

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2025

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: 001-40623

TWIN VEE POWERCATS CO.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

3101 S. US-1
Ft. Pierce, Florida
(Address of principal executive offices)

27-1417610
(I.R.S. Employer
Identification No.)

34982
(Zip Code)

(772) 429-2525

(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.001 per share	VEEE	The Nasdaq Stock Market, LLC (The Nasdaq Capital Market)

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

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

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

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 November 4, 2025 there were 2,237,299 shares of Common Stock, \$0.001 par value per share, outstanding.

TWIN VEE POWERCATS CO.

TABLE OF CONTENTS

	Page No.
PART I—FINANCIAL INFORMATION	4
Item 1. Condensed Consolidated Financial Statements (Unaudited)	4
Condensed Consolidated Balance Sheets as of September 30, 2025 (Unaudited) and December 31, 2024	4
Condensed Consolidated Statements of Operations (Unaudited) for the Three and Nine Months ended September 30, 2025 and 2024	5
Condensed Consolidated Statements of Changes in Stockholders' Equity (Unaudited) for the Three and Nine Months ended September 30, 2025 and 2024	6
Condensed Consolidated Statements of Cash Flows (Unaudited) for the Nine Months ended September 30, 2025 and 2024	7
Notes to the Condensed Consolidated Financial Statements (Unaudited)	8
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	24

Item 3. Quantitative and Qualitative Disclosures About Market Risk	33
Item 4. Controls and Procedures	33
PART II—OTHER INFORMATION	35
Item 1. Legal Proceedings	35
Item 1A. Risk Factors	35
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	40
Item 3. Defaults Upon Senior Securities	40
Item 4. Mine Safety Disclosures	40
Item 5. Other Information	40
Item 6. Exhibits	41
SIGNATURES	42

FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains 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 on Form 10-Q, including statements regarding our strategy, future operations, future financial position, future revenues, projected costs, prospects, plans and objectives of management, are forward-looking statements. The words “anticipate,” “believe,” “estimate,” “expect,” “intend,” “may,” “plan,” “predict,” “project,” “target,” “potential,” “will,” “would,” “could,” “should,” “continue” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words.

The forward-looking statements contained in this Quarterly Report on Form 10-Q are based on assumptions that we have made in light of our industry experience and our perceptions of historical trends, current conditions, expected future developments, and other factors we believe are appropriate under the circumstances. As you read and consider this Quarterly Report on Form 10-Q, you should understand that these statements are not guarantees of performance or results. They involve risks, uncertainties (many of which are beyond our control), and assumptions. Although we believe that these forward-looking statements are based on reasonable assumptions, you should be aware that many factors could affect our actual operating and financial performance and cause our performance to differ materially from the performance anticipated in the forward-looking statements. We believe these factors include, but are not limited to, those described under “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” included in this Quarterly Report on Form 10-Q and our Annual Report on Form 10-K for the year ended December 31, 2024 filed with the Securities and Exchange Commission on March 20, 2025. Should one or more of these risks or uncertainties materialize, or should any of these assumptions prove incorrect, our actual operating and financial performance may vary in material respects from the performance projected in these forward-looking statements. Therefore, actual results may differ materially and adversely from those expressed in any forward-looking statements.

As a result of these and other factors, we may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements. We do not assume any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

NOTE REGARDING COMPANY REFERENCES

Throughout this Quarterly Report on Form 10-Q, “Twin Vee,” “the Company,” “we” and “our” refer to Twin Vee PowerCats Co.

PART I—FINANCIAL INFORMATION

ITEM 1. UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

TWIN VEE POWERCATS CO. AND SUBSIDIARIES CONDENSED CONSOLIDATED BALANCE SHEETS

	September 30, 2025 (Unaudited)	December 31, 2024
Assets		
Current Assets		
Cash and cash equivalents	\$ 2,704,571	\$ 7,491,123
Restricted cash	215,117	215,117
Accounts receivable	312,993	—
Inventories, net	2,462,141	2,516,760
Prepaid expenses and other current assets	251,242	196,141
	151,088	—
Deferred offering costs	—	—
Assets held for sale, net	3,956,623	—
Total current assets	10,053,775	10,419,141
Property and equipment, net		
Operating lease right of use asset, net	8,716,923	15,037,798
Security deposit	97,819	390,686
	26,193	40,280
Total Assets	\$ 18,894,710	\$ 25,887,905
Liabilities and Stockholders’ Equity		

Current Liabilities:			
Accounts payable	\$	1,410,071	\$ 2,215,078
Accrued liabilities		599,044	794,253
Contract liabilities		297,887	80,000
Finance lease liabilities		20,497	221,929
Operating lease liabilities		109,329	436,730
Total current liabilities		2,436,828	3,747,990
Economic Injury Disaster Loan		499,900	499,900
Finance lease liabilities - noncurrent		26,362	2,423,165
Total Liabilities		2,963,090	6,671,055
Commitments and contingencies (Note 10)			
Stockholders' equity:			
Preferred stock: 10,000,000 authorized; \$0.001 par value; no shares issued and outstanding		—	—
Common stock: 50,000,000 authorized; \$0.001 par value; 2,237,299 and 1,487,445 issued and outstanding at September 30, 2025 and December 31, 2024, respectively		2,237	1,487
Additional paid-in capital		47,342,162	44,608,318
Accumulated deficit		(31,412,779)	(25,392,955)
Total stockholders' equity		15,931,620	19,216,850
Total Liabilities and Stockholders' Equity	\$	18,894,710	\$ 25,887,905

All share numbers have been retrospectively adjusted for the one-for-ten reverse stock split effective April 7, 2025.

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

TWIN VEE POWERCATS CO. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net sales	\$ 3,428,977	\$ 2,901,318	\$ 11,796,886	\$ 12,504,482
Cost of products sold (excluding depreciation & amortization)	3,474,206	3,046,975	10,650,948	12,170,486
Gross (loss) profit	(45,229)	(145,657)	1,145,938	333,996
Operating expenses:				
Selling, general and administrative	650,728	764,757	1,854,553	2,214,670
Salaries and wages	1,016,894	1,145,568	3,038,959	3,641,185
Professional fees	206,798	403,387	543,316	1,111,079
Impairment of property & equipment	360,151	—	360,151	1,674,000
Loss on lease termination	4,478	—	57,903	—
Loss on sale of property & equipment	72,592	172,684	135,603	172,684
Gain on sale of R&D assets	—	(50,097)	—	(50,097)
Depreciation and amortization	419,825	440,458	1,287,048	1,300,697
Research and development	—	89,403	—	583,878
Total operating expenses	2,731,466	2,966,160	7,277,533	10,648,096
Loss from operations	(2,776,695)	(3,111,817)	(6,131,595)	(10,314,100)
Other income (expense):				
Dividend income	—	50,898	—	447,571
Other income	893	480	51,926	33,442
Interest expense	(12,581)	(57,034)	(68,340)	(178,922)
Interest income	32,870	99,418	128,185	107,297
Unrealized gain on marketable securities	—	8,148	—	5,204
Realized gain on marketable securities	—	—	—	35,210
Total other income	21,182	101,910	111,771	449,802
Loss before income tax	(2,755,513)	(3,009,907)	(6,019,824)	(9,864,298)
Income tax provision	—	—	—	—
Net loss	(2,755,513)	(3,009,907)	(6,019,824)	(9,864,298)
Less: Net loss attributable to noncontrolling interests	—	(497,742)	—	(2,720,204)
Net loss attributed to stockholders of Twin Vee PowerCats Co, Inc.	\$ (2,755,513)	\$ (2,512,165)	\$ (6,019,824)	\$ (7,144,094)
Basic and diluted loss per share of common stock	\$ (1.23)	\$ (2.64)	\$ (3.21)	\$ (7.50)
Weighted average number of shares of common stock outstanding	2,237,299	952,000	1,877,506	952,000

All share numbers have been retrospectively adjusted for the one-for-ten reverse stock split effective April 7, 2025.

TWIN VEE POWERCATS CO. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(Unaudited)

	Common Stock		Additional	Accumulated	Noncontrolling	Total
	Shares	Amount	Paid-in Capital	Deficit	Interests	
Balance, January 1, 2024	952,000	\$ 952	\$ 37,857,225	\$ (14,346,984)	\$ 8,538,422	\$ 32,049,615
Stock-based compensation	—	—	426,283	—	—	426,283
Net loss	—	—	—	(1,686,227)	(648,967)	(2,335,194)
Balance, March 31, 2024	952,000	952	\$ 38,283,508	(16,033,211)	7,889,455	30,140,704
Stock-based compensation	—	—	317,744	—	—	317,744
Net loss	—	—	—	(2,945,701)	(1,573,495)	(4,519,196)
Balance, June 30, 2024	952,000	952	38,601,252	(18,978,912)	6,315,960	25,939,252
Stock-based compensation	—	—	278,867	—	—	278,867
Net loss	—	—	—	(2,512,165)	(497,742)	(3,009,907)
Balance, September 30, 2024	952,000	\$ 952	\$ 38,880,119	\$ (21,491,078)	\$ 5,818,218	\$ 23,208,211
Balance, January 1, 2025	1,487,445	\$ 1,487	\$ 44,608,318	\$ (25,392,955)	\$ —	\$ 19,216,850
Stock-based compensation	—	—	55,968	—	—	55,968
Net loss	—	—	—	(1,610,240)	—	(1,610,240)
Balance, March 31, 2025	1,487,445	1,487	44,664,286	(27,003,195)	—	17,662,578
Stock-based compensation	—	—	59,628	—	—	59,628
Issuance of common stock	750,000	750	2,554,351	—	—	2,555,101
Fractional shares	(146)	—	—	—	—	—
Net loss	—	—	—	(1,654,071)	—	(1,654,071)
Balance, June 30, 2025	2,237,299	2,237	47,278,265	(28,657,266)	—	\$ 18,623,235
Stock-based compensation	—	—	63,897	—	—	63,897
Net loss	—	—	—	(2,755,513)	—	(2,755,513)
Balance, September 30, 2025	2,237,299	\$ 2,237	\$ 47,342,162	\$ (31,412,779)	\$ —	\$ 15,931,620

All share numbers have been retrospectively adjusted for the one-for-ten reverse stock split effective April 7, 2025.

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

TWIN VEE POWERCATS CO. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Nine Months Ended September 30,	
	2025	2024
Cash Flows From Operating Activities		
Net loss	\$ (6,019,824)	\$ (9,864,298)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock based compensation	179,493	1,022,894
Depreciation and amortization	1,287,048	1,300,697
Impairment of property & equipment	360,151	1,674,000
Loss on lease termination	57,903	—
Loss on sale of property & equipment	135,603	172,564
Gain on sale of R&D assets	—	(50,097)
Amortization of right-of-use asset	292,867	359,246
Net change in fair value of marketable securities	—	(5,204)
Change in inventory reserve	67,859	(293,059)
Changes in operating assets and liabilities:		
Accounts receivable	(312,993)	(49,384)
Inventories	(13,240)	1,884,449
Prepaid expenses and other current assets	(55,100)	(84,855)
Accounts payable	(805,007)	(441,124)
Accrued liabilities	(195,209)	120,470
Operating lease liabilities	(327,402)	(379,166)
Contract liabilities	217,887	(6,020)
Net cash used in operating activities	(5,129,964)	(4,638,887)
Cash Flows From Investing Activities		
Security deposit	14,087	2,707

Realized gain on sale of marketable securities, available for sale	—	(35,210)
Net sales of investment in marketable securities	—	4,503,356
Proceeds from sale of property & equipment	52,478	6,000
Purchase of property and equipment	(2,016,927)	(5,044,742)
Net cash used in investing activities	<u>(1,950,362)</u>	<u>(567,889)</u>
Cash Flows From Financing Activities		
Proceeds from issuance of common stock, net of fees of \$444,899	2,555,101	—
Deferred offering costs	(151,088)	—
Finance lease payments	(110,239)	(190,565)
Net cash provided by (used in) financing activities	<u>2,293,774</u>	<u>(190,565)</u>
Net change in cash, cash equivalents and restricted cash	(4,786,552)	(5,397,341)
Cash, cash equivalents and restricted cash at beginning of the period	7,706,240	16,755,233
Cash, cash equivalents and restricted cash at end of the period	<u>\$ 2,919,688</u>	<u>\$ 11,357,892</u>
Supplemental Cash Flow Information		
Cash paid for interest	<u>\$ 257,778</u>	<u>\$ 327,879</u>
Non-Cash Investing and Financing Activities		
Increase in the right-of-use asset and lease liability	<u>\$ —</u>	<u>\$ 31,572</u>
Reconciliation to the Condensed Consolidated Balance Sheets		
Cash and cash equivalents	\$ 2,704,571	\$ 11,144,929
Restricted cash	215,117	212,963
Total cash, cash equivalents and restricted cash	<u>\$ 2,919,688</u>	<u>\$ 11,357,892</u>

7

TWIN VEE POWERCATS CO.
NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS (UNAUDITED)
September 30, 2025

1. Organization and Summary of Significant Accounting Policies

Organization

Twin Vee PowerCats Co. (“Twin Vee” or the “Company”) was incorporated as Twin Vee Catamarans, Inc., in the state of Florida, on December 1, 2009. On April 7, 2021, the Company filed a Certificate of Conversion to register and incorporate in the state of Delaware and changed the company name to Twin Vee PowerCats Co. The Certificate of Incorporation for Twin Vee PowerCats Co. was also filed on April 7, 2021.

On April 20, 2023, the Company formed AquaSport Co., a wholly owned subsidiary incorporated in the state of Florida in connection with the Company’s plan to lease the assets of former AQUASPORT™ boat brand and manufacturing facility in White Bluff, Tennessee. On July 30, 2024, AquaSport Co. was merged into Twin Vee PowerCats Co. On May 28, 2025, the Company entered into a Mutual Release Agreement with the lessor, removing all obligations under the lease, and returning to the lessor all property, plant and equipment, brand name and all other leased assets.

Forza X1, Inc. was initially incorporated as Electra Power Sports, Inc. on October 15, 2021, and subsequently changed its name to Forza X1, Inc. (“Forza X1” or “Forza”) on October 29, 2021. Prior to Forza’s incorporation on October 15, 2021, the electric boat business was operated as the Company’s Electra Power Sports™ Division. Following the Company’s initial public offering that closed on July 23, 2021 (the “IPO”), it determined in October 2021 that for several reasons, it would market the Company’s new independent line of electric boats under a new brand name (and new subsidiary). On November 26, 2024 (the “Closing Date”), pursuant to the terms of the Agreement and Plan of Merger, dated as of August 12, 2024 (the “Merger Agreement”), by and between Twin Vee, Twin Vee Merger Sub, Inc. and Forza, Merger Sub was merged with and into Forza (the “Merger”), with Forza surviving the Merger as a wholly-owned subsidiary of Twin Vee. At the effective time of the Merger, (a) each outstanding share of common stock of Forza, par value \$0.001 per share of Forza (the “Forza Common Stock”) (other than any shares held by Twin Vee) was converted into the right to receive 0.611666275 shares of Twin Vee common stock, par value \$0.001 per share (the “Twin Vee Common Stock”), (b) each outstanding Forza stock option, whether vested or unvested, that had not previously been exercised prior to such time was converted into an option to purchase 0.611666275 shares of Twin Vee Common Stock for each share of Forza Common Stock covered by such option, (c) each outstanding warrant to purchase shares of Forza Common Stock was assumed by Twin Vee and converted into a warrant to purchase 0.611666275 shares of Twin Vee Common Stock for each share of Forza Common Stock for which such warrant was exercisable for prior to the Effective Time, and (d) the 7,000,000 shares of Forza Common Stock held by Twin Vee were cancelled.

