

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

FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended September 30, 2025

OR

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

For the transition period from to

Commission file number: 001-36481

ASPEN AEROGELS, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

30 Forbes Road, Building B
Northborough, Massachusetts
(Address of principal executive offices)

04-3559972
(I.R.S. Employer
Identification No.)

01532
(Zip Code)

Registrant's telephone number, including area code: (508) 691-1111

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

Title of each class	Trading Symbol	Name of exchange on which registered
Common Stock, par value \$0.00001 per share	ASPN	The New York Stock Exchange

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

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

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

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

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

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

As of November 4, 2025, the registrant had 82,647,081 shares of common stock outstanding.

ASPEN AEROGELS, INC.

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Trademarks, Trade Names and Service Marks

We own or have rights to use “Aspen Aerogels,” “Cryogel,” “Pyrogel,” “Spaceloft,” “PyroThin,” the Aspen Aerogels logo and other trademarks, service marks and trade names of Aspen Aerogels, Inc. appearing in this Quarterly Report on Form 10-Q. Solely for convenience, the trademarks, service marks and trade names referred to in this report are presented without the ® and TM symbols, but such references are not intended to indicate, in any way, that the owner thereof will not assert, to the fullest extent under applicable law, such owner’s rights to these trademarks, service marks and trade names. This report contains additional trademarks, service marks and trade names of other companies, which, to our knowledge, are the property of their respective owners.

PART I — FINANCIAL INFORMATION

Item 1. Financial Statements.

ASPEN AEROGELS, INC. Consolidated Balance Sheets (Unaudited)

	September 30, 2025	December 31, 2024
	(In thousands, except share and per share data)	
Assets		
Current assets:		
Cash and cash equivalents	\$ 150,722	\$ 220,882
Restricted cash	1,710	394
Accounts receivable, net of allowances of \$1,184 and \$1,265	69,149	109,104
Inventories	43,037	47,551
Prepaid expenses and other current assets	14,299	31,517
Total current assets	278,917	409,448
Property, plant and equipment, net	154,370	459,276
Assets held for sale	25,504	—
Operating lease right-of-use assets	17,557	20,854
Finance lease right-of-use assets	6,423	—
Other long-term assets	8,624	5,566
Total assets	<u>\$ 491,395</u>	<u>\$ 895,144</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 19,098	\$ 44,361
Accrued expenses	15,585	36,495
Deferred revenue	824	2,199
Finance obligation for sale and leaseback transactions	4,265	4,028
Operating lease liabilities	3,243	3,279
Finance lease liabilities	1,724	—
Long term debt - current portion	26,000	19,750
Total current liabilities	70,739	110,112
Revolving line of credit	14,252	42,131
Long term debt	70,090	94,961
Finance obligation for sale and leaseback transactions long-term	6,133	10,087
Operating lease liabilities long-term	20,745	23,148
Finance lease liabilities long-term	3,703	—
Total liabilities	185,662	280,439
Commitments and contingencies (Note 10)		
Stockholders' equity:		
Preferred stock, \$0.00001 par value per share; 5,000,000 shares authorized, no shares issued and outstanding at September 30, 2025 and December 31, 2024	—	—
Common stock, \$0.00001 par value per share; 250,000,000 shares authorized, 82,562,804 and 82,040,468 shares issued and outstanding at September 30, 2025 and December 31, 2024, respectively	—	—
Additional paid-in capital	1,282,599	1,274,932
Accumulated deficit	(976,866)	(660,227)
Total stockholders' equity	305,733	614,705
Total liabilities and stockholders' equity	<u>\$ 491,395</u>	<u>\$ 895,144</u>

See accompanying notes to unaudited consolidated financial statements.

ASPEN AEROGELS, INC.
Consolidated Statements of Operations
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
	(In thousands, except share and per share data)			
Revenue	\$ 73,017	\$ 117,340	\$ 229,764	\$ 329,611
Cost of revenue	52,218	68,297	160,837	193,847
Gross profit	20,799	49,043	68,927	135,764
Operating expenses:				
Research and development	2,494	4,591	10,621	13,645
Sales and marketing	6,553	9,306	21,885	27,130
General and administrative	13,532	17,746	40,402	52,465
Restructuring and demobilization costs	1,568	—	16,296	—
Impairment of property, plant and equipment	—	—	287,567	2,702
Total operating expenses	24,147	31,643	376,771	95,942
Income (loss) from operations	(3,348)	17,400	(307,844)	39,822
Other income (expense)				
Interest expense, convertible note - related party	—	(1,469)	—	(7,550)
Interest expense	(2,973)	(1,147)	(8,015)	(883)
Loss on extinguishment of debt	—	(27,487)	—	(27,487)
Other income	581	—	1,711	—
Total other expense	(2,392)	(30,103)	(6,304)	(35,920)
Income (loss) before income tax expense	(5,740)	(12,703)	(314,148)	3,902
Income tax expense	(594)	(267)	(2,491)	(1,889)
Net income (loss)	\$ (6,334)	\$ (12,970)	\$ (316,639)	\$ 2,013
Net income (loss) per share:				
Basic	\$ (0.08)	\$ (0.17)	\$ (3.85)	\$ 0.03
Diluted	\$ (0.08)	\$ (0.17)	\$ (3.85)	\$ 0.03
Weighted-average common shares outstanding:				
Basic	82,399,599	76,261,294	82,216,027	76,402,123
Diluted	82,399,599	76,261,294	82,216,027	79,149,193

See accompanying notes to unaudited consolidated financial statements.

ASPEN AEROGELS, INC.

Consolidated Statements of Stockholders' Equity

(Unaudited)

(In thousands, except share data)

	Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Value	Shares	Value			
Balance at December 31, 2024	—	\$ —	82,040,468	\$ —	\$ 1,274,932	\$ (660,227)	\$ 614,705
Net loss	—	—	—	—	—	(301,249)	(301,249)
Stock-based compensation expense	—	—	—	—	1,952	—	1,952
Vesting of restricted stock units	—	—	133,890	—	(556)	—	(556)
Issuance costs from offering of common stock	—	—	—	—	(18)	—	(18)
Balance at March 31, 2025	—	\$ —	82,174,358	\$ —	\$ 1,276,310	\$ (961,476)	\$ 314,834
Net loss	—	—	—	—	—	(9,056)	(9,056)
Stock-based compensation expense	—	—	—	—	2,815	—	2,815
Vesting of restricted stock units	—	—	15,151	—	(46)	—	(46)
Proceeds from employee stock option exercises	—	—	63,773	—	231	—	231
Issuance costs from offering of common stock	—	—	—	—	(10)	—	(10)
Balance at June 30, 2025	—	\$ —	82,253,282	\$ —	\$ 1,279,300	\$ (970,532)	\$ 308,768
Net loss	—	—	—	—	—	(6,334)	(6,334)
Stock-based compensation expense	—	—	—	—	2,183	—	2,183
Vesting of restricted stock units	—	—	24,286	—	(69)	—	(69)
Proceeds from employee stock option exercises	—	—	285,236	—	1,185	—	1,185
Balance at September 30, 2025	—	\$ —	82,562,804	\$ —	\$ 1,282,599	\$ (976,866)	\$ 305,733

	Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Value	Shares	Value			
Balance at December 31, 2023	—	\$ —	76,503,151	\$ —	\$ 1,161,657	\$ (673,602)	\$ 488,055
Net loss	—	—	—	—	—	(1,835)	(1,835)
Stock-based compensation expense	—	—	—	—	2,532	—	2,532
Issuance costs from private placement of common stock	—	—	—	—	(28)	—	(28)
Vesting of restricted stock units	—	—	118,289	—	(1,081)	—	(1,081)
Cancellation of restricted stock	—	—	(679,796)	—	2,174	—	2,174
Proceeds from employee stock option exercises	—	—	136,286	—	1,386	—	1,386
Balance at March 31, 2024	—	\$ —	76,077,930	\$ —	\$ 1,166,640	\$ (675,437)	\$ 491,203
Net income	—	—	—	—	—	16,818	16,818
Stock-based compensation expense	—	—	—	—	2,971	—	2,971
Issuance of restricted stock awards	—	—	11,388	—	—	—	—
Employee restricted stock awards withheld for tax	—	—	(75,885)	—	(1,810)	—	(1,810)
Vesting of restricted stock units	—	—	3,790	—	(53)	—	(53)
Proceeds from employee stock option exercises	—	—	1,063,816	—	8,698	—	8,698
Balance at June 30, 2024	—	\$ —	77,081,039	\$ —	\$ 1,176,446	\$ (658,619)	\$ 517,827
Net income	—	—	—	—	—	(12,970)	(12,970)
Stock-based compensation expense	—	—	—	—	2,630	—	2,630
Vesting of restricted stock units	—	—	11,784	—	(124)	—	(124)
Proceeds from employee stock option exercises	—	—	63,073	—	287	—	287
Balance at September 30, 2024	—	\$ —	77,155,896	\$ —	\$ 1,179,239	\$ (671,589)	\$ 507,650

See accompanying notes to unaudited consolidated financial statements.

ASPEN AEROGELS, INC.
Consolidated Statements of Cash Flows
(Unaudited)

	Nine Months Ended September 30,	
	2025	2024
	(In thousands)	
Cash flows from operating activities:		
Net income (loss)	\$ (316,639)	\$ 2,013
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation	16,981	17,093
Accretion of interest on convertible note - related party	—	7,083
Amortization of debt issuance costs	2,563	320
Amortization of debt discount due to modification of convertible note – related party	—	443
Loss on extinguishment of debt	—	27,487
Deferred financing costs written off	—	1,829
Provision for bad debt	28	139
Stock-based compensation expense	6,950	10,307
Impairment of property, plant and equipment	288,019	6,810
Reduction in the carrying amount of operating lease right-of-use assets	2,672	1,990
Changes in operating assets and liabilities:		
Accounts receivable	39,927	(45,343)
Inventories	4,514	(8,241)
Prepaid expenses and other assets	14,421	(16,786)
Accounts payable	(15,730)	4,452
Accrued expenses	(20,910)	1,890
Deferred revenue	(1,375)	89
Operating lease and other liabilities	(4,684)	(1,710)
Net cash provided by operating activities	16,737	9,865
Cash flows from investing activities:		
Capital expenditures	(34,985)	(71,511)
Net cash used in investing activities	(34,985)	(71,511)
Cash flows from financing activities:		
Proceeds from employee stock option exercises	1,416	10,371
Proceeds from sale and leaseback transactions	—	14,982
Repayment of lease and other finance obligations	(3,813)	(843)
Payments made for employee restricted stock tax withholdings	(671)	(1,258)
Repayment of revolving line of credit	(28,000)	—
Repayment of term loan	(19,500)	—
Repayment of convertible note	—	(150,029)
Proceeds from term loan	—	125,000
Issuance costs from term loan	—	(5,337)
Proceeds from revolver	—	43,000
Issuance costs from revolver	—	(300)
Fees and issuance costs from offering of common stock	(28)	(28)
Net cash provided by (used in) financing activities	(50,596)	35,558
Net decrease in cash, cash equivalents and restricted cash	(68,844)	(26,088)
Cash, cash equivalents and restricted cash at beginning of period	221,276	139,971
Cash, cash equivalents and restricted cash at end of period	\$ 152,432	\$ 113,883
Supplemental disclosures of cash flow information:		
Interest paid	\$ 9,626	\$ 2,328
Income taxes paid	\$ 3,732	\$ —
Supplemental disclosures of non-cash activities:		
Right-of-use assets obtained in exchange for new operating lease liabilities	\$ 24	\$ 4,853
Changes in accrued capital expenditures	\$ (10,092)	\$ (13,266)

See accompanying notes to unaudited consolidated financial statements.

ASPEN AEROGELS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

(1) Description of Business and Basis of Presentation

Nature of Business

Aspen Aerogels, Inc. (the Company) is an aerogel technology company that designs, develops and manufactures innovative, high-performance aerogel materials used primarily in the energy industrial, sustainable insulation materials and electric vehicle (EV) markets. The Company has provided high-performance aerogel insulation to the energy industrial and sustainable insulation markets for nearly two decades. The Company has developed and commercialized its proprietary line of PyroThin aerogel thermal barriers for use in battery packs in EVs. The Company's core business is organized into two reportable segments: Energy Industrial and Thermal Barrier.

The Company maintains its corporate offices in Northborough, Massachusetts. The Company has four wholly owned subsidiaries: Aspen Aerogels Rhode Island, LLC (Aspen RI), Aspen Aerogels Germany, GmbH, Aspen Aerogels Georgia, LLC (Aspen Georgia), and Aspen Aerogels Mexico Holdings, LLC (Aspen Mexico). Additionally, the Company entered into a contract with Prodensa Servicios de Consultora (Prodensa) during 2022 to establish OPE Manufacturer Mexico S de RL de CV, a maquiladora located in Mexico (OPE), which assembles thermal barrier PyroThin products and operates an automated fabrication facility for PyroThin. Pursuant to the contract, Prodensa owned OPE and charged a management fee, and the Company had an option to purchase OPE from Prodensa after a period of 18 months. On July 31, 2025, the Company completed the purchase of OPE for a nominal value in accordance with the terms of the agreement. During the period between inception and the exercise of the option to purchase OPE, OPE operations were consolidated within the Company financial statements. The purchase of OPE was accounted for as an equity transaction.

Liquidity

During the nine months ended September 30, 2025, the Company incurred a net loss of \$316.6 million, generated \$16.7 million of cash in operations and used \$35.0 million of cash for capital expenditures. The Company had unrestricted cash and cash equivalents of \$150.7 million as of September 30, 2025.

In January 2024 and September 2024, the Company entered into sale and leaseback arrangements, pursuant to which the Company sold certain equipment to an equipment leasing company for one-time cash payments of \$5.0 million and \$10.0 million, respectively, and leased back such equipment from the leasing company. The associated monthly lease rents will be paid over the lease term of three years.

On August 19, 2024, the Company and Aspen RI (each, a Borrower and collectively, the Borrowers) entered into a Credit, Security and Guaranty Agreement (the Credit Agreement and the facilities provided thereunder, collectively, the MidCap Loan Facility) with MidCap Funding IV Trust, as agent (the Agent), MidCap Financial Trust, as term loan servicer, and the financial institutions or other entities from time to time party thereto as lenders (the Lenders), with respect to the MidCap Loan Facility, which is comprised of (i) the Term Loan Facility in an aggregate principal amount of \$125.0 million (the Term Loan Facility) and (ii) the Revolving Facility in an aggregate principal amount not to exceed the lesser of \$100.0 million and the value of the borrowing base (defined as the sum of (x) 85% of certain eligible accounts of the Borrowers and (y) the lesser of 85% of the NOLV (as defined in the Credit Agreement) or 85% of the cost of certain eligible inventory of the Borrowers (the Borrowing Base) (the Revolving Facility). At closing of the transactions contemplated by the Credit Agreement, the Company drew \$125.0 million from the Term Loan Facility and \$43.0 million from the Revolving Facility. The proceeds of the borrowings at closing, net of fees and costs, were used to repurchase the 2022 Convertible Note (as defined below) for \$150.0 million and for general corporate purposes. The amount available to the Company at September 30, 2025 under the Revolving Facility was \$26.8 million. On May 6, 2025, the Credit Agreement was amended to add Aspen Georgia as a Borrower and to amend the MidCap Loan Facility (the MidCap Loan Facility, as amended by Amendment No. 1 (as defined in Note 9), the Amended MidCap Loan Facility). See "Note 9. Debt" for further details. As of September 30, 2025, the Company is in compliance with the financial covenants set forth in the Amended MidCap Loan Facility. However, given the decline in our revenues in 2025 as compared to the prior year, there can be no assurance that the Company will comply with one or more of these financial covenants as of the end of the fourth quarter of 2025.

The Company expects its existing cash balance will be sufficient to support current operating requirements and capital expenditures required to support the Company's existing business in the EV and energy industrial markets for at least the next twelve months from the date of this Quarterly Report on Form 10-Q. However, the Company expects that it will need to supplement its cash balance with anticipated cash flow from operations, as well as potential equity financings, debt financings, equipment leasing, sale-leaseback transactions, customer prepayments, or government grant and loan programs to provide the additional capital necessary to support the Company's long-term growth strategy.

Unaudited Interim Financial Information

The accompanying unaudited interim consolidated financial statements include the accounts of the Company and have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Certain information and disclosures normally included in the consolidated financial statements prepared in accordance with U.S. GAAP have been condensed or omitted pursuant to such rules and regulations. As such, the information included in this Quarterly Report on Form 10-Q should be read in conjunction with the audited consolidated financial statements and accompanying notes in our Annual Report on Form 10-K for the year ended December 31, 2024 (the Annual Report), filed with the U.S. Securities and Exchange Commission on February 27, 2025.

In the opinion of the Company's management, the unaudited interim consolidated financial statements have been prepared on the same basis as the audited consolidated financial statements and include all adjustments that are of a normal recurring nature and necessary for the fair statement of the Company's financial position as of September 30, 2025 and the results of its operations and stockholders' equity for the three and nine months ended September 30, 2025 and 2024 and the cash flows for the nine-month periods then ended. The Company has evaluated subsequent events through the date of this filing.

The Company's results of operations for the three and nine months ended September 30, 2025 are not necessarily indicative of the results to be expected for the year ending December 31, 2025 or any other period.

(2) Significant Accounting Policies

Please refer to "Note 2. Summary of Basis of Presentation and Significant Accounting Policies," to the Company's consolidated financial statements from the Annual Report for the discussion of the Company's significant accounting policies.

Use of Estimates

The preparation of the consolidated financial statements requires the Company to make a number of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Significant items subject to such estimates and assumptions include allowances for doubtful accounts, sales returns and allowances, product warranty costs, inventory valuation, the carrying amount of property and equipment, right-of-use assets, lease liabilities, stock-based compensation, and deferred income taxes. The Company evaluates its estimates and assumptions on an on-going basis using historical experience and other factors, including current economic conditions, which are believed to be reasonable under the circumstances. Management adjusts such estimates and assumptions when facts and circumstances warrant. Illiquid credit markets, volatile equity markets and declines in business investment can increase the uncertainty inherent in such estimates and assumptions. As future events and their effects cannot be determined with precision, actual results could differ significantly from these estimates. Changes in these estimates resulting from continuing changes in the economic environment will be reflected in the financial statements in future periods.

Restricted Cash

As of September 30, 2025, the Company had \$1.7 million of restricted cash to support its outstanding letters of credit.

Concentration of Credit Risk

Financial instruments, which potentially expose the Company to concentrations of credit risk, consist principally of accounts receivable. The Company's customers are primarily insulation distributors, insulation contractors, insulation fabricators and select energy and automotive end-users located throughout the world. The Company performs ongoing credit evaluations of its customers' financial condition and generally requires no collateral to secure accounts receivable. The Company maintains an allowance for doubtful accounts based on its assessment of the collectability of accounts receivable. The Company reviews the allowance for

doubtful accounts quarterly. During the nine months ended September 30, 2025, the Company recorded an increase for estimated customer uncollectible accounts receivable of less than \$0.1 million. During the nine months ended September 30, 2024, the Company recorded an increase for estimated customer uncollectible accounts receivable of \$0.1 million.

For the nine months ended September 30, 2025 and 2024, two customers represented 72% and 74% of total revenue, respectively.

At September 30, 2025, the Company had one customer that accounted for 69% of accounts receivable. At December 31, 2024, the Company had two customers which accounted for 80% and 5% of accounts receivable, respectively.

Revenue Recognition

The Company recognizes revenue in accordance with Accounting Standards Codification 606, Revenue from Contracts with Customers (ASC 606). See "Note 3. Revenue from Contracts with Customers" for further details.

Recently Issued Accounting Standards

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board (FASB) or other standard setting bodies. Recently issued standards typically do not require adoption until a future effective date. Prior to their effective date, the Company evaluates the pronouncements to determine the potential effects of adoption to its consolidated financial statements.

Standards Implemented Since December 31, 2024

The Company has not implemented any accounting standards that had a material impact on its consolidated financial statements during the nine months ended September 30, 2025.

Standards to be Implemented

In December 2023, the FASB issued ASU 2023-09 Income Taxes (Topic 740) Improvements to Income Tax Disclosures that requires disclosure of disaggregated income taxes paid, prescribes standard categories for the components of the effective tax rate reconciliation, and modifies other income tax-related disclosures. Topic 740 is effective for the Company's fiscal year 2025. The Company is currently evaluating income tax disclosures related to its annual report for fiscal year 2025.

Although there are several other new accounting pronouncements issued by the FASB, the Company does not believe any of these accounting pronouncements had or will have a material impact on its Consolidated Financial Statements.

The Company believes that the impact of recently issued accounting standards that are not yet effective will not have a material impact on its consolidated financial statements.

(3) Revenue from Contracts with Customers

Revenue Recognition

Revenue is recognized when a customer obtains control of promised goods or services in an amount that reflects the consideration that the entity expects to receive in exchange for those goods or services. To determine revenue recognition for arrangements within the scope of ASC 606, the Company performs the following five steps: (i) identification of the contract with a customer; (ii) identification of the performance obligations in the contract; (iii) determination of the transaction price; (iv) allocation of the transaction price to the separate performance obligations in the contract; and (v) recognition of the revenue associated with performance obligations as they are satisfied. The Company applies the five-step model to contracts when it is probable that the Company will collect the consideration it is entitled to in exchange for the goods or services it transfers to the customer. At contract inception, once the contract is determined to be within the scope of ASC 606, the Company assesses the goods or services promised within each contract and determines those that are performance obligations and assesses whether each promised good or service is distinct. If the contract contains a single performance obligation, the entire transaction price is allocated to the single performance obligation. Contracts that contain multiple performance obligations require an allocation of the transaction price based on the

estimated relative standalone-selling prices of the promised products or services underlying each performance obligation. The Company determines standalone-selling prices based on the price at which the performance obligation is sold separately. If the standalone-selling price is not observable through past transactions, the Company estimates the standalone-selling price considering available information such as market conditions and internally approved pricing guidelines related to the performance obligations. The Company then recognizes as revenue the amount of the transaction price that is allocated to the respective performance obligation when (or as) the performance obligation is satisfied.

When determining the transaction price of a contract, an adjustment is made if payment from a customer occurs either significantly before or significantly after performance, resulting in a significant financing component. Applying the practical expedient in paragraph ASC 606-10-32-18, the Company does not assess whether a significant financing component exists if the period between when the Company performs its obligations under the contract and when the customer pays is one year or less. The Company did not have any contracts outstanding at December 31, 2024 and did not enter into any contracts during the nine months ended September 30, 2025 that contained a significant financing component.

The Company records deferred revenue for product sales when (i) the Company has delivered products, but other revenue recognition criteria have not been satisfied, or (ii) payments have been received in advance of the completion of required performance obligations.

Thermal Barriers

The Company supplies fabricated, multi-part thermal barriers for use in battery packs in the EV market. These thermal barriers are customized to meet customer specifications. Although thermal barrier products are customized with no alternative use to the Company, the Company does not always have an enforceable right to payment. Under the provisions of ASC 606, the Company recognizes revenue at a point in time when transfer of the control of the products is passed to the customer according to the terms of the contract, including under bill and hold arrangements. The timing of revenue recognition is assessed on a contract-by-contract basis.

Energy Industrial

The Company generally enters into contracts containing one type of performance obligation. For a majority of the contracts, the Company recognizes revenue at a point in time when transfer of control of the products is passed to the customer, which is generally upon delivery according to contractual shipping terms within customer purchase orders. For a limited number of customer arrangements for customized products with no alternative use to the Company and an enforceable right to payment for progress completed to date, the Company recognizes revenue over time using units of production to measure progress toward satisfying the performance obligations. Units of production represent work performed as the Company does not generate significant work in process and thereby best depicts the transfer of control to the customer. Customer invoicing terms for contracts for which revenue is recognized under the over time methodology are typically based on certain milestones within the production and delivery schedule. The timing of revenue recognition is assessed on a contract-by-contract basis.

The Company also enters into rebate agreements with certain customers. These agreements may be considered an additional performance obligation of the Company or variable consideration within a contract. Rebates are recorded as a reduction of revenue in the period the related revenue is recognized. A corresponding liability is recorded as a component of deferred revenue on the consolidated balance sheets. These arrangements are primarily based on the customer attaining contractually specified sales volumes.

The Company estimates the amount of its sales that may be returned by its customers and records this estimate as a reduction of revenue in the period the related revenue is recognized. The Company currently estimates return liabilities using historical rates of return, current quarter credit sales, and specific items of exposure on a contract-by-contract basis. Sales return reserves were approximately \$0.9 million and \$1.0 million as of September 30, 2025 and December 31, 2024, respectively.

Shipping and Handling Costs

Shipping and handling costs associated with outbound freight after control over a product has transferred to a customer are accounted for as fulfillment costs and are included in the cost of product revenue. The associated amount of revenue recognized includes the consideration to which the Company expects to be entitled to receive in exchange for incurring these shipping and handling costs.

Disaggregation of Revenue

In the following tables, revenue is disaggregated by primary geographical region and source of revenue for the periods presented:

	Three Months Ended September 30,					
	2025			2024		
	U.S.	International	Total	U.S.	International	Total
(In thousands)						
Geographical region						
Asia	\$ —	\$ 6,402	\$ 6,402	\$ —	\$ 4,439	\$ 4,439
Canada	—	461	461	—	6,125	6,125
Europe	—	4,931	4,931	—	8,455	8,455
Latin America	—	3,253	3,253	—	25,012	25,012
U.S.	57,970	—	57,970	73,309	—	73,309
Total revenue	\$ 57,970	\$ 15,047	\$ 73,017	\$ 73,309	\$ 44,031	\$ 117,340
Source of revenue						
Energy industrial	\$ 13,547	\$ 10,758	\$ 24,305	\$ 13,679	\$ 13,097	\$ 26,776
Thermal barrier	44,423	4,289	48,712	59,630	30,934	90,564
Total revenue	\$ 57,970	\$ 15,047	\$ 73,017	\$ 73,309	\$ 44,031	\$ 117,340

	Nine Months Ended September 30,					
	2025			2024		
	U.S.	International	Total	U.S.	International	Total
(In thousands)						
Geographical region						
Asia	\$ —	\$ 22,120	\$ 22,120	\$ —	\$ 18,071	\$ 18,071
Canada	—	2,466	2,466	—	11,599	11,599
Europe	—	13,733	13,733	—	26,926	26,926
Latin America	—	46,792	46,792	—	74,614	74,614
U.S.	144,653	—	144,653	198,401	—	198,401
Total revenue	\$ 144,653	\$ 85,111	\$ 229,764	\$ 198,401	\$ 131,210	\$ 329,611
Source of revenue						
Energy industrial	\$ 40,157	\$ 36,763	\$ 76,920	\$ 41,853	\$ 50,928	\$ 92,781
Thermal barrier	104,496	48,348	152,844	156,548	80,282	236,830
Total revenue	\$ 144,653	\$ 85,111	\$ 229,764	\$ 198,401	\$ 131,210	\$ 329,611

Contract Balances

The following table presents changes in the Company's contract liabilities during the nine months ended September 30, 2025:

	Balance at December 31, 2024	Additions	Deductions	Balance at September 30, 2025
(In thousands)				
Contract liabilities				
Deferred revenue				
Energy industrial	\$ 2,199	\$ 1,495	\$ (2,870)	\$ 824
Total contract liabilities	\$ 2,199	\$ 1,495	\$ (2,870)	\$ 824

During the nine months ended September 30, 2025, the Company recognized \$2.2 million of revenue that was included in deferred revenue as of December 31, 2024.

A contract asset is recorded when the Company satisfies a performance obligation by transferring a promised good or service and has earned the right to consideration from its customer. When there is a conditional right to consideration, these items are included

within other assets on the consolidated balance sheets. When there is an unconditional right to consideration, these items are included within accounts receivable on the consolidated balance sheets.

A contract liability is recorded when consideration is received, or such consideration is unconditionally due, from a customer prior to transferring goods or services under the terms of the contract. Contract liabilities are recognized as revenue after control of the products or services is transferred to the customer and all revenue recognition criteria have been met.

(4) Inventories

Inventories consist of the following:

	September 30, 2025	December 31, 2024
	(In thousands)	
Raw materials	\$ 7,481	\$ 13,671
Work in process	7,535	9,664
Finished goods	28,021	24,216
Total	<u>\$ 43,037</u>	<u>\$ 47,551</u>

(5) Property, Plant and Equipment, Net

Property, plant and equipment consist of the following:

	September 30, 2025	December 31, 2024	Useful life
	(In thousands)		
Construction in progress	\$ 54,805	\$ 352,567	—
Buildings	27,045	27,032	30 years
Machinery and equipment	207,390	201,789	3-10 years
Computer equipment and software	7,647	9,794	3 years
Leasehold improvements	25,561	24,843	Shorter of useful life or lease term
Total	<u>322,448</u>	<u>616,025</u>	
Accumulated depreciation	<u>(168,078)</u>	<u>(156,749)</u>	
Property, plant and equipment, net	<u>\$ 154,370</u>	<u>\$ 459,276</u>	

Depreciation expense was \$17.0 million and \$17.1 million for the nine months ended September 30, 2025 and 2024, respectively.

In February 2025, as part of a restructuring plan, the Company decided to cease construction at its previously planned second manufacturing plant in Statesboro, Georgia (the Statesboro Plant) and demobilize the site. In connection with the same, the Company adjusted the construction in progress balance to its salvage value and recorded impairment charges of \$286.6 million during the three months ended March 31, 2025. The Company plans to divest the assets of the Statesboro Plant through broker-assisted sales.

