaudited)	6
	Notes to Condensed Consolidated Financial Statements (Unaudited)	7
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	26
Item 3.	Quantitative and Qualitative Disclosures about Market Risk	31
Item 4.	Controls and Procedures	31
PART II	**OTHER INFORMATION**	33
Item 1.	Legal Proceedings	33
Item 1A.	Risk Factors	33
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	33
Item 3.	Defaults upon Senior Securities	33
Item 4.	Mine Safety Disclosures	33
Item 5.	Other Information	33
Item 6.	Exhibits	34
SIGNATURES		35

PART I FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements

LITE STRATEGY, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except par value data)

	September 30, 2026	June 30, 2026
ASSETS	(Unaudited)	
Current assets:		
Cash and cash equivalents	$ 4,281	$ 5,706
Prepaid expenses and other current assets	1,922	435
Total current assets	6,203	6,141
Digital assets	46,180	27,272
Digital assets receivable, net	4,349	7,627
Investments in SAFE and Token Warrants, at fair value	1,044	1,000
Other long-term assets	625	652
Total assets	$ 58,401	$ 42,692
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 280	$ 261
Accrued liabilities	1,426	808
Total current liabilities	1,706	1,069
Total liabilities	1,706	1,069
Commitments and contingencies (Note 9)		
Stockholders' equity:		
Preferred stock, $0.01 par value; 100 shares authorized; none outstanding	—	—
Common stock, $0.00000002 par value; 226,000 shares authorized; 36,785 shares issued at September 30, 2026 and June 30, 2026, and 30,192 and 32,407 shares outstanding at September 30, 2026 and June 30, 2026, respectively.	—	—
Additional paid-in capital	523,302	521,832
Treasury stock, at cost, 6,593 and 4,379 shares at September 30, 2026 and June 30, 2026, respectively.	(7,316)	(4,895)
Accumulated deficit	(459,291)	(475,314)
Total stockholders' equity	56,695	41,623
Total liabilities and stockholders' equity	$ 58,401	$ 42,692

See accompanying notes to condensed consolidated financial statements.

LITE STRATEGY, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)
(Unaudited)

	For the Three Months Ended September 30,	
	2026	**2025**
Operating (income) expenses:		
Research and development	$ 22	$ 10
General and administrative	2,355	3,098
Change in fair value of digital assets	(16,898)	631
Total operating (income) expenses	(14,521)	3,739
Income (loss) from operations	14,521	(3,739)
Other income (expense):		
Change in fair value of digital assets receivable, net	2,594	—
Loss on derivative liabilities, net	(1,172)	—
Change in fair value of SAFE and Token Warrants	44	—
Interest and dividend income	36	100
Total other income, net	1,502	100
Net income (loss)	$ 16,023	$ (3,639)
Net income (loss) per share:		
Basic	$ 0.48	$ (0.12)
Diluted	$ 0.48	$ (0.12)
Weighted-average shares used in computing net income (loss) per share:		
Basic	33,169	29,475
Diluted	33,179	29,475

See accompanying notes to condensed consolidated financial statements.

LITE STRATEGY, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In thousands)
(Unaudited)

	Common Shares	Additional Paid-In Capital	Accumulated Deficit	Treasury Shares		Total Stockholders' Equity
				Shares	Amount	
Balance at June 30, 2026	36,785	$ 521,832	$ (475,314)	(4,379)	$ (4,895)	$ 41,623
Net income	—	—	16,023	—	—	16,023
Issuance of Pre-Funded Warrants to asset manager in lieu of cash fees	—	1,174	—	—	—	1,174
Issuance of GD Advisory Fee Warrants in lieu of cash fees	—	177	—	—	—	177
Repurchase of common stock, including transaction costs and excise tax	—	—	—	(2,214)	(2,421)	(2,421)
Share-based compensation	—	119	—	—	—	119
Balance at September 30, 2026	36,785	$ 523,302	$ (459,291)	(6,593)	$ (7,316)	$ 56,695

	Common Shares	Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity
Balance at June 30, 2025	6,663	$ 421,095	$ (404,164)	$ 16,931
Net loss	—	—	(3,639)	(3,639)
Proceeds from the sale of common stock at $3.42 per share in July 2025, net of issuance costs	23,217	60,326	—	60,326
Proceeds from the issuance of Pre-Funded Warrants at $3.4199 per share in July 2025, net of issuance costs	—	15,649	—	15,649
Issuance of Advisory Warrants for services rendered in the July 2025 PIPE	—	16,215	—	16,215
Issuance of common stock upon exercise of Pre-Funded Warrants for cash	2,084	—	—	—
Issuance of common stock upon cashless exercise of Pre-Funded Warrants	2,808	—	—	—
Issuance of common stock through our ATM, net of issuance costs	883	4,628	—	4,628
Issuance of Pre-Funded Warrants to asset manager in lieu of cash fees	—	1,875	—	1,875
Share-based compensation	—	284	—	284
Balance at September 30, 2025	35,655	$ 520,072	$ (407,803)	$ 112,269

See accompanying notes to condensed consolidated financial statements.

LITE STRATEGY, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	For the Fiscal Three Months Ended September 30,	
	2026	**2025**
Cash flows from operating activities:		
Net income (loss)	$ 16,023	$ (3,639)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Change in fair value of digital assets	(16,898)	631
Change in fair value of digital assets receivable, net	(2,594)	—
Share-based compensation	119	284
Loss on derivative liabilities, net	1,172	—
Change in fair value of SAFE and Token Warrants	(44)	—
Noncash asset management and advisory expense	516	331
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	(622)	(1,305)
Other long-term assets	27	(515)
Accounts payable	19	318
Accrued liabilities	106	(613)
Net cash used in operating activities	(2,176)	(4,508)
Cash flows from investing activities:		
Purchases of digital assets	(7,913)	(100,000)
Proceeds from sale of digital assets	1,000	—
Net proceeds from written Covered Call Options	10,062	—
Net cash provided by (used in) investing activities	3,149	(100,000)
Cash flows from financing activities:		
Proceeds from the issuance of common stock and Pre-Funded Warrants in July 2025, net of offering costs	—	92,199
Proceeds from issuance of common stock through our ATM Program, net of issuance costs	—	4,411
Repurchase of common stock	(2,398)	—
Net cash (used in) provided by financing activities	(2,398)	96,610
Net decrease in cash and cash equivalents	(1,425)	(7,898)
Cash and cash equivalents at beginning of the year	5,706	18,011
Cash and cash equivalents at end of the year	$ 4,281	$ 10,113
Supplemental cash flow information:		
Issuance of Advisory Warrants for services rendered in the July 2025 PIPE	$ —	$ 16,215
Issuance of Pre-Funded Warrants to asset manager in lieu of cash fees	$ 1,174	$ 1,875
Advisory fee payable in warrants in lieu of cash fees in accrued liabilities	$ —	$ 142
Issuance of GD Advisory Fee Warrants in lieu of cash fees	$ 177	$ —
Digital assets transferred to digital assets receivable, net	$ 4,903	$ —
Excise tax accrued on net stock repurchases	$ 23	$ —
PIPE offering costs in accounts payable	$ —	$ 9

See accompanying notes to condensed consolidated financial statements.

LITE STRATEGY, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Description of Business and Basis of Presentation

Description of Business

Lite Strategy, Inc. (Nasdaq: LITS) is a pharmaceutical company that has historically developed novel and differentiated cancer therapies and is currently assessing pre-clinical development programs in nononcologic disease indications. We also hold Litecoin (LTC) tokens as a primary reserve asset as part of our broader institutional treasury strategy. We initially built our pipeline by acquiring promising cancer agents and creating value in programs through development, strategic partnerships, and out-licensing or commercialization, as appropriate. Our approach to pre-clinical drug development is to evaluate our drug candidates either as stand-alone or in combination with standard-of-care therapies to overcome known resistance mechanisms and address clear medical needs to provide improved patient benefit. Our drug candidate pipeline includes voruciclib, an oral cyclin-dependent kinase 9 (CDK9) inhibitor, and zandelisib, an oral, once-daily, selective PI3Kδ inhibitor.

Litecoin Treasury Strategy

On August 5, 2025, we announced the commencement of our primary reserve asset and implementation strategy built on a digital asset infrastructure and long-term capital innovation (the Litecoin Treasury Strategy) through our acquisition of LTC tokens, reflecting the full deployment of the net proceeds of the PIPE (as defined in *Note 11. Stockholders' Equity*). LTC is an open source, global payment network that is fully decentralized without any central authorities. Mathematics secures the network and empowers individuals to control their own finances. LTC features faster transaction confirmation times and improved storage efficiency than the leading math-based currency. We believe this strategy will allow us to diversify reserves, enhance capital efficiency, implement treasury management strategies and align with emerging financial technologies with an emphasis on privacy and payment processing.

Basis of Presentation and Consolidation

The unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the U.S. (U.S. GAAP) for interim financial information and in accordance with the instructions to Form 10-Q and Articles 8 and 10 of Regulation S-X. Accordingly, the condensed consolidated financial statements do not include all information and notes required by U.S. GAAP for complete financial statements. In the opinion of management, the accompanying condensed consolidated financial statements reflect all adjustments (consisting of normal recurring adjustments) that are necessary for a fair statement of the financial position, results of operations and cash flows for the periods presented.

The unaudited condensed consolidated financial statements include the accounts of Lite Strategy, Inc. and our wholly owned subsidiary, Meadow Merger Sub, Inc. We have eliminated all intercompany accounts and transactions in consolidation.

The unaudited condensed consolidated financial statements for the quarterly period ended September 30, 2026 should be read in conjunction with the audited financial statements and notes thereto as of and for the fiscal year ended June 30, 2026, included in our Annual Report on Form 10-K filed with the Securities and Exchange Commission (SEC) on September 28, 2026 (2026 Annual Report). Interim results are not necessarily indicative of results for a full year.

We have evaluated subsequent events through the date the condensed consolidated financial statements were issued.

2. Summary of Significant Accounting Policies

There have been no material changes to our significant accounting policies from those described in the notes to our audited consolidated financial statements contained in the 2026 Annual Report.

Risks and Uncertainties

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. On an ongoing basis, we evaluate our estimates, including those related to the valuation of (i) investment in SAFE (as defined below) and Token Warrants (as defined below), (ii) derivatives liabilities associated with our Covered Call Options (as defined below) and (iii) share-based awards, including warrants issued for services, potential loss contingencies and the assessment of our ability to fund our operations for at least the next 12 months from the date of issuance of these condensed consolidated financial statements. We base our estimates on historical experience and other market-specific or other relevant assumptions that we believe to be reasonable under the circumstances. Estimates are assessed each reporting period and updated to reflect current information. As future events and their effects cannot be determined with precision, actual results may materially differ from those estimates or assumptions.

Market, Custody and Operational Risks of Digital Assets

We are subject to various risks including market risk, liquidity risk, and other risks related to our concentration in a single asset, LTC. Investing in LTC is highly speculative and volatile.

Because the fair value of our digital assets is calculated by reference to the principal market price in accordance with U.S. GAAP, fluctuations in the price of LTC could materially and adversely affect an investment in us. LTC prices have been volatile and subject to influence by many factors, including LTC's levels of liquidity, which have historically been limited. If digital asset markets continue to experience significant price fluctuations, we may experience losses. During LTC's limited history, it has been subject to various factors affecting the price of LTC, including, but not limited to, global LTC supply and demand, compliance and internal control failures leading to the theft of LTC from global trading platforms or vaults, limited liquidity and trading volumes compared to sovereign currencies market and competition from other forms of digital currency or payment services, and global or regional political, economic or financial conditions.

There is a risk that some or all our LTC could be lost or stolen. There can be no assurance that the custodian will maintain adequate insurance or that such coverage will cover losses with respect to our LTC. Further, transactions in LTC are irrevocable. Stolen or incorrectly transferred LTC may be irretrievable. Further, any LTC we hold with our custodians and transact with our trade execution partners does not enjoy the same protections as are available to cash or securities deposited with or transacted by institutions subject to regulation by the Federal Deposit Insurance Corporation or the Securities Investor Protection Corporation. As a result, any incorrectly executed LTC transactions could adversely affect an investment in us.

