

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 May 31, 2026

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 1-4415

PARK AEROSPACE CORP.

(Exact Name of Registrant as Specified in Its Charter)

New York

(State or Other Jurisdiction of
Incorporation or Organization)

11-1734643

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

1400 Old Country Road, Westbury, New York

(Address of Principal Executive Offices)

11590

(Zip Code)

(631) 465-3600

(Registrant's Telephone Number, Including Area Code)

Not Applicable

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

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

<u>Title of Each Class</u>	<u>Trading Symbol(s)</u>	<u>Name of Each Exchange on Which Registered</u>
Common Stock, par value \$.10 per share	PKE	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 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 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** ☒

Indicate the number of shares outstanding of each of the issuer’s classes of common stock, as of the latest practicable date: 21,751,211 as of July 7, 2026.

PARK AEROSPACE CORP. AND SUBSIDIARIES

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements.

PARK AEROSPACE CORP. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS (Amounts in thousands)

	<u>May 31, 2026</u> <u>(unaudited)</u>	<u>March 1, 2026*</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 80,481	\$ 78,494
Marketable securities (Note 3)	8,926	10,874
Accounts receivable, less allowance for credit losses of \$115 and \$111, respectively	10,842	10,974
Inventories (Note 4)	7,801	7,411
Prepaid expenses and other current assets	1,000	918
Total current assets	109,050	108,671
Property, plant and equipment, net	21,472	21,828
Operating right-of-use assets (Note 5)	243	256
Goodwill and other intangible assets	9,776	9,776
Other assets	3,813	1,697
Total assets	\$ 144,354	\$ 142,228
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 3,504	\$ 3,681
Operating lease liability (Note 5)	45	44
Accrued liabilities	1,792	1,598
Income taxes payable	1,790	634
Total current liabilities	7,131	5,957
Long-term operating lease liability (Note 5)	262	273
Deferred income taxes (Note 9)	5,926	6,009
Other liabilities	40	39
Total liabilities	13,359	12,278
Commitments and contingencies (Note 11)		
Shareholders' equity (Note 8)		
Common stock	2,096	2,096
Additional paid-in capital	177,575	177,483
Accumulated deficit	(47,314)	(48,238)
Accumulated other comprehensive loss	(36)	(65)
	132,321	131,276
Less treasury stock, at cost	(1,326)	(1,326)
Total shareholders' equity	130,995	129,950
Total liabilities and shareholders' equity	\$ 144,354	\$ 142,228

* The condensed consolidated balance sheet at March 1, 2026 has been derived from the audited consolidated financial statements at that date.

See Notes to Condensed Consolidated Financial Statements (Unaudited).

PARK AEROSPACE CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Amounts in thousands, except per share amounts)

	13 Weeks Ended (Unaudited)	
	May 31, 2026	June 1, 2025
Net sales	\$ 18,312	\$ 15,400
Cost of sales	11,936	10,682
Gross profit	6,376	4,718
Selling, general and administrative expenses	2,361	2,299
Earnings from operations	4,015	2,419
Interest and other income	786	355
Earnings from operations before income taxes	4,801	2,774
Income tax provision (Note 9)	1,268	694
Net earnings	\$ 3,533	\$ 2,080
Earnings per share (Note 7)		
Basic:		
Basic earnings per share	\$ 0.17	\$ 0.10
Basic weighted average shares	20,878	19,919
Diluted:		
Diluted earnings per share	\$ 0.17	\$ 0.10
Diluted weighted average shares	21,228	19,968

See Notes to Condensed Consolidated Financial Statements (Unaudited).

PARK AEROSPACE CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS
(Amounts in thousands)

	13 Weeks Ended (Unaudited)	
	May 31, 2026	June 1, 2025
Net earnings	<u>\$ 3,533</u>	<u>\$ 2,080</u>
Other comprehensive earnings, net of tax:		
Unrealized gains on marketable securities:		
Unrealized holding gains arising during the period	33	227
Unrealized losses on marketable securities:		
Unrealized holding losses arising during the period	<u>(4)</u>	<u>(12)</u>
Other comprehensive earnings	<u>29</u>	<u>215</u>
Total comprehensive earnings	<u>\$ 3,562</u>	<u>\$ 2,295</u>

See Notes to Condensed Consolidated Financial Statements (Unaudited).

PARK AEROSPACE CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(Amounts in thousands, except share and per share amounts)

	Common Stock		Additional	Accumulated	Accumulated	Treasury Stock	
	Shares	Amount	Paid-in	Deficit	Other	Shares	Amount
			Capital		Comprehensive		
					Loss		
Balance, March 1, 2026	20,965,144	\$ 2,096	\$ 177,483	\$ (48,238)	\$ (65)	87,285	\$ (1,326)
Net earnings	-	-	-	3,533	-	-	-
Unrealized gain on marketable securities, net of tax	-	-	-	-	29	-	-
Stock-based compensation	-	-	92	-	-	-	-
Cash dividends (\$0.125 per share)	-	-	-	(2,609)	-	-	-
Balance, May 31, 2026	20,965,144	\$ 2,096	\$ 177,575	\$ (47,314)	\$ (36)	87,285	\$ (1,326)

	Common Stock		Additional	Accumulated	Accumulated	Treasury Stock	
	Shares	Amount	Paid-in	Deficit	Other	Shares	Amount
			Capital		Comprehensive		
					Loss		
Balance, March 2, 2025	20,965,144	\$ 2,096	\$ 170,265	\$ (49,550)	\$ (665)	962,476	\$ (14,992)
Net earnings	-	-	-	2,080	-	-	-
Unrealized gain on marketable securities, net of tax	-	-	-	-	215	-	-
Stock options exercised	-	-	(150)	-	-	(15,000)	228
Stock-based compensation	-	-	88	-	-	-	-
Repurchase of treasury shares	-	-	-	-	-	166,955	(2,165)
Cash dividends (\$0.125 per share)	-	-	-	(2,499)	-	-	-
Balance, June 1, 2025	20,965,144	\$ 2,096	\$ 170,203	\$ (49,969)	\$ (450)	1,114,431	\$ (16,929)

See Notes to Condensed Consolidated Financial Statements (Unaudited).