At June 30, 2025, certain of the assets of the Statesboro Plant met the criteria to be classified as held for sale and are separately classified on the balance sheet. A disposal group is reported as held for sale when management has approved or received approval to sell and is committed to a formal plan, the disposal group is available for immediate sale, the disposal group is being actively marketed, the sale is anticipated to occur during the next 12 months and certain other specified criteria are met. A disposal group classified as held for sale is recorded at the lower of its carrying amount or estimated fair value less cost to sell. At September 30, 2025, the carrying value of assets classified as held for sale was \$25.5 million and no adjustment was necessary to the carrying values as they approximated fair values. The construction in progress balance at September 30, 2025 and December 31, 2024 included \$25.4 million and \$323.6 million, respectively, for the Statesboro Plant.

During the three months ended June 30, 2025, the Company implemented additional actions under the restructuring plan, which included headcount reduction and rationalizing research and development programs. As a result of the restructuring plan, the Company recorded impairment charges of \$1.0 million during the three months ended June 30, 2025, which are included in impairment of property, plant and equipment in the consolidated statement of operations.

The Company recorded impairment charges of approximately \$6.8 million during the nine months ended September 30, 2024, for equipment that will no longer be needed in manufacturing following customer directed engineering changes to a part the Company manufactures and for other property, plant and equipment that have become obsolete following development of new and more efficient equipment. Refer to "Note 10. Commitments and Contingencies" for a discussion of the claim that the Company has submitted with the customer for reimbursement of losses incurred in connection with the engineering changes. The impairment charges of \$6.8 million during the nine months ended September 30, 2024 consist of \$4.1 million impairment included in cost of revenue and \$2.7 million included in impairment of property, plant and equipment on the Company's consolidated statement of operations.

(6) Accrued Expenses

Accrued expenses consist of the following:

	September 30, 2025	December 31, 2024
	(In thousands)	
Employee compensation	\$ 5,093	\$ 19,371
Other accrued expenses	10,492	17,124
Total	<u>\$ 15,585</u>	<u>\$ 36,495</u>

(7) Related Party Transactions

Convertible Note

During the year ended December 31, 2022, the Company issued a \$100.0 million aggregate principal amount convertible note (the 2022 Convertible Note) to Wood River Capital, LLC (Wood River), an entity affiliated with Koch Strategic Platforms, LLC (Koch), for the previously planned Statesboro Plant.

During the nine months ended September 30, 2024, the Company incurred \$7.1 million of interest from the 2022 Convertible Note.

The Company repurchased the 2022 Convertible Note on August 19, 2024. See "Note 8. Convertible Note – Related Party" for additional detail.

Other

The Company had \$2.8 million in accounts payable as of December 31, 2023, due to an entity affiliated with Koch for project management service. On March 27, 2024, the Company entered into a Settlement and Release Agreement with the affiliate of Koch to settle the accounts payable for \$1.2 million, which was paid during the three months ended June 30, 2024.

(8) Convertible Note – Related Party

2022 Convertible Note

On February 15, 2022, the Company entered into a note purchase agreement (the Note Purchase Agreement) with Wood River, relating to the issuance and sale to Wood River of the 2022 Convertible Note in the aggregate principal amount of \$100.0 million. The transactions contemplated by the Note Purchase Agreement closed on February 18, 2022. The maturity date of the 2022 Convertible Note was February 18, 2027, subject to earlier conversion, redemption, or repurchase.

The 2022 Convertible Note was a senior unsecured obligation of the Company and ranked equal in right of payment to all senior unsecured indebtedness of the Company and ranked senior in right of payment to any indebtedness that was contractually subordinated to the 2022 Convertible Note.

On August 19, 2024, the Company entered into a note purchase and sale agreement with Wood River (the Note Repurchase Agreement), pursuant to which the Company repurchased from Wood River \$123.9 million in aggregate capitalized principal amount (inclusive of PIK interest paid through June 30, 2024) of the 2022 Convertible Note, such aggregate amount being the entire outstanding amount of the 2022 Convertible Note, for a total purchase price of \$150.0 million in cash, which amount equals to the

Redemption Price (as defined in the 2022 Convertible Note). Pursuant to the Note Repurchase Agreement, all rights and obligations, covenants and agreements under the 2022 Convertible Note and the Note Purchase Agreement were satisfied and discharged. The Redemption Price less capitalized principal amount and accrued interest to redemption date of \$24.6 million along with unamortized deferred issuance costs was classified in the income statement as Loss on Extinguishment of Debt during the three months ended September 30, 2024.

(9) Debt

On August 19, 2024, the Borrowers entered into the Credit Agreement, by and among the Borrowers, the Agent, the Lenders and the other parties party thereto as additional guarantors and/or borrowers from time to time. Loans borrowed under the MidCap Loan Facility mature on August 19, 2029.

The MidCap Loan Facility is comprised of (i) the Term Loan Facility in an aggregate principal amount of \$125 million and (ii) the Revolving Facility in an aggregate principal amount not to exceed the lesser of (A) \$100 million and (B) the value of the Borrowing Base.

Loans borrowed under the Term Loan Facility bear interest rate equal to Term SOFR (as defined in the Credit Agreement) for a one-month interest period plus 4.50% per year, subject to a Term SOFR floor of 4.50% and a Term SOFR cap of 7.50%. The Term Loan Facility is subject to amortization of principal, payable quarterly on the last day of each quarter, commencing September 30, 2024, in an amount as set forth in the Credit Agreement with the remaining aggregate principal amount payable on the maturity date. The Borrowers are required to pay the Lenders an exit fee of \$2.5 million on the maturity date. Additionally, the Borrowers are required to pay an origination fee of \$1.3 million annually on the anniversary of the closing date.

Loans borrowed under the Revolving Facility bear an interest rate equal to Term SOFR plus 4.60% per year, subject to a Term SOFR floor of 2.50%. The Revolving Facility has a required minimum balance set at 30% of the average Borrowing Base during the immediate preceding month. The Borrowers are required to pay the Lenders under the Revolving Facility an unused line fee of 0.30% of the average unused availability under the Revolving Facility, subject to the aforementioned minimum balance.

The MidCap Loan Facility is guaranteed by Aspen Mexico and is secured by a lien on substantially all existing and after-acquired assets of the Loan Parties, including the equity interest in Aspen RI, Aspen Mexico and Aspen Georgia owned by the Company, in each case, subject to customary exceptions. At the entrance into the Credit Agreement in August 2024, Aspen Georgia was not a guarantor (and thus not a Loan Party) and its assets were excluded from the collateral under the MidCap Loan Facility. However, as further described below, on May 6, 2025, Aspen Georgia became a Loan Party under the MidCap Loan Facility.

The Credit Agreement includes representations and warranties, affirmative covenants (including reporting obligations), negative covenants and events of default that are usual and customary for facilities of this type, in each case, subject to certain permitted exceptions as set forth therein. The Credit Agreement includes financial covenants for the benefit of the Lenders, including (i) a covenant to maintain Liquidity (as defined therein) equal to or greater than \$75.0 million at all times and (ii) a covenant to maintain EBITDA (as defined therein) equal to or greater than the specified applicable amount set forth in the Credit Agreement, tested quarterly with the first test set at \$45.0 million commencing with the fiscal quarter ended September 30, 2024.

The Borrowers have the right to prepay the loans outstanding under the MidCap Loan Facility (or, with respect to the Revolving Facility, terminate the commitments thereunder), subject to a premium equal to 3.0% of the amount prepaid or terminated, as applicable, during the first year after the closing date, which premium will be decreased to 2.0% during the second year after the closing date and to 1.0% thereafter. The Borrowers are required to mandatorily prepay the loans outstanding under the Term Loan Facility with, among other things, certain casualty insurance proceeds or proceeds from non-ordinary course assets sales (which will also be subject to the aforementioned premium). The Borrowers are required to mandatorily prepay the balance outstanding under the Revolving Facility (i) if the outstandings exceed the Borrowing Base in an aggregate amount equal to that excess or (ii) upon a cash dominion event of all the funds deposited in the lockbox account during the cash dominion period. A cash dominion event is triggered (x) upon the occurrence of any Specified Event of Default (as defined in the Credit Agreement to include payment default, failure to deliver monthly or annual financials, financial covenant breach or bankruptcy) or any event of default arising from the failure to comply with the requirement to deliver a monthly Borrowing Base certificate, in each case, after any applicable grace period set forth in the Credit Agreement and/or cure rights applicable thereto or (y) if the Liquidity is less than \$100 million.

Amendment to MidCap Loan Facility

On May 6, 2025, the Company, Aspen RI, Aspen Mexico and Aspen Georgia entered into that certain Amendment No. 1 and Joinder to Credit, Security and Guaranty Agreement (Amendment No. 1), by and among the Company, Aspen RI, Aspen Mexico,

Aspen Georgia, MidCap Funding IV Trust, as Agent, MidCap Financial Trust, as term loan servicer, and the Lenders party thereto, amending the MidCap Loan Facility.

Under Amendment No. 1, Aspen Georgia became a borrower under the Amended MidCap Loan Facility and has (a) guaranteed the obligations of the Credit Parties (as defined in the Amended MidCap Loan Facility) and (b) granted Agent for the benefits of the Lenders a lien on substantially all of its existing and after-acquired assets, in each case, subject to customary exceptions.

As a result of Amendment No. 1, the applicable margin under the MidCap Loan Facility was amended such that upon the effectiveness of Amendment No. 1, (a) (i) Loans borrowed under the Term Loan Facility will bear interest rate equal to Term SOFR (as defined in the Amended MidCap Loan Facility) for one-month interest period plus 5.00% per year, subject to a Term SOFR floor of 4.50% and a Term SOFR cap of 7.50% and (ii) Loans borrowed under the Revolving Facility will bear interest rate equal to Term SOFR for one-month interest period plus 5.10% per year, subject to a Term SOFR floor of 2.50%, in each case of (i) and (ii), until the first Pricing Date (as defined in the Amended MidCap Loan Facility as the date five business days after the delivery of a compliance certificate to the Agent for the most recently ended fiscal quarter) after December 31, 2025 and (b) on such first Pricing Date and as thereafter adjusted on each Pricing Date (i) Loans borrowed under the Term Loan Facility will bear interest equal to Term SOFR for one-month interest period plus a margin equal to (x) if the recently reported EBITDA (as defined in the Amended MidCap Loan Facility) is equal to or above \$50 million, 4.50% or (y) if the recently reported EBITDA is below \$50 million, 5.00%, in each case of (x) and (y), subject to a Term SOFR floor of 4.50% and a Term SOFR cap of 7.50%, and (ii) Loans borrowed under the Revolving Facility will bear interest equal to Term SOFR for one-month interest period plus a margin equal to (x) if the recently reported EBITDA is equal to or above \$50 million, 4.60% or (y) if the recently reported EBITDA is below \$50 million, 5.10%, in each case of (x) and (y), subject to a Term SOFR floor of 2.50%. The schedule for amortization of principal of the Term Loan Facility (which remains payable on the last day of each fiscal quarter with remaining principal amount payable on the maturity date) was also updated with new amounts as set forth in the Amended MidCap Loan Facility.

Pursuant to Amendment No. 1, the financial covenants under the MidCap Loan Facility were amended such that (a) the minimum Liquidity (as defined in the Amended MidCap Loan Facility) which must be maintained at all times has changed from \$75 million to an amount equal to the greater of (i) \$50 million and (ii) 85% of the then aggregate outstanding principal amount of the Term Loan Facility and (b) the minimum EBITDA level to be tested quarterly was changed to reflect a new range from \$15 million to \$50 million, with the next test set at \$15 million with respect to the fiscal quarter ended December 31, 2025 and a \$50 million level applicable commencing with the fiscal quarter ended December 31, 2027 and thereafter. The Liquidity amount trigger of a cash dominion event was also reduced from \$100 million to an amount equal to the greater of (i) \$50 million and (ii) 85% of the then aggregate outstanding principal amount of the Term Loan Facility.

MidCap debt consists of the following:

	September 30, 2025	December 31, 2024
	(In thousands)	
Term loan	99,000	118,500
Exit fee	854	264
Term loan issuance costs	(3,764)	(4,053)
Total debt	96,090	114,711
Current portion	26,000	19,750
Long term portion	70,090	94,961

The revolving line of credit had an outstanding balance of \$14.3 million and \$42.1 million as of September 30, 2025 and December 31, 2024, respectively, net of unamortized issuance costs. During the nine months ended September 30, 2025, the Company repaid \$28.0 million of the revolving line credit.

(10) Commitments and Contingencies

Cloud Computing Agreement

The Company is party to multiple cloud computing agreements that are service contracts for enterprise resource planning (ERP) software programs and payroll services. The amortization period of the cloud computing agreement for the existing ERP software program was adjusted during the three months ended March 31, 2024, to align with implementation of a new ERP software and is now fully amortized. During the three months ended June 30, 2025, the Company updated the implementation date of the new ERP software to January 2026, which will begin to amortize thereafter.

The amortization associated with the payroll services agreement began during the three months ended September 30, 2024 and is being amortized over a period of five years.

The capitalized implementation costs are classified on the consolidated balance sheets as follows:

	September 30, 2025	December 31, 2024
	(In thousands)	
Cloud computing costs included in other current assets	\$ 37	\$ 637
Cloud computing costs included in other assets	7,724	4,299
Amortization of cloud computing costs	(1,612)	(1,053)
Total capitalized cloud computing costs	<u>\$ 6,149</u>	<u>\$ 3,883</u>

Thermal Barrier Contracts

The Company is party to production contracts with General Motors LLC (GM) to supply fabricated, multi-part thermal barriers (Barriers) for use in the battery system of its next-generation EVs (Contracts). Pursuant to the Contracts, the Company is obligated to supply Barriers at fixed prices, adjusted periodically, and at volumes to be specified by the original equipment manufacturer (OEM) up to a daily maximum quantity through the respective terms of the agreements, which expire at various times from 2026 through 2034. While the OEM has agreed to purchase its requirement for Barriers from the Company for locations to be designated from time to time by the OEM, it has no obligation to purchase any minimum quantity of Barriers under the Contracts. In addition, the OEM may terminate the Contracts any time and for any or no reason. All other terms of the Contracts are generally consistent with the OEM's standard purchase terms, including quality and warranty provisions that are customary in the automotive industry.

Charges for Engineering Change

In January 2024, the Company was notified by a customer of an engineering change to one of the parts the Company manufactures for that customer to enable incremental productivity increases and support a set of broader system level changes that could drive higher demand for its parts. The Company submitted claims to the customer for reimbursement for estimated inventory and equipment losses incurred by the Company and its vendors due to potential obsolescence. In connection with the same, during the three months ended March 31, 2024, the Company recognized a charge of \$6.8 million, net of contractual recoverable of \$1.9 million, in cost of revenues for inventory obsolescence and impairment of equipment. During the three months ended June 30, 2024, the customer approved reimbursement of parts of the claim totaling \$4.2 million for equipment losses incurred by the Company and its vendors, which was recognized as an offset to the charge the Company recognized during the three months ended March 31, 2024 in cost of revenues. During the three months ended September 30, 2024, the customer approved the remaining claims related to inventory obsolescence of \$2.2 million, in addition to the contractual recoverable amount of \$1.9 million, which was also recognized as an offset to the charge recognized during the three months ended March 31, 2024 in cost of revenues.

Letters of Credit

The Company has provided certain customers with letters of credit securing obligations under commercial contracts. As of September 30, 2025, the Company had \$1.7 million of restricted cash to support our outstanding letters of credit. The Company had letters of credit outstanding of \$0.4 million at December 31, 2024 and these letters of credit were secured by the Company's restricted cash.

Federal, State and Local Environmental Regulations

The Company is subject to federal, state and local environmental laws and regulations. These laws generally provide for control of pollutants released into the environment and require responsible parties to undertake remediation. Penalties may be imposed for noncompliance.

Litigation

The Company is, from time to time, a party to litigation that arises in the normal course of its business operations. See Part II, Item 1 “Legal Proceedings” of this Quarterly Report on Form 10-Q for a description of certain of the Company’s current legal proceedings. The Company is not presently a party to any litigation for which it believes a loss is probable requiring an amount to be accrued or a possible loss contingency requiring disclosure.

Purchase Commitments

As of September 30, 2025, the Company had purchase commitments of approximately \$37.8 million, which included capital commitments of \$7.8 million. Capital commitments include \$1.3 million of commitments related to the Company's previously planned Statesboro Plant. The Company's purchase commitments related to capital expenditures, excluding for the previously planned Statesboro Plant, are anticipated to be spent over the next three years, while the Company's remaining purchase commitments are anticipated to be spent over the next twelve months.

Purchase obligations relate primarily to open purchase orders for capital expenditures, inventories, and goods and services. Purchase obligations are entered into with various vendors in the normal course of business and are consistent with the Company's expected requirements.

Warranty

The Company offers warranties to its customers depending upon the specific product.

The Company’s standard warranty period for energy industrial products extends to one year from the date of shipment. This standard warranty provides that the Company’s products will be free from defects in material and workmanship, and will, under normal use, conform to the specifications for the product.

The Company’s thermal barrier products provide quality and warranty provisions customary in the automotive industry.

The Company recorded warranty expense of \$0.7 million during the nine months ended September 30, 2025 and \$1.1 million during the nine months ended September 30, 2024.

(11) Leases and sale and leaseback

The Company leases office, laboratory, warehouse and fabrication space in Massachusetts, Rhode Island and Monterrey, Mexico under operating leases. Under these agreements, the Company is obligated to pay annual rent, real estate taxes, and certain other operating expenses. The Company also leases equipment under operating and finance leases. The Company’s leases expire at various dates through 2034.

Maturities of operating and finance lease liabilities as of September 30, 2025 are as follows:

Year	Operating Leases	Finance Leases
	(In thousands)	
2025 (excluding the nine months ended September 30, 2025)	1,519	545
2026	5,686	2,176
2027	4,764	2,881
2028	4,668	370
2029	4,217	152
Thereafter	15,179	105
Total lease payments	36,033	6,229
Less imputed interest	(12,045)	(802)
Total lease liabilities	\$ 23,988	\$ 5,427

The Company incurred operating lease costs of \$4.9 million and \$4.3 million during the nine months ended September 30, 2025 and 2024, respectively. Cash payments related to operating lease liabilities were \$4.7 million and \$4.0 million during the nine months ended September 30, 2025 and 2024, respectively.

The Company incurred finance lease costs of \$0.8 million during the nine months ended September 30, 2025. Cash payments related to finance lease liabilities were \$1.4 million during the nine months ended September 30, 2025. The Company did not incur any finance lease costs or make any cash payments during the comparable 2024 period.

As of September 30, 2025, the weighted average remaining lease term for operating leases was 7.1 years and the weighted average discount rate for operating leases was 12.2%.

As of September 30, 2025, the weighted average remaining lease term for finance leases was 2.7 years and the weighted average discount rate for finance leases was 10.1%.

Sale and leaseback transaction

In January and September 2024, the Company entered into sale and leaseback arrangements, pursuant to which the Company sold certain equipment to an equipment leasing company for one-time cash payments of \$5.0 million and \$10.0 million, respectively, leased back such equipment from the leasing company. The transactions were considered as failed sale and leaseback transactions and, accordingly, were accounted for as financing transactions. The Company did not recognize a gain on any of the proceeds received from the lessor that contractually constitute payments to acquire the assets subject to these arrangements. Instead, the sale proceeds received were accounted for as finance obligations. The monthly lease rents will be paid over the term of three years and will be allocated between interest expense and principal repayment of the financial liability.

The outstanding finance obligation balance as of September 30, 2025 was \$10.4 million. Maturities of finance obligations for sale and leaseback at September 30, 2025 are as follows:

Year	Finance Obligation
	(In thousands)
2025 (excluding the nine months ended September 30, 2025)	1,400
2026	5,602
2027	5,279
Total lease payments	12,281
Less imputed interest	(1,883)
Total lease liabilities	\$ 10,398

(12) Stock based compensation

During the nine months ended September 30, 2025, the Company granted 316,831 restricted stock units (RSUs) with an aggregate grant date fair value of \$2.5 million, non-qualified stock options (NSOs) to purchase 446,591 shares of common stock with an aggregate grant date fair value of \$2.5 million and 633,670 performance share units (PSUs) with an aggregate grant date fair value of \$7.3 million to employees under its equity incentive plans. The RSUs and NSOs granted to employees will typically vest over a three-year period. Vesting of any performance share units so earned generally is also contingent upon the grantee's continued employment (or other service) with the Company through the third anniversary of the date of grant.

The Company also granted RSUs that vest over a period of three years which are settled in cash. During the three and nine months ended September 30, 2025, the Company incurred expenses of \$0.5 million and \$1.0 million, respectively. The Company has accounted for these as liability-classified awards and accordingly changes in the market value of the instruments will be recorded to costs of revenue or operating expense, as applicable, over the vesting period of the award. The fair value of a liability-classified award is determined on a quarterly basis beginning at the grant date until final vesting. These awards will be settled on the vesting dates and the maximum liability is capped at 200% of the fair value of the award at the grant date.

During the nine months ended September 30, 2025, the Company also granted 51,850 shares of RSUs with a grant date fair value of \$0.3 million and NSOs to purchase 45,525 shares of common stock with a grant date fair value of \$0.2 million to its non-employee directors under the 2023 Equity Plan. The RSUs and NSOs granted to non-employee directors will typically vest over a one-year period.

The Company's stockholders approved the Aspen Aerogels Amended and Restated 2023 Equity Incentive Plan (the 2023 Plan) at the 2025 Annual Meeting of Stockholders of the Company held on April 30, 2025 (the Annual Meeting). The 2023 Plan was previously approved by the Company's Board of Directors (the Board). As amended and restated, the number of shares of the Company's common stock reserved for issuance under the 2023 Plan has been increased by 3,850,000 shares to 16,971,994 shares and the term of the 2023 Plan has been extended until April 29, 2035. As of September 30, 2025, 4,738,588 shares of common stock were reserved for issuance upon the exercise or vesting of outstanding stock-based awards granted under the Company's equity incentive plans. Any cancellations or forfeitures of awards outstanding under the 2023 Plan, the 2014 Employee, Director and Consultant Equity Incentive Plan or the 2001 Equity Incentive Plan, as amended, will result in the shares reserved for issuance pursuant to such awards becoming available for grant under the 2023 Plan. As of September 30, 2025, the Company has either reserved in connection with statutory tax withholdings or issued a total of 6,591,876 shares under the Company's equity incentive plans. As of September 30, 2025, there were 5,641,530 shares of common stock available for future grant under the 2023 Plan.

At the Annual Meeting, the Company's stockholders also approved the Aspen Aerogels Employee Stock Purchase Plan (the ESPP). The ESPP was previously approved by the Board. The objective of the ESPP is to offer eligible employees of the Company and its designated subsidiaries the ability to purchase shares of the Company's common stock at a 15% discount from the fair market value of the stock as determined on specific dates at six-month intervals, subject to various limitations under the ESPP. 4,000,000 shares of the Company's common stock are authorized for issuance under the ESPP. The offering periods for the ESPP generally start on the first trading day on or after June 1st and December 1st of each year. The first offering period for the ESPP commenced on the first trading day after June 1, 2025 and will end on November 30, 2025, with the second offering period commencing on the first trading day after December 1, 2025 and ending on May 31, 2026. During the three months and nine months ended September 30, 2025, less than \$0.1 million of stock-based compensation was recognized for the ESPP.

Stock-based compensation is included in cost of revenue or operating expenses, as applicable, and consists of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
	(In thousands)		(In thousands)	
Cost of product revenue	\$ 223	\$ 186	\$ 384	\$ 545
Research and development expenses	(188)	188	226	891
Sales and marketing expenses	560	456	1,545	1,241
General and administrative expenses	2,047	1,800	5,772	7,630
Total stock-based compensation	<u>\$ 2,642</u>	<u>\$ 2,630</u>	<u>\$ 7,927</u>	<u>\$ 10,307</u>

The Company recognizes forfeitures on share-based payments as they occur. During the three and nine months ended September 30, 2025, stock-based compensation includes \$(1.2) million and \$(2.9) million, respectively, for forfeitures recorded during

the period. During the three and nine months ended September 30, 2024, stock-based compensation includes \$0.0 million and \$(0.1) million, respectively, for forfeitures recorded during the period.

On March 5, 2024, the Compensation and Leadership Development Committee (the Committee) of the Board of the Company approved the cancellation of the outstanding, unearned portion of the performance-based restricted shares granted to certain employees pursuant to the 2014 Equity Plan on June 29, 2021 (to Donald R. Young) and June 2, 2022 (to certain other employees). The Committee determined that based on current market conditions, the likelihood of achievement of any of the remaining performance hurdles applicable to the unearned restricted shares was remote, and that the unearned restricted shares therefore had ceased to have incentive value for the grantees. On March 6, 2024, the Company entered into cancellation agreements, pursuant to which the applicable employees agreed to such cancellation.

The cancelled unearned restricted shares were added to the number of shares available for awards under the Company's 2023 Equity Plan. For financial accounting purposes, the cancellation of the unearned restricted shares resulted in the immediate charge of approximately \$2.2 million of unamortized stock compensation costs of which \$2.0 million is included in the general and administrative expenses and \$0.2 million is included in research and development expenses in the accompanying consolidated statement of operations.

(13) Net Income (Loss) Per Share

The computation of basic and diluted net loss per share consists of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
(In thousands, except share and per share data)				
Numerator:				
Net income (loss)	\$ (6,334)	\$ (12,970)	\$ (316,639)	\$ 2,013
Denominator:				
Weighted average shares outstanding, basic	82,399,599	76,261,294	82,216,027	76,402,123
Weighted average shares outstanding, diluted	82,399,599	76,261,294	82,216,027	79,149,193
Net income (loss) per share, basic	\$ (0.08)	\$ (0.17)	\$ (3.85)	\$ 0.03
Net income (loss) per share, diluted	\$ (0.08)	\$ (0.17)	\$ (3.85)	\$ 0.03

Potentially dilutive common shares that were excluded from the computation of diluted loss income per share because they were anti-dilutive consist of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Common stock options	3,760,031	4,453,006	3,760,031	110,900
Restricted common stock units	904,059	559,389	904,059	1,957
Restricted common stock awards	—	13,264	—	824
Total	4,664,090	5,025,659	4,664,090	113,681

The potential dilutive shares from common stock options, restricted common stock units, restricted common stock awards, and the convertible note were excluded from the calculation of diluted net loss per share because their effect would have been anti-dilutive for the periods presented. The Company excludes the shares issued in connection with restricted stock awards from the calculation of basic weighted average common shares outstanding until the restrictions lapse.

(14) Income Taxes

The Company incurred net operating loss for the three and nine months ended September 30, 2025. The Company incurred net operating loss for the three months ended September 30, 2024 and operating income for the nine months ended September 30, 2024.

The Company incurred net operating losses and recorded a full valuation allowance against net deferred tax assets for all periods prior to 2024. Accordingly, the Company has not recorded a provision for federal income taxes for the three and nine months ended September 30, 2025 and 2024. The Company has recorded a provision for state income taxes of \$(0.1) million and \$0.3 million during the three and nine months ended September 30, 2025, respectively. The Company has incurred \$2.2 million and \$1.9 million of income tax expense related to its Mexican maquiladora operations for the nine months ended September 30, 2025 and 2024, respectively.

On July 4, 2025, H.R. 1 (the Act), formerly known as the One Big Beautiful Bill Act, was signed into law in the United States, introducing changes to U.S. federal tax provisions affecting businesses. The Act includes modifications to the capitalization of research and development expenses and to the depreciation of fixed assets. The Company is currently evaluating the full impact of the Act on its financial position, results of operations, and cash flows. The Company does not expect the Act to have a material effect on its financial statements.

(15) Segment Information

Operating segments are identified as components of an enterprise about which separate, discrete financial information is available for evaluation by the chief operating decision maker in making decisions on how to allocate resources and assess performance. The Company's chief operating decision maker is the Chief Executive Officer. The Company's chief operating decision maker reviews consolidated operating results to make decisions about allocating resources and assessing performance for the entire Company. The Company reports two segments: Energy Industrial and Thermal Barrier. The Company evaluates segment performance based on the segment profit (loss) before corporate expenses.

Summarized below are the Revenue, Cost of Goods Sold and Segment Operating Profit for each reporting segment:

	Revenue Three Months Ended September 30,		Cost of Goods Sold Three Months Ended September 30,		Revenue Nine Months Ended September 30,		Cost of Goods Sold Nine Months Ended September 30,	
	2025	2024	2025	2024	2025	2024	2025	2024
	(In thousands)		(In thousands)		(In thousands)		(In thousands)	
Energy industrial	\$ 24,305	\$ 26,776	\$ 15,434	\$ 16,043	\$ 76,920	\$ 92,781	\$ 48,049	\$ 55,031
Thermal barrier	48,712	90,564	36,784	52,254	152,844	236,830	112,788	138,816
Total	\$ 73,017	\$ 117,340	\$ 52,218	\$ 68,297	\$ 229,764	\$ 329,611	\$ 160,837	\$ 193,847

	Segment Operating Profit (Loss)			
	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
	(In thousands)		(In thousands)	
Energy industrial	\$ 8,871	\$ 10,733	\$ 28,871	\$ 37,750
Thermal barrier	11,928	38,310	40,056	98,014
Total	\$ 20,799	\$ 49,043	\$ 68,927	\$ 135,764
Corporate expenses	22,579	31,643	72,908	93,240
Restructuring and demobilization costs	1,568	—	16,296	—
Impairment of property, plant and equipment	-	—	287,567	2,702
Operating profit (loss)	(3,348)	17,400	(307,844)	39,822
Other expense, net	(2,392)	(30,103)	(6,304)	(35,920)
Income tax expense	(594)	(267)	(2,491)	(1,889)
Net income (loss)	\$ (6,334)	\$ (12,970)	\$ (316,639)	\$ 2,013

	Depreciation Expense			
	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
	(In thousands)		(In thousands)	
Energy industrial	\$ 2,376	\$ 2,752	\$ 8,086	\$ 8,988
Thermal barrier	3,016	2,569	8,895	8,105
Consolidated depreciation expense	<u>\$ 5,392</u>	<u>\$ 5,321</u>	<u>\$ 16,981</u>	<u>\$ 17,093</u>

	Total Assets	
	September 30,	December 31,
	2025	2024
	(In thousands)	
Energy industrial	\$ 91,500	\$ 103,453
Thermal barrier	120,252	159,934
Total assets of reportable segments	211,752	263,387
Construction in progress and held for sale	80,308	352,545
All other corporate assets	199,335	279,212
	<u>\$ 491,395</u>	<u>\$ 895,144</u>

(16) Restructuring and Demobilization Costs

In February 2025, the Company announced and began implementing a restructuring plan to realign the Company's operational focus to improve costs and align capital expenditure to anticipated long term demand. The plan included reducing the Company's headcount and ceasing construction of the Company's previously planned Statesboro Plant. In connection with the demobilization, the Company is no longer pursuing its application for a loan from the Department of Energy's Loan Programs Office and has withdrawn from the loan application process.

