

August 17, 2022



# **ME2C® Environmental Reports Second Quarter 2022 Results Strengthened by Significant Year over Year Growth in Core Business**

- Q2 Revenue increased 125% to \$5.13 Million from the same year-ago quarter
- Q2 Adjusted EBITDA saw year-over-year improvement to a gain of \$468,000 from a loss of \$314,000 in the same year-ago quarter
- Revenue outlook for FY22 reinforced with an increase of 60% to \$8.47 Million for the first six months of 2022 compared to the same year-ago period
- ME<sub>2</sub>C enters into license agreement including product supply opportunity with new large Midwest utility partner providing annual license payments for the three-year term
- New technology under development for rare earth element (REE) processing using the Company's sorbent technology continues with consistent results
- Coal-fired power generation remains strong across the U.S., along with stronger environmental policies, drives demand for mercury emissions capture technologies across the industry
- Company sees positive progress in litigation efforts led by Caldwell Cassady & Curry, as the discovery process continues.

**CORSICANA, TX, Aug. 17, 2022 (GLOBE NEWSWIRE)** --Midwest Energy Emissions Corp. (OTCQB: MEEC) ("ME<sub>2</sub>C Environmental" or the "Company"), a leading environmental technologies firm, today announced its financial results for the second quarter 2022.

Second quarter 2022 revenue of \$5.13 million increased 125% compared to \$2.27 million in the second quarter of 2021. Total costs and expenses in the second quarter of 2022 were \$5.49 million compared to \$4.00 million in the year-ago quarter. Net loss was \$357,000, or \$(0.00) per basic and diluted share, compared to a net loss of \$1.73 million, or \$(0.02) per basic and diluted share in the second quarter of 2021. Adjusted EBITDA was a positive \$468,000 compared to a negative of \$(314,000) in the second quarter of 2021.

## **Financial Position**

As of June 30, 2022, the Company had approximately \$509,000 of cash on its balance sheet.

## **Management Commentary**

“We are very pleased with our progress through the first half of this year and are in great shape heading into the last half of 2022,” commented Richard MacPherson, CEO of ME<sub>2</sub>C Environmental. “We are very happy with our second quarter and expect to continue ramping up through our third quarter.

“The Company has built strong relationships with our business partners that will provide continued support of our growth across a number of key areas,” continued MacPherson. “The relationship with our largest financial lender has been solid and supportive as we expect to conclude negotiations which will strategically provide modified arrangements that will reposition our financial position, benefitting both our shareholders and our Company equally.

“Our litigation proceedings saw the acceptance of certain claim construction arguments that we see as positive developments as we move toward the conclusion of the discovery process, leading to trial in 2023.

“Further, the recognition of ME<sub>2</sub>C’s expertise and patent validity continues to grow across the industry. With certain logistical challenges facing the energy sector, utilities are seeing greater value in working with a supply partner, such as ME<sub>2</sub>C, benefitting from our ability to navigate a challenging climate.

“We are excited about where we sit at this point of the year, the achievements we have reached, and look forward to providing shareholders with continued news of our expected growth going forward”, concluded MacPherson.

### **Conference Call/Webcast Information**

The ME<sub>2</sub>C management team will host an investor conference call and live webcast on August 17, 2022, at 4:30 PM Eastern Time. To participate, please use the following information:

Date: Wednesday, August 17, 2022

Time: 4:30 PM ET

Dial-in: 1-877-407-0789

International Dial-in: 1-201-689-8562

Conference Code: 13732295

Webcast: [https://viaavid.webcasts.com/starthere.jsp?ei=1564245&tp\\_key=8cd2c609f7](https://viaavid.webcasts.com/starthere.jsp?ei=1564245&tp_key=8cd2c609f7)

Please dial in at least 10 minutes before the start of the call to ensure timely participation.

A playback of the call will be available through Friday, September 17, 2022. To listen, call 1-844-512-2921 within the United States or 1-412-317-6671 when calling internationally and enter replay pin number 13732295. The replay can also be viewed through the webinar webcast link above.

