

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

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2025

or

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

For the transition period from _____ to _____

Commission file number 001-34426



Astrotech Corporation

(Exact Name of Registrant as Specified in its Charter)

Delaware

State or Other Jurisdiction of
Incorporation or Organization

91-1273737

I.R.S. Employer Identification No.

1817 W. Braker Lane, Suite 400, Austin, Texas

Address of Principal Executive Offices

78758

Zip Code

(512) 485-9530

Registrant's Telephone Number, Including Area Code

Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report

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

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

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

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

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

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

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

As of November 11, 2025, the number of shares of the registrant’s common stock issued and outstanding was: 1,758,953.

ASTROTECH CORPORATION AND SUBSIDIARIES
QUARTERLY REPORT ON FORM 10-Q
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PART I: FINANCIAL INFORMATION
ITEM 1. Condensed Consolidated Financial Statements

ASTROTECH CORPORATION AND SUBSIDIARIES
Condensed Consolidated Balance Sheets
(In thousands, except share and per share data)

	September 30, 2025 (Unaudited)	June 30, 2025 (Note)
Assets		
Current assets		
Cash and cash equivalents	\$ 2,646	\$ 3,100
Short-term investments	11,290	15,108
Accounts receivable	354	485
Contract Asset	—	—
Inventory, net:		
Raw materials	2,342	2,194
Work-in-process	286	425
Finished goods	454	310
Prepaid expenses and other current assets	821	353
Total current assets	18,193	21,975
Property and equipment, net	2,606	2,395
Intangible asset, net	50	48
Operating lease right-of-use assets, net	2,044	2,225
Other assets, net	347	346
Total assets	\$ 23,240	\$ 26,989
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable	\$ 613	\$ 1,066
Payroll related accruals	534	529
Accrued expenses and other liabilities	328	451
Lease liabilities, current	384	405
Total current liabilities	1,859	2,451
Accrued expenses and other liabilities, net of current portion	134	164
Lease liabilities, net of current portion	2,160	2,274
Total liabilities	4,153	4,889
Commitments and contingencies (Note 14)		
Stockholders' equity		
Convertible preferred stock, \$0.001 par value, 2,500,000 shares authorized; 280,898 shares of Series D issued and outstanding at September 30, 2025, and June 30, 2025	—	—
Common stock, \$0.001 par value, 250,000,000 shares authorized at September 30, 2025, and June 30, 2025, respectively; 1,769,269 shares issued at September 30, 2025, and June 30, 2025, respectively; 1,758,953 and 1,701,729 shares outstanding at September 30, 2025, and June 30, 2025, respectively	190,643	190,643
Treasury shares, 10,316 at September 30, 2025, and June 30, 2025, respectively	(119)	(119)
Additional paid-in capital	83,614	83,310
Accumulated deficit	(254,335)	(250,870)
Accumulated other comprehensive loss	(716)	(864)
Total stockholders' equity	19,087	22,100
Total liabilities and stockholders' equity	\$ 23,240	\$ 26,989

See accompanying notes to unaudited condensed consolidated financial statements.

ASTROTECH CORPORATION AND SUBSIDIARIES
Condensed Consolidated Statements of Operations and Comprehensive Loss
(In thousands, except per share data)
(Unaudited)

	Three Months Ended September 30,	
	2025	2024
Revenue	\$ 297	\$ 34
Cost of revenue	109	25
Gross profit	188	9
Operating expenses:		
Selling, general and administrative	1,780	1,688
Research and development	1,944	1,949
Total operating expenses	3,724	3,637
Loss from operations	(3,536)	(3,628)
Other income and expense, net	71	350
Net loss	\$ (3,465)	\$ (3,278)
Weighted average common shares outstanding:		
Basic and diluted	1,673	1,631
Basic and diluted net loss per common share:		
Net loss per common share	\$ (2.07)	\$ (2.01)
Other comprehensive loss, net of tax:		
Net loss	\$ (3,465)	\$ (3,278)
Available-for-sale securities:		
Net unrealized gain (loss)	148	316
Total comprehensive loss	\$ (3,317)	\$ (2,962)

See accompanying notes to unaudited condensed consolidated financial statements.

ASTROTECH CORPORATION
Condensed Consolidated Statement of Changes in Stockholders' Equity
(In thousands)
(Unaudited)

	<u>Preferred Stock</u> <u>Series D</u>		<u>Common Stock</u>		<u>Treasury</u> <u>Stock</u> <u>Amount</u>	<u>Additional</u> <u>Paid-In</u> <u>Capital</u>	<u>Accumulated</u> <u>Deficit</u>	<u>Accumulated</u> <u>Other</u> <u>Comprehensive</u> <u>Loss</u>	<u>Total</u> <u>Stockholders'</u> <u>Equity</u>
	<u>Number of</u> <u>Shares</u> <u>Outstanding</u>	<u>Amount</u>	<u>Number of</u> <u>Shares</u> <u>Outstanding</u>	<u>Amount</u>					
Balance at June 30, 2025	281	\$ —	1,759	\$ 190,643	\$ (119)	\$ 83,310	\$ (250,870)	\$ (864)	\$ 22,100
Net change in available-for-sale marketable securities	—	—	—	—	—	—	—	148	148
Stock-based compensation	—	—	—	—	—	304	—	—	304
Net loss	—	—	—	—	—	—	(3,465)	—	(3,465)
Balance at September 30, 2025	281	\$ —	1,759	\$ 190,643	\$ (119)	\$ 83,614	\$ (254,335)	\$ (716)	\$ 19,087

	<u>Preferred Stock</u> <u>Series D</u>		<u>Common Stock</u>		<u>Treasury</u> <u>Stock</u> <u>Amount</u>	<u>Additional</u> <u>Paid-In</u> <u>Capital</u>	<u>Accumulated</u> <u>Deficit</u>	<u>Accumulated</u> <u>Other</u> <u>Comprehensive</u> <u>Loss</u>	<u>Total</u> <u>Stockholders'</u> <u>Equity</u>
	<u>Number of</u> <u>Shares</u> <u>Outstanding</u>	<u>Amount</u>	<u>Number of</u> <u>Shares</u> <u>Outstanding</u>	<u>Amount</u>					
Balance at June 30, 2024	281	\$ —	1,702	\$ 190,643	\$ (119)	\$ 82,480	\$ (237,020)	\$ (1,177)	\$ 34,807
Net change in available-for-sale marketable securities	—	—	—	—	—	—	—	316	316
Stock-based compensation	—	—	—	—	—	216	—	—	216
Net loss	—	—	—	—	—	—	(3,278)	—	(3,278)
Balance at September 30, 2024	281	\$ —	1,702	\$ 190,643	\$ (119)	\$ 82,696	\$ (240,298)	\$ (861)	\$ 32,061

See accompanying notes to unaudited condensed consolidated financial statements.

ASTROTECH CORPORATION AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
(In thousands)
(Unaudited)

	Three Months Ended September 30,	
	2025	2024
Cash flows from operating activities:		
Net loss	\$ (3,465)	\$ (3,278)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation	304	216
Depreciation and amortization	236	232
Amortization of operating lease right-of-use assets	66	36
Interest on financing leases	1	2
Loss on disposal of asset	—	—
Changes in assets and liabilities:		
Accounts receivable	132	(14)
Contract asset	—	—
Inventory, net	(153)	(224)
Income tax payable	—	—
Accounts payable	(453)	276
Deferred revenue		
Other assets and liabilities	(590)	(863)
Repayment of financing liability in connection with internal-use software	-	(28)
Operating lease liabilities	(14)	(41)
Net cash used in operating activities	(3,936)	(3,686)
Cash flows from investing activities:		
Purchases of property and equipment	(448)	(193)
Purchases of intangible assets	-	—
Proceeds from short-term investments	3,966	-
Net cash provided by investing activities	3,518	(193)
Cash flows from financing activities:		
Repayment of financing liability in connection with internal-use software	(28)	—
Repayments on finance lease liabilities	(8)	(45)
Net cash used in financing activities	(36)	(45)
Net change in cash and cash equivalents	\$ (454)	\$ (3,924)
Cash and cash equivalents at beginning of period	3,100	10,442
Cash and cash equivalents at end of period	\$ 2,646	\$ 6,518
Supplemental disclosures of cash flow information:		
Cash paid for interest	\$ 9	\$ 4
Income taxes paid		\$ 1
Non-cash financing activities: Finance lease expenditures incurred but not paid for as of the end of the period	\$ 21	—
Operating Right of Use assets	—	

See accompanying notes to unaudited condensed consolidated financial statements.

ASTROTECH CORPORATION AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements (Unaudited)

(1) General Information

Business Overview

The terms “Astrotech”, “the Company”, “we”, “us”, or “our” refer to Astrotech Corporation (Nasdaq: ASTC), a Delaware corporation organized in 1984.

Our mission is to expand access to mass spectrometry (“MS”) and its use through the deployment of devices designed specifically for the appropriate levels of precision required in high-volume, real-time testing environments such as airports, border checkpoints, cargo hubs, infrastructure security, correctional facilities, military bases, law enforcement centers, and industrial locations. The Astrotech Mass Spectrometer Technology™ (“AMS Technology”) platform achieves our mission through simplifying the user interface, automating the complicated calibration process, ruggedizing the critical components to endure MS field work, and enabling multiple configurations for sample intake options.

We are commercializing the AMS Technology through application specific, wholly owned subsidiaries described below.