We rely on third-party service providers to perform certain functions essential to our operations. Any disruptions to our service providers' business operations resulting from business failures, financial instability, security failures, government mandated regulation or operational problems could have an adverse impact on our ability to access critical services and be disruptive to our operations.

LTC is subject to a developing regulatory landscape. On March 17, 2026, the SEC issued an interpretation addressing how the federal securities laws apply to certain types of crypto assets and transactions involving crypto assets (the Digital Asset Interpretation). While not a binding regulation, the Digital Asset Interpretation represents a shift in the SEC's regulatory posture toward the crypto asset industry, moving from reliance primarily on enforcement actions to affirmative guidance establishing a classification framework and clarifying when crypto-related activities do or do not implicate the federal securities laws.

In the Digital Asset Interpretation, the SEC classified crypto assets into five categories based on their characteristics, uses, and functions. "Digital commodities," "digital collectibles" including "meme coins," and "digital tools" are not themselves securities according to the SEC. A "digital commodity" is a crypto asset intrinsically linked to, and deriving its value from, the programmatic operation of a "functional" crypto system and supply and demand dynamics, rather than from the expectation of profits based on the essential managerial efforts of others. A digital commodity is not a security. The Digital Asset Interpretation identifies a number of specific crypto assets as digital commodities, including LTC.

The Commodity Futures Trading Commission (the CFTC) joined the Digital Asset Interpretation to provide guidance that the CFTC and its staff will administer the Commodities Exchange Act of 1936, as amended (the CEA) consistent with the SEC's interpretation. Accordingly, by following the Digital Asset Interpretation, the CFTC will continue to regulate LTC as a digital commodity. Under the CEA, the CFTC has broad enforcement authority to police market manipulation and fraud in spot digital asset markets in which we may transact. Beyond instances of fraud or manipulation, the CFTC generally does not oversee cash or spot market exchanges or transactions involving digital asset commodities that do not utilize margin, leverage or financing. In addition, CFTC regulations and CFTC oversight and enforcement authority apply with respect to futures, swaps, other derivative products and certain retail leveraged commodity transactions involving digital asset commodities, including the markets on which these products trade and the Digital Asset Interpretation does not include in its taxonomy digital derivatives or digital swaps or address regulation regarding these products.

Under the Digital Asset Interpretation, even if a crypto asset is deemed to be a non-security crypto asset (such as a "digital commodity"), the interpretation takes the view that the non-security crypto asset may still be subject to an investment contract, even in the secondary market, and thus secondary market transactions, even in such non-security crypto assets, might be subject to the federal securities laws. While the Digital Asset Interpretation conveys the SEC's views on how the definition of "security" applies to crypto assets, it does not have the binding force of a regulation adopted through notice-and-comment rulemaking. Accordingly, courts are not bound by it and may reach different conclusions, and the SEC could revise or withdraw it in the future.

If LTC is determined to be a "security" under federal or state securities laws by the SEC or any other agency, or in a proceeding in a court of law or otherwise, it may have material adverse consequences for LTC. For example, it may become more difficult for LTC to be traded, cleared and custodied as compared to other digital assets that are not considered to be securities, which could, in turn, negatively affect the liquidity and general acceptance of LTC and cause users to migrate to other digital assets. As such, any determination that LTC is a security under federal or state securities laws may adversely affect the value of LTC and, as a result, an investment in us.

In addition, if LTC is in fact a security, we could be considered an unregistered "investment company" under the Investment Company Act of 1940, which could necessitate our liquidation or delisting from the exchange on which our stock is traded. In such case, we may be deemed to have participated in an illegal offering of investment company securities and there is no guarantee that we will be able to register under the Investment Company Act of 1940 at such time, or take such other actions as may be necessary to ensure our activities comply with applicable law, which could force us to liquidate our LTC holdings.

Cash and Cash Equivalents

We consider all highly liquid investments with a maturity date of three months or less, when purchased, to be cash equivalents. We maintain cash and cash equivalent balances at financial institutions insured by the Federal Deposit Insurance Corporation (FDIC). At times, deposits held may exceed the amount of insurance provided by the FDIC. We have not experienced any losses in our cash and cash equivalents and management believes we are not exposed to significant credit risk with respect to such accounts. Our cash equivalents are classified as Level 1 inputs within the fair value hierarchy. See *Note 5. Fair Value Measurements* for further information on the fair value hierarchy.

Digital Assets

In accordance with our Litecoin Treasury Strategy, we intend to hold our LTC for long-term investment purposes. We seek to generate returns on our LTC holdings, as LTC appreciates and actively pursue risk-adjusted return opportunities to generate cash flows that support our operating expenses. As a result, our LTC digital assets are included in long-term assets in the condensed consolidated balances sheets, due to our intent to retain and hold our LTC. Pursuant to Accounting Standards Codification (ASC) Topic 350-60 *Intangibles - Goodwill and Other - Crypto Assets* (ASC 350-60) in-scope crypto assets are required to be measured at fair value in the statement of financial position, with gains and losses from changes in the fair value of such crypto assets recognized in operating expenses in the condensed consolidated statements of operations each reporting period. Proceeds from the sale of digital assets are included within investing activities in the condensed consolidated statements of cash flows.

ASC 350-60 does not address the initial measurement, recognition, and derecognition of crypto assets. As such, our digital assets were initially recorded at cost plus fees in accordance with ASC 350-30 *Intangibles - Goodwill and Other - General Intangibles Other Than Goodwill*. Our digital assets are recorded at fair value at each reporting period with changes in fair value of digital assets included as a component of operating activities in the condensed consolidated statements of operations, as our LTC tokens could, if needed, be sold for use in our operations. Digital assets intended for use in operations and/or for the repurchase of our common stock are classified as current assets in the condensed consolidated balance sheets.

Our first purchase of LTC was on July 30, 2025. In accordance with ASC 350-60, our required adoption date was July 1, 2025 (beginning of the fiscal year that includes the period of adoption). LTC tokens are measured using Level 1 inputs under ASC 820 *Fair Value Measurement* (ASC 820), based on quoted prices from a principal market, Coinbase, as Coinbase has the highest trading volume of LTC tokens (LTC Tokens), the native cryptocurrency of LTC, and is the market in which we transact in LTC Tokens. We track the cost basis of our digital assets based upon a first-in-first-out methodology. See *Note 4. Digital Assets* for further information. Except for digital assets pledged as collateral for our Covered Call Options (as defined below), our digital asset holdings are not subject to any contractual sale restrictions. Digital assets pledged as collateral are reported as digital assets receivable, net, and classified as long-term assets on the condensed consolidated balance sheets, consistent with our intent to primarily retain LTC under our Litecoin Treasury Strategy.

Digital Assets Receivable, Net

We enter into contracts with GSR Markets Ltd (GSR Markets), an affiliate of GSR Strategies LLC (GSR or Asset Manager), in which we write covered call options on certain of our LTC holdings (Covered Call Options). In connection with these arrangements, we transfer LTC as collateral to GSR Markets, on a title-transfer basis. Upon transfer, we no longer have control of the specific LTC transferred; however, we retain a contractual right to receive the same quantity of LTC if the Covered Call Options expire unexercised.

As a result of the title transfer, the amount of LTC collateralized is reclassified from digital assets to digital assets receivable, net, in the condensed consolidated balance sheets. In addition, we recognize the difference between the fair value at the date of transfer and the initial purchase price of the LTC as a realized gain or loss within change in fair value of digital assets, a component of operating expenses in the condensed consolidated statements of operations. The digital assets receivable, net, is remeasured at fair value at each reporting date in accordance with ASC 350-60.

When Covered Call Options expire unexercised, GSR Markets may either return the LTC to us or retain the LTC to support future Covered Call Option contracts. If the LTC is retained by GSR Markets after expiration, the balance continues to be reported as digital assets receivable, net, and remeasured at fair value. If the LTC is returned to us, the receivable is derecognized by reclassifying the fair value of the LTC to digital assets in the condensed consolidated balance sheets.

When Covered Call Options are exercised, the associated digital assets receivable, net, is derecognized as the underlying LTC is retained by GSR Markets and removed from our collateral balance held by GSR Markets. Gains or losses related to the exercise of Covered Call Options are recorded within loss on derivative liabilities, net, a component of other income (expense) in the condensed consolidated statements of operations.

We evaluate our digital assets receivable for expected credit losses in accordance with ASC 326, *Financial Instruments - Credit Losses*. Our assessment considers, among other factors, the short-term nature of the Covered Call Options contractual term, the creditworthiness and risk management practices of GSR, the amount of LTC collateralized, and historical loss experience. As of September 30, 2026, we concluded expected credit losses were immaterial and, therefore, recorded no allowance for credit losses related to our digital assets receivable, net.

Investment in Simple Agreement for Future Equity (SAFE) and Token Warrants

Our investment in the SAFE provides us with the right to participate in future equity financings of a private company and token warrants provide us with the right to purchase two percent of the total network tokens developed (Token Warrants) (the SAFE and Token Warrants are herein referred to as the SAFE Investment). We accounted for the SAFE Investment under ASC 321, *Investments - Equity Securities*. The SAFE Investment contains multiple settlement provisions which could require bifurcation under ASC 815, *Derivatives and Hedging* (ASC 815). Rather than separately value each settlement provision, we elected the fair value option for the SAFE Investment under ASC 825, *Financial Instruments*, which requires financial instruments to be remeasured to fair value each reporting period, with changes in fair value recorded in the condensed consolidated statements of operations. The fair value estimate includes significant inputs not observable in the market, which represents a Level 3 measurement within the fair value hierarchy.

Fair Value of Financial Instruments

Our financial instruments consist primarily of cash and cash equivalents, prepaid expenses and other current assets, digital assets, digital assets receivable, net, Investments in SAFE and Token Warrants, accounts payable, accrued liabilities, including Covered Call Options, and Advisory Warrants (as defined in *Note 12. Warrants*). The carrying amounts of cash and cash equivalents, prepaid expenses and other current assets, accounts payable and accrued liabilities are considered to be representative of their respective fair values because of the relatively short-term nature of those instruments. For information regarding the fair value of our digital assets and our Covered Call Options, see *Note 5. Fair Value Measurements* and *Note 8. Derivatives*, respectively.

Derivatives – Covered Call Options

From time to time, to generate cash flows on a portion of our LTC, we sell Covered Call Options. These options do not qualify as accounting hedges under ASC 815; however, we consider them to be economic hedges. We classify our Covered Call Options as derivative liabilities, which are recorded within the accrued liabilities line item in the condensed consolidated balance sheets, and accordingly recorded at fair value at inception and subsequently remeasured at fair value at each reporting date. Changes in fair value of our Covered Call Options and/or realized gains or losses on Covered Call Options recognized upon settlement (expiration) of the related Covered Call Option contract are recognized within loss on derivative liabilities, net, a component of other income (expense), in the condensed consolidated statements of operations.

The notional amount of Covered Call Options represents the quantity of digital assets underlying the option contracts multiplied by the spot entry price when the contract is written. Notional amounts are not recorded on the condensed consolidated balance sheets and do not represent our maximum exposure to loss, which is limited to the opportunity cost of foregone appreciation in the underlying digital assets above the strike price. Premiums and settlement proceeds received from the sale of Covered Call Options are recorded as cash inflows within investing activities in the condensed consolidated statements of cash flows. See *Note 8. Derivatives* for additional information related to our Covered Call Options.

Master Loan Agreement

As discussed in *Note 7. Master Loan Agreement*, we entered into a master loan agreement (the MLA) with BitGo Prime (the Lender). The MLA provides a framework under which we may borrow digital assets or cash from the Lender, from time-to-time. Each loan is documented in a separate loan request agreed to by the parties setting forth the specific terms, including principal amount, fees, collateral requirements and the date on which the loan is to commence and mature (each a Loan). Each Loan may have a fixed term, or may include a call option or prepayment option, as specified in each loan request. In general, either party may terminate a Loan by providing notice within the time frame set forth in the respective Loan. Upon termination, the borrowed digital assets or cash must be returned, and the related collateral released.

