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: June 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: 0-11412

AMTECH SYSTEMS, INC.

(Exact name of registrant as specified in its charter)

Arizona	86-0411215
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
58 South River Drive Suite 370, Tempe, Arizona	85288
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: 480-967-5146

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.01 per share	ASYS	NASDAQ Global Select Market

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

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

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

Large Accelerated Filer	☐	Accelerated Filer	☒
Non-Accelerated Filer	☐	Smaller Reporting Company	☒
		Emerging Growth Company	☐

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

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

At August 1, 2025, there were outstanding 14,313,963 shares of Common Stock.

AMTECH SYSTEMS, INC. AND SUBSIDIARIES
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Cautionary Note Regarding Forward-Looking Statements

Our discussion and analysis in this Quarterly Report on Form 10-Q ("Quarterly Report"), our Annual Report on Form 10-K for the fiscal year ended September 30, 2024 (the "2024 Form 10-K"), our other reports that we file with the Securities and Exchange Commission ("SEC"), our press releases and in public statements of our officers and corporate spokespersons contain "forward-looking" statements within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the Private Securities Litigation Reform Act of 1995. Forward-looking statements give our or our officers' current expectations or forecasts of future events. You can also identify forward-looking statements by discussions of strategy, plans or intentions of management. We have tried, wherever possible, to identify such statements by using words such as "may," "plan," "anticipate," "seek," "will," "expect," "intend," "estimate," "believe," "continue," "predict," "potential," "project," "should," "would," "could," "likely," "future," "target," "forecast," "goal," "observe," and "strategy" or the negative thereof or variations thereon or similar terminology relating to the uncertainty of future events or outcomes. Any expectations based on these forward-looking statements are subject to risks and uncertainties and other important factors. Some factors that could cause actual results to differ materially from those anticipated include, among others, future economic conditions, including changes in the markets in which we operate; changes in tariffs or trade policies, particularly between the U.S. and countries where we have operations or customers; changes in demand for our services and products; our revenue and operating performance; difficulties in successfully executing our growth initiatives; difficulties in executing on our strategic initiatives with respect to our Semiconductor Fabrication Solutions business segment; the effects of competition in the markets in which we operate, including the adverse impact of competitive product announcements or new entrants into our markets and transfers of resources by competitors into our markets; the cyclical nature of the semiconductor industry; pricing and gross profit pressures; control of costs and expenses; risks associated with new technologies and the impact on our business; legislative, regulatory, and competitive developments in markets in which we operate; possible future claims, litigation or enforcement actions and the results of any such claim, litigation proceeding, or enforcement action; the impact of any future pandemic or other business interruptions on our business operations, financial results and financial position; risks of future cybersecurity incidents; adverse developments affecting financial institutions, including bank failures; and other circumstances and risks identified in this Quarterly Report or referenced from time to time in our filings with the SEC. The occurrence of the events described, and the achievement of expected results, depend on many events, some or all of which are not predictable or within our control. These and many other factors could affect Amtech's future operating results and financial condition and could cause actual results to differ materially from expectations based on forward-looking statements made in this document or elsewhere by Amtech or on its behalf.

Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based on our or our officers' current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to certain risks and uncertainties. In light of these risks and uncertainties, there can be no assurance that the forward-looking information contained in this Quarterly Report will in fact transpire or prove to be accurate. You should not place undue reliance on these forward-looking statements, which speak only as of the date they were made.

The Company undertakes no obligation to update or publicly revise any forward-looking statement whether as a result of new information, future developments or otherwise after the date of this Quarterly Report. All subsequent written or oral forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by this cautionary statement. You are advised, however, to consult any further disclosures we make on related subjects in our subsequently filed Form 10-Q, Form 8-K and Form 10-K reports and our other filings with the SEC. Also note that we provide a cautionary discussion of risks, uncertainties and possibly inaccurate assumptions relevant to our business under "Item 1A. Risk Factors" of our 2024 Form 10-K. We note these factors for investors as permitted by the Private Securities Litigation Reform Act of 1995. You should understand it is not possible to predict or identify all such factors.

Unless the context indicates otherwise, the terms "Amtech," the "Company," "we," "us" and "our" refer to Amtech Systems, Inc., an Arizona corporation, together with its subsidiaries.

PART I. FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements

AMTECH SYSTEMS, INC. AND SUBSIDIARIES
Condensed Consolidated Balance Sheets
(in thousands, except share data)

	June 30, 2025		September 30, 2024	
Assets	(Unaudited)			
Current Assets				
Cash and cash equivalents	$	15,563	$	11,086
Accounts receivable (less allowance for credit losses of $126 and $103 at June 30, 2025 and September 30, 2024, respectively)		19,047		21,989
Inventories		19,620		26,867
Income taxes receivable		152		132
Other current assets		3,373		4,302
Total current assets		57,755		64,376
Property, Plant and Equipment - Net		10,445		11,647
Right-of-Use Assets - Net		17,856		16,596
Intangible Assets - Net		1,135		4,004
Goodwill		908		21,261
Deferred Income Taxes - Net		185		185
Other Assets		1,180		884
Total Assets	$	89,464	$	118,953
Liabilities and Shareholders' Equity				
Current Liabilities				
Accounts payable	$	6,899	$	5,356
Accrued compensation and related taxes		1,666		2,057
Accrued warranty expense		414		602
Other accrued liabilities		1,522		477
Current maturities of finance lease liabilities and long-term debt		112		101
Current portion of long-term operating lease liabilities		1,828		2,041
Contract liabilities		6,399		8,965
Total current liabilities		18,840		19,599
Finance Lease Liabilities and Long-Term Debt		127		189
Long-Term Operating Lease Liabilities		16,894		15,240
Income Taxes Payable		1,750		1,510
Other Long-Term Liabilities		135		57
Total Liabilities		37,746		36,595
Commitments and Contingencies (Note 9)				
Shareholders' Equity				
Preferred stock; 100,000,000 shares authorized; none issued		—		—
Common stock; $0.01 par value; 100,000,000 shares authorized; shares issued and outstanding: 14,313,963 and 14,258,879 at June 30, 2025 and September 30, 2024, respectively		143		143
Additional paid-in capital		129,577		128,466
Accumulated other comprehensive loss		(1,077)		(720)
Retained deficit		(76,925)		(45,531)
Total Shareholders' Equity		51,718		82,358
Total Liabilities and Shareholders' Equity	$	89,464	$	118,953

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

AMTECH SYSTEMS, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Operations
(Unaudited)
(in thousands, except per share data)

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2025	2024	2025	2024
Revenues, net	$ 19,557	$ 26,749	$ 59,522	$ 77,102
Cost of sales	10,425	16,991	41,353	49,825
Intangible asset impairment	—	—	—	849
Gross profit	9,132	9,758	18,169	26,428
Selling, general and administrative	7,387	8,209	22,553	25,028
Research, development and engineering	364	693	2,070	3,202
Loss (gain) on sale of fixed assets	45	—	274	(2,197)
Goodwill impairment	—	—	20,353	6,370
Intangible asset impairment	—	—	2,569	430
Severance expense	421	40	678	350
Operating income (loss)	915	816	(30,328)	(6,755)
Interest income	88	2	119	35
Interest expense	(5)	(107)	(19)	(498)
Foreign currency (loss) gain	(96)	182	305	(5)
Other	3	2	45	11
Income (loss) before income tax provision	905	895	(29,878)	(7,212)
Income tax provision	799	457	1,516	738
Net income (loss)	$ 106	$ 438	$ (31,394)	$ (7,950)
Income (Loss) Per Share:				
Net income (loss) per basic share	$ 0.01	$ 0.03	$ (2.20)	$ (0.56)
Net income (loss) per diluted share	$ 0.01	$ 0.03	$ (2.20)	$ (0.56)
Weighted average shares outstanding:				
Basic	14,314	14,209	14,294	14,198
Diluted	14,314	14,254	14,294	14,198

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

AMTECH SYSTEMS, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Comprehensive Income (Loss)
(Unaudited)
(in thousands)

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2025	2024	2025	2024
Net income (loss)	$ 106	$ 438	$ (31,394)	$ (7,950)
Foreign currency translation adjustment	239	(99)	(357)	120
Comprehensive income (loss)	$ 345	$ 339	$ (31,751)	$ (7,830)

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

AMTECH SYSTEMS, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Shareholders' Equity
(Unaudited)
(in thousands)