- Astrotech Technologies, Inc. (“ATI”) owns and licenses the intellectual property related to the AMS Technology.
- 1st Detect Corporation (“1st Detect”) is a manufacturer of explosives trace detectors (“ETDs”) and narcotics trace detectors (“NTDs”) developed for use in security and detection at airports, border checkpoints, cargo hubs, infrastructure security, correctional facilities, military bases, and law enforcement centers. 1st Detect holds an exclusive AMS Technology license from ATI for air passenger and cargo security applications as well as narcotics detection.
- AgLAB, Inc. (“AgLAB”) is developing a series of mass spectrometers for use in the hemp and cannabis market with initial focus on optimizing yields in the distillation processes. AgLAB holds an exclusive AMS Technology license from ATI for applications in the agriculture industry which require analyzing complex chemical compounds found in organic plant material and extracts.
- BreathTech Corporation (“BreathTech”) is developing a breath analysis tool to screen for volatile organic compound (“VOC”) metabolites found in a person’s breath that could indicate a compromised condition including but not limited to a bacterial or viral infection. BreathTech holds an exclusive AMS Technology license from ATI for breath analysis applications.
- Pro-Control, Inc. (“Pro-Control”) is focused on applying the AMS Technology in industrial process control applications. The mass spectrometer and process are designed to test, measure and increase reaction intermediates, purity and percent yields in industrial processes. Pro-Control holds an exclusive AMS Technology license from ATI for the distillation of chemicals outside of the agriculture industry.
- EN-SCAN, Inc. (“EN-SCAN”) is developing advanced environmental testing and monitoring solutions, integrating gas chromatography and mass spectrometry technology in rugged, portable designs. EN-SCAN’s products are expected to support industrial, environmental, and regulatory applications, helping organizations meet compliance requirements and environmental safety. EN-SCAN will use proprietary ATi Gas Chromatograph and AMS Technology license from ATI for instant feedback to accurately detect soil, water, and air contamination source location and migration.

Principles of Consolidation and Basis of Presentation

The accompanying condensed consolidated financial statements of Astrotech Corporation and Subsidiaries (collectively the “Company”) have been prepared without audit, pursuant to the rules and regulations of the Securities and Exchange Commission (“SEC”). Certain information and disclosures required by accounting principles generally accepted in the United States have been condensed or omitted pursuant to such rules and regulations. These condensed financial statements reflect all adjustments that, in the opinion of management, are necessary to present fairly the results of operations of the Company for the period presented. The results of operations for the three months ended September 30, 2025, are not necessarily indicative of the results that may be expected for any future period or the fiscal year ending June 30, 2026 and should be read in conjunction with the Company’s Annual Report on Form 10-K for the fiscal year ended June 30, 2025, filed with the SEC.

Segment Information

The accounting guidance on Segment Reporting establishes standards for reporting information regarding operating segments in annual financial statements and requires selected information of those segments to be presented in financial statements. Operating segments are identified as components of an enterprise for which separate discrete financial information is available for evaluation by the chief operating decision maker (the “CODM”), the Chief Executive Officer, in making decisions on how to allocate resources and assess performance. Net sales attributed to customers in the United States and foreign countries as of September 30, 2025, and June 30, 2025 were as follows:

Revenue by Segment

(In thousands)	September 30, 2025	September 30, 2024
United States	\$ 256	\$ —
Foreign Countries	41	34
Total Revenue	\$ 297	\$ 34

Product Revenue

(In thousands)	September 30, 2025	September 30, 2024
Training Revenue	\$ 20	—
Grant Revenue	234	—
Service Revenue	30	9
Warranty Revenue	13	25
Total Revenue	\$ 297	\$ 34

Accounting Pronouncements

In December 2023, the FASB issued ASU 2023-09, “Income Taxes (Topic 740): *Improvements to Income Tax Disclosures*” which is intended to enhance the transparency and decision usefulness of income tax disclosures. The guidance addresses investor requests for enhanced income tax information primarily through changes to the rate reconciliation and income taxes paid information. The guidance is effective for annual periods beginning after December 15, 2024. We adopted this standard in fiscal year 2025. This pronouncement has *not* impacted the Company’s consolidated financial statements.

Recently Issued Accounting Standards Not Yet Adopted

In November 2024, the FASB issued Accounting Standards Update 2024-03 “Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40)” which requires that at each interim and annual reporting period an entity:

1. Disclose the amounts of (a) purchases of inventory, (b) employee compensation, (c) depreciation, (d) intangible asset amortization, and (e) depreciation, depletion, and amortization included in each relevant expense caption. A relevant expense caption is an expense caption presented on the face of the income statement within continuing operations that contains any of the listed expense categories.
2. Include certain amounts that are already required to be disclosed under current generally accepted accounting principles (GAAP) in the same disclosure as the other disaggregation requirements.
3. Disclose a qualitative description of the amounts remaining in relevant expense captions that are not separately disaggregated quantitatively.
4. Disclose the total amount of selling expenses and, in annual reporting periods, an entity’s definition of selling expenses.

These amendments are effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027: either (1) prospectively to financial statements issued for reporting periods after the effective date of this Update or (2) retrospectively to any or all prior periods presented in the financial statements. The Company expects to enhance disclosures of expenses based on new requirements.

In November 2024, the FASB also issued Accounting Standards Update 2024-04 “Debt - Debt with Conversion and Other Options (Subtopic 470-20) “Induced Conversions of Convertible Debt Instruments” to clarify the requirements for determining whether certain settlements of convertible debt instruments should be accounted for as an induced conversion. Under the amendments, to account for a settlement of a convertible debt instrument as an induced conversion, an inducement offer is required to provide the debt holder with, at a minimum, the consideration (in form and amount) issuable under the conversion privileges provided in the terms of the instrument. An entity should assess whether this criterion is satisfied as of the date the inducement offer is accepted by the holder. If, when applying this criterion, the convertible debt instrument had been exchanged or modified (without being deemed substantially different) within the one-year period leading up to the offer acceptance date, an entity should compare the terms provided in the inducement offer with the terms that existed one year before the offer acceptance date. The amendments in this Update also clarify that the induced conversion guidance applies to a convertible debt instrument that is not currently convertible as long as it had a substantive conversion feature as of both its issuance date and the date the inducement offer is accepted. The amendments are effective for all entities for annual reporting periods beginning after December 15, 2025, and interim reporting periods within those annual reporting periods. The Company is examining the impact this pronouncement may have on the Company’s consolidated financial statements.

Other accounting pronouncements issued but not yet effective are not believed by management to be relevant or to have a material impact on the Company’s present or future consolidated financial statements.

(2) Investments

The following tables summarize gains and losses related to the Company's investments as of September 30, 2025, and June 30, 2025, respectively:

Available-for-Sale Investments (In thousands)	September 30, 2025			
	Adjusted Cost	Unrealized Gain	Unrealized Loss	Fair Value
Mutual Funds - Corporate & Government Debt	\$ 7,246	\$ —	\$ (553)	\$ 6,693
ETFs - Corporate & Government Debt	4,760	—	(163)	4,597
Total	\$ 12,006	\$ —	\$ (716)	\$ 11,290

Available-for-Sale Investments (In thousands)	June 30, 2025			
	Adjusted Cost	Unrealized Gain	Unrealized Loss	Fair Value
Mutual Funds - Corporate & Government Debt	\$ 10,547	\$ —	\$ (668)	\$ 9,879
ETFs - Corporate & Government Debt	5,425	—	(196)	5,229
Total	\$ 15,972	\$ —	\$ (864)	\$ 15,108

As of September 30, 2025, and June 30, 2025, the Company had no long-term investments. For more information about the fair value of the Company's financial instruments, see footnote 10.

The following table presents the carrying amounts of certain financial instruments as of September 30, 2025, and June 30, 2025, respectively:

(In thousands)	Carrying Value		Carrying Value	
	Short-Term Investments		Long-Term Investments	
	September 30, 2025	June 30, 2025	September 30, 2025	June 30, 2025
Money Market Funds				
Mutual Funds - Corporate & Government Debt	\$ 6,693	\$ 9,879	\$ —	\$ —
ETFs - Corporate & Government Debt	4,597	5,229	—	—
Total	\$ 11,290	\$ 15,108	\$ —	\$ —

(3) Leases

On April 27, 2021, the Company entered into a lease for a research and development facility of approximately 5,960 square feet in Austin, Texas (the "R&D Facility"). On January 20, 2025, entered into the Donley Facilities Lease Extension as further described below.

On November 22, 2022, Astrotech entered into a sublease agreement for an additional facility directly adjacent to the R&D facility (the "Subleased Facility"). The Subleased Facility consists of approximately 3,900 square feet and will provide the space needed as the Company launches its AgLAB products and continues its R&D efforts at ATI and BreathTech. The sublease commenced on December 1, 2022, and has a lease term of 29 months. The R&D Facility and the Subleased Facility are collectively referred to herein as the "Donley Facilities."

On January 20, 2025, the Company entered into a lease extension to extend the terms of the leases associated with the Donley Facilities, effective May 1, 2025 ("Donley Facilities Lease Extension"). We are currently continuing the lease on a month-to-month basis. The monthly rent for the Donley Facilities is \$14,186 during the initial extension period.

On January 29, 2025, we entered into a new lease agreement for a facility of approximately 17,628 square feet in Austin, Texas (the "Metric Facility") for a term of 89 months, which such term commences July 1, 2025. The Metric Facility is intended to support and encompass all Austin-based functions. Our total contractual base rent obligation for the Metric Facility is approximately \$3.0 million, less a tenant allowance of \$317.3 thousand.

The balance sheet presentation of the Company's operating and finance leases is as follows:

(In thousands)	Classification on the Condensed Consolidated Balance Sheet	September 30, 2025	June 30, 2025
Assets:			
Operating lease assets	Operating leases, right-of-use assets, net	\$ 2,044	\$ 2,225
Financing lease assets	Property and equipment, net	\$ 202	79
Total lease assets		\$ 2,246	\$ 2,304
Liabilities:			
Current:			
Operating lease obligations	Lease liabilities, current	\$ 360	\$ 381
Financing lease obligations	Lease liabilities, current	24	24
Non-current:			
Operating lease obligations	Lease liabilities, non-current	2,115	2,225
Financing lease obligations	Lease liabilities, non-current	45	49
Total lease liabilities		\$ 2,544	\$ 2,679

Future minimum lease payments as of September 30, 2025, under non-cancellable leases are as follows (in thousands):

(In thousands)		Operating Leases	Financing Leases	Total
For the Year Ended September 30,				
2026	\$	284	\$ 20	\$ 304
2027		361	27	388
2028		374	27	401
2029		388	—	388
2030		403	—	403
2031		454	—	454
Thereafter		692	—	692
Total lease obligations		2,956	74	3,030
Less: imputed interest		(481)	(5)	(486)
Present value of net minimum lease obligations		2,475	69	2,544
Less: lease liabilities - current		(360)	(24)	(384)
Lease liabilities - non-current	\$	2,115	\$ 45	\$ 2,160

Other information as of September 30, 2025, is as follows:

Weighted-average remaining lease term (years):	
Operating leases	7.17
Financing leases	2.75
Weighted-average discount rate:	
Operating leases	4.8%
Financing leases	6.1%

Cash payments for operating leases for the three months ended September 30, 2025, and 2024 were \$63 thousand and \$43 thousand, respectively. Cash payments for financing leases for the three months ended September 30, 2025, and 2024, were \$8 thousand and \$45 thousand respectively.