Warrants

For warrants that meet all criteria for equity classification, such warrants are required to be recorded as additional paid-in capital in the condensed consolidated balance sheets at the time of issuance.

Warrants issued for services, including the Advisory Warrants, (as defined in *Note 12. Warrants*) are accounted for in accordance with ASC 718, *Stock Compensation* (ASC 718), which requires us to recognize the fair value at either (i) the fair value of the equity instruments issued or (ii) the liabilities settled. We determine the fair value of warrants issued for services based upon the common stock underlying warrants using the Black-Scholes-Merton (BSM) option pricing model (BSM Model) based on the applicable assumptions, which include the exercise price of the warrants, our stock price and historical volatility, the expected warrant term, the risk-free interest rate, the expected dividends, and if applicable, the vesting behavior. See *Note 12. Warrants* for a summary of the fair value assumptions used to value the Advisory Warrants upon the closing of the PIPE (as defined in *Note. 11. Stockholders' Equity*) and a summary of warrants outstanding as of September 30, 2026.

The fair value of warrants issued as settlement of the annual Asset-based Fee under the GSR Asset Management Agreement and in settlement of the Annual Advisory Fee with Green Dragon Investment LLC (Green Dragon) are determined by the settlement amount of the Asset-based Fee and the Annual Advisory Fee, respectively. Such warrants and the agreements under which they were issued are further discussed in *Note 12. Warrants*, and defined in *Note 14. Related Party Transactions*.

Share-based Compensation

For fully vested, nonforfeitable equity instruments, without a claw back provision in the event of nonperformance by a nonemployee, granted at the date we and a nonemployee enter into an agreement for goods or services, we recognize the equity instruments when they are granted. The corresponding cost is recognized as an immediate expense or a prepaid asset depending on the specific facts and circumstances of the agreement with the nonemployee.

Net Income (Loss) Per Share

Basic net income (loss) per share is computed using the weighted-average number of shares of common stock outstanding (which is net of our Treasury Shares repurchased through our Share Repurchase Program (both terms as defined in *Note 11. Stockholders' Equity*)) during the period, without consideration for common stock equivalents. Issued and outstanding warrants to purchase shares of our common stock are included in the calculation of basic net income (loss) per common share if the exercise price of the warrants represents *de minimis* consideration and is nonsubstantive in relation to the price paid for the warrant and if the warrants are immediately exercisable with no further vesting conditions or contingencies associated with them. As of September 30, 2026, 1,868,697 shares of our common stock underlying Pre-Funded Warrants, as described in *Note 12. Warrants*, and 375,829 shares of our common stock underlying the vested portion of our GD Advisory Fee Warrants are included in the calculation of our weighted-average shares used in computing basic net income (loss) per share, due to their nominal exercise price. As of September 30, 2025, 1,676,638 shares of our common stock underlying Pre-Funded Warrants, as described in *Note 12. Warrants*, are included in the calculation of our weighted-average shares used in computing basic net income (loss) per share, due to their nominal exercise price.

Diluted net income (loss) per share is computed by dividing net income (loss) by the weighted-average number of shares of common stock and potentially dilutive outstanding shares of common stock during the period to reflect the potential dilution that could occur from common shares issuable through warrants unless the result would be antidilutive. The dilutive effect of the GD Advisory Fee Warrants subject to vesting is calculated using the treasury stock method, which assumes the "proceeds" from the exercise of those instruments are used to purchase common stock at the average market price for the period. Both the vested and unvested portion of the GD Advisory Fee Warrants are included in the calculation of diluted net income per share from the earlier of the first day of our fiscal year 2027 or the date they were issued.

Since the GD Advisory Fee Warrants are equity classified, we determined no adjustment to the numerator was required in each of the three months ended September 30, 2026 and 2025. The following table presents the computation of shares used in diluted net income (loss) per share (in thousands):

	For the Three Months Ended September 30,	
	2026	**2025**
Shares used in calculating basic net income (loss) per share	33,169	29,475
Effect of potentially dilutive common shares from GD Advisory Fee Warrants	10	—
Shares used in calculating diluted net income (loss) per share	33,179	29,475

The following table presents potentially dilutive shares that have been excluded from the calculation of diluted net income (loss) per share because of their anti-dilutive effect (in thousands):

	For the Fiscal Three Months Ended September 30,	
	2026	2025
Stock options	1,703	736
Warrants		
Advisory Warrants	3,070	3,070
Other warrant	103	103
Total anti-dilutive shares	4,876	3,909

Recent Accounting Pronouncement

Recently Issued

From time to time, new accounting pronouncements are issued by the FASB or other standards setting bodies that are adopted as of the specified effective date. We believe the impact of recently issued standards and any issued but not yet effective standards will not have a material impact on our condensed consolidated financial statements upon adoption.

In November 2024, the FASB issued ASU No. 2024-03, *Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40)* (ASU 2024-03). The amendments in this update require disclosure, in the notes to the financial statements, of specific expense categories present within expense captions presented on the face of the statements of operations (income statement) within continuing operations of PBEs. The amendments in this update are effective for annual periods beginning after December 15, 2026 and interim periods beginning after December 15, 2027. Early adoption is permitted. The amendments should be applied either prospectively to financial statements issued for reporting periods after the effective date of this ASU or retrospectively to any and all prior periods presented in the financial statements. We are currently evaluating this ASU to determine its impact on our disclosures.

In January 2025, the FASB issued ASU No. 2025-01, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date*. The amendment in this update clarifies the effective date of ASU 2024-03, which is that public business entities are required to adopt the guidance in annual reporting periods beginning after December 15, 2026, and in interim periods within annual reporting periods beginning after December 15, 2027. The impact of adoption of this ASU on our disclosures is currently being evaluated.

In December 2025, the FASB issued ASU No. 2025-12, *Codification Improvements* (ASU 2025-12). The amendments in this update represent changes to the Codification that (1) clarify, (2) correct errors, or (3) make minor improvements. The amendments make the Codification easier to understand and apply. An entity should apply the amendments in this update (except for the amendments to Topic 260, Earnings Per Share, related to Issue 4) either prospectively to all transactions recognized on or after the date that the entity first applies the amendments or retrospectively to the beginning of the earliest comparative period presented. Entities may elect the transition method on an issue-by-issue basis. The amendments in this update clarify the effective date of ASU 2024-03, which is that public business entities are required to adopt the guidance in annual reporting periods beginning after December 15, 2026 and in interim periods within those annual reporting periods. Early adoption is permitted in both interim and annual reporting periods. The impact of adoption of this ASU on our disclosures is currently being evaluated.

3. Balance Sheet Details

Prepaid Expenses and Other Current Assets

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

	September 30, 2026	June 30, 2026
Insurance	$ 799	$ 210
Asset management fee	946	110
Software license	60	17
Other	117	98
Total prepaid and other current assets	$ 1,922	$ 435

Accrued Liabilities

Accrued liabilities consisted of the following, in thousands:

	September 30, 2026	June 30, 2026
Accrued compensation and benefits	$ 651	$ 656
Accrued legal and professional services	192	75
Accrued pre-clinical and clinical trial expenses	9	11
Derivative liabilities - Covered Call Options	528	40
Other	46	26
Total accrued liabilities	$ 1,426	$ 808

4. Digital Assets

The following table summarizes our digital asset holdings as of September 30, 2026 (in thousands, except quantity):

	September 30, 2026		
	Quantity	Cost Basis	Fair Value
Digital assets	687,098	$ 65,650	$ 46,180
Digital assets receivable, net [(1)]	64,700	4,033	4,349
Total digital assets	751,798	$ 69,683	$ 50,529

(1) Digital assets receivable, net, include LTC pledged as collateral residing with GSR.

The following table summarizes our digital asset holdings as of June 30, 2026 (in thousands, except quantity):

	June 30, 2026		
	Quantity	Cost Basis	Fair Value
Digital assets	650,716	$ 69,273	$ 27,272
Digital assets receivable, net [(1)]	182,000	13,140	7,627
Total digital assets	832,716	$ 82,413	$ 34,899

(1) Digital assets receivable, net, include LTC pledged as collateral residing with GSR.

5. Fair Value Measurements

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. The fair value hierarchy based on three levels of inputs, of which the first two are considered observable and the last unobservable, that may be used to measure fair value is as follows:

Level 1 - Observable inputs such as quoted prices in active markets for identical assets or liabilities.

Level 2 - Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - Unobservable inputs that are supported by little or no market activities and that are significant to the fair value of the assets or liabilities.

Assets and liabilities are classified based on the lowest level of input that is significant to the fair value measurements. We review the fair value hierarchy classification at each reporting period. As of September 30, 2026 and June 30, 2026, we had no financial assets or liabilities measured at fair value on a nonrecurring basis.

The following table presents our financial assets and liabilities measured at fair value on a recurring basis as of September 30, 2026 (in thousands):

	September 30, 2026			
	Total	Level 1	Level 2	Level 3
Assets:				
Cash equivalents	$ 2,902	$ 2,902	$ —	$ —
Digital assets	46,180	46,180	—	—
Digital assets receivable, net	4,349	—	4,349	—
Investment in SAFE	444	—	—	444
Investment in Token Warrants	600	—	—	600
Total assets measured on a recurring basis	$ 54,475	$ 49,082	$ 4,349	$ 1,044
Liabilities:				
Derivative liabilities - Covered Call Options	$ 528	$ —	$ 528	$ —
Total liabilities measured on a recurring basis	$ 528	$ —	$ 528	$ —

The following table presents our financial assets and liabilities measured at fair value on a recurring basis as of June 30, 2026 (in thousands):

	June 30, 2026			
	Total	Level 1	Level 2	Level 3
Assets:				
Cash equivalents	$ 4,867	$ 4,867	$ —	$ —
Digital assets	27,272	27,272	—	—
Digital assets receivable, net	7,627	—	7,627	—
Investment in SAFE	400	—	—	400
Investment in Token Warrants	600	—	—	600
Total assets measured on a recurring basis	$ 40,766	$ 32,139	$ 7,627	$ 1,000
Liabilities:				
Derivative liabilities - Covered Call Options	$ 40	$ —	$ 40	$ —
Total liabilities measured on a recurring basis	$ 40	$ —	$ 40	$ —

During the three months ended September 30, 2025, we did not have any financial assets measured at fair value using Level 3 significant unobservable inputs. The following tables provide a reconciliation of all financial assets measured at fair value, during the three months ended September 30, 2026, using Level 3 significant unobservable inputs (in thousands):

	Level 3 Assets	
	SAFE	Token Warrants
Balance as of June 30, 2026	$ 400	$ 600
Change in fair value on derivative instruments	44	—
Balance as of September 30, 2026	$ 444	$ 600

The following table presents the change in carrying amount of our digital assets (in thousands):

	Three Months Ended September 30,	
	2026	2025
Balance beginning of period	$ 27,272	$ —
Purchases of digital assets	7,913	100,000
Change in fair value of digital assets:		
Realized loss on sale of digital assets	(1,443)	—
Realized loss upon transfer of digital assets as collateral	(4,190)	—
Unrealized gain (loss) on digital assets	22,531	(631)
Digital assets transferred as collateral	(4,903)	—
Disposition of digital assets	(1,000)	—
Balance end of period	$ 46,180	$ 99,369

6. Employee Termination Benefits

In August 2024, in connection with our announcement to evaluate strategic alternatives, we commenced a strategic alternatives reduction-in-force (Strategic Alternatives RIF). All activities related to the Strategic Alternatives RIF were completed as of September 30, 2025. Total charges incurred for the Strategic Alternatives RIF totaled $5.9 million which included charges for retention, contractual pro rata fiscal year 2025 bonuses, severance and COBRA costs related to the termination of our employees due to our related wind down activities.