	Common Stock				Accumulated Other		
	Shares	Par Value	Additional Paid-In Capital	Comprehensive (Loss) Income	Retained Deficit	Total Shareholders' Equity
Balance at September 30, 2023	14,186	$ 142	$ 126,963	$ (1,695)	$ (37,045)	$ 88,365
Net loss	—	—	—	—	(9,358)	(9,358)
Translation adjustment	—	—	—	269	—	269
Stock compensation expense	—	—	317	—	—	317
Stock options exercised	5	—	28	—	—	28
Balance at December 31, 2023	14,191	$ 142	$ 127,308	$ (1,426)	$ (46,403)	$ 79,621
Net income	—	—	—	—	970	970
Translation adjustment	—	—	—	(50)	—	(50)
Stock compensation expense	—	—	350	—	—	350
Stock options exercised	18	—	—	—	—	—
Balance at March 31, 2024	14,209	142	127,658	(1,476)	(45,433)	80,891
Net income	—	—	—	—	438	438
Translation adjustment	—	—	—	(99)	—	(99)
Stock compensation expense	—	—	488	—	—	488
Balance at June 30, 2024	14,209	$ 142	$ 128,146	$ (1,575)	$ (44,995)	$ 81,718
Balance at September 30, 2024	14,259	$ 143	$ 128,466	$ (720)	$ (45,531)	$ 82,358
Net income	—	—	—	—	312	312
Translation adjustment	—	—	—	(711)	—	(711)
Stock compensation expense	—	—	333	—	—	333
Stock options exercised	30	—	150	—	—	150
Balance at December 31, 2024	14,289	$ 143	$ 128,949	$ (1,431)	$ (45,219)	$ 82,442
Net loss	—	—	—	—	(31,812)	(31,812)
Translation adjustment	—	—	—	115	—	115
Stock compensation expense	—	—	290	—	—	290
RSU vested	25	—	—	—	—	—
Stock options exercised	—	—	—	—	—	—
Balance at March 31, 2025	14,314	143	129,239	(1,316)	(77,031)	51,035
Net income	—	—	—	—	106	106
Translation adjustment	—	—	—	239	—	239
Stock compensation expense	—	—	338	—	—	338
RSU vested	—	—	—	—	—	—
Stock options exercised	—	—	—	—	—	—
Balance at June 30, 2025	14,314	$ 143	$ 129,577	$ (1,077)	$ (76,925)	$ 51,718

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

AMTECH SYSTEMS, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
(Unaudited)
(in thousands)

	Nine Months Ended June 30, 2025	Nine Months Ended June 30, 2024
Operating Activities		
Net loss	$ (31,394)	$ (7,950)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	2,167	2,310
Write-down of inventory	6,647	1,367
Goodwill impairment	20,353	6,370
Intangible asset impairment	2,569	1,279
Deferred income taxes	—	(13)
Non-cash share-based compensation expense	961	1,155
Loss (gain) on sale of fixed assets	274	(2,197)
Provision for allowance for credit losses	43	(21)
Changes in operating assets and liabilities:		
Accounts receivable	2,899	2,204
Inventories	600	4,695
Other assets	3,057	4,205
Accounts payable	1,477	(1,965)
Accrued income taxes	219	548
Accrued and other liabilities	(1,696)	(4,298)
Contract liabilities	(2,567)	1,274
Net cash provided by operating activities	5,609	8,963
Investing Activities		
Purchases of property, plant and equipment	(704)	(5,310)
Proceeds from the sale of property, plant and equipment	12	2,700
Net cash used in investing activities	(692)	(2,610)
Financing Activities		
Proceeds from the exercise of stock options	150	28
Payments on long-term debt	(70)	(6,668)
Net cash provided by (used in) financing activities	80	(6,640)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(520)	337
Net Increase in Cash and Cash Equivalents	4,477	50
Cash and Cash Equivalents, Beginning of Period	11,086	13,133
Cash and Cash Equivalents, End of Period	$ 15,563	$ 13,183
Supplemental Cash Flow Information:		
Income tax payments, net	$ 1,297	$ 189
Interest paid	$ 18	$ 498

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

AMTECH SYSTEMS, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
THREE AND NINE MONTHS ENDED JUNE 30, 2025 AND 2024
(UNAUDITED)

1. Basis of Presentation and Significant Accounting Policies

Nature of Operations and Basis of Presentation – Amtech provides equipment, consumables and services for semiconductor wafer fabrication and device packaging. Our products are used in fabricating semiconductor devices, such as silicon carbide (SiC) and silicon (Si) power devices, digital and analog devices, power electronic packages, advanced semiconductor packages and electronic assemblies. We sell these products to semiconductor device and module manufacturers worldwide, particularly in Asia, North America and Europe.

We serve niche markets in industries that are experiencing technological advances, and which historically have been very cyclical. Therefore, our future profitability and growth depend on our ability to develop or acquire and market profitable new products and on our ability to adapt to cyclical trends.

The accompanying unaudited condensed consolidated financial statements have been prepared pursuant to the rules and regulations of the U.S. Securities and Exchange Commission (the "SEC"), and consequently do not include all disclosures normally required by accounting principles generally accepted in the United States of America ("GAAP"). In the opinion of management, the accompanying unaudited interim condensed consolidated financial statements contain all adjustments necessary, all of which are of a normal and recurring nature, to present fairly our financial position, results of operations and cash flows. Certain information and note disclosures normally included in financial statements have been condensed or omitted pursuant to the rules and regulations of the SEC. The condensed consolidated balance sheet at September 30, 2024, has been derived from the audited consolidated financial statements at that date but does not include all of the information and footnotes required by GAAP for complete financial statements. These unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the fiscal year ended September 30, 2024.

Our fiscal year is from October 1 to September 30. Unless otherwise stated, references to particular years, quarters, months or periods refer to our fiscal years ending or ended September 30, and the associated quarters, months, and periods of those fiscal years.

The consolidated results of operations for the three and nine months ended June 30, 2025, are not necessarily indicative of the results to be expected for the full fiscal year.

Principles of Consolidation – The consolidated financial statements include the accounts of the Company and our wholly-owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates – The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications – Certain reclassifications have been made to prior year financial statement footnotes to conform to the current year presentation. These reclassifications, which include the breakout of contract liability activity, had no effect on the previously reported consolidated financial statements for any period.

Accounts Receivable and Allowance for Credit Losses – Accounts receivable are recorded at the sales price of products sold to customers on trade credit terms. We establish a valuation allowance to reflect our best estimate of expected losses inherent in our accounts receivable balance. The allowance is based on our evaluation of the aging of the receivables, historical write-offs, the current economic environment and communications with the customer. We write off individual accounts against the allowance when we no longer believe that it is probable that we will collect the receivable because we become aware of a customer's inability to meet its financial obligations.

Intangible Assets – Intangible assets acquired in business combinations are capitalized and subsequently amortized on a straight-line basis over their estimated useful life. We review our intangible assets for impairment when events or circumstances indicate the carrying value may not be recoverable. When indicators exist, recoverability of assets is measured by a comparison of the carrying value of the asset group to the estimated undiscounted future net cash flows expected to be generated by the asset group. If the asset group is determined not to be recoverable, the Company performs an analysis of the fair value of the individual long-lived assets and will recognize an impairment loss when the fair value is less than the carrying value of such long-lived assets. Additional information on impairment testing of intangible assets can be found in Notes 1 and 9 of our Annual Report on Form 10-K for the year ended September 30, 2024.

In the second quarter of fiscal year 2025 and the first quarter of fiscal year 2024, we recorded impairment of definite lived intangible assets in our Semiconductor Fabrication Solutions segment. See Note 6 for a description of the facts and circumstances leading to the intangible asset impairment.

Goodwill – Goodwill is recorded when the purchase price paid for an acquisition exceeds the estimated fair value of net identified tangible and intangible assets acquired. Goodwill is not subject to amortization but is tested for impairment annually or when it is determined that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If it is concluded that there is impairment, we would recognize an impairment charge for the amount by which the carrying amount exceeds the reporting unit's fair value (although the loss would not exceed the total amount of goodwill allocated to the reporting unit). Additional information on impairment testing of goodwill can be found in Notes 1 and 10 of our Annual Report on Form 10-K for the year ended September 30, 2024.

In the second quarter of fiscal year 2025, we recorded an impairment of goodwill in our Semiconductor Fabrication Solutions and Thermal Processing Solutions segments. Additionally, we recorded an impairment of goodwill in our Semiconductor Fabrication Solutions segment in the first quarter of fiscal year 2024. See Note 6 for a description of the facts and circumstances leading to goodwill impairment.

Contract Liabilities – Contract liabilities are reflected in current liabilities on the Condensed Consolidated Balance Sheets as all performance obligations are expected to be satisfied within the next 12 months. Contract liabilities relate to payments invoiced or received in advance of completion of performance obligations under a contract. Contract liabilities are recognized as revenue upon the fulfillment of performance obligations. Contract liabilities consist of customer deposits and deferred revenue as of June 30, 2025 and September 30, 2024.

The following is a summary of activity for contract liabilities, in thousands:

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2025	2024	2025	2024
Beginning balance	$ 6,208	$ 9,015	$ 8,965	$ 8,018
New deposits	(4,842)	1,484	397	5,031
Deferred revenue	(172)	(12)	(40)	(18)
Revenue recognized	5,205	(1,196)	(2,923)	(3,740)
Adjustment	—	—	—	—
Ending balance	$ 6,399	$ 9,291	$ 6,399	$ 9,291

As of June 30, 2025, we had approximately $21.2 million of remaining performance obligations, which included recognized contract liabilities as well as amounts to be invoiced and recognized in future periods. As of September 30, 2024, we had approximately $25.3 million of remaining performance obligations. The orders included in our remaining performance obligations are expected to ship within the next twelve months.