During each of the three months ended June 30, 2025 and September 30, 2025, the Company announced further headcount reductions to realign the Company's operation and to improve costs.

As a result of the restructurings and the demobilization, the Company incurred the charges shown in the following table. Asset write-downs are included within impairment expenses in the consolidated statements of operations.

	Restructuring and Demobilization Costs	
	Three Months Ended	Nine Months Ended
	September 30, 2025	September 30, 2025
	(In thousands)	
Severance and other personnel costs	\$ 1,284	\$ 7,266
Demobilization costs	284	2,857
Deferred financing costs write-off	—	6,173
Total	<u>\$ 1,568</u>	<u>\$ 16,296</u>

(17) Subsequent Events

The Company has evaluated subsequent events through November 6, 2025, the date of issuance of the consolidated financial statements for the three and nine months ended September 30, 2025.

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

The following information should be read in conjunction with the unaudited financial information and the notes thereto included in this Quarterly Report on Form 10-Q and the audited financial information and the notes thereto included in the Annual Report on Form 10-K for the year ended December 31, 2024, filed with the U.S. Securities and Exchange Commission (SEC) on February 27, 2025, which we refer to as the Annual Report.

Certain matters discussed in this Quarterly Report on Form 10-Q may be deemed to be forward-looking statements that involve risks and uncertainties. We make such forward-looking statements pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and other federal securities laws. In this Quarterly Report on Form 10-Q, words such as "may," "will," "anticipate," "estimate," "expects," "projects," "intends," "plans," "believes" and similar expressions (as well as other words or expressions referencing future events, conditions or circumstances) are intended to identify forward-looking statements.

Our actual results and the timing of certain events may differ materially from the results discussed, projected, anticipated, or indicated in any forward-looking statements. We caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and the development of the industry in which we operate may differ materially from the forward-looking statements contained in this Quarterly Report on Form 10-Q. In addition, even if our results of operations, financial condition and liquidity, and the development of the industry in which we operate are consistent with the forward-looking statements contained in this Quarterly Report on Form 10-Q, they may not be predictive of results or developments in future periods.

The following information and any forward-looking statements should be considered in light of factors discussed elsewhere in this Quarterly Report on Form 10-Q, including Part I Item 1 "Financial Statements," which includes our financial statements and related notes, and under the sections titled "Risk Factors" in Item 1A of the Annual Report and this Quarterly Report on Form 10-Q.

We caution readers not to place undue reliance on any forward-looking statements made by us, which speak only as of the date they are made. We disclaim any obligation, except as specifically required by law and the rules of the SEC, to publicly update or revise any such statements to reflect any change in our expectations or in events, conditions or circumstances on which any such statements may be based, or that may affect the likelihood that actual results will differ from those set forth in the forward-looking statements.

Investors and others should note that we routinely use the Investors section of our website to announce material information to investors and the marketplace. While not all of the information that we post on the Investors section of our website is of a material nature, some information could be deemed to be material. Accordingly, we encourage investors, the media, and others interested in us to review the information that we share on the Investors section of our website, <https://www.aerogel.com>.

Products

Our core businesses are organized into two reportable segments: Thermal Barrier and Energy Industrial. The following describes our key product offerings and new product innovations by reportable segment.

Thermal Barrier

We have developed a number of promising aerogel products and technologies for the EV market, including our proprietary line of PyroThin aerogel thermal barriers for use in battery packs in EVs. Our PyroThin product is an ultra-thin, lightweight and flexible thermal barrier designed with other functional layers to impede the propagation of thermal runaway across multiple lithium-ion battery system architectures. Our thermal barrier technology is designed to offer a unique combination of thermal management, mechanical performance and fire protection properties. These properties enable EV manufacturers to achieve critical battery performance and safety goals by impeding the propagation of thermal runaway in lithium-ion battery systems at the battery cell, module and pack levels across multiple lithium-ion battery system architectures. Our ultra-thin, lightweight and flexible thermal barriers are designed to allow battery manufacturers to achieve critical safety goals without sacrificing energy density.

We have entered into multi-year production contracts with a number of automotive EV OEM customers to supply fabricated, multi-part thermal barriers for use in the battery systems of their EV models. These customers include General Motors LLC (GM), Toyota, Scania, Automotive Cells Company, which is a battery cell joint venture between Stellantis N.V., Saft-TotalEnergies and Mercedes-Benz, Audi, a luxury brand of the Volkswagen Group, Volvo Truck, and a large EU battery manufacturer to supply a next generation vehicle platform of a major EU luxury sports car brand. We are currently supplying thermal barrier production parts to both General Motors and Toyota, and thermal barrier prototype parts to a number of global manufacturers of EVs, grid storage and home

battery systems. During fiscal years 2024, 2023 and 2022, we sold \$306.8 million, \$110.1 million and \$55.6 million, respectively, of our PyroThin thermal barriers; however, as discussed below under “Key Metrics and Non-GAAP Financial Measures”, our thermal barrier revenues have declined in 2025 as compared to the prior year.

Energy Industrial

We design, develop and manufacture innovative, high-performance aerogel insulation used primarily in the energy industrial market. We believe our aerogel blankets deliver the best thermal performance of any widely used insulation product available on the market today and provide a combination of performance attributes unmatched by traditional insulation materials. Our insulation products help end-users to improve resource efficiency, reduce energy consumption, and reduce the carbon footprint of their operations. These products enable compact system design, reduce installation time and costs, promote freight and logistics cost savings, reduce system weight, minimize required storage space and enhance job site safety. Our insulation products reduce the incidence of corrosion under insulation, which is a significant maintenance cost and safety issue in energy industrial facilities. Our end-user customers select our products where thermal performance is critical and to save money, improve resource efficiency, enhance sustainability, preserve operating assets and protect workers. Our insulation is used by oil producers and the owners and operators of refineries, petrochemical plants, liquefied natural gas (LNG) facilities, power generating assets and other energy industrial sites. Our Pyrogel® and Cryogel® product lines have undergone rigorous technical validation by industry leading end-users and achieved significant market adoption.

We also derive revenue from a number of other end markets. Customers in these markets use our products for applications as diverse as military and commercial aircraft, trains, buses, appliances, apparel, footwear and outdoor gear. We believe we will have additional opportunities to address high-value applications in the global insulation market, as well as in adjacent market opportunities such as energy storage applications, electrification applications and other potential adjacent applications subject to their commercial potential, the differentiation of our products, and the ability to leverage our existing manufacturing platform.

We market and sell our products primarily through a sales force based in North America, Europe and Asia. The efforts of our sales force are supported by a small number of sales consultants with extensive knowledge of a particular market or region. Our sales force is responsible for establishing and maintaining customer and partner relationships, delivering highly technical information and ensuring high-quality customer service.

Our salespeople work directly with end-user customers and engineering firms to promote the qualification, specification and acceptance of our aerogel and thermal barrier products. We also rely on an existing and well-established channel of qualified insulation distributors and contractors in more than 50 countries around the world to ensure rapid delivery of our aerogel products and strong end-user support.

Manufacturing Operations

We manufacture our products using our proprietary technology at our facility in East Providence, Rhode Island, which we have operated since 2008. During 2024, we converted our East Providence facility to support the growth of the thermal barrier program. We manage the capacity of our East Providence facility on an ongoing basis in order to meet expected demand for our aerogel products. We also utilize a flexible supply strategy, including but not limited to use of our external manufacturing capabilities in China, which currently support our Energy Industrial segment. Pursuant to our supply contract with this contract manufacturer, they are obligated to deliver products to us as we issue purchase orders on an as-needed basis through the term of the contract. The contract automatically renews year-to-year unless either party notifies the other of its intention not to renew the contract. While we have agreed to purchase our requirement for certain Energy Industrial products from the contract manufacturer, we have no obligation to purchase any minimum quantity under the contract and we may terminate the contract at any time and for any or no reason. Additionally, we entered into a contract with Prodensa to establish OPE Manufacturer Mexico S de RL de CV, a maquiladora located in Mexico (OPE), which assembles thermal barrier PyroThin products and operates an automated fabrication facility for PyroThin. Pursuant to such contract, we paid Prodensa a management fee and have an option to purchase OPE from Prodensa after a period of 18 months. On July 31, 2025, the purchase of OPE was completed for a nominal value in accordance with the terms of the agreement.

We expect to meet demand for our aerogel products by utilizing both our East Providence facility and our flexible supply strategy, including, but not limited to, using our external manufacturing capabilities.

Financial Summary

Our revenue for the nine months ended September 30, 2025 was \$229.8 million, which represented a decrease of \$99.8 million, or 30%, from \$329.6 million for the nine months ended September 30, 2024. Net loss for the nine months ended September 30, 2025

was \$316.6 million and net loss per share was \$3.85. Net income for the nine months ended September 30, 2024 was \$2.0 million and net income per share was \$0.03.

Key Metrics and Non-GAAP Financial Measures

We regularly review a number of metrics, including the following key metric, to evaluate our business, measure our performance, identify trends affecting our business, formulate financial projections and make strategic decisions.

Adjusted EBITDA

We use Adjusted EBITDA, a non-GAAP financial measure, as a means to assess our operating performance. We define Adjusted EBITDA as net income (loss) before interest expense, taxes, depreciation, amortization, stock-based compensation expense and other items, from time to time, which we do not believe are indicative of our core operating performance. Adjusted EBITDA is a supplemental measure of our performance that is not presented in accordance with U.S. GAAP. Adjusted EBITDA should not be considered as an alternative to net income (loss) or any other measure of financial performance calculated and presented in accordance with U.S. GAAP. In addition, our definition and presentation of Adjusted EBITDA may not be comparable to similarly titled measures presented by other companies.

We use Adjusted EBITDA:

- as a measure of operating performance because it does not include the impact of items that we do not consider indicative of our core operating performance;
- for planning purposes, including the preparation of our annual operating budget;
- to allocate resources to enhance the financial performance of our business; and
- as a performance measure used under our bonus plan.

We also believe that the presentation of Adjusted EBITDA provides useful information to investors with respect to our results of operations and in assessing the performance and value of our business. Various measures of EBITDA are widely used by investors to measure a company's operating performance without regard to items that can vary substantially from company to company depending upon financing and accounting methods, book values of assets, capital structures and the methods by which assets were acquired.

Although measures similar to Adjusted EBITDA are frequently used by investors and securities analysts in their evaluation of companies, we understand that Adjusted EBITDA has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for net income (loss), income (loss) from operations, net cash provided by (used in) operating activities or an analysis of our results of operations as reported under U.S. GAAP. Some of these limitations are:

- Adjusted EBITDA does not reflect our historical cash expenditures or future requirements for capital expenditures or other contractual commitments;
- Adjusted EBITDA does not reflect changes in, or cash requirements for, our working capital needs;
- Adjusted EBITDA does not reflect stock-based compensation expense;
- Adjusted EBITDA does not reflect our income tax expense or cash requirements to pay our income taxes;
- Adjusted EBITDA does not reflect our interest expense, or the cash requirements necessary to service interest or principal payments on our debt;
- although depreciation, amortization and impairment charges are non-cash charges, the assets being depreciated, amortized or impaired will often have to be replaced in the future, and Adjusted EBITDA does not reflect any cash requirements for these replacements; and
- other companies in our industry may calculate EBITDA or Adjusted EBITDA differently than we do, limiting their usefulness as a comparative measure.

Because of these limitations, our Adjusted EBITDA should not be considered as a measure of discretionary cash available to us to reinvest in the growth of our business or as a measure of cash available for us to meet our obligations.

To properly and prudently evaluate our business, we encourage you to review the U.S. GAAP financial statements included elsewhere in this Quarterly Report on Form 10-Q, and not to rely on any single financial measure to evaluate our business.

The following table presents a reconciliation of net income (loss), the most directly comparable U.S. GAAP measure, to Adjusted EBITDA for the periods presented:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
	(In thousands)			
Net income (loss)	\$ (6,334)	\$ (12,970)	\$ (316,639)	\$ 2,013
Depreciation and amortization	5,393	5,321	16,981	17,093
Stock-based compensation ⁽¹⁾	2,642	2,630	7,927	10,307
Other expense	2,392	2,616	6,304	8,433
Income tax expense	594	267	2,491	1,889
Loss on extinguishment of debt	—	27,487	—	27,487
Restructuring and demobilization costs	1,568	—	16,296	—
Impairment of property, plant and equipment	-	—	287,567	—
Adjusted EBITDA	<u>\$ 6,255</u>	<u>\$ 25,351</u>	<u>\$ 20,927</u>	<u>\$ 67,222</u>

⁽¹⁾ Represents non-cash stock-based compensation related to vesting and modifications of stock option grants, RSUs and restricted common stock, and cash settled RSUs issued in March 2025.

Our financial performance, including such measures as net income (loss), earnings per share and Adjusted EBITDA, are affected by a number of factors including volume and mix of aerogel products sold, average selling prices, our material costs and manufacturing expenses, and the amount and timing of capital and operating expenses. Accordingly, we expect that our net income (loss), earnings per share and Adjusted EBITDA will vary from period to period.

Our expectation for thermal barrier revenue is based, in part, on our OEM customers' production volume forecasts and targets. Our OEM customers operate in a cyclical industry that is sensitive to shifting consumer trends, political and regulatory uncertainty and economic conditions in the markets they operate. EV adoption rates in our customers' markets have been lower than originally expected and these lower adoption rates are expected to continue. As a result, EV investment continues to be re-timed as demand expectations in North America and Europe are reset. Furthermore, changes in government and economic policies, incentives, and tariffs have impacted our customers and our production, sales, cost structure and the competitive landscape, and we expect that such factors will continue to impact us and our customers. Additionally, our OEM customers continue to innovate which could result in engineering changes to the parts we supply primarily to reduce costs for our OEMs. Cost-cutting initiatives adopted by our customers may result in increased downward pressure on pricing. Our customer supply agreements generally require step-downs in component pricing over the periods of production and OEMs have historically possessed significant leverage over their outside suppliers. Thermal barrier revenues have declined in 2025 as compared to the prior year. Additionally, we are projecting a decline in energy industrial revenue in 2025 as compared to the prior year due to volume decline in our core markets and project-based demand. In response to these developments, we plan to continue our ongoing cost reduction measures, including reduced headcount, and our efforts to improve production innovation and efficiency. As a result of the foregoing, we expect a decline in net income and Adjusted EBITDA during 2025 as compared to the prior year. We also expect reduced capital expenditures during 2025 as compared to the prior year.

Components of Our Results of Operations

Revenue

We recognize revenue from the sale of our energy industrial aerogel products and thermal barriers. Revenue is recognized upon the satisfaction of contractual performance obligations.

We record deferred revenue for sales when (i) we have delivered products, but other revenue recognition criteria have not been satisfied, or (ii) payments have been received in advance of the completion of required performance obligations.

For the reasons discussed above, we expect that both our thermal barrier revenues and energy industrial revenues will decline in 2025 as compared to the prior year.

Cost of Revenue

Cost of product revenue consists primarily of materials and manufacturing expense. Cost of product revenue is recorded when the related product revenue is recognized.

Material is a significant component of cost of product revenue and includes fibrous batting, silica materials and additives. Material costs as a percentage of product revenue vary from product to product due to differences in average selling prices, material requirements, product thicknesses, and manufacturing yields. In addition, we provide warranties for our products and record the estimated cost within cost of revenue in the period that the related revenue is recorded or when we become aware that a potential warranty claim is probable and can be reasonably estimated. As a result of these factors, material costs as a percentage of product revenue will vary from period to period due to changes in the volume and mix of aerogel products sold, the costs of our raw materials or the estimated cost of warranties. In addition, global supply chain disturbances, increased reliance on foreign materials procurement, industrial gas supply constraints, increases in the cost of our raw materials, engineering changes, higher prototype sales and other factors may significantly impact our material costs and have a material impact on our operations.

Manufacturing expense is also a significant component of cost of revenue. Manufacturing expense includes labor, utilities, maintenance expense, and depreciation on manufacturing assets. Manufacturing expense also includes stock-based compensation of manufacturing employees and shipping costs.

We are also continuing to monitor the impact on our material costs, manufacturing expense, and cost of product revenue from engaging one or more external manufacturing facilities in China to supply our aerogel products, which began in 2024.

Gross Profit

Our gross profit as a percentage of revenue is affected by a number of factors, including the volume of products produced and sold, the mix of products sold, average selling prices, our material and manufacturing costs and realized capacity utilization. Accordingly, we expect our gross profit to vary significantly in absolute dollars and as a percentage of revenue from period to period. However, given the expected decrease in revenue in 2025 as compared to the prior year, we expect that our gross profit as a percentage of revenue will also decline over the same period.

Operating Expenses

Operating expenses consist of research and development, sales and marketing, and general and administrative expenses. Operating expenses include personnel costs, legal fees, professional fees, service fees, insurance premiums, travel expense, facilities related costs and other costs, expenses and fees. The largest component of our operating expenses is personnel costs, consisting of salaries, benefits, incentive compensation and stock-based compensation. In any particular period, the timing and extent of personnel additions or reductions, legal activities, including patent enforcement actions, marketing programs, research efforts and a range of similar activities or actions could materially affect our operating expenses, both in absolute dollars and as a percentage of revenue.

Research and Development Expenses

Research and development expenses consist primarily of expenses for personnel engaged in the development of next generation aerogel compositions, form factors and manufacturing technologies. These expenses also include testing services, prototype expenses, consulting services, trial formulations for new products, equipment depreciation, facilities costs and related overhead. We expense research and development costs as incurred. While we expect to continue to devote resources to the development of new aerogel technologies and while we believe that such investments are necessary to maintain and improve our competitive position, we plan to reduce the overall amount of such expenditures in 2025 as compared to the prior year.

Sales and Marketing Expenses

Sales and marketing expenses consist primarily of personnel costs, incentive compensation, marketing programs, costs of new product and process introductions, travel and related costs, consulting expenses and facilities related costs. We expect that sales and marketing expenses will decrease in absolute dollars but increase as a percentage of revenue in 2025 as compared to the prior year, given the expected decrease in revenue.

General and Administrative Expenses

General and administrative expenses consist primarily of personnel costs, legal expenses, consulting and professional services, audit fees, compliance with securities, corporate governance and related laws and regulations, investor relations and insurance premiums, including director and officer insurance. We expect that general and administrative expenses will decrease in absolute dollars but increase as a percentage of revenue in 2025 as compared to the prior year, given the expected decrease in revenue.

We expect that the patent enforcement actions, described in more detail under “Legal Proceedings” in Part I, Item 3 of our Annual Report and “Legal Proceedings” in Part II, Item 1 of this Quarterly Report on Form 10-Q, if protracted, could result in significant legal expense over the medium to long-term.

Restructuring and demobilization costs

Restructuring and demobilization costs consists of severance and other personnel costs, facility closures and other costs associated with the demobilization of our previously planned Statesboro Plant.

Impairment of property, plant and equipment

In 2025, impairment of property, plant and equipment consists of impairment incurred on our previously planned Statesboro Plant and impairment of other property, plant and equipment in connection with a restructuring action.

During the fiscal year ended December 31, 2024, the impairment of equipment under development was the result of a charge for impairment of assets due to obsolescence following development of new and more efficient equipment.

Interest Expense, Convertible Note - Related Party

Interest expense, convertible note - related party is net of the capitalized interest related to the 2022 Convertible Note which we sold and issued to Wood River. The Company repurchased the 2022 Convertible Note on August 19, 2024.

Interest Income (Expense)

Interest expense consists of interest expense and amortization or write-off of deferred financing costs related to our other financing arrangements including our Amended MidCap Loan Facility, a failed sale and leaseback arrangement accounted as a financing transaction, and interest earned on the cash balances invested in deposit accounts, money market accounts, and high-quality debt securities issued by the U.S. government.

Provision for Income Taxes

We have incurred net losses since inception with the exception of the year ended December 31, 2024, and have not recorded benefit provisions for U.S. federal income taxes since the tax benefits of our net losses have been offset by valuation allowances due to the uncertainty associated with the utilization of net operating loss carryforwards. We record tax expenses in connection with provisions for state income taxes and our Mexican maquiladora operations.

Results of Operations

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

The following tables set forth a comparison of the components of our results of operations for the periods presented:

Revenue

	Three Months Ended September 30,				Change	
	2025		2024			
	Amount	Percentage of Revenue	Amount	Percentage of Revenue	Amount	Percentage
	(\$ in thousands)					
Revenue:						
Energy industrial	\$ 24,305	33%	\$ 26,776	23%	\$ (2,471)	(9)%
Thermal barrier	48,712	67%	90,564	77%	(41,852)	(46)%
Total revenue	\$ 73,017	100%	\$ 117,340	100%	\$ (44,323)	(38)%

Total revenue decreased \$44.3 million, or 38%, to \$73.0 million for the three months ended September 30, 2025 from \$117.3 million in the comparable period in 2024. The decrease in total revenue was the result of decreases in thermal barrier revenue and energy industrial revenue.

Energy industrial revenue decreased by \$2.4 million, or 9%, to \$24.3 million for the three months ended September 30, 2025 from \$26.7 million in the comparable period in 2024. This decrease was driven by a decrease in revenue from the global petrochemical and refinery markets of North America, Latin America and Europe, and project-based demand in the subsea market, offset in part by an increase in revenue from the global petrochemical and refinery market of Asia.

Energy industrial revenue for the three months ended September 30, 2025 included \$4.6 million from a North American distributor, in comparison to \$5.6 million for the comparable period of 2024.

The average selling price per square foot of our energy industrial products increased by 2% for the three months ended September 30, 2025, compared to the three months ended September 30, 2024. The increase in average selling price reflected the impact of price increases enacted in 2025 and a change in the mix of products sold. This increase in average selling price had the effect of increasing product revenue by \$0.4 million for the three months ended September 30, 2025 from the comparable period in 2024.

In volume terms, energy industrial product shipments decreased by 11% as measured by square feet of our energy industrial products shipped for the three months ended September 30, 2025, compared to the three months ended September 30, 2024. The decrease in volume had the effect of decreasing product revenue by \$2.8 million for the three months ended September 30, 2025 from the comparable period in 2024.

Thermal barrier revenue decreased by \$41.9 million, or 46%, to \$48.7 million for the three months ended September 30, 2025 from \$90.6 million in the comparable period in 2024. During the three months ended September 30, 2025 and 2024, thermal barrier revenue included \$46.6 million and \$86.4 million, respectively, to a major U.S. automotive OEM. The decrease in thermal barrier revenue was driven by a reduction in the volume of parts ordered by our OEM customer and a lower contractual component price during the period compared to the same period in the prior year.

Cost of Revenue

	Three Months Ended September 30,				Change	
	2025		2024			
	Amount	Percentage of Related Revenue	Amount	Percentage of Related Revenue	Amount	Percentage
	(\$ in thousands)					
Cost of revenue:						
Energy industrial	\$ 15,434	64%	\$ 16,043	60%	\$ (609)	(4)%
Thermal barrier	36,784	76%	52,254	58%	(15,470)	(30)%
Total cost of revenue	<u>\$ 52,218</u>	72%	<u>\$ 68,297</u>	58%	<u>\$ (16,079)</u>	(24)%

Total cost of revenue decreased \$16.1 million, or 24%, to \$52.2 million for the three months ended September 30, 2025 from \$68.3 million in the comparable period in 2024. The decrease in total cost of revenue was the result of a decrease in thermal barrier cost of revenue and energy industrial cost of revenue.

Energy industrial cost of revenue decreased \$0.6 million, or 4%, to \$15.4 million for the three months ended September 30, 2025 from \$16.0 million in the comparable period in 2024, primarily due to a decrease in the volume of products shipped. The \$0.6 million decrease was the result of a \$1.4 million decrease in manufacturing and other operating costs due to lower volume of energy industrial products shipped from our plant, offset in part by a \$0.8 million increase in material costs.

Thermal barrier cost of revenue decreased \$15.5 million, or 30%, to \$36.8 million for the three months ended September 30, 2025 from \$52.3 million in the comparable period in 2024. The \$15.5 million decrease was the result of a \$10.7 million decrease in material costs and a \$7.0 million decrease in manufacturing costs, offset by a \$2.2 million credit during the three months ended September 30, 2024 for reimbursement of costs related to the impact from an engineering change, which did not repeat. Material costs decreased primarily due to lower volume and operational efficiencies generating lower scrap. Manufacturing costs decreased due to lower volumes in comparison to the same period in 2024, benefits from the headcount reduction and other cost cutting efforts in 2025.

Gross Profit

	Three Months Ended September 30,				Change	
	2025		2024			
	Amount	Percentage of Revenue	Amount	Percentage of Revenue	Amount	Percentage
	(\$ in thousands)					
Gross profit:						
Energy industrial	\$ 8,871	36%	\$ 10,733	40%	\$ (1,862)	(17)%
Thermal barrier	11,928	24%	38,310	42%	(26,382)	(69)%
Total gross profit	<u>\$ 20,799</u>	28%	<u>\$ 49,043</u>	42%	<u>\$ (28,244)</u>	(58)%

Gross profit decreased by \$28.2 million, or 58%, to \$20.8 million for the three months ended September 30, 2025 from \$49.0 million in the comparable period in 2024. The decrease in gross profit was the result of the \$44.3 million decrease in total revenue, partially offset by the \$16.1 million decrease in total cost of revenue.

Research and Development Expenses

	Three Months Ended September 30,				Change	
	2025		2024			
	Amount	Percentage of Revenue	Amount	Percentage of Revenue	Amount	Percentage
	(\$ in thousands)					
Research and development expenses	\$ 2,494	3%	\$ 4,591	4%	\$ (2,097)	(46)%

Research and development expenses decreased by \$2.1 million, or 46%, to \$2.5 million for the three months ended September 30, 2025 from \$4.6 million in the comparable period in 2024. The \$2.1 million decrease reflects decreases in compensation and related costs of \$1.9 million, driven by a headcount reduction and a decrease in other expenditures of \$0.2 million.

Research and development expenses as a percentage of total revenue decreased to 3% of total revenue for the three months ended September 30, 2025 from 4% in the comparable period in 2024.

Sales and Marketing Expenses

	Three Months Ended September 30,				Change	
	2025		2024			
	Amount	Percentage of Revenue	Amount	Percentage of Revenue	Amount	Percentage
Sales and marketing expenses	\$ 6,553	9%	\$ 9,306	8%	\$ (2,753)	(30)%

Sales and marketing expenses decreased by \$2.7 million, or 30%, to \$6.6 million for the three months ended September 30, 2025 from \$9.3 million in the comparable period in 2024. The \$2.7 million decrease reflects decreases in compensation and related costs of \$1.5 million, partially driven by a headcount reduction, employee related expenses of \$0.5 million, marketing expenses of \$0.3 million, \$0.2 million in professional fees and a decrease in utilities expenses of \$0.2 million.

Sales and marketing expenses as a percentage of total revenue increased to 9% of total revenue for the three months ended September 30, 2025 from 8% in the comparable period in 2024.

General and Administrative Expenses

	Three Months Ended September 30,				Change	
	2025		2024			
	Amount	Percentage of Revenue	Amount	Percentage of Revenue	Amount	Percentage
General and administrative expenses	\$ 13,532	19%	\$ 17,746	15%	\$ (4,214)	(24)%

General and administrative expenses decreased by \$4.2 million, or 24%, to \$13.5 million for the three months ended September 30, 2025 from \$17.7 million in the comparable period in 2024. The \$4.2 million decrease was the result of decreases in compensation and related costs of \$4.0 million, partially driven by a headcount reduction and a decrease in other expenditures of \$0.2 million.

General and administrative expenses as a percentage of total revenue increased to 19% for the three months ended September 30, 2025 from 15% in the comparable period in 2024.

Restructuring and demobilization costs

In February 2025, we announced and began implementing a restructuring plan to realign our operational focus to improve costs and align capital expenditure to anticipated long term demand. The plan included reducing our headcount and ceasing construction of our previously planned Statesboro Plant. Restructuring and demobilization costs include severance and other personnel costs of \$1.3 million and facility closures and other costs associated with demobilization of \$0.3 million for the three months ended September 30, 2025. We did not incur restructuring, facility closure or demobilization costs for the three months ended September 30, 2024.