During the three months ended September 30, 2025, we recorded employee termination benefits of $0.1 million within general and administrative expense.

All employee termination benefits were associated with non-segment expenses.

The following table summarizes our activity related to employee benefits included in accrued liabilities (in thousands):

	Employee Termination Benefits
Balance at June 30, 2025	$ 728
Increase in accrued restructuring	122
Cash payments	(850)
Balance at September 30, 2025	$ —

7. Master Loan Agreement

On September 3, 2025 (the MLA Date), we entered into the MLA with the Lender. The MLA provides a framework under which we may borrow any digital assets or cash from the Lender, from time-to-time. We must request a loan from the Lender with the Loan Request. Once approved by the Lender, a loan will be documented in a loan agreement (each, a Loan Agreement).

Each Loan may have a fixed term, or may include a call option or prepayment option, as specified in each Loan Request. In general, either party may terminate a Loan Agreement by providing notice within the time frame set forth in the Loan Agreement. Upon termination, the borrowed digital assets or cash must be returned and the related collateral released.

Borrowings under a Loan Agreement are secured by collateral in favor of the Lender. Collateral may include cash or other forms agreed upon by the Parties (as defined in the applicable Loan Agreement). The collateral's required value is typically higher than the borrowed amount, subject to margin calls as set forth in the applicable Loan Agreement. If the value of the posted collateral falls below the margin call threshold, we must promptly post additional collateral. Failure to maintain sufficient collateral can result in an event of default and remedies available to the Lender, including the right to liquidate pledged collateral.

The MLA contains representations and warranties and affirmative and negative covenants customary for financings of this type, as well as customary events of default.

We evaluated the MLA and determined as of the MLA Date, the MLA does not represent a loan commitment in accordance with U.S. GAAP. As of September 30, 2026, we had not requested any Loans nor did we have any Loan Agreements outstanding under the MLA.

8. Derivatives

The following tables present our condensed consolidated balance sheets classification of derivatives carried at fair value (in thousands):

Derivative	Balance Sheet Line	September 30, 2026 Asset	September 30, 2026 Liability
Derivatives not designated as hedging instruments:			
SAFE and Token Warrants	Investments in SAFE and Token Warrants	$ 1,044	$ —
Covered Call Options	Accrued liabilities	—	528
Total derivatives		$ 1,044	$ 528

Derivative	Balance Sheet Line	June 30, 2026 Asset	June 30, 2026 Liability
Derivatives not designated as hedging instruments:			
SAFE and Token Warrants	Investments in SAFE and Token Warrants	$ 1,000	$ —
Covered Call Options	Accrued liabilities	—	40
Total derivatives		$ 1,000	$ 40

The following table presents our condensed consolidated statements of operations classification of derivatives carried at fair value (in thousands):

Derivative	Statements of Operations Line	For the Three Months Ended September 30, 2026	For the Three Months Ended September 30, 2025
Derivatives not designated as hedging instruments:			
Covered Call Options	Loss on derivative liabilities, net	$ (1,172)	$ —
Total derivatives		$ (1,172)	$ —

Covered Call Options

We carry our Covered Call Options at fair value with any realized gains or losses and/or changes in fair value recognized within gains on derivative liabilities, a component of other (expense) income, net, in our condensed consolidated statements of operations.

In estimating the fair value of our Covered Call Options, we use the Black-76 Model (the Black-76 Model), a derivation of the BSM Model, which includes several inputs and assumptions, including the forward price of the underlying asset (LTC), the underlying asset's implied volatility, the risk-free interest rate, and the expected term of the Covered Call Options. The expected term of the Covered Call Options is the contractual term given the Covered Call Options can only be exercised on their expiration date (i.e., European-style options). We determined that the Covered Call Options are Level 2 liabilities given all inputs are observable.

During the three months ended September 30, 2026, we issued Covered Call Options of $22.1 million notional for proceeds of $0.1 million to generate cash flows on a portion of our digital assets, which is expected to be utilized in our Share Repurchase Program. We transferred to GSR Markets LTC as collateral in a quantity equal to the underlying notional for the Covered Call Options sold. The Covered Call Options are only exercisable upon the date of expiration, are automatically exercised if the underlying reference price was greater than the strike price of the Covered Call Option and settled with delivery of the underlying LTC. The reference price for the Covered Call Options is/was GSR's internal pricing index, aggregating prices from multiple exchanges, quoted in USD at 6:00pm UTC time for a given date.

During the three months ended September 30, 2026, Covered Call Options on $15.0 million notional expired unexercised and we recorded *de minimis* realized gains. As of September 30, 2026, we had three Covered Call Options outstanding on LTC aggregating $6.0 million notional.

During the three months ended September 30, 2026, we recorded realized gains of a *de minimis* amount on exercised Covered Call Options on $3.0 million notional. During the three months ended September 30, 2026, we recognized realized losses of $0.8 million on exercised Covered Call Options on $6.1 million notional.

9. Commitments and Contingencies

We have contracted with various consultants and third parties to assist us in pre-clinical research and development and clinical trials work for our leading drug compounds. The contracts are terminable at any time but obligate us to reimburse the providers for any time or costs incurred through the date of termination. We also have an employment agreement with our chief executive officer and chief financial officer that provides for severance payments and accelerated vesting for share-based awards if his employment is terminated under specified circumstances.

Should we terminate the GSR Asset Management Agreement (as defined *in Note 14. Related Party Transactions*), prior to the initial contractual term of 10 years, we may be obligated to pay an early termination fee in one lump sum payment due upon such termination. Such fee is calculated as the present value of the amount equal to (1) the remaining years in the term of the agreement multiplied by (2) the average of the Asset-based Fee (as defined in *Note 14. Related Party Transactions*) of each of the completed years in the term of the agreement at the time of termination (Termination Fee). The Termination Fee shall be paid in shares of our common stock or pre-funded warrants in lieu thereof if the holdings of the Asset Manager (together with its affiliates) would exceed 4.99% of the issued and outstanding Shares. The Termination Fee shall be in addition to any other fees due under the GSR Asset Management Agreement accruing through the date of termination.

Litigation

From time to time, we may be involved in various lawsuits, legal proceedings, or claims that arise in the ordinary course of business. Management believes there are no claims or actions pending against us as of September 30, 2026, which will have, individually or in the aggregate, a material adverse effect on its business, liquidity, financial position, or results of operations. Litigation, however, is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm our business.

Indemnification

In accordance with our amended and restated certificate of incorporation and sixth amended and restated bylaws, we have indemnification obligations to our officers and directors for certain events or occurrences, subject to certain limits, while they are serving in such capacity. There have been no claims to date, and we have a directors and officers liability insurance policy that may enable it to recover a portion of any amounts paid for future claims.

Presage License Agreement

As discussed in *Note 10. License Agreements*, we are party to a license agreement with Presage Biosciences, Inc. (Presage) under which we may be required to make future payments upon the achievement of certain development, regulatory and commercial milestones, as well as potential future royalties based upon net sales. As of September 30, 2026, we had no accruals for potential future payments as achievement of the milestones had not been met.

10. License Agreements

Presage Biosciences License Agreement

In September 2017, we, as licensee, entered into a license agreement with Presage. Under the terms of the license agreement, Presage granted to us exclusive worldwide rights to develop, manufacture and commercialize voruciclib, a clinical-stage, oral and selective CDK inhibitor and related compounds. In exchange, we paid $2.9 million to Presage. With respect to the first indication, an incremental $2.0 million payment, due upon dosing of the first subject in the first registration trial, will be owed to Presage, for total payments of $4.9 million prior to receipt of marketing approval of the first indication in the U.S., EU or Japan. Additional potential payments of up to $179.0 million will be due upon the achievement of certain development, regulatory and commercial milestones. We will also pay mid-single digit tiered royalties on the net sales of any product successfully developed. As an alternative to milestone and royalty payments related to countries in which we sublicense product rights, we will pay to Presage a tiered percentage (which decreases as product development progresses) of amounts received from such sublicensees. During the three months ended September 30, 2026 and 2025, we made no payments under the Presage license agreement.

11. Stockholders' Equity

Description of Capital Stock

Our total authorized share capital is 226,100,000 shares consisting of 226,000,000 shares of common stock and 100,000 shares of preferred stock, $0.01 par value per share.

Common Stock

The holders of common stock are entitled to one vote per share. In the event of a liquidation, dissolution or winding up of our affairs, holders of the common stock will be entitled to share ratably in all our assets that are remaining after payment of our liabilities and the liquidation preference of any outstanding shares of preferred stock. All outstanding shares of common stock are fully paid and nonassessable. The rights, preferences and privileges of holders of common stock are subject to any series of preferred stock that we have issued or that we may issue in the future. The holders of common stock have no preemptive rights and are not subject to future calls or assessments by us.

In conjunction with the PIPE (as defined below), we issued 23,216,898 shares of common stock at $3.42 per share.

Preferred Stock

Our Board has the authority to issue up to 100,000 shares of preferred stock with a par value of $0.01 per share in one or more series and to fix the rights, preferences, privileges and restrictions in respect of that preferred stock, including dividend rights, dividend rates, conversion rights, voting rights, terms of redemption (including sinking fund provisions), redemption prices and liquidation preferences, and the number of shares constituting such series and the designation of any such series, without future vote or action by the stockholders. Therefore, the Board, without the approval of the stockholders, could authorize the issuance of preferred stock with voting, conversion and other rights that could affect the voting power, dividend and other rights of the holders of shares or that could have the effect of delaying, deferring or preventing a change of control. There were no shares of preferred stock outstanding as of September 30, 2026 and June 30, 2026.

Equity Transactions

Share Repurchase Program

In connection with shifting our Litecoin Treasury Strategy from initial LTC accumulation to active capital market operations, on October 29, 2025, we announced that our Board authorized the Share Repurchase Program and initiated it in December 2025, by repurchasing shares of our common stock from the open market (the Treasury Shares). Treasury Shares repurchased through the Share Repurchase Program are considered held in treasury and returned to the status of authorized but unissued shares of common stock. Accordingly, the cost of our Treasury Shares, including excise taxes as applicable, were recorded as a treasury stock transaction with our condensed consolidated balance sheets and statements of stockholder's equity. The Share Repurchase Program does not have an expiration date, does not include specific price targets or timetables and may be suspended or terminated by us at any time.

The following table summarizes activity under our Share Repurchase Program (cost in thousands):

	For the Three Months Ended September 30, 2026		
	Shares	Weighted-average Exercise Price Per Share[(1)]	Cost
Treasury shares repurchased	2,214,503	$ 1.08	$ 2,421

(1) Excludes excise taxes

Private Investment in Public Equity (PIPE) and Related Agreements

On July 22, 2025 (the Closing Date), we closed on a $100.0 million PIPE and issued an aggregate of (i) 23,216,898 shares of common stock, at an offering price of $3.42 per share and (ii) pre-funded warrants (the Pre-Funded Warrants), to purchase up to an aggregate of 6,022,869 shares of common stock, at an offering price of $3.4199 per Pre-Funded Warrant (the Offering).

Also in July 2025, we entered into various agreements with certain advisors to the PIPE, asset managers and custodians who will help us deploy our Litecoin Treasury Strategy, including but not limited to (i) a placement agency agreement, (ii) an asset management agreement, (iii) an advisory agreement, (iv) a strategic advisor agreement and (v) an at-the-market sales agreement (the Sales Agreement). As consideration of services provided associated with the PIPE, we issued warrants for the purchase of up to 3,070,177 shares of common stock with a weighted-average exercise price of approximately $4.10 per share. See *Note 12. Warrants* for a summary of the fair value assumptions used to value the Advisory Warrants upon the closing of the PIPE.

Shelf Registration Statement

On February 20, 2024, we filed a shelf registration statement on Form S-3 which was declared effective by the SEC on February 28, 2024 (February 2024 Shelf Registration Statement) that permits us to sell, from time to time, up to $100.0 million of common stock, preferred stock, warrants, rights and units.