Warranty – A limited warranty is provided free of charge, generally for periods of 12 to 36 months to all purchasers of our new products and systems. Accruals are recorded for estimated warranty costs at the time revenue is recognized. While our warranty costs have historically been within our expectations and we believe that the amounts accrued for warranty expenditures are sufficient for all systems sold through June 30, 2025, we cannot guarantee that we will continue to experience a similar level of predictability regarding warranty costs. In addition, technological changes or previously unknown defects in raw materials or components may result in more extensive and frequent warranty service than anticipated, which could result in an increase in our warranty expense.

The following is a summary of activity in accrued warranty expense, in thousands:

	Nine Months Ended June 30,	
	2025	2024
Beginning balance	$ 602	$ 965
Additions for warranties issued during the period	61	203
Costs incurred during the period	(16)	(19)
Changes in estimate for pre-existing warranties	(233)	(400)
Ending balance	$ 414	$ 749

Shipping Expense – Shipping and handling fees associated with outbound freight are expensed as incurred and included in selling, general and administrative expenses. Shipping expense was $0.3 million and $0.5 million for the three months ended June 30, 2025 and 2024, respectively, and $1.0 million and $1.6 million for the nine months ended June 30, 2025 and 2024, respectively.

Employee Retention Tax – The Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") provided an employee retention credit ("ERC") which was a refundable tax credit against certain employment taxes. The Consolidated Appropriations Act (the "Appropriations Act") extended and expanded the availability of the employee retention credit through December 31, 2021. The Appropriations Act amended the employee retention credit to be equal to 70% of qualified wages paid to employees during the 2021 calendar year. The Company qualified for the employee retention credit for qualified wages through December 2021, and filed a cash refund claim during the calendar year ended December 31, 2023. The employee retention credit in the amount of $2.1 million was received in the Company's third fiscal quarter of 2025 and recognized as a reduction to payroll tax expense on the Condensed Consolidated Statements of Operations for the three months ended June 30, 2025. The ERC was credited against cost of sales, selling, general and administrative, and research, development and engineering for $1.0 million, $0.8 million, and $0.3 million, respectively.

Concentrations of Credit Risk – Our customers are primarily manufacturers of semiconductor substrates and devices and electronic assemblies. Financial instruments that potentially subject us to significant concentrations of credit risk consist principally of cash and trade accounts receivable. Credit risk is managed by performing credit evaluations of the customers' financial condition, by requiring significant deposits where appropriate, and by actively monitoring collections. Letters of credit are required of certain customers depending on the size of the order, type of customer or its creditworthiness, and country of domicile.

As of June 30, 2025 and September 30, 2024, one Thermal Processing Solutions customer represented 15% and 12%, respectively, of accounts receivable.

We maintain our cash and cash equivalents in multiple financial institutions. Balances in the United States, which account for approximately 72% and 66% of total cash balances as of June 30, 2025 and September 30, 2024, respectively, are primarily invested in financial institutions insured by the FDIC as well as a money market account. The remainder of our cash is maintained with financial institutions with reputable credit in China, the United Kingdom, Singapore and Malaysia. We maintain cash in bank accounts in amounts which at times may exceed federally insured limits. At June 30, 2025 and September 30, 2024 Amtech's balances exceeded insured limits by approximately $9.7 million and $5.7 million, respectively. We have not experienced any losses on such accounts.

Refer to Note 11 to Condensed Consolidated Financial Statements for information regarding major customers, foreign sales and revenue in other countries subject to fluctuation in foreign currency exchange rates.

Fair Value of Financial Instruments – We group our financial assets and liabilities measured at fair value on a recurring basis into three levels, based on the markets in which the assets and liabilities are traded, and the reliability of the assumptions used to determine fair value. These levels are:

Level 1 – Valuation is based upon quoted market price for identical instruments traded in active markets.

Level 2 – Valuation is based on quoted market prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market.

Level 3 – Valuation is generated from model-based techniques that use significant assumptions not observable in the market. Valuation techniques include use of discounted cash flow models and similar techniques.

It is our policy to use observable inputs whenever reasonably practicable to minimize the use of unobservable inputs when developing fair value measurements. When available, we use quoted market prices to measure fair value. If market prices are not available, the fair value measurement is based on models that use primarily market-based parameters including interest rate yield curves, option volatilities and currency rates. In certain cases, where market rate assumptions are not available, we are required to make judgments about assumptions market participants would use to estimate the fair value of a financial instrument. Changes in the underlying assumptions used, including discount rates and estimates of future cash flows, could significantly affect current or future valuations.

Cash and Cash Equivalents – Included in cash and cash equivalents in the Consolidated Balance Sheets are money market funds and time deposit accounts. Cash equivalents are classified as Level 1 in the fair value hierarchy.

Receivables and Payables – The recorded amounts of these financial instruments, including accounts receivable and accounts payable, approximate their fair value because of the short maturities of these instruments.

Debt – Our Loan Agreement with UMB Bank was fully repaid in the fourth quarter of fiscal 2024, and was subsequently terminated effective September 11, 2024. The carrying value of debt under our Loan Agreement was based on fixed interest rates. The fair value for the amended Loan Agreement was estimated by discounting the future cash flows using the current rates at which similar loans would be made to borrowers with similar credit ratings and is therefore classified as Level 2 in the fair value hierarchy.

Impact of Recently Issued Accounting Pronouncements

In November 2024, the FASB issued ASU 2024-03, "Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses" ("ASU 2023-07"), which requires disclosure of additional information about specific expense categories underlying certain income statement expense line items. This ASU is effective for our annual periods beginning October 1, 2027, and interim periods beginning October 1, 2028, and requires either prospective or retrospective application. We are currently evaluating the impact of this ASU on our disclosures.

In December 2023, the FASB issued ASU 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures" ("ASU 2023-09"), which enhances the transparency and decision usefulness of income tax disclosures. Adjustments to the annual disclosure of income taxes include: a tabular rate reconciliation comprised of eight specific categories. Incomes taxes paid, disaggregated between significant federal, state, and foreign jurisdictions. Eliminating requirements to disclose the nature and estimate of reasonably possible changes to unrecognized tax benefits in the next 12 months or that an estimated range cannot be made. Adds a requirement to disclose income (or loss) from continuing operations before income tax expense (or benefit) and income tax expense (or benefit) from continuing operations disaggregated between domestic and foreign. The ASU is effective for public business entities for fiscal years beginning on or after December 15, 2024, with early adoption permitted. The amendments in ASU 2023-09 should be applied on a prospective basis. Retrospective application is permitted. We are currently evaluating the impact of this ASU on our disclosures.

In November 2023, the FASB issued ASU 2023-07, “Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures” (“ASU 2023-07”), which improves reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. The ASU is effective for public business entities for fiscal years beginning after December 15, 2023, and for interim reporting periods within fiscal years beginning after December 15, 2024. Early adoption is permitted. The amendments in ASU 2023-07 should be applied retrospectively to all prior periods presented in the financial statements. We are currently evaluating the impact of this ASU on our disclosures. The updated guidance is not expected to have a material impact to the Company’s consolidated financial statements or disclosures.

There were no other new accounting pronouncements issued or effective as of June 30, 2025 that had or are expected to have a material impact on our consolidated financial statements.

2. Long-Term Debt

Our finance lease liabilities and long-term debt consists of the following, in thousands:

	June 30, 2025	September 30, 2024
Finance leases	$ 239	$ 290
Less: current portion of finance lease liabilities and long-term debt	(112)	(101)
Finance Lease Liabilities and Long-Term Debt	$ 127	$ 189

Interest expense on finance lease liabilities and long-term debt was $6,000 and $108,000 for the three months ended June 30, 2025 and 2024, and $18,000 and $498,000 for the nine months ended June 30, 2025 and 2024, respectively.

Loan and Security Agreement

On January 17, 2023, we entered into a Loan and Security Agreement (the “Loan Agreement”) among Amtech, its U.S. based wholly owned subsidiaries Bruce Technologies, Inc., BTU International, Inc., Intersurface Dynamics, Incorporated, P.R. Hoffman Machine Products, Inc., and Entrepix, Inc., and UMB Bank, N.A., national banking association. The Loan Agreement provided for (i) a term loan (the “Term Loan”) in the amount of $12.0 million maturing January 17, 2028, and (ii) a revolving loan facility (the “Revolver”) with an availability of $8.0 million maturing January 17, 2024, each of which were secured by a first priority lien on substantially all of our assets. The recorded amount of the Term Loan had an interest rate of 6.38% and the Revolver had a floating per annum rate of interest equal to the Prime Rate, adjusted daily.

The Loan Agreement was fully repaid in the fourth quarter of 2024 and was subsequently terminated effective September 11, 2024. See the disclosure in our prior filings with the SEC for a discussion of the financial covenants that were in effect under the Loan Agreement, our failure to comply with the Debt to EBITDA and Fixed Charge Coverage Ratio covenants thereunder, and the Forbearance and Modification Agreement that we operated under prior to terminating this credit facility.

Finance Lease Obligations

Our finance lease obligations totaled $0.2 million and $0.3 million as of June 30, 2025 and September 30, 2024, respectively.

