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敏捷控股
NIMBLE HOLDINGS

NIMBLE HOLDINGS COMPANY LIMITED

敏捷控股有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock code: 186)

OVERSEAS REGULATORY ANNOUNCEMENT

(This overseas regulatory announcement is issued pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited)

Please refer to the attached announcement (Form 10-Q: Quarterly Report for the quarterly period ended 31 December 2025) filed by Emerson Radio Corp., a 72.4% owned subsidiary of Nimble Holdings Company Limited, having its shares listed on the NYSE American of the United States of America (formerly NYSE MKT of the United States of America), on 17 February 2026.

By order of the Board
Nimble Holdings Company Limited
Tan Bingzhao
Chairman

Hong Kong, 20 February 2026

As at the date of this announcement, the board comprises five executive directors, namely, Mr. Tan Bingzhao , Mr. Deng Xiangping, Mr. Yan Guohao, Mrs. Liang Minling and Mr. Hu Desheng; and three independent non-executive directors, namely, Dr. Lin Jinying, Dr. Lu Zhenghua and Dr. Ye Hengqing.

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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 December 31, 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 001-07731

EMERSON RADIO CORP.
(Exact name of registrant as specified in its charter)

Delaware	**22-3285224**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
959 Route 46 East, Suite 210, Parsippany, NJ	**07054**
(Address of principal executive offices)	**(Zip code)**

(973) 428-2000
(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 $.01 per share	**MSN**	**NYSE American**

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

Indicate the number of shares outstanding of common stock as of February 17, 2026: 21,042,652.

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PART I — FINANCIAL INFORMATION

Item 1. Financial Statements.

EMERSON RADIO CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)
(In thousands, except per share data)

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2025	2024	2025	2024
Net revenues:				
Net product sales	$ 1,804	$ 3,892	$ 4,520	$ 8,691
Licensing revenue	87	111	261	248
Net revenues	1,891	4,003	4,781	8,939
Costs and expenses:				
Cost of sales	1,685	3,512	4,565	7,982
Selling, general and administrative expenses	1,032	1,224	3,547	4,029
Total cost of sales and SG&A	2,717	4,736	8,112	12,011
Operating loss	(826)	(733)	(3,331)	(3,072)
Other income:				
Interest income, net	132	206	454	705
(Loss) before income taxes	(694)	(527)	(2,877)	(2,367)
Provision for income tax expense	—	—	—	3
Net (loss)	$ (694)	$ (527)	$ (2,877)	$ (2,370)
Basic (loss) per share	$ (0.03)	$ (0.03)	$ (0.14)	$ (0.11)
Diluted (loss) per share	$ (0.03)	$ (0.03)	$ (0.14)	$ (0.11)
Weighted average shares outstanding				
Basic	21,042,652	21,042,652	21,042,652	21,042,652
Diluted	21,042,652	21,042,652	21,042,652	21,042,652

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

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EMERSON RADIO CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands except share data)

	December 31, 2025 (Unaudited)	March 31, 2025
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 4,193	$ 1,186
Short term investments	9,080	14,868
Accounts receivable, net	1,456	1,499
Licensing receivable	42	42
Inventory	4,414	4,909
Prepaid purchases	152	43
Prepaid expenses and other current assets	245	247
Total Current Assets	19,582	22,794
Non-Current Assets:		
Property and equipment, net	149	211
Right-of-use asset-operating leases	338	443
Right-of-use asset-finance leases	5	6
Other assets	76	76
Total Non-Current Assets	568	736
Total Assets	$ 20,150	$ 23,530
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable and other current liabilities	1,168	808
Due to affiliate	1	1
Short-term operating lease liability	158	136
Short-term finance lease liability	1	1
Income tax payable, current portion	—	668
Deferred revenue	—	96
Total Current Liabilities	1,328	1,710
Non-Current Liabilities:		
Long-term operating lease liability	201	321
Long-term finance lease liability	4	5
Total Non-Current Liabilities	205	326
Total Liabilities	$ 1,533	$ 2,036
Shareholders' Equity:		
Series A Preferred shares — 10,000,000 shares authorized; 3,677 shares issued and outstanding; liquidation preference of $3,677,000	3,310	3,310
Common shares — $0.01 par value, 75,000,000 shares authorized; 52,965,797 shares issued at December 31, 2025 and March 31, 2025, respectively; 21,042,652 shares outstanding at December 31, 2025 and March 31, 2025, respectively	529	529
Additional paid-in capital	79,792	79,792
Accumulated deficit	(31,813)	(28,936)
Treasury stock, at cost (31,923,145 shares at December 31, 2025 and March 31, 2025, respectively)	(33,201)	(33,201)
Total Shareholders' Equity	18,617	21,494
Total Liabilities and Shareholders' Equity	$ 20,150	$ 23,530

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

EMERSON RADIO CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(In thousands)

	Nine Months Ended December 31,	
	2025	2024
	(In thousands)	
Cash Flows from Operating Activities:		
Net (loss)	$ (2,877)	$ (2,370)
Adjustments to reconcile net loss to net cash (used in) operating activities:		
Non-cash lease expense	106	119
Depreciation and amortization	62	58
Changes in assets and liabilities:		
Accounts receivable	43	(2,169)
Inventory	495	1,796
Prepaid purchases	(109)	(32)
Prepaid expenses and other current assets	2	(7)
Accounts payable and other current liabilities	360	47
Right of use assets-operating	—	(313)
Short term lease liabilities	22	39
Long term lease liabilities	(120)	162
Income taxes payable	(668)	(531)
Deferred revenue	(96)	(64)
Net cash (used in) operating activities	(2,780)	(3,265)
Cash Flows From Investing Activities:		
Proceeds from sale of short-term investments	14,868	521
Purchases of short-term investments	(9,080)	(16,277)
Additions to property and equipment	—	(195)
Net cash provided by (used in) investing activities	5,788	(15,951)
Cash Flows from Financing Activities:		
Short term finance liability	—	1
Long term finance liability	(1)	—
Net cash (used in) provided by financing activities	(1)	1
Net increase (decrease) in cash and cash equivalents	3,007	(19,201)
Cash and cash equivalents at beginning of the period	1,186	19,890
Cash and cash equivalents at end of the period	$ 4,193	$ 689
Supplemental disclosure of non-cash investing and financing activities:		
Right-of-use assets obtained in exchange for new operating lease liabilities	$ —	$ 313
Right-of-use assets obtained in exchange for new finance lease liabilities	$ —	$ 6
Supplemental disclosures:		
Cash paid for:		
Interest	$ 12	$ 6
Income taxes	$ 676	$ 535

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

EMERSON RADIO CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Unaudited)
(In thousands)

	Preferred Stock		Common Stock		Additional			Total
	Number of Shares	Preferred Value	Number of Shares	Par Value	Paid-In Capital	Accumulated Deficit	Treasury Stock	Shareholders' Equity
Balance — March 31, 2025	3,677	$ 3,310	52,965,797	$ 529	$ 79,792	$ (28,936)	$ (33,201)	$ 21,494
Net loss	—	—	—	—	—	(1,140)	—	(1,140)
Balance — June 30, 2025	3,677	$ 3,310	52,965,797	$ 529	$ 79,792	$ (30,076)	$ (33,201)	$ 20,354
Net loss	—	—	—	—	—	(1,043)	—	(1,043)
Balance — September 30, 2025	3,677	$ 3,310	52,965,797	$ 529	$ 79,792	$ (31,119)	$ (33,201)	$ 19,311
Net loss	—	—	—	—	—	(694)	—	(694)
Balance — December 31, 2025	3,677	$ 3,310	52,965,797	$ 529	$ 79,792	$ (31,813)	$ (33,201)	$ 18,617

	Preferred Stock		Common Stock		Additional			Total
	Number of Shares	Preferred Value	Number of Shares	Par Value	Paid-In Capital	Accumulated Deficit	Treasury Stock	Shareholders' Equity
Balance — March 31, 2024	3,677	$ 3,310	52,965,797	$ 529	$ 79,792	$ (24,205)	$ (33,201)	$ 26,225
Net loss	—	—	—	—	—	(962)	—	(962)
Balance — June 30, 2024	3,677	$ 3,310	52,965,797	$ 529	$ 79,792	$ (25,167)	$ (33,201)	$ 25,263
Net loss	—	—	—	—	—	(881)	—	(881)
Balance — September 30, 2024	3,677	$ 3,310	52,965,797	$ 529	$ 79,792	$ (26,048)	$ (33,201)	$ 24,382
Net loss	—	—	—	—	—	(527)	—	(527)
Balance — December 31, 2024	3,677	$ 3,310	52,965,797	$ 529	$ 79,792	$ (26,575)	$ (33,201)	$ 23,855

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

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EMERSON RADIO CORP. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 1 — BACKGROUND AND BASIS OF PRESENTATION

The unaudited condensed consolidated financial statements include the accounts of Emerson Radio Corp. and its subsidiaries ("Emerson" or the "Company"). The Company designs, sources, imports and markets certain houseware and consumer electronic products, and licenses the Company's trademarks for a variety of products.