At-The-Market Equity Offering

On February 20, 2024, we entered into a capital on demand sales agreement (On Demand Sales Agreement) with JonesTrading Institution Services LLC, pursuant to which we could offer and sell shares having an aggregate offering price of up to $25.0 million. We did not offer or sell any shares of common stock under the On Demand Sales Agreement. Effective July 21, 2025, we terminated the On Demand Sales Agreement.

On July 22, 2025, we entered a Sales Agreement with Titan Partners Group LLC, a division of American Capital Partners LLC (in such capacity, the Agent), pursuant to which we may sell, from time to time, at our option, up to $100.0 million in aggregate principal amount of an indeterminate amount of shares (the ATM Shares) of common stock, through the Agent (ATM Program). We will pay the Agent a commission of 3.5% of the gross sales price of the ATM Shares sold pursuant to the Sales Agreement.

Any ATM Shares to be offered and sold under the Sales Agreement will be issued and sold (i) by methods deemed to be an at-the-market offering as defined in Rule 415(a)(4) promulgated under the Securities Act of 1933, as amended, if authorized by us and (ii) pursuant to the February 2024 Shelf Registration Statement as supplemented by a prospectus supplement, filed with the SEC on July 23, 2025.

During fiscal year 2026, 882,924 shares of our common stock have been issued and sold under our ATM Program for aggregate net proceeds of $4.6 million. No shares have been issued or sold under our ATM Program during fiscal year 2027 thus far.

Cooperation Agreement and Cash Dividend

The cooperation agreement, dated as of October 31, 2023, with Anson Funds Management LP and Cable Car Capital LLC (the Cooperation Agreement) among other nonfinancial items, provided for a capital return to stockholders in the form of a dividend in the amount of $1.75 per share of common stock that was declared on November 6, 2023, to stockholders of record at the close of business on November 17, 2023. The total dividend of $11.7 million was paid on December 6, 2023, and was recorded as a reduction of additional paid-in capital in the condensed consolidated statements of stockholders' equity, as we have an accumulated deficit, rather than retained earnings. Effective July 22, 2025, in conjunction with the closing of the Offering, the parties to the Cooperation Agreement mutually agreed to terminate the Cooperation Agreement.

12. Warrants

As of September 30, 2026, we have the following warrants outstanding:

	Number of Warrants Outstanding	Exercise Price	Initial Exercise Date	Expiration Date
Pre-Funded Warrants issued in lieu of cash payment				
GSR Year 1	546,348	$ 0.0001	September 24, 2025	Until exercised in full
GSR Year 2	1,322,349	$ 0.0001	July 22, 2026	Until exercised in full
Asset Manager Warrants				
Tranche 1	584,795	$ 3.42	July 22, 2025	July 22, 2030
Tranche 2	292,398	$ 3.93	July 22, 2025	July 22, 2030
Tranche 3	292,398	$ 4.62	July 22, 2025	July 22, 2030
Tranche 4	292,398	$ 5.13	July 22, 2025	July 22, 2030
Strategic Advisor Warrants	438,597	$ 4.10	July 22, 2025	July 22, 2030
Placement Agent Warrants	1,169,591	$ 4.10	July 22, 2025	July 22, 2030
Advisory Fee Warrants in lieu of cash payment				
Green Dragon Year 1[(1)]	234,149	$ 0.0001	October 8, 2025	October 8, 2030
Green Dragon Year 2[(2)]	566,721	$ 0.0001	July 22, 2026	July 22, 2031
Other warrant	102,513	$ 6.80	October 25, 2022	October 25, 2027
Total warrants	5,842,257			

(1) These warrants were exercised on October 29, 2026, see *Note 15. Subsequent Events* for additional information.
(2) The vested portion of this warrant was exercised on October 29, 2026, see *Note 15. Subsequent Events* for additional information.

Pre-Funded Warrants

As discussed in *Note 11. Stockholders' Equity*, we issued Pre-Funded Warrants to purchase up to an aggregate of 6,022,869 shares of common stock in the PIPE. Each Pre-Funded Warrant was immediately exercisable for one share of common stock at an exercise price of $0.0001 per Pre-Funded Warrant Share and could be exercised at any time until all the Pre-Funded

Warrants issued in the Offering are exercised in full. Each holder of the Pre-Funded Warrant's ability to exercise its Pre-Funded Warrants in exchange for shares of common stock was subject to certain beneficial ownership limitations set forth therein. On July 24, 2025, Pre-Funded Warrants for the purchase of 2,084,509 shares of common stock were exercised for a *de minimis* amount of cash proceeds. During fiscal year 2026, we issued 3,938,209 shares of common stock upon cashless exercises of 3,938,360 Pre-Funded Warrants at which time all Pre-Funded Warrants issued in the PIPE were fully exercised.

Pre-Funded Warrants Issued in Lieu of Cash Fees

As payment of the annual Asset-based Fee under the GSR Asset Management Agreement, we issued GSR Strategies LLC (GSR or the Asset Manager) fully vested, nonforfeitable Pre-Funded Warrants. During the first year of the GSR Asset Management Agreement, it was noncancelable, by us, other than for Cause (as defined therein). As discussed in *Note 9. Commitments and Contingencies*, the GSR Asset Management Agreement contains a substantial penalty if we cancel the agreement prior to the completion of the 10 years. We concluded the fair value of services received by GSR represented the fair value of the warrants issued in settlement of the Asset-based Fee and recorded such fair value as additional paid-in capital in the condensed consolidated balance sheets. The Asset-based Fee is recognized as general and administrative expenses within our digital asset treasury strategy segment (see *Note 13. Segment Information* for information related to our segments).

The following Pre-Funded Warrants were issued to GSR as settlement of the Asset-based Fee (in millions, except number of warrants issued):

	Number of Warrants Issued	Grant Date Fair Value	For the Three Months Ended September 30,	
			2026	2025
Pre-Funded Warrants issued in lieu of cash:				
Year 1	546,348	$ 1.9	$ 0.1	$ 0.3
Year 2	1,322,349	$ 1.2	$ 0.2	$ —

Advisory Warrants

On July 22, 2025, in conjunction with the closing of the PIPE, we issued the following warrants for services rendered in connection with the PIPE (i) the Asset Manager GSR 1 Warrant (AMA GSR 1 Warrant), (ii) Asset Manager GSR 2 Warrant (AMA GSR 2 Warrant), (iii) Asset Manager GSR 3 Warrant (AMA GSR 3 Warrant), (iv) Asset Manager GSR 4 Warrant (AMA GSR 4 Warrant), (v) Placement Agent (PA) Warrant and (vi) Strategic Advisor (SA) Warrant (collectively the Advisory Warrants), and we issued the Asset Manager's Pre-Funded Warrant (AMA Pre-Funded Warrant) after the Closing Date for the purchase of 3,070,177 shares of our common stock to our advisors in the transaction. The Advisory Warrants are immediately exercisable, expire five years from the issuance date and have exercise prices between $3.42 and $5.13 per share. Upon issuance, we recognized the fair value of the Advisory Warrants of $16.2 million within additional paid-in capital that is included in the condensed consolidated statements of stockholders' equity for the three months ended September 30, 2025.

The weighted-average grant date fair value of the Advisory Warrants was $5.28 per share as determined using the following weighted-average grant date assumptions:

Risk-free interest rate	3.9%
Expected life (years)	5.0
Expected volatility	85.3%
Dividend yield	— %

Advisory Fee Warrants Issued in Lieu of Cash Fees

As payment of the Annual Advisory Fee under the GD Advisory Agreement, we issued Green Dragon warrants with an exercise price of $0.0001 per share (the GD Advisory Fee Warrants). Such warrants vest 25% on the initial exercise date and then quarterly on the anniversary of the initial exercise date, such that the GD Advisory Fee Warrants are fully vested on the nine month anniversary of the initial exercise date. We concluded the fair value of services received or to be received by Green Dragon represented the fair value of the warrants issued in settlement of the Annual Advisory Fee. The Annual Advisory Fee is recognized in general and administrative expenses within our digital asset treasury strategy segment (see *Note 13. Segment Information* for information related to our segments).

The following GD Advisory Fee Warrants were issued to Green Dragon as settlement of the Annual Advisory Fee (in millions, except except number of warrants issued):

	Number of Warrants Issued	Grant Date Fair Value	For the Three Months Ended September 30,	
			2026	2025
Advisory Warrants issued in lieu of cash:				
Year 1[(1)]	234,149	$ 0.8	$ —	$ 0.2
Year 2[(2)]	566,721	$ 0.5	$ 0.1	$ —

(1) These warrants were exercised on October 29, 2026, see *Note 15. Subsequent Events* for additional information.

(2) The vested portion of this warrant was exercised on October 29, 2026, see *Note 15. Subsequent Events* for additional information.

Other Warrants

As of September 30, 2026, we have a warrant to purchase 102,513 shares of our common stock issued to Torreya Partners LLC. The warrant is fully vested, exercisable at a price of $6.80 per share and expires in October 2027. No warrants were exercised as of September 30, 2026.

13. Segment Information

Operating segments are defined as components of an enterprise for which separate financial information is regularly evaluated by the chief operating decision maker (CODM), which is our Chief Executive Officer and Chief Financial Officer, in deciding how to allocate resources and assess performance. Our CODM evaluates financial information including budget versus actual comparisons when assessing performance for allocating financial and personnel resources. Prior to the commencement of writing the Covered Call Options in the second quarter of fiscal year 2026, the CODM considered our cash and cash equivalents and other corporate expenses to be primarily available for use in our development of pharmaceutical products segment. However, since the proceeds from the issuance of our Covered Call Options are being utilized to repurchase our common stock, the CODM reevaluated its position during the second quarter of fiscal year 2026 and concluded cash and cash equivalents and corporate expenses were no longer segment expenses and therefore would represent corporate expenses and be a reconciling item between total segment costs and our consolidated results. We are not organized by market.

Prior to the initiation of our Litecoin Treasury Strategy in August 2025, we operated as a single operating segment, the development of pharmaceutical products. Subsequently, we now operate under two operating segments (development of pharmaceutical products and digital asset treasury strategy), which we identify based upon the underlying business activities supporting these two segments. During the three months ended September 30, 2026 and 2025, we did not generate any revenue. Consistent with the CODM's reevaluation in the second quarter of fiscal year 2026, he concluded our administrative functions including finance, business development and information systems, no longer were primarily supportive of our development of pharmaceutical products segment and would be primarily included in corporate expenses. We operate in one geographic area, the United States. The CODM allocates resources (inclusive of both capital and personnel) based upon our net income (loss), which is utilized to monitor year-over-year variances on a quarterly basis.

The accounting policies of both our segments are the same as those described in *Note 2. Summary of Significant Accounting Policies*. All our assets are in the United States. We do not have intra-entity sales or transfers.

During the three months ended September 30, 2026 and 2025, we had no transactions denominated in foreign currencies nor any intangible property for which we recognized amortization expense. During the three months ended September 30, 2026 and 2025, we did not recognize depreciation expense. Noncash expenses such as depreciating assets and share-based compensation are not part of the CODM's evaluation or decision-making process.

The following tables summarize our financial data for our segments (in thousands):

	For the Three Months Ended September 30, 2026				
	Digital Asset Treasury Strategy	Development of Pharmaceutical Products	Total Segment Costs	Corporate Expenses	Consolidated
Operating (income) expense and other (income) expense					
Employee expenses	$ 143	$ 7	$ 150	$ 255	$ 405
Other segment expenses[1]	16	3	19	478	497
Professional fees	158	—	158	493	651
Legal fees	18	42	60	236	296
voruciclib	—	12	12	—	12
Asset management fee and advisory fees	516	—	516	—	516
Change in fair value of digital assets	(16,898)	—	(16,898)	—	(16,898)
Change in fair value of digital assets receivable, net	(2,594)	—	(2,594)	—	(2,594)
Loss on derivative liabilities, net	1,172	—	1,172	—	1,172
Change in fair value of SAFE and Token Warrants	(44)	—	(44)	—	(44)
Interest and dividend income[2]	—	—	—	(36)	(36)
Total operating (income) expense and other (income) expense	(17,513)	64	(17,449)	1,426	(16,023)
Total segment costs loss and net income (loss)	$ 17,513	$ (64)	$ 17,449	$ (1,426)	$ 16,023

(1) Includes product development costs associated with zandelisib determined to be immaterial for both periods presented, share-based compensation costs, administrative costs, travel and business taxes.