On March 26, 2025, the Company formed Wizz Banger, Inc., a wholly owned subsidiary in the state of Florida in connection with the Company’s plan to develop an enhanced used boat marketplace leveraging the recently acquired URLs, Boatsforsale.com and Yachtsforsale.com.

On June 5, 2025, Twin Vee PowerCats Co. (the “Company” or “Twin Vee”) entered into an Asset Purchase Agreement (the “Asset Purchase Agreement”), with Bahama Boat Works, LLC (“Bahama Boat Works”), pursuant to which the Company acquired various tangible and intangible assets (the “Assets”) from Bahama Boat Works relating to the Bahama boat brand (the “Bahama Boat Brand”). Total consideration includes a \$100,000 upfront payment and contingent consideration of up to \$2,900,000 based on the future sales of Bahama’s existing 35’, 37’ 41’ and 41GT boat models. As of the acquisition date, only the \$ 100,000 payment was recognized and allocated to inventory. Contingent consideration will be recognized as an increase to the cost basis of the acquired boat molds (property,

8

plant & equipment) when it becomes both probable and reasonably estimable, in accordance with ASC 450. No liabilities were assumed, and no goodwill was recorded. The Asset Purchase Agreement may be terminated by mutual written consent of the parties or by the Company, in its sole discretion, if the Company decides to discontinue further development, production, or commercialization of the Bahama Boat Brand product line before the balance of the contingent consideration due to Bahama Boat Works is paid. Upon any such termination, the parties may either seek to sell the Bahama Boat Brand and associated assets pursuant to the mechanism set forth in the Asset Purchase Agreement described below or, the Company, in its sole discretion, may elect to return the Assets to Bahama Boat Works.

Going Concern

Our unaudited condensed consolidated financial statements for the three and nine months ended September 30, 2025 were prepared under the assumption that we will continue as a going concern; however, we have incurred significant losses from operations to date and we expect our revenues will not increase sufficiently nor our expenses to decline sufficiently to achieve cash-flow breakeven in the short-term. These factors raise substantial doubt about our ability to continue as a going concern for one year after the financial statements included in this Quarterly Report are issued. See “Liquidity and Capital Resources” below.

Principles of Consolidation

The unaudited condensed consolidated financial statements include the accounts of Twin Vee and its wholly owned subsidiaries as of September 30, 2025, Forza X1 and Wizz Banger, Inc., collectively referred to as the “Company”. Prior to November 26, 2024, the Company’s net loss excludes losses attributable to noncontrolling interests. The Company reported noncontrolling interests in consolidated entities as a component of equity separate from the Company’s equity. All inter-company balances and transactions are eliminated in consolidation.

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) for interim financial statements and with the instructions to Form 10-Q and Rule 8-03 of Regulation S-X of the United States Securities and Exchange Commission (“SEC”). Accordingly, they do not contain all information and footnotes required by accounting principles generally accepted in the United States of America for annual financial statements.

In the opinion of the Company’s management, the accompanying unaudited condensed consolidated financial statements contain all the adjustments necessary (consisting only of normal recurring accruals) to present the financial position of the Company as of September 30, 2025 and the results of operations and cash flows for the periods presented. The results of operations for the three and nine months ended September 30, 2025 are not necessarily indicative of the operating results for the full fiscal year or any future period. These unaudited condensed consolidated financial statements should be read in conjunction with the financial statements and related notes thereto for the year ended December 31, 2024, which are included in the Company’s Annual Report on Form 10-K filed with the SEC on March 20, 2025.

As of the close of trading on April 7, 2025 (the “Effective Time”), in order to regain compliance with the minimum \$1.00 bid price per share requirement of Nasdaq’s Marketplace Rule 5550(a)(2), Twin Vee effected a reverse stock split of its common stock at a reverse stock split ratio of 1-for-10, and began trading on a reverse-split-adjusted basis on Nasdaq as of the open of trading on April 8, 2025 under the existing ticker symbol “VEEE.” The par value of the Company’s common stock was unchanged at \$0.001 per share after the Reverse Split. As a result, on the effective date of the Reverse Split, the stated capital on the Company’s condensed consolidated balance sheet attributable to the Company’s common stock was reduced proportionally based on the Reverse Split ratio of one-for-10 and the additional paid-in capital account was credited with the amount by which the stated capital was reduced.

Reclassifications

Certain reclassifications have been made to the prior period amounts to conform to the current period presentation. These reclassifications had no effect on previously reported net income, total assets, total liabilities, or stockholders’ equity.

Revenue Recognition

The Company’s revenue is derived primarily from the sale of boats, motors and trailers to its independent dealers. The Company recognizes revenue when obligations under the terms of a contract are satisfied and control over promised goods is transferred to the dealer. For the majority of sales, this occurs when the product is released to the carrier responsible for transporting it to a dealer. The Company typically receives payment within five business days of shipment. Revenue is measured as the amount of consideration the Company expects to receive in exchange for a product. The Company offers dealer incentives that include wholesale rebates, retail rebates and promotions, floor plan reimbursement or cash discounts, and other allowances that are recorded as reductions of revenues in net sales in the statements of operations. The consideration recognized represents the amount specified in a contract with a customer, net of estimated incentives the Company reasonably expects to pay. The estimated liability and reduction in revenue for dealer incentives is recorded at the time of sale. Subsequent adjustments to incentive estimates are possible because actual results may differ from these estimates if conditions dictate the need to enhance or reduce sales promotion and incentive programs or if dealer achievement or other items vary from historical trends. Accrued dealer incentives are included in accrued liabilities in the accompanying condensed consolidated balance sheets.

Customer deposits include payments received for the future sale of a boat to a customer. Customer deposits are recognized as revenue when control over promised goods is transferred to the customer. Additionally, Wizz Banger, Inc. includes payments received for access to its used boat listing service and is recognized in revenue over the contract period, typically three months. At September 30, 2025 and December 31, 2024, the Company had customer deposits of \$297,887 and \$80,000, respectively, which is recorded as contract liabilities on the condensed consolidated balance sheets.

Rebates and Discounts

Dealers earn wholesale rebates based on purchase volume commitments and achievement of certain performance metrics. The Company estimates the amount of wholesale rebates based on historical achievement, forecasted volume, and assumptions regarding dealer behavior. Rebates that apply to boats already in dealer inventory are referred to as retail rebates. The Company estimates the amount of retail rebates based on historical data for specific boat models adjusted for forecasted sales volume, product mix, dealer and consumer behavior, and assumptions concerning market conditions. The Company also utilizes various programs whereby it offers cash discounts or agrees to reimburse its dealers for certain floor plan interest costs incurred by dealers for limited periods of time, generally ranging up to six months. These floor plan interest costs are treated as a reduction in the revenue recognized on the sale at an amount estimated at the time of sale.

Other Revenue Recognition Matters

Dealers generally have no right to return unsold boats. Occasionally, the Company may accept returns in limited circumstances and at the Company’s discretion under its warranty policy. The Company may be obligated, in the event of default by a dealer, to accept returns of unsold boats under its repurchase commitment to floor financing providers, who are able to obtain such boats through foreclosure. The repurchase commitment is on an individual unit basis with a term from the date it is financed by the lending institution through the payment date by the dealer, generally not exceeding 30 months.

The Company has excluded sales and other taxes assessed by a governmental authority in connection with revenue-producing activities from the determination of the transaction price for all contracts. The Company has not adjusted net sales for the effects of a significant financing component because the period between the transfer of the promised goods and the customer’s payment is expected to be one year or less.

Use of Estimates

The preparation of unaudited condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during

the reporting period. Some of these judgments can be subjective and complex, and, consequently, actual results may differ from these estimates.

Concentration of Credit and Business Risk

Financial instruments that potentially subject the Company to concentration of credit risk primarily consist of trade receivables. Credit risk on trade receivables is mitigated as a result of the Company's use of trade letters of credit, dealer floor plan financing arrangements, and the geographically diversified nature of the Company's customer base. The Company minimizes the concentration of credit risk associated with its cash by maintaining its cash with high quality federally insured financial institutions. However, cash balances in excess of the Federal Deposit Insurance Corporation ("FDIC") insured limit of \$250,000 are at risk. As of September 30, 2025 and December 31, 2024, the Company had \$1,961,021 and \$6,740,623, respectively, in excess of FDIC insured limits.

Cash, Cash Equivalents and Restricted Cash

Cash, cash equivalents and restricted cash include all highly liquid investments with original maturities of six months or less at the time of purchase. On September 30, 2025 and December 31, 2024, the Company had cash, cash equivalents and restricted cash of \$2,919,688 and \$7,706,240, respectively. Included within restricted cash on the Company's condensed consolidated balance sheets was cash deposited as collateral for irrevocable letters of credit of \$215,117 at September 30, 2025 and December 31, 2024.

Marketable Securities

The Company's investments in debt securities are carried at either amortized cost or fair value. Investments in debt securities that the Company has the positive intent and ability to hold to maturity are carried at amortized cost and classified as held-to-maturity. Investments in debt securities that are not classified as held-to-maturity are carried at fair value and classified as either trading or available-for-sale. Realized and unrealized gains and losses on trading debt securities as well as realized gains and losses on available-for-sale debt securities are included in net income.

Fair Value of Financial Instruments

The Company follows accounting guidelines on fair value measurements for financial instruments measured on a recurring basis, as well as for certain assets and liabilities that are initially recorded at their estimated fair values. Fair value is defined as the exit price, or the amount that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants as the measurement date. The Company uses the following three-level hierarchy that maximizes the use of observable inputs and minimizes the use of unobservable inputs to value its financial instruments:

- Level 1: Observable inputs such as unadjusted quoted prices in active markets for identical instruments.
- Level 2: Quoted prices for similar instruments that are directly or indirectly observable in the marketplace.
- Level 3: Significant unobservable inputs which are supported by little or no market activity and that are financial instruments whose values are determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires a significant judgment or estimation.

Financial instruments measured as fair value are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires it to make judgments and consider factors specific to the asset or liability. The use of different assumptions and/or estimation methodologies may have a material effect on estimated fair values. Accordingly, the fair value estimates disclosed, or initial amounts recorded may not be indicative of the amount that the Company or holders of the instruments could realize in a current market exchange.

The carrying amounts of cash equivalents approximate their fair value due to their liquid or short-term nature, such as accounts receivable and payable, and other financial instruments in current assets or current liabilities.

Accounts Receivable

The Company's Accounts Receivable is derived from third party financing arrangements that its dealers utilize to finance the purchase of its boats. This "floorplan financing" is collateralized by the finished boat, and cash payment is received within 3-5 days of the finance Company's approval of the dealer's purchase. At the end of a reporting period, some payment(s) may not yet have been received from the financing company, which creates a temporary account receivable that will be satisfied in just a few days. As such, the Company's Accounts Receivable at any point in time are 100% collectable, and no valuation adjustment is necessary. Therefore, there is no allowance for credit losses on the Company's condensed consolidated balance sheets. Accounts receivable were \$312,993 and \$0 at September 30, 2025 and December 31, 2024, respectively. All receivables at September 30, 2025, were subsequently collected during the first week of October 2025.

Inventories

Inventories are valued at the lower of cost and net realizable value, with cost determined using the average cost method on a "first-in, first-out" basis. Net realizable value is defined as sales price, less cost of completion, disposable and transportation and a normal profit margin. Production costs, consisting of labor and overhead, are applied to ending finished goods inventories at a rate based on estimated production capacity. Excess production costs are charged to cost of products sold. Provisions have been made to reduce excess or obsolete inventories to their net realizable value. Provisions for excess and obsolete inventories at September 30, 2025 and December 31, 2024 were \$201,891 and \$134,032, respectively.

Deferred Offering Costs

Deferred offering costs consist of specific incremental legal, accounting, and other professional fees that are directly attributable to the proposed initial public offering ("IPO") of Wizz Banger, Inc. These costs are capitalized until the completion of the offering, at which time they will be offset against the gross proceeds of the IPO. If the offering is aborted or significantly delayed, the deferred costs will be expensed as incurred.

Property and Equipment

Property and equipment is stated at cost, net of accumulated depreciation and amortization, using the straight-line method over the assets' useful life. Leasehold improvements are amortized over the shorter of the assets' useful life or the lease term. The estimated useful lives of property and equipment range from three to five years. Upon sale or retirement, the cost and related accumulated depreciation is eliminated from their respective accounts, and the resulting gain or loss is included in results of operations. Repairs and maintenance charges, which do not increase the useful lives of the assets, are charged to operations as incurred.

Software Development Costs

ASC Topic 985-20, *Software – Costs of Software to Be Sold, Leased, or Marketed*, requires companies to expense software development costs as they incur them until technological feasibility has been established, at which time those costs are subject to capitalization until the product is available for general release to customers. Costs incurred by the Company subsequent to achievement of technological feasibility are generally not significant, as the time elapsed from working model to release is typically short. The Company included capitalized software in property and equipment.

Impairment of Long-Lived Assets

Management assesses the recoverability of its long-lived assets when indicators of impairment are present. If such indicators are present, recoverability of these assets is determined by comparing the undiscounted net cash flows estimated to result from those assets over the remaining life to the assets' net carrying amounts. If the estimated undiscounted net cash flows are less than the net carrying amount, the assets would be adjusted to their fair value, based on appraisal or the present value of the undiscounted net cash flows.

Assets Held for Sale

At September 30, 2025, the Company classified \$3,956,623 of building and land in Marion, North Carolina as assets held for sale under ASC 360 and included it as a separate line item on the condensed consolidated balance sheet. In 2024, the Company completed the merger of Forza X1, Inc. and ceased the expenditures related to the development of electric boats. The property is now under contract and expected to close on October 31, 2025. The Company recorded an impairment of the building of \$360,151 and \$1,674,000 in the third quarter of 2025 and the second quarter of 2024, respectively, to reduce the carrying cost of the building to its estimated net realizable value. There are no liabilities associated with this asset.