The current and long-term portions of our finance leases are included in the current and long-term portions of finance lease liabilities and long-term debt in the table above and in our Condensed Consolidated Balance Sheets as of June 30, 2025 and September 30, 2024. See Note 5 for additional information.

3. Earnings Per Share

Basic earnings per share ("EPS") is computed by dividing net income by the weighted average number of common shares outstanding for the period. Diluted EPS is computed similarly to basic EPS except that the denominator is increased to include the number of additional common shares that would have been outstanding if potentially dilutive common shares had been issued. Dilutive potential common shares include outstanding restricted stock units ("RSUs") and stock options. In the case of a net loss, diluted earnings per share is calculated in the same manner as basic EPS.

For the three and nine months ended June 30, 2025, options for 929,490 and 956,480 weighted average shares, respectively, were excluded from the diluted EPS calculations because they were anti-dilutive. For the three and nine months ended June 30, 2024, options for 1,054,466 and 775,233 weighted average shares, respectively, were excluded from the diluted EPS calculations because they were anti-dilutive. These shares could become dilutive in the future.
A reconciliation of the components of the basic and diluted EPS calculations follows, in thousands, except per share amounts:

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2025	2024	2025	2024
Numerator:				
Net income (loss)	$ 106	$ 438	$ (31,394)	$ (7,950)
Denominator:				
Weighted-average shares used to compute basic EPS	14,314	14,209	14,294	14,198
Dilutive potential common shares due to stock options (1)	—	5	—	—
Dilutive potential common shares due to RSUs (1)	—	40	—	—
Weighted-average shares used to compute diluted EPS	14,314	14,254	14,294	14,198
Income (loss) per share:				
Net income (loss) per basic share	$ 0.01	$ 0.03	$ (2.20)	$ (0.56)
Net income (loss) per diluted share	$ 0.01	$ 0.03	$ (2.20)	$ (0.56)

(1) The number of common stock equivalents is calculated using the treasury method and the average market price during the period.

4. Inventories

The components of inventories are as follows, in thousands:

	June 30, 2025	September 30, 2024
Purchased parts and raw materials	$ 10,286	$ 17,958
Work-in-process	7,570	6,934
Finished goods	1,764	1,975
	$ 19,620	$ 26,867

5. Leases

The following table provides information about the financial statement classification of our lease balances reported within the Condensed Consolidated Balance Sheets, in thousands:

	June 30, 2025	September 30, 2024
Assets		
Right-of-use assets - operating	$ 17,856	$ 16,596
Right-of-use assets - finance	190	227
Total right-of-use assets	$ 18,046	$ 16,823
Liabilities		
Current		
Operating lease liabilities	$ 1,828	$ 2,041
Finance lease liabilities	112	101
Total current portion of long-term lease liabilities	1,940	2,142
Long-term		
Operating lease liabilities	16,894	15,240
Finance lease liabilities	127	189
Total long-term lease liabilities	17,021	15,429
Total lease liabilities	$ 18,961	$ 17,571

The following table provides information about the financial statement classification of our lease expenses reported in the Condensed Consolidated Statements of Operations, in thousands:

		Three Months Ended June 30,		Nine Months Ended June 30,	
Lease cost	Classification	2025	2024	2025	2024
Operating lease cost	Cost of sales	$ 454	$ 617	$ 1,373	$ 1,735
Operating lease cost	Selling, general and administrative	371	375	1,098	1,043
Operating lease cost	Research, development and engineering	3	3	9	9
Finance lease cost	Cost of sales	—	—	—	2
Finance lease cost	Selling, general and administrative	26	38	76	80
Total lease cost		$ 854	$ 1,033	$ 2,556	$ 2,869

Future minimum lease payments under non-cancelable leases as of June 30, 2025 are as follows, in thousands:

	Operating Leases	Finance Leases	Total
Remainder of 2025	$ 776	$ 31	$ 807
2026	3,045	126	3,171
2027	3,056	85	3,141
2028	3,117	12	3,129
2029	3,184	4	3,188
Thereafter	11,383	—	11,383
Total lease payments	24,561	258	24,819
Less: Interest	5,839	19	5,858
Present value of lease liabilities	$ 18,722	$ 239	$ 18,961

Operating lease payments include $2.3 million related to options to extend lease terms that are reasonably certain of being exercised.

The following table provides information about the remaining lease terms and discount rates applied:

	June 30, 2025	September 30, 2024
Weighted average remaining lease term		
Operating leases	7.87 years	8.47 years
Finance leases	2.18 years	2.73 years
Weighted average discount rate		
Operating leases	6.85%	6.58%
Finance leases	6.56%	6.43%

6. Goodwill and Intangible Assets

The Company accounts for goodwill at acquisition-date fair value and other finite intangibles at acquisition-date fair value less accumulated amortization. See Note 1 for a summary of the Company's policies relating to goodwill and intangible assets.

Intangible Assets

The Company's intangible assets, net consists of the following, in thousands:

	Amortization Period	June 30, 2025	September 30, 2024
Backlog	1 year	$ 2,100	$ 2,100
Customer relationships	6-10 years	4,409	4,409
Developed technology	1.75 years	6,700	6,700
Noncompetition agreements	5 years	200	200
Trade names	3-15 years	2,679	2,679
		16,088	16,088
Accumulated amortization		(5,916)	(5,616)
Less asset impairments:			
Backlog		(425)	(425)
Customer relationships		(2,111)	(339)
Developed technology		(5,494)	(5,494)
Noncompetition agreements		(160)	(160)
Trade names		(847)	(50)
Intangible assets, net		$ 1,135	$ 4,004

The estimated aggregate amortization expense for each of the five succeeding fiscal years as of June 30, 2025 is as follows, in thousands:

Year ending September 30:	Amount
2025	$ 44
2026	177
2027	177
2028	177
2029	177
Thereafter	383
Total	$ 1,135

The aggregate amortization expense during the three months ended June 30, 2025 and 2024 was $0.1 million and $0.2 million, respectively. The aggregate amortization expense during the nine months ended June 30, 2025 and 2024 was $0.3 million and $0.7 million, respectively.

We review our intangible assets for impairment when events or circumstances indicate the carrying value may not be recoverable. For the period ended March 31, 2025, the Company lowered its guidance for the second quarter of fiscal year 2025 and reset projections for the rest of the year due to a prolonged weakness in the mature node semiconductor market driven by high inventory, tepid demand, and geopolitical tensions. As disclosed in the Goodwill section below, this resulted in a triggering event for impairment of goodwill. The results of the goodwill impairment test indicated that the book value of our Semiconductor Fabrication Solutions segment and Thermal Processing Solutions segment was in excess of fair value and was impaired. Prior to recognizing any impairment of goodwill, we tested the related long-lived assets for impairment in our Semiconductor Fabrication Solutions and Thermal Processing Solutions segments. We tested each identified asset group within each segment by first performing a recoverability test, comparing projected undiscounted cash flows from the use and eventual disposition of each asset group to its carrying value. This test indicated that the undiscounted cash flows were not sufficient to recover the carrying value of certain asset groups within our Semiconductor Fabrication Solutions segment. We then compared the carrying value of the individual long-lived assets within those asset groups against their fair value in order to determine if impairment existed. Determining the fair value of those asset groups involves the use of significant estimates and assumptions, including projections of revenues and expenses and related cash flows based on assumed long-term growth rates and demand trends, and estimated discount rates based on the asset group's weighted average return on assets, as derived from various methods. The fair value of the intangible assets was estimated using various valuation methodologies, including the multi-period excess earnings method and the relief from royalty method and the distributor method. These fair value measurements fall under Level 3 of the fair value hierarchy. As a result, we recorded a total impairment charge for intangible assets in our Semiconductor Fabrication Solutions segment of $2.6 million during the quarter ended March 31, 2025. The $2.6 million impairment consists of $1.8 million for customer relationships and $0.8 million for trade names primarily at Entrepix.

At the end of December 2023, we identified a triggering event. As a result of the decline in our stock price as of December 31, 2023, our book value materially exceeded our market value. As discussed in the Goodwill section below, this resulted in a triggering event for impairment of goodwill. The results of the goodwill impairment test indicated that the book value of our Semiconductor Fabrication Solutions reporting unit was in excess of the fair value, and, thus, was impaired. Prior to recognizing any impairment of goodwill, we tested the related long-lived assets for impairment in our Semiconductor Fabrication Solutions segment. We tested each identified asset group within our Semiconductor Fabrication Solutions segment by first performing a recoverability test, comparing projected undiscounted cash flows from the use and eventual disposition of each asset group to its carrying value. This test indicated that the undiscounted cash flows were not sufficient to recover the carrying value of certain asset groups. We then compared the carrying value of the individual long-lived assets within those asset groups against their fair value in order to determine if impairment existed. Determining the fair value of those asset groups involves the use of significant estimates and assumptions, including projections of revenues and expenses and related cash flows based on assumed long-term growth rates and demand trends, and estimated discount rates based on the asset group's weighted average return on assets, as derived from various methods. The fair value of the intangible assets were estimated using various valuation methodologies, including the multi-period excess earnings method, the relief from royalty method and the distributor method. These fair value measurements fall under Level 3 of the fair value hierarchy. As a result, we recorded a total impairment charge for intangible assets in our Semiconductor Fabrication

Solutions segment of $1.3 million during the quarter ended December 31, 2023. This impairment charge relates to developed technology, trade name, customer relationships and non-competition agreements at Entrepix.