PARK AEROSPACE CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in thousands)

	13 Weeks Ended (Unaudited)	
	May 31, 2026	June 1, 2025
Cash flows from operating activities:		
Net earnings	\$ 3,533	\$ 2,080
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	469	456
Stock-based compensation	92	88
Allowance for credit losses	4	4
Deferred income taxes	(83)	(44)
Amortization of bond premium	(12)	1
Changes in operating assets and liabilities	(1,283)	(995)
Net cash provided by operating activities	2,720	1,590
Cash flows from investing activities:		
Purchase of property, plant and equipment	(113)	(481)
Purchases of marketable securities	-	(2,440)
Proceeds from sales and maturities of marketable securities	1,989	4,920
Net cash provided by investing activities	1,876	1,999
Cash flows from financing activities:		
Dividends paid	(2,609)	(2,499)
Proceeds from exercise of stock options	-	78
Purchase of treasury stock	-	(2,165)
Net cash used in financing activities	(2,609)	(4,586)
Increase (decrease) in cash and cash equivalents	1,987	(997)
Cash and cash equivalents, beginning of period	78,494	21,621
Cash and cash equivalents, end of period	\$ 80,481	\$ 20,624
Supplemental cash flow information:		
Cash paid during the period for income taxes, net of refunds	\$ 2	\$ -

See Notes to Condensed Consolidated Financial Statements (Unaudited).

PARK AEROSPACE CORP. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

(Amounts in thousands, except share (unless otherwise stated), per share and option amounts)

1. CONSOLIDATED FINANCIAL STATEMENTS

The Condensed Consolidated Balance Sheet and the Condensed Consolidated Statement of Shareholders' Equity as of May 31, 2026, the Condensed Consolidated Statements of Operations and the Condensed Consolidated Statements of Comprehensive Earnings for the 13 weeks ended May 31, 2026 and June 1, 2025, and the Condensed Consolidated Statements of Cash Flows for the 13-week periods then ended have been prepared by Park Aerospace Corp. (the "Company"), without audit. In the opinion of management, these unaudited condensed consolidated financial statements contain all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position at May 31, 2026 and the results of operations and cash flows for all periods presented. The Condensed Consolidated Statements of Operations are not necessarily indicative of the results to be expected for the full fiscal year or any subsequent interim period.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP") have been condensed or omitted. It is suggested that these condensed consolidated financial statements be read in conjunction with the consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the fiscal year ended March 1, 2026. There have been no significant changes to such accounting policies during the 13 weeks ended May 31, 2026.

2. FAIR VALUE MEASUREMENTS

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (*i.e.*, the "exit price") in an orderly transaction between market participants at the measurement date.

Fair value measurements are broken down into three levels based on the reliability of inputs as follows:

Level 1 inputs are quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date. An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability (*e.g.*, interest rates and yield curves observable at commonly quoted intervals or current market) and contractual prices for the underlying financial instrument, as well as other relevant economic measures.

Level 3 inputs are unobservable inputs for the asset or liability. Unobservable inputs are used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

The fair value of the Company's cash and cash equivalents, accounts receivable, and accounts payable approximate their carrying value due to their short-term nature. Certain assets and liabilities of the Company are required to be recorded at fair value on either a recurring or non-recurring basis. On a recurring basis, the Company records its marketable securities at fair value using Level 1 or Level 2 inputs. (See Note 3).

The Company's non-financial assets measured at fair value on a non-recurring basis include goodwill and any long-lived assets written down to fair value. To measure fair value of such assets, the Company uses Level 3 inputs consisting of techniques including an income approach and a market approach. The income approach is based on a discounted cash flow analysis and calculates the fair value by estimating the after-tax cash flows attributable to a reporting unit and then discounting the after-tax cash flows to a present value using a risk-adjusted discount rate. Assumptions used in the discounted cash flow analysis require the exercise of significant judgment, including judgment about appropriate discount rates, terminal values, growth rates and the amount and timing of expected future cash flows. With respect to goodwill, the Company first assesses qualitative factors to determine whether it is more likely than not that fair value is less than carrying value. If, based on that assessment, the Company believes it is more likely than not that fair value is less than carrying value, a goodwill impairment test is performed.

3. MARKETABLE SECURITIES

All marketable securities are classified as available-for-sale and are carried at fair value, with the unrealized gains and losses, net of tax, included in comprehensive earnings. Realized gains and losses, amortization of premiums and discounts, and interest and dividend income are included in interest and other income in the Condensed Consolidated Statements of Operations. The costs of securities sold are based on the specific identification method.

The following is a summary of available-for-sale securities:

May 31, 2026				
	Total	Level 1	Level 2	Level 3
U.S. Treasury and other government securities	\$ 8,926	\$ 8,926	\$ -	\$ -
Total marketable securities	\$ 8,926	\$ 8,926	\$ -	\$ -
March 1, 2026				
	Total	Level 1	Level 2	Level 3
U.S. Treasury and other government securities	\$ 10,874	\$ 10,874	\$ -	\$ -
Total marketable securities	\$ 10,874	\$ 10,874	\$ -	\$ -

The following table shows the amortized cost basis of, and gross unrealized gains and losses on, the Company's available-for-sale securities:

	Amortized Cost Basis	Gross Unrealized Gains	Gross Unrealized Losses
May 31, 2026:			
U.S. Treasury and other government securities	\$ 8,976	\$ -	\$ 50
Total marketable securities	\$ 8,976	\$ -	\$ 50
March 1, 2026:			
U.S. Treasury and other government securities	\$ 10,964	\$ 2	\$ 92
Total marketable securities	\$ 10,964	\$ 2	\$ 92

The estimated fair values of such securities at May 31, 2026 by contractual maturity are shown below:

Due in one year or less	\$ 8,926
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4. INVENTORIES

Inventories are stated at the lower of cost (first-in, first-out method) or net realizable value. The Company writes down its inventory for estimated obsolescence or unmarketability based upon the age of the inventory and assumptions about future demand for the Company's products and market conditions. Work-in-process and finished goods inventories cost valuations include direct material costs as well as a portion of the Company's overhead expenses. The Company's overhead expenses that are applied to its finished goods inventories are based on actual expenses related to the procurement, storage, shipment and production of the finished goods. Inventories consisted of the following:

	May 31, 2026	March 1, 2026
<u>Inventories:</u>		
Raw materials	\$ 5,609	\$ 5,369
Work-in-process	1,606	1,347
Finished goods	586	695
	\$ 7,801	\$ 7,411

5. LEASES

The Company has operating leases related to land, office space, warehouse space and equipment. All of the Company's leases have been assessed to be operating leases. Renewal

options are included in the lease terms to the extent the Company is reasonably certain to exercise the options. The exercise of lease renewal options is at the Company's sole discretion. The incremental borrowing rate represents the Company's ability to borrow on a collateralized basis over a term similar to the lease term. The leases typically contain renewal options for periods ranging from one year to ten years and require the Company to pay real estate taxes and other operating costs. The latest land lease expiration is 2068 assuming exercise of all applicable renewal options by the Company. The Company's existing leases are not subject to any restrictions or covenants which preclude its ability to pay dividends, obtain financing or exercise its available renewal options.