Advertising

Advertising and marketing costs are expensed as incurred, and are included in selling, general and administrative expenses in the accompanying unaudited condensed consolidated statements of operations. During the three months ended September 30, 2025 and 2024, advertising costs incurred by the Company totaled \$17,299 and \$24,196, respectively. During the nine months ended September 30, 2025 and 2024, advertising costs incurred by the Company totaled \$41,238 and \$151,776, respectively.

Research and Development

The Company expenses research and development costs relating to new product development as incurred. For the three months ended September 30, 2025 and 2024, research and development costs amounted to \$0 and \$89,403, respectively. For the nine months ended September 30, 2025 and 2024, research and development costs amounted to \$0 and \$583,878, respectively.

Shipping and Handling Costs

Shipping and handling costs include those costs incurred to transport products to customers and internal handling costs, which relate to activities to prepare goods for shipment. The Company has elected to account for shipping and handling costs associated with outbound freight after control over a product has been transferred to a customer as a fulfillment cost. The Company includes shipping and handling costs, including costs billed to customers, in cost of sales in the statements of operations. All manufactured boats are free on board (FOB) from the Fort Pierce manufacturing plant. Dealers are required to either pick up the boats themselves or contracts with a transporter. For the three months ended September 30, 2025 and 2024, shipping and handling costs amounted to \$38,786 and \$57,149, respectively. For the nine months ended September 30, 2025 and 2024, shipping and handling costs amounted to \$146,469 and \$261,927, respectively.

Leases

The Company determines if an arrangement is a lease at inception. Operating lease right-of-use ("ROU") assets and lease liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. As the Company's leases do not provide an implicit rate, it uses its incremental borrowing rate based on the information available at the commencement date in determining the present value of lease payments. The Company calculates the associated lease liability and corresponding ROU asset upon lease commencement using a discount rate based on a credit-adjusted secured borrowing rate commensurate with the term of the lease. The operating lease ROU asset also includes any lease payments made and is reduced by lease incentives. The Company's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. Lease expenses for lease payments is recognized on a straight-line basis over the lease term.

Product Warranty Costs

The Company accrues for warranty costs based on the expected material and labor costs to provide warranty replacement products. The methodology used in determining the liability for warranty cost is based upon historical information and experience. The Company's warranty reserve is calculated as the gross sales multiplied by the historical warranty expense return rate. The Company's warranty liability is included in the accrued liabilities line item of the accompanying unaudited condensed consolidated balance sheets.

Supplier Concentrations

The Company is dependent on the ability of its suppliers to provide products on a timely basis and on favorable pricing terms. The loss of certain principal suppliers or a significant reduction in product availability from principal suppliers could have a material adverse effect on the Company. Business risk insurance is in place to mitigate the business risk associated with sole suppliers for sudden disruptions such as those caused by natural disasters.

The Company is dependent on third-party equipment manufacturers, distributors, and dealers for certain parts and materials utilized in the manufacturing process. During the nine months ended September 30, 2025, the Company purchased all engines and certain composite materials for its boats under supplier agreements with four vendors. Total purchases from these vendors were \$3,392,508. During the nine months ended September 30, 2024, the Company purchased all engines and certain composite materials for its boats under supplier agreements with five vendors. Total purchases from these vendors were \$4,414,169.

Stock-Based Compensation

The Company recognizes stock-based compensation costs for its restricted stock measured at the fair value of each award at the time of grant, as an expense over the period during which an employee is required to provide service. Compensation cost is recognized over the service period for the fair value of awards that vest.

Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases and operating losses. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is entirely dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversals of deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment.

The Company files income tax returns in the U.S. federal jurisdiction and various states.

Recently Adopted Accounting Pronouncements

In November 2023, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (ASU”) 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures (“ASU 2023-07”). ASU 2023-07 aims to improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. ASU 2023-07 requires disclosures of significant expenses that are regularly provided to the chief operating decision maker and included within each reported segment measure of segment profit or loss. The update also requires disclosure regarding the chief operating decision maker and expands interim segment disclosure requirements. The adoption did not impact how the Company identifies its one reportable segment.

Recently Issued But Not Yet Adopted Accounting Pronouncements

In November 2024, the FASB issued ASU 2024-03, Income Statement–Reporting Comprehensive Income–Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expense (“ASU 2024-03”), effective for annual periods beginning after December 15, 2026, and interim periods beginning after December 15, 2027. The amendments in this update require disclosure, in the notes to the financial statements, of specified information about certain costs and expenses and a qualitative description of the amounts remaining in relevant expense captions that are not separately disaggregated quantitatively. The Company is currently evaluating the potential impact the adoption of ASU 2024-03 will have on its future disclosures.

2. Inventories

At September 30, 2025 and December 31, 2024, inventories consisted of the following:

	September 30, 2025	December 31, 2024
Raw Materials	\$ 2,458,982	\$ 2,573,553
Work in Process	124,882	—
Finished Product	80,168	77,239
Total Inventory	\$ 2,664,032	\$ 2,650,792
Reserve for Excess and Obsolete	(201,891)	(134,032)
Net inventory	\$ 2,462,141	\$ 2,516,760

3. Property and Equipment

At September 30, 2025 and December 31, 2024, property and equipment consisted of the following:

	September 30, 2025	December 31, 2024
Machinery and equipment	\$ 2,649,852	\$ 2,610,977
Furniture and fixtures	36,816	36,816
Land	—	1,119,758
Leasehold improvements	3,218,410	1,228,860
Software and website development	1,087,734	300,935
Computer hardware and software	120,328	120,245
Boat molds	5,347,338	7,270,411
Vehicles	94,534	143,360
Electric prototypes and tooling	—	142,526
Assets under construction	653,584	6,130,786
	13,208,595	19,104,674
Less accumulated depreciation and amortization	(4,491,672)	(4,066,876)
	\$ 8,716,923	\$ 15,037,798

Depreciation and amortization expense of property and equipment for the three months ended September 30, 2025 and 2024 were \$119,825 and \$440,458, respectively. Depreciation and amortization expense of property and equipment for the nine months ended September 30, 2025 and 2024 were \$1,287,048 and \$1,300,697, respectively. At September 30, 2025, the Company has assets held for sale of \$3,956,623. On May 28, 2025, the Company entered into a Mutual Release Agreement with the lessor, removing all obligations under the lease, and returning to the lessor all property, plant and equipment, brand name and all other leased assets. The Company recorded the elimination of ROU financial asset and lease liabilities from its balance sheet, recording a loss on disposition of \$57,903. In addition, the Company disposed of the related property and equipment with a net book value of \$2,545,899.

4. Leases

Operating right of use (“ROU”) assets and operating lease liabilities are recognized at the lease commencement date. Operating lease liabilities represent the present value of lease payments not yet paid. Operating right of use assets represent the Company’s right to use an underlying asset and is based upon the operating lease liabilities adjusted for prepayments or accrued lease payments, initial direct costs, lease incentives, and impairment of operating lease assets. To determine the present value of lease payments not yet paid, the Company estimates incremental secured borrowing rates corresponding to the maturities of the leases.

The Company’s office lease contains rent escalations over the lease term. The Company recognizes expense for this office lease on a straight-line basis over the lease term.

Additionally, tenant incentives used to fund leasehold improvements are recognized when earned and reduce the Company's right-of-use asset related to the lease. These are amortized through the right-of-use asset as reductions of expense over the lease term.

The Company leases its office and warehouse facilities, and the land which are located at 3101 S US-1, Fort Pierce, Florida (the "Property") from Visconti Holdings, LLC. Visconti Holdings, LLC is a single member LLC that holds the ownership of the property, and its sole member is Joseph C. Visconti, the CEO of the Company. The Company entered into the lease on January 1, 2020, and as amended January 1, 2021, the lease has a term of five years. The current base rent payment is \$36,465 per month including property taxes and the lease required a \$25,000 security deposit.

At September 30, 2025 and December 31, 2024, supplemental balance sheet information related to the lease was as follows:

	September 30, 2025	December 31, 2024
Operating lease ROU asset	\$ 97,819	\$ 390,686
	September 30, 2025	December 31, 2024
Operating lease liabilities:		
Current portion	\$ 109,328	\$ 436,730
Non-current portion	—	—
Total	\$ 109,328	\$ 436,730
	Three Months Ended September 30, 2025	Three Months Ended September 30, 2024
Operating lease cost	\$ 97,721	\$ 120,071
	Nine Months Ended September 30, 2025	Nine Months Ended September 30, 2024
Operating lease cost	\$ 292,867	\$ 359,246

At September 30, 2025, future minimum lease payments under the non-cancelable operating lease are as follows:

Year Ending December 31, 2025 (excluding the nine months ended September 30, 2025)	\$ 109,396
Total lease payments	109,396
Less imputed interest	(68)
Total	\$ 109,328

	September 30, 2025
Weighted average discount rate	0.36%
Weighted average remaining lease term (years)	0.25

5. Finance Leases

Vehicle and Equipment Lease

The Company has various finance leases for two forklifts and a copy machine. All leases were for 60-month terms at rates ranging from 5% to 7.5%. No new leases were entered into during the three or nine months ended September 30, 2025.

Finance leases recorded in property and equipment, net on the condensed consolidated balance sheets were as follows:

	September 30, 2025	December 31, 2024
Cost	\$ 76,972	\$ 125,798
Accumulated Depreciation	(29,822)	(37,384)
Net Book Value	\$ 47,150	\$ 88,414

AquaSport lease

On April 20, 2023 Twin Vee incorporated AquaSport Co., a wholly owned subsidiary, in the state of Florida in connection with its plan to lease the AQUASPORT™ boat brand and manufacturing facility in White Bluff, Tennessee. On May 5, 2023, Twin Vee and AquaSport Co. entered into an agreement (the "Agreement") with Ebttide Corporation ("Ebttide") providing AquaSport Co. with the right to acquire assets, AQUASPORT™ boat brand, trademarks, 150,000-square-foot manufacturing facility situated on 18.5 acres in White Bluff Tennessee, related tooling, molds, and equipment to build five AquaSport models ranging in size from 21 to 25-foot boats (the "AquaSport Assets").

On May 28, 2025, the Company entered into a Mutual Release Agreement with the lessor, removing all obligations under the lease, and returning to the lessor all property, plant and equipment, brand name and all other leased assets. During the second quarter, the Company recorded the elimination of the assets and liabilities from its condensed consolidated balance sheet, recording a loss on termination of \$57,903.

Finance leases on the AquaSport lease recorded in property and equipment, net on the condensed consolidated balance sheets were as follows:

	September 30, 2025	December 31, 2024
Land	\$ —	\$ 1,000,000
Building	—	100,000
Molds	—	2,000,000
	—	3,100,000
Accumulated depreciation	—	(438,138)
Total	<u>\$ —</u>	<u>\$ 2,661,862</u>

At September 30, 2025 and December 31, 2024, supplemental balance sheet information related to finance leases were as follows:

	September 30, 2025	December 31, 2024
Finance lease liabilities:		
Current portion	\$ 20,497	\$ 221,929
Non-current portion	26,362	2,423,165
Total	<u>\$ 46,859</u>	<u>\$ 2,645,094</u>

At September 30, 2025, future minimum lease payments under the non-cancelable finance leases are as follows:

Year Ending December 31,	
2025 (except for the nine months ended September 30, 2025)	\$ 5,934
2026	21,519
2027	18,417
2028	4,657
Thereafter	—
Total lease payment	50,527
Less imputed interest	(3,668)
Total	<u>\$ 46,859</u>

	September 30, 2025
Weighted average discount rate	5.4%
Weighted average remaining lease term (years)	2.7

6. Accrued Liabilities

At September 30, 2025 and December 31, 2024, accrued liabilities consisted of the following:

	September 30, 2025	December 31, 2024
Accrued wages and benefits	\$ 148,892	\$ 206,041
Accrued interest	88,086	96,793
Accrued operating expense	139,017	277,873
Warranty Reserve	223,049	213,546
	<u>\$ 599,044</u>	<u>\$ 794,253</u>

7. Short-term Debt

On September 30, 2025 and December 31, 2024, the Company had a line of credit with Wells Fargo and Yamaha Motor Finance for \$250,000 and \$1,000,000, respectively.

Interest on the Company's Wells Fargo line is calculated in two ways: the average daily balance is prime +5%, with a minimum prime at 5.5%, there is also a monthly flat charge of 0.2%, which is 2.4% annualized. After the 150-day due in full period, the average daily balance rate goes up to prime +8.5% with no monthly flat charge. On September 30, 2025 and December 31, 2024 the interest rate on the line of credit was approximately 12.7% and 11.1%.

Interest on the Company's Yamaha line is calculated on the average daily balance +4%, with a minimum prime at 8.0%. On September 30, 2025 and December 31, 2024, the interest rate was 12.6% and 11.8%, respectively.

On September 30, 2025 and December 31, 2024, the outstanding motor balance with Wells Fargo was \$77,968 and \$130,690, respectively. On September 30, 2025 and December 31, 2024, the outstanding motor balance with Yamaha Motor Finance was \$153,745 and \$255,649, respectively. The outstanding balances are included in account payable on the condensed consolidated balance sheets.

8. Notes Payable – SBA EIDL Loan

On April 22, 2020, the Company received an SBA Economic Injury Disaster Loan ("EIDL") in the amount of \$499,900 (\$500,000 less a \$100 processing fee). The loan is in response to the COVID-19 pandemic. The loan is a 30-year loan with an interest rate of 3.75%, interest only monthly payments of \$2,437 began October 22, 2022, under the

EIDL program, which is administered through the SBA. Under the guidelines of the EIDL, the maximum term is 30 years; however, terms are determined on a case-by-case basis based on each borrower's ability to repay and carry an interest rate of 3.75%. The EIDL loan has an initial deferment period wherein no payments are due for thirty months from the date of disbursement. The EIDL loan may be prepaid by the Company at any time prior to maturity with no prepayment penalties. The proceeds from this loan must be used solely as working capital to alleviate economic injury caused by the COVID-19 pandemic.

As part of the EIDL loan, the Company granted the SBA a continuing security interest in and to any and all collateral to secure payment and performance of all debts, liabilities and obligations of the Company to the SBA under the EIDL loan. The collateral includes substantially all tangible and intangible personal property of the Company.

A summary of the minimum maturities of term debt follows for the years set forth below.

Year ended December 31,

2025 (except for the nine months ended September 30, 2025)	—
2026	—
2027	6,611
2028	10,923
2029 and thereafter	482,366
Total	<u>\$ 499,900</u>

9. Related Party Transactions

As discussed in Note 4, the Company has leased its Fort Pierce, Florida facilities from a company owned by its CEO.

During the nine months ended September 30, 2024, the Company received a variable monthly fee averaging \$42,169 to provide management services and facility utilization to Forza. This income for the Company and expense for Forza, was eliminated in the condensed consolidated financial statements. Since the merger of Forza X1 and Twin Vee on November 26, 2024, the Company no longer receives a management fee.