Goodwill

The Company evaluates goodwill at the reporting unit level, which, for the Company, is at the level of the reportable segments, Thermal Processing Solutions and Semiconductor Fabrication Solutions. The changes in carrying amount of goodwill allocated to each of the reporting units for the nine months ended June 30, 2025 is as follows, in thousands:

	Thermal Processing Solutions	Semiconductor Fabrication Solutions	Total Goodwill
Goodwill	$ 5,905	$ 21,726	$ 27,631
Accumulated impairment losses	—	(6,370)	(6,370)
Balance at September 30, 2024	5,905	15,356	21,261
Goodwill acquired	—	—	—
Impairment of goodwill	(4,997)	(15,356)	(20,353)
Balance at June 30, 2025	$ 908	$ —	$ 908
Goodwill	$ 5,905	$ 15,356	$ 21,261
Accumulated impairment losses	(4,997)	(15,356)	(20,353)
Balance at June 30, 2025	$ 908	$ —	$ 908

On January 17, 2023, we acquired Entrepix, which has been integrated into our Semiconductor Fabrication Solutions segment. Under the purchase method of accounting, the purchase price for the acquisition was allocated to the tangible and identifiable intangible assets acquired and liabilities assumed based on their estimated fair values. The excess purchase price over fair value of net assets acquired of approximately $16.5 million was recorded as goodwill in the Semiconductor Fabrication Solutions segment. The primary driver for this acquisition was to add CMP and wafer cleaning equipment to our existing substrate polishing and wet process chemical offerings.

We review goodwill for impairment when events or circumstances indicate the carrying value may not be recoverable. For the period ended March 31, 2025, the Company lowered its guidance for the second quarter of fiscal year 2025 and reset projections for future periods due to prolonged weakness in the mature node semiconductor market driven by high inventory, tepid demand, and geopolitical tensions. This triggering event indicated a need to test goodwill for impairment. The goodwill impairment test indicated book value was in excess of fair value by $15.4 million for our Semiconductor Fabrication Solutions segment and $5.0 million for our Thermal Processing Solutions segment. As a result, we recorded a $20.4 million impairment charge in the period ended March 31, 2025.

At the end of December 2023, we identified a triggering event. As a result of the decline in our stock price as of December 31, 2023, our book value materially exceeded our market value leading to a $6.4 million impairment charge in fiscal 2024. This triggering event indicated a need to test goodwill for impairment. The goodwill impairment test indicated the book value of our Semiconductor Fabrication Solutions (formerly Material and Substrate) reporting unit was in excess of fair value. As a result, we recorded a $6.4 million impairment charge in the period ended December 31, 2023. There was no goodwill impairment identified in our Thermal Processing Solutions (formerly Semiconductor) reporting unit.

Determining the fair value of a reporting unit involves the use of significant estimates and assumptions. Our goodwill impairment test uses a weighting of the income approach and the market approach to estimate a reporting unit's fair value. The income approach is based on a discounted future cash flow analysis that uses certain assumptions including: projections of revenues and expenses and related cash flows based on assumed long-term growth rates and demand trends; expected future investments and working capital requirements to sustain and grow the business; and estimated discount rates based on the reporting unit's weighted average cost of capital as derived by the Capital Asset Pricing Model and other methods, which includes observable market inputs and other data from identified comparable companies. The same estimates are also used internally for our capital budgeting process, and for long-term and short-term business planning and forecasting. We test the reasonableness of the inputs and outcomes of our discounted cash flow analysis against available comparable market data, and we also perform a reconciliation of our total market capitalization to the estimated fair value of all of our reporting units. The market approach is based on the application of appropriate market-derived multiples selected from (i) comparable publicly-traded companies and/or (ii) the implied transaction multiples derived from identified merger and acquisition activity in the market. Multiples are then selected based on a comparison of the reviewed data to that of the reporting unit and applied to relevant historical and forecasted financial parameters such as levels of revenues, EBITDA, EBIT or other metrics. The calculation of fair value falls under Level 3 of the fair value hierarchy.

If the future performance of these reporting units fall short of our expectations, if there are significant changes in operations due to changes in market conditions or if our stock price continues to decline, we could be required to recognize additional material impairment charges in future periods.

7. Income Taxes

Our effective tax rate was (5.1%) and (10.2%) for the nine months ended June 30, 2025 and 2024, respectively. The effective tax rate for the nine months ended June 30, 2025 differs from the U.S. statutory tax rate of 21% primarily due to foreign income taxed at a foreign rate different than 21%, for permanent items, including the non-deductibility of the goodwill impairment, and changes in valuation allowances. For the three months ended June 30, 2025 and 2024, we recorded income tax expense of $0.8 million and $0.5 million, respectively. For the nine months ended June 30, 2025 and 2024, we recorded income tax expense of $1.5 million and $0.7 million, respectively. The quarterly income tax provision is calculated using an estimated annual effective tax rate, based upon expected annual income, permanent items, statutory rates and planned tax strategies in the various jurisdictions in which we operate. However, losses in certain jurisdictions and discrete items are excluded from the determination of the estimated annual effective tax rate.

8. Equity and Stock-Based Compensation

Stock-based compensation expense was $0.3 million and $0.5 million in the three months ended June 30, 2025 and 2024, respectively, and $1.0 million and $1.2 million in the nine months ended June 30, 2025 and 2024, respectively. Stock-based compensation expense is included in selling, general and administrative expenses.

The following table summarizes our stock option activity during the nine months ended June 30, 2025:

	Options	Weighted Average Exercise Price
Outstanding at beginning of period	1,087,016	$ 6.97
Granted	20,000	5.40
Exercised	(30,187)	4.97
Forfeited	(184,079)	7.76
Outstanding at end of period	892,750	$ 6.84
Exercisable at end of period	615,404	$ 7.09
Weighted average fair value of options granted during the period	$ 2.96	

The fair value of options was estimated at the applicable grant date using the Black-Scholes option pricing model with the following assumptions:

	Nine Months Ended June 30, 2025	Nine Months Ended June 30, 2024
Risk free interest rate	4%	4%
Expected term	5 years	5 years
Dividend rate	—%	—%
Volatility	60%	60%

The following table summarizes our RSU activity during the nine months ended June 30, 2025:

	Number	Weighted Average Grant Date Fair Value
Nonvested at beginning of year	24,897	$ 4.82
Granted	207,524	4.98
Released	(24,897)	4.82
Forfeited	(36,500)	4.99
Nonvested at end of period	171,024	$ 4.98

9. Commitments and Contingencies

Purchase Obligations – As of June 30, 2025, we had unrecorded purchase obligations in the amount of $3.8 million. These purchase obligations consist of outstanding purchase orders for goods and services. While the amount represents purchase agreements, the actual amounts to be paid may be less in the event that any agreements are renegotiated, canceled or terminated.

Legal Proceedings and Other Claims – From time to time, we are a party to claims and actions for matters arising out of our business operations. We regularly evaluate the status of the legal proceedings and other claims in which we are involved to assess whether a loss is probable or there is a reasonable possibility that a loss, or an additional loss, may have been incurred and determine if accruals are appropriate. If accruals are not appropriate, we further evaluate each legal proceeding to assess whether an estimate of possible loss or range of possible loss can be made for disclosure. Although the outcome of claims and litigation is inherently unpredictable, we believe that we have adequate provisions for any probable and estimable losses. It is possible, nevertheless, that our consolidated financial position, results of operations or liquidity could be materially and adversely affected in any period by the resolution of a claim or legal proceeding. Legal expenses related to defense, negotiations, settlements, rulings and advice of outside legal counsel are expensed as incurred.

Employment Contracts – We have employment contracts and change in control agreements with, and severance plans covering, certain officers and management employees under which severance payments would become payable in the event of specified terminations without cause or terminations under certain circumstances after a change in control. If severance payments under the current employment contracts or severance plans were to become payable, the severance payments would generally range from six to twelve months of salary.

10. Reportable Segments

Amtech has two operating segments that are structured around the types of product offerings provided to our customers. In addition, the operating segments may be further distinguished by the Company's respective brands. These two operating segments comprise our two reportable segments discussed below. Our two reportable segments are as follows:

Thermal Processing Solutions – We design, manufacture, sell and service thermal processing equipment and related controls for use by leading semiconductor manufacturers, and in electronics, automotive and other industries.

Semiconductor Fabrication Solutions – We produce consumables parts and services, and equipment for producing silicon carbide, silicon and gallium nitride wafers, optical components and a variety of crystalline materials.