Future minimum lease payments under non-cancellable operating leases as of May 31, 2026 are as follows:

<u>Fiscal Year:</u>		
	2027	\$ 44
	2028	61
	2029	65
	2030	59
	2031	16
	Thereafter	<u>127</u>
Total undiscounted operating lease payments		372
Less imputed interest		<u>(65)</u>
Present value of operating lease payments		<u>\$ 307</u>

The above payment schedule includes renewal options that the Company is reasonably likely to exercise. Leases with an initial term of 12 months or less are not recorded on the Company's condensed consolidated balance sheet. The Company recognizes lease expense for these leases on a straight-line basis over the terms of the leases.

For the 13 weeks ended May 31, 2026 and June 1, 2025, the Company's operating lease expenses were \$17 and \$17, respectively. Cash payments for the 13 weeks ended May 31, 2026 and June 1, 2025 of \$15 and \$14, respectively, pertaining to operating leases, are reflected in the cash flow statement under cash flows from operating activities.

The following table sets forth the right-of-use assets and operating lease liabilities as of May 31, 2026 and March 1, 2026:

	<u>May 31</u> <u>2026</u>	<u>March 1,</u> <u>2026</u>
Operating right-of-use assets	<u>\$ 243</u>	<u>\$ 256</u>
Operating lease liabilities	\$ 45	\$ 44
Long-term operating lease liabilities	<u>262</u>	<u>273</u>
Total operating lease liabilities	<u>\$ 307</u>	<u>\$ 317</u>

At May 31, 2026 and March 1, 2026, the Company's weighted average remaining lease terms for its operating leases were 5.42 years and 5.59 years, respectively, and the weighted average borrowing rates for its operating leases were 4.98% and 4.98%, respectively.

6. STOCK-BASED COMPENSATION

As of May 31, 2026, the Company had a 2018 Stock Option Plan (the “2018 Plan”) and no other stock-based compensation plan. The 2018 Plan was adopted by the Board of Directors of the Company on May 8, 2018, approved by the shareholders of the Company at the Annual Meeting of Shareholders of the Company on July 24, 2018, and amended by the shareholders of the Company on July 18, 2024 and provides for the grant of options to purchase up to 1,550,000 shares of common stock of the Company. Prior to the 2018 Plan, the Company had the 2002 Stock Option Plan (the “2002 Plan”) which had been approved by the Company’s shareholders and provided for the grant of stock options to directors and key employees of the Company. All options granted under the 2018 Plan and 2002 Plan have exercise prices equal to the fair market value of the underlying common stock of the Company at the time of grant which, pursuant to the terms of such Plans, is the reported closing price of the common stock on the New York Stock Exchange on the date preceding the date the option is granted. Options granted under the Plans become exercisable 25% one year after the date of grant, with an additional 25% exercisable each succeeding anniversary of the date of grant, and expire 10 years after the date of grant. Upon termination of employment or service as a director, all options held by the optionee that have not previously become exercisable shall terminate and all other options held by such optionee may be exercised, to the extent exercisable on the date of such termination, for a limited time after such termination. Any shares of common stock subject to an option under the 2018 Plan, which expires or is terminated unexercised as to such shares, shall again become available for issuance under the 2018 Plan.

The future compensation expense to be recognized in earnings before income taxes for options outstanding at May 31, 2026 was \$666, which is expected to be recognized ratably over a weighted average vesting period of 1.22 years.

The following is a summary of option activity for the 13 weeks ended May 31, 2026:

	Outstanding Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value
Balance, March 1, 2026	740,478	\$ 12.89		
Granted	-	-		
Exercised	-	-		
Terminated or expired	(700)	13.68		
Balance, May 31, 2026	739,778	\$ 12.89	6.38	\$ 14,038
Vested and exercisable, May 31, 2026	477,974	\$ 12.48	5.23	\$ 9,269

7. EARNINGS PER SHARE

Basic earnings per share are computed by dividing net earnings by the weighted average number of shares of common stock outstanding during the period. Diluted earnings per share are computed by dividing net earnings by the sum of (a) the weighted average number of shares of common stock outstanding during the period and (b) the potentially dilutive securities outstanding during the period. Stock options are the Company’s only potentially dilutive securities; and the number of dilutive options is computed using the treasury stock method.

The following table sets forth the calculation of basic and diluted earnings per share:

	13 Weeks Ended	
	May 31, 2026	June 1, 2025
Net earnings	\$ 3,533	\$ 2,080
Weighted average common shares outstanding for basic EPS	20,878	19,919
Net effect of dilutive options	350	49
Weighted average shares outstanding for diluted EPS	21,228	19,968
Basic earnings per share	\$ 0.17	\$ 0.10
Diluted earnings per share	\$ 0.17	\$ 0.10

Potentially dilutive securities, which were not included in the computation of diluted earnings per share, because either the effect would have been anti-dilutive or the options' exercise prices were greater than the average market price of the common stock, were 0 and 335,338 for the 13 weeks ended May 31, 2026 and June 1, 2025, respectively.