10. Commitments and Contingencies

Repurchase Obligations

Under certain conditions, the Company is obligated to repurchase new inventory repossessed from dealerships by financial institutions that provide credit to the Company's dealers. The maximum obligation of the Company under such floor plan agreements totaled \$12,447,144 or 72 units, and \$10,265,229 or 60 units, as of September 30, 2025 and December 31, 2024, respectively.

On April 21, 2025, Northpoint Commercial Finance LLC ("Northpoint") came into possession of certain Twin Vee and AquaSport inventory of United Marine and Storage LLC, a former dealer of Twin Vee PowerCats. Northpoint requested Twin Vee PowerCats Co. to take possession of the inventory and to repurchase the inventory in accordance with the Repurchase Agreement between Twin Vee PowerCats Co. and Northpoint. The Company was able to negotiate a condition reduction on these repossessed boats which resulted in an obligation of \$460,220 to Northpoint Commercial Financial. During the second quarter, the Company was able to sell five of the six repossessed boats, resulting in a net loss of approximately \$14,875 after transportation, refurbishment, and commissions for the second quarter. During the third quarter, the Company paid its obligation to Northpoint for its one remaining repurchase obligation of \$58,984 and is currently marketing this boat for sale. The Company expects to fully recover the amount of the repurchase obligation.

Litigation

The Company is currently involved in various civil litigation in the normal course of business, including a class action suit none of which are considered material.

Irrevocable line of credit

As of September 30, 2025 the Company had \$215,117 of restricted cash included in cash, cash equivalents and restricted cash. This amount represents a deposit to secure an irrevocable letter of credit for a supplier contract with Yamaha. These deposits are held in an interest-bearing account. As of December 31, 2024, the Company had \$215,117 of restricted cash.

11. Stockholders' Equity

Twin Vee

Common Stock Warrants

As of September 30, 2025 and December 31, 2024, the Company had outstanding warrants to purchase an aggregate of 56,237 shares of common stock:

- warrants to purchase 15,000 shares of common stock at an exercise price of \$75.00 per share that were issued to the representative of the underwriters on July 23, 2021, in connection with the Company's IPO. The representative's warrants are exercisable at any time and from time to time, in whole or in part, and expire on July 20, 2026.
- warrants to purchase 14,375 shares of common stock at an exercise price of \$4.38 were issued to the representative of the underwriters on October 3, 2022, in connection with an underwritten public offering. These representative's warrants are exercisable at any time and from time to time, in whole or in part, and expire on September 28, 2027.

- warrants to purchase 10,550 shares of common stock at an exercise price of \$102.20. These warrants were assumed by the Company on November 26, 2024 in connection with the Merger and were converted into a warrant to purchase the number of shares of Company common stock that the holder would have received if such holder had exercised such warrant to purchase shares of Forza common stock prior to the Merger. These representative's warrants were originally issued in connection with Forza X1, Inc.'s initial public offering that closed on August 16, 2022, and are exercisable at any time and from time to time, in whole or in part, and expire on August 11, 2027.

- warrants to purchase 16,312 shares of common stock at an exercise price of \$0.70. These warrants were assumed by the Company on November 26, 2024 in connection with the Merger and were converted into a warrant to purchase the number of shares of Company common stock that the holder would have received if such holder had exercised such warrant to purchase shares of Forza common stock prior to the Merger. These representative's warrants were originally issued in connection with Forza X1, Inc.'s public offering that closed on June 14, 2023, and are exercisable at any time and from time to time, in whole or in part, and expire on June 12, 2028.

There was no warrant activity during the three or nine months ended September 30, 2025.

Equity Compensation Plan

The Company maintains an equity compensation plan (the "Plan") under which it may award employees, directors and consultants' incentive and non-qualified stock options, restricted stock, stock appreciation rights and other stock-based awards with terms established by the Compensation Committee of the Board of Directors which has been appointed by the Board of Directors to administer the Plan. As of September 30, 2025, there were 100,434 shares remaining available for grant under this Plan.

Accounting for Stock -Based Compensation

Stock Compensation Expense

For the three months ended September 30, 2025 and 2024, the Company recorded \$63,897 and \$278,867, respectively, of stock-based compensation expense. For the nine months ended September 30, 2025 and 2024, the Company recorded \$179,493 and \$1,022,894, respectively, of stock-based compensation expense. Stock-based compensation expense is included in salaries and wages on the accompanying condensed consolidated statement of operations.

Stock Options

Under the Company's 2021 Stock Incentive Plan (the Twin Vee Plan) the Company has issued stock options. A stock option grant gives the holder the right, but not the obligation, to purchase a certain number of shares at a predetermined price for a specific period of time. The Company typically issues options that vest pro rata on a monthly basis over various periods. Under the terms of the Twin Vee Plan, the contractual life of the option grants may not exceed ten years.

The Company utilizes the Black-Scholes model to determine fair value of stock option awards on the date of grant. The Company utilized the following assumptions for option grants during the nine months ended September 30, 2025 and 2024:

	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Expected term	5.7 years	6.0 years
Expected average volatility	48.4%	86.7%
Expected dividend yield	—	—
Risk-free interest rate	4.1%	4.2%

The expected volatility of the option is determined using historical volatilities based on historical stock price of comparable boat manufacturing companies. The Company estimated the expected life of the options granted based upon historical weighted average of comparable boat manufacturing companies. The risk-free interest rate is determined using the St. Louis Federal Reserve yield curve rates with a remaining term equal to the expected life of the option. The Company has never paid a dividend, and as such the dividend yield is 0.0%

	Options Outstanding		Weighted Average Remaining life (years)	Fair value of option
	Number of Options	Weighted Average Exercise Price		
Outstanding, January 1, 2025	213,904	\$ 29.30	5.04	1,708,693
Granted	72,000	2.71	—	98,371
Exercised	—	—	—	—
Expired	(4,358)	(27.75)	—	(52,669)
Forfeited/canceled	(10,917)	(3.16)	—	(18,356)
Outstanding, September 30, 2025	<u>270,629</u>	<u>\$ 23.30</u>	<u>7.94</u>	<u>1,736,039</u>
Exercisable options, September 30, 2025	<u>165,418</u>	<u>\$ 35.17</u>	<u>7.15</u>	<u>1,519,367</u>
	Options Outstanding		Weighted Average Remaining life (years)	Grant Date Fair value of option
	Number of Options	Weighted Average Exercise Price		
Outstanding, January 1, 2024	127,093	\$ 39.85	8.04	2,213,178
Granted	74,199	6.31	—	233,957
Exercised	—	—	—	—
Expired	(33,888)	(38.73)	—	(578,873)
Forfeited/canceled	(12,284)	(12.80)	—	(157,292)
Outstanding, September 30, 2024	<u>155,120</u>	<u>\$ 24.85</u>	<u>8.25</u>	<u>1,710,970</u>
Exercisable options, September 30, 2024	<u>77,339</u>	<u>\$ 41.61</u>	<u>7.24</u>	<u>\$ 1,396,557</u>

At September 30, 2025, 105,211 Twin Vee options are unvested and expected to vest over the next four years.

Restricted Stock Units

Under the Company's 2021 Stock Incentive Plan the Company has issued restricted stock units ("RSUs"). RSUs are granted with fair value equal to the closing market price of

the Company's common stock on the business day of the grant date. An award may vest completely at a point in time (cliff-vest) or in increments over time (graded-vest). Generally, RSUs vest over three years. There were 4,092 RSUs exercisable on September 30, 2025.

	Restricted Stock Units Outstanding		Weighted Average Remaining life (years)	Aggregate Intrinsic Value
	Number of Units	Weighted Average Grant – Date Fair Value Price		
Outstanding, January 1, 2025	7,567	\$ 15.98	1.58	\$ 20,734
Granted	8,900	4.40	—	24,386
Exercised	—	—	—	—
Forfeited/canceled	(3,415)	6.86	—	(9,357)
Outstanding, September 30, 2025	13,032	\$ 10.04	1.89	\$ 35,763

21

	Restricted Stock Units Outstanding		Weighted Average Remaining life (years)	Aggregate Intrinsic Value
	Number of Units	Weighted Average Grant – Date Fair Value Price		
Outstanding, January 1, 2024	6,725	\$ 22.50	2.07	\$ 40,350
Granted	8,730	8.38	—	52,380
Exercised	—	—	—	—
Forfeited/canceled	(6,611)	(13.19)	—	(39,666)
Outstanding, September 30, 2024	8,844	\$ 15.52	1.82	\$ 53,064

Wizz Banger, Inc. Stock Options

On June 12, 2025, the Company's wholly owned subsidiary, Wizz Banger, Inc., granted stock options to certain members of its executive team under a newly adopted equity incentive plan. The grant consisted of 2,800,000 options to acquire common shares of the subsidiary at an exercise price of \$0.12 per share, which equaled the estimated fair market value of the subsidiary's common stock on the grant date, as determined by a third-party valuation.

The options are subject to 12-month cliff vesting, whereby no portion of the award vests unless the executive remains employed by the subsidiary for the full 12-month period following the grant date. Upon completion of the service period, 100% of the options will vest.

No compensation expense has been recognized for the award as of September 30, 2025, consistent with ASC 718, as the vesting condition is based solely on continued service and has not yet been satisfied. The total grant-date fair value of the award was estimated to be approximately \$188,761, calculated using the Black-Scholes option pricing model with the following assumptions:

- Expected Term: 6 years
- Expected Volatility: 55% (based on comparable SaaS companies)
- Risk-Free Interest Rate: 4.2%
- Dividend Yield: 0%
- Fair Value per Option: \$0.0674

Should the vesting condition be met, the Company will recognize compensation expense on the condensed consolidated statement of operations in the period the service condition is satisfied, or earlier if deemed probable.

12. Customer Concentration

Significant dealers are those that account for greater than 10% of the Company's revenues and purchases.

During the three months ended September 30, 2025, four individual dealers each represented over 10% of the Company's total sales and together represented 83% of total sales. During the three months ended September 30, 2024, four individual dealers represented over 10% of the Company's total sales and together represented 67% of total sales.

During the nine months ended September 30, 2025, four individual dealers each represented over 10% of the Company's total sales and together represented 74% of total sales. During the nine months ended September 30, 2024, three individual dealers represented over 10% of the Company's total sales and together represented 38% of total sales.

22

13. Income Tax

Income tax expense or benefit for interim periods is determined using an estimate of the Company's annual effective tax rate, adjusted for discrete items, if any, that are taken into account in the relevant period. Each period, the Company updates the estimate of the annual effective tax rate, and if the estimated tax rate changes, it records a cumulative adjustment. Due to operating losses and the recognition of valuation allowances, the Company has no provision for current and deferred federal or state income taxes for the three and nine months ended September 30, 2025 and 2024. The effective tax rate for each period differs from the statutory rate primarily as a result of having a full valuation allowance maintained against the deferred tax assets. As of September 30, 2025 and December 31, 2024, the Company continued to have a full valuation allowance against its U.S. federal and state deferred tax assets. Management regularly evaluates the realizability of its deferred tax assets. Adjustments are recorded to income during the period in which management makes the determination a deferred tax asset is more likely than not to be realized.

14. Segment

The Company reports segment information based on the “management” approach. The Company’s Chief Operating Decision Maker is its President and Chief Executive Officer. The management approach designates the internal reporting used by management for making decisions and assessing performance as the source of the Company’s reportable segments. The Company operates in two reportable segments: (1) Twin Vee PowerCats, which designs, manufactures, and sells recreational and commercial powerboats; and (2) Wizz Banger, Inc., a development-stage subsidiary with plans to develop an innovative online marketplace leveraging artificial intelligence (AI) to transform how customers search for and purchase recreational marine assets.

While the Company manages Wizz Banger, Inc. as a distinct operating segment, it does not currently meet the quantitative thresholds for separate disclosure under ASC 280-10-50-12. Specifically, for the nine months ended September 30, 2025, Wizz Banger, Inc. generated limited revenue and represented less than 10% of the Company’s consolidated assets, revenues, and net loss. As a result, the financial results of Wizz Banger, Inc. are aggregated and presented within the consolidated results of Twin Vee PowerCats for segment reporting purposes.

The Company will continue to monitor the significance of Wizz Banger, Inc. and will present it as a separately reportable segment in future filings if it meets the quantitative criteria or if management concludes that separate presentation is necessary for a better understanding of the business.

15. Subsequent Events

On September 26, 2025, the Company entered into a purchase and sale agreement with Highland Myco Holdings, LLC for the sale of the Company’s property located at 100 College Drive, Marion, North Carolina, which was completed on October 31, 2025. The Company received \$500,000 as a closing payment, with an additional \$3,750,000 payable in installments of \$500,000 plus accrued interest at a rate of 5% on October 31, 2026, \$500,000 plus accrued interest on April 30, 2027, and a balloon payment of \$2,750,000 plus accrued interest on October 31, 2027.

The Company has evaluated all events or transactions that occurred after September 30, 2025 through November 6, 2025, which is the date that the condensed consolidated financial statements were available to be issued. During this period, there were no additional material subsequent events.

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

You should read the following discussion and analysis of our financial condition and results of operations together with our financial statements and related notes included in this Quarterly Report on Form 10-Q. The following discussion contains forward-looking statements that involve risks and uncertainties. See “Forward-Looking Statements.” Our actual results and the timing of certain events could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including those discussed below and elsewhere in this Quarterly Report on Form 10-Q. This discussion should be read in conjunction with the accompanying unaudited condensed consolidated financial statements and notes thereto. You should also review the disclosure under the heading “Risk Factors” in this Quarterly Report on Form 10-Q and under Part 1, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2024 for a discussion of important factors that could cause our actual results to differ materially from those anticipated in these forward-looking statements.

All share amounts and exercise or conversion prices in this Quarterly Report on Form 10-Q have been adjusted retrospectively for our 1-for-10 reverse stock split (the “Reverse Stock Split”), which was effective on April 7, 2025.

OVERVIEW

Twin Vee PowerCats Co. (“Twin Vee” “we”, “us” or the “Company”) is a designer, manufacturer and marketer of recreational and commercial power boats. We believe our company, founded in 1996, has been an innovator in the recreational and commercial power catamaran industry. Our twin-hull catamaran running surface, known as a symmetrical catamaran hull design, adds to the Twin Vee ride quality by reducing drag, increasing fuel efficiency and offering users a stable riding boat. Our home base operations in Fort Pierce, Florida is a 7.5-acre facility with several buildings totaling approximately 100,000 square feet, including a recently completed 30,000 square foot expansion which began in mid-2024. We currently employ approximately 70 people.