(4) Property and Equipment, net

As of September 30, 2025, and June 30, 2025, property and equipment, net consisted of the following, respectively:

(In thousands)	September 30, 2025	June 30, 2025
Furniture, fixtures, equipment & leasehold improvements	\$ 3,756	\$ 3,960
Software	323	323
Capital improvements in progress	775	327
Gross property and equipment	4,854	4,610
Accumulated depreciation and amortization	(2,248)	(2,215)
Property and equipment, net	\$ 2,606	\$ 2,395

Depreciation and amortization expense of property and equipment was \$236 thousand and \$232 thousand for the three months ended September 30, 2025, and 2024, respectively. Total depreciation and amortization expense includes finance lease right-of-use asset amortization of \$31 thousand for each of the three months ended September 30, 2025, and 2024, respectively.

(5) Intangible Assets, net

As of September 30, 2025, and June 30, 2025, intangible assets, net consisted of the following, respectively:

(In thousands)	September 30, 2025	June 30, 2025
Indefinite-life intangible asset	\$ 50	\$ 50
Accumulated amortization	—	(2)
Intangible Assets, net	\$ 50	\$ 48

The indefinite-life intangible asset consists of a license from a national laboratory for technology used in gas chromatographic products.

(6) Warranty Reserve

Astrotech offers its customers warranties on the products that it sells. These warranties typically provide for repairs and maintenance of the products if problems arise during a specified period after original shipment. Concurrent with the sale of products, the Company records a provision for estimated warranty expenses with a corresponding increase in cost of goods sold. The Company periodically adjusts this provision based on historical experience and anticipated expenses. The Company charges actual expenses of repairs under warranty, including parts and labor, to this provision when incurred. The current obligation for warranty provision is included in accrued expenses and other liabilities in the condensed consolidated balance sheets. The warranty reserve balance was \$173 thousand and \$197 thousand of as September 30, 2025, and June 30, 2025, respectively.

(7) Stockholders' Equity

Preferred Stock

The Company has issued 280,898 shares of Series D convertible preferred stock ("Series D Preferred Shares"), all of which were issued and outstanding as of September 30, 2025. Series D Preferred Shares are convertible to common stock on a one-to-thirty basis. Series D Preferred Shares are not callable by the Company. The holder of the preferred stock is entitled to receive, and we shall pay, dividends on shares equal to and in the same form as dividends actually paid on shares of common stock when, and if, such dividends are paid on shares of common stock. No other dividends are paid on the preferred shares. Preferred shares have no voting rights. Upon liquidation, dissolution, or winding-up of the Company, whether voluntary or involuntary, the preferred shares have preference over common stock. The holder of Series D Preferred Shares has the option to convert said shares to common stock at the holder's discretion.

Common Stock

The Company has issued 1,769,269 shares of common stock and has outstanding shares of common stock of 1,758,953 as of September 30, 2025. Treasury shares of 10,316 are the difference between issued and outstanding shares.

We did not issue common stock during the three months ended September 30, 2025.

Rights Plan

On December 21, 2022, the Company's Board of Directors adopted a limited duration stockholder rights plan (the "Rights Plan") expiring December 20, 2023 and declared a dividend of one preferred share purchase right for each outstanding share of common stock to stockholders of record on January 5, 2023 to purchase from the Company one one-thousandth of a share of Series A Junior Participating Preferred Stock, par value \$0.001 per share, of the Company for an exercise price of \$58.00 once the rights become exercisable, subject to the terms of and adjustment as provided in the related rights agreement.

On December 18, 2023, the Company entered into Amendment No. 1 to Rights Agreement between the Company and Equiniti Trust Company, as Rights Agent (the "Amendment"), which extended the Final Expiration Date (as defined in the Rights Plan) to December 20, 2024. On December 12, 2024, the Company entered into Amendment No. 2 to the Rights Agreement between the Company and the Rights Agent, which extends the Final Expiration Date to December 20, 2025, unless the Final Expiration Date is further extended by the Company or the rights subject to the Rights Plan are earlier redeemed or exchanged by the Company in accordance with the terms of the Rights Plan. All other terms and conditions of the Rights Plan remain unchanged.

Warrants

A summary of the common stock warrant activity for the three months ended September 30, 2025, is presented below:

	Number of Shares Underlying Warrants (In thousands)	Weighted Average Exercise Price	Aggregate Fair Market Value at Issuance (In thousands)	Weighted Average Remaining Contractual Term (Years)
Outstanding June 30, 2025	77	\$ 69.04	\$ 3,553	0.63
Warrants issued	—	—	—	—
Warrants exercised	—	—	—	—
Warrants expired	—	—	—	—
Outstanding September 30, 2025	77	\$ 69.04	\$ 3,553	0.38

(8) Net Loss per Share

Basic net loss per share is computed based on the weighted average number of shares of common stock outstanding during the period. Diluted net loss per share is computed based on the weighted average number of common shares outstanding plus the effect of potentially dilutive common shares outstanding during the period using the treasury stock method and the if-converted method. Potentially dilutive common shares include outstanding stock options and share-based awards.

The following table reconciles the numerators and denominators used in the computations of both basic and diluted net loss per share:

(In thousands, except per share data)	Three Months Ended September 30,	
	2025	2024
Numerator:		
Net loss	\$ (3,465)	\$ (3,278)
Denominator:		
Denominator for basic and diluted net loss per share — weighted average common stock outstanding	1,673	1,631
Basic and diluted net loss per common share:		
Net loss per common share	\$ (2.07)	\$ (2.01)

All unvested restricted stock awards and convertible Series D preferred shares for the three months ended September 30, 2025, are not included in diluted net loss per share, as the impact to net loss per share would be anti-dilutive. Options to purchase 275,462 shares of common stock at exercise prices ranging from \$4.73 to \$175.50 per share outstanding as of September 30, 2025, were not included in diluted net loss per share, as the impact to net loss per share would be anti-dilutive.

(9) Revenue Recognition

Astrotech recognizes revenue employing the generally accepted revenue recognition methodologies described under the provisions of Accounting Standards Codification ("ASC") Topic 606 "Revenue from Contracts with Customers" ("Topic 606"). The methodology used is based on contract type and how products and services are provided. The guidelines of Topic 606 establish a five-step process to govern the recognition and reporting of revenue from contracts with customers. The five steps are: (i) identify the contract with a customer, (ii) identify the performance obligations within the contract, (iii) determine the transaction price, (iv) allocate the transaction price to the performance obligations within the contract, and (v) recognize revenue when or as the performance obligations are satisfied.

An additional factor is reasonable assurance of collectability. This necessitates deferral of all or a portion of revenue recognition until assurance of collection. For the three months ended September 30, 2025, three key customers accounted for substantially all of the \$300 thousand in revenue. For the year ended September 30, 2024, the company recognized \$34 thousand in revenue, primarily from two customers which represented a significant portion of our total revenue for the three months ended September 2024.

Revenue from product and services sales are recognized when control of the goods is transferred to the customer which occurs at a point in time typically upon shipment to the customer or completion of the service. This standard applies to all contracts with customers. Warranty obligations associated with the sale of our products are assurance-type warranties that are a guarantee of the product's intended functionality and, therefore, do not represent a distinct performance obligation within the context of the contract. Warranty expense is included in cost of sales.

Contract Assets and Liabilities.

The Company enters into contracts to sell products and provide services, and it recognizes contract assets and liabilities that arise from these transactions. The Company recognizes revenue and corresponding accounts receivable according to Topic 606 and, at times, recognizes revenue in advance of the time when contracts give us the right to invoice a customer. The Company may also receive consideration, per the terms of a contract, from customers prior to transferring goods to the customer. The Company records customer deposits as deferred revenue. Additionally, the Company may receive payments, most typically for service and warranty contracts, at the onset of the contract and before services have been performed. In such instances, the Company records a deferred revenue liability. The Company recognizes these contract liabilities as sales after all revenue recognition criteria are met.

Revenue under long-term government contracts is recorded under the percentage of completion method. Revenue, billable under cost-plus-fixed-fee contracts, is recorded as costs are incurred and includes estimated earned fees in the proportion that costs incurred to date bear to total estimated costs. Costs include direct labor, direct materials, subcontractor costs and manufacturing and administrative overhead allowable under the contract. General and administrative expenses allowable under the terms of contracts are allocated per contract, depending on its direct labor and material proportion to total direct labor and material of all contracts. As contracts can extend over one or more accounting periods, revisions in earnings estimated during the course of work are reflected during the accounting period in which the facts become known. The Company does not generally provide an allowance for returns from our government customers because our customer agreements do not provide for a right of return.

Practical Expedients.

In cases where the Company is responsible for shipping after the customer has obtained control of the goods, the Company has elected to treat the shipping activities as fulfillment activities rather than as a separate performance obligation. Additionally, the Company has elected to capitalize the cost to obtain a contract only if the period of amortization would be longer than one year. The Company only considers whether a customer agreement has a financing component if the period between transfer of goods and services and customer payment is greater than one year.

Product Sales.

The Company recognizes revenue from sales of products upon shipment or delivery when control of the product transfers to the customer, depending on the terms of each sale, and when collection is probable. In the circumstance where terms of a product sale include subjective customer acceptance criteria, revenue is deferred until the Company has achieved the acceptance criteria unless the customer acceptance criteria are perfunctory or inconsequential. The Company generally offers customers payment terms of 60 days or less.

Freight.

The Company records shipping and handling fees that it charges to its customers as revenue and related costs as cost of revenue.

Multiple Performance Obligations.