(2) Interest and dividend income are solely attributable to our cash and cash equivalents.

	For the Three Months Ended September 30, 2025				
	Digital Asset Treasury Strategy	Development of Pharmaceutical Products	Total Segment Costs	Corporate Expenses	Consolidated
Operating and other (income) expense					
Employee expenses	$ 232	$ —	$ 232	$ 347	$ 579
Other segment expenses[1]	20	5	25	811	836
Professional fees	70	2	72	699	771
Legal fees	107	194	301	145	446
voruciclib	—	3	3	—	3
Asset management fee and advisory fees	473	—	473	—	473
Change in fair value of digital assets	631	—	631	—	631
Interest and dividend income[2]	—	—	—	(100)	(100)
Total operating and other (income) expense	1,533	204	1,737	1,902	3,639
Total segment costs loss and net loss	$ (1,533)	$ (204)	$ (1,737)	$ (1,902)	$ (3,639)

(1) Includes product development costs associated with zandelisib determined to be immaterial for both periods presented, share-based compensation costs, administrative costs, travel and business taxes.

(2) Interest and dividend income are solely attributable to our cash and cash equivalents.

	September 30, 2026				
	Digital Asset Treasury Strategy	Development of Pharmaceutical Products	Total Segment Assets	Corporate Assets	Consolidated
Current assets:					
Cash and cash equivalent	$ —	$ —	$ —	$ 4,281	$ 4,281
Prepaid expenses and other current assets	994	—	994	928	1,922
Total current assets	994	—	994	5,209	6,203
Digital assets	46,180	—	46,180	—	46,180
Digital assets receivable, net	4,349	—	4,349	—	4,349
Investment in SAFE and Token Warrants, at fair value	1,044	—	1,044	—	1,044
Other long-term assets	—	—	—	625	625
Total assets	$ 52,567	$ —	$ 52,567	$ 5,834	$ 58,401

	June 30, 2026				
	Digital Asset Treasury Strategy	Development of Pharmaceutical Products	Total Segment Costs	Corporate Assets	Consolidated
Current assets:					
Cash and cash equivalent	$ —	$ —	$ —	$ 5,706	$ 5,706
Prepaid expenses and other current assets	128	31	159	276	435
Total current assets	128	31	159	5,982	6,141
Digital assets	27,272	—	27,272	—	27,272
Digital assets receivable, net	7,627	—	7,627	—	7,627
Investment in SAFE and Token Warrants, at fair value	1,000	—	1,000	—	1,000
Other long-term assets	—	—	—	652	652
Total assets	$ 36,027	$ 31	$ 36,058	$ 6,634	$ 42,692

14. Related Party Transactions

In the ordinary course of business, we have related party transactions with affiliates of our Board. The following table presents balances related to transactions with such affiliates of our Board as of September 30, 2026 and June 30, 2026 (in thousands):

	September 30, 2026	June 30, 2026
Balances:		
Prepaid expenses and other current assets	$ 976	$ 110
Digital assets receivable, net	$ 4,349	$ 7,627
Accrued liabilities (Derivative liabilities - Covered Call Options)	$ 528	$ 40

The following table summarizes our activities with such affiliates of our Board during the three months ended September 30, 2026 and 2025 (in thousands):

	For the Three Months Ended September 30,	
	2026	2025
General and administrative expense recognized	$ 516	$ 473
Change in fair value of digital assets receivable, net	$ 2,594	$ —
Loss on derivative liabilities, net	$ 1,172	$ —

GSR Asset Management Agreement and Side Letter

On July 22, 2025, in connection with the PIPE, we and GSR entered into an asset management agreement (the GSR Asset Management Agreement). GSR provides discretionary investment management services with respect to, among other assets, the proceeds from our PIPE (the Account Assets) in accordance with the terms of the GSR Asset Management Agreement. The custodians

under the GSR Asset Management Agreement will consist of Coinbase and other cryptocurrency wallet providers agreed to by us and the Asset Manager.

We pay GSR an asset-based fee (the Asset-based Fee) equal to 1.75% per annum of the Account Assets under management that is paid in shares of common stock until GSR owns 4.99% of our issued and outstanding common stock. Thereafter, the Asset-based Fee is to be paid in Pre-Funded Warrants (the GSR Pre-Funded Warrants) to purchase shares of common stock (the GSR Pre-Funded Warrant Shares). The number of shares of common stock or GSR Pre-Funded Warrants will be issued equal to the dollar amount of the Asset-based Fee being paid, divided by the average volume-weighted average price (VWAP) of the common stock for the 30 trading days ending with the trading day prior to the date that is the applicable 12-month anniversary of the Closing Date (the Fee Reference Date).

As compensation for services rendered by GSR in connection with the PIPE, we issued warrants (the GSR Warrants) to GSR on the Closing Date to purchase 1,461,989 shares of common stock (the GSR Warrant Shares) at various exercise prices per share of common stock as follows: (i) 584,795 shares of common stock at an exercise price of $3.42 per share; (ii) 292,398 shares of common stock at an exercise price of $3.93 per share; (iii) 292,398 shares of common stock at an exercise price of $4.62 per share; and (iv) 292,398 shares of common stock at an exercise price of $5.13 per share. The GSR Warrants are exercisable, in whole or in part, at any time for a period of five years from the date of issuance.

The GSR Asset Management Agreement will, unless terminated earlier in accordance with its terms, remain in effect until the tenth anniversary of the date of the GSR Asset Management Agreement. Beginning on the first anniversary of the AMA Effective Date (as defined below), the GSR Asset Management Agreement may be terminated upon at least 90 days prior written notice to the other party (i) by us upon a determination of the Board to end the Lite Treasury Strategy, or (ii) by GSR for any reason. Additionally, the GSR Asset Management Agreement may be terminated for cause (i) by us upon at least 30 days prior written notice to GSR or (ii) by GSR upon at least 60 days prior written notice to us.

See the *Pre-Funded Warrants Issued in Lieu of Cash* discussion in *Note 12. Warrants*, for information on the warrants issued in settlement of the annual Asset-based Fee under the GSR Asset Management Agreement.

Advisory Agreement

On July 22, 2025 (the AMA Effective Date), we also entered into an advisory agreement with Green Dragon (the GD Advisory Agreement). Mr. Charlie Lee, who was appointed as a member of our Board and serves in the class of directors who will be up for reelection at our annual meeting of stockholders for fiscal year 2027, is a beneficiary of Green Dragon. Pursuant to the Advisory Agreement, Green Dragon provides us with asset management services and we pay Green Dragon a fee in warrants to purchase a number of shares of common stock calculated based on the amount of assets under management (the Annual Advisory Fee).

The Annual Advisory Fee is equal to 0.75% per annum of the Account Assets for such year, as calculated in accordance with the GD Advisory Agreement and is issuable in the GD Advisory Fee Warrants. The number of GD Advisory Fee Warrants to be issued for any given year shall be equal to the dollar amount of the Annual Advisory Fee for such year, divided by the average VWAP of the common stock for the 30 trading days ending with the trading day prior to the Fee Reference Date. The exercise price per share of the GD Advisory Fee Warrants shall be set at a price equal to $0.0001. The GD Advisory Fee Warrants issued each year shall vest in four equal installments on the Fee Reference Date on which they are issued and then the succeeding three-month anniversaries thereof. Any portion of the GD Advisory Fee Warrants unvested on the date, if any, that the GD Advisory Agreement terminates shall be deemed surrendered and shall terminate automatically on such date with no further force or effect. The vested portion of the GD Advisory Fee Warrants shall be exercisable, in whole or in part, at anytime for a period of five years from the date of issuance.

The GD Advisory Agreement will, unless terminated earlier in accordance with its terms, remain in effect until the tenth anniversary of the GD Advisory Agreement. Either party may terminate the GD Advisory Agreement, with or without reason, by written notice to the other.

See the *Advisory Fee Warrants Issued in Lieu of Cash* discussion in *Note 12. Warrants*, for information on the warrants issue in settlement of the Annual Advisory Fee.

Under the terms of the GD Advisory Agreement, Mr. Lee has waived any compensation for his Board service, and the Annual Advisory Fees is in lieu of any Board compensation.

15. Subsequent Events

GD Advisory Fee Warrants Exercise

In October 2026, we issued 517,465 shares of common stock upon cashless exercise of 517,509 GD Advisory Fee Warrants at which time all GD Advisory Fee Warrants issued in settlement of the first year of the Annual Advisory Fee were fully exercised and the vested portion of the GD Advisory Fee Warrants, representing warrants for the purchase of 283,360 shares of our common stock, issued in settlement of the second year of the Annual Advisory fee were exercised.

Stock Buy Back Program

During October 2026, we repurchased 825,181 shares of our common stock at a weighted-average purchase price (excluding excise tax) of $1.27 per share.

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

This Quarterly Report on Form 10-Q (Quarterly Report) includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the Securities Act) and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act). All statements other than statements of historical facts contained in this Quarterly Report, including statements regarding the future financial position, business strategy and plans and objectives of management for future operations, are forward-looking statements. The words "may," "will," "intend," "plan," "believe," "anticipate," "expect," "estimate," "predict," "potential," "continue," "likely," or "opportunity," the negative of these words or similar expressions, as they relate to us, are intended to identify forward-looking statements. We have based these forward-looking statements largely on current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy and financial needs. These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including, without limitation, those described in Risk Factors in our 2026 Annual Report on Form 10-K (2026 Annual Report), as filed with the Securities and Exchange Commission (SEC) on September 28, 2026.

Unless the context requires otherwise, references in this Quarterly Report to "Lite Strategy," "LITS," "we," "us" and "our" refer to Lite Strategy, Inc.

Overview

Lite Strategy, Inc. (Nasdaq: LITS) is a pharmaceutical company that has historically developed novel and differentiated cancer therapies and is currently assessing pre-clinical development programs in nononcologic disease indications. We also hold Litecoin (LTC) tokens as a primary reserve asset as part of our broader institutional treasury initiative. We initially built our pipeline by acquiring promising cancer agents and creating value in programs through clinical development, strategic partnerships, and out-licensing or commercialization, as appropriate. Our approach to pre-clinical drug development is to evaluate our drug candidates either as stand-alone or in combination with standard-of-care therapies to overcome known resistance mechanisms and address clear medical needs to provide improved patient benefit. Our drug candidate pipeline includes voruciclib, an oral cyclin-dependent kinase 9 (CDK9) inhibitor, zandelisib, an oral, once-daily, selective PI3Kδ inhibitor.

Litecoin Treasury Strategy

On August 5, 2025, we announced the commencement of our primary reserve asset and implementation strategy built on a digital asset infrastructure and long-term capital innovation (the Litecoin Treasury Strategy) through our acquisition of LTC tokens, reflecting the full deployment of the net proceeds of the PIPE (as defined in *Note 11. Stockholders' Equity*). LTC is an open source, global payment network that is fully decentralized without any central authorities. Mathematics secures the network and empowers individuals to control their own finances. LTC features faster transaction confirmation times and improved storage efficiency than the leading math-based currency. We believe this strategy will allow us to diversify reserves, enhance capital efficiency and align with emerging financial technologies with an emphasis on privacy and payment processing.

We enter into contracts with GSR Markets Ltd (GSR Markets), an affiliate of GSR Strategies LLC (GSR or Asset Manager), in which we write covered call options on certain of our LTC holdings (Covered Call Options). We utilize these Covered Call Options on certain digital asset holdings as part of broader digital asset treasury management strategy. These strategies are designed to generate incremental liquidity and income while retaining exposure to the underlying digital assets, subject to the risk that the assets may be delivered to option counterparties if exercised.

