

Exhibit 3

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

FORM 10-Q

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

For the quarterly period ended December 31, 2024

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: 001-34887

MULLEN AUTOMOTIVE INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

86-3289406

(I.R.S. Employer
Identification No.)

**1405 Pioneer Street
Brea, California 92821**

(Address of principal executive offices)

Registrant's telephone number, including area code: (714) 613-1900

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

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.001	MULN	The Nasdaq Stock Market, LLC (Nasdaq Capital Market)
Rights to Purchase Series A-1 Junior Participating Preferred Stock	None	The Nasdaq Stock Market, LLC (Nasdaq Capital Market)

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

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

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

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

**MULLEN AUTOMOTIVE INC.
 CONDENSED CONSOLIDATED BALANCE SHEETS
 (unaudited)**

	December 31, 2024	September 30, 2024
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$2,325,190	\$10,321,827
Restricted cash	418,451	426,851
Inventory	41,770,397	37,503,112
Prepaid expenses and other current assets	15,297,034	14,798,553
Accounts receivable	98,855	124,295
TOTAL CURRENT ASSETS	59,909,927	63,174,638
Property, plant, and equipment, net	80,796,898	82,180,266
Intangible assets, net	26,172,956	27,056,030
Right-of-use assets	2,955,081	3,041,485
Other noncurrent assets	3,182,235	3,178,870
TOTAL ASSETS	\$173,017,097	\$178,631,289
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
CURRENT LIABILITIES		
Accounts payable	\$47,860,411	\$41,335,509
Accrued expenses and other current liabilities	46,637,723	51,612,166
Derivative liabilities	136,989,818	79,742,180
Liability to issue shares	8,015,361	1,771,025
Lease liabilities, current portion	2,981,613	2,893,967
Notes payable, current portion	3,219,147	5,399,777
Refundable deposits	409,272	417,674
TOTAL CURRENT LIABILITIES	246,113,345	183,172,298
Notes payable, net of current portion	10,000,000	—
Liability to issue shares, net of current portion	—	356,206
Lease liabilities, net of current portion	11,113,091	11,648,662
TOTAL LIABILITIES	\$267,226,436	\$195,177,166
Contingencies and claims (Note 19)		
STOCKHOLDERS' EQUITY (DEFICIT)		
Preferred stock; \$0.001 par value; 126,263,159 preferred shares authorized;		
Preferred Series D; 84,572,538 shares authorized; 363,097 and 363,097 shares issued and outstanding at December 31, 2024 and September 30, 2024, respectively (preference in liquidation of \$159,000 and \$159,000 at December 31, 2024 and September 30, 2024, respectively)	363	363
Preferred Series C; 24,874,079 shares authorized; 458 and 458 shares issued and outstanding at December 31, 2024 and September 30, 2024, respectively (preference in liquidation of \$4,049 and \$10,696,895 at December 31, 2024 and September 30, 2024, respectively)	—	—
Preferred Series A; 83,859 shares authorized; 648 and 648 shares issued and outstanding at December 31, 2024 and September 30, 2024, respectively (preference in liquidation of \$836 and \$836 at December 31, 2024 and September 30, 2024, respectively)	1	1
Common stock; \$0.001 par value; 5,000,000,000 shares authorized at December 31, 2024 and September 30, 2024; 404,334 and 76,288 shares issued and outstanding at December 31, 2024 and September 30, 2024 respectively (*)	404	76
Additional paid-in capital (*)	2,331,034,194	2,290,664,472
Accumulated deficit	(2,434,109,495)	(2,319,220,938)
TOTAL STOCKHOLDERS' EQUITY (DEFICIT) ATTRIBUTABLE TO THE COMPANY'S STOCKHOLDERS	(103,074,533)	(28,556,026)
Noncontrolling interest	8,865,194	12,010,149
TOTAL STOCKHOLDERS' EQUITY (DEFICIT)	(94,209,339)	(16,545,877)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	\$173,017,097	\$178,631,289

(*) Adjusted retroactively for reverse stock splits, see *Note 1 - Description of Business and Basis of Presentation*

See accompanying notes to these unaudited condensed consolidated financial statements.