The unaudited condensed consolidated financial statements reflect all normal and recurring adjustments that are, in the opinion of management, necessary to present a fair statement of the Company's condensed consolidated financial position as of December 31, 2025 and the results of operations for the three and nine month periods ended December 31, 2025 and December 31, 2024. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary in order to make the unaudited condensed consolidated financial statements not misleading have been included. All significant intercompany accounts and transactions have been eliminated in consolidation. The preparation of the unaudited condensed consolidated financial statements requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes; actual results could materially differ from those estimates. The unaudited condensed consolidated financial statements have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC") and accordingly do not include all of the disclosures normally made in the Company's annual condensed consolidated financial statements. Accordingly, these unaudited condensed consolidated financial statements should be read in conjunction with the condensed consolidated financial statements and notes thereto for the fiscal year ended March 31, 2025 ("fiscal 2025"), included in the Company's Annual Report on Form 10-K for fiscal 2025.

The results of operations for the three and nine month periods ended December 31, 2025 are not necessarily indicative of the results of operations that may be expected for any other condensed interim period or for the full year ending March 31, 2026.

Recently Adopted Accounting Pronouncements

Accounting Standards Update 2025-05 Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets

In July 2025, the FASB issued ASU 2025-05, which provides (1) all entities with a practical expedient and (2) entities other than public business entities with an accounting policy election when estimating expected credit losses for current accounts receivable and current contract assets arising from transactions accounted for under Topic 606, Revenue from Contracts with Customers. The practical expedient allows an entity to assume that, when estimating expected credit losses, current conditions as of the balance sheet date remain unchanged for the remaining life of the asset. The accounting policy election permits nonpublic entities that elect the practical expedient to also consider collection activity occurring after the balance sheet date when estimating expected credit losses. The standard is effective for fiscal years beginning after December 15, 2025, and for interim periods within those annual reporting periods. Early adoption is permitted. The Company has adopted ASU 2025-05 for the three and nine month periods ended December 31, 2025. The adoption did not have a material impact on its financial condition, results of operations or cash flows.

Recent Accounting Pronouncements

The following Accounting Standards Updates ("ASUs") were issued by the Financial Accounting Standards Board ("FASB") which relate to or could relate to the Company as concerns the Company's normal ongoing operations or the industry in which the Company operates.

Accounting Standards Update 2024-03 Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40): "Disaggregation of Income Statement Expenses" (Issued November 2024)

In November 2024, the FASB issued ASU No. 2024-03 "Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses." This ASU requires public business entities to disclose, for interim and annual reporting periods, additional information about certain income statement expense categories. The requirements are effective for fiscal years beginning after December 15, 2026, and for interim periods beginning after December 15, 2027. Entities are permitted to apply either the prospective or retrospective transition methods. The Company is currently evaluating the impact that the adoption of this ASU will have on its consolidated financial statements.

Accounting Standards Update 2023-09 Income Taxes (Topic 740): "Improvements to Income Tax Disclosures" Income Statement Expenses" (Issued December 2023)

In December 2023, the FASB issued ASU No. 2023-09, “Income Taxes (Topic 740): Improvements to Income Tax Disclosures.” ASU 2023-09 requires disaggregated information about a reporting entity’s effective tax rate reconciliation as well as information on income taxes paid. ASU 2023-09 is effective for public entities with annual periods beginning after December 15, 2024, with early adoption permitted. The Company is currently evaluating the impact of this guidance on its consolidated financial statements.

Segment Reporting

The Company operates as one reportable segment under Accounting Standards Codification ("ASC") 280, *Segment Reporting*. The chief operating decision maker regularly reviews the financial information of the Company at a consolidated level in determining how to allocate resources and in assessing performance.

Revenue Recognition

Sales to customers and related cost of sales are primarily recognized at the point in time when control of goods transfers to the customer. The Company recognizes revenue at the time title passes to the customer as this is when the Company satisfies its performance obligation under the contracts with its customers. Control is considered to be transferred when the customer has the ability to direct the use of and obtain substantially all of the remaining benefits of that good. Under the Direct Import Program, title passes in the country of origin when the goods are passed over the rail of the customer’s vessel. Under the Domestic Program, title passes primarily at the time of shipment. Estimates for future expected returns are based upon historical return rates and netted against revenues.

Revenue is measured as the amount of consideration the Company expects to receive in exchange for transferring goods. Revenue is recorded net of customer discounts, promotional allowances, volume rebates and similar charges. When the Company offers the right to return product, historical experience is utilized to establish a liability for the estimate of expected returns. Sales and other tax amounts collected from customers for remittance to governmental authorities are excluded from revenue.

Management must make estimates of potential future product returns related to current period product revenue. Management analyzes historical returns, current economic trends and changes in customer demand for the Company’s products when evaluating the adequacy of the reserve for sales returns. Management judgments and estimates must be made and used in connection with establishing the sales return reserves in any accounting period. Additional reserves may be required if actual sales returns increase above the historical return rates. Conversely, the sales return reserve could be decreased if the actual return rates are less than the historical return rates, which were used to establish the reserve.

Sales allowances, marketing support programs, promotions and other volume-based incentives which are provided to retailers and distributors are accounted for on an accrual basis as a reduction to net revenues in the period in which the related sales are recognized in accordance with ASC topic 606, "Revenue from Contracts with Customers" ("ASC 606").

At the time of sale, the Company reduces recognized gross revenue by allowances to cover, in addition to estimated sales returns as required by ASC 606, (i) sales incentives offered to customers that meet the criteria for accrual and (ii) an estimated amount to recognize additional non-offered deductions it anticipates and can reasonably estimate will be taken by customers, which it does not expect to recover. Accruals for the estimated amount of future non-offered deductions are required to be made as contra-revenue items, because that percentage of shipped revenue fails to meet the collectability criteria within ASC 606.

If additional marketing support programs, promotions and other volume-based incentives are required to promote the Company's products subsequent to the initial sale, then additional reserves may be required and are accrued for when such support is offered.

The Company offers limited warranties for its consumer electronics, comparable to those offered to consumers by the Company's competitors in the United States. Such warranties typically consist of a one year period for microwaves and refrigerators and a 90 day period for audio products, under which the Company pays for labor and parts, or offers a new or similar unit in exchange for a non-performing unit. The Company estimates its warranty reserve based on sales and its historical warranty claim rates.

Licensing: In addition to the distribution of products, the Company grants licenses for the right to access the Company's intellectual property, specifically the Company's trademarks, for a stated term for the manufacture and/or sale of consumer electronics and other products under agreements which require payment of either (i) a non-refundable minimum guaranteed royalty or, (ii) the greater of (a) the actual royalties due (based on a contractual calculation, normally comprised of actual product sales by the licensee multiplied by a stated royalty rate, or "Sales Royalties") or (b) a minimum guaranteed royalty amount. In the case of the foregoing clause (i), such amounts are recognized as revenue on a straight-line basis over the term of the license agreement. In the case of the foregoing clause (ii), Sales Royalties in excess of guaranteed minimums are accounted for as variable fees and are not recognized as revenue until the Company has ascertained that the licensee's sales of products have exceeded the guaranteed minimum. In effect, the Company recognizes the greater of Sales Royalties earned to date or the straight-line amount of minimum guaranteed royalties to date. In the case where a royalty is paid to the Company in advance, the royalty payment is initially recorded as a liability and recognized as revenue as the royalties are deemed to be earned according to the principles outlined above. As of December 31, 2025, the Company recorded deferred revenue of nil as compared to approximately $96,000 as of March 31, 2025 on its condensed consolidated balance sheets. As of December 31, 2024, the Company recorded deferred revenue of approximately $128,000 as compared to approximately $191,000 as of March 31, 2024 on its condensed consolidated balance sheets. All of the deferred revenue for the periods presented are related to licensing revenue.