We are exposed to market risk related to changes in the fair value of derivative liabilities associated with our Covered Call Options, as well as counterparty credit risk related to our digital assets receivable, net. We monitor these risks on an ongoing basis and evaluate expected credit losses each reporting period. As of September 30, 2026, we concluded expected credit losses were immaterial due to the short duration of the receivables, the over-collateralized nature of the arrangements, and the credit profile and risk management practices of the transfer agent.

Changes in fair value of our Covered Call Options and/or realized gains or losses on Covered Call Options recognized upon settlement (expiration) of the related Covered Call Option contract are recognized within loss on derivative liabilities, net, a component of other income (expense), in the condensed consolidated statements of operations.

Changes in fair value of digital assets represents unrealized gains and losses from the remeasurement of our LTC investments to their fair value, realized losses recognized upon derecognition of LTC digital assets when placing them as collateral with GSR Markets upon writing of Covered Call Options and realized losses on the sale of LTC digital assets.

Risks and Uncertainties of Digital Assets

The fair value of our intangible digital assets, calculated by reference to the principal market price in accordance with U.S. GAAP, relates primarily to the value of the LTC tokens held by us and fluctuations in the price of LTC tokens could materially and adversely affect an investment in our stock. The price of LTC tokens has a limited history and during such history, LTC token prices

have been volatile and subject to influence by many factors, including, but not limited to, the levels of liquidity, global LTC supply and demand, compliance and internal control failures leading to the theft of LTC from global trading platforms or vaults, limited liquidity and trading volumes compared to sovereign currency markets and competition from other forms of digital currency or payment services, and global or regional political, economic or financial conditions. If digital asset markets continue to experience significant price fluctuations, we may experience losses.

LTC is subject to a developing regulatory landscape. On March 17, 2026, the SEC issued an interpretation addressing how the federal securities laws apply to certain types of crypto assets and transactions involving crypto assets (the Digital Asset Interpretation). While not a binding regulation, the Digital Asset Interpretation represents a shift in the SEC's regulatory posture toward the crypto asset industry, moving from reliance primarily on enforcement actions to affirmative guidance establishing a classification framework and clarifying when crypto-related activities do or do not implicate the federal securities laws.

In the Digital Asset Interpretation, the SEC classified crypto assets into five categories based on their characteristics, uses, and functions. "Digital commodities," "digital collectibles" including "meme coins," and "digital tools" are not themselves securities according to the SEC. A "digital commodity" is a crypto asset intrinsically linked to, and deriving its value from, the programmatic operation of a "functional" crypto system and supply and demand dynamics, rather than from the expectation of profits based on the essential managerial efforts of others. The Digital Asset Interpretation stated that a digital commodity is not a security and identifies a number of specific crypto assets as digital commodities, including LTC.

The Commodity Futures Trading Commission (the CFTC) joined the Digital Asset Interpretation to provide guidance that the CFTC and its staff will administer the Commodities Exchange Act of 1936, as amended (the CEA) consistent with the SEC's interpretation. Accordingly, by following the Digital Asset Interpretation, the CFTC will continue to regulate LTC as a digital commodity. Under the CEA, the CFTC has broad enforcement authority to police market manipulation and fraud in spot digital asset markets in which we may transact. Beyond instances of fraud or manipulation, the CFTC generally does not oversee cash or spot market exchanges or transactions involving digital asset commodities that do not utilize margin, leverage or financing. In addition, CFTC regulations and CFTC oversight and enforcement authority apply with respect to futures, swaps, other derivative products and certain retail leveraged commodity transactions involving digital asset commodities, including the markets on which these products trade and the Digital Asset Interpretation does not include in its taxonomy digital derivatives or digital swaps or address regulation regarding these products.

Under the Digital Asset Interpretation, even if a crypto asset is deemed to be a non-security crypto asset (such as a "digital commodity"), the interpretation takes the view that the non-security crypto asset may still be subject to an investment contract, even in the secondary market, and thus secondary market transactions, even in such non-security crypto assets, might be subject to the federal securities laws. While the Digital Asset Interpretation conveys the SEC's views on how the definition of "security" applies to crypto assets, it does not have the binding force of a regulation adopted through notice-and-comment rulemaking. Accordingly, courts are not bound by it and may reach different conclusions, and the SEC could revise or withdraw it in the future.

If LTC is determined to be a "security" under federal or state securities laws by the SEC or any other agency, or in a proceeding in a court of law or otherwise, it may have material adverse consequences for LTC. For example, it may become more difficult for LTC to be traded, cleared and custodied as compared to other digital assets that are not considered to be securities, which could, in turn, negatively affect the liquidity and general acceptance of LTC and cause users to migrate to other digital assets. As such, any determination that LTC is a security under federal or state securities laws may adversely affect the value of LTC and, as a result, an investment in us.

In addition, if LTC is in fact a security, we could be considered an unregistered "investment company" under the Investment Company Act of 1940, which could necessitate our liquidation or delisting from the exchange on which our stock is traded. In such case, we may be deemed to have participated in an illegal offering of investment company securities and there is no guarantee we will be able to register under the Investment Company Act of 1940 at such time, or take such other actions as may be necessary to ensure our activities comply with applicable law, which could force us to liquidate our LTC holdings.

As with any computer network, digital asset networks are vulnerable to various kinds of attacks and disruptions. As LTC operates on a decentralized network, it is highly resistant to hacking attacks. Although LTC may be less susceptible to attack than other cryptocurrencies, transfer of digital assets on blockchains are vulnerable to certain types of exploits.

Access to our LTC accounts requires private keys to initiate transactions and three separate keys for approval. If any single approval key was lost, destroyed or otherwise compromised, we may be unable to access our LTC holdings until such approval key was replaced. The processes by which LTC transactions are settled are dependent on the LTC peer-to-peer network, and as such, we are subject to operational risk. A risk also exists with respect to previously unknown technical vulnerabilities, which may adversely affect the value of LTC.

Drug Candidate Development Programs

Our drug candidate pipeline includes voruciclib, an oral CDK9 inhibitor and zandelisib, an oral, selective PI3Kδ inhibitor.

Voruciclib: Oral CDK9 Inhibitor Overview

CDK9 has important functions in cell cycle regulation, and its modulation has potential applicability in cancer and autoimmune diseases. CDK9 is a transcriptional regulator of the myeloid leukemia cell differentiation protein (Mcl-1), a member of the family of anti-apoptotic proteins which, when elevated, may prevent the cell from undergoing cell death and result in poor prognosis in cancer. Inhibition of CDK9 blocks the production of Mcl-1, which is also an established resistance mechanism to the BCL-2 inhibitor venetoclax. Inhibition of Mcl-1 also leads to apoptosis or alteration of differentiation of T lymphocytes and macrophages, which is relevant for the treatment of nononcologic diseases.

Voruciclib, a selective oral CDK9 inhibitor, was studied in a Phase 1 trial as a single agent in patients with acute myeloid leukemia (AML) and B-cell malignancies and in combination with the B-cell lymphoma 2 (BCL-2) inhibitor venetoclax (marketed as Venclexta®) in patients with AML. These studies showed the anticipated decreases in Mcl-1 protein as reported by Davids et al (Blood Advances. 2025;9(4):820-832) and Alvarado-Valero et al (Blood Neoplasia. 2025;2(3):100108). Previously, voruciclib had been evaluated by Piramal Enterprises Limited in three clinical studies in patients with solid tumors. All voruciclib clinical trial activities were ceased in September 2024.

We are currently evaluating voruciclib in a pre-clinical development program for nononcologic diseases and commenced these activities in the second quarter of fiscal year 2026. Preliminary ex vivo study results showed modulation of immune cell subsets, which support further development in animal models.

Zandelisib: Oral PI3Kδ Inhibitor Overview

Zandelisib is an oral, once-daily, selective PI3Kδ inhibitor that was being developed for the treatment of indolent B-cell lymphomas. In November 2022 we announced the discontinuation of zandelisib development after a meeting with the U.S. Food and Drug Administration (the FDA), in which the FDA recommended modifications to the phase 3 registration study that we deemed not feasible to complete in a time frame that would support further investments. Currently, we are not conducting any clinical trial activities for zandelisib and are assessing potential out-licensing or sale related opportunities.

Results of Operations

Comparison of Fiscal Three Months Ended September 30, 2026 and 2025

The following table summarizes certain components of our results of operations (in thousands):

	For the Fiscal Three Months Ended September 30,			
	2026	**2025**	**$ Change**	**% Change**
Research and development	$ 22	$ 10	12	120.0%
General and administrative	2,355	3,098	(743)	(24.0)%
Change in fair value of digital assets	(16,898)	631	(17,529)	(2778.0)%
Other income, net	1,502	100	1,402	1402.0%

General and administrative.

General and administrative expenses decreased by $0.7 million to $2.4 million for the three months ended September 30, 2026, compared to $3.1 million for the three months ended September 30, 2025. The decrease was primarily due to reductions of $0.3 million in legal and professional services, $0.2 million in noncash share-based compensation expense and $0.2 million in corporate overhead costs.

Change in fair value of digital assets.

Change in fair value of digital assets increased by $17.5 million to a gain of $16.9 million for the three months ended September 30, 2026, compared to a loss of $0.6 million for the three months ended September 30, 2025.

The following table presents the primary drivers of the changes in fair value of our digital assets (in millions):

	For the Fiscal Three Months Ended September 30,	
	2026	2025
Unrealized gain (loss):		
Remeasurement of LTC balances[(1)]	$ 22.5	$ (0.6)
Realized gain (loss):		
Transfer of LTC as collateral for Covered Call Options	(4.2)	—
Sale of LTC tokens	(1.4)	—
Total change in fair value of digital assets	$ 16.9	$ (0.6)

(1) For the three months ended September 30, 2026, the gain was primarily attributable to an approximate 60% increase in the price of LTC.

Other income, net.

Other income, net, increased by $1.4 million to $1.5 million for the three months ended September 30, 2026, compared to $0.1 million for the three months ended September 30, 2025. The increase was primarily associated with the change in fair value of digital assets receivable, net, reflecting a $2.6 million gain on LTC pledged for our Covered Call Options with no similar activity during the three months ended September 30, 2025. This gain was partially offset by losses of $1.2 million on our derivative liabilities, net, of which $0.8 million in realized losses was attributable to LTC sold to cover exercises of our Covered Call Options with no similar activity during the three months ended September 30, 2025.

Liquidity and Capital Resources

To date, we have obtained cash and funded our operations primarily through equity financings and license agreements. We have accumulated losses of $459.3 million since inception and expect to incur operating losses and generate negative cash flows from operations for the foreseeable future. As of September 30, 2026, we had $4.3 million in cash and cash equivalents and $46.2 million in unrestricted digital assets. Although we intend to retain and hold our digital assets, we could liquidate these assets, or a portion thereof, if needed to fund our operating activities. In connection with our July 2024 announcement regarding the evaluation of our strategic alternatives, we discontinued the clinical development of voruciclib in oncology, while certain related nonclinical research and development activities continued through the end of fiscal year 2025. As part of our continued assessment of future pre-clinical development with our drug candidate pipeline, in the second quarter of fiscal year 2026 we commenced additional investigational research and development activities in nononcologic disease indications. We believe that our cash balance, including our digital assets, will be sufficient to meet our obligations and fund operations for at least the next 12 months.

In December 2025, we initiated our Share Repurchase Program utilizing proceeds from our Covered Call Options to repurchase shares of our common stock. During the three months ended September 30, 2026, we used proceeds of $1.4 million from our Covered Call Options and $1.0 million of proceeds from the sale of our digital assets to repurchase 2,214,503 shares of our common stock.

Sources and Uses of Our Cash

Net cash used in operating activities for the three months ended September 30, 2026, of $2.2 million consisted of our net income of $16.0 million, offset by $17.7 million in net gains for noncash items and $0.5 million in changes in our operating assets and liabilities used in operations. Net cash used in operating activities for the three months ended September 30, 2025 of $4.5 million consisted of our net loss of $3.6 million and $2.1 million in changes in our operating assets and liabilities used in operations, partially offset by $1.2 million in noncash items.