Certain agreements with customers include the sale of equipment involving multiple elements in cases where obligations in a contract are distinct and thus require separation into multiple performance obligations, revenue recognition guidance requires that contract consideration be allocated to each distinct performance obligation based on its relative standalone selling price. The value allocated to each performance obligation is then recognized as revenue when the revenue recognition criteria for each distinct promise or bundle of promises has been met.

The standalone selling price for each performance obligation is an amount that depicts the amount of consideration to which the entity expects to be entitled in exchange for transferring the good or service. When there is only one performance obligation associated with a contract, the entire amount of consideration is attributed to that obligation. When a contract contains multiple performance obligations, the standalone selling price is first estimated using the observable price, which is generally a list price net of an applicable discount, or the price used to sell the good or service in similar circumstances. In circumstances when a selling price is not directly observable, the Company will estimate the standalone selling price using information available to it including its market assessment and expected cost, plus margin.

The timetable for fulfillment of each of the distinct performance obligations can range from completion in a short amount of time and entirely within a single reporting period to completion over several reporting periods. The timing of revenue recognition for each performance obligation may be dependent upon several milestones, including physical delivery of equipment, completion of site acceptance test, and in the case of after-market consumables and service deliverables, the passage of time.

(10) Fair Value Measurement

ASC Topic 820 “Fair Value Measurement” (“Topic 820”) defines fair value, establishes a market-based framework or hierarchy for measuring fair value, and expands disclosures about fair value measurements. Topic 820 is applicable whenever assets and liabilities are measured and included in the financial statements at fair value. The fair value hierarchy established in Topic 820 prioritizes the inputs used in valuation techniques into three levels as follows:

Level 1 - Quoted prices in active markets for identical assets or liabilities.

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

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

The following tables present the carrying amounts, estimated fair values, and valuation input levels of certain financial instruments as of September 30, 2025, and June 30, 2025:

	September 30, 2025				
(In thousands)	Carrying Amount	Fair Value Measured Using			Fair Value
		Level 1	Level 2	Level 3	
Available-for-Sale Investments					
Short-Term Investments					
Mutual Funds - Corporate & Government Debt	6,693	6,693	—	—	6,693
ETFs - Corporate & Government Debt	4,597	4,597	—	—	4,597
Total Available-for-Sale Investments	\$ 11,290	\$ 11,290	\$ —	\$ —	\$ 11,290

	June 30, 2025				
(In thousands)	Carrying Amount	Fair Value Measured Using			Fair Value
		Level 1	Level 2	Level 3	
Available-for-Sale Investments					
Short-Term Investments					
Mutual Funds - Corporate & Government Debt	9,879	9,879	—	—	9,879
ETFs - Corporate & Government Debt	5,229	5,229	—	—	5,229
Total Available-for-Sale Investments	\$ 15,108	\$ 15,108	\$ —	\$ —	\$ 15,108

The value of available-for-sale securities with Level 1 inputs is based on pricing from third-party pricing vendors, who use quoted prices in active markets for identical assets. The fair value measurements used for time deposits are considered Level 2 and use pricing from third-party pricing vendors who use quoted prices for identical or similar securities in both active and inactive markets.

The carrying amounts reported in the condensed consolidated balance sheets for cash and cash equivalents, short-term investments, accounts receivable, accounts payable, and accrued expenses and other liabilities at fair value or cost, which approximates fair value because of the short period of time between the origination of such instruments and their expected realization and their current market rates of interest.

As of the unaudited condensed consolidated balance sheets date, certain investment securities are required to be recorded at fair value with the change in fair value during the period being recorded as an unrealized gain or loss.

(11) Business Risk and Credit Risk Concentration Involving Cash

The Company had three customer that materially comprised all the Company's revenue for the three months ended September 30, 2025. The Company had one customer that materially comprised all the Company's revenue for the three months ended September 30, 2024.

The Company maintains funds in bank accounts that may exceed the limit insured by the Federal Deposit Insurance Corporation (the "FDIC"). The risk of loss attributable to these uninsured balances is mitigated by depositing funds in what the Company believes to be high credit quality financial institutions. The Company has not experienced any losses in such accounts. The general insurance limit is \$250,000 per separately insured depositor. The combined balances of these bank accounts as of June 30, 2025 were \$2.1 million across two financial institutions.

(12) Stock-Based Compensation

We have granted equity incentives to employees and directors in the form of stock options and restricted stock awards. The total stock-based compensation expense for all equity incentives was \$304 thousand and \$216 thousand for the three months ended September 30, 2025, and September 30, 2024, respectively.

Stock Options

The Company's stock option activity for the three months ended September 30, 2025, is as follows:

	Shares	Weighted Average Exercise Price
Outstanding at June 30, 2025	213,113	\$ 12.35
Granted	62,750	4.73
Exercised	—	—
Canceled or expired	(401)	10.96
Outstanding at September 30, 2025	275,462	\$ 10.61

The aggregate intrinsic value was \$0 for all of options exercisable and for all unvested options at September 30, 2025, because the fair value of the Company's common stock was less than the exercise prices of these options.

The table below details the Company's stock options outstanding as of September 30, 2025:

Range of exercise prices	Number Outstanding	Options Outstanding Weighted-Average Remaining Contractual Life (Years)	Weighted-Average Exercise Price	Number Exercisable	Options Exercisable Weighted-Average Exercise Price
\$ 4.73 - 9.69	117,750	9.57	\$ 5.99	6,319	\$ 9.42
\$ 10.10 - 11.27	79,480	7.98	10.12	52,990	10.12
\$ 11.51 - 19.2	76,291	7.97	14.21	46,123	15.96
\$ 159 - 175.50	1,941	1.86	170.33	1,941	170.33
\$ 4.73 - 175.50	275,462	8.62	10.61	107,373	\$ 15.49

Compensation costs recognized related to stock option awards were \$229 thousand and \$155 thousand for each of the three months ended September 30, 2025, and 2024, respectively. The remaining stock-based compensation expense of \$1 million related to stock options will be recognized over a weighted-average period of 2.07 years.

Restricted Stock

The Company's restricted stock activity for the three months ended September 30, 2025, is as follows:

	Shares	Weighted Average Grant Date Fair Value
Outstanding at June 30, 2025	85,834	\$ 14.11
Granted	—	—
Vested	(3,334)	10.10
Canceled or expired	—	—
Outstanding at September 30, 2025	82,500	\$ 17.32

Stock compensation expenses related to restricted stock were \$75 thousand and \$26 thousand for the three months ended September 30, 2025, and 2024, respectively. The remaining stock-based compensation expense of \$565 thousand related to restricted stock awards granted will be recognized over a weighted-average period of 2.14 years.

(13) Income Taxes

The company accounts for income taxes under the asset and liability method. Deferred tax assets and liabilities are recognized for the expected tax consequences of temporary differences between the tax bases of assets and liabilities and their reported amounts. Valuation allowances are established, when necessary, to reduce deferred tax assets to amounts that are more likely than not to be realized. As of September 30, 2025 the Company has a valuation allowance against all of its net deferred tax assets.

For the three months ended September 30, 2025 and 2024, the Company incurred pre-tax losses in the amount of \$3.5 million and \$3.3 million, respectively. The total effective tax rate was approximately 0% for the three months ended September 30, 2025 and 2024.

For each of the three months ended September 30, 2025 and 2024, the Company's effective tax rate differed from the federal statutory rate of 21%, primarily due to the valuation allowance placed against its net deferred tax assets.

FASB ASC 740, "Income Taxes" addresses the accounting for uncertainty in income tax recognized in an entity's financial statements and prescribes a recognition threshold and measurement attribute for financial statement disclosure of tax positions taken or expected to be taken on a tax return. The Company currently has approximately \$763 thousand of uncertain tax positions as of September 30, 2025, all of which are accounted as contra-deferred tax assets. The Company does not expect any significant changes to its uncertain tax positions in the coming 12 months.

Loss carryovers are generally subject to modification by tax authorities until three years after they have been utilized; as such, the Company is subject to examination for the fiscal years ended 2001 through present for federal purposes and fiscal years ended 2006 through present for state purposes.

(14) Commitments and Contingencies

From time to time, the Company is subject to legal and administrative proceedings, settlements, investigations, claims and actions. The Company's assessment of the likely outcome of litigation matters is based on its judgment of several of factors including experience with similar matters, history, precedents, relevant financial and other evidence and facts specific to the matter. Notwithstanding the uncertainty as to the outcome, based upon the information currently available, management does not believe any matters, individually or in aggregate, will have a material adverse effect on the Company's financial position or results of operations.

The Company establishes reserves for the estimated losses on specific contingent liabilities, for regulatory and legal actions where the Company deems a loss to be probable and the amount of the loss can be reasonably estimated. In other instances, the Company is not able to make a reasonable estimate of liability because of the uncertainties related to the outcome or the amount or range of potential loss.

(15) Subsequent Events

We have assessed our operations through the filing date of this Quarterly Report on Form 10-Q and determined that there were no material subsequent events requiring adjustment to, or disclosure in, our condensed consolidated financial statements for the three months ended September 30, 2025.

FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical fact are forward-looking statements for purposes of federal and state securities laws. Forward-looking statements may include the words “may,” “will,” “plans,” “believes,” “estimates,” “expects,” “intends,” and other similar expressions. Such statements are subject to risks and uncertainties that could cause our actual results to differ materially from those projected in the statements. Such risks and uncertainties include, but are not limited to:

- The adverse expectations regarding the global economy, inflation, the potential for recession and geopolitical tensions and any resulting sanctions, or wars;
- The effect of economic and political conditions in the United States or other nations that could impact our ability to sell our products and services or gain customers;
- Product demand and market acceptance risks, including our ability to develop and sell products and services to be used by governmental or commercial customers;
- The impact of trade barriers imposed by the U.S. government, such as import/export duties and restrictions, tariffs and quotas, and potential corresponding actions by other countries in which we conduct our business;
- Technological difficulties and potential legal claims arising from any technological difficulties;
- The risks related to the availability of, and cost inflation in, supply chain inputs, including labor, raw materials, commodities, packaging, and transportation;
- Uncertainty in government funding and support for key programs, grant opportunities, or procurements;
- The impact of competition on our ability to win new contracts;
- Our ability to meet technological development milestones and overcome development challenges; and
- Our ability to successfully identify, complete and integrate acquisitions.