8. SHAREHOLDERS' EQUITY

On May 23, 2022, the Company announced that its Board of Directors authorized the Company's purchase, on the open market and in privately negotiated transactions, of up to 1,500,000 additional shares of its common stock. This authorization superseded any unused prior Board of Directors' authorizations to purchase shares of the Company's Common Stock. The Company purchased 0 and 166,955 shares of its common stock during the 13 weeks ended May 31, 2026 and June 1, 2025, respectively. As a result, the Company is authorized to purchase up to a total of 781,766 shares of its common stock, representing approximately 3.6% of the Company's 21,751,211 total outstanding shares as of the close of business on July 7, 2026. There is no assurance the Company will purchase any shares pursuant to this Board of Directors' authorization. Shares purchased by the Company, if any, will be retained as treasury stock and will be available for use under the Company's stock option plan and for other corporate purposes.

On January 13, 2026, the Company entered into an Equity Distribution Agreement with Needham & Company, LLC ("Needham") and Citizens JMP Securities, LLC ("Citizens") (the "Distribution Agreement") with respect to an at the market offering program under which the Company may offer and sell, from time to time at its sole discretion, shares of its common stock, par value \$0.10 per share, having an aggregate offering price of up to \$50,000 through Needham and Citizens as its sales agents or principals. The Company is not obligated to sell any shares under the Distribution Agreement. Subject to the terms and conditions of the Distribution Agreement, Needham and Citizens will use commercially reasonable efforts, consistent with their normal trading and sales practices and applicable laws and regulations, to sell shares of the Company's common stock from time to time based upon instructions received from the Company, including any price, time or size limits or other customary parameters or conditions specified, subject to certain limitations. Under the Distribution Agreement, Needham and Citizens may sell shares of the Company's common stock by any method permitted by law deemed to be an "at-the-market offering program" as defined in Rule 415(a)(4) under the

Securities Act of 1933, as amended. The issuance and sale, if any, of shares of the Company's common stock under the Distribution Agreement are made pursuant to a registration statement on Form S-3 that the Company filed with the U.S. Securities and Exchange Commission ("SEC") on January 13, 2026 and was declared effective on January 21, 2026. The offering is described in a prospectus filed as part of the registration statement. During the fiscal year ended March 1, 2026, the Company sold 942,749 shares under the Distribution Agreement for gross proceeds of \$22,822. The Company incurred expenses, including commissions, legal and accounting fees of \$1,086 related to the offering. In June 2026, the Company completed the program by selling 869,852 shares for gross proceeds of \$27,174.

9. INCOME TAXES

For the 13 weeks ended May 31, 2026, the Company recorded an income tax provision of \$1,268, which included a discrete income tax provision of \$0. For the 13 weeks ended June 1, 2025, the Company recorded an income tax provision of \$694, which included a discrete income tax benefit of \$28.

The Company's effective tax rate for the 13 weeks ended May 31, 2026 was 26.4% compared to 25.0% in the comparable prior year period. The effective tax rate for the 13 weeks ended May 31, 2026 was higher than the U.S. statutory rate of 21% primarily due to state and local taxes. The effective tax rate for the 13 weeks ended June 1, 2025 was higher than the U.S. statutory rate of 21% primarily due to state and local taxes and discrete income tax provisions for the accrual of interest related to unrecognized tax benefits.

10. GEOGRAPHIC REGIONS

The Company's products are sold to customers in North America, Asia and Europe. The Company's manufacturing facility is located in Kansas. Sales are attributed to geographic regions based upon the region in which the materials were delivered to the customer. All of the Company's long-lived assets are located in North America.

Financial information regarding the Company's operations by geographic region is as follows:

	13 Weeks Ended	
	May 31, 2026	June 1, 2025
Net Sales:		
North America	\$ 17,164	\$ 14,315
Asia	253	411
Europe	895	674
Total net sales	\$ 18,312	\$ 15,400

11. COMMITMENTS AND CONTINGENCIES

Litigation

The Company is subject to a small number of immaterial proceedings, lawsuits and other claims related to environmental, employment, product and other matters. The Company is required to assess the likelihood of any adverse judgments or outcomes in these matters as well as potential ranges of probable losses. A determination of the amount of reserves required, if any,

for these contingencies is made after careful analysis of each individual issue. The required reserves may change in the future due to new developments in each matter or changes in approach, such as a change in settlement strategy in dealing with these matters. The Company believes that the ultimate disposition of such proceedings, lawsuits and claims will not have a material adverse effect on the liquidity, capital resources, business, consolidated results of operations or financial position of the Company.

Environmental Contingencies

The Company and certain of its subsidiaries have been named by the Environmental Protection Agency (the “EPA”) or a comparable state agency under the Comprehensive Environmental Response, Compensation and Liability Act (the “Superfund Act”) or similar state law as potentially responsible parties in connection with alleged releases of hazardous substances at three sites.

Under the Superfund Act and similar state laws, all parties who may have contributed any waste to a hazardous waste disposal site or contaminated area identified by the EPA or comparable state agency may be jointly and severally liable for the cost of cleanup. Generally, these sites are locations at which numerous persons disposed of hazardous waste. In the case of the Company’s subsidiaries, generally the waste was removed from their manufacturing facilities and disposed at waste sites by various companies which contracted with the subsidiaries to provide waste disposal services. Neither the Company nor any of its subsidiaries have been accused of or charged with any wrongdoing or illegal acts in connection with any such sites. The Company believes it maintains an effective and comprehensive environmental compliance program.

The insurance carriers which provided general liability insurance coverage to the Company and its subsidiaries for the years during which the Company’s subsidiaries’ waste was disposed at these three sites have in the past reimbursed the Company and its subsidiaries for 100% of their legal defense and remediation costs associated with two of these sites.

The Company does not record environmental liabilities and related legal expenses for which the Company believes that it and its subsidiaries have general liability insurance coverage for the years during which the Company’s subsidiaries’ waste was disposed at two sites for which certain subsidiaries of the Company have been named as potentially responsible parties. Pursuant to such general liability insurance coverage, three insurance carriers reimburse the Company and its subsidiaries for 100% of the legal defense and remediation costs associated with the two sites.

Included in selling, general and administrative expenses are charges for actual expenditures and accruals, based on estimates, for certain environmental matters described above. The Company accrues estimated costs associated with known environmental matters when such costs can be reasonably estimated and when the outcome appears probable. The Company believes that the ultimate disposition of known environmental matters will not have a material adverse effect on the Company’s results of operations, cash flows or financial position.