Disaggregation of Revenue

Disaggregation of revenue (in 000's)	Three Months Ended December 31, 2025	Three Months Ended December 31, 2024	Nine Months Ended December 31, 2025	Nine Months Ended December 31, 2024
Net revenues by type:				
Net product sales	$ 1,804	$ 3,892	$ 4,520	$ 8,691
Licensing revenue	87	111	261	248
Total:	1,891	4,003	4,781	8,939
Net revenues by customers: (over 10%)				
Amazon.com	$ 1,023	$ 1,714	$ 1,903	$ 3,406
Bi-Mart	285	—	—	—
Walmart	—	1,013	—	2,945
Big Lots	—	957	—	957
Fred Meyer	—	—	537	—
Total:	$ 1,308	$ 3,684	$ 2,440	$ 7,308

Accounts Receivable, net

The Company extends credit based upon evaluations of a customer's financial condition and provides for any anticipated credit losses in the Company's financial statements based upon management's estimates and ongoing reviews of recorded allowances. Credit is extended for periods between 30 and 150 days, on a net basis. If the financial condition of a customer deteriorates, resulting in an

impairment of that customer’s ability to make payments, additional reserves may be required. Conversely, reserves are reduced to reflect credit and collection improvements. Receivables are written off once they are considered uncollectible. The accounts receivable balance on a net basis was approximately $1,456,000 as of December 31, 2025 as compared to approximately $1,499,000 as of March 31, 2025 and approximately $1,343,000 as of March 31, 2024. As of December 31, 2025, Amazon.com ("Amazon") accounted for approximately 69% and Bi-Mart ("Bi-Mart") accounted for approximately 12% of the Company’s total trade accounts receivable, net of specific reserves. As of March 31, 2025, Amazon accounted for approximately 59% and Variety Wholesalers Inc. ("Variety") accounted for approximately 19% of the Company’s total trade accounts receivable, net of specific reserves. No other customer accounted for more than 10% of the Company’s total trade accounts receivable, net of specific reserves, as of December 31, 2025 or March 31, 2025.

Accounts receivable roll-forward:

	As of December 31, 2025	As of March 31, 2025	As of March 31, 2024
Trade receivables	$ 2,410	$ 2,606	$ 1,368
Allowance for credit losses	(954)	(1,107)	(25)
Accounts receivable, net	$ 1,456	$ 1,499	$ 1,343

Accounts receivables deemed uncollectible are charged against the allowance for credit losses when identified:

	As of December 31,	
	2025	2024
Opening balance	$ (1,113)	$ (37)
Reserve adjustment	159	(5)
Allowance for credit losses	$ (954)	$ (42)

NOTE 2 — EARNINGS PER SHARE

The following table sets forth the computation of basic and diluted earnings per share (in thousands, except per share amounts). Weighted average shares includes the impact of shares held in treasury.

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2025	2024	2025	2024
Numerator:				
Net (loss)	$ (694)	$ (527)	$ (2,877)	$ (2,370)
Denominator:				
Denominator for basic and diluted loss per share — weighted average shares	21,042,652	21,042,652	21,042,652	21,042,652
Net (loss) per share:				
Basic and diluted (loss) per share	$ (0.03)	$ (0.03)	$ (0.14)	$ (0.11)

NOTE 3 — SHAREHOLDERS' EQUITY

Outstanding capital stock at December 31, 2025 consisted of common stock and Series A preferred stock. The Series A preferred stock is non-voting, has no dividend preferences and has not been convertible since March 31, 2002; however, it retains a liquidation preference.

At December 31, 2025, the Company had no options, warrants or other potentially dilutive securities outstanding.

NOTE 4 — INVENTORY

Inventories, which consist primarily of finished goods, are stated at the lower of cost or net realizable value. Cost is determined using the first-in, first-out method. As of December 31, 2025 and March 31, 2025, inventories consisted of the following (in thousands):

	December 31, 2025	March 31, 2025
Finished goods	$ 4,414	$ 4,909

NOTE 5 — INCOME TAXES

As of December 31, 2025, the Company had approximately $22.2 million of U.S. federal net operating loss ("NOL") carry forwards. These losses do not expire but are limited to utilization of 80% of taxable income in any one year. At December 31, 2025, the Company had approximately $23.9 million of U.S. state NOL carry forwards. The tax benefits related to these state NOL carry forwards and future deductible temporary differences are recorded to the extent management believes it is more likely than not that such benefits will be realized.

The Company analyzed the future reasonability of recognizing its deferred tax assets at December 31, 2025. As a result, the Company concluded that a 100% valuation allowance of approximately $6,927,000 would be recorded against the assets.

The income of foreign subsidiaries before taxes was approximately $141,000 for the three month period ended December 31, 2025 as compared to income of foreign subsidiaries before taxes of approximately $218,000 for the three month period ended December 31, 2024. The income of foreign subsidiaries before taxes was approximately $485,000 for the nine month period ended December 31, 2025 as compared to income of foreign subsidiaries before taxes of approximately $738,000 for the nine month period ended December 31, 2024.

The Company generated a net operating loss and recorded income tax expense of nil during the three and nine month periods ended December 31, 2025. During the three and nine month periods ended December 31, 2024, the Company generated a net operating loss and recorded income tax expense of nil and approximately $3,000, respectively, primarily resulting from state income taxes. The Company after adoption of ASU 2019-12 "Income Taxes (Topic 740) – Simplifying the Accounting for Income Taxes" during fiscal 2022, incurred non-income based state taxes of approximately $9,000 for both of the nine month periods ended December 31, 2025 and December 31, 2024, which are now reported within selling, general and administrative expenses.

The Company is subject to examination and assessment by tax authorities in numerous jurisdictions. As of December 31, 2025, the Company's open tax years for examination for U.S. federal tax are 2017-2025, and for U.S. states' tax are 2015-2025. Based on the outcome of tax examinations or due to the expiration of statutes of limitations, it is reasonably possible that the unrecognized tax benefits related to uncertain tax positions taken in previously filed returns may be different from the liabilities that have been recorded for these unrecognized tax benefits. As a result, the Company may be subject to additional tax expense.

As of December 31, 2025, the Company is asserting under ASC 740-30 that all of the unremitted earnings of its foreign subsidiaries are indefinitely invested. The Company evaluates this assertion each period based on a number of factors, including the operating plans, budgets, and forecasts for both the Company and its foreign subsidiaries; the long-term and short-term financial requirements in the U.S. and in each foreign jurisdiction; and the tax consequences of any decision to repatriate earnings of foreign subsidiaries to the U.S.

As of December 31, 2025 and March 31, 2025, the Company had a federal tax liability of nil and approximately $668,000, respectively, related to the repatriation of the Company's undistributed earnings of its foreign subsidiaries as required by the Tax Cuts and Jobs Act of 2017. As of December 31, 2025 and March 31, 2025, the Company's short term portion was nil and approximately $668,000, respectively. As of each of December 31, 2025 and March 31, 2025, the Company's long term portion was nil.

The liability was payable over 8 years. The first five installments were each equal to 8%, the sixth was equal to 15%, the seventh was equal to 20% and the final installment was equal to 25% of the liability. The Company paid its eighth and final installment in July 2025.

NOTE 6 — RELATED PARTY TRANSACTIONS

From time to time, Emerson engages in business transactions with its controlling shareholder, Nimble Holdings Company Limited ("Nimble"), formerly known as The Grande Holdings Limited ("Grande"), and one or more of Nimble's direct and indirect subsidiaries, or with entities related to the Company's Chief Executive Officer. Set forth below is a summary of such transactions.