Other Income (Expense), net

	Three Months Ended September 30,				Change	
	2025		2024			
	Amount	Percentage of Revenue	Amount	Percentage of Revenue	Amount	Percentage
Other income (expense):						
Interest expense, related party	\$ —	—	\$ (1,469)	(1)%	\$ 1,469	(100)%
Interest income (expense), net	(2,973)	(4)%	(1,147)	(1)%	(1,826)	159%
Loss on extinguishment of debt	—	—	(27,487)	(23)%	27,487	(100)%
Other income	581	1%	—	—	581	NM
Total other expense, net	\$ (2,392)	(3)%	\$ (30,103)	(26)%	\$ 27,711	(92)%

The \$1.5 million decrease in interest expense, related party for the three months ended September 30, 2025 is the result of the repurchase of the 2022 Convertible Note in August 2024.

The \$1.8 million increase in interest expense, net for the three months ended September 30, 2025 is the result of a \$2.2 million increase in interest expense from the MidCap Loan Facility and sale and leaseback transactions, offset by an increase in interest income of \$0.4 million.

The \$27.5 million loss on extinguishment of debt for the three months ended September 30, 2024 is the result of the repayment of the 2022 Convertible Note in August 2024.

Income Tax Expense

	Three Months Ended September 30,				Change	
	2025		2024			
	Amount	Percentage of Revenue	Amount	Percentage of Revenue	Amount	Percentage
Income tax expense	\$ 594	1%	\$ 267	0%	\$ 327	122%

The \$0.6 million of income tax expense for the three months ended September 30, 2025 is related to our maquiladora operations in Mexico, in addition to a provision for state income taxes of less than \$(0.1) million. We incurred \$0.3 million of income tax expense related to our maquiladora operations in Mexico for the comparable period in 2024.

Results of Operations

Nine months ended September 30, 2025 compared to the nine months ended September 30, 2024

The following tables set forth a comparison of the components of our results of operations for the periods presented:

Revenue

	Nine Months Ended September 30,				Change	
	2025		2024			
	Amount	Percentage of Revenue	Amount	Percentage of Revenue	Amount	Percentage
Revenue:						
Energy industrial	\$ 76,920	33%	\$ 92,781	28%	\$ (15,861)	(17)%
Thermal barrier	152,844	67%	236,830	72%	(83,986)	(35)%
Total revenue	\$ 229,764	100%	\$ 329,611	100%	\$ (99,847)	(30)%

Total revenue decreased \$99.8 million, or 30%, to \$229.8 million for the nine months ended September 30, 2025 from \$329.6 million in the comparable period in 2024. The decrease in total revenue was the result of decreases in thermal barrier revenue and energy industrial revenue.

Energy industrial revenue decreased by \$15.9 million, or 17%, to \$76.9 million for the nine months ended September 30, 2025 from \$92.8 million in the comparable period in 2024. This decrease was driven by a decrease in revenue from the global petrochemical and refinery markets of North America, Europe, and Latin America, and in project-based demand in the subsea market, offset in part by an increase in revenue from the global petrochemical and refinery market of Asia.

Energy industrial revenue for the nine months ended September 30, 2025 included \$16.9 million from a North American distributor, in comparison to \$19.1 million for the comparable period of 2024.

The average selling price per square foot of our energy industrial products increased by less than 1% for the nine months ended September 30, 2025, compared to the nine months ended September 30, 2024. The increase in average selling price reflected the impact of price increases enacted in 2025 and a change in the mix of products sold. This increase in average selling price had the effect of increasing product revenue by \$0.5 million for the nine months ended September 30, 2025 from the comparable period in 2024.

In volume terms, energy industrial product shipments decreased by 18% as measured by square feet of our energy industrial products shipped for the nine months ended September 30, 2025, compared to the nine months ended September 30, 2024. The

decrease in volume had the effect of decreasing product revenue by \$16.4 million for the nine months ended September 30, 2025 from the comparable period in 2024.

Thermal barrier revenue decreased by \$84.0 million, or 35%, to \$152.8 million for the nine months ended September 30, 2025 from \$236.8 million in the comparable period in 2024. During the nine months ended September 30, 2025 and 2024, thermal barrier revenue included \$147.9 million and \$223.8 million, respectively, to a major U.S. automotive OEM. The decrease in thermal barrier revenue was driven by a reduction in the volume of parts ordered by our OEM customer and a lower contractual component price during the period compared to the same period in the prior year.

Cost of Revenue

	Nine Months Ended September 30,					
	2025		2024		Change	
	Amount	Percentage of Related Revenue	Amount	Percentage of Related Revenue	Amount	Percentage
	(\$ in thousands)					
Cost of revenue:						
Energy industrial	\$ 48,049	62%	\$ 55,031	59%	\$ (6,982)	(13)%
Thermal barrier	112,788	74%	138,816	59%	(26,028)	(19)%
Total cost of revenue	\$ 160,837	70%	\$ 193,847	59%	\$ (33,010)	(17)%

Total cost of revenue decreased \$33.0 million, or 17%, to \$160.8 million for the nine months ended September 30, 2025 from \$193.8 in the comparable period in 2024. The decrease in total cost of revenue was the result of a decrease in thermal barrier cost of revenue and energy industrial cost of revenue.

Energy industrial cost of revenue decreased \$7.0 million, or 13%, to \$48.0 million for the nine months ended September 30, 2025 from \$55.0 million in the comparable period in 2024, primarily due to a decrease in the volume of products shipped. The \$7.0 million decrease was the result of a \$7.9 million decrease in manufacturing and other operating costs due to lower volume of energy industrial products manufactured at our plant, offset in part by a \$0.9 million increase in material costs.

Thermal barrier cost of revenue decreased \$26.0 million, or 19%, to \$112.8 million for the nine months ended September 30, 2025 from \$138.8 million in the comparable period in 2024. The \$26.0 million decrease was the result of a \$23.2 million decrease in material costs, a \$2.4 million decrease in manufacturing costs and a \$0.4 million charge for an engineering change during the nine months ended September 30, 2024, which did not repeat. Material costs decreased primarily due to lower volume and operational efficiencies generating lower scrap. Manufacturing costs decreased due to lower volumes in the comparable period in 2024 and from headcount reduction and other cost cutting efforts in 2025.

Gross Profit

	Nine Months Ended September 30,				Change	
	2025		2024			
	Amount	Percentage of Revenue	Amount	Percentage of Revenue	Amount	Percentage
	(\$ in thousands)					
Gross profit:						
Energy industrial	\$ 28,871	38%	\$ 37,750	41%	\$ (8,879)	(24)%
Thermal barrier	40,056	26%	98,014	41%	(57,958)	59%
Total gross profit	\$ 68,927	30%	\$ 135,764	41%	\$ (66,837)	(49)%

Gross profit decreased by \$66.9 million, or 49%, to \$68.9 million for the nine months ended September 30, 2025 from \$135.8 million in the comparable period in 2024. The decrease in gross profit was the result of the \$99.8 million decrease in total revenue, partially offset by the \$33.0 million decrease in total cost of revenue.

Research and Development Expenses

	Nine Months Ended September 30,				Change	
	2025		2024			
	Amount	Percentage of Revenue	Amount	Percentage of Revenue	Amount	Percentage
Research and development expenses	\$ 10,621	5%	\$ 13,645	4%	\$ (3,024)	(22)%

Research and development expenses decreased by \$3.0 million, or 22%, to \$10.6 million for the nine months ended September 30, 2025 from \$13.6 million in the comparable period in 2024. The \$3.0 million decrease reflects decreases in compensation and related costs of \$3.1 million, driven by a headcount reduction, partially offset by an increase in other expenditures of \$0.1 million.

Research and development expenses as a percentage of total revenue increased to 5% of total revenue for the three months ended September 30, 2025 from 4% in the comparable period in 2024.

Sales and Marketing Expenses

	Nine Months Ended September 30,				Change	
	2025		2024			
	Amount	Percentage of Revenue	Amount	Percentage of Revenue	Amount	Percentage
Sales and marketing expenses	\$ 21,885	10%	\$ 27,130	8%	\$ (5,245)	(19)%

Sales and marketing expenses decreased by \$5.2 million, or 19%, to \$21.9 million for the nine months ended September 30, 2025 from \$27.1 million in the comparable period in 2024. The \$5.2 million decrease reflects decreases in compensation and related costs of \$3.3 million, partially driven by a headcount reduction, marketing expenses of \$0.6 million, operating supplies and equipment of \$0.6 million, employee related expenses of \$0.5 million and other expenditures of \$0.2 million.

Sales and marketing expenses as a percentage of total revenue increased to 10% of total revenue for the nine months ended September 30, 2025 from 8% in the comparable period in 2024.

General and Administrative Expenses

	Nine Months Ended September 30,				Change	
	2025		2024			
	Amount	Percentage of Revenue	Amount	Percentage of Revenue	Amount	Percentage
General and administrative expenses	\$ 40,402	18%	\$ 52,465	16%	\$ (12,063)	(23)%

General and administrative expenses decreased by \$12.1 million, or 23%, to \$40.4 million for the nine months ended September 30, 2025 from \$52.5 million in the comparable period in 2024. The \$12.1 million decrease was the result of decreases in compensation and related costs of \$10.3 million, partially driven by a headcount reduction, foreign currency transaction losses of \$2.0 million, employee related expenses of \$0.9 million and professional fees of \$0.8 million, partially offset by an increase in utilities expenses of \$1.7 million and other expenditures of \$0.2 million. Compensation and related costs for the nine months ended September 30, 2024 included a charge of \$2.0 million from the cancellation of the unearned performance-based restricted shares.

General and administrative expenses as a percentage of total revenue increased to 18% for the nine months ended September 30, 2025 from 16% in the comparable period in 2024.

Restructuring and demobilization costs

In February 2025, we announced and began implementing a restructuring plan to realign our operational focus to improve costs and align capital expenditure to anticipated long term demand. The plan included reducing our headcount and ceasing construction of our previously planned Statesboro Plant. In connection with the demobilization, we are no longer pursuing our application for a loan from the Department of Energy's Loan Programs Office and have withdrawn from the loan application process. Restructuring and demobilization costs for the nine months ended September 30, 2025 include severance and other personnel costs of \$7.3 million, facility closures and other costs associated with demobilization of \$2.9 million and a write off of deferred financing costs of \$6.2

million incurred in connection with pursuing financing for the construction of the plant. We did not incur restructuring and demobilization costs for the nine months ended September 30, 2024.

Impairment of property, plant and equipment

Impairment of property, plant and equipment costs increased \$284.9 million, to \$287.6 million, for the nine months ended September 30, 2025 from \$2.7 million in the comparable period in 2024. The increase was due to impairment of \$286.6 million on our previously planned Statesboro Plant and impairment of \$1.0 million incurred on research and development equipment. Impairment of \$2.7 million for the nine months ended September 30, 2024 was the result of a charge for impairment of equipment under development due to obsolescence following development of new and more efficient equipment.

Other Income (Expense), net

	Nine Months Ended September 30,				Change	
	2025		2024			
	Amount	Percentage of Revenue	Amount	Percentage of Revenue	Amount	Percentage
(\$ in thousands)						
Other income (expense):						
Interest expense, related party	\$ —	0%	\$ (7,550)	(2)%	\$ 7,550	(100)%
Interest expense, net	(8,015)	(3)%	(883)	(0)%	(7,132)	808%
Loss on extinguishment of debt	—	—	(27,487)	(8)%	27,487	(100)%
Other income	1,711	1%	—	—	1,711	NM
Total other expense, net	<u>\$ (6,304)</u>	<u>(3)%</u>	<u>\$ (35,920)</u>	<u>(11)%</u>	<u>\$ 29,616</u>	<u>(82)%</u>

The \$7.6 million decrease in interest expense, related party for the nine months ended September 30, 2025 is the result of the repurchase of the convertible note in August 2024.

The \$7.1 million increase in interest expense, net for the nine months ended September 30, 2025 is the result of a \$11.3 million increase in interest expense from the MidCap Loan Facility and sale and leaseback transactions, offset by \$1.8 million of deferred financing costs written off related to the loan agreement with GM during the three months ended March 31, 2024 which did not repeat during the comparable period and an increase in interest income of \$2.4 million.

The \$27.5 million loss on extinguishment of debt for the nine months ended September 30, 2025 is the result of the repayment of the 2022 Convertible Note in August 2024.

The \$1.7 million increase in other income for the three months ended September 30, 2025 is primarily due to a \$1.1 million legal settlement payment to us.

Income Tax Expense

	Nine Months Ended September 30,				Change	
	2025		2024			
	Amount	Percentage of Revenue	Amount	Percentage of Revenue	Amount	Percentage
(\$ in thousands)						
Income tax expense	\$ 2,491	1%	\$ 1,889	1%	\$ 602	32%

The \$2.5 million of income tax expense for the nine months ended September 30, 2025 is related to our maquiladora operations in Mexico and a provision for state income taxes of \$0.3 million. We incurred \$1.9 million of income tax expense related to our maquiladora operations in Mexico for the comparable period in 2024.

Liquidity and Capital Resources

Overview

We have experienced significant costs and invested substantial resources since our inception to develop, commercialize and protect our aerogel technology and to build a manufacturing infrastructure capable of supplying aerogel products at the volumes and

costs required by our customers. These investments have included research and development and other operating expenses, capital expenditures, and investment in working capital balances.

On August 19, 2024, we entered into the Credit Agreement with the Agent and the Lenders. The MidCap Loan Facility under the Credit Agreement is comprised of (i) the Term Loan Facility in an aggregate principal amount of \$125.0 million and (ii) the Revolving Facility in an aggregate principal amount not to exceed the lesser of \$100.0 million and the value of the Borrowing Base. At closing of the Credit Agreement, the Company drew \$125.0 million from the Term Loan Facility and \$43.0 million from the Revolving Facility. The proceeds of the borrowings at closing, net of fees and costs, were used for repurchasing the 2022 Convertible Notes for \$150.0 million and for general corporate purposes. On May 6, 2025, the Credit Agreement was amended to add Aspen Georgia as a Borrower and to amend the MidCap Loan Facility. At September 30, 2025, we are in compliance with the financial covenants set forth in the Amended MidCap Loan Facility. However, given the decline in our revenues in 2025 as compared to the prior year, there can be no assurance that we will comply with one or more of these financial covenants as of the end of the fourth quarter of 2025.

In January 2024 and September 2024, we entered into sale and leaseback arrangements, pursuant to which we sold certain equipment to an equipment leasing company for one-time cash payments of \$5.0 million and \$10.0 million, respectively, and leased back such equipment from the leasing company. The associated monthly lease rents will be paid over the lease term of three years.

We believe that our September 30, 2025 cash and cash equivalents balance of \$150.7 million will be sufficient to support current operating requirements and capital expenditures required to support our existing business in the energy industrial and EV markets for at least the next twelve months from the date of this Quarterly Report on Form 10-Q. However, we expect that we will need to supplement our cash balance with anticipated cash flow from operations, as well as potential equity financings, debt financings, equipment leasing, sale-leaseback transactions, customer prepayments, or government grant and loan programs to provide the additional capital necessary to support the Company's long-term growth strategy.

We believe that consummation of equity financings could potentially result in an ownership change under Section 382 of the Internal Revenue Code. Such an ownership change would lead to the use of our net operating loss carryforwards being restricted. Our inability to use a substantial portion of our net operating loss carryforwards would result in a higher effective tax rate and adversely affect our financial condition and results of operations.

Primary Sources of Liquidity

Our principal sources of liquidity are currently our cash and cash equivalents, availability under the Revolving Facility, and cash generated by ongoing operations. Cash and cash equivalents consist primarily of cash, money market accounts, and sweep accounts on deposit with banks. As of September 30, 2025, we had \$150.7 million of unrestricted cash and cash equivalents.

Analysis of Cash Flow

	Nine Months Ended September 30,	
	2025	2024
	(In thousands)	
Net cash provided by (used in):		
Operating activities	\$ 16,737	\$ 9,865
Investing activities	(34,985)	(71,511)
Financing activities	(50,596)	35,558
Net decrease in cash	(68,844)	(26,088)
Cash, cash equivalents and restricted cash at beginning of period	221,276	139,971
Cash, cash equivalents and restricted cash at end of period	<u>\$ 152,432</u>	<u>\$ 113,883</u>

Net Cash Provided by (Used in) Operating Activities

During the nine months ended September 30, 2025, we generated \$16.7 million in net cash in operating activities, as compared to the generation of \$9.9 million in net cash during the comparable period in 2024, an increase in cash provided by operations of \$6.8 million. This increase in cash provided by operations was the result of an increase in net cash generated by changes in operating assets and liabilities of \$81.8 million, offset by a decrease in net loss adjusted for non-cash items of \$74.9 million.

Net Cash Used in Investing Activities

Net cash used in investing activities is for capital expenditures for machinery and equipment principally to improve the throughput, efficiency and capacity of our East Providence facility, our automated fabrication facility in Mexico and construction costs for the previously planned Statesboro Plant. Net cash used in investing activities for the nine months ended September 30, 2025 and 2024 was \$35.0 million and \$71.5 million, respectively.

Net Cash Provided by (Used in) Financing Activities

Net cash used in financing activities for the nine months ended September 30, 2025 totaled \$50.6 million and consisted of \$28.0 million in cash used for the repayment of the Revolving Facility, \$19.5 for the repayment of the Term Loan Facility, \$3.7 in repayments of the finance obligation under the sale and leaseback transaction, \$0.7 million for payments made for employee tax withholdings associated with the vesting of RSUs, \$1.4 million in proceeds from employee stock option exercises, and less than \$0.1 million in cash used for fees and issuance costs.

Net cash provided by financing activities for the nine months ended September 30, 2024 totaled \$35.6 million and consisted of \$15.0 million in proceeds from a sales leaseback, \$10.4 million in proceeds from employee stock option exercises, \$119.7 in proceeds from the term loan, net of issues costs, and \$42.7 in proceeds from the Revolving Facility, net of issuance costs, offset by \$150.0 million in cash used for the repayment of the 2022 Convertible Note, \$1.3 million in cash used for payments made for employee tax withholdings associated with the vesting of RSUs, \$0.8 million in repayments of a sales leaseback, and less than \$0.1 million in cash used for fees and issuance costs.

Contractual Obligations and Commitments

There have been no material changes to our contractual obligations and commitments as reported in our Annual Report.

Recent Accounting Pronouncements

Information regarding new accounting pronouncements is included in "Note 2. Significant Accounting Policies." to our unaudited consolidated financial statements contained in Item 1 of this Quarterly Report on Form 10-Q.

Critical Accounting Policies and Estimates

Our financial statements are prepared in accordance with U.S. GAAP. The preparation of our financial statements and related disclosures requires us to make estimates, assumptions and judgments that affect the reported amount of assets, liabilities, revenue, costs and expenses and related disclosures. We believe that the estimates, assumptions and judgments involved in these accounting policies have the greatest potential impact on our financial statements and, therefore, we consider these to be our critical accounting policies. Accordingly, we evaluate our estimates and assumptions on an ongoing basis. Our actual results may differ from these estimates under different assumptions and conditions. See our Annual Report and "Note 2. Significant Accounting Policies." to our consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for information about these critical accounting policies, as well as a description of our other significant accounting policies.

Certain Factors That May Affect Future Results of Operations

The SEC encourages companies to disclose forward-looking information so that investors can better understand a company's future prospects and make informed investment decisions. This Quarterly Report on Form 10-Q contains such "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements involve known and unknown risks, uncertainties and other important factors, which may cause our actual results, performance or achievements to be materially different from any future results, performances or achievements expressed or implied by the forward-looking statements. Forward-looking statements include, but are not limited to, statements about: our expectations about the market for our aerogel products, in particular in the EV market, the energy infrastructure market, and other markets we target; our beliefs in the appropriateness of our assumptions, the accuracy of our estimates regarding expenses, loss contingencies, future revenues, revenue capacity, future profits, uses of cash, available credit, capital requirements, and the need for additional financing to operate our business and fund capital expenditures; the impact of new legislation on our financial statements; the performance of our aerogel products; our expectation that we will be successful in obtaining, enforcing and defending our patents against competitors and that such patents are valid and enforceable; our expectations regarding decommissioning of and our plans for divesting the assets of the

Statesboro Plant; our estimates of annual production capacity; beliefs about the commercial potential for our technology in the EV market; beliefs about our ability to produce and deliver products to EV customers; beliefs about our contracts with the major automotive manufacturers; our expectations about the size and timing of awarded business in the EV market, future revenues and profit margins, arising from our supply relationship and contract with automotive OEMs and our ability to win more business and increase revenue in the EV market; beliefs about the performance of our thermal barrier products in the battery systems of EVs; the current or future trends in the energy, energy infrastructure, chemical and refinery, LNG, sustainable building materials, EV thermal barrier, EV battery materials or other markets and the impact of these trends on our business; our investments in the EV market; our beliefs about the financial metrics that are indicative of our core performance; our expectations about future revenues, expenses, gross profit, net income (loss), income (loss) per share and Adjusted EBITDA, sources and uses of cash, capital requirements and the sufficiency of our existing cash balance and available credit; our beliefs about the outcome, effects or estimated costs of current or potential litigation or their respective timing, including expected legal expense in connection with our patent enforcement actions; our expectations about future material costs and manufacturing expenses as a percentage of revenue; our expectation about the ability of the Chinese external manufacturing facilities that we engage to consistently supply the aerogel product that we order in a timely manner; our expectation to meet long-term aerogel demand by utilizing both our East Providence facility and our flexible supply strategy, including, but not limited to, using external manufacturing capabilities; the effects of current and potential future tariffs on our business, our customers and our results of operations; our expectations of future gross profit and the effect of manufacturing expenses, manufacturing capacity and productivity on gross profit; our expectations about our resources and other investments in new technology and related research and development activities and associated expenses; our expectations about short and long term (a) research and development (b) general and administrative and (c) sales and marketing expenses; our expectations regarding changes in revenue, gross profit, and cash flows; our intentions about managing capital expenditures and working capital balances; our expectations and beliefs regarding the flexibility and efficiency of the MidCap facility; and our expectations about potential sources of future financing.

Words such as “may,” “will,” “anticipate,” “estimate,” “expects,” “projects,” “intends,” “plans,” “believes” and words and terms of similar substance used in connection with any discussion of future operating or financial performance, identify forward-looking statements. All forward-looking statements are management’s present expectations of future events and are subject to a number of risks and uncertainties that could cause actual results to differ materially and adversely from those described in the forward-looking statements. These risks include, but are not limited to, those set forth in this Quarterly Report on Form 10-Q and under the heading “Risk Factors” contained in Item 1A of our Annual Report.

In light of these assumptions, risks and uncertainties, the results and events discussed in the forward-looking statements contained in this Quarterly Report on Form 10-Q might not occur. Stockholders and other readers are cautioned not to place undue reliance on the forward-looking statements, which speak only as of the date of this Quarterly Report on Form 10-Q. We are not under any obligation, and we expressly disclaim any obligation, to update or alter any forward-looking statements, whether as a result of new information, future events or otherwise. All subsequent forward-looking statements attributable to Aspen Aerogels, Inc. or to any person acting on its behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk exposure results primarily from fluctuations in interest rates, as well as from inflation. In the normal course of business, we are exposed to market risks, including changes in interest rates which affect our cash flows. We may also face additional exchange rate risk in the future as we expand our business internationally.

Interest Rate Risk

We are exposed to changes in interest rates in the normal course of our business. As of September 30, 2025, we had unrestricted cash and cash equivalents of \$150.7 million. These amounts were held for working capital and capital expansion purposes and were invested primarily in deposit accounts, money market accounts, and high-quality debt securities issued by the U.S. government via cash sweep accounts at major financial institutions in North America. Due to the short-term nature of these investments, we believe that our exposure to changes in the fair value of our cash as a result of changes in interest rates is not material.

As of September 30, 2025, the Term Loan Facility had a principal balance of \$99.0 million. Under the terms of the Credit Agreement, as amended by Amendment No. 1, the Term Loan Facility bears an interest rate equal to Term SOFR for a one-month interest period plus 5.00% per year, subject to a Term SOFR floor of 4.50% and a Term SOFR cap of 7.50%. Interest is paid monthly. As of September 30, 2025, the Revolving Facility had a principal balance of \$15.0 million. Our Revolving Facility bears interest at the Term SOFR plus 5.10% per annum. Under the terms of the Credit Agreement, as amended by Amendment No. 1, the Revolving Facility is subject to a Term SOFR floor of 2.50%. Interest is paid monthly. Therefore, fluctuations in interest rates will impact our consolidated financial statements. A rising interest rate environment will increase the amount of interest paid on these loans. A hypothetical 100 basis point increase or decrease in interest rates would not have a material effect on the results of our operations.

As of September 30, 2025, we had \$1.7 million of restricted cash to support our outstanding letters of credit to secure obligations under certain commercial contracts and other obligations.

Inflation Risk

Although we expect that our operating results will be influenced by general economic conditions, we do not believe that inflation has had a material effect on our results of operations during the periods presented in this report. However, our business may be affected by inflation in the future.

Foreign Currency Exchange Risk

We are subject to inherent risks attributed to operating in a global economy. A majority of our revenue, receivables, purchases and debts are denominated in U.S. dollars. Certain transactions of the Company and its subsidiaries are denominated in currencies other than the functional currency. During the three months ended September 30, 2025 and 2024, our largest exposures to foreign exchange rates consisted primarily of the Mexican Peso against the U.S. dollar. Foreign currency transaction losses were \$0.2 million and \$2.3 million for the nine months ended September 30, 2025 and September 30, 2024, respectively. The foreign currency transactions were recorded within operating expenses on the consolidated statements of operations.

Item 4. Controls and Procedures.***(a) Evaluation of Disclosure Controls and Procedures.***

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in the reports that we file or submit under the Securities Exchange Act of 1934, as amended (the Exchange Act), is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and is accumulated and communicated to our management, including our principal executive officer and principal financial officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

As of September 30, 2025, our management, with the participation of our principal executive officer and principal financial officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Our 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. Based on such evaluation, our principal executive officer and principal financial officer have concluded that, as of September 30, 2025, our disclosure controls and procedures were effective to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and is accumulated and communicated to our management, including our principal executive officer and principal financial officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

(b) Changes in Internal Controls.

During the three months ended September 30, 2025, there were no changes in our internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15(d)-15(f) promulgated under the Exchange Act, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings.

We are involved in various legal claims and proceedings in the normal course of operations. We believe the outcome of these matters will not have a material adverse effect on our consolidated financial position, results of operations or liquidity, except as described in Part 1, Item 3. “Legal Proceedings” of our Annual Report on Form 10-K. Since the filing of our Form 10-K, there have been no material changes in our legal proceedings from those disclosed therein, other than as noted below.

Our patent infringement proceedings in Korea against Beerenberg Services AS, Beerenberg Korea Ltd., and Bronx (China) Co., Ltd., are ongoing. The patent infringement case at the Seoul District Court and our appeal of the Korea Trade Commission decision at the Seoul Administrative Court remain stayed pending the outcome of our appeals of the Korean Intellectual Property Trial and Appeal Board decisions to the Korean IP High Court.

In October 2022, we were served with a summons from Aerogels Poland Nanotechnology LLC (APN), a former distributor of our products in Poland with whom we previously terminated our distribution agreements because of APN’s failure to pay amounts due to us. The summons asserts causes of action for declaratory judgment, breach of contract, breach of implied contract, equitable estoppel and fraud, and states that plaintiffs will seek declaratory judgment, actual and liquidated damages in the sum of \$20 million, in addition to attorneys’ fees. We were not served with any complaint at the time the summons was served. In December 2022, we filed a notice of appearance in New York County Supreme Court and a demand upon plaintiffs to file and serve a complaint. In March 2023, plaintiffs filed a complaint asserting various causes of action consistent with those set forth in the October 2022 summons, and a demand for monetary damages and other relief in excess of \$16 million. In July 2023, we filed a motion to compel arbitration, and in February 2024, the Court granted our motion and stayed the litigation pending arbitration. To the extent APN seeks to pursue claims in an arbitration proceeding, we intend to continue to vigorously defend this matter, including seeking our legal costs.

Item 1A. Risk Factors.

The ownership of our common stock involves a number of risks and uncertainties. When evaluating the Company and our business before making an investment decision regarding our securities, potential investors should carefully consider the risk factors and uncertainties described in Part 1, Item 1A. “Risk Factors” of our Annual Report. Since the filing of our Annual Report, there have been no material changes in our risk factors other than those disclosed in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2025 and as described below. We may disclose changes to risk factors or additional risk factors from time to time in our future filings with the SEC.

The terms of the Credit Agreement with MidCap require us to meet certain operating and financial covenants and/or place restrictions on our operating and financial flexibility. If we raise additional capital through debt financing, the terms of any new debt could further restrict our ability to operate our business.

On August 19, 2024, we and Aspen Aerogels Rhode Island, LLC, a Rhode Island limited liability company (Aspen RI and, together with the Company, each, a Borrower and collectively, the Borrowers) entered into a Credit, Security and Guaranty Agreement (the Credit Agreement and the facilities provided thereunder, collectively, the MidCap Loan Facility), by and among the Borrowers, MidCap Funding IV Trust, as agent (the Agent), MidCap Financial Trust, as term loan servicer, the financial institutions or other entities from time to time party thereto as lenders (the Lenders), and the other parties party thereto as additional guarantors and/or borrowers from time to time. On May 6, 2025, the Borrowers and Aspen Aerogels Georgia, LLC, a Georgia limited liability company (Aspen Georgia) entered into that certain Amendment No. 1 and Joinder to Credit, Security and Guaranty Agreement (“Amendment No. 1”), by and among the Borrowers, Aspen Georgia, the Agent and the Lenders party thereto, amending the MidCap Loan Facility (the MidCap Loan Facility, as amended by Amendment No. 1, the Amended MidCap Loan Facility). The proceeds of the Amended MidCap Loan Facility were used to repurchase our outstanding convertible note that was issued to Koch, the payment of related fees and expenses and for working capital. Loans borrowed under the Amended MidCap Loan Facility mature on August 19, 2029.

