

CYANOTECH CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(UNAUDITED)
(in thousands)

	December 31, 2025	March 31, 2025
ASSETS		
Current assets:		
Cash	\$ 548	\$ 257
Accounts receivable, net of allowance for credit losses for both December 31, 2025 and March 31, 2025	2,247	1,953
Inventories	8,092	7,788
Prepaid expenses and other current assets	479	547
Total current assets	11,366	10,545
Equipment and leasehold improvements, net	8,056	8,927
Operating lease right-of-use assets, net	3,493	3,902
Other assets	125	116
Total assets	\$ 23,040	\$ 23,490
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 2,315	\$ 2,217
Accrued expenses	941	715
Customer deposits	68	110
Operating lease obligations, current portion	586	555
Short term debt - bank	250	760
Line of credit - related party	4,400	3,000
Current maturities of long-term debt	2,713	2,886
Total current liabilities	11,274	10,243
Long-term debt - related party	1,000	1,000
Long-term operating lease obligations	2,922	3,363
Total liabilities	15,196	14,606
Commitments and contingencies		
Stockholders' equity		
Preferred stock of \$0.01 par value, 10,000,000 shares authorized; no shares issued and outstanding	-	-
Common stock of \$0.02 par value, 50,000,000 shares authorized; 7,392,243 shares at December 31, 2025 and 7,199,908 shares at March 31, 2025 issued and outstanding	148	144
Additional paid-in capital	34,955	34,844
Accumulated deficit	(27,259)	(26,104)
Total stockholders' equity	7,844	8,884
Total liabilities and stockholders' equity	\$ 23,040	\$ 23,490

CYANOTECH CORPORATION
Condensed Consolidated Statements of Operations
(Unaudited)
(In thousands)

	Three Months Ended December 31, 2025	Nine Months Ended December 31, 2025
Net sales	\$ 5,877	\$ 18,674
Cost of sales	3,763	12,394
Gross profit	2,115	6,281
	36.0%	33.6%
Operating expenses:		
General and administrative	914	3,197
Sales and marketing	1,212	3,494
Research and development	42	195
Loss on disposal of assets	-	11
Total operating expenses	2,168	6,897
Profit/(Loss) from operations	(53)	(616)
Interest expense, net	(177)	\$ (538)
Gain on extinguishment of debt	-	
Profit/(Loss) before income taxes	(230)	(1,154)
Income tax expense	-	
Net Profit/(Loss)	\$ (230)	\$ (1,154)

CYANOTECH CORPORATION
Condensed Consolidated Statements of Stockholders' Equity/(Deficit)
For the YTD ended DECEMBER 31, 2025
(Unaudited)
(in thousands, except share data)

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
Balances at April 1, 2025	7,199,908	144	34,844	(26,104)	8,884
Issuances of common stock for Directors Stock Grants	150,000	3	39		42
Issuances of common stock to Director in lieu of cash for current year board fees					-
Issuances of common stock to Director in lieu of cash for prior year board fees					-
Issuance of vested shares of restricted stock	66,406	1	(8)		(7)
Shares withheld for tax payments	(24,071)		(3)		(3)
Share-based compensation expense			83		83
Net loss				(1,154)	(1,154)
Balances at December 31, 2025	<u>7,392,243</u>	<u>148</u>	<u>34,955</u>	<u>(27,258)</u>	<u>7,845</u>

CYANOTECH CORPORATION
Condensed Consolidated Statements of Stockholders' Equity/(Deficit)
For the Quarter ended DECEMBER 31, 2025
(Unaudited)
(in thousands, except share data)

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
(in thousands, except per share data)					
Balances at October 1, 2025	7,392,243	148	34,946	(27,028)	8,066
Issuances of common stock for Directors Stock Grants	-	-	-		-
Issuances of common stock to Director in lieu of cash for current year board fees					-
Issuances of common stock to Director in lieu of cash for prior year board fees					-
Issuance of vested shares of restricted stock	-				-
Shares withheld for tax payments	-		-		-
Share-based compensation expense			9		9
Net loss				(230)	(230)
Balances at December 31, 2025	<u>7,392,243</u>	<u>148</u>	<u>34,955</u>	<u>(27,258)</u>	<u>7,845</u>

CYANOTECH CORPORATION
Condensed Statements of Cash Flows For the quarter ended December 31, 2025
(Unaudited)
(In thousands)

	Three Months Ended December 31, 2025	Nine Months Ended December 31, 2025
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (230)	\$ (1,154)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Net cash used in operating activities	(65)	(285)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Net cash used in investing activities	(37)	(123)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net cash provided by financing activities	1	699
Net decrease in cash	(101)	291
Cash at beginning of period	649	257
Cash at end of period	\$ 548	\$ 548