While we do not intend to directly harvest, manufacture, distribute or sell cannabis or cannabis products, we may be detrimentally affected by a change in enforcement by federal or state governments and we may be subject to additional risks in connection with the evolving regulatory area and associated uncertainties. Any such effects may give rise to risks and uncertainties that are currently unknown or amplify others identified herein.

These forward-looking statements are based on management’s current expectations. These statements are neither promises nor guarantees, but involve known and unknown risks, uncertainties, and other important factors that may cause our actual results, performance, or achievements to be materially different from any future results, performance, or achievements expressed or implied by the forward-looking statements.

Although we believe that the assumptions underlying our forward-looking statements are reasonable, any of the assumptions could be inaccurate; therefore, we cannot assure you that the forward-looking statements included in this Quarterly Report on Form 10-Q will prove to be accurate. Considering the significant uncertainties inherent in our forward-looking statements, the inclusion of such information should not be regarded as a representation by us or any other person that our objectives and plans will be achieved. Some of these and other risks and uncertainties that could cause actual results to differ materially from such forward-looking statements are more fully described in our Annual Report on Form 10-K for the fiscal year ended June 30, 2025 (the "2025 Form 10-K"), elsewhere in this Quarterly Report on Form 10-Q, or those discussed in other documents we filed with the SEC. Except as may be required by applicable law, we undertake no obligation to publicly update or advise of any change in any forward-looking statement, whether as a result of new information, future events, or otherwise. In making these statements, we disclaim any obligation to address or update each factor in future filings with the Securities and Exchange Commission ("SEC") or communications regarding our business or results, and we do not undertake to address how any of these factors may have caused changes to discussions or information contained in previous filings or communications. In addition, any of the matters discussed above may have affected our past results and may affect future results, so that our actual results may differ materially from those expressed in this Quarterly Report on Form 10-Q and in prior or subsequent communications.

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

The following information should be read in conjunction with the unaudited condensed consolidated financial statements and the accompanying notes included in Part I, Item 1 of this Report.

Business Overview

The terms "Astrotech", "the Company", "we", "us", or "our" refer to Astrotech Corporation (Nasdaq: ASTC), a Delaware corporation organized in 1984. Our use of "products" and "devices" refer to the TRACER 1000™, BreathTest-1000™, AGLAB 1000™, TRACER 1000™ NTD, and Pro-Control 1000™ along with related accessories and consumables.

Our mission encompasses the advancement of both mass spectrometry and gas chromatography, two powerful analytical techniques that together enable precise detection and identification of chemical compounds across a wide range of high-demand environments. We aim to expand access to mass spectrometry and its use through the deployment of devices designed specifically for the appropriate levels of precision required in high-volume, real-time testing environments such as airports, border checkpoints, cargo hubs, infrastructure security, correctional facilities, military bases, law enforcement centers, and industrial locations. We are introducing our new line of products that are ultra-portable, on-site, rugged environmental testing instruments, featuring our proprietary ATi Gas Chromatography Column ("GC") and ATi Mass Spectrometer Technology ("MS") to achieve our mission through simplifying the user interface, ruggedizing the critical components to endure MS/GC field work, and enabling multiple configurations for sample intake options. The Astrotech Mass Spectrometer Technology™ and ATi GC platforms achieve our mission through simplifying the user interface, automating the complicated calibration process, ruggedizing the critical components to endure MS/GC field work, and enabling multiple configurations for sample intake options.

We are commercializing the Astrotech Mass Spectrometer Technology™ platform ("AMS Technology") through application specific, wholly owned subsidiaries.

Astrotech Technologies, Inc.

Astrotech Technologies, Inc. ("ATI") owns and licenses the AMS Technology, the platform MS technology originally developed by 1st Detect. The AMS Technology has been designed to be inexpensive, smaller, and easier to use when compared to traditional mass spectrometers. Unlike other technologies, the AMS Technology works under ultra-high vacuum, which eliminates competing molecules, yielding higher resolution and fewer false alarms. The intellectual property includes 16 patents granted along with extensive trade secrets. With a number of diverse market opportunities for our core technology, ATI is structured to license our intellectual property for different fields of use. ATI currently licenses the AMS Technology to our four wholly-owned subsidiaries on an exclusive basis.

1st Detect Corporation

1st Detect Corporation ("1st Detect"), a licensee of ATI for security and detection applications, has developed the TRACER 1000™, the world's first MS based explosives trace detector ("ETD") certified by the European Civil Aviation Conference ("ECAC") and approved by the U.S. Transportation Security Administration ("TSA") for air cargo. The TRACER 1000 was designed to outperform the ETDs currently used at airports, cargo and other secured facilities, and borders worldwide. We believe that ETD customers are unsatisfied with the currently deployed ETD technology, which is driven by ion mobility spectrometry ("IMS"). We further believe that some IMS-based ETDs have issues with false positives, as they often misidentify personal care products and other common household chemicals as explosives, causing facility shutdowns, unnecessary delays, frustration, and significant wasted security resources. In addition, there are hundreds of different types of explosives, but IMS-based ETDs have a very limited threat detection library reserved only for those few explosives of largest concern. Adding additional compounds to the detection library of an IMS-based ETD fundamentally reduces the instrument's performance, further increasing the likelihood of false alarms. In contrast, adding additional compounds to the TRACER 1000's detection library does not degrade its detection capabilities, as it has an extensive and easily expandable threat library.

We obtained ECAC certification in 2019 which allows us to sell the TRACER 1000 to airport and cargo security customers in the European Union and certain other countries. We currently sell the TRACER 1000 to customers who accept ECAC certification. As of September 30, 2025, we have the TRACER 1000 in approximately 34 locations in 16 countries throughout the United States of America, Europe and Asia.

In June 2024, the TSA approved 1st Detect's TRACER 1000 for the Air Cargo Security Technology List, which advanced the TRACER 1000 to Stage II testing, and permits air cargo companies in the United States to use our equipment in their operations. During Stage II testing, we are conducting field trials with the TSA. If field trials are successful, the TRACER 1000 will be added to the "qualified" list.

We have also started the process to pass TSA checkpoint testing. This process involves Developmental Test and Evaluation in which the Transportation Security Laboratory ("TSL") will test the TRACER 1000 and work with 1st Detect to ensure its readiness to enter certification testing. The certification test is then completed by the Independent Test & Evaluation department of TSL. For the fiscal year 2023, the U.S. federal government had a budget of over 6,000 ETD units at checkpoint and baggage screening points for which we believe that the TSA would benefit from utilizing our AMS Technology.

We are currently accepting orders for the TRACER 1000 ETD and NTD which are listed in the United States General Services Administration ("GSA") IT Schedule 70 under Contract No. GS-35F-250GA with SRI Group LLC, Special Item Number 334290. The TRACER 1000 ETD and NTD are high-performance laboratory instruments capable of rapid detection of trace levels of explosive and narcotic compounds in seconds. The TRACER 1000 ETD and NTD both provide a ruggedized platform that can be applied across various markets including airports, border security, checkpoint, cargo and infrastructure security, correctional facilities, military, and law enforcement. IT Schedule 70 is a long-term contract issued by the GSA to commercial technology vendors that allows sales to the United States federal government, one of the largest buyers of goods and services in the world.

On January 14, 2025, our wholly owned subsidiary, 1st Detect Corporation, announced that it has been awarded research and development contract 70RSAT24CB0000015 with the United States Department of Homeland Security ("DHS") to research, develop and mature the TRACER 1000 for DHS next generation explosives trace detection.

On March 10, 2025, we announced the launch of the enhanced TRACER 1000 Narcotic Trace Detector ("TRACER 1000 NTD"). This innovative mobilized mass spectrometer is specifically configured to screen for the full range of synthetic opiates and novel psychoactive substances ("NPS") delivering accuracy and speed to counter the global drug crisis.

In April 2025, we received a \$429,000 purchase order for TRACER 1000™ explosive trace detectors ("ETDs") from Intuitive Research and Technology, a TSA approved contractor. In April 2025, we fulfilled the purchase order and sold six TRACER 1000 explosive detectors to Intuitive Research and Technology Corporation. This is the first TSA-approved sale of our TRACER 1000 ETD, which utilizes mass spectrometry technology, known for its accuracy and low false alarm rate.

On June 12, 2025, we sold the first sale and deployment of the TRACER 1000 Narcotic Trace Detector in Vietnam, by way of its subsidiary 1st Detect. This milestone marked a significant step in expanding the 1st Detect footprint across Southeast Asia and reinforces its commitment to enhancing narcotics trace detection inspection capabilities.

We continue to showcase the TRACER 1000 NTD and ETD at trade events in the U.S.

AgLAB Inc.

AgLAB Inc. (“AgLAB”), an exclusive licensee of ATI for the use in the agriculture industry to analyze complex chemical compounds found in organic plant material and extracts, has developed the AgLAB 1000™ series of mass spectrometers for use in the hemp and cannabis markets with the initial focus on optimizing yields in the distillation process. The AgLAB product line is a derivative of our core AMS Technology. AgLAB continues to conduct field trials demonstrating that the AgLAB 1000-D2™ can be used in the distillation process to significantly improve the yields of tetrahydrocannabinol (“THC”) and cannabidiol (“CBD”) oil during distillation. The AgLAB 1000-D2™ uses the Maximum Value Process solution (“MVP”) to analyze samples in real-time and assist the equipment operator determining the ideal settings required to maximize yields.

Production and processing of hemp and cannabis is a large, worldwide industry. We believe growth in the U.S. and in the worldwide market is likely fed in part by the growing acceptance of medicinal cannabis products and anticipated legislative changes in various jurisdictions worldwide. We also believe this growth is due in part to the passage of the 2018 Farm Bill, which legalized hemp production in the U.S.