Commitments

On March 27, 2025, Park and ArianeGroup SAS entered into an agreement under which Park would advance funds to ArianeGroup SAS against future purchases of C2®B product in the total amount of €4,587 payable in three installments in 2025, 2026, and 2027. The advance is to be paid as follows: €1,376 was paid in April 2025 (actual cost of \$1,564), €1,835 was paid in May 2026 (actual cost of \$2,156) and €1,376 to be paid in the first quarter of fiscal 2028

(approximately \$1,575 based on July 7, 2026 exchange rates). These advanced funds are to be used to help fund the purchase and installation, by ArianeGroup SAS, of additional manufacturing equipment for ArianeGroup SAS' production of C2®B product. Under the agreement, the Company commits to purchase C2®B product through December 2033 at an estimated cost of €36,000. As of May 31, 2026, the unamortized balance of amounts previously advanced was approximately \$3,749 and was included in Other assets on the Condensed Consolidated Balance Sheet.

12. OPERATING SEGMENT

The Company operates in a single segment. The Company's Chief Operating Decision Maker ("CODM") is the Chief Executive Officer. The CODM assesses the performance of this reportable segment and allocates resources on a consolidated basis using the entity-wide revenues and expense information reported on the Condensed Consolidated Statements of Operations. The primary measure of segment profit is consolidated net income as reported on the Condensed Consolidated Statements of Operations. In addition, segment assets reviewed by the CODM are reported on the Company's Condensed Consolidated Balance Sheets as total assets.

13. SUBSEQUENT EVENT

In July 2026, the Company entered into a sublease agreement covering approximately 18 acres of land in Tulsa, Oklahoma. The Company plans to build a new composites material manufacturing and development facility on the site. The facility will include full production lab facilities, office space, storage and freezer space and ancillary equipment necessary to support all planned manufacturing operations. The sublease commences on September 1, 2026 and has an initial term of 25 years with a renewal option for an additional 25 years. Annual rent under the sublease agreement for the initial five years of the sublease would be \$269,469 with increases for each subsequent five-year period based upon the Consumer Price Index for All Urban Consumers, U.S., City Average All Items as published by the United States Department of Commerce. The Company expects economic development incentives to offset a significant portion of the rent expense.

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

General:

Park Aerospace Corp. ("Park" or the "Company") develops and manufactures solution and hot-melt advanced composite materials used to produce composite structures for the global aerospace markets. Park's advanced composite materials include film adhesives and lightning strike protection materials. Park offers an array of composite materials specifically designed for hand lay-up or automated fiber placement ("AFP") manufacturing applications. Park's advanced composite materials are used to produce primary and secondary structures for jet engines, large and regional transport aircraft, military aircraft, Unmanned Aerial Vehicles ("UAV"s commonly referred to as "drones"), business jets, general aviation aircraft and rotary wing aircraft. Park also offers specialty ablative materials for rocket motors and nozzles and specially designed materials for radome applications. As a complement to Park's advanced composite materials offering, Park designs and fabricates composite parts, structures and assemblies and low volume tooling for the aerospace industry. Target markets for Park's composite parts and structures (which include Park's proprietary composite Sigma Strut™ and Alpha Strut™ product lines) are, among others, prototype and development aircraft, special mission aircraft, spares for legacy military and civilian aircraft and exotic spacecraft.

Financial Overview

The Company's total net sales in the 13 weeks ended May 31, 2026 were \$18.3 million compared to \$15.4 million in the 13 weeks ended June 1, 2025. The increase in sales was due to higher sales in the commercial market driven by higher sales under the GE Aerospace jet engine programs and higher sales in the military market.

The Company's gross profit margins, measured as percentages of sales, were 34.8% in the 13 weeks ended May 31, 2026 compared to 30.6% in the 13 weeks ended June 1, 2025. The higher gross profit margin for the 13 weeks ended May 31, 2026 was primarily due to the higher sales volume in the quarter which allowed for improved leverage of fixed overhead costs and a more favorable product mix.

The Company's earnings from operations before income taxes and net earnings increased 73.1% and 69.9%, respectively, in the 13 weeks ended May 31, 2026 compared to the 13 weeks ended June 1, 2025, primarily as a result of the higher gross margins in the 13 weeks ended May 31, 2026 and higher interest income in the 13 weeks ended May 31, 2026 partially offset by higher selling, general and administrative expenses.

While the Company continues to experience inflation in costs of raw materials and supplies, freight costs and other costs and expenses, the impact of this has been largely mitigated by the Company's ability to adjust pricing for a large portion of its sales. The impact of global tariffs has been minimal and been largely mitigated by the Company's ability to adjust pricing of its products.

Programs in which the Company participates as a supplier are, in some cases, experiencing supply chain issues from other suppliers to the programs that could result in delays in production for certain customers of the Company. The Company's sales may be affected by supply chain challenges experienced by its customers as a result of delays involving other suppliers.

The Company has a number of long-term contracts pursuant to which certain of its customers, some of which represent a substantial portion of the Company's revenue, place orders. Long-term contracts with the Company's customers are primarily requirements-based and do not guarantee quantities. An order forecast is generally agreed concurrently with pricing for any applicable long-term contract. This order forecast is then typically updated periodically during the term of the contract. Purchase orders are generally received by the Company more than three months in advance of delivery.

Under a Business Partner Agreement with ArianeGroup SAS of Les Mureaux, France ("ArianeGroup"), ArianeGroup SAS appointed Park as its exclusive North American distributor of ArianeGroup's RAYCARB C2®B NG proprietary product. RAYCARB C2®B NG is used to produce ablative composite materials for critical rocketry and missile systems. Park is a long-term customer of ArianeGroup and uses ArianeGroup's RAYCARB C2®B NG product in the production of many of Park's key ablative materials, which Park supplies into critical rocket and missile programs. On March 27, 2025, Park and ArianeGroup entered into an agreement under which Park would advance funds to ArianeGroup against future purchases of C2®B product in the aggregate amount in Euros of €4,587,000 payable in three installments in 2025, 2026, and 2027. The Company has made the 2025 and 2026 advances while the 2027 advance will be made in the first quarter of fiscal year 2028. These advanced funds are being used to help fund the purchase and installation, by ArianeGroup, of additional manufacturing equipment for ArianeGroup's production of C2®B product.