Controlling Shareholder

S&T International Distribution Limited ("S&T"), which is a wholly owned subsidiary of Grande N.A.K.S. Ltd., which is a wholly owned subsidiary of Nimble, collectively have, based on a Schedule 13D/A filed with the SEC on February 15, 2019, the shared power to vote and direct the disposition of 15,243,283 shares, or approximately 72.4%, of the Company's outstanding common stock as of December 31, 2025. Accordingly, the Company is a "controlled company" as defined in Section 801(a) of the NYSE American Company Guide.

Related Party Transactions

Charges of rental and utility fees on office space in Hong Kong

During the three and nine month periods ended December 31, 2025, the Company was billed approximately $33,000 and $98,000, respectively, for rental and utility fees from Vigers Appraisal and Consulting Ltd (“VACL”), which is a company related to the Company’s Chairman of the Board of Directors ("Chairman"). As of December 31, 2025 the Company owed approximately $1,000 to VACL related to these charges. During the three and nine month periods ended December 31, 2024, the Company was billed approximately $26,000 and $101,000, respectively, for rental and utility fees from VACL, which is a company related to the Company's Chairman. As of December 31, 2024 the Company owed approximately $1,000 to VACL related to these charges.

Charges for promotional items

During each of the three and nine month periods ended December 31, 2025, the Company purchased nil of promotional items from The Whisky Capital Pte Ltd ("TWCPL"), which is a company related to the Company's Chairman. During the three and nine month periods ended December 31, 2024, the Company purchased nil and approximately $30,000, respectively, of promotional items from TWCPL. As of December 31, 2024, the Company owed nil to TWCPL.

NOTE 7 — SHORT TERM DEPOSITS AND INVESTMENTS

As of December 31, 2025 and March 31, 2025, the Company held approximately $3.8 million and approximately $0.9 million, respectively, in short term deposits. These short term deposits had maturity dates of 90 days or less and are classified as cash equivalents.

As of December 31, 2025 and March 31, 2025, the Company also held approximately $9.1 million and approximately $14.9 million, respectively, in short term investments which had maturity dates greater than 90 days and are classified as short term investments.

Under ASC Topic 820 *Fair Value Measurement,* the carrying amounts of the Company’s financial instruments, such as cash, short term deposits and short term investments approximate fair values due to the short-term nature of these instruments and are classified under the fair value hierarchy of Level 1.

NOTE 8 — CONCENTRATION RISK

Customer Concentration

For the three month period ended December 31, 2025, the Company’s two largest customers accounted for approximately 69% of the Company’s net revenues, of which Amazon accounted for approximately 54% and Bi-Mart accounted for approximately 15%. No other customer accounted for greater than 10% of the Company's net revenues during the period.

For the nine months ended December 31, 2025, the Company’s two largest customers accounted for approximately 50% of the Company’s net revenues, of which Amazon accounted for approximately 39% and Fred Meyer accounted for approximately 11%. No other customer accounted for greater than 10% of the Company's net revenues during the period.

For the three month period ended December 31, 2024, the Company’s three largest customers accounted for approximately 92% of the Company’s net revenues, of which Amazon accounted for approximately 43%, Walmart Inc. ("Walmart") accounted for approximately 25% and Big Lots Stores, Inc. ("Big Lots") accounted for approximately 24%. No other customer accounted for greater than 10% of the Company's net revenues during the period.

For the nine months ended December 31, 2024, the Company’s three largest customers accounted for approximately 82% of the Company’s net revenues, of which Amazon accounted for approximately 38%, Walmart accounted for approximately 33% and Big Lots accounted for approximately 11%. No other customer accounted for greater than 10% of the Company's net revenues during the period.

A significant decline in net sales to any of the Company’s key customers would have a material adverse effect on the Company’s business, financial condition and results of operation.

Product Concentration

For the three and nine month periods ended December 31, 2025, the Company's gross product sales included microwave ovens, which generated approximately 59% and 69%, respectively, of the Company's gross product sales and audio products, which generated approximately 37% and 25%, respectively, of the Company's gross product sales. No other products accounted for greater than 10% of the Company's gross product sales during the respective periods.

For the three and nine month periods ended December 31, 2024, the Company's gross product sales included microwave ovens, which generated approximately 53% and 49%, respectively, of the Company's gross product sales and audio products, which generated approximately 46% and 49%, respectively, of the Company's gross product sales. No other products accounted for greater than 10% of the Company's gross product sales during the respective periods.

Concentrations of Credit Risk

As of December 31, 2025, the Company's top two customers accounted for approximately 69% and 12%, respectively, of the Company's total trade accounts receivable, net of specific reserves. No other customers accounted for greater than 10% of the Company's total trade accounts receivable, net of specific reserves, as of such date. As of March 31, 2025, the Company's top two customer's accounted for approximately 59% and 19%, respectively, of the Company's total trade accounts receivable, net of specific reserves. No other customers accounted for greater than 10% of the Company's total trade accounts receivable, net of specific reserves, as of such date. The Company periodically performs credit evaluations of its customers but generally does not require collateral, and the Company provides for any anticipated credit losses in the financial statements based upon management's estimates and ongoing reviews of recorded allowances. The allowance for credit losses on the Company's total trade accounts receivable balances was approximately $954,000 as of December 31, 2025 and approximately $1,107,000 as of March 31, 2025. Due to the high concentration of the Company's net trade accounts receivables among just two customers, any significant failure by one of these customers to pay the Company the amounts owing against these receivables would result in a material adverse effect on the Company's business, financial condition and results of operations.

The Company maintains its cash accounts with major U.S. and foreign financial institutions. The Company's cash balances on deposit in the U.S. as of December 31, 2025 and March 31, 2025 were insured by the Federal Deposit Insurance Corporation ("FDIC") up to $250,000 per qualifying bank account in accordance with FDIC rules. The Company's cash, cash equivalents and restricted cash balances in excess of these FDIC-insured limits were approximately $3.9 million and approximately $0.9 million at December 31, 2025 and March 31, 2025, respectively. The Company also has short term deposits in foreign financial institutions which are not FDIC insured of approximately $9.1 million and approximately $14.9 million as of December 31, 2025 and March 31, 2025, respectively.

Supplier Concentration

During the three month period ended December 31, 2025, the Company procured 100% of its products for resale from its four largest factory suppliers, of which approximately 34% was supplied by its largest supplier and approximately 25%, 23% and 18%, respectively, was supplied by the other three suppliers. During the three month period ended December 31, 2024, the Company procured approximately 94% of its products for resale from its four largest factory suppliers, of which approximately 46% was supplied by its largest supplier and approximately 22%, 15% and 11%, respectively, was supplied by the other three suppliers. No other suppliers accounted for greater than 10% for either the three month period ended December 31, 2025 or December 31, 2024.

During the nine month period ended December 31, 2025, the Company procured approximately 88% of its products for resale from its three largest factory suppliers, of which approximately 35% was supplied by its largest supplier and approximately 28%, and 25%, respectively, was supplied by the other two suppliers. During the nine month period ended December 31, 2024, the Company procured 94% of its products for resale from its five largest factory suppliers, of which approximately 41% was supplied by its largest supplier and approximately 19%, 12%, 11% and 11%, respectively, was supplied by the other four suppliers. No other suppliers accounted for greater than 10% for either the nine month period ended December 31, 2025 or December 31, 2024.

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NOTE 9 — LEASES

The Company leases office space in the U.S. and in Hong Kong as well as a copier in the U.S. These leases have remaining non-cancellable lease terms of twenty to forty-two months. The Company has elected not to separate lease and non-lease components for all leased assets. The Company did not identify any events or conditions during the quarter ended December 31, 2025 to indicate that a reassessment or re-measurement of the Company's existing leases was required.

As of December 31, 2025, the Company's current operating lease liabilities and finance lease liabilities were $158,000 and $1,000, respectively and its non-current operating lease liabilities and finance lease liabilities were $201,000 and $4,000, respectively. The Company's operating and finance lease right-of-use asset balances are presented in non-current assets. The net balance of the Company's operating and finance lease right-of-use assets as of December 31, 2025 was $338,000 and $5,000, respectively.