As the CBD and hemp market continues to grow, there has been an influx of new companies entering the CBD and THC supply chains, ranging from large corporations to small startups. These companies comprise AgLAB’s target market. The competition within the supply chain is fierce, with companies investing heavily in research and development to create innovative products and differentiate themselves from their competitors. However, the market remains highly fragmented, with many products of varying quality and efficacy, making it challenging for consumers to navigate. Overall, the CBD and hemp market in the U.S. is a rapidly growing industry with significant potential for continued expansion. As more research is conducted and regulations are established, we believe it is likely that the market will become more standardized and regulated, leading to increased consumer confidence and demand. Stakeholders in the industry are likely to face challenges as it matures, including increased competition and potential regulatory hurdles.

Management believes the AgLAB 1000-D2™ will deliver a compelling combination of cost and time savings while enhancing product quality and quantity for distillation processors of hemp and cannabis. The use of the AgLAB 1000-D2™ should reduce waste from current distillation practices and result in a significantly improved product. Due in large part to the Company’s proprietary technology, we believe it is the only provider of a mass spectrometry system that gives it a distinct advantage in the industry. Sales efforts for the AgLAB 1000-D2 are currently underway.

AgLAB announced the presentation of the AgLAB Maximum Value Processing at MJBizCon. The AgLAB MVP is an innovative process control system proven to increase the potency of ending-weight yields and increase revenue. The AgLAB MVP process provides real-time data, allowing distillers to adjust parameters to optimize the quality and quantity of each batch of oil. During our field trials of the AgLAB MVP, we were able to improve ending-weights yields by approximately 15% to 30% depending on application. We believe these ongoing field trials demonstrate the solution can be a valuable tool for cannabis and hemp oil processors worldwide.

On June 13, 2024, AgLAB and SC Laboratories (“SC Labs”) entered into a master lease agreement providing for the joint marketing of the AgLAB 1000-D2™ mass spectrometer and the AgLAB Maximum Value Process™ testing method to SC Labs’ clients.

BreathTech Corporation

BreathTech, an exclusive licensee of ATI for use in breath analysis applications, has developed the BreathTest-1000™, a breath analysis tool to screen for VOC metabolites found in a person’s breath that could indicate they may have compromised condition. We believe that new tools to quickly identify the presence of a VOC metabolite could play an important role in detecting and containing airborne diseases.

In conjunction with the CCF JDA, BreathTech entered into an Investigator-Initiated Study Agreement (“CCF IISA”) with The Cleveland Clinic Foundation (“Cleveland Clinic”), effective March 31, 2021, to expand the application of breath analysis by collecting and studying the gaseous portion of exhaled breath for markers of lung and systemic diseases. The pilot study concluded and the CCF IISA terminated in accordance with its terms on February 7, 2025. We currently have no active or anticipated studies with Cleveland Clinic under the CCF JDA. In addition, we have satisfied all payment obligations under the CCF JDA. We believe additional studies would be required to continue exploration of technologies which may provide non-invasive methods of monitoring and studying lung and systematic diseases.

We believe commercialization of this application with the AMS Technology would require many years and significant investment due to regulatory requirements. As such, we have determined to deploy capital instead to our other subsidiaries. We are also exploring how the advancements and knowledge derived from our research on the BreathTech use case can be applied in our other existing and potential new business units.

Pro-Control, Inc.

On December 12, 2023, we announced the formation of our new wholly owned subsidiary, Pro-Control, and ATI's entry into an exclusive license with Pro-Control to utilize our AMS Technology for industrial process control applications involving chemical distillation outside of the agriculture industry. Pro-Control uses advanced mass spectrometer instrumentation to monitor and control the production and operations of manufacturing processes using real-time, in-process samples. Pro-Control provides the vital spectral qualitative and quantitative data needed to control the production parameters (temperatures, flow, speed, and pressure) while significantly improving efficiency.

Pro-Control has introduced its proprietary Pro-Control Maximum Value Processing and the Pro-Control 1000-D2™ mass spectrometer, which in combination are designed to test, measure and increase reaction intermediates, purity and percent yields in industrial processes.

EN-SCAN, Inc.

On February 28, 2025, we announced the formation of our new wholly owned subsidiary, EN-SCAN, to manufacture and sell a new line of instruments built for environmental testing using its proprietary ATi Gas Chromatograph ("GC") and AMS Technology for outdoor field work for on-site, real-time air, water, and soil analysis providing instant feedback for accurate contamination source location and migration. With a focus on real-time monitoring, EN-SCAN is expected to enable organizations to make data-driven decisions while reducing testing costs and time delays. The EN-SCAN lineup includes EN-SCAN Rugged Lab GC-MS, EN-SCAN Fenceline Monitor, and EN-SCAN Handheld GC. Each of these three testing solutions are designed for specific applications.

Critical Accounting Estimates

The discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with United States Generally Accepted Accounting Principles ("U.S. GAAP"). The preparation of these financial statements requires us to make estimates and judgments that directly affect the reported amounts of assets, liabilities, revenues, expenses, and related disclosure of contingent assets and liabilities in our Company's consolidated financial statements and accompanying notes. A critical accounting estimate is one that involves a significant level of estimation uncertainty and have had or are reasonably likely to have a material impact on our financial condition or results of operations. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Management continuously evaluates its critical accounting policies and estimates, including those used in evaluating the recoverability of long-lived assets, recognition of revenue, valuation of inventory, and the recognition and measurement of loss contingencies, if any. Actual results may differ from these estimates under different assumptions or conditions. We believe that the following accounting policies require us to make significant judgments and estimates in the preparation of our consolidated financial statements.

Results of Operations

Three months ended September 30, 2025, compared to three months ended September 30, 2024:

Selected consolidated financial data for the three months ended September 30, 2025, and 2024 is as follows:

(In thousands)	Three Months Ended September 30,	
	2025	2024
Revenue	\$ 297	\$ 34
Cost of revenue	109	25
Gross profit	188	9
Gross margin	63%	26%
Operating expenses:		
Selling, general and administrative	1,780	1,688
Research and development	1,944	1,949
Total operating expenses	3,724	3,637
Loss from operations	(3,536)	(3,628)
Other income and expense, net	71	350
Net loss	\$ (3,465)	\$ (3,278)

Revenue – Total revenue increased by \$260 thousand during the first quarter of fiscal year 2025, compared to the same period in 2024. This increase was primarily derived from recognition of grant revenue associated with the completion of milestones in Phases I and II, which contributed \$230 thousand to total revenue. Additional revenue streams included training services and consumables both of which were higher than the prior year. Warranty revenue decreased by \$12 thousand in the first quarter of fiscal year 2025, partially offsetting the overall increase.

Cost of Revenue – Gross profit is comprised of revenue less cost of revenue. Our costs of revenue include materials, overhead, warranty expenses, shipping, and labor. Cost of revenue increased by \$84 thousand during the first quarter of fiscal year 2025 compared to the same period in 2024. This increase reflects costs associated with fulfilling grant related milestones and warranty expenses. Gross margin increased by 37% in the first quarter of fiscal year 2025 compared to the same period in 2024, primarily due to shift in revenue mix toward higher margin grant revenue and consumables.

Operating Expenses – Operating expenses increased \$87 thousand, or 2.4%, during the first quarter of fiscal year 2025, compared to the first quarter of fiscal year 2024. Significant changes to operating expenses include the following:

- Selling, general and administrative expenses increased \$92 thousand or 5.4% during the first quarter of fiscal year 2025, compared to the first quarter of fiscal year 2024 primarily due to an increase in property tax, investor relations, and the hiring of additional employees, partially offset by lower consulting fees and the absence of bonus payments.
- Research and development expenses decreased \$5 thousand, or 0.2%, during the first quarter of fiscal year 2025, compared to the first quarter of fiscal year 2024. This decrease was primarily due to a decrease in material purchases, along with slightly reduced consulting costs, partially offset by higher personnel-related expenses, including equity compensation and recruiting costs for technical hires.

Other Income and Expense, net – Other income and expense, net decreased \$279 thousand during the first quarter of fiscal year 2025, compared to the first quarter of fiscal year 2024, due to lower dividend income and a realized loss on securities.

LIQUIDITY AND CAPITAL RESOURCES

Cash Flows

The following is a summary of the change in our cash and cash equivalents:

(In thousands)	Three Months Ended September 30,		
	2025	2024	Change
Change in cash and cash equivalents:			
Net cash used in operating activities	\$ (3,936)	\$ (3,686)	\$ (250)
Net cash provided by investing activities	3,518	(193)	3,325
Net cash used in financing activities	(36)	(45)	9
Net change in cash and cash equivalents	\$ (454)	\$ (3,924)	\$ 3,084

Cash and Cash Equivalents

As of September 30, 2025, we held cash and cash equivalents of \$2.7 million, and our working capital was approximately \$16.3 million. As of June 30, 2025, we had cash and cash equivalents of \$3.1 million, and our working capital was approximately \$19.5 million. Cash and cash equivalents decreased \$0.6 million as of September 30, 2025, compared to June 30, 2025, due to funding our operating losses offset by proceeds from short-term investments.

Operating Activities

Cash used in operating activities increased \$250 thousand for the three months ended September 30, 2025, compared to the three months ended September 30, 2024, due to increased use of cash to fund operating losses and working capital.

Investing Activities

Cash provided by investing activities increased \$3.3 million for the three months ended September 30, 2025, compared to the three months ended September 30, 2024, due primarily to selling short-term time deposit investments.

Financing Activities

Cash used in financing activities was slightly lower for the three months ended September 30, 2025, compared to the three months ended September 30, 2024, due primarily to reduced payments for financing obligations.

We did not have any material off-balance sheet arrangements as of September 30, 2025.

Liquidity

There have been no material updates to our expectations for our short- and long-term liquidity and operating capital requirements since our 2025 Form 10-K.

Income Taxes

Provision for Income Tax

The Company's effective tax rate is 0% for income tax for the three months ended September 30, 2025 and the Company expects that its effective tax rate for the full fiscal year 2026 will be 0%. Based on the weight of available evidence, including net cumulative losses and expected future losses, the Company has determined that it is more likely than not that its U.S. federal and state deferred tax assets will not be realized and therefore a full valuation allowance has been provided on the U.S. federal and state net deferred tax assets.