Net cash provided by investing activities for the three months ended September 30, 2026, of $3.1 million consisted of $10.1 million in net proceeds on Covered Call Options primarily reflecting the exercise of our Covered Call Options during our fiscal quarter ended September 30, 2026, and $1.0 million in proceeds from sales of our digital assets partially offset by $7.9 million in purchases of LTC. Net cash used in investing activities for the three months ended September 30, 2025, of $100.0 million consisted of our acquisition of LTC upon deployment of our Litecoin Treasury Strategy in August 2025.

Net cash used in financing activities for the three months ended September 30, 2026 was $2.4 million to repurchase 2,214,503 shares of our common stock at an average cost per share of $1.08 (excluding excise taxes). Net cash provided by financing activities for the three months ended September 30, 2025, was $96.6 million associated with the issuance and sale of 23,216,898 shares of common stock and Pre-Funded Warrants for the purchase of up to 6,022,869 shares of common stock in our PIPE and the issuance and sale of 882,924 shares of common stock under our ATM Program.

Capital Resource Requirements

As of September 30, 2026, we have the following potential purchase obligations for which the timing and/or likelihood of occurrence is unknown; however, if such claims arise in the future, they could have a material effect on our financial position, results of operations, and cash flows.

- Under our remaining license agreements, we have payment obligations, which are contingent upon future events such as our achievement of specified development, regulatory and commercial milestones and are required to make royalty payments in connection with the sales of products developed under those agreements. For additional details regarding these agreements, see the section titled *Note 10. License Agreements* and *Note 9. Commitments and Contingencies* to our condensed consolidated financial statements and related notes included elsewhere in this Quarterly Report;
- Obligations under contracts which are cancelable without significant penalty;
- Purchase orders issued in the ordinary course of business as they represent authorizations to purchase the items rather than binding agreements; and

Our future capital requirements will depend on many factors, including:

- the scope and nature of our Litecoin Treasury Strategy;
- the scope, progress, results and costs of drug discovery, pre-clinical development, laboratory testing and clinical trials for our product candidates;
- the costs, timing and outcome of regulatory review of our product candidates;
- the costs of establishing or contracting for sales, marketing and distribution capabilities if we obtain regulatory approvals to market our product candidates;
- the costs of securing and producing drug substance and drug product material for use in pre-clinical studies, clinical trials and for use as commercial supply;
- the costs of securing manufacturing arrangements for development activities and commercial production;
- the scope, prioritization and number of our research and development programs;
- the extent to which we are obligated to reimburse, or entitled to reimbursement of, clinical trial costs under future collaboration agreements, if any; and
- the costs of preparing, filing and prosecuting patent applications, maintaining and enforcing our intellectual property rights and defending intellectual property-related claims.

Critical Accounting Estimates

We describe our significant accounting policies in *Note 2. Summary of Significant Accounting Policies* of the notes to the financial statements included in our 2026 Annual Report. We discuss our critical accounting estimates in *Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations* in our 2026 Annual Report. There have been no changes in our significant accounting policies or critical accounting estimates since June 30, 2026.

Valuation of Equity Instruments Issued for Exchange for Services

Equity instruments issued in exchange for services rendered or to be rendered to us are accounted for in accordance with ASC 718, *Stock Compensation*. Such instruments are evaluated to determine if they should be classified as liability or equity awards. For these awards, we estimate the fair value of the services rendered/to be rendered (i.e., the compensation cost to be recognized) based upon either (i) the grant date fair value of the equity instruments issued as determined using an option pricing model such as the BSM Model or (ii) the fair value of the liabilities incurred/settled. For the GSR Pre-Funded Warrant and the GD Advisory Warrant issued in settlement of the Asset-based Fee and the Annual Advisory Fee, respectively, we determined the grant date fair value represented the amount of the liabilities settled. For services rendered at the time of issuance, we recognize the expense immediately in our condensed consolidated financial statements. For services not yet rendered, we recognize an asset and amortize the fair value of the services being rendered over the requisite service period.

A 10% increase (decrease) in our assets under management and or our time weighted-average price as of the Fee Reference Date would have resulted in a $0.1 million increase (decrease) in the fair value of the liabilities settled through issuance of each the Pre-Funded Warrants issued in lieu of cash fees and the GD Advisory Fee Warrants issued in lieu of cash fees during the three months ended September 30, 2026.

Valuation of Covered Call Options

Covered Call Options written by us are accounted for in accordance with ASC 8*15, Derivatives and Hedging.* Such instruments do not qualify for hedge accounting and are considered freestanding financial instruments and were evaluated to be liability instruments. Our Covered Call Options are initially recorded at fair value (the contract amount) and are marked-to-market at each reporting period (if they are still outstanding, using the Black-76 Model, with changes in the fair value of the derivative liability being recognized in the condensed consolidated statements of operations within other income (expense).

A 10% increase (decrease) in the historical volatility of LTC utilized to estimate the fair value of the derivative liabilities - covered call options would have resulted in a *de minimis* increase (decrease) in the loss on derivative liabilities, net, a component of other income expense, as of September 30, 2026.

A 10% increase (decrease) in the forward price as of September 30, 2026, would have resulted in a $0.4 million increase ($0.3 million decrease) in the loss on derivative liabilities, net, a component of other income (expense).

Fair Value of SAFE and Token Warrants

As more fully described in *Note 8. Derivatives*, we invested in a SAFE and Token Warrants during the fiscal quarter ended June 30, 2026. The fair value of the SAFE and Token Warrants is determined in accordance with ASC 820 *Fair Value Measurement* (ASC 820) and includes significant unobservable inputs. The significant assumptions used in the valuation include the estimated value of the underlying network tokens, the probability of a dissolution event, the relative probabilities assigned to potential non-dissolution outcomes, and the implied volatility utilized in valuing the Token Warrant. Changes in these assumptions could result in an increase or decrease in the estimated fair value of the SAFE and Token Warrants. The most impactful of the unobservable inputs are the network token valuation and the probability of dissolution.

A 10% increase (decrease) in the network token valuation as of September 30, 2026, would have resulted in a $0.1 million increase (decrease) in the Token Warrant with a commensurate change in the change in fair value of the SAFE and Token Warrants, a component of other income (expense).

A 10% increase (decrease) in the probability of dissolution as of September 30, 2026, would have resulted in a *de minimis* increase (decrease) in the SAFE with a commensurate change in the change in fair value of the SAFE and Token Warrants, a component of other income (expense).

Recent Accounting Pronouncements

See *Recent Accounting Pronouncements* within *Note 2. Summary of Significant Accounting Policies* in the *Notes to Condensed Consolidated Financial Statements* in this Quarterly Report.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

As a smaller reporting company, we are not required to provide the information otherwise required by this Item.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are controls and other procedures of a company that are designed to ensure that information required to be disclosed by the company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company's management, including its principal executive and principal financial officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. As of the end of the period covered by this Quarterly Report, or September 30, 2026, our management, with the participation of our principal executive officer and principal financial officer, has evaluated the effectiveness of our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act. Based on such evaluation, our principal executive officer and principal financial officer have concluded that, as of such date, our disclosure controls and procedures were effective.

Changes in Internal Control over Financial Reporting

Under the supervision and with the participation of our management, including our principal executive and principal financial officer, we carried out an evaluation of any potential changes in our internal control over financial reporting during the fiscal quarter ended September 30, 2026. There were no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) of the

Exchange Act) that occurred during the fiscal quarter ended September 30, 2026 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations of Internal Controls

Our management does not expect that our disclosure controls and procedures or our internal controls over financial reporting will prevent or detect all error and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Due to the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within our company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. 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. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

PART II OTHER INFORMATION

Item 1. Legal Proceedings

None.

Item 1A. Risk Factors

There have been no material changes in our risk factors from those included in our 2026 Annual Report.

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

The following table represents the share repurchase activity for each of the three months in the quarter ended September 30, 2026:

Period	Total Number of Shares (or Units) Purchased [1]	Average Price Paid Per Share (or Unit) [2]	Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet be Purchased Under the Plans or Programs [3]
July 1, 2026 - July 31, 2026	903,884	$ 1.02	903,884	$ 19,353,084
August 1, 2026 - August 31, 2026	533,767	1.00	533,767	18,835,255
September 1, 2026 - September 30, 2026	776,852	1.21	776,852	17,919,780
Total	2,214,503	$ 1.08	2,214,503	

(1) All shares repurchased pursuant to the Share Repurchase Program were executed through open market transactions.

(2) Average price paid includes costs associated with the repurchases, excluding the 1% excise tax as a result of the Inflation Reduction Act of 2022.

(3) On October 29, 2025, we announced our Share Repurchase Program to repurchase shares of our common stock up to an aggregate amount of $25.0 million. The Share Repurchase Program may be suspended or terminated by us at any time. This amount excludes fees and excise taxes.

Item 3. Defaults upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None of our executive officers or directors have adopted, modified or terminated any contract, instruction, or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1 (c) or any "non-Rule 10b5-1 trading arrangement" (as defined in Item 408(c) of Regulation S-K) during the three months ended September 30, 2026.

Item 6. Exhibits

Exhibit Index

Exhibit Number	Description	Incorporated by Reference Herein			
		Schedule/ Form	File No.	Exhibit	Filing Date
3.1	Amended and Restated Certificate of Incorporation of Lite Strategy, Inc.	10-K	000-50484	3.1	September 26, 2025
3.2	Sixth Amended and Restated Bylaws of Lite Strategy, Inc. adopted as of December 18, 2023	8-K	001-41827	3.1	December 22, 2023
31.1*	Certification of Principal Executive and 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.				
32.1**	Certification of Principal Executive Officer and Principal Financial Officer required by Rule 13a-14(b) or Rule 15d-14(b) and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C 1350).				
101INS	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.				
104	Cover Page Interactive Data File – the cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the XBRL document.				

* Filed herewith

** Furnished herewith

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Quarterly Report to be signed on its behalf by the undersigned, thereunto duly authorized.

Lite Strategy, Inc.

/s/ Justin J. File

Justin J. File
Chief Executive Officer, Chief Financial Officer and Secretary

Date: November 5, 2026

Exhibit 31.1

CERTIFICATION

I, Justin J. File, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Lite Strategy, Inc.;

2. Based on my knowledge, this Quarterly 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 Quarterly Report;

3. Based on my knowledge, the financial statements, and other financial information included in this Quarterly 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 Quarterly 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 Quarterly 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 the Quarterly Report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Quarterly Report based on such evaluation; and

   (d) disclosed in this Quarterly 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 the registrant's board of directors:

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 5, 2026

/s/ Justin J. File

Justin J. File
Chief Executive Officer,
Chief Financial Officer and Secretary
(Principal Executive Officer and Principal Financial Officer)

Exhibit 32.1

CERTIFICATION

The undersigned hereby certifies, for the purposes of Section 1350 of Chapter 63 of Title 18 of the U.S. Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, in his capacity as Chief Executive Officer and Chief Financial Officer of Lite Strategy, Inc. (Lite Strategy) that, to his knowledge, this Quarterly Report on Form 10-Q of Lite Strategy for the quarter ended September 30, 2026, fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended, and that the information contained in such report fairly presents, in all material respects, the financial condition and results of operations of Lite Strategy.

Dated: November 5, 2026

/s/ Justin J. File
Justin J. File
Chief Executive Officer, Chief Financial Officer and Secretary
(Principal Executive and Principal Financial Officer)

These certifications accompanying the report to which they relate, are not deemed filed with the Securities and Exchange Commission and are not to be incorporated by reference into any filing of Lite Strategy under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except to the extent Lite Strategy specifically incorporates it by reference.

A signed original of this written statement required by Section 906 has been provided to Lite Strategy and will be retained by Lite Strategy and furnished to the Securities and Exchange Commission or its staff upon request.