As disclosed in "Note 6 - Related Party Transactions", the Company's Hong Kong office space is being leased from VACL, which is a company related to the Company's Chairman. As of December 31, 2025, the current operating liability of this lease is approximately $108,000 and its non-current liability is $78,000. Its right-of-use asset value is approximately $186,000, as of December 31, 2025.

The components of lease costs, which were included in operating expenses in the Company's unaudited condensed consolidated statements of operations, were as follows:

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2025	2024	2025	2024
	(in thousands)		(in thousands)	
Lease cost				
Operating lease cost	$ 45	$ 45	$ 139	$ 145
The supplemental cash flow information related to leases are as follows:				
Cash paid for amounts included in the measurement of lease liabilities:				
Operating cash flows from operating leases	46	46	129	141
Right-of-use assets obtained in exchange for lease obligations:				
Operating leases	—	—	—	313
Finance leases	—	—	—	6

Information relating to the lease term and discount rate are as follows:

Weighted average remaining lease term (in months)	As of December 31, 2025	As of December 31, 2024
Operating leases	27.4	38.4
Finance leases	41.2	53.2
Weighted average discount rate		
Operating leases	10.38%	10.39%
Finance leases	10.50%	10.50%

As of December 31, 2025 the maturities of lease liabilities were as follows:

(in thousands)	Operating Leases	Finance Leases
2026	$ 47	$ 1
2027	187	2
2028	118	2
2029	51	1
2030	—	—

Thereafter	—	—
Total lease payments	$ 403	$ 6
Less: Imputed interest	(44)	(1)
Total	$ 359	$ 5

NOTE 10 —LEGAL PROCEEDINGS

On October 10, 2023, the US District Court for the District of Delaware granted final judgment in favor of the Company in its trademark infringement lawsuit against air conditioning and heating products provider Emerson Quiet Kool and wholesaler Home Easy (the “defendants”). Among other things, the court order issues an injunction and directs the US Patent and Trademark Office to cancel the defendants’ existing and proposed "Emerson Quiet Kool" trademarks and prohibits defendants from registering or applying to register, or using the same mark or any other mark or name containing the word "Emerson" going forward. The total judgment awarded to the Company has increased from approximately $6.5 million to approximately $10.4 million, inclusive of disgorgement of wrongful profits, attorney's fees and enhanced damages. The aggregate award to the Company also includes the $4.1 million of advanced deposits previously paid to the Company. The $4.1 million of advanced deposits was reduced by approximately $1 million of incurred legal fees. The remaining balance of $3.1 million was released by the Company to other income during the quarter ended September 30, 2023. Like any judgement, there is no guarantee that the Company will be able to collect the entire judgement or if it is able to collect, how soon it will be able to do so. The defendants have filed separate bankruptcy petitions in the US Bankruptcy Court for the District of New Jersey, and there is no guarantee that those bankruptcy proceedings will not have any effect on the ability of the Company to collect the judgement. In addition, in connection with those bankruptcy proceedings, the Chapter 7 trustee of Home Easy has filed a complaint seeking the return of the $4.1 million of advanced deposits previously paid to the Company and the outcome of such litigation remains uncertain. The Company is not currently a party to any other legal proceedings other than litigation matters, in most cases involving ordinary and routine claims incidental to its business. Management cannot estimate with certainty the Company’s ultimate legal and financial liability with respect to such pending litigation matters. However, management believes, based on its examination of such matters, that the Company’s ultimate liability will not have a material adverse effect on the Company’s financial position, results of operations or cash flows.

NOTE 11 — SEGMENT INFORMATION

The Company currently operates as one segment which includes two revenue types, product sales and licensing revenue. While the Company discloses product sales and licensing revenue separately, management does not consider these to be separate segments, as all Emerson branded product is sold though similar sales channels and to similar customers. Management's determination for the allocation of resources is not analyzed by revenue streams, but as a single business unit. The determination of a single business segment is consistent with the consolidated financial information provided to the Company's Chief Operating Decision Maker ("CODM"). The Company's CODMs are the Chief Executive Officer, Chief Operating Officer and Chief Financial Officer who review and evaluate consolidated net income for purposes of assessing performance, allocating resources, making operating decisions and for its planning and forecasting processes. Segment expenses are provided to the CODM on the same basis as disclosed in the condensed Consolidated Statements of Operations. The CODM does not evaluate performance nor does it allocate resources based on segment assets and therefore such information is not presented in the notes to the financial statements.

NOTE 12 — SUBSEQUENT EVENTS

As of the filing date of this Form 10-Q, there were no subsequent events identified to disclose.

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

The following discussion of the Company's operations and financial condition should be read in conjunction with the unaudited condensed consolidated financial statements and notes thereto included elsewhere in this Quarterly Report on Form 10-Q.

In the following discussions, most percentages and dollar amounts have been rounded to aid presentation. Accordingly, all amounts are approximations.

Forward-Looking Information

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, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which are subject to the "safe harbor" created by those sections.

Forward-looking statements include statements with respect to the Company's beliefs, plans, objectives, goals, expectations, anticipations, assumptions, estimates, intentions, and future performance, and involve known and unknown risks, uncertainties and other factors, which may be beyond the Company's control, and which may cause the Company's actual results, performance or achievements to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements.

All statements other than statements of historical fact are statements that could be forward-looking statements. The reader can identify these forward-looking statements through the Company's use of words such as "may," "will," "can," "anticipate," "assume," "should," "indicate," "would," "believe," "contemplate," "expect," "seek," "estimate," "continue," "plan," "project," "predict," "could," "intend," "target," "potential," or the negative or plural of those terms and other similar words and expressions of the future. These forward-looking statements may not be realized due to a variety of factors, including, without limitation:

- the Company's ability to generate sufficient revenue to achieve and maintain profitability;
- the Company's ability to obtain new customers and retain key existing customers, including the Company's ability to maintain purchase volumes of the Company's products by its key customers;
- the Company's ability to obtain new licensees and distribution relationships and maintain relationships with its existing licensees and distributors;
- the Company's ability to resist price increases from its suppliers or pass through such increases to its customers;
- changes in consumer spending for retail products, such as the Company's products, and in consumer practices, including sales over the Internet;
- the Company's ability to maintain effective internal controls or compliance by its personnel with such internal controls;
- the Company's ability to successfully manage its operating cash flows to fund its operations;
- the Company's ability to anticipate market trends, enhance existing products or achieve market acceptance of new products;
- the Company's ability to accurately forecast consumer demand and adequately manage inventory;
- the Company's dependence on a limited number of suppliers for its components and raw materials;
- the Company's dependence on third party manufacturers to manufacture and deliver its products;
- increases in shipping costs for the Company's products or other service issues with the Company's third-party shippers;
- the Company's dependence on a third party logistics provider for the storage and distribution of its products in the United States;
- the ability of third party sales representatives to adequately promote, market and sell the Company's products;
- the Company's ability to maintain, protect and enhance its intellectual property;

- the effects of competition;
- the Company's ability to distribute its products in a timely fashion, including the impact of labor disputes, public health threats and social unrest, if any;
- evolving cybersecurity threats to the Company's information technology systems or those of its customers or suppliers;
- changes in foreign laws and regulations and changes in the political and economic conditions in the foreign countries in which the Company operates;
- changes in accounting policies, rules and practices;
- changes in tax rules and regulations or interpretations;
- changes in U.S. and foreign trade regulations and tariffs, including recent and potential future increases of tariffs on goods imported into the U.S., and uncertainty regarding the same;

- limited access to financing or increased cost of financing;
- the effects of currency fluctuations between the U.S. dollar and Chinese renminbi and increases in costs of production in China; and
- the other factors listed under "Risk Factors" in the Company's Annual Report on Form 10-K, as amended, for the fiscal year ended March 31, 2025 and other filings with the SEC.

All forward-looking statements are expressly qualified in their entirety by this cautionary notice. The reader is cautioned not to place undue reliance on any forward-looking statements, which speak only as of the date of this report or the date of the document incorporated by reference into this report. Except as required by law, the Company has no obligation, and expressly disclaims any obligation, to update, revise or correct any of the forward-looking statements, whether as a result of new information, future events or otherwise. The Company has expressed its expectations, beliefs and projections in good faith and it believes it has a reasonable basis for them. However, the Company cannot assure the reader that its expectations, beliefs or projections will result or be achieved or accomplished.