Information concerning our reportable segments is as follows, in thousands:

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2025	2024	2025	2024
Net Revenues:				
Thermal Processing Solutions	$ 14,208	$ 18,038	$ 43,467	$ 53,006
Semiconductor Fabrication Solutions	5,349	8,711	16,055	24,096
	$ 19,557	$ 26,749	$ 59,522	$ 77,102
Operating (loss) income:				
Thermal Processing Solutions	$ 2,907	$ 1,690	$ (2,620)	$ 3,666
Semiconductor Fabrication Solutions	878	1,621	(20,557)	(5,321)
Non-segment related	(2,870)	(2,495)	(7,151)	(5,100)
	$ 915	$ 816	$ (30,328)	$ (6,755)

	June 30, 2025	September 30, 2024
Identifiable Assets:		
Thermal Processing Solutions	$ 56,734	$ 68,051
Semiconductor Fabrication Solutions	25,315	46,915
Non-segment related*	7,415	3,987
	$ 89,464	$ 118,953

* Non-segment related assets include cash, fixed assets, and other assets.

11. Major Customers and Foreign Sales

During the nine months ended June 30, 2025, one customer of both our Thermal Processing Solutions and Semiconductor Fabrication Solutions segments accounted for 11% of our net revenues. During the nine months ended June 30, 2024, one Thermal Processing Solutions segment customer represented 11% of our net revenues.

Our net revenues were from customers in the following geographic regions:

	Nine Months Ended June 30,	
	2025	2024
United States	27%	40%
Canada	1%	1%
Mexico	1%	1%
Other	2%	—%
Total Americas	**31%**	**42%**
China	18%	20%
Malaysia	8%	11%
Taiwan	21%	6%
Other	6%	4%
Total Asia	**53%**	**41%**
Germany	2%	7%
Hungary	3%	—%
Czech Republic	2%	3%
Austria	—%	1%
Other	9%	6%
Total Europe	**16%**	**17%**
	100%	**100%**

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

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our "Condensed Consolidated Financial Statements" in Item 1 of this Quarterly Report on Form 10-Q ("Quarterly Report") and our consolidated financial statements and related notes included in "Item 8. Financial Statements and Supplementary Data" in our Annual Report on Form 10-K for the fiscal year ended September 30, 2024 (the "2024 Form 10-K").

Overview

We provide equipment, consumables and services for semiconductor wafer fabrication and device packaging. Our products are used in fabricating semiconductor devices, such as silicon carbide (SiC) and silicon (Si) power devices, digital and analog devices, power electronic packages, advanced semiconductor packages and electronic assemblies. We sell these products to semiconductor device and module manufacturers worldwide, particularly in Asia, North America and Europe.

We operate in two reportable segments, based primarily on the industries they serve: (i) Thermal Processing Solutions and (ii) Semiconductor Fabrication Solutions. Our thermal processing solutions include reflow equipment for chip packaging and electronic assembly, diffusion furnaces and furnaces used to produce ceramic based power semiconductor packages and passive electronic components. Our semiconductor fabrication solutions include consumables, equipment and services for wafer polishing, cleaning, slicing and dicing.

The markets we serve are historically cyclical, but not seasonal, with constantly evolving technical requirements and can be subject to tariffs and sourcing restrictions driven by geopolitical tensions. Our revenue is impacted by these broad industry trends.

Growth and Investment Strategy

We believe there are three key secular trends that are key to our future growth:

- ***Artificial Intelligence*** - With Artificial Intelligence (AI), we believe our reflow oven systems are the favored choice for Outsourced Semiconductor Assembly and Test Services (OSATS) providers who perform advanced packaging of the AI chips.
- ***Supply Chain Resiliency*** - There is a global trend of creating supply chain resiliency by expanding and/or relocating operations outside of mainland China. We believe these factory openings will create demand for new equipment and services in growing regions like Mexico and Southeast Asia.
- ***Advanced Mobility*** - Advanced Mobility encompasses both the development and adoption of electric vehicles and charging infrastructure, including both electric vehicle (EV) and hybrid electric vehicles (HEV), as well as advanced automotive electronics including Advanced Driver Assistance Systems (ADAS), infotainment and telematics. Our products intersect these markets in multiple ways: CMP consumables and wafer cleaning systems for the SiC substrates used in the EV power inverters; thermal processing systems for producing EV battery cooling systems and ceramic substrates for HEV power semiconductor packaging; and reflow ovens for ADAS, infotainment and telematics component assemblies.

We continue to invest in research and development, including the introduction of our next-generation reflow platform, Aurora, in 2023. Historically, we have grown our business primarily through acquisitions, including the businesses that currently comprise our two reportable segments in the Thermal Processing Solutions and Semiconductor Fabrication Solutions industries: BTU, PR Hoffman, Intersurface Dynamics and Entrepix. Our 2023 acquisition of Entrepix bolstered our offerings in the CMP technology space and incorporated wafer cleaning into our existing capital equipment product lines. We also have a complimentary strategy of pursuing organic growth, particularly during times when we lack sufficient capital resources to pursue growth through acquisitions. We intend to continue to pursue acquisitions to supplement organic growth and have added market development resources globally to accelerate organic growth.

In March 2024, we completed the sale of our corporate headquarters real property in Arizona. The sale resulted in a net cash inflow of approximately $2.5 million, after settlement of related sale expenses. Following the closing of this transaction, we entered into a lease agreement for a new office for our corporate headquarters, which commenced during the third quarter of fiscal year 2024. In addition, we are evaluating business continuity and resiliency within our operations, our management information systems, and our needs to allow for greater efficiencies and to ensure our infrastructure can support our future growth plans. As a capital equipment manufacturer, we will continue to invest in our business to drive future growth.

Results of Operations

The following table sets forth certain operational data as a percentage of net revenue for the periods indicated:

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2025	2024	2025	2024
Revenues, net	100%	100%	100%	100%
Cost of sales	53%	64%	69%	65%
Intangible asset impairment	—%	—%	—%	1%
Gross margin	47%	36%	31%	34%
Selling, general and administrative	38%	31%	38%	32%
Research, development and engineering	2%	2%	4%	4%
Gain on sale of fixed assets	—%	—%	—%	(3)%
Goodwill impairment	—%	—%	34%	8%
Intangible asset impairment	—%	—%	5%	1%
Severance expense	2%	—%	1%	1%
Operating income (loss)	5%	3%	(51)%	(9)%
Interest income	—%	—%	—%	—%
Interest expense	—%	—%	—%	—%
Foreign currency (loss) gain	—%	—%	1%	—%
Other	—%	—%	—%	—%
Income (loss) before income taxes	5%	3%	(50)%	(9)%
Income tax provision	4%	1%	3%	1%
Net income (loss)	1%	2%	(53)%	(10)%

Net Revenue

Net revenue consists of revenue recognized upon shipment or delivery of equipment. Spare parts sales are recognized upon shipment and service revenue is recognized upon completion of the service activity, which is generally ratable over the term of the service contract. Since the majority of our revenue is generated from large system sales, revenue, gross profit and operating income can be materially impacted by the timing of system shipments.

Our net revenue by reportable segment was as follows, dollars in thousands:

	Three Months Ended June 30,				Nine Months Ended June 30,			
Segment	2025	2024	Change	% Change	2025	2024	Change	% Change
Thermal Processing Solutions	14,208	$ 18,038	$ (3,830)	(21)%	43,467	$ 53,006	$ (9,539)	(18)%
Semiconductor Fabrication Solutions	5,349	8,711	(3,362)	(39)%	16,055	24,096	(8,041)	(33)%
Total net revenue	$ 19,557	$ 26,749	$ (7,192)	(27)%	$ 59,522	$ 77,102	$ (17,580)	(23)%

Total net revenue for the three months ended June 30, 2025 and 2024 was $19.6 million and $26.7 million, respectively, a decrease of approximately $7.2 million or 27%. Total net revenue for the nine months ended June 30, 2025 and 2024 was $59.5 million and $77.1 million, respectively, a decrease of approximately $17.6 million or 23%. Our Thermal Processing Solutions results for the third quarter and for the first nine months of fiscal 2025 decreased primarily due to lower sales of diffusion and high temperature furnaces from the prolonged weakness in the mature node semiconductor market and a shipping delay of a $4.9 million order resulting from a customer dispute regarding a previously cancelled order. Our Semiconductor Fabrication Solutions results for the third quarter and for the first nine months of fiscal 2025 decreased due primarily to lower sales of our wafer cleaning equipment from the prolonged weakness in the mature node semiconductor market.

Orders and Backlog

New orders booked by reportable segment were as follows, dollars in thousands:

	Three Months Ended June 30,				Nine Months Ended June 30,			
Segment	**2025**	**2024**	**Change**	**% Change**	**2025**	**2024**	**Change**	**% Change**
Thermal Processing Solutions	$ 14,057	$ 10,801	$ 3,256	30%	$ 37,786	$ 39,990	$ (2,204)	(6)%
Semiconductor Fabrication Solutions	7,598	8,013	(415)	(5)%	17,640	21,700	(4,060)	(19)%
Total new orders	$ 21,655	$ 18,814	$ 2,841	15%	$ 55,426	$ 61,690	$ (6,264)	(10)%

Our backlog by reportable segment was as follows, dollars in thousands:

	June 30,			
Segment	**2025**	**2024**	**Change**	**% Change**
Thermal Processing Solutions	$ 15,164	$ 27,673	$ (12,509)	(45)%
Semiconductor Fabrication Solutions	6,052	4,164	1,888	45%
Total backlog	$ 21,216	$ 31,837	$ (10,621)	(33)%

As of June 30, 2025, one of our Thermal Processing Solutions segment customers individually accounted for 11% of our backlog. Additionally, one customer of both our Thermal Processing Solutions and Semiconductor Fabrication Solutions segments accounted for 27% of our backlog. No other customer accounted for more than 10% of our backlog as of June 30, 2025. The orders included in our backlog are generally credit approved customer purchase orders believed to be firm and are generally expected to ship within the next twelve months. Our backlog at any point in time is not necessarily representative of actual sales for succeeding periods, nor is backlog any assurance that we will realize profit from completing these orders. During the three months ended June 30, 2025, the increase in Thermal Processing Solutions new order bookings was primarily driven by strong demand in Asia for AI application products. The decline in our backlog during this period was favorably impacted by the improvement in lead times across all of our product lines.