In July 2026, the Company entered into a sublease agreement covering approximately 18 acres of total land in Tulsa, Oklahoma. The Company plans to build a new composites material manufacturing and development facility on the site. The facility will include full production lab facilities, office space, storage and freezer space and ancillary equipment necessary to support all planned manufacturing operations. The sublease commences on September 1, 2026, and has an initial term of 25 years with a renewal option for an additional 25 years. Annual rent under the sublease agreement for the initial five years of the sublease would be \$269,469 with increases for each subsequent five-year period based upon the Consumer Price Index for All Urban Consumers, U.S., City Average All Items as published by the United States Department of Commerce. The Company expects economic development incentives to offset a significant portion of the rent expense.

Results of Operations:

The following table sets forth the components of the condensed consolidated statements of operations:

(Amounts in thousands, except per share amounts)	13 Weeks Ended		% Change
	May 31, 2026	June 1, 2025	
Net sales	\$ 18,312	\$ 15,400	18.9 %
Cost of sales	11,936	10,682	11.7 %
Gross profit	6,376	4,718	35.1 %
Selling, general and administrative expenses	2,361	2,299	2.7 %
Earnings from operations	4,015	2,419	66.0 %
Interest and other income	786	355	121.4 %
Earnings from operations before income taxes	4,801	2,774	73.1 %
Income tax provision	1,268	694	82.7 %
Net earnings	\$ 3,533	\$ 2,080	69.9 %
Earnings per share:			
Basic:			
Basic earnings per share	<u>\$ 0.17</u>	<u>\$ 0.10</u>	<u>70.0 %</u>
Diluted:			
Diluted earnings per share	<u>\$ 0.17</u>	<u>\$ 0.10</u>	<u>70.0 %</u>

Net Sales

The Company's total net sales in the 13 weeks ended May 31, 2026 were \$18.3 million compared to \$15.4 million in the 13 weeks ended June 1, 2025. The increase in sales was primarily due to higher sales in the commercial and military markets reflecting increased demand in both markets.

Gross Profit

The Company's gross profit margins, measured as percentages of sales, were 34.8% in the 13 weeks ended May 31, 2026 compared to 30.6% in the 13 weeks ended June 1, 2025. The higher gross profit margin for the 13 weeks ended May 31, 2026 was primarily due to the higher sales volume in the quarter which allowed for improved leverage of fixed overhead costs and a more favorable product mix, which was partially offset by higher waste in the current quarter.

Selling, General and Administrative Expenses

Selling, general and administrative expenses increased compared to the prior year's comparable period in dollars but decreased as a percentage of sales. These expenses, measured as percentages of sales, were 12.9% in the 13 weeks ended May 31, 2026 compared to 14.9% in the 13 weeks ended June 1, 2025. The increase in selling, general and administrative expenses in dollars was primarily due to higher research and development costs, higher freight costs and higher shareholder expenses partially offset by lower professional and

legal fees. As a percentage of sales, the decrease in selling, general and administrative expenses is due to the increase in sales in the 13 weeks ended May 31, 2026.

Selling, general and administrative expenses included stock option expenses of \$92,000 for the 13 weeks ended May 31, 2026, compared to stock option expenses of \$88,000 in the 13 weeks ended June 1, 2025.

Earnings from Operations

For the reasons set forth above, the Company's earnings from operations were \$4.0 million for the 13 weeks ended May 31, 2026 compared to \$2.4 million for the 13 weeks ended June 1, 2025.

Interest and Other Income

Interest and other income was \$786,000 for the 13 weeks ended May 31, 2026, compared to \$355,000 for the prior year's comparable period. Interest income increased 121% for the 13 weeks ended May 31, 2026 primarily due to higher cash balances. Cash balances were higher in the 13 weeks ended May 31, 2026 as a result of stock sales in the prior quarter that resulted in net proceeds of \$21.7 million under the Company's at the market offering. During the 13 weeks ended May 31, 2026, the Company earned interest income principally from its cash and investments, which consisted primarily of short-term instruments and money market funds.

Income Tax Provision

For the 13 weeks ended May 31, 2026, the Company recorded an income tax provision of \$1.3 million, which included a discrete income tax benefit of \$0. For the 13 weeks ended June 1, 2025, the Company recorded an income tax provision of \$694,000, which included a discrete income tax benefit of \$(28,000) for the excess tax benefits of stock option exercises in the 13 weeks ended June 1, 2025 partially offset by the accrual of interest related to unrecognized tax benefits.

The Company's effective tax rate for the 13 weeks ended May 31, 2026 was 26.4% compared to 25.0% in the prior year's comparable period. The effective tax rate for the 13 weeks ended May 31, 2026 was higher than the U.S. statutory rate of 21% primarily due to state and local taxes. The effective rate for the 13 weeks ended June 1, 2025 was higher than the U.S. statutory rate of 21% primarily due to state and local taxes and the accrual of interest related to unrecognized tax benefits.

Net Earnings

For the reasons set forth above, the Company's net earnings for the 13 weeks ended May 31, 2026 were \$3.5 million compared to net earnings of \$2.1 million for the 13 weeks ended June 1, 2025.

Basic and Diluted Earnings Per Share

In the 13 weeks ended May 31, 2026, basic and diluted earnings per share were \$0.17 compared to basic and diluted earnings per share of \$0.10 in the 13 weeks ended June 1, 2025.

Liquidity and Capital Resources:

(Amounts in thousands)	May 31, 2026	March 1, 2026	Change
Cash and cash equivalents and marketable securities	\$ 89,407	\$ 89,368	\$ 39
Working capital	101,919	102,714	(795)

(Amounts in thousands)	13 Weeks Ended		
	May 31, 2026	June 1, 2025	Change
Net cash provided by operating activities	\$ 2,720	\$ 1,590	\$ 1,130
Net cash provided by investing activities	1,876	1,999	(123)
Net cash used in financing activities	(2,609)	(4,586)	1,977

Cash and Marketable Securities

Of the \$89.4 million of cash and cash equivalents and marketable securities at May 31, 2026, \$32.7 million was owned by one of the Company's wholly-owned foreign subsidiaries.