Results of Operations

The following table summarizes certain financial information for the three and nine month periods ended December 31, 2025 and December 31, 2024 (in thousands):

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2025	**2024**	**2025**	**2024**
Net product sales	$ 1,804	$ 3,892	$ 4,520	$ 8,691
Licensing revenue	87	111	261	248
Net revenues	**1,891**	**4,003**	**4,781**	**8,939**
Cost of sales	1,685	3,512	4,565	7,982
Selling, general and administrative expenses	1,032	1,224	3,547	4,029
Operating loss	**(826)**	**(733)**	**(3,331)**	**(3,072)**
Interest income, net	132	206	454	705
(Loss) before income taxes	**(694)**	**(527)**	**(2,877)**	**(2,367)**
Provision for income taxes	—	—	—	3
Net (loss)	$ **(694)**	$ **(527)**	$ **(2,877)**	$ **(2,370)**

Net product sales — Net product sales for the three month period ended December 31, 2025 were approximately $1.8 million as compared to approximately $3.9 million for the three month period ended December 31, 2024, a decrease of approximately $2.1 million, or 53.6%. The Company's net product sales during the three month period ended December 31, 2025 were highly concentrated among its three largest customers – Amazon, Bi-Mart and Walmart – comprising in the aggregate approximately 82% of the Company's total net product sales during the period. The Company's net product sales during the three month period ended December 31, 2024, were highly concentrated among its three largest customers – Amazon, Walmart and Big Lots – comprising in the aggregate approximately 95% of the Company's total net product sales during the period.

Net product sales for the nine month period ended December 31, 2025 were approximately $4.5 million as compared to approximately $8.7 million for the nine month period ended December 31, 2024, a decrease of approximately $4.2 million, or 48.0%. The Company's sales during the nine month period ended December 31, 2025 were highly concentrated among its three largest customers – Amazon, Fred Meyer and Variety – comprising in the aggregate approximately 64% of the Company's total net product sales during the period. The Company's sales during the nine month period ended December 31, 2024, were highly concentrated among its three largest customers – Amazon, Walmart and Big Lots – comprising in the aggregate approximately 84% of the Company's total net product sales during the period.

Net product sales are comprised primarily of the sales of houseware and audio products which bear the Emerson® brand name. Net product sales may be periodically impacted by adjustments made to the Company's sales allowance and marketing support accrual to record unanticipated customer deductions from accounts receivable or to reduce the accrual by any amounts which were accrued in the past but not taken by customers through deductions from accounts receivable within a certain time period. In the aggregate, these adjustments had the effect of increasing net product sales and operating income by approximately $1,000 and approximately $11,000 for the three month periods ended December 31, 2025 and December 31, 2024, respectively, and by nil and approximately $32,000 for the nine month periods ended December 31, 2025 and December 31, 2024, respectively. The major elements which contributed to the overall decrease in net product sales were as follows:

i) Houseware products: Net sales of houseware products decreased approximately $1.0 million, or 46.9%, to approximately $1.1 million for the three month period ended December 31, 2025 as compared to approximately $2.1 million for the three month period ended December 31, 2024, driven by decreased net sales of microwave ovens. Certain of the Company's key customers refuse to accept price increases from recently imposed tariffs, which negatively impacted net sales during the quarter ended December 31, 2025. Net sales of houseware products decreased $ 1.1 million, or 24.3%, to approximately $3.3 million for the nine month period ended December 31, 2025 as compared to approximately $4.4 million for the nine month period ended December 31, 2024, driven by decreased net sales of microwave ovens and compact refrigerators.

ii) Audio products: Net sales of audio products decreased approximately $1.1 million, or 61.7%, to approximately $0.7 million for the three month period ended December 31, 2025 as compared to approximately $1.8 million for the three month period ended December 31, 2024, primarily due to a discontinued clock radio at Walmart. Net sales of audio products decreased approximately $3.1 million, or 72.6%, to approximately $1.1 million for the nine month period ended December 31, 2025 as compared to approximately $4.2 million for the nine month period ended December 31, 2024, primarily due to a discontinued clock radio at Walmart.

Business operations — The Company expects to continue to expand its existing distribution channels and to develop and promote new products with retailers in the U.S and Mexico. The Company is also continuing to invest in products and marketing activities to expand its sales through internet and ecommerce channels. These efforts require investments in appropriate human resources, media marketing and development of products in various categories in addition to the traditional home appliances and audio products on which the Company has historically focused. The Company also is continuing its efforts to identify strategic courses of action related to its licensing activities, including seeking new licensing relationships. The Company has engaged each of Leveraged Marketing Corporation of America and Global Licensing Services Pte Limited as an agent to assist in identifying and procuring potential licensees.

Emerson's success is dependent on its ability to anticipate and respond to changing consumer demands and trends in a timely manner, as well as expanding into new markets and sourcing new products that are profitable to the Company. Geo-political factors may also affect the Company's operations and demand for the Company's products, which are subject to customs requirements and to tariffs and quotas set by governments through mutual agreements and bilateral actions. The Company expects that U.S. tariffs on categories of products that the Company imports from China, and China's retaliatory tariffs on certain goods imported from the United States, as well as modifications to international trade policy, will continue to affect its product costs going forward. Although the Company is monitoring the trade and political environment and working to mitigate the effects of tariffs with its suppliers as well as its customers through pricing and sourcing strategies, the Company cannot be certain how its customers and competitors will react to the actions taken. If the Company's mitigation efforts are unsuccessful, the impact of tariffs will result in significantly increased annualized costs to the Company as all of the Company's products are currently manufactured by suppliers in China. In addition, heightened tensions between the United States and China over Hong Kong and any resulting retaliatory policies may affect our operations in Hong Kong. At this time the Company is unable to quantify possible effects on its costs arising from the new tariffs, which are expected to increase the Company's inventory costs and associated costs of sales as tariffs are incurred, and some costs may be passed through to the Company's customers as product price increases in the future. However, if the Company is unable to successfully pass through the additional costs or otherwise mitigate the effects of these tariffs, or if the higher prices reduce demand for the Company's products, it will have a negative effect on the Company's product sales and gross margins.

In light of the adverse macroeconomic conditions domestically and internationally, the Company has implemented certain cost-reduction actions intended to reduce expenditures. However, the economic environment remains uncertain. Demand for the Company's products remains competitive and requires the Company to continue carefully managing inventory. Accordingly, our current results and financial condition discussed herein may not be indicative of our future operating results and trends.

For more information on risks associated with the Company's operations, please see the risk factors within Part I, Item 1A, "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended March 31, 2025.

Legal Proceedings — On October 10, 2023, the US District Court for the District of Delaware granted final judgment in favor of the Company in its trademark infringement lawsuit against air conditioning and heating products provider Emerson Quiet Kool and wholesaler Home Easy (the "defendants"). Among other things, the court order issues an injunction and directs the US Patent and Trademark Office to cancel the defendants' existing and proposed "Emerson Quiet Kool" trademarks and prohibits defendants from registering or applying to register, or using the same mark or any other mark or name containing the word "Emerson" going forward. The total judgment awarded to the Company has increased from approximately $6.5 million to approximately $10.4 million, inclusive of disgorgement of wrongful profits, attorney's fees and enhanced damages. The aggregate award to the Company also includes the $4.1 million of advanced deposits previously paid to the Company. The $4.1 million of advanced deposits was reduced by approximately $1 million of incurred legal fees. The remaining balance of $3.1 million was released by the Company to other income during the quarter ended September 30, 2023. Like any judgement, there is no guarantee that the Company will be able to collect the entire judgement or if it is able to collect, how soon it will be able to do so. The defendants have filed separate bankruptcy petitions in the US Bankruptcy Court for the District of New Jersey, and there is no guarantee that those bankruptcy proceedings will not have any effect on the ability of the Company to collect the judgement. In addition, in connection with those bankruptcy proceedings, the Chapter 7 trustee of Home Easy has filed a complaint seeking the return of the $4.1 million of advanced deposits previously paid to the Company and the outcome of such litigation remains uncertain. The Company is not currently a party to any other legal proceedings other than litigation matters, in most cases involving ordinary and routine claims incidental to its business. Management cannot estimate with certainty the Company's ultimate legal and financial liability with respect to such pending litigation matters. However, management believes, based on its examination of such matters, that the Company's ultimate liability will not have a material adverse effect on the Company's financial position, results of operations or cash flows.