Gross Profit and Gross Margin

Gross profit is the difference between net revenue and cost of goods sold, amortization of intangibles and intangible asset impairment. Cost of goods sold consists of purchased material, labor and overhead to manufacture equipment and spare parts and the cost of service and support to customers for installation, warranty and paid service calls. Gross margin is gross profit as a percent of net revenue. Our gross profit and gross margin by business segment were as follows, dollars in thousands:

	Three Months Ended June 30,					Nine Months Ended June 30,				
Segment	**2025**	**Gross Margin**	**2024**	**Gross Margin**	**Change**	**2025**	**Gross Margin**	**2024**	**Gross Margin**	**Change**
Thermal Processing Solutions	$ 6,325	45%	$ 6,313	35%	$ 12	$ 14,005	32%	$ 17,513	33%	$ (3,508)
Semiconductor Fabrication Solutions	2,807	52%	3,445	40%	(638)	4,164	26%	8,915	37%	(4,751)
Total gross profit	$ 9,132	47%	$ 9,758	36%	$ (626)	$ 18,169	31%	$ 26,428	34%	$ (8,259)

Our gross margins can be affected by capacity utilization, material costs, and the type and volume of machines and consumables sold each quarter. Gross margin for the three months ended June 30, 2025 and 2024 was $9.1 million (47% of net revenue) and $9.8 million (36% of net revenue), respectively, a decrease of $0.6 million. Gross margin for the nine months ended June 30, 2025 and 2024 was $18.2 million (31% of net revenue) and $26.4 million (34% of net revenue), respectively, a decrease of $8.3 million.

Gross margin on products from both our Thermal Processing Solutions segment and our Semiconductor Fabrication Solutions segment decreased compared to the three and nine months ended June 30, 2024, due to lower revenue and higher inventory write-downs. Inventory write-downs increased due to product mix changes shifting away from solutions aligned to mature semiconductor nodes at our end customers. Gross margin decreases were offset by the receipt of the employee retention tax credit during the three months ended June 30, 2025.

Selling, General and Administrative

Selling, general and administrative ("SG&A") expenses consist of the cost of employees, consultants and contractors, facility costs, sales commissions, shipping costs, promotional marketing expenses, legal and accounting expenses and bad debt expense.

SG&A expenses for the three months ended June 30, 2025 and 2024 were $7.4 million and $8.2 million, respectively. SG&A expenses for the nine months ended June 30, 2025 and 2024 were $22.6 million and $25.0 million, respectively. SG&A decreased compared to the three and nine months ended June 30, 2024, which is due to lower personnel costs, the employee retention tax credit and variable costs in addition to lower commissions from lower volumes.

Research, Development and Engineering

Research, development and engineering ("RD&E") expenses consist of the cost of employees, consultants and contractors who design, engineer and develop new products and processes as well as materials and supplies used in producing prototypes. RD&E expenses may vary from period to period depending on the engineering projects in process. Expenses related to engineers working on strategic projects or sustaining engineering projects are recorded in RD&E. However, from time to time we add functionality to our products or develop new products during engineering and manufacturing to fulfill specifications in a customer's order, in which case the cost of development, along with other costs of the order, are charged to cost of goods sold. Occasionally, we receive reimbursements through governmental research and development grants which are netted against these expenses when certain conditions have been met.

RD&E expense, net of grants earned, for the three months ended June 30, 2025 and 2024 was $0.4 million and $0.7 million, respectively, and $2.1 million and $3.2 million in the nine months ended June 30, 2025 and 2024, respectively. The decrease in RD&E is due to the offset of the employee retention tax credit and timing of purchases related to specific strategic-development projects at our Thermal Processing Solutions and Semiconductor Fabrication Solutions segments. Additionally, the prior year period for the nine months ended June 30, 2024, included expenditures related to new product development projects at our Semiconductor Fabrication Solutions segment, which have not recurred. Grants earned are immaterial in all periods presented.

Goodwill Impairment

During the nine months ended June 30, 2025, we recognized impairment of our goodwill of $15.4 million at our Semiconductor Fabrication Solutions segment and $5.0 million at our Thermal Processing Solutions segment as a result of a triggering event identified at the end of the second fiscal quarter. See Note 6 for a description of the facts and circumstances leading to the goodwill impairment.

During the quarter ended December 31, 2023, we recognized impairment of our goodwill of $6.4 million at our Semiconductor Fabrication Solutions segment as a result of a triggering event identified at the end of the quarter. See Note 6 for a description of the facts and circumstances leading to the goodwill impairment.

Intangible Asset Impairment

During the nine months ended June 30, 2025, we recognized impairment of our definite lived intangible assets of $2.6 million at our Semiconductor Fabrication Solutions segment. As disclosed above, this impairment was recorded within operating expenses in the Condensed Consolidated Statement of Operations. See Note 6 for a description of the facts and circumstances leading to the intangible asset impairments.

During the quarter ended December 31, 2023, we recognized impairment of our definite lived intangible assets of $1.3 million at our Semiconductor Fabrication Solutions segment. As stated above, $0.8 million of this impairment was recorded in cost of goods sold, and the remainder was recorded within operating expenses in the Condensed Consolidated Statement of Operations. See Note 6 for a description of the facts and circumstances leading to the intangible asset impairments.

Severance Expense

Severance expense was $0.4 million and $40,000 for the three months ended June 30, 2025 and 2024, respectively. Severance expense was $0.7 million and $0.4 million for the nine months ended June 30, 2025 and 2024, respectively. For the three and nine months ended June 30, 2025 and 2024, the amounts relate to staff reductions at our Thermal Processing Solutions and Semiconductor Fabrication Solutions segments.

Income Taxes

Our effective tax rate was (5.1%) and (10.2%) for the nine months ended June 30, 2025 and 2024, respectively. The effective tax rate for the nine months ended June 30, 2025 differs from the U.S. statutory tax rate of 21% primarily due to foreign income taxed at a foreign rate different than 21%, for permanent items, including the non-deductibility of the goodwill impairment, and changes in valuation allowances. For the three months ended June 30, 2025 and 2024, we recorded income tax expense of $0.8 million and $0.5 million, respectively. For the nine months ended June 30, 2025 and 2024, we recorded income tax expense of $1.5 million and $0.7 million, respectively. The quarterly income tax provision is calculated using an estimated annual effective tax rate, based upon expected annual income, permanent items, statutory rates and planned tax strategies in the various jurisdictions in which we operate. However, losses in certain jurisdictions and discrete items are excluded from the determination of the estimated annual effective tax rate.

On July 4th, 2025, the President signed into law significant federal tax legislation, H.R.1 (commonly known as the One Big Beautiful Bill Act or OBBBA). The legislation includes numerous changes to U.S. corporate income tax law, including but not limited to: permanent 100% bonus depreciation for qualified property, immediate expensing of domestic research and experimental expenditures, modifications to the limitation on business interest expense, increased Section 179 expensing limits, changes to the international tax regime, and expanded limitations on the deductibility of executive compensation under IRC Section 162(m). Most provisions are effective for tax years beginning after December 31, 2024, with certain transition rules and exceptions.

We are currently evaluating the impact of the OBBBA on our consolidated financial statements. The effects of the new law, including remeasurement of deferred tax assets and liabilities and changes to current and future tax expense, will be reflected in the period of enactment and in future periods as additional guidance is issued and we complete our analysis.

Our future effective income tax rate depends on various factors, such as the amount of income (loss) in each tax jurisdiction, tax regulations governing each region, non-tax deductible expenses incurred as a percent of pre-tax income and the effectiveness of our tax planning strategies.