Our products are marketed under two brands: Twin Vee for our catamarans, or dual hull vessels, and Bahama Boats for our “V”-hull boats. Consumers can use our boats for a wide range of recreational activities including fishing, diving and water skiing and commercial activities including transportation, eco tours, fishing and diving expeditions. We believe that the performance, quality and value of our boats position us to achieve our goal of increasing our market share and expanding the power-boat market. We currently primarily sell our boats through a network of 22 independent boat dealers across North America, the Caribbean and Central America who resell our boats to the end user Twin Vee customers. We continue efforts to recruit high quality boat dealers to join our network and seek to establish new dealers and distributors domestically and internationally to distribute our boats as we grow our production and introduce new models. Our boats are currently outfitted with gas-powered outboard combustion engines. During 2024, Forza X1, Inc. (“Forza”), our then minority owned electric boat subsidiary, determined to cease production of electric boats, and on November 26, 2024, Forza was merged into Twin Vee Merger Sub, Inc., our wholly-owned subsidiary, and became a wholly owned subsidiary.

Revenue from the sale of our boats accounted for nearly 100% of our net revenue in the third quarter of 2025 and for the fiscal year 2024. Our boats are manufactured in Fort Pierce, Florida. We believe our company has been an innovator in the recreational and commercial power boat industry. We currently have 12 Twin Vee models in or nearing production ranging in size from 24-foot to 40-foot, and 9 monohull (Bahama) models in or nearing production ranging in size from 22-foot to 41-foot. Revenues are also derived from the sale of short-term contracts to provide used boat listing services through Wizz Banger, Inc., which is recognized into revenues over the life of the contract.

During the quarter ended September 30, 2025, four individual dealers each represented over 10% of our total sales and together represented 83% of total sales. During the quarter ended September 30, 2024, four individual dealers each represented over 10% of our total sales and together represented 67% of total sales.

Our unaudited condensed consolidated financial statements for the three and nine months ended September 30, 2025 were prepared under the assumption that we will continue as a going concern; however, we have incurred significant losses from operations to date and we expect our expenses to increase in connection with our ongoing activities. These factors raise substantial doubt about our ability to continue as a going concern for one year after the financial statements included in this Quarterly Report are issued. See “Liquidity and Capital Resources” below.

Recent Developments

First Amendment to the License and Conditional Sale Agreement with Revver Digital, LLC

Effective July 14, 2025, we and our recently formed, wholly owned subsidiary, Wizz Banger, Inc. (“Wizz Banger”), entered into a First Amendment (the “First Amendment”) to that certain license and conditional sale agreement (the “License and Sale Agreement”), entered into and effective as of February 4, 2025, by and between us and Revver Digital, LLC, providing us with the right to acquire certain intellectual property of OWM (the “OWM Intellectual Property”) related to (a) the online marketplace,

advertisement, marketing, and sale services of yachts, boats, and yacht and boat accessories and (b) arranging of loans, insurance, and warranty services related to yachts and boats under the brands “Yachts for Sale” and “Boats for Sale” through the websites available at the domains (the “Domains”) “yachtsforsale.com” and “boatsforsale.com” (the “Business”). Pending the closing of the sale to us of the OWM Intellectual Property, the License and Sales Agreement grants us a license to use and sublicense the OWM Intellectual Property to conduct the Business in consideration of: (a) the payment to OWM of a monthly revenue-sharing royalty (the “Revenue-Sharing Royalty”) of six percent (6%) of the Aggregate Subscription Revenue (as defined in the License and Sales Agreement) of the Business; and (b) a credit to OWM of \$500 per OWM dealer who lists boats or yachts on the Domains during such period (the “Dealer Storefront Credit”). On the date of the closing (the “Closing”) of the sale to us of the OWM Intellectual Property, the License and Sales Agreement provides that in consideration of the transfer of, and as a purchase price (the “Purchase Price”) for, the OWM Intellectual Property, we will assume certain liabilities of OWM related to the Business and pay to OWM \$5,000,000, less the aggregate amount of all Revenue-Sharing Royalties paid to OWM through such date and the aggregate amount of all Dealer Storefront Credits accrued for the benefit of OWM through such date.

The First Amendment was entered into in order to (i) amend the definition of “Foreground Intellectual Property” (as defined therein), (ii) to clarify the respective rights of the parties thereunder, (iii) to assign the License and Sale Agreement to Wizz Banger, and (iv) to provide for a guaranty by us of Wizz Banger’s obligations and liabilities under the License and Sale Agreement, as amended, as provided therein and effect other amendments to the License and Sale Agreement as set forth therein.

Bahama Boat Works Acquisition

On June 5, 2025, we entered into an Asset Purchase Agreement (the “Asset Purchase Agreement”), with Bahama Boat Works, LLC (“Bahama Boat Works”), pursuant to which we acquired various tangible and intangible assets (the “Assets”) from Bahama Boat Works relating to the Bahama boat brand (the “Bahama Boat Brand”). In accordance with the Asset Purchase Agreement, in consideration of the transferred Assets we paid Bahama Boat Works \$100,000 and agreed to pay up to \$2,900,000 in additional contingent consideration based upon a percentage of the revenues we receive from future sales to customers of new Bahama Boat Brand 31’, 35’, 37’, and 41’ boat models (the “Bahama Boat Revenues”). The Asset Purchase Agreement provides that Bahama Boat Works will receive 20% of the first \$7,500,000 of Bahama Boat Revenues we receive and 10% of the Bahama Boat Revenues we receive in excess of \$7,500,000 (but not exceeding \$21,500,000) until such time as Bahama Boat Works has been paid an aggregate of \$3,000,000 by us from such sales.

The Asset Purchase Agreement may be terminated by mutual written consent of the parties or by us, in our sole discretion, if we decide to discontinue further development, production, or commercialization of the Bahama Boat Brand product line before the balance of the contingent consideration due to Bahama Boat Works is paid. Upon any such termination, the parties may either seek to sell the Bahama Boat Brand and associated assets pursuant to a mechanism set forth in the Asset Purchase Agreement or we, in our sole discretion, may elect to return the Assets to Bahama Boat Works.

Underwritten Public Offering

On May 8, 2025, we entered into an underwriting agreement (the “Underwriting Agreement”) with ThinkEquity LLC, as representative of the several underwriters named therein (the “Representative”), pursuant to which we agreed to sell to the Representative in a firm commitment underwritten public offering (the “May 2025 Offering”) an aggregate of 750,000 shares (the “Shares”) of our common stock at the public offering price of \$4.00 per share, resulting in gross proceeds of \$3.0 million, before deducting underwriting discounts, commissions and offering expenses. The Shares were sold pursuant to an effective shelf registration statement on Form S-3 (File No. 333-266858) filed with the SEC under the Securities Act and declared effective by the Commission on August 24, 2022,

a base prospectus, dated August 24, 2022, included in the Registration Statement at the time it originally became effective, and a prospectus supplement, dated May 8, 2025, filed with the Commission pursuant to Rule 424(b) under the Securities Act. Pursuant to the Underwriting Agreement, we also issued to designees of the Representative unregistered warrants to purchase up to 37,500 shares of our common stock, which equals 5% of the shares of common stock purchased in the May 2025 Offering. The May 2025 Offering closed on May 12, 2025. The net proceeds to us from the May 2025 Offering, after deducting the underwriting discount, the Representative’s fees and expenses and our estimated offering expenses, were \$2,555,101.

Repurchase Request

On April 21, 2025, Northpoint Commercial Finance LLC (“Northpoint”) came into possession of certain Twin Vee and AquaSport inventory of United Marine and Storage LLC, a former dealer of our products. Northpoint requested that we take possession of and repurchase the inventory in accordance with the Repurchase Agreement that we previously entered into with Northpoint. During the second quarter, we sold five of the six repossessed boats, resulting in a net loss on the sale of approximately \$14,875 after transportation, refurbishment, and commissions for the second quarter. During the third quarter, we paid our obligation to Northpoint for our one remaining repurchase obligation of \$58,984 and are currently marketing this boat for sale. We expect to fully recover the amount of the repurchase obligation.

Nasdaq Compliance

On May 10, 2024, we received written notice from the Listing Qualifications Department of The Nasdaq Stock Market LLC (“Nasdaq”) notifying us that for the preceding 30 consecutive business days (March 28, 2024 through May 9, 2024), our Common Stock did not maintain a minimum closing bid price of \$1.00 per share as required by Nasdaq Listing Rule 5550(a)(2) (the “Minimum Bid Price Requirement”). We were provided 180 calendar days, or until November 6, 2024, to regain compliance. On November 7, 2024, we received written notification from Nasdaq granting our request for a 180-day extension to regain compliance with the Minimum Bid Price Requirement. Compliance would be achieved if the closing bid price of our Common Stock is at or above \$1.00 for a minimum of ten consecutive business days at any time prior to May 5, 2025.

On April 4, 2025, we filed an amendment (the “Amendment”) to our Certificate of Incorporation with the Secretary of State of the State of Delaware to effect the Reverse Stock Split at a ratio of 1-for-10, effective as of 11:59 p.m. Eastern Time, on April 7, 2025 (the “Effective Time”), in order to regain compliance with the Minimum Bid Price Requirement. Our Common Stock began trading on a split-adjusted basis on April 8, 2025 under the existing ticker symbol “VEEE.” Any share amounts and exercise or conversion prices in this Quarterly Report on Form 10-Q have been adjusted retrospectively for the Reverse Stock Split.

On April 28, 2025, we received a letter from Nasdaq stating that Nasdaq had determined that we now comply with the Minimum Bid Price Requirement.

Appointment of Certain Officers

On September 17, 2025, our Board of Directors appointed Scott Searles to serve as Interim Chief Financial Officer, effective immediately, while we undertake a search to identify a permanent successor.

Sale of North Carolina Building

On September 26, 2025, we entered into a purchase and sale agreement with Highland Myco Holdings, LLC for the sale of our property located at 100 College Drive, Marion, North Carolina, which was completed on October 31, 2025. We received \$500,000 as a closing payment, with an additional \$3,750,000 payable in installments of \$500,000 plus accrued interest at a rate of 5% on October 31, 2026, \$500,000 plus accrued interest on April 30, 2027, and a balloon payment of \$2,750,000 plus accrued interest on October 31, 2027.

Results of Operations

Comparison of the Three Months Ended September 30, 2025 and 2024

The following table provides certain selected financial information for the periods presented:

26

	Three Months Ended September 30,		\$ Change	% Change
	2025	2024		
Net sales	\$ 3,428,977	\$ 2,901,318	\$ 527,659	18%
Cost of products sold (excluding depreciation & amortization)	\$ 3,474,206	\$ 3,046,975	\$ 427,231	14%
Gross loss	\$ (45,229)	\$ (145,657)	\$ 100,428	(69%)
Operating expenses	\$ 2,731,466	\$ 2,966,160	\$ (234,694)	(8%)
Loss from operations	\$ (2,776,695)	\$ (3,111,817)	\$ 335,122	(11%)
Other income	\$ 21,182	\$ 101,910	\$ (80,728)	(79%)
Net loss	\$ (2,755,513)	\$ (3,009,907)	\$ 254,394	(8%)
Basic and dilutive loss per share of common stock	\$ (1.23)	\$ (2.64)	\$ 1.41	(53%)
Weighted average number of shares of common stock outstanding	2,237,299	952,000		

Net Sales and Cost of Sales

Our net sales increased by \$527,659, or 18%, to \$3,428,977 for the three months ended September 30, 2025, from \$2,901,318 for the three months ended September 30, 2024. This increase was due primarily to the success of our new dealer initiatives, which added 14 new dealer/locations during the first nine months of 2025. During the third quarter of 2025, we sold 23 boats at an average selling price of approximately \$149,000 per unit, compared to 20 units in the third quarter of 2024 with an average selling price of approximately \$145,000.

Gross Loss

Gross loss improved by \$100,428, or 69%, to a loss of \$45,229 for the three months ended September 30, 2025, from a loss of \$145,657 for the three months ended September 30, 2024. Gross loss as a percentage of sales for the three months ended September 30, 2025 was -1.3% compared to -5.0% in the third quarter of 2024. This improvement in gross profit of 3.7 percentage points, is a result of our 18% increase in revenues and reflects our ongoing efforts to reduce our cost structure, such as bringing certain manufacturing operations in-house, and better utilization of our ERP system leveraged against higher volumes.

Operating Expenses

During the three months ended September 30, 2025 and 2024, total operating expenses were \$2,731,466 and \$2,966,160, respectively, a decrease of 8%. Included in the third quarter 2025 operating expenses were \$360,151 related to the impairment of property and equipment at the prior Forza operating facility.

Selling, general, and administrative expenses decreased by approximately 15%, or \$114,029, to \$650,728 for the three months ended September 30, 2025, compared to \$764,757 for the three months ended September 30, 2024. The decrease was primarily due to the cancelation of rents that were previously paid for the former Forza facility in North Carolina, lower public company filing fees related to the merger and closure of Forza, reductions in other compliance costs and general cost controls across other discretionary spending categories such as travel and hiring costs.

Salaries and wage related expenses decreased 11%, or \$128,574, to \$1,016,894 for the three months ended September 30, 2025, compared to \$1,145,568 for the three months ended September 30, 2024. The majority of the decrease is due to reductions in staffing levels at Forza and a reduction in stock-based compensation. Stock based compensation was \$63,897 and \$278,867 in the third quarter of 2025 and 2024, respectively.

Research and development expenses were \$0 in the third quarter of 2025 compared to \$89,403 in the third quarter of 2024. This decrease was due to the wind down of electric boat development.

27

Professional fees decreased by 49%, or \$196,589, to \$206,798 for the three months ended September 30, 2025, compared to \$403,387 for the three months ended September 30, 2024. This decrease was due primarily to the reduction in legal and accounting costs as a result Forza X1 being merged into Twin Vee and no longer being a standalone public company.

Depreciation and amortization expense decreased by 5%, or \$20,633 to \$419,825 for the three months ended September 30, 2025, as compared to \$440,458 for the three months ended September 30, 2024. This decrease is due to reductions in the asset base related to dispositions and disposals of certain property and equipment, primarily related to the wind down of Forza in late 2024, partially offset by the addition of fixed assets, primarily molds, to increase our production levels and throughput.

Other income decreased by \$80,728 to \$21,182 for the three months ended September 30, 2025, as compared to \$101,910 for the three months ended September 30, 2024. This decrease was due primarily to a reduction in dividend and interest income from lower cash and cash equivalent balances.

Net Loss

Net loss for the three months ended September 30, 2025 was \$2,755,513, as compared to \$3,009,907 for the three months ended September 30, 2024, an improvement of \$254,394 or 8%. The overall year-over-year improvement in the reported loss for the period was due to the improvement in gross margin resulting from improved cost management and efficiency in the factory and the reduction in costs related to electric boat development. Basic and dilutive loss per share of Common Stock for the three months ended September 30, 2025 was \$(1.23), as compared to \$(2.64) for the three months ended September 30, 2024, an improvement of 53%.