The change in cash and cash equivalents and marketable securities at May 31, 2026 compared to March 1, 2026 was the result of higher cash collections due to the increased sales mostly offset by a supplier advance of \$2.2 million paid in May 2026 and dividends paid to shareholders. The significant changes in cash provided by operating activities were as follows:

- inventories increased by 5% at May 31, 2026 compared to March 1, 2026 primarily due to the timing of raw material purchases and production;
- prepaid expenses and other current assets increased by 9% at May 31, 2026 compared to March 1, 2026 primarily due to higher prepaid information technology contracts and insurance partially offset by lower prepaid taxes;
- other assets increased \$2.1 million during the 13 weeks ended May 31, 2026 due to a long-term supplier advance paid during the quarter;
- accounts payable decreased by 5% at May 31, 2026 compared to March 1, 2026 primarily due to the timing of supplier payments in the quarter;
- accrued liabilities increased by 12% at May 31, 2026 compared to March 1, 2026 primarily due to higher accrued bonuses and profit sharing; and
- income taxes payable increased 182% at May 31, 2026 compared to March 1, 2026 primarily due to earnings in the 13 weeks ended May 31, 2026.

In addition, the Company paid \$2.6 million and \$2.5 million in cash dividends in the 13-week period ended May 31, 2026 and the 13-week period ended June 1, 2025, respectively.

Working Capital

The decrease in working capital at May 31, 2026 compared to March 1, 2026 was due principally to the payment of a long-term advance to a supplier of \$2.2 million during the period, lower marketable securities and higher current liabilities, partially offset by higher cash, inventories, and prepaid expenses at May 31, 2026.

The Company's current ratio (the ratio of current assets to current liabilities) was 15.3 to 1.0 at May 31, 2026 compared to 18.2 to 1.0 at March 1, 2026.

Cash Flows

During the 13 weeks ended May 31, 2026, the Company had operating cash flows of \$2.7 million compared to \$1.6 million for the 13 weeks ended June 1, 2025. During the same 13-week period, the Company expended \$113,000 for the purchase of property, plant and equipment, compared with \$481,000 during the 13 weeks ended June 1, 2025. The Company paid \$2.6 million in cash dividends in the 13-week period ended May 31, 2026 compared to \$2.5 million in cash dividends in the 13-week period ended June 1, 2025.

Other Liquidity Factors

The Company believes its financial resources will be sufficient, through the 12 months following the filing of this Form 10-Q Quarterly Report and for the foreseeable future thereafter, to provide for continued investment in working capital and property, plant and equipment and for general corporate purposes including the Company's plans to build a new composites material manufacturing and development facility. The Company expects construction on the new facility to begin in fiscal year 2027. The Company's financial resources are also available for purchases of the Company's common stock, cash dividend payments, appropriate acquisitions and other expansions of the Company's business.

The Company is not aware of any circumstances or events that are reasonably likely to occur that could materially affect its liquidity. The Company further believes its balance sheet and financial position to be very strong.

Contractual Obligations:

The Company's contractual obligations and other commercial commitments to make future payments under contracts, such as lease agreements, consist primarily of operating lease commitments, commitments to purchase raw materials and the remaining advance payable to ArianeGroup SAS. In March 2025, the Company entered into an agreement with a supplier, ArianeGroup SAS, under which the Company would advance funds against future purchases. The agreement requires payments of €4,587 over three years, of which €1,376 was paid in April 2025 (actual cost of \$1,564), €1,835 was paid in May 2026 (actual cost of \$2,156) and €1,376 (approximately \$1,575 based on July 7, 2026 exchange rates) is due in the first quarter of fiscal 2028. Under the agreement, the Company commits to purchase C2®B product through December 2033 at an estimated cost of €36,000. The Company has no other long-term debt, capital lease obligations, unconditional purchase obligations or other long-term obligations, standby letters of credit, guarantees, standby repurchase obligations or other commercial commitments or contingent commitments, other than two standby letters of credit in the total amount of \$140,000, to secure the Company's obligations under its workers' compensation

insurance program. In July 2026, the Company entered into a sublease agreement covering approximately 18 acres of land in Tulsa, Oklahoma. The Company plans to build a new composites material manufacturing and development facility on the site. The facility will include full production lab facilities, office space, storage and freezer space and ancillary equipment necessary to support all planned manufacturing operations. The lease commences on September 1, 2026 and has an initial term of 25 years with a renewal option for an additional 25 years. Annual rent under the sublease agreement for the initial five years of the sublease would be \$269,469 with increases for each subsequent five-year period based upon the Consumer Price Index for All Urban Consumers, U.S., City Average All Items as published by the United States Department of Commerce.

Off-Balance Sheet Arrangements:

The Company's liquidity is not dependent on the use of, and the Company is not engaged in, any off-balance sheet financing arrangements, such as securitization of receivables or obtaining access to assets through special purpose entities.

Critical Accounting Policies and Estimates:

The foregoing Discussion and Analysis of Financial Condition and Results of Operations is based upon the Company's Condensed Consolidated Financial Statements, which have been prepared in accordance with US GAAP. The preparation of these Condensed Consolidated Financial Statements requires the Company to make estimates, assumptions and judgments that affect the reported amounts of assets, liabilities, revenues and expenses and the related disclosure of contingent liabilities. On an ongoing basis, the Company evaluates its estimates, including those related to sales allowances, allowances for doubtful accounts, inventories, valuation of long-lived assets, income taxes, contingencies and litigation, and employee benefit programs. The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

The Company's critical accounting policies that are important to the Condensed Consolidated Financial Statements and that entail, to a significant extent, the use of estimates and assumptions and the application of management's judgment, are described in Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations", in the Company's Annual Report on Form 10-K for the fiscal year ended March 1, 2026. There have been no significant changes to such accounting policies during the 2027 fiscal year first quarter.

Contingencies:

The Company is subject to a small number of immaterial proceedings, lawsuits and other claims related to environmental, employment, product and other matters. The Company is required to assess the likelihood of any adverse judgments or outcomes in these matters as well as potential ranges of probable losses. A determination of the amount of accrual required, if any, for these contingencies is made after careful analysis of each individual issue. The required accrual may change in the future due to new developments in each matter or changes in approach, such as a change in settlement strategy in dealing with these matters.