In general, if the Company experiences a greater than 50 percentage point aggregate change in ownership over a three-year period (a Section 382 ownership change), utilization of its pre-change net operating loss (NOL) carryforwards are subject to an annual limitation under Section 382 of the Internal Revenue Code. Generally, U.S. state laws have laws similar to Internal Revenue Code Section 382. The annual limitation generally is determined by multiplying the value of the Company's stock at the time of such ownership change (subject to certain adjustments) by the applicable long-term tax-exempt rate. Such limitations may result in expiration of a portion of the NOL carryforward before utilization.

The Company files U.S. federal and state income tax returns. The Company is not currently subject to any income tax examinations. The Company has net operating loss carryovers dating back to the June 2002 year, which generally allows all tax years to remain open to income tax examinations for all years for which there are loss carryforwards.

Uncertain Tax Positions

The Company recognizes the financial statement effects of a tax position when it becomes more likely than not, based upon the technical merits, that the position will be sustained upon examination. The Company currently has approximately \$763 thousand of uncertain tax positions as of September 30, 2025, all of which are accounted as contra-deferred tax assets. The Company does not expect any significant changes to its uncertain tax positions in the coming 12 months.

Income Taxes

There was no income tax expense during the three months ended September 30, 2025. There was a \$1 thousand provision for income taxes during the three months ended September 30, 2024.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable to smaller reporting companies.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to provide reasonable assurance that information required to be disclosed by us in the reports we file or submit 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 our management, including the Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure. In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management was required to apply its judgment in evaluating and implementing possible controls and procedures. Management, including our principal executive officer and principal financial officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on this evaluation, our principal executive officer and principal financial officer have concluded that the Company's disclosure controls and procedures were effective as of September 30, 2025, at the reasonable assurance level.

Changes in Internal Controls over Financial Reporting

There have been no changes in our internal controls over financial reporting that occurred during our last fiscal quarter ended September 30, 2025, that materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

PART II: OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

From time to time, the Company is subject to legal and administrative proceedings, settlements, investigations, claims and actions. The Company's assessment of the likely outcome of litigation matters is based on its judgment of several factors including experience with similar matters, history, precedents, relevant financial and other evidence and facts specific to the matter. Notwithstanding the uncertainty as to the outcome, based upon the information currently available, management does not believe any matters, individually or in aggregate, will have a material adverse effect on the Company's financial position or results of operations.

ITEM 1A. RISK FACTORS

Our business, financial condition, results of operations, and cash flows may be impacted by several factors, many of which are beyond our control, including those set forth in our 2025 Form 10-K and our Form 10-Qs, the occurrence of any one of which could have a material adverse effect on our actual results.

There have been no material changes to the risk factors and other cautionary statements described under the heading "Item 1A Risk Factors" included in our 2025 Form 10-K.

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

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURE

Not applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Exhibit No.	Description	Incorporation by Reference
3.1	Certificate of Incorporation, as filed with the Secretary of State of the State of Delaware.	Exhibit 3.1 to Form 8-K filed on December 28, 2017.
3.2	Amended and Restated Bylaws of the Registrant (incorporated by reference to Exhibit 3.1 of the Registrant's Form 8-K filed with the Securities and Exchange Commission on August 1, 2023).	Exhibit 3.1 to Form 8-K filed on August 1, 2023.
3.3	Certificate of Designations of Series A Junior Participating Preferred Stock, as filed with the Secretary of State of the State of Delaware.	Exhibit 3.3 to Form 8-K filed on December 28, 2017.
3.4	Certificate of Designations of Preferences, Rights and Limitations of Series D Convertible Preferred Stock, as filed with the Delaware Secretary of State on April 17, 2019.	Exhibit 3.2 to Form 8-K filed on April 23, 2019.
3.5	Certificate of Amendment to the Certificate of Incorporation of Astrotech Corporation.	Exhibit 3.1 to Form 8-K filed on July 1, 2020.
3.6	Certificate of Amendment to the Certificate of Incorporation of Astrotech Corporation.	Exhibit 3.1 to Form 8-K filed on October 12, 2021.
3.7	Third Certificate of Amendment to the Certificate of Incorporation of Astrotech Corporation.	Exhibit 3.1 to Form 8-K filed on November 23, 2022.
4.1	Rights Agreement between the Company and American Stock Transfer & Trust Company, LLC, as Rights Agent, dated as of December 21, 2022.	Exhibit 4.1 to Form 8-K filed on December 21, 2022.
4.2	Amendment No. 1 to Rights Agreement dated as of December 18, 2023, to the Rights Agreement between the Company and Equiniti Trust Company, as Rights Agent, dated as of December 21, 2022.	Exhibit 4.2 to Form 8-K filed on December 18, 2023.
4.3	Amendment No. 2 to Rights Agreement dated as of December 12, 2024, to the Rights Agreement between the Company and Equiniti Trust Company, as Rights Agent, dated as of December 21, 2022.	Exhibit 4.3* to Form 8-K filed on December 12, 2024.

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Exhibit No.	Description	Incorporation by Reference
19.1	Insider Trading Policy.	Filed herewith.
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934.	Filed herewith.
31.2	Certification of Principal Financial Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1034.	Filed herewith.
32.1	Certification pursuant to Rule 13a-14(b) of the Securities Exchange Act of 1934.	Furnished herewith.
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.	Filed herewith.
101.SCH	Inline XBRL Taxonomy Extension Schema Document	Filed herewith.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document	Filed herewith.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document	Filed herewith.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document	Filed herewith.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document	Filed herewith.
104	The cover page from the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2025, has been formatted in Inline XBRL.	
†	Management contract or compensatory plan arrangement	

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.

Date: November 13, 2025

Astrotech Corporation

/s/ Thomas B. Pickens III

Thomas B. Pickens III

Chief Executive Officer, Chief Technology
Officer, and Chairman of the Board

(Principal Executive Officer and Principal Financial Officer)

**CORPORATE POLICY****Subject: Insider Trading Policy****Effective Date: July 1, 2015**

This Insider Trading Policy describes the standards of Astrotech Corporation (the "Company") on trading, and causing the trading of, the Company's securities or securities of certain other publicly-traded companies while in possession of confidential information. This policy is divided into two parts: the first part prohibits trading in certain circumstances and applies to all directors, officers and employees and their respective immediate family members of the Company and the second part imposes special additional trading restrictions and applies to all (i) directors of the Company, and (ii) officers of the Company and its subsidiaries at the manager level and above (collectively, "Covered Persons").

One of the principal purposes of the federal securities laws is to prohibit so-called "insider trading." Simply stated, insider trading occurs when a person uses material non-public information obtained through involvement with the Company to make decisions to purchase, sell, give away or otherwise trade the Company's securities or to provide that information to others outside the Company. The prohibitions against insider trading apply to trades, tips and recommendations by virtually any person, including all persons associated with the Company, if the information involved is "material" and "non-public." These terms are defined in this Policy under Part I, Section 3 below. The prohibitions would apply to any director, officer or employee who buys or sells Company stock on the basis of material non-public information that he or she obtained about the Company, its customers, suppliers or other companies with which the Company has contractual relationships or may be negotiating transactions.

PART I**1. Applicability**

This Policy applies to all trading or other transactions in the Company's securities, including common stock, options and any other securities that the Company may issue, such as preferred stock, notes, bonds and convertible securities, as well as to derivative securities relating to any of the Company's securities, whether or not issued by the Company.

This Policy applies to all employees of the Company and its subsidiaries, all officers of the Company and its subsidiaries and all members of the Company's board of directors and their respective family members.

2. General Policy: No Trading or Causing Trading While in Possession of Material Non-public Information

(a) No director, officer or employee or any of their immediate family members may purchase or sell, or offer to purchase or sell, any Company security, whether or not issued by the Company, while in possession of material non-public information about the Company. (The terms "material" and "non-public" are defined in Part I, Section 3(a) and (b) below.)



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(b) No director, officer or employee or any of their immediate family members who knows of any material non-public information about the Company may communicate that information to ("tip") any other person, including family members and friends, or otherwise disclose such information without the Company's authorization.

(c) In addition, no director, officer or employee or any of their immediate family members may purchase or sell any security of any other company, whether or not issued by the Company, while in possession of material non-public information about that company that was obtained in the course of his or her involvement with the Company. No director, officer or employee or any of their immediate family members who knows of any such material non-public information may communicate that information to, or tip, any other person, including family members and friends, or otherwise disclose such information without the Company's authorization.

(d) For compliance purposes, you should never trade, tip or recommend securities (or otherwise cause the purchase or sale of securities) while in possession of information that you have reason to believe is material and non-public unless you first consult with, and obtain the advance approval of, the Compliance Officer (which is defined in Part I, Section 3(c) below).

(e) Covered Persons must "pre-clear" all trading in securities of the Company in accordance with the procedures set forth in Part II, Section 3 below.

3. Definitions

(a) Materiality. Insider trading restrictions come into play only if the information you possess is "material." Materiality, however, involves a relatively low threshold. Information is generally regarded as "material" if it has market significance, that is, if its public dissemination is likely to affect the market price of securities, or if it otherwise is information that a reasonable investor would want to know before making an investment decision.

Information dealing with the following subjects is reasonably likely to be found material in particular situations:

- (i) significant changes in the Company's prospects;
- (ii) significant write-downs in assets or increases in reserves;
- (iii) developments regarding significant litigation or government agency investigations;
- (iv) liquidity problems;
- (v) changes in earnings estimates or unusual gains or losses in major operations;
- (vi) major changes in management;



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(vii) changes in dividends;

(viii) extraordinary borrowings;

(ix) award or loss of a significant contract;

(x) changes in debt ratings;

(xi) proposals, plans or agreements, even if preliminary in nature, involving mergers, acquisitions, divestitures, recapitalizations, strategic alliances, licensing arrangements, or purchases or sales of substantial assets;

(xii) offerings of Company securities; and

(xiii) pending statistical reports (such as, consumer price index, money supply and retail figures, or interest rate developments).