The Amended MidCap Loan Facility is guaranteed by Aspen Mexico Holdings and Aspen Georgia (together with the Borrowers and any future subsidiaries that are required to become guarantors or borrowers pursuant to the terms of the Credit Agreement, collectively, the “Loan Parties”) and is secured by a lien on substantially all existing and after-acquired assets of the Loan Parties, including the equity interest in Aspen RI, Aspen Mexico Holdings and Aspen Georgia owned by us, in each case, subject to customary exceptions.

Pursuant to Amendment No. 1, the financial covenants under the MidCap Loan Facility were amended such that (a) the minimum Liquidity (as defined in the Amended MidCap Loan Facility) which must be maintained at all times has changed from \$75 million to an amount equal to the greater of (i) \$50 million and (ii) 85% of the then aggregate outstanding principal amount of the Term Loan Facility and (b) the minimum EBITDA level to be tested quarterly has changed to reflect a new range from \$15 million to \$50 million, with the next test set at \$15 million with respect to the fiscal quarter ended June 30, 2025 and a \$50 million level applicable commencing with the fiscal quarter ended December 31, 2027 and thereafter. The Liquidity amount trigger of a cash dominion event was also reduced from \$100 million to an amount equal to the greater of (i) \$50 million and (ii) 85% of the then aggregate outstanding principal amount of the Term Loan Facility. In addition, the Amended MidCap Loan Facility, includes representations and warranties, affirmative covenants (including reporting obligations), negative covenants and events of default that are usual and customary for facilities of this type, in each case, subject to certain permitted exceptions as set forth therein.

We are currently in compliance with the financial covenants set forth in the Amended MidCap Loan Facility and as described above. However, given the decline in our revenues in 2025 as compared to the prior year, there can be no assurance that we will comply with one or more of these financial covenants as of the end of the fourth quarter of 2025. If we default under the terms of the Amended MidCap Loan Facility beyond the applicable grace period, if any, the Lenders may declare all amounts outstanding under the Amended MidCap Loan Facility to be immediately due and payable and terminate all unused commitments to extend further credit under the Amended MidCap Loan Facility. If we are unable to repay the amounts due under the Amended MidCap Loan Facility upon such Lenders' declaration, the Lenders could proceed against the collateral granted to it to secure the obligations under the Amended MidCap Loan Facility (including, but not limited to taking control of our pledged assets and foreclosing on other collateral). In the event of a default under the terms of the Amended MidCap Loan Facility, the Lenders could also require us to renegotiate the Amended MidCap Loan Facility on terms less favorable to us. Either the enforcement by the Lenders upon its declaration to accelerate the obligations under the Amended MidCap Loan Facility or the renegotiation of the Amended MidCap Loan Facility's terms, each as mentioned above, could adversely affect our operations. Further, if we are liquidated, the Lenders' right to repayment, as well as the right to repayment of other lenders under any additional debt financing, would be senior to the rights of the holders of our common stock. The Lenders' interests as lenders may not always be aligned with our interests. If our interests come into conflict with those of the Lenders, including in the event of a default or an Event of Default (as defined in the Amended MidCap Loan Facility) under the Amended MidCap Loan Facility, the Lenders may choose to act in its self-interest, which could adversely affect the success of our current and future collaborative efforts with the Lenders.

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

(a) Unregistered Sales of Equity Securities.

None.

(b) Use of Proceeds from Initial Public Offering of Common Stock.

Not applicable.

(c) Purchases of Equity Securities by the Issuer and Affiliated Purchasers.

We did not repurchase any of our equity securities during the quarter ended September 30, 2025.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

(a) Appointment of Chief Operating Officer

On November 4, 2025, the Company promoted Gregg Landes to Chief Operating Officer of the Company. Mr. Landes has been with us since September 2016 and, prior to his promotion to Chief Operating Officer, he had served as Senior Vice President, Operations and Strategic Development since October 2019. Mr. Landes had previously served in a variety of positions with us, including as our Vice President, Strategic Development and Operational Excellence from May 2018 to October 2019, Vice President, Innovation and Strategic Development from February 2018 to May 2018, Vice President, Operational Excellence from March 2017 to January 2018, and Vice President, Finance and Corporate Development from September 2016 to March 2017. Prior to joining us, Mr. Landes was a principal at the consulting firm, Tetra Tech, Inc., where he focused on Liquified Natural Gas and Environmental Bankruptcy trusts from July 2013 to August 2016. Prior to Tetra Tech, Mr. Landes was employed by Hess Corporation, a large integrated oil and gas company, where he served as Vice President, Business Development for Hess LNG from June 2007 to July 2013. Prior to Hess Corporation, Mr. Landes worked in a broad range of senior financial and business leadership roles for Cabot Corporation, a leading global specialty chemical company. Mr. Landes holds a BSBA in Finance from the University of Florida and an MBA from the F.W. Olin Graduate School of Business at Babson College.

There is no arrangement or understanding between Mr. Landes and any other person pursuant to which he was selected as Chief Operating Officer of the Company. There are no transactions in which the Company is a participant and in which Mr. Landes has a material interest that are required to be disclosed under Item 404(a) of Regulation S-K. Mr. Landes has no family relationship with any directors or executive officers of the Company.

(c) 10b5-1 Trading Plans

During the fiscal quarter ended September 30, 2025, the following directors and executive officers adopted a “rule 10b5-1 trading arrangement” (as defined in Item 408 of Regulation S-K of the Exchange Act) (the “Rule 10b5-1 Sales Plan”).

- On August 11, 2025, Donald R. Young, President and Chief Executive Officer of the Company and a director of the Company, adopted a Rule 10b5-1 Sales Plan. The plan is intended to satisfy the affirmative defense of Rule 10b5-1(c) and provides for the sale of up to an aggregate of 100,000 shares of our common stock until December 31, 2025.
- On August 12, 2025, Steven R. Mitchell, a director of the Company, adopted a Rule 10b5-1 Sales Plan. The plan is intended to satisfy the affirmative defense of Rule 10b5-1(c) and provides for the sale of up to an aggregate of 57,541 shares of our common stock until November 12, 2026.

Except as disclosed above, none of our directors or executive officers adopted, modified or terminated any contract, instruction

or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any “non-Rule 10b5-1 trading arrangement” as such term is defined in Item 408(a) of Regulation S-K, during the fiscal quarter ended September 30, 2025.

Item 6. Exhibits.

(a) Exhibits

10.1+	<u>Executive Employment Agreement, effective as of October 1, 2025, by and between the Company and Grant Thoele (incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K, filed with the SEC on September 11, 2025).</u>
10.2+	<u>Executive Employment Agreement, effective as of September 22, 2025, by and between the Company and Glenn Deegan.</u>
10.3+	<u>Confidential Separation and Release Agreement, dated October 1, 2025, by and between the Company and Stephanie Pittman.</u>
31.1	<u>Certification of principal executive officer under Section 302(a) of the Sarbanes-Oxley Act of 2002.</u>
31.2	<u>Certification of principal financial officer under Section 302(a) of the Sarbanes-Oxley Act of 2002.</u>
32	<u>Certifications of the principal executive officer and the principal financial officer under Section 906 of the Sarbanes-Oxley Act of 2002.</u>
101.INS	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.
101.SCH	Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).
+	Management Contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ASPEN AEROGELS, INC.

Date: November 6, 2025

By: /s/ Donald R. Young
Donald R. Young
President and Chief Executive Officer
(principal executive officer)

Date: November 6, 2025

By: /s/ Grant Thoele
Grant Thoele
Chief Financial Officer and Treasurer
(principal financial officer)

EXECUTIVE EMPLOYMENT AGREEMENT

This Executive Employment Agreement (this “**Agreement**”) is dated and shall be effective as of September 22, 2025 (the “**Effective Date**”), by and between Aspen Aerogels, Inc., a Delaware corporation (the “**Company**”), and Glenn Deegan (the “**Executive**”).

Recitals:

WHEREAS, the Company wishes to employ the Executive and the Executive wishes to accept such employment on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. **Definitions.** As used herein, the following terms shall have the following meanings.

“**Board**” means the Company’s board of directors.

“**Cause**” means: (i) willful misconduct, dishonesty, fraud or breach of fiduciary duty to the Company; (ii) deliberate disregard of the lawful rules or policies of the Company, failure to perform assigned duties, or material breach of an employment or other agreement with the Company, which results in material harm to the Company; (iii) the unauthorized disclosure of any trade secret or confidential information of the Company; (iv) the commission of an act which constitutes unfair competition with the Company or which induces any customer or supplier to breach a contract with the Company; or (v) the indictment of the Executive for any felony involving deceit, dishonesty or fraud, or any criminal conduct by the Executive that would reasonably be expected to result in material injury or reputational harm to the Company. For purposes hereof, whether or not the Executive has committed an act or omission of the type referred to in subparagraphs (i) through (v) above shall be determined by the Company in its reasonable, good faith discretion, based upon the facts known to the Company at the relevant time.

“**Change of Control**” shall mean the first to occur of any of the following events: (i) the consummation of a reorganization, merger, consolidation or other similar transaction of the Company with or into any other Person or Group (within the meaning of Section 13(d)(3) of the Securities Act of 1934, as amended) in which holders of the Company’s voting securities immediately prior to such reorganization, merger, consolidation or other similar transaction shall not, directly or indirectly, continue to hold at least a majority of the outstanding voting securities of the Company; (ii) a sale, lease, exchange or other transfer (in one transaction or a related series of transactions) of all or substantially all of the Company’s assets; (iii) the acquisition by any Person or any Group of such quantity of the Company’s voting securities as causes such Person or Group (other than a Person or Group who is a shareholder of the Company on the Effective Date) to own beneficially, directly or indirectly, as of the time immediately after such transaction or series of transactions, more than fifty percent (50%) of the combined voting power of the voting securities of the Company other than as a result of (a) an acquisition of securities directly from the

Company or (b) an acquisition of securities by the Company which by reducing the voting securities outstanding increases the proportionate voting power represented by the voting securities owned by any such Person or Group to more than fifty percent (50%) of the combined voting power of such voting securities; or (iv) a change in the composition of the Board within a two (2) year period such that a majority of the members of the Board are not Continuing Directors. As used herein, the term “**Continuing Directors**” shall mean as of any date of determination, any member of the Board who (a) was a member of the Board immediately after the Effective Date, or (b) was nominated for election or elected to the Board with the approval of, or whose election to the Board was ratified by, at least a majority of the Continuing Directors who were members of the Board at the time of that nomination or election; provided, however, that in no case shall (1) the public offering and sale of the Company’s common stock by its shareholders pursuant to a registered secondary offering, (2) the voluntary or involuntary bankruptcy of the Company, or (3) any transaction or series of transactions that would not qualify as a change in control within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended (the “**Code**”) constitute a Change of Control.

“**Good Reason**” means: (i) any material breach by the Company of this Agreement; (ii) a change in the Executive’s reporting relationships such that the Executive no longer directly reports to the President and Chief Executive Officer; (iii) a material reduction or material adverse change in the Executive’s current duties, responsibilities and authority, without the Executive’s consent; (iv) the demand by the Company for the Executive to relocate Executive’s primary office location from Northborough, Massachusetts, provided (1) such relocation increases the Executive’s regular vehicular one-way in-office commute to such new location by more than forty (40) miles, and (2) the Company does not offer the Executive a remote working arrangement as part of the office relocation, without the Executive’s consent; or (v) any reduction by the Company in the Executive’s Base Salary or the Executive’s Performance Bonus Target without the Executive’s consent, except for across-the-board compensation reductions based on the Company’s financial performance similarly affecting all or substantially all senior management employees of the Company. For purposes hereof, whether or not the Executive has Good Reason to terminate the Executive’s employment by the Company pursuant to subparagraphs (i) through (v) above shall be determined by the Company in its reasonable, good faith discretion, based upon the facts known to the Company at the relevant time.

“**Permanent Disability**” means the Executive is unable to perform, by reason of physical or mental incapacity, the Executive’s then duties or obligations to the Company, for a total period of one hundred eighty (180) days in any three hundred sixty (360) day period.

“**Person**” means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or any other entity, including a governmental entity or any department, agency or political subdivision thereof.

“**Qualifying Termination**” means the date on which the Executive’s employment is terminated by the Company without Cause as provided in Section 3(e), or the Executive terminates employment for Good Reason as provided in Section 3(f).

2. **Employment.**

- (a) **Term.** The term of this Agreement shall commence on the Effective Date and continue until the date that is one (1) year after the Effective Date (the “**Expiration Date**”), unless terminated earlier by the Company or by the Executive in accordance with the provisions of Section 3 of this Agreement (the “**Initial Employment Period**”). The Initial Employment Period shall automatically renew for additional one (1) year terms (each such term being a “**Renewal Employment Period**”), and the Expiration Date shall be the last day of such Renewal Employment Period, unless either the Company or the Executive provides written notice of non-renewal of the Employment Period to the other party at least sixty (60) calendar days before the applicable Expiration Date, and if extended, any Renewal Employment Period may be terminated earlier by the Company or by the Executive in accordance with the provision of Section 3 of this Agreement. As used in this Agreement, the “**Employment Period**” shall refer to the Initial Employment Period and any Renewal Employment period, as applicable.
- (b) **Position and Duties.**
- (i) During the Employment Period, the Executive shall serve as Chief Administrative Officer, General Counsel and Corporate Secretary of the Company and shall have the duties, responsibilities and authority consistent with such position that are designated by the Company’s President and Chief Executive Officer, subject to the direction and supervision of the Board.
- (ii) The Executive shall devote the Executive’s best efforts and full business time and attention (except for permitted vacation periods and reasonable periods of illness or other incapacity) to the business and affairs of the Company. The Executive shall perform the Executive’s duties and responsibilities to the best of the Executive’s ability in a diligent, trustworthy business-like and efficient manner. Notwithstanding the foregoing, the Executive may, to the extent not otherwise prohibited by this Agreement, devote such amount of time as does not interfere or compete with the performance of the Executive’s duties under this Agreement to any one or more of the following activities: (A) engaging in charitable activities, including serving on the boards of directors of charitable organizations, consistent with such policies, rules and regulations as the Company may adopt from time to time, or (B) serving on the board of directors of any other company with the prior written approval of the Company.
- (iii) The Executive agrees to abide by the Company’s Code of Business Conduct and Ethics, Anti-Corruption Policy, Insider Trading Policy, Guidelines for Rule 10b5-1 Trading Plans, Disclosure Controls & Procedures Policy, Form 8-K Disclosure Compliance Policy, Regulation FD Disclosure Policy,

Compensation Recoupment Policy, Environmental & Sustainability Policy, Health & Safety Policy, Labor & Human Rights Policy, Whistleblower Policy, and the Delegation of Authority Policy, each as in effect from time to time and such other policies, rules and regulations as the Company may adopt from time to time.

(c) **Salary and Benefits.** During the Employment Period, Executive shall be entitled to the following compensation and benefits:

- (i) **Base Salary.** During the Employment Period, the Executive's annual base salary shall be \$425,000 (such annual base salary, as it may be adjusted upward by the Board in its discretion, being referred to as the "**Base Salary**"). The Base Salary shall be payable in regular installments in accordance with the Company's general payroll practices, shall be subject to customary withholding. Base Salary may be increased at the discretion of the Board, and may be decreased in the discretion of the Board only in connection with across-the-board compensation reductions based on the Company's financial performance similarly affecting all or substantially all senior management employees of the Company.
- (ii) **Annual Performance Bonus.** The Executive shall be eligible to earn a discretionary annual cash incentive bonus (the "**Performance Bonus**") of not less than 60% of the Executive's then effective Base Salary (each, a "**Performance Bonus Target**"), subject in all respects to the terms and conditions established by the Board, and provided that, notwithstanding the foregoing, the Performance Bonus, if any, earned by the Executive for the 2025 fiscal year shall be pro-rated based on the portion of such fiscal year from the Effective Date through the end of such fiscal year.
- (iii) **Expense Reimbursement.** The Company shall reimburse the Executive for all reasonable travel and other expenses (including periodic dues and membership fees pertaining to pertinent licensing, registrations, professional associations and industry groups with the prior approval of the Company) incurred by the Executive in connection with the performance of the Executive's duties and obligations under this Agreement. The Executive shall comply with such reasonable limitations and reporting requirements with respect to expenses as may be established by the Company from time to time.
- (iv) **Benefit Plans and Programs.** The Executive shall be entitled to participate in all compensation or employee benefit plans or programs and receive all benefits and perquisites for which salaried employees of the Company generally are eligible under any plan or program now or established later by the Company on the same basis as similarly situated senior executives of the Company. The Executive may participate to the extent permissible under the terms and provisions of such plans or programs, in accordance

with program provisions. Nothing in this Agreement shall preclude the Company from amending or terminating any of the plans or programs applicable to salaried employees or senior executives of the Company as long as such amendment or termination is applicable to all salaried employees or senior executives, as the case may be, so long as such plans or programs are replaced with plans no less favorable, in the aggregate, than existing plans.

- (v) **Long-Term Compensation.** The Executive shall also be eligible for grants of long-term incentive compensation, at the discretion of and subject to such terms and conditions as established by the Board or the Compensation and Leadership Development Committee thereof (the “**Compensation Committee**”). No later than thirty (30) days after the Effective Date, the Company will request that the Compensation Committee approve a new hire equity grant to the Executive under the Aspen Aerogels 2023 Equity Incentive Plan (the “**Equity Incentive Plan**”) with an aggregate fair market value as of the date of grant of \$325,000, allocated fifty percent (50%) to performance share units with a three-year performance period commencing on January 1, 2025 and ending on December 31, 2027 and a vesting date of March 5, 2028, twenty-five percent (25%) to restricted share units with vesting in substantially equal annual installments over a three-year period from the date of grant, and twenty-five percent (25%) to stock options with vesting in substantially equal annual installments over a three-year period from the date of grant, with such equity awards being subject to such other terms as established by the Compensation Committee and evidenced by an award agreement substantially in the form previously approved by the Compensation Committee for the applicable type of award under the Equity Incentive Plan.
- (vi) **Clawback Policy.** All compensation shall be subject to any forfeiture or recoupment pursuant to the Company’s Compensation Recoupment Policy, as then in effect, or any successor compensation recoupment or “clawback” policy established by the Company or the Board generally for senior executives from time to time, and any other such policy required by applicable law.
- (d) **Change of Control: Options and Stock-Based Awards.** In the event of a Change of Control, notwithstanding anything to the contrary in any then outstanding stock option agreement or other equity award agreement (unless otherwise specifically stated in any equity award agreement that provides for vesting based wholly or in part upon the achievement of performance objectives), to the extent any outstanding stock options and other equity awards are not assumed by the Company’s successor in a Change of Control, the vesting of all stock options and other equity awards (unless otherwise specifically stated in any equity award agreement that provides for vesting based wholly or in part upon the achievement of performance objectives) outstanding and held by the Executive as of the Change of Control shall

immediately accelerate and become fully vested and exercisable, subject to any permitted action by the Board upon a Change of Control under the Company's applicable equity plan to terminate the stock options or other equity awards upon a Change of Control, provided, however, that the foregoing shall not apply to any outstanding equity award to the extent such acceleration of vesting would result in a violation of Section 409A of the Code.

3. **Termination.** The Executive's employment may be terminated under the following circumstances:

- (a) **Expiration.** The Executive's employment hereunder shall terminate upon the Expiration Date as a result of a non-renewal by either party, following notice of non-renewal in accordance with Section 2(a).
- (b) **Death.** The Executive's employment hereunder shall terminate upon Executive's death.
- (c) **Disability.** The Company may terminate the Executive's employment upon the Executive's Permanent Disability. If any question shall arise as to whether the Executive has a Permanent Disability so as to be unable to perform the essential functions of the Executive's then existing position or positions with or without reasonable accommodation, the Executive may, and at the request of the Company shall, submit to the Company a certification in reasonable detail by a physician selected by the Company to whom the Executive or the Executive's guardian has no reasonable objection as to whether the Executive is so disabled or how long such disability is expected to continue, and such certification shall for the purposes of this Agreement be conclusive of the issue. The Executive shall cooperate with any reasonable request of the physician in connection with such certification. If such question shall arise and the Executive shall fail to submit such certification, the Company's determination of such issue shall be binding on the Executive. Nothing in this Section 3(c) shall be construed to waive the Executive's rights, if any, under existing law including, without limitation, the Family and Medical Leave Act of 1993, 29 U.S.C. §2601 et seq. and the Americans with Disabilities Act, 42 U.S.C. §12101 et seq.
- (d) **Termination by Company for Cause.** The Company may terminate the Executive's employment hereunder for Cause.
- (e) **Termination by Company Without Cause.** The Company may terminate the Executive's employment hereunder at any time without Cause.
- (f) **Termination by the Executive.** The Executive may terminate the Executive's employment hereunder at any time for any reason, including but not limited to Good Reason consistent with the Good Reason Process (hereinafter defined). "**Good Reason Process**" shall mean that (i) the Executive reasonably determines in good faith that a Good Reason condition has occurred; (ii) the Executive notifies

the Company in writing of the Good Reason condition within sixty (60) days of the first occurrence of such condition; (iii) the Executive cooperates in good faith with the Company's efforts, for a period not less than thirty (30) days following receipt of such notice to remedy the condition (the "**Cure Period**"); (iv) notwithstanding such efforts, the Good Reason condition continues to exist; and (v) the Executive terminates the Executive's employment within sixty (60) days after the end of the Cure Period by notifying the Company in writing of such termination for Good Reason. If, during the Cure Period, the Company cures the Good Reason condition or demonstrates to the Executive's reasonable satisfaction, to be exercised in good faith, that a Good Reason condition has not occurred, Good Reason shall be deemed not to have occurred. For the avoidance of doubt, a notice of non-renewal of the Employment Period by Executive shall not constitute a termination for Good Reason.

- (g) **Notice of Termination.** Except for a termination as specified in Section 3(a) and 3(b), any termination of the Executive's employment by the Company or any such termination by the Executive shall be communicated by written Notice of Termination to the other party hereto. For purposes of this Agreement, a "**Notice of Termination**" shall mean a notice which shall indicate the specific termination provision in this Agreement relied upon. Failure to provide a Notice of Termination by either Party pursuant to this Section 3(g) shall be a material breach of the Agreement.
- (h) **Date of Termination.** "**Date of Termination**" shall mean: (i) if the Executive's employment is terminated because the Agreement's Employment Period expires under Section 3(a), the date of the Expiration Date; (ii) if the Executive's employment is terminated by Executive's death, the date of Executive's death; (iii) if the Executive's employment is terminated on account of Permanent Disability under Section 3(c) or by the Company for Cause under Section 3(d), the date on which Notice of Termination is given; (iv) if the Executive's employment is terminated by the Company under Section 3(e), the date on which a Notice of Termination is given; (v) if the Executive's employment is terminated by the Executive under Section 3(f) without Good Reason, thirty (30) days after the date on which a Notice of Termination is given, and (vi) if the Executive's employment is terminated by the Executive under Section 3(f) with Good Reason, the date which is specified in the Notice of Termination, provided that such date must occur within the sixty (60) day period after the end of the Cure Period. Notwithstanding the foregoing, in the event that either party gives a Notice of Termination, the Company may unilaterally accelerate the Date of Termination, without any additional compensation in lieu of notice being due to the Executive as a result of such acceleration.

4. **Compensation on, and Effect of, Termination.**

- (a) **Termination Generally.** If the Executive's employment with the Company is terminated for any reason, the Company shall pay or provide to the Executive (or to the Executive's authorized representative or estate) (i) any Base Salary earned through the Date of Termination, unpaid expense reimbursements (subject to, and in accordance with, Section 2(c) of this Agreement) and, to the extent required by law, unused vacation that accrued through the Date of Termination, such amounts to be paid no more than thirty (30) days after the Executive's Date of Termination (unless required to be paid at an earlier time by law); and (ii) any vested benefits the Executive may have under any employee benefit plan of the Company through the Date of Termination, which vested benefits shall be paid and/or provided in accordance with the terms of such employee benefit plans (collectively, the "**Accrued Benefits**").
- (b) **Qualifying Termination Prior to A Change of Control.** If the Executive incurs a Qualifying Termination during the Employment Period and prior to a Change of Control, then, in addition to the Accrued Benefits, and subject to the Executive signing a separation agreement containing, among other provisions, a general release of claims in favor of the Company and related persons and entities and a non-competition provision (as applicable), in a form and manner reasonably satisfactory to the Company (the "**Separation Agreement and Release**") and the Separation Agreement and Release becoming fully effective, all within sixty (60) days of the Date of Termination (the "**Release Period**"):
- (i) the Company shall pay the Executive an amount equal to one hundred percent (100%) of the sum of the Executive's then effective Base Salary and (B) an amount equal to the Executive's then effective Performance Bonus Target (the "**Severance Amount**").
 - (ii) the Company shall pay the Executive any accrued but unpaid Performance Bonus for the prior fiscal year then owed or fully earned by the Executive in accordance with Section 2(c)(ii) above (the "**Earned Performance Bonus**").
 - (iii) the Company shall pay the Executive a pro-rata portion of the Performance Bonus based upon actual achievement of the performance metrics for the fiscal year in which the Date of Termination occurs (calculated by dividing the number of full months of the applicable fiscal year through the Date of Termination by twelve (12), and multiplying this fraction by the Executive's then effective Performance Bonus Target) (the "**Pro-Rata Bonus**").
 - (iv) the COBRA eligible health care insurance benefits (e.g., health, dental) being provided by the Company to the Executive on the Date of

Termination shall continue in place at the same cost to the Executive as applied to “active” participants on the Date of Termination for a period equal to the lesser of (i) the COBRA Benefit Period, (ii) twelve (12) months, or (iii) the period from the Date of Termination until the date that the Executive first becomes eligible for Medicare or for any medical, vision or dental coverage under a plan maintained by another employer of the Executive or the Executive’s spouse (“**Health Care Continuation Benefit**”). The “COBRA Benefit Period” means the period of time after such termination during which COBRA benefits are available to the Executive as of the Date of Termination as set forth in the Company’s health care plan. The Executive shall be responsible for applying for the COBRA eligible health care insurance benefit, paying for the same and submitting evidence of such premium costs to the Company for reimbursement during the COBRA Benefit Period. The Company shall reimburse the Executive for the employer’s portion of such premiums (as applicable to the active rate) within fifteen (15) days of receipt of evidence of the payment of the premium costs to the Company (“**Premium Reimbursement Payments**”). Notwithstanding the foregoing, if the Company determines, in its sole discretion, that such reimbursement of the premiums would result in a violation of the nondiscrimination rules of Section 105(h)(2) of the Code or any statute or regulation of similar effect (including but not limited to the 2010 Patient Protection and Affordable Care Act, as amended by the 2010 Health Care and Education Reconciliation Act), then in lieu of reimbursing the premiums, the Company, in its sole discretion, may elect to instead pay the Executive on the first day of each month of such period, a fully taxable cash payment equal to the premiums for that month, subject to applicable tax withholdings (such amount, the “**Special Severance Payment**”), for the remainder of such period. The Executive may, but is not obligated to, use such Special Severance Payment toward the cost of premiums.

- (v) if the Executive requests, the Company shall pay (“**Outplacement Payments**”) for an outplacement service (to be selected by the Company) for services rendered in assisting the Executive in locating another job, for a period of six (6) months following the Date of Termination or until the Executive begins working for another employer, whichever occurs first (“**Outplacement Services**”). These Outplacement Payments, which the Company shall make directly to the vendor providing Outplacement Services, are contingent upon the Executive’s cooperation with the outplacement service and upon active efforts by the Executive to locate another position.
- (vi) Notwithstanding anything to the contrary in any then outstanding stock option agreement or other equity award agreement (unless otherwise specifically stated in any equity award agreement that provides for vesting based wholly or in part upon the achievement of performance objectives), (a) the vesting of such number of stock options and other equity awards

outstanding and held by the Executive as would have vested in the twelve (12) months immediately following the Date of Termination had the Executive continued the Executive's employment for such twelve (12) month period shall immediately accelerate and become vested and exercisable as of the Date of Termination, and (b) subject to any permitted action by the Board upon a Change of Control or other merger, sale, dissolution or liquidation of the Company under Company's applicable equity plan to terminate the stock options or other equity awards, all vested stock options held by the Executive shall be exercisable for one (1) year from the Date of Termination (but, for purposes of clarity, not later than the latest date under which the applicable stock option could have expired in accordance with its original terms under any circumstances).