MULLEN AUTOMOTIVE INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
 (unaudited)

	Three months ended December	
	31,	
	2024	2023
Revenue from sale of vehicles	\$2,920,485	\$—
Cost of revenues	6,588,933	—
Gross loss	(3,668,448)	—
Operating expenses:		
General and administrative	\$36,484,409	\$43,234,052
Research and development	11,282,375	16,169,967
Loss from operations	(51,435,232)	(59,404,019)
Other income (expense):		
Other financing costs - initial recognition of warrants	(16,078,622)	—
Gain/(loss) on warrants and derivative liability revaluation	(34,629,786)	(6,728,981)
Gain/(loss) on extinguishment of debt	1,553,771	—
Interest expense	(18,665,369)	(258,023)
Other income, net	457,993	671,406
Total other income (expense)	(67,362,013)	(6,315,598)
Net loss before income tax benefit	\$(118,797,245)	\$(65,719,617)
Income tax benefit/ (provision)	(600)	1,726,238
Net loss	(118,797,845)	(63,993,379)
Net loss attributable to noncontrolling interest	(3,909,288)	(2,598,481)
Net loss attributable to stockholders	\$(114,888,557)	\$(61,394,898)
Waived/(accrued) accumulated preferred dividends and other capital transactions with preferred stockholders	(24,728)	(21,303)
Net loss attributable to common stockholders after preferred dividends and other capital transactions with preferred stockholders	\$(114,913,285)	\$(61,416,201)
Net Loss per Share (*)	\$(661.33)	\$(91,940.42)
Weighted average shares outstanding, basic and diluted (*)	173,762	668

(*) Adjusted retroactively for reverse stock splits, see Note 1 - Description of Business and Basis of Presentation.

See accompanying notes to these unaudited condensed consolidated financial statements.

MULLEN AUTOMOTIVE INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 – LIQUIDITY, CAPITAL RESOURCES, AND GOING CONCERN

These unaudited interim condensed consolidated financial statements have been prepared on the basis that assumes the Company will continue as a going concern which contemplates the realization of assets and satisfaction of liabilities and commitments in the ordinary course of business.

The Company evaluated whether there are any conditions and events, considered in the aggregate, that raise substantial doubt about its ability to continue as a going concern over the next twelve months from the date of filing this report. The Company's principal source of liquidity consists of existing cash and restricted cash of approximately \$2.7 million as of December 31, 2024. During the three months ended December 31, 2024, the Company used approximately \$25.6 million of cash for operating activities. The net working capital deficit on December 31, 2024 amounted to approximately \$186.2 million, or \$41.2 million after excluding derivative and warrant liabilities and liabilities to issue stock that are supposed to be settled by issuing common stock without using cash. For the three months ended December 31, 2024, the Company incurred a net loss of \$118.8 million and, and as of December 31, 2024, our accumulated deficit was \$2.4 billion.

The Company believes that its available liquidity will not be sufficient to meet its current obligations for a period of at least twelve months from the date of the filing of these unaudited interim condensed consolidated financial statements. Accordingly, the Company has concluded there is substantial doubt about its ability to continue as a going concern. During the quarter ended December 31, 2024, the Company made the decision to temporarily shut down key production facilities due to short-term liquidity constraints. This action directly impacts our ability to produce vehicles. Should this shutdown continue, our cash flows from operating activities are expected to be further negatively impacted, which would further worsen the Company's cash position. Management is pursuing several strategies to address liquidity concerns, including equity or debt financing and cost reduction and operational restructuring. Despite these efforts, there is no assurance that these initiatives will be successful. Without additional funding, the Company may be unable to continue operations and could be required to seek bankruptcy protection within 30 days of the issuance of these financial statements.

These unaudited interim condensed consolidated financial statements do not include any adjustments to the carrying amounts of assets or liabilities that may result from the outcome of these uncertainties.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies are defined as those that reflect significant judgments and uncertainties, and potentially result in materially different results under different assumptions and conditions. See our 2024 Annual Report for a detailed discussion of our accounting policies.