Material information is not limited to historical facts but may also include projections and forecasts. With respect to a future event, such as a merger, acquisition or introduction of a new product, the point at which negotiations or product development are determined to be material is determined by balancing the probability that the event will occur against the magnitude of the effect the event would have on a company's operations or stock price should it occur. Thus, information concerning an event that would have a large effect on stock price, such as a merger, may be material even if the possibility that the event will occur is relatively small. When in doubt about whether particular non-public information is material, presume it is material. If you are unsure whether information is material, you should consult the Compliance Officer before making any decision to disclose such information (other than to persons who need to know it) or to trade in or recommend securities to which that information relates.

(b) Non-public Information. Insider trading prohibitions come into play only when you possess information that is material and "non-public." The fact that information has been disclosed to a few members of the public does not make it public for insider trading purposes. To be "public" the information must have been disseminated in a manner designed to reach investors generally, and the investors must be given the opportunity to absorb the information. Even after public disclosure of information about the Company, you must wait until the close of business on the second trading day after the information was publicly disclosed before you can treat the information as public.

Non-public information may include:

(i) information available to a select group of analysts or brokers or institutional investors;

(ii) undisclosed facts that are the subject of rumors, even if the rumors are widely circulated; and



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(iii) information that has been entrusted to the Company on a confidential basis until a public announcement of the information has been made and enough time has elapsed for the market to respond to a public announcement of the information (normally two trading days).

As with questions of materiality, if you are not sure whether information is considered public, you should either consult with the Compliance Officer or assume that the information is "non-public" and treat it as confidential.

(c) **Compliance Officer.** The Company has appointed the Chief Financial Officer as the Compliance Officer for this Policy. The duties of the Compliance Officer include, but are not limited to, the following:

- (i) assisting with implementation and enforcement of this Policy;
- (ii) circulating this Policy to all employees and ensuring that this Policy is amended as necessary to remain up-to-date with insider trading laws;
- (iii) pre-clearing all trading in securities of the Company by Covered Persons in accordance with the procedures set forth in Part II, Section 3 below;
- (iv) providing approval of any Rule 10b5-1 plans under Part II, Section 1(c) below and any prohibited transactions under Part II, Section 4 below; and
- (v) providing a reporting system with an effective whistleblower protection mechanism.

4. Violations of Insider Trading Laws

Penalties for trading on or communicating material non-public information can be severe, both for individuals involved in such unlawful conduct and their employers and supervisors, and may include jail terms, criminal fines, civil penalties and civil enforcement injunctions. Given the severity of the potential penalties, compliance with this Policy is absolutely mandatory.

(a) **Legal Penalties.** A person who violates insider trading laws by engaging in transactions in a company's securities when he or she has material non-public information can be sentenced to a substantial jail term and required to pay a criminal penalty of several times the amount of profits gained or losses avoided.

In addition, a person who tips others may also be liable for transactions by the tippees to whom he or she has disclosed material non-public information. Tippees can be subject to the same penalties and sanctions as the tippees, and the U.S. Securities and Exchange Commission ("SEC") has imposed large penalties even when the tipper did not profit from the transaction.



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The SEC can also seek substantial civil penalties from any person who, at the time of an insider trading violation, “directly or indirectly controlled the person who committed such violation,” which would apply to the Company and/or management and supervisory personnel. These control persons may be held liable for up to the greater of \$1 million or three times the amount of the profits gained or losses avoided. Even for violations that result in a small or no profit, the SEC can seek penalties from a company and/or its management and supervisory personnel as control persons.

(b) Company-imposed Penalties. Employees who violate this Policy may be subject to disciplinary action by the Company, including dismissal for cause. Any exceptions to the Policy, if permitted, may only be granted by the Compliance Officer and must be provided before any activity contrary to the above requirements takes place.

5. Inquiries

If you have any questions regarding any of the provisions of this Policy, please contact the Compliance Officer at jhinojosa@astrotechcorp.com or 512-485-9534.

PART II

1. Blackout Periods

All Covered Persons are prohibited from trading in the Company’s securities during blackout periods as defined below.

(a) Quarterly Blackout Periods. Trading in the Company’s securities is prohibited during the period beginning at the close of the market on the day that is fourteen calendar days (two weeks) before the end of each fiscal quarter and ending at the close of the market on the second trading day following the date the Company’s financial results are publicly disclosed and Form 10-Q or Form 10-K, as applicable, is filed. During these periods, Covered Persons generally possess or are presumed to possess material non-public information about the Company’s financial results.

(b) Other Blackout Periods. From time to time, other types of material non-public information regarding the Company (such as negotiation of mergers, acquisitions or dispositions or new product developments) may be pending and not be publicly disclosed. While such material non-public information is pending, the Company may impose special blackout periods during which Covered Persons are prohibited from trading in the Company’s securities. If the Company imposes a special blackout period, it will notify the Covered Persons affected.

(c) 10b5-1 Plan Exception. These trading restrictions do not apply to transactions under a pre-existing written plan, contract, instruction, or arrangement under Rule 10b5-1 (an “Approved 10b5-1 Plan”) that:

(i) has been reviewed and approved at least one month in advance of any trades thereunder by the Compliance Officer (or, if revised or amended, such revisions or amendments have been reviewed and approved by the Compliance Officer at least one month in advance of any subsequent trades);



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(ii) was entered into in good faith by the Covered Person at a time when the Covered Person was not in possession of material non-public information about the Company; and

(iii) gives a third party the discretionary authority to execute such purchases and sales, outside the control of the Covered Person, so long as such third party does not possess any material non-public information about the Company; or explicitly specifies the security or securities to be purchased or sold, the number of shares, the prices and/or dates of transactions, or other formula(s) describing such transactions.

(d) Board Approved Transactions. The Company's board of directors may approve, on a transaction by transaction basis, exceptions to the blackout period trading restrictions with respect to transactions in the Company's stock by Covered Persons who do not, at the time of the transaction in the Company's stock, possess material non-public information about the Company. Requests for such approval by the Company's board of directors must be made in writing, and the approval must be provided to the Covered Person in writing by the board of directors or a director designated by the Company's board of directors prior to the initiation of the trade.

2. Trading Window

Covered Persons are permitted to trade in the Company's securities when no blackout period is in effect. Generally this means that Covered Persons can trade during the period beginning on the third trading day following the date the Company's financial results are publicly disclosed and Form 10-Q and Form 10-K, as applicable, is filed and ending on the close of the market on the day that is fourteen calendar days (two weeks) before the end of each fiscal quarter. However, even during this trading window, a Covered Person who is in possession of any material non-public information should not trade in the Company's securities until the information has been made publicly available or is no longer material. In addition, the Company may close this trading window if a special blackout period under Part II, Section 1(b) above is imposed and will re-open the trading window once the special blackout period has ended.

3. Pre-clearance of Securities Transactions

(a) Because Covered Persons are likely to obtain material non-public information on a regular basis, the Company requires all such persons to refrain from trading, even during a trading window under Part II, Section 2 above, without first pre-clearing all transactions in the Company's securities.

(b) Subject to the exemption in subsection (d) below, no Covered Person may, directly or indirectly, purchase or sell (or otherwise make any transfer, gift, pledge or loan of) any Company security at any time without first obtaining prior approval from the Compliance Officer. These procedures also apply to transactions by such person's spouse, other persons living in such person's household and minor children and to transactions by entities over which such person exercises control.



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(c) The Compliance Officer shall record the date each request is received and the date and time each request is approved or disapproved. Unless revoked, a grant of permission will normally remain valid until the close of trading two business days following the day on which it was granted. If the transaction does not occur during the two-day period, pre-clearance of the transaction must be re-requested.

(d) Pre-clearance is not required for purchases and sales of securities under an Approved 10b5-1 Plan. With respect to any purchase or sale under an Approved 10b5-1 Plan, the third party effecting transactions on behalf of the Covered Person should be instructed to send duplicate confirmations of all such transactions to the Compliance Officer.

4. Prohibited Transactions

(a) Directors and executive officers of the Company are prohibited from trading in the Company's equity securities during a blackout period imposed under an "individual account" retirement or pension plan of the Company during which at least 50% of the plan participants are unable to purchase, sell or otherwise acquire or transfer an interest in equity securities of the Company, due to a temporary suspension of trading by the Company or the plan fiduciary.

(b) Covered Persons, including any person's spouse, other persons living in such person's household and minor children and entities over which such person exercises control, are prohibited from engaging in the following transactions in the Company's securities unless advance approval is obtained from the Compliance Officer:

(i) Short-term trading. Covered Persons who purchase Company securities may not sell any Company securities of the same class for at least six months after the purchase;

(ii) Short sales. Covered Persons may not sell the Company's securities short;

(iii) Options trading. Covered Persons may not buy or sell puts or calls or other derivative securities on the Company's securities;

(iv) Trading on margin or pledging. Covered Persons may not hold Company securities in a margin account or pledge Company securities as collateral for a loan; and

(v) Hedging. Covered Persons may not enter into hedging or monetization transactions or similar arrangements with respect to Company securities.



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**Certification of Chief Executive Officer
Section 302 Certification**

I, Thomas B. Pickens III, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Astrotech Corporation;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations, and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in 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: November 13, 2025

/s/ Thomas B. Pickens III

Thomas B. Pickens III
Chief Executive Officer, Chief Technology Officer, and
Chairman of the Board
(Principal Executive Officer and Principal Financial Officer)

**Certification of Principal Financial Officer
Section 302 Certification**

I, Thomas B. Pickens III, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Astrotech Corporation;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations, and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in 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: November 13, 2025

/s/ Thomas B. Pickens III

Thomas B. Pickens III
Chief Executive Officer, Chief Technology
Officer, and Chairman of the Board
(Principal Executive Officer and Principal
Financial Officer)

**Certification Pursuant to 18 U.S.C. Section 1350,
as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, Thomas B. Pickens III, the Chief Executive Officer of Astrotech Corporation (the "Company"), hereby certify, that, to their knowledge:

1. The Quarterly Report on Form 10-Q for the period ended September 30, 2025 (the "Report") of the Company fully complies with the requirements of Section 13(a) or 15 (d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 13, 2025

/s/ Thomas B. Pickens III

Thomas B. Pickens III
Chief Executive Officer, Chief Technology Officer, and Chairman
of the Board
(Principal Executive Officer and Principal Financial Officer)