- (c) **Timing and Form of Severance Payments.** The benefits provided to Executive under Sections 4(b)(i), (ii), (iii), (iv), and (v) shall be paid in the form and at the time specified below:
- (i) The Severance Amount shall be paid in substantially equal installments in accordance with the Company's payroll practice over twelve (12) months commencing within sixty (60) days after the Date of Termination; provided, however, that if the sixty (60) day period begins in one calendar year and ends in a second calendar year, the Severance Amount shall begin to be paid in the second calendar year by the last day of such sixty (60) day period; provided, further, that the initial payment shall include a catch-up payment to cover amounts retroactive to the day immediately following the Date of Termination. Each payment pursuant to this Agreement is intended to constitute a separate payment for purposes of Treasury Regulation Section 1.409A-2(b)(2).
 - (ii) Earned Performance Bonus shall be paid in a lump sum within sixty (60) days after the Date of Termination; provided, however, that if the sixty (60) day period begins in one calendar year and ends in a second calendar year, the Earned Performance Bonus shall be paid in the second calendar year by the last day of such sixty (60) day period.
 - (iii) The Pro-Rata Bonus shall be paid when the annual performance bonus would have been otherwise paid if Executive had continued the Executive's employment through the applicable performance period.
 - (iv) Health Care Continuation Benefit shall commence immediately upon the Executive's Date of Termination and the Executive shall immediately become eligible for Reimbursement Payments in accordance with Section 4(b)(iii), provided however if an executed Separation Agreement and Release has not become fully effective within Release Period, the Company shall immediately cease making Premium Reimbursement Payments (or, if applicable, Special Severance Payments) and the Executive shall be

obligated to promptly repay to the Company any previously received Premium Reimbursement Payments (or, if applicable, any Special Severance Payments).

- (v) Outplacement Services shall commence immediately upon the Executive's Date of Termination, provided however if an executed Separation Agreement and Release has not become fully effective within the Release Period, Outplacement Services shall immediately cease and the Executive shall be obligated to promptly repay to the Company any previously made Outplacement Payments.

- (d) **Rights to Severance.** The receipt of any severance payments or benefits pursuant to Section 4(b) shall be subject to the Executive's submission to the Company of an executed Separation Agreement and Release that becomes fully effective within the Release Period and the Executive's continued compliance with the covenants in Sections 7, 8, and 9 herein, so long as the Company provides the form of Severance Agreement to the Executive no less than twenty-one (21) days prior to the end of the Release Period. In the event the Executive materially breaches any of the provisions set forth Sections 7, 8 or 9 herein or the Separation Agreement and Release, and does not cure said breach(es) within thirty (30) days of receiving detailed written notice describing the alleged breach(es), in addition to all other legal and equitable remedies, the Company shall have the right to terminate or suspend all continuing payments and benefits to which the Executive may otherwise be entitled pursuant to Section 4 without affecting the effectiveness of the Executive's release or the Executive's obligations under the Separation Agreement and Release.

- (e) **Other Termination Events.** The Executive hereby agrees that no severance payments or benefits under Section 4(b) shall be payable or provided upon termination of the Executive's employment with the Company (i) by the Company for Cause; (ii) by the Executive without Good Reason; (iii) as a result of the Executive's death or Permanent Disability; or (iv) as a result of non-renewal of the Employment Period by either the Executive or the Company pursuant to Section 2(a), and the Executive hereby waives any claim for such severance payment or benefits except for the Accrued Benefits.

- 5. **Compensation on Termination after a Change of Control.** The provisions of this Section 5 shall apply in lieu of, and expressly supersede, other than with respect to the requirement for the Executive's submission to the Company of an executed Separation Agreement and Release that becomes fully effective within the Release Period as described in Section 4(d), the provisions of Section 4(b) regarding severance payments and benefits upon a Qualifying Termination, if a Qualifying Termination occurs within twenty-four (24) months after the occurrence of a Change of Control ("**COC Qualifying Termination**"). This Section 5 shall terminate and be of no force or effect beginning twenty-four (24) months after the occurrence of a Change of Control.

- (a) **Qualifying Termination after a Change of Control.** During the Employment Period, if the Executive incurs a COC Qualifying Termination, then in addition to the Accrued Benefits, and subject to the signing of the Separation Agreement and Release by the Executive and the Separation Agreement and Release becoming irrevocable within the Release Period:
- (i) the Company shall pay the Executive an amount equal to two hundred percent (200%) of the sum of (A) the Executive's then effective Base Salary and (B) the Executive's then effective Performance Bonus Target ("**COC Severance Amount**").
 - (ii) the Company shall pay the Executive any accrued but unpaid Performance Bonus for the prior fiscal year then owed or fully earned by the Executive in accordance with Section 2(c)(ii) above ("**COC Earned Performance Bonus**").
 - (iii) the Company shall pay the Executive the Pro-Rata Bonus.
 - (iv) the COBRA eligible health care insurance benefits (e.g., health, dental) being provided by the Company to the Executive on the Date of Termination shall continue in place at the same cost to the Executive as applied to "active" participants on the Date of Termination for a period equal to the lesser of (i) the COBRA Benefit Period, (ii) twenty-four (24) months, or (iii) the period from the Date of Termination until the date that the Executive first becomes eligible for Medicare or for any medical, vision or dental coverage under a plan maintained by another employer of the Executive or the Executive's spouse ("**COC Health Care Continuation Benefits**"). The Executive shall be responsible for applying for the COBRA eligible health care insurance benefit, paying for the same and submitting evidence of such premium costs to the Company for reimbursement during the COBRA Benefit Period. The Company shall reimburse the Executive for the employer's portion of such premiums (as applicable to the active rate) within fifteen (15) days of receipt of evidence of the payment of the premium costs to the Company ("**COC Premium Reimbursement Payments**"). Notwithstanding the foregoing, if the Company determines, in its sole discretion, that such reimbursement of the premiums would result in a violation of the nondiscrimination rules of Section 105(h)(2) of the Code or any statute or regulation of similar effect (including but not limited to the 2010 Patient Protection and Affordable Care Act, as amended by the 2010 Health Care and Education Reconciliation Act), then in lieu of reimbursing the premiums, the Company, in its sole discretion, may elect to instead pay the Executive on the first day of each month of such period a fully taxable cash payment equal to the premiums for that month, subject to applicable tax withholdings (such amount, the "**COC Special Severance Payment**"), for the remainder of such period. The Executive may, but is not

obligated to, use such Special Severance Payment toward the cost of premiums.

- (v) if the Executive wishes, the Company shall pay for an outplacement service (“**COC Outplacement Payments**”) (to be selected by the Company) for services rendered in assisting the Executive in locating another job, for a period of six (6) months following the Date of Termination or until the Executive begins working for another employer, whichever occurs first (“**COC Outplacement Services**”). These COC Outplacement Payments, which the Company shall make directly to the vendor providing the COC Outplacement Services, are contingent upon the Executive’s cooperation with the outplacement service and upon active efforts by the Executive to locate another position.
- (vi) COC Severance Amount shall be payable in a lump sum within sixty (60) days after the Date of Termination; provided, however, that if the sixty (60) day period begins in one calendar year and ends in a second calendar year, such payment shall be paid or commence to be paid in the second calendar year by the last day of such sixty (60) day period. Each payment pursuant to this Agreement is intended to constitute a separate payment for purposes of Treasury Regulation Section 1.409A-2(b)(2).
- (vii) COC Earned Performance Bonus shall be paid in a lump sum within sixty (60) days after the Date of Termination; provided, however, that if the sixty (60) day period begins in one calendar year and ends in a second calendar year, the Earned Performance Bonus shall be paid in the second calendar year by the last day of such sixty (60) day period.
- (viii) The Pro-Rata Bonus shall be paid when the annual performance would have been paid if Executive had continued the Executive’s employment through the payment date.
- (ix) COC Health Care Continuation Benefit shall commence immediately upon the Executive’s Date of Termination and the Executive shall immediately become eligible for Reimbursement Payments in accordance with Section 5(a)(iv), provided however if an executed Separation Agreement and Release has not become fully effective within the COC Release Period, the Company shall immediately cease making COC Premium Reimbursement Payments (or, if applicable, any COC Special Severance Payments) and the Executive shall be obligated to promptly repay to the Company any previously received COC Premium Reimbursement Payments (or, if applicable, any COC Special Severance Payments).
- (x) COC Outplacement Services shall commence immediately upon the Executive’s Date of Termination, provided however if an executed Separation Agreement and Release has not become fully effective within

the COC Release Period, COC Outplacement Services shall immediately cease and the Executive shall be obligated to promptly repay to the Company any previously made COC Outplacement Payments.

- (xi) Notwithstanding anything to the contrary in any then outstanding stock option agreement or other equity award agreement (unless otherwise specifically stated in any equity award agreement that provides for vesting based wholly or in part upon the achievement of performance objectives), the vesting of all stock options and other equity awards outstanding and held by the Executive shall immediately accelerate and become fully vested and exercisable as of the Date of Termination, and subject to any permitted action by the Board upon a Change of Control pursuant to the Company's applicable equity plan to terminate the stock options or other equity awards upon a Change of Control, all vested stock options shall be exercisable for one (1) year from the Date of Termination (but, for purposes of clarity, not later than the latest date under which the applicable stock option could have expired in accordance with its original terms under any circumstances).
- (b) **Rights to Severance.** The receipt of any severance payments or benefits in Section 5 is subject to the Executive's compliance with the provisions of Section 4(d) above.
- (c) **Other Termination Events.** The Executive hereby agrees that no severance payments or benefits under Section 5(a) shall be payable or provided upon termination of the Executive's employment with the Company (i) by the Company for Cause; (ii) by the Executive without Good Reason; (iii) as a result of the Executive's death or Permanent Disability; or (iv) as a result of non-renewal of the Employment Period by either the Executive or the Company pursuant to Section 2(a), and the Executive hereby waives any claim for such severance payments or benefits except for the Accrued Benefits.
- (d) **Parachute Payments.** If Independent Tax Counsel (as that term is defined below) determines that the aggregate payments and benefits provided or to be provided to the Executive pursuant to this Agreement, and any other payments and benefits provided or to be provided to the Executive from the Company or any of its subsidiaries or other affiliates or any successors thereto constitute "parachute payments" as defined in Section 280G of the Code ("**Parachute Payments**") that would be subject to the excise tax imposed by Section 4999 of the Code (the "**Excise Tax**"), then, except as otherwise provided in the next sentence, such Parachute Payments shall be reduced to the extent the Independent Tax Counsel shall determine is necessary (but not below zero) so that no portion thereof shall be subject to the Excise Tax. If Independent Tax Counsel determines that the Executive would receive in the aggregate greater payments and benefits on an after tax basis if the Parachute Payments were not reduced pursuant to this Section 5(f), then no such reduction shall be made. The determination of which payments or benefits shall be reduced to avoid the Excise Tax shall be made by the Independent

Tax Counsel, provided that the Independent Tax Counsel shall reduce or eliminate, as the case may be, payments or benefits in the following order (1) cash payments not subject to Section 409A of the Code; (2) cash payments subject to Section 409A of the Code; (3) equity-based payments and acceleration; and (4) non-cash forms of benefits. To the extent any payment is to be made over time (e.g., in installments, etc.), then the payments shall be reduced in reverse chronological order. The determination of the Independent Tax Counsel under this Section 5(f) shall be final and binding on all parties hereto. For purposes of this Section 5(f), “**Independent Tax Counsel**” shall mean a lawyer, a certified public accountant with a nationally recognized accounting firm, or a compensation consultant with a nationally recognized actuarial and benefits consulting firm with expertise in the area of executive compensation tax law, who shall be selected by the Board, and whose fees and disbursements shall be paid by the Company. The Executive shall have the right, at the Executive’s own expense, to retain Independent Tax Counsel to rebut any decision made by the Company’s Independent Tax Counsel, who may consider such rebuttal before making its final and binding determination.

6. **Tax, Insurance and Indemnity.**

- (a) **Insurance and Indemnity.** In no event shall the termination of the Executive’s employment by the Company or any such termination by the Executive pursuant to this Agreement release any claim by the Executive for indemnification that the Executive is otherwise entitled to under any director or officer’s insurance policy or any articles, bylaws or other foundation documents of the Company. The Executive shall be entitled to the protections set forth the Company’s Bylaws (as may be amended and restated from time to time) with respect to Indemnification of Directors. Without limiting the foregoing, the Company shall provide Executive with reasonable director’s and officer’s insurance coverage that is at least as favorable as the coverage in existence on the date of this Agreement (the “**Existing D&O Coverage**”); provided, however, that in no event shall the Company be obligated to maintain director’s and officer’s insurance coverage to the extent that premiums thereunder exceed two hundred percent (200%) of the premiums payable by the Company under the Existing D&O Coverage on the date hereof (the “**Threshold**”); provided, further, that to the extent such premiums exceed the foregoing Threshold, the Company shall obtain director’s and officer’s insurance coverage on terms as similar as reasonably practicable to the terms of the Existing D&O Coverage without exceeding the Threshold. Such insurance coverage shall continue in effect during the Employment Period and after the Employment Period ends for a period of six (6) years thereafter. The cost of such coverage shall be paid by the Company. Notwithstanding anything to the contrary in this Agreement, upon the occurrence of a Change of Control, the obligations set forth in this section shall terminate, provided that the Company shall (i) secure “tail insurance” with respect to the Existing D&O Coverage on reasonable terms and conditions of coverage, and (ii) require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company to honor any indemnification obligations that the Executive is otherwise

entitled to under any articles, bylaws or other foundation documents of the Company in the same manner as the Company's directors and officers immediately prior to such Change of Control.

(b) **409A.**

- (i) Anything in this Agreement to the contrary notwithstanding, if at the time of the Executive's separation from service within the meaning of Section 409A of the Code, the Company determines that the Executive is a "specified employee" within the meaning of Section 409A(a)(2)(B)(i) of the Code, then to the extent any payment or benefit that the Executive becomes entitled to under this Agreement on account of the Executive's separation from service would be considered deferred compensation otherwise subject to the twenty percent (20%) additional tax imposed pursuant to Section 409A(a) of the Code as a result of the application of Section 409A(a)(2)(B)(i) of the Code, such payment shall not be payable and such benefit shall not be provided until the date that is the earlier of (A) six (6) months and one (1) day after the Executive's separation from service, or (B) the Executive's death. If any such delayed cash payment is otherwise payable on an installment basis, the first payment shall include a catch-up payment covering amounts that would otherwise have been paid during the six-month period but for the application of this provision, and the balance of the installments shall be payable in accordance with its original schedule.
- (ii) All in-kind benefits provided and expenses eligible for reimbursement under this Agreement shall be provided by the Company or incurred by the Executive during the time periods set forth in this Agreement. All reimbursements shall be paid as soon as administratively practicable, but in no event shall any reimbursement be paid after the last day of the taxable year following the taxable year in which the expense was incurred. The amount of in-kind benefits provided or reimbursable expenses incurred in one (1) taxable year shall not affect the in-kind benefits to be provided or the expenses eligible for reimbursement in any other taxable year (except for any lifetime or other aggregate limitation applicable to medical expenses). Such right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.
- (iii) To the extent that any payment or benefit described in this Agreement constitutes "non-qualified deferred compensation" under Section 409A of the Code, and to the extent that such payment or benefit is payable upon the Executive's termination of employment, then such payments or benefits shall be payable only upon the Executive's "separation from service." The determination of whether and when a separation from service has occurred shall be made in accordance with the presumptions set forth in Treasury Regulation Section 1.409A-1(h).

- (iv) The parties intend that this Agreement shall be administered in accordance with Section 409A of the Code. To the extent that any provision of this Agreement is ambiguous as to its compliance with Section 409A of the Code, the provision shall be read in such a manner so that all payments hereunder comply with Section 409A of the Code. Each payment pursuant to this Agreement is intended to constitute a separate payment for purposes of Treasury Regulation Section 1.409A-2(b)(2). The parties agree that this Agreement may be amended, as reasonably requested by either party, and as may be necessary to fully comply with Section 409A of the Code and all related rules and regulations in order to preserve the payments and benefits provided hereunder without additional cost to either party.
- (v) The Company makes no representation or warranty and shall have no liability to the Executive or any other person if any provisions of this Agreement are determined to constitute deferred compensation subject to Section 409A of the Code but do not satisfy an exemption from, or the conditions of, such Section.

7. **Confidentiality.**

- (a) **Definition of Confidential Information.** “Confidential Information” shall mean: trade secrets and confidential and proprietary information of the Company, or any information provided to the Executive or the Company under an obligation of confidentiality to a third party, or any confidential, trade secret, or proprietary information acquired by the Company from others with whom the Company or any affiliate has a business relationship, whether in written, oral, electronic or other form, including, but not limited to: (i) trade secrets, inventions, mask works, ideas, processes, algorithms, formulae, software in source or object code, data programs, other works of authorship, know-how, improvements, technology direction, product or technology development methodology, technology assessment, experimental procedures, results, process development, product plans, development plans, testing procedures, quality control and testing processes, discoveries, developments, designs and techniques, any other proprietary technology and all Inventions (as defined in Section 9); (ii) information regarding research, development, new products, marketing and selling, business plans, budgets and unpublished financial statements, licenses, prices and costs, margins, discounts, credit terms, pricing and billing policies, quoting procedures, methods of obtaining business, forecasts, future plans and potential strategies, financial projections and business strategies, operational plans, financing and capital-raising plans, activities and agreements, internal services and operational manuals, methods of conducting Company business, suppliers and supplier information, sales techniques and strategies, training methods and materials, and purchasing; (iii) information regarding customers and potential customers of the Company, including customer lists, names, representatives, their needs or desires with respect to the types of products or services offered by the Company, proposals, bids, contracts and their contents and parties, the type and quantity of products and

services provided or sought to be provided to customers and potential customers of Company and other non-public information relating to customers and potential customers; (iv) information regarding any of the Company's business partners and its services, including names, representatives, proposals, bids, contracts and their contents and parties, the type and quantity of products and services received by the Company, and other non-public information relating to business partners; (v) information regarding personnel, employee lists, compensation, and employee skills; (vi) any other non-public information which a competitor of the Company could use to the competitive disadvantage of the Company; and (vii) any other scientific, technical or trade secrets of the Company or of any third party provided to the Executive or the Company under a condition of confidentiality, provided that Confidential Information shall not include information that was known to the Executive prior to joining the Company, general industry knowledge, or is in the public domain other than through any fault or act by the Executive.

- (b) **Protection and Non-Disclosure of Confidential Information.** The Executive expressly acknowledges and agrees that all Confidential Information is and shall remain the sole property of the Company or the third party to whom the Company owes an obligation of confidentiality and that the Executive shall hold it in strictest confidence. The Executive shall at all times, both during the Executive's employment with the Company and after the termination of the Executive's employment for any reason or for no reason, maintain in confidence and shall not, without the prior written consent of the Company, use (except in the course of performance of the Executive's duties for the Company or by court order), disclose, or give to others any Confidential Information. The terms of this Section 7 are in addition to, and not in lieu of, any statutory or other contractual or legal obligation that the Executive may have relating to the protection of the Company's Confidential Information. The terms of this Section 7 shall survive indefinitely any termination of the Executive's employment with the Company for any reason or for no reason.
- (c) **Notification to Company.** In the event the Executive is questioned by anyone not employed by the Company or by an employee of or a consultant to the Company not authorized to receive Confidential Information, in regard to any Confidential Information or concerning any fact or circumstance relating thereto, the Executive agrees to promptly notify the Company's President and Chief Executive Officer.
- (d) **Return of Confidential Information.** Upon the termination of the Executive's employment with the Company for any reason or for no reason, or if the Company otherwise requests at any other time before such termination, the Executive shall: (i) return to the Company all tangible Confidential Information and copies thereof (regardless how such Confidential Information or copies are maintained); and (ii) deliver to the Company any property of the Company which may be in the Executive's possession, including, but not limited to, products, materials, memoranda, notes, records, reports, or other documents or photocopies of the same. The Executive agrees that, when the Executive leaves the employ of the Company,

or at any time the Company may request, the Executive shall deliver to the Company any and all Company equipment provided to the Executive including laptops and other electronic devices, as well as drawings, notes, memoranda, specifications, devices, formulas, and any other documents pertaining to the Company and/or the Company's business, including, but not limited to, computer files, together with all copies thereof, and any other material containing or disclosing any Confidential Information as defined in Section 7(a) above (collectively, "**such Documents**"). The above shall include any and all such Documents contained on, for example, a home computer system, tablet or smart phone. The Executive further agrees not to retrieve or retain in any way any such Documents, and the Executive shall, for example, first return such Documents to the President and Chief Executive Officer and then consult with the Company's President and Chief Executive Officer regarding the removal and deletion of such Documents from any home computer system, personal electronic device, or other personal property and act in accordance with their instructions. The Executive expressly authorizes the Company's designated representatives to access such equipment or devices for this limited purpose and shall provide any passwords or access codes necessary to accomplish this task. The Executive further agrees that any property situated on the Company's premises and/or owned by the Company, including disks and other storage media, filing cabinets or other work areas, is subject to inspection by Company personnel at any time with or without notice.

- (e) **Notice Pursuant to Defend Trade Secrets Act.** Notwithstanding any provision of this Agreement prohibiting the disclosure of Inventions or other Confidential Information, the Executive understands that they may not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a Company trade secret that: (i) is made (A) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney; and (B) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition, if the Executive files a lawsuit or other court proceeding against the Company for retaliating against them for reporting a suspected violation of law, the Executive may disclose the Company trade secret to the attorney representing them and use the Company trade secret in the court proceeding, if the Executive files any document containing the Company trade secret under seal and do not disclose the trade secret, except pursuant to court order.
- (f) **Certain Protected Activity.** Nothing in this Agreement shall prohibit the Executive from reporting possible violations of federal, state or local law or regulation to any governmental agency or entity, or from making other disclosures that are protected under the whistleblower provisions of federal, state or local law or regulation, or from receiving any whistleblower award for any such information provided to any government agency. The Executive does not need the prior authorization of the Company to make any such reports or disclosures, and the Executive is not required to notify the Company that the Executive has made such reports or disclosures.

8. **Non-Competition and Non-Solicitation.**

- (a) **Interests to be Protected.** The Company and the Executive acknowledge that Executive shall perform essential services for the Company, its employees, and/or its stockholders during the Employment Period. The Executive shall be exposed to, have access to, and work with, a considerable amount of Confidential Information. The Company and the Executive also expressly recognize and acknowledge that the personnel of the Company have been trained by, and are valuable to, the Company and that the Company shall incur substantial recruiting and training expenses if the Company must hire new personnel or retrain existing personnel to fill vacancies. The Company and the Executive expressly recognize that it could seriously impair internal and external goodwill and diminish the value of Company's business should the Executive unfairly compete with the Company in any manner whatsoever. The Company and the Executive acknowledge this covenant is reasonable and it is necessary for the protection of the Company, its stockholders, and employees. For these and other reasons, and the fact that there are many other employment opportunities available to the Executive if the Executive's employment is terminated, the Company and the Executive are in full and complete agreement that the covenants in this Section 8 are fair and reasonable and are entered into freely, voluntarily, and knowingly.
- (b) **Non-Competition and Non-Solicitation Definitions.**
- (i) **Non-Competition Period.** "**Non-Competition Period**" shall mean the period commencing on the Effective Date and continuing until one (1) year from the date on which the Executive's employment with the Company terminates for Cause, or the Executive resigns for any reason or no reason, including Good Reason, or because of a non-renewal of the Employment Period by the Executive pursuant to Section 2(a). If the Executive breaches a fiduciary duty to the Company or takes any property belonging to or in the custody of the Company, physically or electronically, the Non-Competition Period shall be extended to two (2) years from the date on which the Executive's employment with the Company terminates. In the case of such an extension, the Company shall not increase the Special Consideration (as defined below).
- (ii) **Non-Solicitation Period.** "**Non-Solicitation Period**" shall mean the period commencing on the Effective Date and continuing until one (1) year from the date on which the Executive's employment with the Company terminates for any reason or no reason.
- (iii) **Geographic Reach.** "**Geographic Reach**" shall mean the geographic area in which the Executive provided services or had a material presence or influence within the last two (2) years of the Executive's employment by the Company.

- (iv) Competitive Business. “**Competitive Business**” shall mean the research, development, manufacturing, commercialization, marketing, sales, distribution of products, services and technologies involving aerogels.
 - (v) Competitive Services. “**Competitive Services**” shall mean those activities or services which the Executive provided regardless of job title, at any time within the last two (2) years of the Executive’s employment by the Company.
 - (vi) Customer or Potential Customer. “**Customer or Potential Customer**” shall mean any person or entity who or which, at any time during the one year period prior to the Executive’s contact with such person or entity, if such contact occurs during the Executive’s employment or, if such contact occurs following the termination of the Executive’s employment, during the one year period prior to the date the Executive’s employment with the Company ends: (A) contracted for, was billed for, or received from the Company any product, service, or process with which the Executive worked directly or indirectly during the Executive’s employment by the Company or about which the Executive acquired Confidential Information; or (B) was in contact with the Executive or in contact with any other employee, owner, or agent of the Company, of which contact the Executive was or should have been aware, concerning the sale or purchase of, or contract for, any product, service, or process with which the Executive worked directly or indirectly during the Executive’s employment with the Company or about which the Executive acquired Confidential Information; or (C) was solicited by the Company in an effort in which the Executive was involved or of which the Executive was aware.
- (c) **Covenant Not-To-Compete**. During the Non-Competition Period, within the Geographic Reach, and without the prior written consent of the Company (which consent the Company may grant or withhold in its sole discretion) the Executive shall not engage in any Competitive Services through or on behalf of the Executive, a third party or another person or entity engaged in a Competitive Business (the “**Covenant Not-to-Compete**”), unless the Company, at its sole discretion and option, chooses not to enforce the Covenant Not-to-Compete by informing the Executive in writing of its election at the time of or prior to the Date of Termination. For the avoidance of doubt, the Covenant Not-to-Compete shall not apply if the Executive has been terminated without Cause or in the event of non-renewal of the Employment Period by the Company pursuant to Section 2(a), provided that, in order for the Executive to be eligible for severance payments and benefits as described in Section 4 or 5 of this Agreement (as applicable), the Executive shall agree to a non-competition covenant as a term of the Separation Agreement and Release in a form substantially similar to the Covenant Not-to-Compete contained in this Section 8.

- (d) **Fair and Reasonable Consideration.** The Executive acknowledges and agrees that the Covenant Not-to-Compete is supported by fair and reasonable consideration independent of, and in addition to, the Executive's continued employment by the Company and the Special Consideration (as defined below). Without limiting the foregoing, the Executive acknowledges and agrees that the Executive's receipt of a lump sum payment in the amount of \$500.00 (the "**Consideration Payment**"), constitutes fair and reasonable consideration to support the Executive's Covenant Not-to-Compete. The Consideration Payment shall be paid to the Executive on the Company's next regularly scheduled payroll date following the Effective Date, subject to customary withholding.
- (e) **Special Consideration.** As consideration for the Covenant Not-To-Compete, if the Company wishes to enforce this Covenant Not-To-Compete, then Company shall pay the Executive, and the Executive agrees to accept, a payment of fifty percent (50%) of the Executive's highest annualized base salary over the two years prior to the Date of Termination in substantially equal installments in accordance with the Company's general payroll practices and subject to customary withholding during the Non-Competition Period (the "**Special Consideration**"), provided that in the event the Executive is eligible for severance payments or benefits as described in Section 4 or 5 herein (as applicable), such severance payments and benefits shall instead be considered the Special Consideration defined herein. The Special Consideration shall not include any other form of compensation, including but not limited to, commissions, bonuses, equity, reimbursement of expenses, travel discounts or other fringe benefits. In the event that the Company waives the Covenant Not-to-Compete pursuant to Section 8(c), the Executive shall not be entitled to the Special Consideration. Notwithstanding the foregoing, if the Company waives the Covenant Not-to-Compete, the Executive may be eligible to receive severance payments and benefits pursuant to the terms of Section 4 or 5 of this Agreement, as applicable, provided that the Separation Agreement and Release shall not contain a non-competition covenant.
- (f) **Covenant Not-to-Solicit.** During the Non-Solicitation Period, the Executive agrees that they shall not, directly or indirectly, for the Executive's own account or on behalf of any other person or entity, (i) solicit, call upon or accept business from, any Customer or Potential Customer; or (ii) interfere with the business relationship between any Customer or Potential Customer and the Company; or (iii) solicit, induce, persuade or hire, or attempt to solicit, induce, persuade or hire, or assist any third party in the solicitation, inducement, persuasion or hiring of, any employee of the Company who worked for the Company during the Executive's tenure with the Company, to leave the employ of the Company (the "**Covenant Not-to-Solicit**"). Executive acknowledges and agrees that the Non-Solicitation Period shall be tolled and shall not run, during any period in which the Executive is in violation of the terms herein.
- (g) **Acknowledgement; Opportunity to Review.** The Executive acknowledges and agrees that (i) the Executive has read and understands this Section 8 and agrees to

it knowingly and voluntarily; (ii) the Executive has been given a reasonable opportunity to consider the terms of this Section 8, and to consult with an attorney of the Executive's choosing, prior to executing this Agreement; and (iii) with respect to the Covenant Not-to-Compete only, the Executive has been provided with notice of the Covenant Not-to-Compete for the Executive's consideration ten (10) business days before the Covenant Not-to-Compete becomes effective.