## **About ME<sub>2</sub>C<sup>®</sup> Environmental**

ME<sub>2</sub>C Environmental is a leading environmental technologies company developing and delivering patented and proprietary solutions to the global power industry. ME<sub>2</sub>C's leading-edge services have been shown to achieve emissions removal at a significantly lower cost and with less operational impact than currently used methods while maintaining and/or increasing power plant output and preserving the marketability of byproducts for beneficial use. ME<sub>2</sub>C Environmental is a trade name of Midwest Energy Emissions Corp. For more information, please visit <http://www.me2cenvironmental.com/>.

## **Use of Non-GAAP Financial Measures**

To provide investors with additional information regarding our financial results, this press release includes references to Adjusted EBITDA, a Non-GAAP financial measure. We view Adjusted EBITDA as an operating performance measure and, as such, we believe that the GAAP financial measure most directly comparable to it is net income (loss). We define Adjusted EBITDA as net income adjusted for interest and financing fees, income taxes, depreciation, amortization, stock-based compensation, and other non-cash income and expenses. We believe that Adjusted EBITDA provides us an important measure of operating performance. Our use of Adjusted EBITDA has limitations as an analytical tool, and this measure should not be considered in isolation or as a substitute for an analysis of our results as reported under GAAP, as the excluded items may have significant effects on our operating results and financial condition. Additionally, our measure of Adjusted EBITDA may differ from other companies' measure of Adjusted EBITDA. When evaluating our performance, Adjusted EBITDA should be considered with other financial performance measures, including various cash flow metrics, net income, and other GAAP results. In the future, we may disclose different non-GAAP financial measures in order to help our investors and others more meaningfully evaluate and compare our future results of operations to our previously reported results of operations.

## **Safe Harbor Statement**

With the exception of historical information contained in this press release, content herein contains "forward-looking statements" that are made pursuant to the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995, which may include, without limitation, revenue guidance for 2022 and related projections and statements regarding our ability to meet such projections in the anticipated timeframe, if at all. Forward-looking statements are generally identified by using words such as "anticipate," "believe," "plan," "expect," "intend," "will," and similar expressions, but these words are not the exclusive means of identifying forward-looking statements. These statements are based on management's current expectations and are subject to uncertainty and changes in circumstances. Investors are cautioned that forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from the statements made. Matters that may cause actual results to differ materially from those in the forward-looking statements include, among other factors, the gain or loss of a major customer, change in environmental regulations, disruption in supply of materials, capacity factor fluctuations of power plant operations and power demands, a significant change in general economic conditions in any of the regions where our customer utilities might experience significant changes in electric demand, a significant disruption in the supply of coal to our customer units, the loss of key management

personnel, availability of capital and any major litigation regarding ME<sub>2</sub>C Environmental.

In addition to the foregoing, any statements with respect to revenue guidance for 2022, related projections and statements regarding our ability to meet such projections in the anticipated timeframe, represent management's good faith estimates and expectations. Such guidance is based upon certain assumptions, including, but not limited to, that additional license agreements will be entered into during 2022, new supply customers will be obtained in 2022 and that certain current licensees of our patented technologies who are not current supply customers will transition to purchasing products from us in 2022. Such assumptions may prove to be incorrect and actual results may differ materially from those anticipated. Consequently, guidance cannot be guaranteed. As such, investors are cautioned not to place undue reliance upon guidance as there can be no assurance that the plans, assumptions or expectations upon which they are placed will occur.

All forward-looking statements speak only as of the date of this release. ME<sub>2</sub>C Environmental does not undertake any obligation to publicly update or revise any forward-looking statements to reflect future events, information or circumstances that arise after the date of this release. Further information concerning issues that could materially affect financial performance related to forward-looking statements contained in this release can be found in ME<sub>2</sub>C Environmental's periodic filings with the Securities and Exchange Commission.

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