Comparison of the Nine Months Ended September 30, 2025 and 2024

The following table provides certain selected financial information for the periods presented:

	Nine Months Ended September 30,		\$ Change	% Change
	2025	2024		
Net sales	\$ 11,796,886	\$ 12,504,482	\$ (707,596)	(6%)

Cost of products sold (excluding depreciation & amortization)	\$ 10,650,948	\$ 12,170,486	\$ (1,519,538)	(12%)
Gross profit	\$ 1,145,938	\$ 333,996	\$ 811,942	243%
Operating expenses	\$ 7,277,533	\$ 10,648,096	\$ (3,370,563)	(32%)
Loss from operations	\$ (6,131,595)	\$ (10,314,100)	\$ 4,182,505	(41%)
Other income	\$ 111,771	\$ 449,802	\$ (338,031)	(75%)
Net loss	\$ (6,019,824)	\$ (9,864,298)	\$ 3,844,474	(39%)
Basic and dilutive loss per share of common stock	\$ (3.21)	\$ (7.50)	\$ 4.30	(57%)
Weighted average number of shares of common stock outstanding	1,877,506	952,000		

Net Sales and Cost of Sales

Our net sales decreased by \$707,596, or 6% to \$11,796,886 for the nine months ended September 30, 2025 from \$12,504,482 for the nine months ended September 30, 2024. This decrease was due primarily to the mix of boats sold and the unit pricing between periods. We sold 78 and 76 boats during the first nine months of 2025 and 2024, respectively. The average unit price per boat was approximately \$151,000 in the first nine months of 2025 compared to \$166,000 in the first nine months of 2024. This decrease in the average price per boat was due primarily due to the introduction of the 22' BayCat in April 2025, which sold 15 units at an average price of below \$100,000.

Gross Profit

Gross profits increased by \$811,942, or 243%, to \$1,145,938 for the nine months ended September 30, 2025, from \$333,996 for the nine months ended September 30, 2024. Gross profit as a percentage of sales, for the nine months ended September 30, 2025 and 2024, was 9.7% and 2.7% respectively. This 7.0% increase in gross margin was achieved through continuous efficiency improvements offset by the impact of fixed cost deleveraging in the production facility as revenues declined 6% over the same period last year.

28

Total Operating Expenses

During the nine months ended September 30, 2025, operating expenses were \$7,277,533 compared to \$10,648,096 in the same period in 2024, a decrease of \$3,370,563 or 32%. The first nine months of 2025 and 2024 included an impairment charge of \$360,151 and \$1,674,000, respectively, related to the Forza impairment of property & equipment.

Selling, general, and administrative expenses decreased by approximately 16%, or \$360,117, to \$1,854,553 for the nine months ended September 30, 2025, compared to \$2,214,670 for the nine months ended September 30, 2024. The largest drivers of the decrease were reductions in rent from the wind down of the Forza operations in the prior year, sales and marketing expenses, and D&O insurance, other compliance costs and reductions in discretionary spending categories such as travel and hiring costs.

Salaries and wage related expenses decreased 17%, or \$602,226, to \$3,038,959 for the nine months ended September 30, 2025, compared to \$3,641,185 for the nine months ended September 30, 2024. The majority of the decrease is due to reductions in stock-based compensation and staffing levels at Forza, as well as the staffing of AquaSport. Included in salaries and wage related expenses for the nine months ended September 30, 2025 and 2024 was stock-based compensation expense of \$179,493 and \$1,022,894, respectively.

Research and development expenses were \$0 and \$583,878 for the nine months ended September 30, 2025 and 2024, respectively. This decrease was due to the wind down of the electric boat development in 2024.

Professional fees decreased by 51% or \$567,763, to \$543,316 for the nine months ended September 30, 2025, compared to \$1,111,079 for the nine months ended September 30, 2024. This decrease was due primarily to the reduction in legal and accounting costs as a result Forza X1 being merged into Twin Vee and no longer being a standalone public company.

Depreciation and amortization expense decreased by 1%, or \$13,649, to \$1,287,048 for the nine months ended September 30, 2025, as compared to \$1,300,697 for the nine months ended September 30, 2024. This decrease is due to reductions in the asset base related to dispositions and disposals of certain property and equipment, primarily related to the wind down of Forza in late 2024, partially offset by the addition of fixed assets, primarily molds, to increase our production levels and throughput.

Other income decreased by \$338,031 to \$111,771 for the nine months ended September 30, 2025, as compared to \$449,802 for the nine months ended September 30, 2024. This decrease was due primarily to a reduction in dividend and interest income from lower cash and cash equivalent balances.

Net Loss

Net loss for the nine months ended September 30, 2025 was \$6,016,824, as compared to \$9,864,298 for the nine months ended September 30, 2024, an improvement of \$3,844,474 or 39%. The overall year-over-year improvement in the reported loss for the period was due to the improvement in gross margin resulting from improved cost management and efficiency in the factory and the reduction in costs related to electric boat development. Basic and dilutive loss per share of Common Stock for the nine months ended September 30, 2025 was (\$3.21), as compared to (\$7.50) for the nine months ended September 30, 2024, an improvement of 57%.

Liquidity and Capital Resources

We have classified \$3,956,623 of building and land in Marion, North Carolina as an asset held for sale under ASC 360 and included it as a separate line item on the condensed consolidated balance sheet as of September 30, 2025. In 2024, we completed the merger of Forza X1, Inc. and ceased the expenditures related to the development of electric boats. On September 26, 2025, we entered into a purchase and sale agreement with Highland Myco Holdings, LLC for the sale of our property located at 100 College Drive, Marion, North Carolina, which was completed on October 31, 2025. We received \$500,000 as a closing payment, with an additional \$3,750,000 payable in installments of \$500,000 plus accrued interest at a rate of 5% on October 31, 2026, \$500,000 plus accrued interest on April 30, 2027, and a balloon payment of \$2,750,000 plus accrued interest on October 31, 2027.

29

Going Concern

For the year ended December 31, 2024, we incurred a loss from operations of \$14,551,769 and a net loss of \$14,009,906. For the nine months ended September 30, 2025, we incurred a loss from operations of \$6,131,595 and a net loss of \$6,019,824. As of September 30, 2025 and December 31, 2024 we had accumulated deficits of \$31,412,779 and \$25,392,955, respectively. To address these conditions:

- We have demonstrated improving recent recovery trends, with revenues and gross margins increasing compared to the prior year, however not to a level that yet supports a positive cash flow.
- As of September 30, 2025, we maintain a cash, cash equivalents and restricted cash balance exceeding \$2.9 million.
- Subsequent to the end of the third quarter, we completed the sale of our Marion, North Carolina facility, generating \$500,000 in cash in the fourth quarter of 2025, and expected cash payments of \$500,000 in 2026, and \$3,250,000 in 2027, plus interest at 5%.
- Management continues to implement cost controls, operational improvements, and revenue initiatives to further strengthen our financial position.

Despite our ongoing efforts to mitigate these conditions, there can be no assurance that our expenses will not increase in future periods or that the cash generated from operations in future periods will be sufficient to satisfy our operating needs. If we need to raise additional capital to fund our continued operations, there can be no assurance that funding will be available on acceptable terms on a timely basis, or at all. The various ways that we could raise capital carry potential risks. Any additional sources of financing will likely involve the issuance of our equity securities, which will have a dilutive effect on our stockholders. Any debt financing, if available, may involve restrictive covenants that may impact our ability to conduct our business. If we do not succeed in raising additional funds on acceptable terms or at all, we may be unable to fill new orders and develop new products. As such, we cannot conclude that such plans will be effectively implemented within one year after the date that the financial statements included in this Quarterly Report are filed with the SEC, and there is uncertainty regarding our ability to maintain liquidity sufficient to operate our business effectively, which raises substantial doubt about our ability to continue as a going concern. If we are unable to generate sufficient revenue from operations and/or raise capital when needed or on attractive terms, we be forced to delay, reduce or eliminate efforts to expand our dealer network or develop new models and may be forced to cease operations or liquidate assets.

Sources of Funds

A primary source of funds for the year ended December 31, 2024 and through September 30, 2025 was net cash received from our 2025 follow-on offering, our 2023 follow-on offering, as well as Forza's initial public offering and follow-on offering and revenue generated from operations. Our primary use of cash was related to funding the expansion of our operations through capital improvements, as well as molds for the expansion of our monohull line and Twin Vee models.

Selected Balance Sheet Information

The following table provides selected financial data about us as of September 30, 2025 and December 31, 2024.

	September 30, 2025	December 31, 2024	Change	% Change
Cash and cash equivalents	\$ 2,704,571	\$ 7,491,123	\$ (4,786,552)	(63.9%)
Restricted cash	\$ 215,117	\$ 215,117	\$ 0	0.0%
Current assets	\$ 10,053,775	\$ 10,419,141	\$ (365,366)	(3.5%)
Current liabilities	\$ 2,436,828	\$ 3,747,990	\$ (1,311,162)	(35.0%)
Working capital	\$ 7,616,947	\$ 6,671,151	\$ 945,796	14.2%

30

As of September 30, 2025, we had \$2,919,688 of cash, cash equivalents, and restricted cash, total current assets of \$10,053,775 and total assets of \$18,894,710. Our total liabilities were \$2,963,090. Our total liabilities were comprised of current liabilities of \$2,436,828, which included accounts payable and accrued liabilities of \$2,009,115, lease liabilities of \$129,826 and contract liability of \$297,887. Long term liabilities were \$526,262. As of December 31, 2024, we had \$7,706,240 of cash, cash equivalents, and restricted cash, total current assets of \$10,419,141 and total assets of \$25,887,905. Our total current liabilities were \$3,747,990 and total liabilities were \$6,671,055 which included long-term finance leases liabilities of \$2,423,165.

The accumulated deficit was \$31,412,779 as of September 30, 2025 compared to accumulated deficit of \$25,392,955 as of December 31, 2024.

Our working capital increased by \$945,796 to \$7,616,947 as of September 30, 2025, compared to \$6,671,151 on December 31, 2024 primarily due to the May 2025 Offering of 750,000 shares in the second quarter of 2025, netting approximately \$2,555,100 after discounts and fees and the reclassification of assets held for sale to current assets, partially offset by continued operating losses incurred in the period, the cash requirement of the facilities capacity expansion and efficiency project in Fort Pierce, Florida, and investments in Wizz Banger.

Cash Flow

	Nine Months Ended September 30,		Change	% Change
	2025	2024		
Cash used in operating activities	\$ (5,129,964)	\$ (4,638,887)	\$ (491,077)	(11%)
Cash used in investing activities	\$ (1,950,362)	\$ (567,889)	\$ (1,382,473)	(243%)
Cash provided by (used in) financing activities	\$ 2,293,774	\$ (190,565)	\$ 2,484,339	1,304%

Cash Flow from Operating Activities

For the nine months ended September 30, 2025, net cash used in operating activities was \$5,129,964, compared to \$4,638,887 during the nine months ended September 30, 2024. The use of cash in operating activities for the nine months ended September 30, 2025 was due primarily to a \$6,131,595 operating loss adjusted for non-cash depreciation and amortization of \$1,287,048 and stock-based compensation of \$179,493.

Cash Flow from Investing Activities

During the nine months ended September 30, 2025, cash used in investing activities was \$1,950,362, due to investments in property, plant and equipment, including investments in Wizz Banger and Bahama Boat Works. This compares to use of cash in investing activities of \$567,889 in the nine months ended September 30, 2024 resulting from purchase of property and equipment.

Cash Flows from Financing Activities

For the nine months ended September 30, 2025, net cash provided by financing activities was approximately \$2,293,774 due primarily to the May 2025 Offering of 750,000 common shares for net proceeds of \$2,555,101. For the nine months ended September 30, 2024, net cash used in financing activities was approximately \$190,565, respectively from finance lease obligations.

CRITICAL ACCOUNTING ESTIMATES

We believe that several accounting policies are important to understanding our historical and future performance. We refer to these policies as “critical” because these specific areas generally require us to make judgments and estimates about matters that are uncertain at the time we make the estimate, and different estimates—which also would have been reasonable—could have been used, which would have resulted in different financial results.

Our management’s discussion and analysis of financial condition and results of operations is based on our condensed consolidated financial statements, which have been prepared in accordance with U.S. GAAP. The preparation of our condensed consolidated financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenue and expenses and related disclosure of contingent assets and liabilities. On an ongoing basis, we evaluate our estimates based on historical experience and make various assumptions, which management believes to be reasonable under the circumstances, which form the basis for judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

The notes to our condensed consolidated financial statements contained herein contain a summary of our significant accounting policies. We consider the following accounting policies critical to the understanding of the results of our operations:

Revenue Recognition

Our revenue is derived primarily from the sale of boats, motors and trailers to its independent dealers. We recognize revenue when obligations under the terms of a contract are satisfied and control over promised goods is transferred to the dealer. For the majority of sales, this occurs when the product is released to the carrier responsible for transporting it to a dealer. We typically receive payment within five business days of shipment. Revenue is measured as the amount of consideration it expects to receive in exchange for a product. We offer dealer incentives that include wholesale rebates, retail rebates and promotions, floor plan reimbursement or cash discounts, and other allowances that are recorded as reductions of revenues in net sales in the statements of operations. The consideration recognized represents the amount specified in a contract with a customer, net of estimated incentives we reasonably expect to pay. The estimated liability and reduction in revenue for dealer incentives is recorded at the time of sale. Subsequent adjustments to incentive estimates are possible because actual results may differ from these estimates if conditions dictate the need to enhance or reduce sales promotion and incentive programs or if dealer achievement or other items vary from historical trends. Accrued dealer incentives are included in accrued liabilities in the accompanying condensed consolidated balance sheets.

Payment received for the future sale of a boat to a customer is recognized as a customer deposit. Customer deposits are recognized as revenue when control over promised goods is transferred to the customer.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States “U.S. GAAP” requires management to make estimates and assumptions that affect the amounts reported in the condensed consolidated financial statements. Actual results could differ from those estimates. Included in those estimates are assumptions about allowances for inventory obsolescence, useful life of fixed assets and warranty reserves.

Inventories

Inventories are stated at the lower of cost and net realizable value using the average cost method on a “first-in, first-out” basis. Net realizable value is defined as sales price less cost of completion, disposable and transportation and a normal profit margin. Production costs, consisting of labor and overhead, are applied to ending finished goods inventories at a rate based on estimated production capacity. Excess production costs are charged to cost of products sold. Provisions are made when necessary to reduce excess or obsolete inventories to their net realizable value.

Impairment of Long-Lived Assets

Management assesses the recoverability of its long-lived assets when indicators of impairment are present. If such indicators are present, recoverability of these assets is determined by comparing the undiscounted net cash flows estimated to result from those assets over the remaining life to the assets’ net carrying amounts. If the estimated undiscounted net cash flows are less than the net carrying amount, the assets would be adjusted to their fair value, based on appraisal or the present value of the undiscounted net cash flows.

Product Warranty Costs

As required by FASB ASC Topic 460, Guarantees, we are including the following disclosure applicable to our product warranties.