Factors That May Affect Future Results:

Certain portions of this report which do not relate to historical financial information may be deemed to constitute forward-looking statements that are subject to various factors which could cause actual results to differ materially from the Company's expectations or from results which might be projected, forecasted, estimated or budgeted by the Company in forward-looking statements. Such factors include, but are not limited to, general conditions in the aerospace industry, the Company's competitive position, the status of the Company's relationships with its customers, economic conditions in international markets, the cost and availability of raw materials, transportation and utilities, and the various factors set forth under the caption "Factors That May Affect Future Results" in Item 1 and in Item 1A "Risk Factors" of the Company's Annual Report on Form 10-K for the fiscal year ended March 1, 2026.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

The Company's market risk exposure at May 31, 2026 is consistent with, and not greater than, the types of market risk and amount of exposures presented in the Annual Report on Form 10-K for the fiscal year ended March 1, 2026.

Item 4. Controls and Procedures.

(a) Disclosure Controls and Procedures.

The Company's management, with the participation of the Company's Chief Executive Officer and Principal Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of May 31, 2026, the end of the quarterly fiscal period covered by this quarterly report. Based on such evaluation, the Company's Chief Executive Officer and Principal Financial Officer have concluded that, as of the end of such period, the Company's disclosure controls and procedures were effective in recording, processing, summarizing and reporting, on a timely basis, information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act and were effective in ensuring that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including the Company's Chief Executive Officer and Principal Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

(b) Changes in Internal Control Over Financial Reporting.

There has not been any change in the Company's internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the fiscal quarter to which this report relates that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings.

None.

Item 1A. Risk Factors.

There have been no material changes in the risk factors as previously disclosed in the Company's Form 10-K Annual Report for the fiscal year ended March 1, 2026.

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

The following table provides information with respect to shares of the Company's common stock acquired by the Company during each month included in the Company's 2027 fiscal year first quarter ended May 31, 2026:

<u>Period</u>	<u>Total Number of Shares (or Units) Purchased</u>	<u>Average Price Paid Per Share (or Unit)</u>	<u>Total Number of Shares (or Units) Purchased As Part of Publicly Announced Plans or Programs</u>	<u>Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs</u>
March 2 - April 1	-	\$ -	-	
April 2 - May 1	-	\$ -	-	
May 2 - May 31	-	\$ -	-	
Total	-	\$ -	-	781,766 (a)

(a) Aggregate number of shares available to be purchased by the Company pursuant to share purchase authorization announced on May 23, 2022. Pursuant to such authorization, the Company is authorized to purchase its shares from time to time on the open market or in privately negotiated transactions.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

None.

Item 5. Other Information.

None.

Item 6. **Exhibits.**

- 31.1 Certification of principal executive officer pursuant to Exchange Act Rule 13a-14(a) or 15d-14(a).
- 31.2 Certification of principal financial officer pursuant to Exchange Act Rule 13a-14(a) or 15d-14(a).
- 32.1 Certification of principal executive officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- 32.2 Certification of principal financial officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- 101 The following materials from the Company's Quarterly Report on Form 10-Q for the quarter ended May 31, 2026, formatted in XBRL (eXtensible Business Reporting Language): (i) Condensed Consolidated Balance Sheets at May 31, 2026 (unaudited) and March 1, 2026; (ii) Condensed Consolidated Statements of Operations for the 13 weeks ended May 31, 2026 and June 1, 2025 (unaudited); (iii) Condensed Consolidated Statements of Comprehensive Earnings for the 13 weeks ended May 31, 2026 and June 1, 2025 (unaudited); (iv) Condensed Consolidated Statements of Shareholders' Equity at May 31, 2026 (unaudited) and June 1, 2025; and (v) Condensed Consolidated Statements of Cash Flows for the 13 weeks ended May 31, 2026 and June 1, 2025 (unaudited). * +
- 104 Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed electronically herewith.

EXHIBIT INDEX

Exhibit No. -----	Name ----
31.1	Certification of principal executive officer pursuant to Exchange Act Rule 13a-14(a) or 15d-14(a).
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104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)
*	Filed electronically herewith.
+	Pursuant to Rule 406T of Regulation S-T, the Interactive Data Files on Exhibit 101 hereto are deemed not filed or part of a registration statement or prospectus for purposes of Section 11 or 12 of the Securities Act of 1933, as amended, are deemed not filed for purposes of Section 18 of the Securities and Exchange Act of 1934, as amended, and otherwise are not subject to liability under those sections.

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.

Park Aerospace Corp.

(Registrant)

Date: July 20, 2026

/s/ Brian E. Shore

Brian E. Shore
Chief Executive Officer
(principal executive officer)

Date: July 20, 2026

/s/ Christopher Goldner

Christopher Goldner
Vice President – Finance
(principal financial officer)
(principal accounting officer)

**Certification of Principal Executive Officer
Pursuant to Exchange Act Rule 13a-14(a) or 15d-14(a)**

I, Brian E. Shore, as Chief Executive Officer of Park Aerospace Corp., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended May 31, 2026 of Park Aerospace Corp.;
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 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 GAAP;
 - (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 20, 2026

/s/ Brian E. Shore
Name: Brian E. Shore
Title: Chief Executive Officer

**Certification of Principal Financial Officer
Pursuant to Exchange Act Rule 13a-14(a) or 15d-14(a)**

I, Christopher Goldner, as Vice President - Finance of Park Aerospace Corp., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended May 31, 2026 of Park Aerospace Corp.;
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 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 GAAP;
 - (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 20, 2026

/s/ Christopher Goldner

Name: Christopher Goldner

Title: Vice President - Finance

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

In connection with the Quarterly Report on Form 10-Q of Park Aerospace Corp. (the "Company") for the quarterly period ended May 31, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Brian E. Shore, as Chief Executive Officer of the Company, hereby certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

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

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

/s/ Brian E. Shore
Name: Brian E. Shore
Title: Chief Executive Officer
Date: July 20, 2026

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

In connection with the Quarterly Report on Form 10-Q of Park Aerospace Corp. (the "Company") for the quarterly period ended May 31, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Christopher Goldner, as Vice President - Finance of the Company, hereby certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

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

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

/s/ Christopher Goldner

Name: Christopher Goldner

Title: Vice President - Finance

Date: July 20, 2026