9. **Inventions.**

- (a) **Property of the Company.** All ideas, discoveries, creations, manuscripts and properties, innovations, improvements, know-how, inventions, designs, developments, apparatus, techniques, methods, laboratory notebooks, formulae, data, protocols, writings, specifications, sound recordings, and pictorial and graphical representations; the exclusive legal right to reproduce, perform, display, distribute and make derivative works of a work of authorship ("**Copyright**"); and all paternity, integrity, disclosure, modification, withdrawal, special and any other similar rights recognized by the laws of any jurisdiction or country as "moral rights," "artist's rights," "droit moral," or the like (collectively, "**Moral Rights**") (collectively, the "**Inventions**"), which may be used in the business of the Company, whether patentable, copyrightable or not, which the Executive may conceive, reduce to practice or develop during the Executive's employment with the Company, whether alone or in conjunction with another or others, whether during or out of regular business hours, whether or not on the Company's premises or with the use of its equipment, and whether at the request or upon the suggestion of the Company or otherwise, shall be and are the sole and exclusive property of the Company, and that the Executive shall not publish any of the Inventions without the prior written consent of the Company or its designee. The Executive acknowledges and agrees that any Inventions conceived or made by the Executive, alone or with others, within two (2) years following termination of the Executive's employment are likely to have been conceived in significant part while employed by the Company; accordingly, the Executive agrees that such Inventions shall be presumed to have been conceived during the Executive's employment with the Company until the Executive has established the contrary by clear and convincing evidence, and that such Inventions are subject to the terms and conditions of this Section 9. The Executive also acknowledges that all original works of authorship which are made by the Executive (solely or jointly with others) within the scope of the Executive's employment or which relate to the business of the Company or a Company affiliate and which are protectable by copyright are "works made for hire" pursuant to the United States Copyright Act (17 U.S.C. § 101). The Executive hereby assigns to the Company or its designee all of the Executive's right, title and interest in and to all of the foregoing. The Executive further represents that, to the best of the Executive's knowledge and belief, none of the Inventions shall violate or infringe upon any right, patent, copyright, trademark or right of privacy, or constitute libel or slander against or violate any other rights of any person, firm or corporation, and that the Executive shall use the Executive's best efforts to prevent any such violation.

- (b) **Cooperation; Power of Attorney.** At any time during or after the Executive's employment with the Company, the Executive shall fully cooperate with the Company and its attorneys and agents in securing and protecting the Company's rights to Inventions, including but not limited to the preparation and filing of all papers and other documents as may be required to perfect the Company's rights in and to any of such Inventions, and joining in any proceeding to obtain letters patent, copyrights, trademarks or other legal rights with respect to any such Inventions in the United States and in any and all other countries, provided that the Company shall bear the expense of such proceedings, and that any patent or other legal right so issued to the Executive personally shall be assigned by the Executive to the Company or its designee without charge by the Executive. If the Company is unable, after reasonable effort, to secure the Executive's signature on any such papers and/or other documents, the Executive hereby irrevocably designates and appoints each officer of the Company as the Executive's agent and attorney-in-fact to execute any such papers on the Executive's behalf, and to take any and all actions as the Company may deem necessary or desirable in order to protect its rights and interests in any Invention.
- (c) **Licensing and Use of Innovations.** With respect to any Inventions, and work of any similar nature (from any source), whenever created, which the Executive has not conceived, reduced to practice or developed during the Executive's employment with the Company, but which the Executive provides to the Company or incorporates in any Company product or system, the Executive hereby grants to the Company a royalty-free, fully paid-up, non-exclusive, perpetual and irrevocable license throughout the world to use, modify, create derivative works from, disclose, publish, translate, reproduce, deliver, perform, sell, license, dispose of, and to authorize others so to do, all such Inventions. The Executive shall not include in any Inventions they deliver to the Company or use on its behalf, without the prior written consent of the Company, any material which is or shall be patented, copyrighted or trademarked by the Executive or others unless the Executive provides the Company with the written permission of the holder of any patent, copyright or trademark owner for the Company to use such material in a manner consistent with then-current Company policy.
- (d) **Disclosure of Inventions.** Promptly upon conception of each Invention, the Executive agrees to disclose the same to the Company and the Company shall have full power and authority to file and prosecute patent applications thereon and to procure and maintain patents thereon. The Executive agrees that such Inventions shall remain subject to all provisions of this Agreement, including but not limited to the ownership, cooperation and licensing provisions described in this Section 9. The Executive acknowledges that the Executive's obligation to disclose such information is ongoing during the Executive's employment with the Company, and that after the Executive executes this Agreement, if the Executive determines that any additional Inventions in which the Executive claims or intends to claim any right, title or interest (including but not limited to patent, copyright and trademark

interest) has been or is likely to be delivered to the Company or incorporated in any company product or system, the Executive shall make immediate written disclosure of the same to the Company.

- (e) **Prior Inventions.** Listed on Exhibit A to this Agreement are any and all Inventions, that may relate to the business of the Company or actual or demonstrably anticipated research or development and that were made by the Executive or acquired by the Executive prior to the commencement of the Executive's employment with the Company, and which are not to be assigned to the Company ("**Prior Inventions**"). If no such list is attached, the Executive represents and agrees that it is because the Executive has no rights in any existing Inventions that may relate to the Company's business or actual or demonstrably anticipated research or development. The Executive acknowledges and agrees that if the Executive uses or includes any Prior Inventions in the scope of the Executive's employment or in any product or service in the Company, or if the Executive's rights in any Prior Inventions may block or interfere with, or may otherwise be required for, the exercise by the Company of any rights assigned to the Company under this Agreement, the Executive shall immediately notify the Company in writing. Unless the Company and the Executive agree otherwise in writing as to particular Prior Inventions, the Executive grants the Company, in such circumstances (whether or not the Executive gives the Company notice as required above), a non-exclusive, perpetual, transferrable, fully-paid and royalty free, irrevocable and worldwide license, with rights to sublicense through multiple levels of sublicensees, to reproduce, make derivative works of, distribute, publicly perform, and publicly display in any form or medium, whether now known or later developed, make, have made, use, sell, import, offer for sale, and exercise any and all present or future rights in, such Prior Inventions. To the extent that any third parties have rights in any such Prior Inventions, the Executive hereby represents and warrants that such third party or parties have validly and irrevocably granted the Executive the right to grant the license stated above.
- (f) **Assignment/Transfer of Web Properties.** The Executive agrees to transfer and assign (both during and after employment), and does hereby assign to the Company all rights, titles, and interests in and to any domain name or social media account (collectively called "Web Properties") registered or owned by the Executive that: (1) was registered with the intent to be used by the Company; and/or (2) relates in any manner to, or is used to comment on, the actual or anticipated business of the Company; and/or (3) contains a registered or common law trademark of the Company.
- (g) **Incorporation of Software Code.** The Executive agrees that they shall not incorporate into any Company software or otherwise deliver to Company any software code licensed under the GNU General Public License or Lesser General Public License or any other license that, by its terms, requires or conditions the use or distribution of such code on the disclosure, licensing, or distribution of any

source code owned or licensed by Company except in strict compliance with Company policies regarding the use of such software.

- (h) **Exceptions to Assignments.** The Executive understands that the provisions of this Agreement requiring assignment of Inventions to the Company do not apply to any Invention that the Executive had developed entirely on the Executive's own time without using the Company's equipment, supplies, facilities, trade secret information or Company Confidential Information (an "**Other Invention**") except for those Other Inventions that: (i) relate to the Company's business or actual or demonstrably anticipated research or development, or (ii) result from any work that the Executive performs for the Company. The Executive shall not incorporate, or permit to be incorporated, any Other Invention owned by them or in which the Executive has an interest into a Company product, process or service without the Company's prior written consent. Notwithstanding the foregoing sentence, if, in the course of the Executive's employment with the Company, the Executive incorporates into a Company product, process, or service an Other Invention owned by the Executive or in which the Executive has an interest, the Executive hereby grants to the Company a nonexclusive, royalty-free, fully paid-up, irrevocable, perpetual, transferable, sublicensable, worldwide license to reproduce, make derivative works of, distribute, perform, display, import, make, have made, modify, use, sell, offer to sell, and exploit in any other way such Other Invention, and to practice any method related thereto.
- 10. **Non-Disparagement.** Executive agrees that during the Executive's employment by the Company and at any time thereafter, the Executive shall not take any action or make any statement, verbally or in writing, or via social media which has the purpose or effect of disparaging the Company, or its directors, officers, employees or its products, provided that nothing in this Section shall restrict the Executive from making any disclosures mandated by state or federal law, from providing information or documents to a state or federal agency if requested by the agency to do so, or from participating in an investigation with a state or federal agency if requested by the agency to do so.
- 11. **Provisions Necessary and Reasonable; Change and Reaffirmation.**
 - (a) **Reasonableness of Restrictions.** The Executive acknowledges and agrees that the provisions of Sections 7, 8 and 9 of this Agreement are necessary and reasonable to protect the Company's Confidential Information, property rights, trade secrets, goodwill and business interests. The Executive further acknowledges and agrees that the types of employment which are prohibited by Section 8 are narrow and reasonable in relation to the skills which represent the Executive's principal salable asset both to the Company and to the Executive's other prospective employers, and that the specific but broad temporal and geographical scope of Section 8 is reasonable and fair in light of the Company's need to market its services and develop and sell its products in a large geographic area in order to maintain a sufficient customer base, and in light of the Executive's material presence or

influence in the Geographic Reach during the last two years of the Executive's employment with the Company.

- (b) **Change and Reaffirmation.** The Executive understands, acknowledges and agrees that: (i) the Executive's obligations under Sections 7, 8, 9 and 10 shall continue in accordance with their express terms regardless of any material changes in the Executive's title, position, duties, salary, compensation or benefits or other terms and conditions of employment, including but not limited to any renewal of the Employment Period, and the Executive agrees to comply with such obligations; and (ii) if the Executive should transfer between or among any affiliates of the Company, wherever situated, or be promoted or reassigned to functions other than the Executive's present functions, the terms of Section 7, 8, 9 and 10 shall continue to apply with full force, and the Executive agrees to comply with such terms. The Executive expressly consents to be bound by the provisions of Sections 7, 8, 9 and 10 for the benefit of the Company or any parent, subsidiary or affiliate to whose employ the Executive may be transferred, without the necessity that this Agreement be resigned at the time of such transfer.

12. **Representations and Warranties of the Executive.** Executive hereby represents and warrants to the Company that:

- (a) the Company has advised the Executive that at no time should the Executive divulge to or use for the benefit of the Company any trade secret or confidential or proprietary information of any previous employer or other third party, and that the Executive has not divulged or used and shall not divulge or use any such information for the benefit of the Company. The Executive further agrees that if they have signed a confidentiality, non-competition or similar type of agreement with any former employer or other entity, the Executive shall comply with the terms of such agreement to the extent that its terms are lawful under applicable law, or otherwise disclose it to the Company.
- (b) after undertaking a careful search (including searches of the Executive's computers, cell phones, electronic devices, and documents), the Executive has returned all property and confidential information belonging to all prior employers (and/or third parties the Executive performed services for in accordance with the terms of those applicable agreements);
- (c) the Executive shall indemnify and hold the Company harmless against loss, damage, liability or expense arising from any claim based upon circumstances alleged to be inconsistent with the representations and warranties in Sections 11(a)-(b) above;
- (d) the Executive has not been convicted within the last five (5) years of any felony or misdemeanor in connection with the offer, purchase, or sale of any security or any felony involving fraud or deceit, including, but not limited to, forgery,

embezzlement, obtaining money under false pretenses, larceny, or conspiracy to defraud;

- (e) the Executive has not been and is not currently (i) the target of an internal complaint of discrimination or harassment at a prior employer that resulted in any adverse remedial action against the Executive; or (ii) subject to any actual or threatened judicial, administrative or arbitral actions, suits or proceedings (public or private) by or before a court, government agency or arbiter, or before any arbitrator, mediator or other alternative dispute resolution provider, relating to discrimination or harassment in employment;
- (f) the Executive is not currently subject to any state administrative enforcement order or judgment entered by a state securities administrator within the last five (5) years and is not subject to any state's administrative enforcement order or judgment in which fraud or deceit (including, but not limited to, making untrue statements of material facts and omitting to state material facts) was found in which the order or judgement was entered within the last five (5) years;
- (g) the Executive is legally authorized to work in the United States of America; and
- (h) This Agreement constitutes the legal, valid and binding obligations of the Executive, enforceable in accordance with its terms, and execution, delivery and performance of this Agreement by the Executive does not and shall not conflict with, violate or cause a breach of any agreement, contract or instrument to which the Executive is a party or any judgment, order or decree to which the Executive is subject.

13. **Representations and Warranties of the Company.** The Company hereby represents and warrants to the Executive that:

- (a) The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware. The Company has all requisite corporate power and authority to carry out the transactions contemplated by this Agreement.
- (b) The execution, delivery and performance of this Agreement has been duly authorized by the Company. This Agreement constitutes a valid and binding obligation of the Company, enforceable in accordance with its terms. The execution and delivery by the Company of this Agreement, and the fulfillment of and compliance with the respective terms hereof by the Company, do not and shall not (i) conflict with or result in a breach of the terms, (ii) constitute a default under, (iii) result in the creation of any lien, security interest, charge or encumbrance upon the Company's capital stock or assets pursuant to, (iv) give any third party the right to modify, terminate or accelerate any obligation under, (v) result in a violation of, or (vi) require any authorization, consent, approval, exemption or other action by or notice to any court or administrative or governmental body pursuant to, the charter or bylaws of the Company, or any law, statute, rule or regulation to which the

Company is subject, or any agreement, instrument, order judgement or decree to which the Company is subject.

14. **Notices.** All notices, demands or other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given when delivered personally, mailed by certified or registered mail, return receipt requested and postage prepaid, or sent via a nationally recognized overnight courier, or sent via electronic mail, or sent via facsimile to the recipient with a confirmation of receipt and accompanied by a certified or registered mailing. Such notices, demands and other communications shall be sent to the address indicated below:

To the Company:

Aspen Aerogels, Inc.
30 Forbes Road, Bldg B
Northborough, MA 01532
Telephone: (508) 691-1111
Facsimile: (508) 691-1200
Attention: President and Chief Executive Officer

To the Executive:

The address (including email address) on file in the Company's records.

15. **Miscellaneous.**

- (a) **Severability; Blue Pencil.** Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein. If the provisions contained in Sections 7, 8 or 9 of this Agreement are for any reason held to be excessively broad as to duration, geographical scope, activity or subject, it shall be construed by limiting and reducing it, so as to be enforceable to the extent compatible with the applicable law at the time. The deletion of specific words and phrases ("**blue penciling**") and giving effect to the reduced or blue-penciled form is allowed where permitted by applicable law.
- (b) **Complete Agreement.** This Agreement and the agreements referred to herein embody the complete agreement and understanding among the parties and supersede and preempt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter

hereof. For the avoidance of doubt, this Agreement supersedes any prior agreement concerning the subject matter hereof, including but not limited to any prior offer, letter or employment agreement and any previously executed Confidentiality and Non-Competition Agreement between the Executive and the Company.

- (c) **Waiver of Jury trial.** The parties to this Agreement each hereby waives, to the fullest extent permitted by law, any right to trial by jury of any claim, demand, action, or cause of action (i) arising under this Agreement or (ii) in any way connected with or related or incidental to the dealings of the parties hereto in respect of this Agreement or any of the transactions related hereto, in each case whether now existing or hereafter arising, and whether in contract, tort, equity, or otherwise. The parties to this Agreement each hereby agrees and consents that any such claim, demand, action, or cause of action shall be decided by court trial without a jury and that the parties to this Agreement may file an original counterpart or a copy of this Agreement with any court as written evidence of the consent of the parties hereto to the waiver of their right to trial by jury.
- (d) **Counterparts; Electronic Transmission.** This Agreement may be executed simultaneously in two or more counterparts, any one of which need not contain the signatures of more than one party, but all such counterparts taken together shall constitute one and the same Agreement. This Agreement may also be executed and delivered by facsimile or other electronic transmission.
- (e) **Successors and Assigns.** The provisions hereof shall inure to the benefit of, and be binding upon and assignable to, successors of the Company by way of merger, consolidation or sale. The Executive may not assign or delegate to any third person the Executive's obligations under this Agreement. The rights and benefits of the Executive under this Agreement are personal to him and no such right or benefit shall be subject to voluntary or involuntary alienation, assignment or transfer. The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would have been required to perform it if no such succession had taken place. As used in this Agreement, "the Company" shall mean both the Company as defined above and any such successor that assumes and agrees to perform this Agreement, by operation of law or otherwise.
- (f) **Governing Law.** All issues concerning this Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts, without giving effect to any choice of law or conflict of law provision or rule (whether of the Commonwealth of Massachusetts or any other jurisdiction) that would cause the application of the law of any jurisdiction other than the Commonwealth of Massachusetts.

- (g) **Remedies; Injunctive Relief.** The parties hereto agree and acknowledge that money damages may not be an adequate remedy for any breach of the provisions of the Agreement (including but not limited to Sections 7, 8 or 9), and that any party may in its sole discretion apply to any court of law or equity of competent jurisdiction (without posting any bond or deposit) for specific performance and/or injunctive or other relief in order to enforce or prevent any violations of the provisions of this Agreement.
- (h) **Amendment and Waiver.** The provisions of this Agreement may be amended and waived only with the prior written consent of the Company and the Executive.
- (i) **Certain Expenses.** Subject to any restrictions that may be imposed under the Company's Compensation Recoupment Policy, the Company agrees to pay, as incurred, to the fullest extent permitted by law, or indemnify the Executive if such payment is not legally permitted, for all legal fees and expenses that the Executive may in good faith incur as a result of any contest by the Company, the Executive or others of the validity or enforceability of or liability under, or otherwise involving, any provision of this Agreement; provided, however, that the Executive shall reimburse the Company for all such payments made by the Company in connection with a contest by the Company if a court of competent jurisdiction or an arbitrator shall find that the Executive did not act in good faith in connection with such contest.
- (j) **Withholding.** All payments made by the Company to the Executive under this Agreement shall be net of any tax or other amounts required to be withheld by the Company under applicable law.
- (k) **Litigation and Regulatory Cooperation.** During and for a reasonable period of time after the Executive's employment, the Executive shall cooperate fully with the Company in the defense or prosecution of any claims or actions now in existence or which may be brought in the future against or on behalf of the Company which relate to events or occurrences that transpired while the Executive was employed by the Company. The Executive's full cooperation in connection with such claims or actions shall include, but not be limited to, being available to meet with counsel to prepare for discovery or trial and to act as a witness on behalf of the Company at mutually convenient times. During and after the Executive's employment, the Executive also shall reasonably cooperate with the Company in connection with any investigation or review of any federal, state or local regulatory authority as any such investigation or review relates to events or occurrences that transpired while the Executive was employed by the Company. The Company shall reimburse the Executive for any reasonable out-of-pocket expenses incurred in connection with the Executive's performance of obligations pursuant to this Section 11(k), to include reasonable attorneys' fees and costs incurred by the Executive.

16. **Survival.** The provisions of Sections 1, 2, 4, 5, 6, 7, 8, 9, 10, 11 and 12 of this Agreement shall survive any termination of this Agreement in accordance with the terms of such sections.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

THE COMPANY:

ASPEN AEROGELS, INC.

By: /s/ Donald R. Young
Name: Donald R. Young
Title: President and Chief Executive Officer

THE EXECUTIVE:

By: /s/ Glenn Deegan
Glenn Deegan

Signature Page to Executive Agreement

CONFIDENTIAL SEPARATION AND RELEASE AGREEMENT

This Separation and Release Agreement (“**Agreement**”) is made and entered into by Aspen Aerogels, Inc., and its affiliates and subsidiaries (collectively “**Aspen**” or the “**Company**”) and Stephanie Pittman, on behalf of yourself, your heirs, executors, administrators, successors and assigns (collectively referred to throughout this Agreement as “**you**,” “**your**,” or “**Employee**,” and, together with Aspen, the “**Parties**”). The Parties agree that:

This Agreement sets forth the agreement governing the termination of your employment with the Company. Payment and provision of the Separation Benefits described below is contingent on your agreement to and compliance with the terms of this Agreement. You will have forty-five (45) calendar days from the date this Agreement is provided to you (the “**Agreement Date**”) to review this Agreement and sign it if you wish. This Agreement will become effective the eighth day after you sign it (the “**Effective Date**”) provided you do not exercise your right to rescind your acceptances as provided in Section 6 below.

1. Separation of Employment.

(a) Regardless of whether you sign this Agreement, your employment with the Company will formally end on October 1, 2025 (the “**Separation Date**”).

(b) You acknowledge that, as of the Separation Date, you are deemed to have resigned from each and every office, position or responsibility in which you served for the Company. You further acknowledge that, from and after the Separation Date, you shall have no authority to, and shall not, represent yourself as an employee of the Company.

(c) Regardless of whether you sign this Agreement, upon the termination of your employment, you will be entitled to the following “**Accrued Obligations**”:

(i) Your final earned but unpaid wages accrued through the Separation Date, along with payment for accrued but unused vacation time (as applicable), less applicable withholdings, to be paid consistent with applicable law;

(ii) any expenses that you have properly incurred but that you have not been reimbursed as of the Separation Date, provided you submit documentation within thirty (30) days of the Separation Date and as otherwise consistent with the Company’s expense reimbursement policy; and

(iii) in the event that you participate in the Company’s health insurance program, the right to continue in such program under the provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985 (“**COBRA**”). You will receive your COBRA notice under separate cover. If you do not elect COBRA, your health insurance coverage will cease on the last day of the month of the Separation Date.

(d) **Equity Awards.** To the extent applicable, the terms and conditions of the Company’s 2014 and 2023 Equity Incentive Plans (collectively, the “**Equity Plan**”) and any agreements with respect to stock options (“**Options**”), restricted stock units (“**RSUs**”), performance share units (“**PSUs**”), or any other stock-based award (collectively, the “**Equity Grants**”) executed by you pursuant thereto (collectively, the “**Equity Agreements**”) are expressly incorporated by reference herein and will survive the signing of this Agreement. You acknowledge and agree that, under the Equity Plan and Equity Agreements, as of the Separation Date: (i) you are not eligible for additional vesting of the Equity Grants following the Separation Date, (ii) all unvested options, shares, units and other stock-based awards are terminated including, but not limited to, all of the PSUs, (iii) you have no right(s) to exercise the Options with respect to any portion of such unvested shares, and (iv) the applicable Equity Plan and Equity Agreement(s) shall govern the disposition of any vested Equity Grants. Notwithstanding the foregoing, if you sign and do not revoke this Agreement, the provisions of Section 4(b) of your Employment Agreement dated September 5, 2023 (the “**Employment Agreement**”) shall govern the acceleration of any Equity Grants consistent with Section 2(a) below.

2. Separation Benefits.

(a) As consideration for your execution of this Agreement and your compliance with the terms of this Agreement, and provided that you timely execute and do not revoke this Agreement within the timeframes set forth in Section 6, the Company will pay or provide you with the following “**Separation Benefits**” set forth in Section 2(a)(i)-(vi) below:

(i) Separation Pay. The Company will provide you with separation pay amounting to six hundred forty thousand dollars (\$640,000) (representing 100% of the sum of your current Base Salary and your Performance Bonus Target in accord with Sections 4(b)(i) (A) and (B) of your Employment Agreement), less all applicable federal, state, local and other employment-related deductions (the “**Separation Pay**”), which amount constitutes all cash payments due to you pursuant to Section 4(b)(i)(A) – (B) of the Employment Agreement. The Company will pay the Separation Pay in substantially equal installments in accordance with the Company’s payroll practices over twelve (12) months commencing within sixty (60) days of the Separation Date; provided, however, the initial payment shall include a catch-up payment to cover amounts retroactive to the day immediately following the Separation Date. Each installment of the Separation Pay will be paid by direct deposit to the bank account you have on file with the Company for payroll purposes.

(ii) Additional Bonus. If the Company achieves its 2025 performance targets when determined by the Company in the ordinary course, the Company shall pay you 100% of the Performance Bonus (as that term is defined in the Employment Agreement) based upon actual achievement of the performance metrics for the fiscal year in which the Separation Date occurs (the “**Additional Bonus**”). The Additional Bonus, if any, will be paid in a single lump sum payment when the annual performance bonus would have been otherwise paid you had continued your employment through the applicable performance period. The Additional Bonus, if any, will be paid by direct deposit to the bank account you have on file with the Company for payroll purposes.

(iii) Health Benefits. The Company agrees to continue to pay towards such COBRA coverage the same amount as it pays under the health insurance program selected by you as of the Separation Date, subject to any changes in employer cost sharing for similarly situated employees and subject to any approved changes in coverage based on a qualified election, for twelve (12) months (“**COBRA Coverage Period**”), provided you (A) remain eligible and timely complete the applicable election of coverage forms and (B) continue to pay an amount equivalent to the employee portion of the applicable premium(s). The Company’s contribution to your COBRA coverage will end on the earlier of (1) the end of the COBRA Coverage Period, (2) the date that you obtain new employer-sponsored benefits, (3) the date that you are no longer eligible for and/or no longer elect COBRA benefits, or (4) the date that you cease paying your share of the applicable premium. You shall have no right to cash or other consideration in lieu of the employer contributions. At the conclusion of the COBRA Coverage Period, if you remain eligible for COBRA, you may continue your enrollment in these plans through COBRA continuation coverage, but you will be responsible for all premiums plus a 2% administrative fee. Should you become benefit eligible through another employer before the COBRA Coverage Period ends, you agree to notify the Company in writing within three (3) business days of your acceptance of such employment. This notice will trigger the Company’s right to terminate the employer contribution for health benefits provided in this Section 2(a)(iii), unless otherwise required by law. Notwithstanding the foregoing, if the Company determines, in its sole discretion, that such reimbursement of the premiums would result in a violation of the nondiscrimination rules of Section 105(h)(2) of the Internal Revenue Code of 1986, as amended or any statute or regulation of similar effect (including but not limited to the 2010 Patient Protection and Affordable Care Act, as amended by the 2010 Health Care and Education Reconciliation Act), then in lieu of reimbursing the premiums, the Company, in its sole discretion, may elect to instead pay you on the first day of each month of such period, a fully taxable cash payment equal to the premiums for that month, subject to applicable tax withholdings (such amount, the “**Special Severance Payment**”), for the remainder of such period for which you are entitled to benefits pursuant to this Section 2(a)(iii). You may, but are not obligated to, use such Special Severance Payment toward the cost of premiums.

(iv) Outplacement Services. The Company shall provide six (6) months of outplacement services (“**Outplacement Services**”) through an outplacement firm selected by the Company. You must begin utilizing such Outplacement Services within twelve (12) months of the Separation Date and such six (6) month period shall run continuously from the date the outplacement firm is first engaged. You will be provided additional information regarding outplacement services under separate cover.

(v) Equity. Notwithstanding anything to the contrary in the Equity Plan or any Equity Agreement, consistent with Section 4(b)(vi) of the Employment Agreement, your RSUs and Options that would have vested had you continued to be employed by the Company for the twelve (12) months following the Separation Date shall immediately accelerate and become vested and exercisable as of the Separation Date. Such vested RSUs and Options shall be governed by the Equity Plan and relevant Equity Agreements except that you will be permitted to exercise all of your vested Options (including those now vested pursuant to this Section 2(a)(v)) within one (1) year of the Separation Date.

(vi) EAP. You will receive one (1) month of access to the Employee Assistance Program ("**EAP**"), which offers, at your election, mental health support, stress management workshops, and wellness services. Additional information about the EAP services will be made available to you following your execution of this Agreement.

(b) You acknowledge and agree that the Separation Benefits: (i) represent consideration above and beyond any and all obligations that the Company has to you, and that you will only be entitled to the Separation Benefits if you timely sign and abide by this Agreement and do not revoke your assent to this Agreement; (ii) are in complete satisfaction of any and all claims described in Section 3 of this Agreement; (iii) will be reduced by any applicable taxes and withholdings; and (iv) constitute all of the separation benefits for which you are eligible pursuant to Section 4(b) of the Employment Agreement and include more than what is required by the Employment Agreement. You acknowledge and agree that other than as specifically set forth in this Agreement, you are not due any compensation for unpaid salary, commission, bonus, paid time off, holiday pay severance, incentive or performance pay, pay in lieu of notice, or any other form of compensation or benefit.

3. Release of Claims and Covenant Not to Sue.

(a) Your Release of Claims. You hereby agree and acknowledge that by signing this Agreement and accepting the Separation Benefits and for other good and valuable consideration, you are waiving your rights to assert any and all forms of legal claims against the Releasees (as defined below) of any kind whatsoever (each a "**Claim**" and jointly referred to as "**Claims**"), whether known or unknown, arising from the beginning of time through the date you execute this Agreement (the "**Execution Date**"). "**Releasees**" means the Company and any of its present and former parents, subsidiaries, departments, divisions, subdivisions, affiliates, predecessors, successors-in-interest or any other related entity of the Company, and their respective current and former insurers, directors, officers, managers, members, attorneys, agents, and employees, and each of such present and former entities are hereby expressly included as a third-party beneficiary of this release. Except as set forth below, your waiver and release of Claims is intended to bar any form of legal claim, complaint or any other form of action (including but not limited to a class or collective action, and including where you may seek to participate as a party plaintiff or as a class member) against one or more of the Releasees seeking any form of relief including, without limitation, equitable relief (whether declaratory, injunctive or otherwise), the recovery of any damages, or any other form of monetary recovery whatsoever (including, without limitation, back pay, front pay, compensatory damages, emotional distress damages, punitive damages, attorneys' fees and any other costs). Without limiting the foregoing general waiver and release, you specifically waive and release the Releasees from any Claim arising from or related to your employment and separation thereof, including, without limitation:

(i) Claims under any local, state or federal discrimination, fair employment practices or other employment related statute, regulation or order (as they may have been amended through the Execution Date) prohibiting discrimination or harassment based upon any protected status including, without limitation, race, national origin, age, gender, marital status, religious creed, disability, veteran status or sexual orientation. Without limitation, specifically included in this paragraph are any Claims arising under the Civil Rights Acts of 1866 and 1871, Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1991, the Rehabilitation Act of 1973, the Pregnancy Discrimination Act of 1978, the Equal Pay Act of 1963, the Americans With Disabilities Act of 1990, the Age Discrimination in Employment Act of 1967, the Older Workers Benefit Protection Act of 1990, the Genetic Information Non-Discrimination Act of 2008, the Massachusetts Fair Employment Practices Statute, the Massachusetts Equal Rights Act, the Massachusetts Civil Rights Act;

(ii) Claims under any other local, state or federal employment related statute, regulation or order (as they may have been amended through the Execution Date) relating to any other terms and conditions of employment including but not limited to the National Labor Relations Act ("**NLRA**"), the Family and Medical Leave Act, the Employee Retirement Income Security Act of 1974, the Consolidated Omnibus Budget Reconciliation Act of 1985, the federal Worker Adjustment and Retraining Notification Act (and any state equivalents including, but not limited to, the

Massachusetts Plant Closing Law), Massachusetts Paid Family and Medical Leave Act, the Massachusetts Privacy Statute, the Massachusetts Sexual Harassment Statute, the Massachusetts Wage Act, the Massachusetts Minimum Fair Wages Act, the Massachusetts Equal Pay Act, and any other state or local law (statutory, regulatory, or otherwise) that may be legally waived and released, and any similar federal, state or local statute, regulation or order. ***Please note that this section specifically includes a waiver and release of Claims regarding payments or amounts covered by the Massachusetts Wage Act or the Massachusetts Minimum Fair Wages Act, including hourly wages, salary, overtime, minimum wages, commissions, vacation pay, holiday pay, sick leave pay, dismissal pay, bonus pay or severance pay;***

(iii) Claims under any state or federal common law theory including, without limitation, wrongful discharge, breach of express or implied contract, promissory estoppel, unjust enrichment, breach of a covenant of good faith and fair dealing, violation of public policy, defamation, interference with contractual relations, intentional or negligent infliction of emotional distress, invasion of privacy, misrepresentation, deceit, fraud (including fraudulent inducement) or negligence;

(iv) Claims under any Company compensation, employment, commission, benefit, stock option, incentive compensation, bonus, restricted stock, and/or equity plan, program, policy, practice or agreement;

(v) Claims under any state or federal statute, regulation or order (as amended) relating to whistleblower protections, violation of public policy, or any other form of retaliation or wrongful termination, including the Sarbanes-Oxley Act of 2002, and any similar state or federal statute; and

(vi) Any other Claim arising under local, state or federal law.