We accrue for warranty costs based on the expected material and labor costs to provide warranty replacement products. The methodology used in determining the liability for warranty cost is based upon historical information and experience. Our warranty reserve is calculated as the gross sales multiplied by the historical warranty expense return rate.

Leases

Under Topic 842, we applied a dual approach to all leases whereby we are a lessee and classify leases as either finance or operating leases based on the principle of whether or not the lease is effectively a financed purchase by us. Lease classification is evaluated at the inception of the lease agreement.

Deferred Income Taxes and Valuation Allowance

We account for income taxes under ASC 740 “Income Taxes.” Under the asset and liability method of ASC 740, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period the enactment occurs. A valuation allowance is provided for certain deferred tax assets if it is more likely than not that we will not realize tax assets through future operations.

OFF-BALANCE SHEET ARRANGEMENTS

We did not have during the periods presented, and we do not currently have, any off-balance sheet arrangements, as defined under SEC rules.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information required under this item.

ITEM 4. CONTROLS AND PROCEDURES.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of September 30, 2025. The term “disclosure controls and procedures,” as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are 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 recorded, processed, summarized and reported, within the time periods specified in the rules and forms of the Securities and Exchange Commission (the “SEC”). 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 officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. We have adopted and maintain disclosure controls and procedures (as defined Rules 13a-15(e) and 15d-15(e) under the Exchange Act) that are designed to provide reasonable assurance that information required to be disclosed in the reports filed under the Exchange Act, such as this Quarterly Report on Form 10-Q,

is collected, recorded, processed, summarized, and reported within the time periods specified in the rules of the SEC. Our disclosure controls and procedures are also designed to ensure that such information is accumulated and communicated to management to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on the evaluation of our disclosure controls and procedures as of September 30, 2025, our Chief Executive Officer and Chief Financial Officer concluded that, as of such a date, our disclosure controls and procedures were not effective due to the material weaknesses in our internal control over financial reporting, related to not yet having retained sufficient staff or engaged sufficient outside consultants with appropriate experience in GAAP presentation, especially of complex instruments, to devise and implement effective disclosure controls and procedures over internal controls.

Remediation Plan

Management has developed and is executing a remediation plan to address the previously disclosed material weaknesses, due to inadequate staffing levels. We have retained a full-time controller and financial analyst and are utilizing the services of experienced SEC reporting consultants as necessary. We have also selected and implemented a robust operating system and we are utilizing the assistance of outside advisors where appropriate.

To remediate the existing material weaknesses, additional time is required to demonstrate the effectiveness of the remediation efforts. The material weaknesses cannot be considered remediated until the applicable remedial controls operate for a sufficient period of time and management has concluded, through testing, that these controls are operating effectively. As of September 30, 2025, controls and procedures have been implemented to remediate the material weakness, however testing of controls continues.

Changes in Internal Control over Financial Reporting

Other than as set forth in this paragraph, there have been no changes in internal control over financial reporting during the three months ended September 30, 2025 that has materially affected or is reasonable likely to materially affect our control over financial reporting.

PART II—OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

From time to time, we may become involved in legal proceedings or be subject to claims arising in the ordinary course of our business. Except as disclosed below and in our Annual Report on Form 10-K for the year ended December 31, 2024, we are not presently a party to any legal proceedings that, if determined adversely to us, would individually or taken together have a material adverse effect on our business, operating results, financial condition or cash flows. Regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors.

On March 10, 2025, shareholders Nabeel Youseph and Marisa Hardyal-Youseph (“Plaintiffs”), who are former holders of common stock of Forza X1, Inc. (“Forza”), commenced an action in the Court of Chancery in the State of Delaware, captioned Youseph, et al. v. Visconti, et al., Case No. 2025-0262, by filing a putative class action complaint (the “Complaint”) against Defendants Joseph Visconti, Kevin Schuyler, Neil Ross, Twin Vee PowerCats Co. and Twin Vee PowerCats, Inc. (collectively, “Defendants”), related to Forza’s merger with Twin Vee seeking an unspecified award of damages, plus interest, costs, and attorneys’ fees. Plaintiffs’ Complaint asserts claims (1) against Defendants for breach of fiduciary duty in their capacities as controlling shareholders of Forza, (2) against Messrs. Visconti, Schuyler, and Ross for breach of fiduciary duty in their capacities as directors of Forza, and (3) against Mr. Visconti for breach of fiduciary duty in his capacity as an officer of Forza. Defendants deny the allegations and intend to vigorously defend against the claims. At this time, as the matter is in its early stages, the Company is unable to estimate or project the ultimate outcome of this matter.

ITEM 1A. RISK FACTORS.

Investing in our securities involves a high degree of risk. You should consider carefully the following risks, together with all the other information in this Quarterly Report on Form 10-Q, including our condensed consolidated financial statements and notes thereto. If any of the following risks actually materializes, our operating results, financial condition and liquidity could be materially adversely affected. The following information updates, and should be read in conjunction with, the information disclosed in Part I, Item 1A, “Risk Factors,” contained in our Annual Report on Form 10-K for the year ended December 31, 2024. Except as disclosed below, there have been no material changes from the risk factors disclosed in our Annual Report on Form 10-K for the year ended December 31, 2024.

Any failure to meet the continued listing requirements of The Nasdaq Capital Market could result in a de-listing of our Common Stock.

The shares of our Common Stock are listed for trading on The Nasdaq Capital Market under the symbol “VEEE.” If we fail to satisfy the continued listing requirements of The Nasdaq Capital Market, such as the corporate governance requirements, the stockholder’s equity requirement, or the minimum closing bid price requirement, The Nasdaq Capital Market may take steps to de-list our Common Stock. Such a de-listing or even notification of failure to comply with such requirements would likely have a negative effect on the price of our Common Stock and would impair your ability to sell or purchase our Common Stock when you wish to do so. In the event of a de-listing, we would take actions to restore our compliance with The Nasdaq Capital Market’s listing requirements, but we can provide no assurance that any such action taken by us would allow

our Common Stock to become listed again, stabilize the market price, improve the liquidity of our Common Stock, prevent our Common Stock from once again dropping below The Nasdaq Capital Market minimum bid price requirement, or prevent future non-compliance with The Nasdaq Capital Market's listing requirements.

On May 10, 2024, we received written notice from Nasdaq's Listing Qualifications Department notifying us that for the preceding 30 consecutive business days (March 28, 2024 through May 9, 2024), our Common Stock did not maintain a minimum closing bid price of \$1.00 per share as required by Nasdaq Listing Rule 5550(a)(2), or the Minimum Bid Price Requirement. We were provided 180 calendar days, or until November 6, 2024, to regain compliance, which deadline was subsequently extended to May 5, 2025. On April 4, 2025, we filed the Amendment to our Certificate of Incorporation with the Secretary of State of the State of Delaware to effect the Reverse Stock Split at a ratio of 1-for-10, effective as of 11:59 p.m. Eastern Time, on April 7, 2025, and our Common Stock began trading on a split-adjusted basis on April 8, 2025. On April 28, 2025, we received a letter from Nasdaq stating that Nasdaq had determined that we now comply with the Minimum Bid Price Requirement. However we cannot assure you that we will be able to maintain compliance with the Minimum Bid Price Requirement in the future.

The National Securities Markets Improvement Act of 1996, which is a federal statute, prevents or preempts the states from regulating the sale of certain securities, which are referred to as "covered securities." Because our Common Stock is listed on The Nasdaq Capital Market, it is a covered security. Although the states are preempted from regulating the sale of covered securities, the federal statute does allow the states to investigate companies if there is a suspicion of fraud, and, if there is a finding of fraudulent activity, then the states can regulate or bar the sale of covered securities in a particular case. Further, if we were to be delisted from The Nasdaq Capital Market, our Common Stock would cease to be recognized as a covered security and we would be subject to regulation in each state in which we offer our securities.

There can be no assurance that our increased stock price following the Reverse Stock Split will remain at a price that will be sufficient in order to meet any continued requirements and policies of Nasdaq or that our common stock will remain listed on Nasdaq.

At our 2024 Annual Meeting of Stockholders, our stockholders approved an amendment to our Certificate of Incorporation to effect, at the discretion of the Twin Vee Board of Directors, a reverse stock split at a ratio within a range of 1-for-2 to 1-for-20, with the ratio within such range to be determined at the discretion of our Board of Directors and included in a public announcement. On April 4, 2025, we filed the Amendment to our Certificate of Incorporation with the Secretary of State of the State of Delaware to effect the Reverse Stock Split at a ratio of 1-for-10, effective as of 11:59 p.m. Eastern Time, on April 7, 2025, and our Common Stock began trading on a split-adjusted basis on April 8, 2025.

While Nasdaq rules do not impose a specific limit on the number of times a listed company may effect a reverse stock split to maintain or regain compliance with the Minimum Bid Price Requirement, Nasdaq has stated that a series of reverse stock splits may undermine investor confidence in securities listed on Nasdaq. Accordingly, if we fail to maintain compliance with the Minimum Bid Price Requirement, Nasdaq may determine that it is not in the public interest to maintain the listing of our Common Stock, even if we should effect another reverse stock split for the purpose of regaining compliance with the Minimum Bid Price Requirement.

In addition, Nasdaq Listing Rule 5810(c)(3)(A)(iv) states that if a listed company that fails to meet the Minimum Bid Price Requirement after effecting one or more reverse stock splits over the prior two-year period with a cumulative ratio of 250 shares or more to one, then we are not eligible for a Compliance Period.

Accordingly, we may fail to maintain compliance with the Minimum Bid Price requirement or the other Nasdaq listing requirements. Any non-compliance may be costly, divert our management's time and attention, and could have a material adverse effect on our business, reputation, financing, and results of operation. A delisting could substantially decrease trading in our common stock, adversely affect the market liquidity of the common stock as a result of the loss of market efficiencies associated with Nasdaq and the loss of federal preemption of state securities laws, materially adversely affect our ability to obtain financing on acceptable terms, if at all, and may result in the potential loss of confidence by investors, suppliers, customers and employees and fewer business development opportunities. Additionally, the market price of our common stock may decline further, and stockholders may lose some or all of their investment.

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

For the year ended December 31, 2024, we incurred a loss from operations of \$14,551,769 and a net loss of \$14,009,906. For the nine months ended September 30, 2025, we incurred a loss from operations of \$6,131,595 and a net loss of \$6,019,824. As of September 30, 2025 and December 31, 2024 we had accumulated deficits of \$31,412,779 and \$25,392,955, respectively. Our unaudited financial statements for the three and nine months ended September 30, 2025 and our audited financial statements for the fiscal year ended December 31, 2024 were prepared under the assumption that we will continue as a going concern; however, we have incurred significant losses from operations to date and we expect our expenses to increase in connection with our ongoing activities. These factors raise substantial doubt about our ability to continue as a going concern for one year after the financial statements included in this Quarterly Report are issued.

Despite our ongoing efforts to mitigate these conditions, there can be no assurance that our expenses will not continue to increase in future periods or that the cash generated from operations in future periods will be sufficient to satisfy our operating needs. While the sale of the land and building in Marion, North Carolina took place subsequent to quarter-end and we received a \$500,000 payment at closing, there can be no assurance that we will be able to collect subsequent payments due in future periods. If we need to raise additional capital to fund our continued operations, there can be no assurance that funding will be available on acceptable terms on a timely basis, or at all. The various ways that we could raise capital carry potential risks. Any additional sources of financing will likely involve the issuance of our equity securities, which will have a dilutive effect on our stockholders. Any debt financing, if available,

may involve restrictive covenants that may impact our ability to conduct our business. If we do not succeed in raising additional funds on acceptable terms or at all, we may be unable to fill new orders and develop new products. As such, we cannot conclude that such plans will be effectively implemented within one year after the date that the financial statements included in this Quarterly Report are filed with the SEC, and there is uncertainty regarding our ability to maintain liquidity sufficient to operate our business effectively, which raises substantial doubt about our ability to continue as a going concern. If we are unable to generate sufficient revenue from operations and/or raise capital when needed or on attractive terms, we be forced to delay, reduce or eliminate efforts to expand our dealer network or develop new models and may be forced to cease operations or liquidate assets.

We depend on our network of independent dealers for our boats, face increasing competition for dealers, and have little control over their activities.

A significant portion of our sales are derived from our network of independent dealers. We typically manufacture our gas-powered boats based upon indications of interest received from dealers who are not contractually obligated to purchase any boats. While our dealers typically have purchased all of the boats for which they have provided us with indications of interest, it is possible that a dealer could choose not to purchase boats for which it has provided an indication of interest (e.g., if it were to have reached the credit limit on its floor plan), and as a result we once experienced, and in the future could experience, excess inventory and costs. For the three months ended September 30, 2025, four individual dealers each represented over 10% of our total sales and together represented 83% of total sales. For the three months ended September 30, 2024, four individual dealers each represented over 10% of our total sales and together represented 67% of total sales. The loss of a significant dealer could have a material adverse effect on our financial condition and results of operations. The number of dealers supporting our products and the quality of their marketing and servicing efforts are essential to our ability to generate sales. Competition for dealers among other boat manufacturers continues to increase based on the quality, price, value, and availability of the manufacturers' products, the manufacturers' attention to customer service, and the marketing support that the manufacturer provides to the dealers. We face intense competition from other boat

manufacturers in attracting and retaining dealers, affecting our ability to attract or retain relationships with qualified and successful dealers. Although our management believes that the quality of our products in the performance sport boat industry should permit us to maintain our relationships with our dealers and our market share position, there can be no assurance that we will be able to maintain or improve our relationships with our dealers or our market share position. In addition, independent dealers in the boating industry have experienced significant consolidation in recent years, which could result in the loss of one or more of our dealers in the future if the surviving entity in any such consolidation purchases similar products from a competitor. A substantial deterioration in the number of dealers or the quality of our network of dealers would have a material adverse effect on our business, financial condition, and results of operations.

The loss of one or a few dealers could have a material adverse effect on us.

A few dealers have in the past, and may in the future, account for a significant portion of our revenues in any one year or over a period of several consecutive years. For the three months ended September 30, 2025, four individual dealers represented over 10% of our total sales and combined represented 83% of total sales. The loss of business from a significant dealer could have a material adverse effect on our business, financial condition, results of operations and cash flows.

We rely on third-party suppliers in the manufacturing of our boats.

We depend on third-party suppliers to provide components and raw materials essential to the construction of our boats. During the nine months ended September 30, 2025, we purchased all engines for our boats under supplier agreements with three vendors. While we believe that our relationships with our current suppliers are sufficient to provide the materials necessary to meet present production demand, we cannot assure you that these relationships will continue or that the quantity or quality of materials available from these suppliers will be sufficient to meet our future needs, irrespective of whether we successfully implement our growth strategy. We expect that our need for raw materials and supplies will increase. Our suppliers must be prepared to ramp up operations and, in many cases, hire additional workers and/or expand capacity in order to fulfill the orders placed by us and other customers. Operational and financial difficulties that our suppliers may face in the future could adversely affect their ability to supply us with the parts and components we need, which could significantly disrupt our operations.