Licensing revenue — Licensing revenue for the three month period ended December 31, 2025 was approximately $87,000 as compared to approximately $111,000 for the three month period ended December 31, 2024, a decrease of approximately $24,000, or 21.6%. The decrease can be attributed to one of the Company's licensees exceeding its annual guaranteed minimum royalties for the three month period ended December 31, 2024 which did not repeat for the three month period ended December 31, 2025.

Licensing revenue for the nine month period ended December 31, 2025 was approximately $261,000 as compared to approximately $248,000 for the nine month period ended December 31, 2024, an increase of approximately $13,000, or 5.2%. The increase for the nine month period ended December 31, 2025 was the result of increases of annual guaranteed minimum royalties of the Company's licensees.

Net revenues — Net revenues were approximately $1.9 million for the three month period ended December 31, 2025 as compared to approximately $4.0 million for the three month period ended December 31, 2024, a decrease of approximately $2.1 million, or 53.6%. The decrease in net revenues can be attributed primarily to the discontinuation of a clock radio at Walmart.

Net revenues were approximately $4.8 million for the nine month period ended December 31, 2025 as compared to approximately $8.9 million for the nine month period ended December 31, 2024, a decrease of approximately $4.1 million, or 46.5%. The decrease in net revenues can be attributed primarily to the discontinuation of a clock radio at Walmart.

Cost of sales — Cost of sales decreased approximately $1.8 million, or 52.0%, to approximately $1.7 million for the three month period ended December 31, 2025 as compared to approximately $3.5 million for the three month period ended December 31, 2024. The decrease in absolute terms for the three month period ended December 31, 2025 as compared to the three month period ended December 31, 2024 was primarily related to the discontinuation of a clock radio at Walmart and the negative impact of tariffs on the Company's microwave product line.

Cost of sales decreased approximately $3.4 million, or 42.8%, to approximately $4.6 million for the nine month period ended December 31, 2025 as compared to approximately $8.0 million for the nine month period ended December 31, 2024. The decrease in absolute terms for the nine month period ended December 31, 2025 as compared to the nine month period ended December 31, 2024 was primarily related to the discontinuation of a clock radio at Walmart and the negative impact of tariffs on the Company's microwave product line.

Selling, general and administrative expenses ("S,G&A") — S,G&A was approximately $1.0 million for the three month period ended December 31, 2025 as compared to $1.2 million for the three month period ended December 31, 2024, a decrease of approximately $0.2 million or 15.7%. S,G&A, as a percentage of net revenues, was approximately 54.6% for the three month period ended December 31, 2025 as compared to approximately 30.6% for the three month period ended December 31, 2024. The decrease in S,G&A for the three month period ended December 31, 2025 as compared to the three month period ended December 31, 2024 was primarily driven by a decrease in compensation costs of approximately $168,000 and an increase in bad debt recoveries of approximately $164,000, partially offset by an increase in legal fees of approximately $160,000. Compensation costs for the three month period ended December 31, 2025 were approximately $568,000 as compared to approximately $736,000 for the three month period ended December 31, 2024. Bad debt recoveries for the three month period ended December 31, 2025 were approximately $164,000 as compared to nil for the three month period ended December 31, 2024. Legal fees for the three month period ended December 31, 2025 were approximately $123,000 as compared to approximately $37,000 of legal fee recoveries for the three month period ended December 31, 2024.

S,G&A was approximately $3.5 million for the nine month period ended December 31, 2025 as compared to approximately $4.0 million for the nine month period ended December 31, 2024, a decrease of approximately $0.5 million or 11.9%. S,G&A, as a percentage of net revenues, was approximately 74.2% for the nine month period ended December 31, 2025 as compared to approximately 45.1% for the nine month period ended December 31, 2024. The decrease in S,G&A for the nine month period ended December 31, 2025 as compared to the nine month period ended December 31, 2024 was primarily driven by a decrease in compensation costs of approximately $271,000, an increase in bad debt recoveries of approximately $164,000 and a decrease in travel and entertainment costs of approximately $42,000. Compensation costs for the nine month period ended December 31, 2025 were approximately $1,983,000 as compared to approximately $2,254,000 for the nine month period ended December 31, 2024. Bad debt recoveries for the nine month period ended December 31, 2025 were approximately $164,000 as compared to nil for the nine month period ended December 31, 2024. Travel and entertainment costs for the nine month period ended December 31, 2025 were approximately $40,000 as compared to approximately $82,000 for the nine month period ended December 31, 2024.

Interest income, net — Interest income, net, was approximately $132,000 for the three month period ended December 31, 2025 as compared to approximately $206,000 for the three month period ended December 31, 2024, a decrease of approximately $74,000. The decrease was primarily due to lower levels of cash invested on the Company's short term investments.

Interest income, net, was approximately $454,000 for the nine month period ended December 31, 2025 as compared to approximately $705,000 for the nine month period ended December 31, 2024, a decrease of approximately $251,000. The decrease was primarily due to lower levels of cash invested on the Company's short term investments.

Provision for income taxes — For both three month periods ended December 31, 2025 and December 31, 2024, the Company recorded income tax expense of nil. For the nine month period ended December 31, 2025, the Company recorded income tax expense of nil as compared to approximately $3,000 for the nine month period ended December 31, 2024. The Company under the adoption of ASU 2019-12 "Income Taxes (Topic 740) – Simplifying the Accounting for Income Taxes" incurred non-income based state taxes of approximately $9,000 for each of the nine month periods ended December 31, 2025 and December 31, 2024, which are now reported as S,G&A. See "Note 5 – Income Taxes".

Although the Company generated a net loss during the three and nine months ended December 31, 2025, it is unable to realize an income tax benefit until the Company can demonstrate the ability to generate net income on a sustained basis. Therefore, the Company is obligated to record a 100% valuation allowance against the deferred tax assets.

Net loss — As a result of the foregoing factors, the Company realized a net loss of approximately $694,000 for the three month period ended December 31, 2025 as compared to a net loss of approximately $527,000 for the three month period ended December 31, 2024.

As a result of the foregoing factors, the Company realized a net loss of approximately $2,877,000 for the nine month period ended December 31, 2025 as compared to a net loss of approximately $2,370,000 for the nine month period ended December 31, 2024.

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Liquidity and Capital Resources

As of December 31, 2025, the Company had cash and cash equivalents of approximately $4.2 million as compared to approximately $1.2 million at March 31, 2025. Cash and cash equivalents includes short term investments in deposits which were classified as cash equivalents of approximately $3.8 million as of December 31, 2025 compared to approximately $0.9 million of such deposits as of March 31, 2025. Working capital decreased to approximately $18.3 million at December 31, 2025 as compared to approximately $21.1 million at March 31, 2025. The increase in cash and cash equivalents of approximately $3.0 million was due to the decrease in short term investments of approximately $5.8 million, the decrease in inventory of approximately $0.5 million and the increase in accounts payable and other current liabilities of approximately $0.3 million, partially offset by the net loss generated during the period of approximately $2.9 million and the decrease in income tax payable of approximately $0.7 million.

Cash Flows

Net cash used by operating activities was approximately $2.8 million for the nine month period ended December 31, 2025, resulting from the loss generated during the period of approximately $2.9 million and a decrease in income tax payable of approximately $0.7 million, partially offset by a decrease in inventory of approximately $0.5 million and an increase in accounts payable and other current liabilities of approximately $0.3 million.

Net cash provided by investing activities was approximately $5.8 million for the nine month period ended December 31, 2025 due to redemptions of short-term investments.

Net cash used by financing activities was approximately $1,000 for the nine month period ended December 31, 2025.

Sources and Uses of Funds

The Company's principal existing sources of cash are generated from operations and its existing short-term deposits and investments. The Company believes that its existing cash balance and sources of cash will be sufficient to support existing operations over the next 12 months.