(b) Covenant Not to Sue. In addition to waiving and releasing the claims covered by this Section 3, and except as set forth in Section 3(c) below, you further agree and covenant not to institute, submit, file or bring, or permit to be instituted, submitted, filed or brought on your behalf a lawsuit of any kind or for any reason against one or more of the Releasees in any court, administrative agency, or other forum, including but not limited to claims, laws or theories covered by the Release of Claims language in this Section 3. In the event that you institute any action hereby released or to which you have agreed not to sue, the Claim shall be dismissed immediately upon presentation of this Agreement and will be specifically enforced and the aggrieved Party will have standing to bring any such action for specific enforcement. In the event of any breach of this covenant not to sue, you shall be liable for all damages incurred by the Company, including without limitation, compensatory damages as well as attorneys' fees and costs.

(c) Excluded Claims and Other Release Limitations. Notwithstanding the foregoing, this Section 3 does not release the Releasees from any obligation expressly set forth in this Agreement or any other claim that you cannot waive by law. Also, nothing in this Agreement, including the release, shall (i) prohibit or restrict you from filing or limit your ability to file a charge or complaint with the Equal Employment Opportunity Commission or a state or local equivalent, the National Labor Relations Board, the Occupational Safety and Health Administration, the Securities and Exchange Commission or any other U.S. federal, state or local governmental agency or commission (each a "**Governmental Agency**"); (ii) prohibit or restrict you from communicating with, providing documents or other relevant information to, or otherwise cooperating with, any Governmental Agency, law enforcement, or any attorney you retain, including, but not limited to, responding to any inquiry, including an inquiry about the existence of this Agreement, its release or its underlying facts; or (iii) limit your right to receive an award for information provided to any Governmental Agency. To the maximum extent permitted by law, however, nothing in this release or this Agreement shall be deemed to limit the Company's right to seek immediate dismissal of a charge or complaint on the basis that your signing of this Agreement constitutes a full release of any Claims, including Claims of discrimination, or to seek restitution to the extent permitted by law of the economic benefits provided to you under this Agreement in the event that you successfully challenge the validity of this release, provided, however, that you retain the right to receive, and the Company shall not seek restitution of, an award for information lawfully provided to a Governmental Agency.

(d) Acknowledgment. You acknowledge that any obligation of the Company to provide you with the Separation Benefits under this Agreement and any other consideration set forth in this Agreement is expressly conditioned on your timely execution without revocation of this Agreement.

4. Additional Covenants.

(a) Your Additional Covenants. You hereby make the following agreements, representations and acknowledgements:

(i) No Wrongdoing. You represent and understand that neither this offer to you nor the Company's entering into this Agreement shall constitute an admission by the Company, and further, that as of the Execution Date, you are not aware of any factual or legal basis for any legitimate claim that any of the Releasees is in violation of any law, and further that if you were ever aware of any such basis for a legitimate claim against the Releasees you informed the Company of same.

(ii) No Actions. You represent that, as of the Execution Date, you have not: (A) filed any action, complaint, charge, grievance or arbitration against one or more of the Releasees; (B) contacted any government agency regarding Releasees regarding a violation of the law; (C) encouraged any individual to file any action, complaint, charge, grievance or arbitration against one or more of the Releasees; (D) received information from any individual that such individual intends to file or to threaten to file an action, complaint, charge, grievance or arbitration against one or more of the Releasees; or (E) provided any information to any individual to aid such individual in filing or in threatening to file an action, complaint, charge, grievance or arbitration against Releasees.

(iii) Leaves. You represent that you were granted any leave to which you were entitled under the Family and Medical Leave Act or related state or local leave or disability accommodation laws, and you have no known workplace injuries or occupational diseases;

(iv) Non-Disclosure. You agree that the terms of this Agreement will be kept strictly confidential, and you will not disclose, either directly or indirectly, the terms, contents or execution of this Agreement, the claims that have been or could have been raised against the Releasees, or the facts and circumstances underlying this Agreement, except that you may make such disclosures to your counsel, immediate family and/or accountant, provided that they agree to keep such terms confidential. You further understand and agree that your obligations under this Section 4(a)(iv) shall be interpreted to include disclosures on or through all Media. "**Media**" means, without limitation, any social media (e.g. Twitter, Facebook, Instagram, LinkedIn) or written or digital publications of any kind, including on any job review sites (e.g. Glassdoor), as well as any broadcast, podcast, audio or video tape, electronic or Internet format or any other digital, verbal, or written medium, and also includes any communications to any reporter, journalist, author, producer, publisher, blogger or similar person or entity, whether made directly or indirectly by you, including anonymously or through a third party. You further represent that as of the Execution Date, you have not made any disclosures prohibited by this Section 4(a)(iv), including on or through any Media.

(v) Non-Disparagement. You agree that you will not make any statements or communications (including on or through any Media) that are professionally or personally disparaging about, or adverse to, the Releasees or the interests of the Releasees including, but not limited to the Company, including any statements that disparage each of the Releasees and its or their management, finances, financial condition, operations, capability, or any other aspect of the business of the Releasees, and further, that you will not engage in any conduct which could reasonably be expected to harm professionally or personally the reputation of the Releasees.

(vi) Cooperation. You will reasonably cooperate with the Company in connection with any pending or future litigation, administrative proceeding, intellectual property proceeding, or other proceeding or other matter which may be filed against or by the Company with any agency, court, or other tribunal and concerning or relating to any matter falling within your knowledge or former area of responsibility. You will provide reasonable assistance and completely truthful testimony in such matters including, without limitation, facilitating and assisting in the preparation of any underlying defense, responding to discovery requests, preparing for and attending deposition(s) as well as appearing in court to provide truthful testimony. Such reasonable cooperation shall include appearing from time to time at the offices of the Company or its affiliates or their counsel for conferences and interviews and in general providing the officers of the Company and its affiliates and their counsel with the full benefit of your knowledge with respect to any such matter. You shall render such reasonable cooperation in a timely fashion and at such times as the Company may determine is reasonably necessary with respect to the applicable matter. The Company agrees to reimburse you for all reasonable out of pocket expenses incurred at the request of the Company associated with such assistance and testimony, so long as you provide

advance written notice to the Company of the request for reimbursement and provide satisfactory documentation of the expenses.

(vii) Process Notification. You agree that upon service on you, or anyone acting on your behalf, of any order or other legal process requiring you to divulge information prohibited from disclosure under this Agreement, you shall immediately notify the Company of such service and of the content of any testimony or information to be provided under such order or process and will cooperate with the Company if the Company shall contest or seek to quash such order or other legal process. Nothing herein shall prevent you from timely responding to an inquiry from a Governmental Agency.

(viii) No Further Wages. You acknowledge that no fees or payments are due to you and that no reimbursements, buyouts or any other payments of any kind or nature whatsoever are due to you from the Company, except as specifically provided in this Agreement, and that you have received all compensation and other payments due and owing to you in connection with your employment with the Company. You acknowledge that the Separation Benefits reflect special payments to which you would not otherwise be entitled and which is not normally provided by the Company, but which is being given as special consideration for this Agreement.

(ix) Non-Disclosure; Return of Property. You represent that you: (A) will continue to abide by any confidentiality provisions you may have signed with the Company including but not limited to the provisions set forth in the Confidentiality Agreement between you and the Company and herein, and you will abide by any and all common law and/or statutory obligations relating to protection and non-disclosure of the Company's trade secrets and/or confidential and proprietary documents and information; (B) have, as of the Execution Date, not used or disclosed any Company confidential information, except as required in connection with the performance of your job duties and as otherwise authorized by the Company; (C) will, promptly following the Execution Date, return all of the Company's property, equipment, documents, and/or any confidential information in your possession or control (regardless how such confidential information or copies are maintained, including information maintained in digital form) including, but not limited to, smartphone or similar devices, laptop computers, information, data, hard drives, thumb drives, key cards or other devices and/or any copies thereof, office equipment, credit cards, products, materials, memoranda, notes, records, reports, drawings, specifications, devices, formulas, or other documents or photocopies of the same; and (D) subject to applicable law, hereby consents and authorizes the Company to deduct as an offset from the above-referenced severance payments the value of any Company property not returned or returned in a damaged condition as well as any monies paid by the Company on your behalf.

(x) Confidential Information and Trade Secrets. During the course of your employment with the Company, you had access to Confidential Information (as that term is defined below) relating to the Company's business affairs that is not generally known by persons not employed by the Company and that could not easily be determined or learned by someone outside of the Company, and you agree that you shall not disclose or use such Confidential Information at any time in the future, except as may be required by law, court order or subpoena, and you will abide by any and all common law and/or statutory obligations relating to protection and non-disclosure of the Company's Confidential Information. "**Confidential Information**" means information disclosed to you or to which you had access that includes, but is not limited to, trade secrets and confidential and proprietary information of the Company, or any information provided to you or the Company under an obligation of confidentiality to a third party, or any confidential, trade secret, or proprietary information acquired by the Company from others with whom the Company or any affiliate has a business relationship, whether in written, oral, electronic or other form, including, but not limited to (A) trade secrets (as defined below), inventions, mask works, ideas, processes, algorithms, formulae, software in source or object code, data programs, other works of authorship, know-how, improvements, technology direction, product or technology development methodology, technology assessment, experimental procedures, results, process development, product plans, development plans, testing procedures, quality control and testing processes, discoveries, developments, designs and techniques, any other proprietary technology and all Inventions (as defined below); (B) information regarding research, development, new products, marketing and selling, business plans, budgets and unpublished financial statements, licenses, prices and costs, margins, discounts, credit terms, pricing and billing policies, quoting procedures, methods of obtaining business, forecasts, future plans and potential strategies, financial projections and business strategies, operational plans, financing and capital-raising plans, activities and agreements, internal services and operational manuals, methods of conducting Company business, suppliers and supplier information, sales techniques and strategies, training methods and materials, and purchasing; (C) information regarding customers and potential customers of the Company, including customer lists, names, representatives, their needs or desires with respect to the types of products or services offered by the Company, proposals, bids, contracts

and their contents and parties, the type and quantity of products and services provided or sought to be provided to customers and potential customers of Company and other non-public information relating to customers and potential customers; (D) information regarding any of the Company's business partners and its services, including names, representatives, proposals, bids, contracts and their contents and parties, the type and quantity of products and services received by the Company, and other non-public information relating to business partners; (E) information regarding personnel, employee lists, compensation, and employee skills; (F) any other non-public information which a competitor of the Company could use to the competitive disadvantage of the Company; and (G) any other scientific, technical or trade secrets of the Company or of any third party provided to you or the Company under a condition of confidentiality, provided that Confidential Information shall not include information that was (1) known to you prior to joining the Company, (2) general industry knowledge, (3) required to be disclosed by you in connection with a judicial, special or arbitral proceeding or pursuant to court order or subpoena, (4) is in the public domain other than through any fault or act by you, or (5) is approved for release with the Company's written authorization.

(xi) The term "**trade secrets**" as used in this Agreement shall be given its broadest possible interpretation under applicable law and shall mean all forms and types of financial, business, scientific, technical, economic, or engineering information, including patterns, plans, compilations, program devices, formulas, designs, prototypes, methods, techniques, processes, procedures, programs, or codes, whether tangible or intangible, and whether or how stored, compiled, or memorialized physically, electronically, graphically, photographically, or in writing that (A) the Company has taken reasonable measures to keep secret, and that (B) derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable through proper means by, another person who can obtain economic value from the disclosure or use of the information. By executing this Agreement, you have been notified by this writing, in accordance with the Defend Trade Secrets Act of 2016, that (1) an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made in confidence to a federal, state, or local government official, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law, (2) an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal; and (3) an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal and does not disclose the trade secret except pursuant to court order;

(xii) Waiver of Prior Non-Competition Covenants. To the extent applicable, the Company hereby waives, and shall not enforce, any non-competition covenant contained in your Employment Agreement or any other prior agreement between you and the Company. The waiver of any such non-competition covenant(s) shall have no effect on the covenants and agreements contained in this Agreement, which shall continue in full force and effect.

(xiii) Non-Solicitation. For a period of twelve (12) months after the Separation Date, you will not, directly or indirectly, either individually or on behalf of or through any third party and either on your own account or by or in association with any other person or by any other means, without the prior written consent of the Company, solicit, induce, entice or persuade or attempt to solicit, induce, entice or persuade any Customer or Potential Customer (as that term is defined below) to (A) terminate, interfere or diminish its existing business relationship with the Company Group; or (B) decline to enter into a new business relationship with the Company. For purposes of this Agreement, a "**Customer or Potential Customer**" shall mean any person or entity who, during the twelve (12) month period prior to the Separation Date: (1) was contracted for, was billed for, or received from the Company any product, service, or process with which you worked directly or indirectly during your employment by the Company or about which you acquired Confidential Information; or (2) was in contact with you or in contact with any other employee, owner, or agent of the Company, of which contact you had was or should have been aware, concerning the sale or purchase of, or contract for, any product, service, or process with which you worked directly or indirectly during your employment with the Company or about which you acquired Confidential Information; or (3) was solicited by the Company in an effort in which you were involved or of which you were aware.

(xiv) Non-Recruitment. For a period of twelve (12) months after the Separation Date, you will not, directly or indirectly, either individually or on behalf of or through any third party and either on your own account or by or in association with any other person or by any other means, without the prior written consent of the Company, solicit,

induce, entice or persuade or attempt to solicit, induce, entice or persuade any Company Service Provider Relationship (as that term is defined below) to (A) leave the services of the Company, or (B) become employed or engaged by you or any other third party. For purposes of this Agreement, a “**Company Service Provider Relationship**” means an employee of the Company or a consultant or other contractor providing services to the Company (including but not limited to any individual providing services on behalf of a third party vendor that is engaged by the Company, or any individual who the Company employed or engaged (including but not limited to any vendor) within twelve (12) months prior to the Separation Date, with whom you worked during your employment or about whose capabilities you acquired knowledge in the course of your employment.

(xv)Inventions. You acknowledge that all original works of authorship that were made by you (solely or jointly with others) within the scope of your employment or which relate to the business of the Company or a Company affiliate and which are protectable by copyright are “works made for hire” pursuant to the United States Copyright Act (17 U.S.C. § 101). You hereby assign to the Company or its designee all of your right, title and interest in and to all of the foregoing. Following the Separation Date, you agree to promptly inform and disclose all Inventions to the Company in writing, to assign all Inventions to the Company, to provide all assistance reasonably requested by the Company to preserve its interests in the Inventions (such as by executing assignments and other documents, testifying, etc.), such assistance to be provided at the Company’s expense but without additional compensation to you. All ideas, discoveries, creations, manuscripts and properties, innovations, improvements, know-how, inventions, designs, developments, apparatus, techniques, methods, laboratory notebooks, formulae, data, protocols, writings, specifications, sound recordings, and pictorial and graphical representations; the exclusive legal right to reproduce, perform, display, distribute and make derivative works of a work of authorship (“**Copyright**”); and all paternity, integrity, disclosure, modification, withdrawal, special and any other similar rights recognized by the laws of any jurisdiction or country as “moral rights,” “artist’s rights,” “droit moral,” or the like (collectively, “**Moral Rights**”) shall be collectively referred to herein as “**Inventions**”. At any time after your employment with the Company, you shall fully cooperate with the Company and its attorneys and agents in securing and protecting the Company’s rights to Inventions, including but not limited to the preparation and filing of all papers and other documents as may be required to perfect the Company’s rights in and to any of such Inventions, and joining in any proceeding to obtain letters patent, copyrights, trademarks or other legal rights with respect to any such Inventions in the United States and in any and all other countries, provided that the Company shall bear the expense of such proceedings, and that any patent or other legal right so issued to you personally shall be assigned by you to the Company or its designee without charge by you. If the Company is unable, after reasonable effort, to secure your signature on any such papers and/or other documents, you hereby irrevocably designate and appoint each officer of the Company as your agent and attorney-in-fact to execute any such papers on your behalf, and to take any and all actions as the Company may deem necessary or desirable in order to protect its rights and interests in any Invention.

(xvi)Breach. Material to the inducement to enter into this Agreement are the covenants set forth in this Section 4(a), and if you breach or threaten to breach any of these covenants, it will cause the Releasees substantial and irreparable injury. Therefore, in the event that you breach or threaten to breach any of these covenants, the Company shall be entitled to: (A) seek and obtain equitable relief, in the form of specific performance, and/or temporary, preliminary or permanent injunctive relief, or any other equitable remedy which then may be available restraining you from such breach or threatened breach; and (B) recover the Separation Benefits paid to you; provided, however, that the right to apply for such relief above or recover such Separation Benefits, shall not be construed as prohibiting the Company from pursuing any other available remedies for such breach or threatened breach.

(xvii)Limitation. Notwithstanding the foregoing, nothing in this Section 4(a) prohibits or otherwise restricts you from: (A) initiating, testifying, assisting, complying with a subpoena from, or participating in any manner with an investigation conducted by a Governmental Agency, including without limitation, with respect to any unfair labor practice charge if you are a non-supervisory employee; (B) filing or disclosing any facts necessary to receive unemployment insurance, Medicaid, or other public benefits to which you may be entitled; (C) discussing or disclosing information about unlawful acts in or related to the workplace, including, but not limited to discrimination, harassment, sexual assault, and retaliation, wage and hour violations, conduct that is against a clear mandate of public policy, or any other conduct you have reason to believe is unlawful; (D) if you are a non-supervisory employee, engaging in protected activities under Section 7 of the NLRA, including filing unfair labor practice charges, assisting Company employees in filing unfair labor practice charges, discussing the improvement of terms and conditions of employment (including regarding the terms of this Agreement) with former and current Company employees or union representatives or other third parties

for the purpose of engaging in concerted activity under Section 7 of the NLRA; or (E) making any necessary disclosures as otherwise required by law.

(b) Additional Company Covenants. The Company hereby makes the following agreements, representations and acknowledgements:

(i) Unemployment Insurance Benefits Application. The Company will not contest any application you make for unemployment insurance benefits but will not be required to falsify any information.

(ii) Neutral Reference. In the event that any prospective employer or third party requests a reference, you shall direct the reference request to The Work Number from Equifax (“*Equifax*”) at 1-800-367-5690 or www.theworknumber.com. On behalf of the Company, Equifax will limit its response to any prospective employer or third-party inquiry regarding your employment with the Company by only verifying your title and dates of employment. You will be provided additional information regarding Equifax’s reference services under separate cover.

(iii) Limitation. Notwithstanding the foregoing, nothing in this Section 4(b) prohibits or otherwise restricts the Company from (A) initiating, testifying, assisting, complying with a subpoena from, or participating in any manner with an investigation conducted by a Governmental Agency; (B) filing or disclosing any facts necessary to respond to any application you may make for unemployment insurance, Medicaid, or other public benefits to which you may be entitled; or (C) making any necessary disclosures as otherwise required by law.

5. Informed Consent; ADEA. It is the Company’s desire and intent to make certain that you fully understand the provisions and effects of this Agreement. To that end, you have been encouraged and given the opportunity to consult with legal counsel for the purpose of reviewing the terms of this Agreement. Also, because you are over the age of 40 consistent with the provisions of the Age Discrimination in Employment Act (the “*ADEA*”), which prohibits discrimination on the basis of age, the Company is providing you with forty-five (45) calendar days in which to consider and accept the terms of this Agreement by signing below and returning it to:

Donald Young
President and Chief Executive Officer
Aspen Aerogels, Inc.
Forbes Road, Bldg. B
Northborough, MA 01532

You agree that any modifications, material or otherwise, made to this Agreement do not and shall not restart or affect in any manner whatsoever the original forty-five (45) day review period. Additionally, in *Exhibit A* you are being provided with certain additional information required by the ADEA and the Older Workers Benefit Protection Act, including the job titles and ages of other employees in your decisional unit who were, or were not, separated from employment and offered a separation agreement.

6. Revocation Period. Pursuant to the ADEA, you may rescind your assent to this Agreement if, within seven (7) days after you sign this Agreement, you deliver by hand or send by mail (certified, return receipt and postmarked within such 7-day period) or email a notice of rescission to me. The eighth day after the Execution Date shall be the “Effective Date.”

7. Miscellaneous.

(a) Governing Law; Dispute Resolution; Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts, without regard to conflicts of law principles. In the event of any dispute arising out of this Agreement or any action to enforce the terms of this Agreement, the Parties shall first confer in good faith in an attempt to resolve this dispute. If the Parties do not reach a resolution, and a Party seeks to commence an action, the Parties expressly submit to jurisdiction and venue in the state or federal courts of the Commonwealth of Massachusetts.

(b) Jury Waiver. **THE PARTIES HEREBY WAIVE ANY RIGHT TO A TRIAL BY JURY WITH RESPECT TO ANY DISPUTE TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE FEDERAL OR STATE LAW.**

(c) Section 409A. It is intended that payments and benefits made or provided to Employee under this Agreement shall comply with Section 409A of the Internal Revenue Code of 1986 (as amended) (the “*Code*”) or an exemption to Section 409A of the Code. Employee acknowledges and agrees, however, that the Company does not guarantee the tax treatment or tax consequences associated with any payment or benefit arising under this Agreement, including, without limitation, to consequences related to Section 409A of the Code.

(d) Integration. This Agreement and its exhibits (together with the Equity Agreements, any non-conflicting provisions of the Employment Agreement, the Confidentiality Agreement and any other confidentiality provisions you may have signed with the Company, the provisions of each which shall remain in full force and effect) constitute the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements between the Parties concerning such subject matter.

(e) Amendment. This Agreement may be amended or modified only by a written instrument signed by the Parties or their duly authorized representatives.

(f) Enforceability. If any provision (or portion thereof) of this Agreement is declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this Agreement, or the application of such provision (or portion thereof) in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each remaining provision (or portion thereof) of this Agreement shall be valid and enforceable to the fullest extent permitted by law, provided, however, that if Section 3 or any portion thereof is found unenforceable, you agree to execute a binding replacement release. Further, if any covenant herein is determined by a court to be overly broad thereby making the covenant unenforceable, the Parties agree and it is their desire that such court shall substitute a reasonable judicially enforceable limitation in place of the offensive part of the covenant and that as so modified the covenant shall be as fully enforceable as if set forth herein by the Parties themselves in the modified form. Finally, nothing in this Agreement shall be admissible in any proceeding except to enforce the terms of this Agreement.

(g) Waiver. No waiver of any provision hereof shall be effective unless made in writing and signed by the waiving Party. The failure of any Party to require the performance of any term or obligation of this Agreement, or the waiver by any Party of any breach of this Agreement, shall not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach.

(h) Costs and Attorneys’ Fees. If you breach any aspect of this Agreement, the Company shall be entitled to recover from you its reasonable costs and attorneys’ fees in pursuing the enforcement of this Agreement.

(i) Assignment. The Company may assign its rights and obligations under this Agreement to any person or entity that succeeds to all or substantially all of the Company’s business or that aspect of the Company’s business in which you were principally involved. You may not assign your rights and obligations under this Agreement without the prior written consent of Company.

(j) Notices. Any notices, requests, demands and other communications provided for by this Agreement shall be sufficient if in writing and delivered in person or sent by a nationally recognized overnight courier service or by registered or certified mail, postage prepaid, return receipt requested, to you at the last address you have filed in writing with the Company or, in the case of the Company, at its main offices, attention of the Board of Directors.

(k) Headings. The headings used in this Agreement are for convenience of reference only, do not form a part of this Agreement and do not in any way modify, interpret or construe the intent of the Parties.

(l) Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be taken to be an original; but such counterparts shall together constitute one and the same document. The Parties agree that the electronic signatures of the Parties are intended to authenticate this writing and to have the same force and effect as manual signatures. A scanned fax or PDF copy shall for all purposes be deemed an original.

(m) Authorization. The Company represents and warrants to you that this Agreement has been duly authorized, duly executed and delivered by an authorized signatory of the Company, and is the legally valid, binding, and enforceable obligation of the Company in accordance with its terms. By signing this Agreement, you represent and warrant to the Company that this Agreement has been duly executed and delivered by you and is your legally valid, binding, and enforceable obligation in accordance with its terms.

(n) Review and Voluntary Assent. By signing below, you acknowledge and agree that (i) you have carefully read and understands the terms and effects of this Agreement, including the Release of Claims and Covenant Not to Sue in Section 3; (ii) you understand that the Release of Claims and Covenant Not To Sue in Section 3 is legally binding and by signing this Agreement, you give up certain rights forever including rights under the ADEA; (iii) you have been afforded sufficient time to review and understand the terms and effects of this Agreement and you have been advised to consult with an attorney and, if desired, you have done so; (iv) your agreements and obligations in this Agreement are made voluntarily, knowingly and without duress; and (v) neither the Company, nor any of its agents or representatives (or their counsel) has made any representations inconsistent with the provisions of this Agreement.

YOU ACKNOWLEDGE THAT THE COMPANY PROVIDED YOU WITH A COPY OF THIS AGREEMENT ON OCTOBER 1, 2025.

YOU ARE ADVISED THAT YOU HAVE UP TO FORTY-FIVE (45) CALENDAR DAYS TO CONSIDER THIS AGREEMENT, WHICH MEANS YOU MAY EXECUTE THIS AGREEMENT ANY TIME UNTIL AND THROUGH NOVEMBER 15, 2025 AND ABSENT SUCH EXECUTION, THIS AGREEMENT WILL BECOME NULL AND VOID.

YOU ACKNOWLEDGE AND AGREE THAT ANY MODIFICATIONS, MATERIAL OR OTHERWISE, MADE TO PRIOR VERSIONS OF THIS AGREEMENT DID NOT RESTART OR AFFECT IN ANY MANNER THE ORIGINAL FORTY-FIVE (45) CALENDAR DAY CONSIDERATION PERIOD.

YOU FREELY AND KNOWINGLY, AND AFTER DUE CONSIDERATION, ENTER INTO THIS AGREEMENT INTENDING TO WAIVE, SETTLE AND RELEASE ALL CLAIMS YOU HAVE OR MIGHT HAVE AGAINST RELEASEES. NEITHER ASPEN NOR ITS AGENTS, REPRESENTATIVES OR ATTORNEYS, MADE ANY REPRESENTATIONS CONCERNING THE TERMS OF THIS AGREEMENT OTHER THAN THOSE CONTAINED HEREIN.

[SIGNATURE PAGE FOLLOWS]

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If you wish to accept this offer, then kindly either (i) execute and date this letter agreement where indicated below via DocuSign or (ii) sign and return by mail or email to me on or before November 15, 2025.

THE COMPANY:

ASPEN AEROGELS, INC.

By: /s/ Donald R. Young
Name: Donald R. Young
Title: President and Chief Executive Officer

THE EXECUTIVE:

By: /s/ Stephanie Pittman
Stephanie Pittman

CERTIFICATIONS UNDER SECTION 302

I, Donald R. Young, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Aspen Aerogels, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 6, 2025

/s/ Donald R. Young
 Donald R. Young
 President and Chief Executive Officer
 (principal executive officer)

CERTIFICATIONS UNDER SECTION 302

I, Grant Thoele, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Aspen Aerogels, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 6, 2025

/s/ Grant Thoele

Grant Thoele

Chief Financial Officer and Treasurer (principal financial officer)

CERTIFICATIONS UNDER SECTION 906

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), each of the undersigned officers of Aspen Aerogels, Inc., a Delaware corporation (the “Company”), does hereby certify, to such officer’s knowledge, that:

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

Dated: November 6, 2025

/s/ Donald R. Young

Donald R. Young
President and Chief Executive Officer
(principal executive officer)

Dated: November 6, 2025

/s/ Grant Thoele

Grant Thoele
Chief Financial Officer and Treasurer
(principal financial officer)

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.