We have identified weaknesses in our internal controls, and we cannot provide assurances that these weaknesses will be effectively remediated or that additional material weaknesses will not occur in the future.

As a public company, we are subject to the reporting requirements of the Exchange Act, and the Sarbanes-Oxley Act. The requirements of these rules and regulations continue to increase our legal, accounting and financial compliance costs, make some activities more difficult, time consuming and costly, and place significant strain on our personnel, systems and resources.

The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures, and internal control over financial reporting.

As of September 30, 2025, we do not yet have effective disclosure controls and procedures, or internal controls over all aspects of our financial reporting. We are continuing to develop and refine our disclosure controls and other procedures that are designed to ensure that information required to be disclosed by us in the reports that we will file with the SEC is recorded, processed, summarized and reported within the time periods specified in SEC rules and in accordance with GAAP. Our management is responsible for establishing and maintaining adequate internal control over our financial reporting, as defined in Rule 13a-15(f) under the Exchange Act. We will be required to expend time and resources to further improve our internal controls over financial reporting, including by expanding our staff. However, we cannot assure you that our internal control over financial reporting, as modified, will enable us to identify or avoid material weaknesses in the future.

We will be required to expend time and resources to further improve our internal controls over financial reporting, including by expanding our staff. However, we cannot assure you that our internal control over financial reporting, as modified, will enable us to identify or avoid material weaknesses in the future.

Management has developed and is executing a remediation plan to address the previously disclosed material weaknesses, due to inadequate staffing levels. We have retained a full-time controller and financial analyst and are utilizing the services of experienced SEC reporting consultants as necessary. We have also selected and implemented a robust operating system and we are utilizing the assistance of outside advisors where appropriate. We cannot assure you that management will be successful in locating and retaining appropriate candidates; that newly engaged staff or outside consultants will be successful in remedying material weaknesses thus far identified or identifying material weaknesses in the future; or that appropriate candidates will be located and retained prior to these deficiencies resulting in material and adverse effects on our business.

Our current controls and any new controls that we develop may become inadequate because of changes in conditions in our business, including increased complexity resulting from our international expansion. Further, weaknesses in our disclosure controls or our internal control over financial reporting may be discovered in the future. Any failure to develop or maintain effective controls, or any difficulties encountered in their implementation or improvement, could harm our operating results or cause us to fail to meet our reporting obligations and may result in a restatement of our financial statements for prior periods. Any failure to implement and maintain effective internal control over financial reporting could also adversely affect the results of management reports and independent registered public accounting firm audits of our internal control over financial reporting that we will eventually be required to include in our periodic reports that will be filed with the SEC. Ineffective disclosure controls and procedures, and internal control over financial reporting could also cause investors to lose confidence in our reported financial and other information, which would likely have a negative effect on the market price of our Common Stock.

Our independent registered public accounting firm is not required to audit the effectiveness of our internal control over financial reporting until after we are no longer an “emerging growth company” as defined in the JOBS Act. At such time, our independent registered public accounting firm may issue a report that is adverse in the event it is not satisfied with the level at which our internal control over financial reporting is documented, designed or operating. Any failure to maintain effective disclosure controls and internal control over financial reporting could have a material and adverse effect on our business and operating results and cause a decline in the market price of our common stock.

We are currently, and may in the future be, subject to substantial litigation, regulatory actions, government investigations, proceedings and similar actions that could cause us to incur significant legal expenses and which could have a material adverse effect on our business, operating results or financial condition.

We are currently, and may in the future be, subject to substantial litigation, regulatory actions, government investigations, proceedings and similar actions including matters related to commercial disputes, intellectual property, employment, securities laws, disclosures, whistleblower, environmental, tax, accounting, class action, and product liability, as well as trade, regulatory and other claims related to our business and our industry. Such matters can be time-consuming, divert management’s attention and resources, cause us to incur significant expenses or liability or require us to change our business practices. Because of the potential risks, expenses and uncertainties of litigation, we may, from time to time, settle disputes, even where we believe that we have meritorious claims or defenses. Because litigation is inherently unpredictable, we cannot assure you that the results of any of these actions will not have a material adverse effect on our business, operating results or financial condition.

On March 10, 2025, shareholders Nabeel Youssef and Marisa Hardyal-Youssef (“Plaintiffs”), who are former holders of common stock of Forza X1, Inc. (“Forza”), commenced an action in the Court of Chancery in the State of Delaware, captioned Youssef, et al. v. Visconti, et al., Case No. 2025-0262, by filing a putative class action

complaint (the “Complaint”) against Defendants Joseph Visconti, Kevin Schuyler, Neil Ross, Twin Vee PowerCats Co. and Twin Vee PowerCats, Inc. (collectively, “Defendants”), related to Forza’s merger with Twin Vee seeking an unspecified award of damages, plus interest, costs, and attorneys’ fees. Plaintiffs’ Complaint asserts claims (1) against Defendants for breach of fiduciary duty in their capacities as controlling shareholders of Forza, (2) against Messrs. Visconti, Schuyler, and Ross for breach of fiduciary duty in their capacities as directors of Forza, and (3) against Mr. Visconti for breach of fiduciary duty in his capacity as an officer of Forza. Defendants deny the allegations and intend to vigorously defend against the claims. At this time, as the matter is in its early stages, we are unable to estimate or project the ultimate outcome of this matter.

These securities class actions, shareholder derivative actions and other current or future litigation matters may be time-consuming, divert management’s attention and resources, cause us to incur significant defense and settlement costs or liability. We intend to vigorously defend against all such claims. Because of the potential risks, expenses and uncertainties of litigation, as well as claims for indemnity from various of the parties concerned, we may from time to time, settle disputes, even where we believe that we have meritorious claims or defenses. While a certain amount of insurance coverage is available for expenses or losses associated with current or future lawsuits, this coverage may not be sufficient. Determining reserves for any litigation is a complex, fact-intensive process that is subject to judgment calls. It is possible that a resolution of one or more such proceedings could require us to make substantial payments to satisfy judgments, fines or penalties or to settle claims or proceedings, any of which could harm our business. Based on information currently available, we are unable to estimate reasonably a possible loss or range of possible losses, if any, with regard to the current securities class action; therefore, no litigation reserve has been recorded in our consolidated balance sheet. Although we plan to defend against the securities class actions, shareholder derivative actions and other lawsuits vigorously, we cannot assure that the results of these actions, either individually or in the aggregate, will not have a material adverse effect on our business, operating results or financial condition.

We may be required to repurchase inventory of certain dealers.

Many of our dealers have floor plan financing arrangements with third-party finance companies that enable the dealers to purchase our products. In connection with these agreements, we have an obligation to repurchase our products from a finance company under certain circumstances, and we may not have any control over the timing or amount of any repurchase obligation nor have access to capital on terms acceptable to us to satisfy any repurchase obligation. This obligation is triggered if a dealer defaults on its debt obligations to a finance company, the finance company repossesses the boat, and the boat is returned to us. Our obligation to repurchase a repossessed boat for the unpaid balance of our original invoice price for the boat is subject to reduction or limitation based on the age and condition of the boat at the time of repurchase, and in certain cases by an aggregate cap on repurchase obligations associated with a particular floor plan financing program. As disclosed in the notes accompanying the financial statements included in this Quarterly Report, on April 21, 2025, Northpoint Commercial Finance LLC (“Northpoint”) requested that we take possession of and repurchase certain inventory consisting of six boats in accordance with the Repurchase Agreement between us and Northpoint. Prior to that date, we have not been obligated to repurchase any other boats under our dealers’ floor plan financing arrangements,

39

and we are not aware of any applicable laws regulating dealer relations which govern our relations with the dealers or would require us to repurchase any boats. However, there is no assurance that a dealer will not default on the terms of a credit line in the future. In addition, applicable laws regulating dealer relations may also require us to repurchase our products from our dealers under certain circumstances, and we may not have any control over the timing or amount of any repurchase obligation nor have access to capital on terms acceptable to us to satisfy any repurchase obligation. If we were obligated to repurchase a significant number of units under any repurchase agreement or under applicable dealer laws, our business, operating results and financial condition could be adversely affected.

Certain of our shareholders have sufficient voting power to make corporate governance decisions that could have a significant influence on us and the other stockholders.

Our Chief Executive Officer owns 10.4% of our outstanding common stock. As a result, our Chief Executive Officer does and will have significant influence over our management and affairs and over matters requiring stockholder approval, including the election of directors and approval of significant corporate transactions. In addition, this concentration of ownership may delay or prevent a change in our control and might affect the market price of our common stock, even when a change in control may be in the best interest of all stockholders. Furthermore, the interests of this concentration of ownership may not always coincide with our interests or the interests of other stockholders. Accordingly, our Chief Executive Officer could cause us to enter into transactions or agreements that we would not otherwise consider.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

(a) *Unregistered Sales of Equity Securities.*

We did not sell any equity securities during the nine months ended September 30, 2025 in transactions that were not registered under the Securities Act other than as previously disclosed in our filings with the SEC.

(c) *Issuer Purchases of Equity Securities.*

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

Not Applicable.

ITEM 4. MINE SAFETY DISCLOSURES.

Not Applicable.

ITEM 5. OTHER INFORMATION.

(a) Disclosure in lieu of reporting on a Current Report on Form 8-K.

None.

(b) Changes to Procedures for Recommending Nominees to the Board of Directors

None.

(c) Insider Trading Arrangements

During the three and nine months ended September 30, 2025, no director or officer of the Company adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(a) of Regulation S-K.

ITEM 6. EXHIBITS.

The exhibits filed as part of this Quarterly Report on Form 10-Q are set forth on the Exhibit Index. The Exhibit Index is incorporated herein by reference.

EXHIBIT INDEX

Exhibit No.	Description
1.1	Underwriting Agreement, dated May 8, 2025, by and between Twin Vee PowerCats Co. and ThinkEquity LLC, as representative of the underwriters. (Incorporated by reference to Exhibit 1.1 to the Company's Form 8-K, File No. 001-40623, filed with the Securities and Exchange Commission on May 12, 2025)
2.1	Agreement and Plan of Merger, dated September 8, 2022, by and between Twin Vee PowerCats Co. and Twin Vee PowerCats, Inc. (Incorporated by reference to Exhibit 2.1 to the Company's Form 8-K, File No. 001-40623, filed with the Securities and Exchange Commission on September 9, 2022)
2.2	Form of Support Agreement, by and between Twin Vee PowerCats Co. and Twin Vee PowerCats, Inc.'s directors, officers and certain stockholders (Incorporated by reference to Exhibit 2.2 to the Company's Form 8-K, File No. 001-40623, filed with the Securities and Exchange Commission on September 9, 2022)
2.3	Agreement and Plan of Merger, dated August 12, 2024, by and among Twin Vee PowerCats Co., Forza X1, Inc. and Twin Vee Merger Sub, Inc. (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed with the Securities and Exchange Commission on August 12, 2024 (File No. 001-40623))
3.1	Certificate of Incorporation filed with the Secretary of State of the State of Delaware on April 7, 2021 (incorporated by reference to Exhibit 3.6 to the Registration Statement on Form S-1 filed with the Securities and Exchange Commission on April 8, 2021 (File No. 333-255134))
3.2	Bylaws (incorporated by reference to Exhibit 3.7 to the Registration Statement on Form S-1 filed with the Securities and Exchange Commission on April 8, 2021 (File No. 333-255134))
3.3	Certificate of Amendment to Certificate of Incorporation of Twin Vee PowerCats Co. filed with the Delaware Secretary of State on April 4, 2025 (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K filed with the Securities and Exchange Commission on April 7, 2025 (File No. 001-40623))
4.1	Form of Representative's Warrant (Incorporated by reference to Exhibit 4.1 to the Company's Form 8-K, File No. 001-40623, filed with the Securities and Exchange Commission on May 12, 2025)
10.1 [^]	Asset Purchase Agreement, dated June 5, 2025, by and between Bahama Boat Works, LLC and Twin Vee PowerCats Co. (Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K, File No. 001-40623, filed with the Securities and Exchange Commission on June 10, 2025)
10.2	Wizz Banger 2025 Subsidiary Stock Incentive Plan (Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K, File No. 001-40623, filed with the Securities and Exchange Commission on June 16, 2025)
10.3	Subsidiary Plan Stock Restriction Agreement (Incorporated by reference to Exhibit 10.2 to the Company's Form 8-K, File No. 001-40623, filed with the Securities and Exchange Commission on June 16, 2025)
10.4	Subsidiary Plan Stock Option Grant Agreement (Incorporated by reference to Exhibit 10.3 to the Company's Form 8-K, File No. 001-40623, filed with the Securities and Exchange Commission on June 16, 2025)
31.1*	Certification by principal executive officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification by principal financial officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification by principal executive officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification by principal financial officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS*	InlineXBRL Instance Document
101.SCH*	InlineXBRL Taxonomy Extension Schema Document
101.CAL*	InlineXBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	InlineXBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	InlineXBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104*	Cover Page Interactive Data File (the cover page XBRL tags are embedded within the inline XBRL document)

* Filed or furnished herewith.

[^] Schedules have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company hereby undertakes to furnish copies of any of the omitted schedules upon request by the SEC.

SIGNATURES

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

TWIN VEE POWERCATS CO.

Date: November 6, 2025

By: /s/ Joseph C. Visconti
Joseph C. Visconti
Chairman and Chief Executive Officer
(Principal Executive Officer)

Date: November 6, 2025

By: /s/ Scott Searles
Scott Searles Interim Chief Financial Officer
(Principal Financial and Accounting Officer)

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14(a) OR RULE 15d-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Joseph C. Visconti, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Twin Vee PowerCats Co.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 6, 2025

By: /s/ Joseph C. Visconti
Name: Joseph C. Visconti
Title: Chairman and Chief Executive Officer
(Principal Executive Officer)

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(a) OR RULE 15d-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Scott Searles, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Twin Vee PowerCats Co.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 6, 2025

By: /s/ Scott Searles

Name: Scott Searles

Title: Interim Chief Financial Officer

(Principal Financial and Accounting Officer)

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Twin Vee PowerCats Co. (the "Registrant") on Form 10-Q for the period ended September 30, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Joseph C. Visconti, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

Date: November 6, 2025

By: /s/ Joseph C. Visconti
Name: Joseph C. Visconti
Title: Chairman and Chief Executive Officer
(Principal Executive Officer)

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Twin Vee PowerCats Co. (the "Registrant") on Form 10-Q for the period ended September 30, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Scott Searles, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

Date: November 6, 2025

By: /s/ Scott Searles

Name: Scott Searles

Title: Interim Chief Financial Officer

(Principal Financial and Accounting Officer)