Liquidity and Capital Resources

Cash and Cash Flow

The following table sets forth for the periods presented certain consolidated cash flow information, in thousands:

	Nine Months Ended June 30, 2025	Nine Months Ended June 30, 2024
Net cash provided by operating activities	$ 5,609	$ 8,963
Net cash used in investing activities	(692)	(2,610)
Net cash provided by (used in) financing activities	80	(6,640)
Effect of exchange rate changes on cash and cash equivalents	(520)	337
Net increase in cash and cash equivalents	4,477	50
Cash and cash equivalents, beginning of period	11,086	13,133
Cash and cash equivalents, end of period	$ 15,563	$ 13,183

A summary of our cash position as of June 30, 2025 and September 30, 2024, is as follows, in thousands, except the current ratio:

	June 30, 2025	September 30, 2024
Cash and cash equivalents	$ 15,563	$ 11,086
Working capital	$ 38,915	$ 44,777
Current ratio (current assets to current liabilities)	3.1:1	3.3:1

The increase in cash and cash equivalents from September 30, 2024 of $4.5 million was primarily due to increased collections from customers and the IRS refund of employee retention credits. We maintain a portion of our cash and cash equivalents in Renminbis, a Chinese currency, at our operations in China; therefore, changes in the exchange rates have an impact on our cash balances. The $5.9 million decrease in working capital from September 30, 2024, was primarily due to decreases in accounts receivable and lower inventory.

During periods of weakening demand, we typically generate cash from operating activities, which we may decide to reinvest in our business via strategic projects. Conversely, we are more likely to use operating cash flows for working capital requirements during periods of higher growth. Our sources of capital in the past have included the sale of equity securities in private and public transactions, the incurrence of long-term debt and customer deposits.

Cash Flows from Operating Activities

Cash provided by our operating activities was $5.6 million for the nine months ended June 30, 2025, compared to $9.0 million provided by operating activities for the nine months ended June 30, 2024. Our inventory purchase was lower primarily due to lower revenue for the nine months ended June 30, 2025. Additionally, during the nine months ended June 30, 2024, we received more down payments from customers for future shipments.

Cash Flows from Investing Activities

Cash used in investing activities was $0.7 million for the nine months ended June 30, 2025, compared to $2.6 million used in investing activities in the nine months ended June 30, 2024. The nine months ended June 30, 2025, consist solely of capital expenditures. The nine months ended June 30, 2024, include $5.3 million in capital expenditures offset by $2.7 million in proceeds from the sale of our real property in Arizona.

Cash Flows from Financing Activities

For the nine months ended June 30, 2025, cash provided by financing activities was $0.1 million, primarily comprised of proceeds from the exercise of stock options. For the nine months ended June 30, 2024, cash used by financing activities was $6.6 million, primarily comprised of payments on long-term debt.

Off-Balance Sheet Arrangements

As of June 30, 2025, we had no off-balance sheet arrangements as defined in Item 303(a)(4) of Regulation S-K promulgated by the SEC that have or are reasonably likely to have a current or future effect on financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.

Contractual Obligations

Unrecorded purchase obligations were $3.8 million as of June 30, 2025, compared to $12.1 million as of September 30, 2024, a decrease of $8.3 million.

Other than as described in Note 2, there were no material changes to the contractual obligations included in "Part II, Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” of our 2024 Form 10-K.

Critical Accounting Estimates

"Part I, Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations” of this Quarterly Report discusses our condensed consolidated financial statements that have been prepared in accordance with GAAP. The preparation of these condensed consolidated financial statements requires us to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the condensed consolidated financial statements, the disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenue and expenses during the reporting period.

On an ongoing basis, we evaluate our estimates and judgments, including those related to revenue recognition, income taxes, inventory valuation, business combination, goodwill, and long-lived asset impairment. We base our estimates and judgments on historical experience, expectations regarding the future and on various other factors that we believe to be reasonable under the circumstances. The results of these estimates and judgments form the basis for making conclusions about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

A critical accounting estimate is one that is both important to the presentation of our financial position and results of operations, and requires management’s most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain. These uncertainties are discussed in Part I, Item 1A of our 2024 Form 10-K. We believe our critical accounting estimates relate to the more significant judgments and estimates used in the preparation of our consolidated financial statements.

We believe the critical accounting estimates discussed in the section entitled “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations – Critical Accounting Policies” in our 2024 Form 10-K represent the most significant judgments and estimates used in the preparation of our consolidated financial statements. There have been no material changes in our critical accounting estimates during the nine months ended June 30, 2025.

Impact of Recently Issued Accounting Pronouncements

For discussion of the impact of recently issued accounting pronouncements, see “Part I, Item 1. Financial Information” under “Impact of Recently Issued Accounting Pronouncements.”

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As a smaller reporting company, as defined by Rule 12b-2 of the Exchange Act and in Item 10(f)(1) of Regulation S-K, we are electing scaled disclosure reporting obligations and, therefore, are not required to provide the information requested by this Item.

Item 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures.

We maintain “disclosure controls and procedures,” as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), that are designed to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act is (1) recorded, processed, summarized and reported, within the time periods specified in the SEC’s rules and forms and (2) accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Our management, including our Chief Executive Officer (“CEO”) and our Chief Financial Officer (“CFO”), has carried out an evaluation of the design and operation of our disclosure controls and procedures as of June 30, 2025, pursuant to Exchange Act Rules 13a-15(e) and 15(d)-15(e). Based upon that evaluation, our CEO and CFO concluded that our disclosure controls and procedures were effective, as of June 30, 2025, in ensuring that material information related to us required to be disclosed by the Company in the reports it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is accumulated and communicated to management, including the principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

None.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

For discussion of legal proceedings, see Note 9 to our condensed consolidated financial statements under “Part I, Item 1. Financial Information” under “Commitments and Contingencies” of this Quarterly Report, which section is incorporated by reference into this Part II, Item 1.

Item 1A. Risk Factors

We refer you to documents filed by us with the SEC, specifically “Item 1A. Risk Factors” in our 2024 Form 10-K, which identifies important risk factors that could materially affect our business, financial condition and future results. We also refer you to the factors and cautionary language set forth in the section entitled “Cautionary Statements Regarding Forward-Looking Statements” immediately preceding “Item 1. Condensed Consolidated Financial Statements” of this Quarterly Report. This Quarterly Report, including the accompanying condensed consolidated financial statements and related notes, should be read in conjunction with such risks and other factors for a full understanding of our operations and financial condition. The risks described in our 2024 Form 10-K and any described herein are not the only risks facing us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition or operating results. There have been no material changes to the risk factors previously disclosed in our 2024 Form 10-K and our Form 10-Q for the quarter ended March 31, 2025.

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

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

During the three months ended June 30, 2025, none of our directors or officers (as defined in Rule 16a-1(f) promulgated under the Securities Exchange Act of 1934, as amended) adopted, terminated, or modified a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408 of Regulation S-K).

Item 6. Exhibits

EXHIBIT NO.	EXHIBIT DESCRIPTION	INCORPORATED BY REFERENCE				FILED HEREWITH
		FORM	FILE NO.	EXHIBIT NO.	FILING DATE	
31.1	Certification Pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as Amended					X
31.2	Certification Pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as Amended					X
32.1	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
32.2	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
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.					X
101.SCH	Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents					X
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)					X

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.

AMTECH SYSTEMS, INC.

By	/s/ Wade M. Jenke	Dated:	August 6, 2025
	Wade M. Jenke Vice President and Chief Financial Officer (Principal Financial Officer and Duly Authorized Officer)		

Exhibit 31.1

AMTECH SYSTEMS, INC. AND ITS SUBSIDIARIES
CERTIFICATION PURSUANT TO RULE 13a-14(a)/15d-14(a)
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, Robert C. Daigle, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Amtech Systems, Inc. (the “registrant”),

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 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 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 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.

By /s/ Robert C. Daigle
Robert C. Daigle
Chairman of the Board and Chief Executive Officer
Amtech Systems, Inc.

Date: August 6, 2025

Exhibit 31.2

AMTECH SYSTEMS, INC. AND ITS SUBSIDIARIES
CERTIFICATION PURSUANT TO RULE 13a-14(a)/15d-14(a)
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, Wade M. Jenke, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Amtech Systems, Inc. (the "registrant"),

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 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 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 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.

By /s/ Wade M. Jenke
Wade M. Jenke
Vice President and Chief Financial Officer
Amtech Systems, Inc.

Date: August 6, 2025

Exhibit 32.1

AMTECH SYSTEMS, INC. AND ITS SUBSIDIARIES

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

In connection with the Quarterly Report of Amtech Systems, Inc. (the "Company") on Form 10-Q for the period ended June 30, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Robert C. Daigle, Chairman of the Board and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

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

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By /s/ Robert C. Daigle
Robert C. Daigle
Chairman of the Board and Chief Executive Officer
Amtech Systems, Inc.

Date: August 6, 2025

The foregoing certification is being furnished pursuant to 18 U.S.C. Section 1350. It is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and it is not to be incorporated by reference into any filing of the Company, regardless of any general incorporation language in such filing.

Exhibit 32.2

AMTECH SYSTEMS, INC. AND ITS SUBSIDIARIES

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

In connection with the Quarterly Report of Amtech Systems, Inc. (the “Company”) on Form 10-Q for the period ended June 30, 2025, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Wade M. Jenke, Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. sections 1350, as adopted pursuant to sections 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

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

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By /s/ Wade M. Jenke
Wade M. Jenke
Vice President and Chief Financial Officer
Amtech Systems, Inc.

Date: August 6, 2025

The foregoing certification is being furnished pursuant to 18 U.S.C. Section 1350. It is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and it is not to be incorporated by reference into any filing of the Company, regardless of any general incorporation language in such filing.