Off-Balance Sheet Arrangements

As of December 31, 2025, the Company did not have any off-balance sheet arrangements as defined under the rules of the SEC.

Recently Adopted Accounting Pronouncements

Accounting Standards Update 2025-05 Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets

In July 2025, the FASB issued ASU 2025-05, which provides (1) all entities with a practical expedient and (2) entities other than public business entities with an accounting policy election when estimating expected credit losses for current accounts receivable and current contract assets arising from transactions accounted for under Topic 606, Revenue from Contracts with Customers. The practical expedient allows an entity to assume that, when estimating expected credit losses, current conditions as of the balance sheet date remain unchanged for the remaining life of the asset. The accounting policy election permits nonpublic entities that elect the practical expedient to also consider collection activity occurring after the balance sheet date when estimating expected credit losses. The standard is effective for fiscal years beginning after December 15, 2025, and for interim periods within those annual reporting periods. Early adoption is permitted. The Company has adopted ASU 2025-05 for the three and nine month periods ended December 31, 2025. The adoption did not have a material impact on its financial condition, results of operations or cash flows.

Recent Accounting Pronouncements

The following ASUs were issued by the FASB which relate to or could relate to the Company as concerns the Company's normal ongoing operations or the industry in which the Company operates.

Accounting Standards Update 2024-03 Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40): "Disaggregation of Income Statement Expenses" (Issued November 2024)

In November 2024, the FASB issued ASU No. 2024-03 "Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses." This ASU requires public business entities to disclose, for interim and annual reporting periods, additional information about certain income statement expense

categories. The requirements are effective for fiscal years beginning after December 15, 2026, and for interim periods beginning after December 15, 2027. Entities are permitted to apply either the prospective or retrospective transition methods. The Company is currently evaluating the impact that the adoption of this ASU will have on its consolidated financial statements.

Accounting Standards Update 2023-09 Income Taxes (Topic 740): "Improvements to Income Tax Disclosures" Income Statement Expenses" (Issued December 2023)

In December 2023, the FASB issued ASU No. 2023-09, “Income Taxes (Topic 740): Improvements to Income Tax Disclosures.” ASU2023-09 requires disaggregated information about a reporting entity’s effective tax rate reconciliation as well as information on income taxes paid. ASU 2023-09 is effective for public entities with annual periods beginning after December 15, 2024, with early adoption permitted. The Company is currently evaluating the impact of this guidance on its consolidated financial statements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Not applicable.

Item 4. Controls and Procedures.

(a) *Disclosure controls and procedures*

The Company maintains disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d — 15(e) under the Exchange Act) that are designed to ensure that information required to be disclosed in its Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to management, including the Company's Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. Due to the inherent limitations of control systems, not all misstatements may be detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the control. Our controls and procedures can only provide reasonable, not absolute, assurance that the above objectives have been met.

The Company's management, with the participation of our Chief Executive Officer and Chief Financial Officer, concluded that disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act), as of December 31, 2025, are effective to provide reasonable assurance that information required to be disclosed in the reports that the Company files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to management, including the Company's principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

(b) *Changes in Internal Controls Over Financial Reporting*

There have been no changes in the Company's internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the fiscal quarter ended December 31, 2025 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings.

The Company is, and from time to time may become, involved in legal proceedings, in most cases involving ordinary and routine claims incidental to its business. Management cannot estimate with certainty the Company's ultimate legal and financial liability with respect to any such pending litigation matters. However, management believes, based on its examination of such matters, that the Company is not currently involved in any legal proceedings that, if determined adversely to the Company, would have a material adverse effect on the Company's financial position, results of operations or cash flows. Information relating to our ongoing legal proceedings is described in Note 11 to our unaudited condensed consolidated financial statements in Part I, Item I of this Quarterly Report on Form 10-Q.

Item 1A. Risk Factors.

There have been no material changes to the risk factors contained in Part I, Item 1A, "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended March 31, 2025.

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

None

Item 3. Defaults Upon Senior Securities.

(a) None
(b) None

Item 4. Mine Safety Disclosure.

Not applicable.

Item 5. Other Information.

(a) None
(b) None
(c) *Trading arrangements*

During the three months ended December 31, 2025, none of our directors and officers (as defined in Rule 16a-1(f) under the Exchange Act) adopted or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," as defined in Regulation S-K Item 408 for the purchase or sale of our securities.

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Item 6. Exhibits.

3.1	Certificate of Incorporation of Emerson Radio Corp. (incorporated by reference to Exhibit (3) (a) of Emerson's Registration Statement on Form S-1, Registration No. 33-53621, declared effective by the SEC on August 9, 1994) (filed in paper format).
3.1.1	Certificate of Designation for Series A Preferred Stock (incorporated by reference to Exhibit (3) (b) of Emerson's Registration Statement on Form S-1, Registration No. 33-53621, declared effective by the SEC on August 9, 1994) (filed in paper format).
3.1.2	Amendment dated February 14, 1996 to the Certificate of Incorporation of Emerson Radio Corp. (incorporated by reference to Exhibit (3) (a) of Emerson's Quarterly Report on Form 10-Q for the quarter ended December 31, 1995).
3.2	By-Laws of Emerson Radio Corp. (incorporated by reference to Exhibit 3.1 of Emerson's Quarterly Report on Form 10-Q for the quarter ended December 31, 2007).
3.2.1	Amendment, dated September 7, 2011, to the By-Laws of Emerson Radio Corp. (incorporated by reference to Exhibit 3.2 of Emerson's Current Report on Form 8-K filed on September 7, 2011).
3.2.2	Amendment, dated June 22, 2020, to the By-Laws of Emerson Radio Corp. (incorporated by reference to Exhibit 3.1 of Emerson's Current Report on Form 8-K filed on June 24, 2020).
31.1	Certification of the Company's Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*
31.2	Certification of the Company's Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*
32	Certification of the Company's Chief Executive Officer and Chief 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	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.*
101.SCH	Inline XBRL Taxonomy Extension Schema Document.*
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.*
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.*
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.*
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.*
104	Cover Page Interactive Data File (embedded within the Inline XBRL and contained in Exhibit 101)

* filed herewith
** furnished herewith

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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.

EMERSON RADIO CORP.
(Registrant)

/s/ Christopher W. Ho
Christopher W. Ho
Chief Executive Officer
(Principal Executive Officer)

Date: February 17, 2026

/s/ Richard Li
Richard Li
Chief Financial Officer
(Principal Financial and Accounting Officer)

Date: February 17, 2026

Exhibit 31.1

Certification

Pursuant to Section 302 of the Sarbanes — Oxley Act of 2002

I, Christopher W. Ho, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Emerson Radio Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of 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: February 17, 2026

/s/ Christopher W. Ho
Christopher W. Ho
Chief Executive Officer

A signed original of this written statement required by Section 302 has been provided to Emerson Radio Corp. and will be retained by Emerson Radio Corp. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 31.2

Certification

Pursuant to Section 302 of the Sarbanes — Oxley Act of 2002

I, Richard Li, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Emerson Radio Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of 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: February 17, 2026

/s/ Richard Li
Richard Li
Chief Financial Officer

A signed original of this written statement required by Section 302 has been provided to Emerson Radio Corp. and will be retained by Emerson Radio Corp. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32

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 Emerson Radio Corp. (the "Company") on Form 10-Q for the period ended December 31, 2025, filed with the Securities and Exchange Commission (the "Report"), Christopher W. Ho, Chief Executive Officer, and Richard Li, Chief Financial Officer, of the Company each hereby certifies pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the consolidated financial condition of the Company as of the dates presented and the consolidated results of operations of the Company for the periods presented.

Dated: February 17, 2026

By: /s/ Christopher W. Ho
Christopher W. Ho
Chief Executive Officer

By: /s/ Richard Li
Richard Li
Chief Financial Officer

The foregoing certification is being furnished solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code) and is not being filed as part of the Form 10-Q or as a separate disclosure document.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Emerson Radio Corp. and will be retained by Emerson Radio Corp. and furnished to the Securities and Exchange Commission or its staff upon request.