

November 13, 2025



Birchtech Reports Third Quarter 2025 Financial Results

Third Quarter 2025 Revenues Increased 41% to \$7.4 Million, Driving Net Income of \$0.8 Million

CORSICANA, Texas, Nov. 13, 2025 (GLOBE NEWSWIRE) -- Birchtech Corp. (TSX: BCHT) (OTCQB: BCHT) ("Birchtech" or the "Company"), a leader in specialty activated carbon technologies for sustainable air and water treatment, today reported financial results for the third quarter ended September 30, 2025.

Key Third Quarter 2025 & Subsequent Operational Highlights

- Pending final judgment following the \$57 million patent infringement verdict, from which the Company's counsel requested \$160 million inclusive of enhancements, interest and legal fees.
- Four key air business licensing agreements secured, with the potential to transition into long-term product supply agreements:
 - A non-exclusive licensing agreement with a large regional coal-fired utility for licensing of the Company's patented mercury emissions reduction technologies.
 - A non-exclusive agreement with a large regional coal-fired power utility that the Company filed suit against in January 2025 regarding the Company's patented mercury emissions reduction technologies.
 - Non-exclusive license and supply bidding agreements with two coal-fired power utilities, affiliated with one another, named as defendants in the Company's July 2024 lawsuit filed in Iowa for the protection of the intellectual property surrounding the Company's mercury emissions reduction technologies.
- Announced the commercialization of the Company's water treatment solutions business after having received purchase orders collectively totaling ~\$0.9 million with a large mid-Atlantic power utility for filtration system media replacement services for the removal of contaminants from wastewater at two locations.
- Selected for collaboration with National Engineering Firm Civil & Environmental Consultants to offer RSSCT testing for its large base of hundreds of water-utility clients nationwide, providing an incremental business development pathway for the Company's water business.
- Exhibited at key industry and investor conferences including the WaterPro Conference, WEF Technical Exhibition & Conference, Gabelli 3rd Annual PFAS Symposium, Noble Emerging Growth Conference, H.C. Wainwright Global Investment Conference and the Lake Street 2025 BIG9 Conference.

Management Commentary

Richard MacPherson, Birchtech Chief Executive Officer, commented: "The third quarter

marked a clear transition point towards profitability for Birchtech as we advanced from foundation-building to execution across both our air and water divisions. Our air business remains the backbone of our operations, generating consistent, high-margin revenue while expanding through new licensing agreements. As we begin to reach a critical mass of coal-fired utilities now under license – including several added in recent months – we continue to convert prior technology adopters into long-term commercial partners, driving recurring revenue and positioning valid licensing of our SEA® platform as the standard for mercury-emissions control in North America.

“In parallel, we achieved a major milestone with the first commercialization of our water treatment solutions, supported by approximately \$0.9 million in purchase orders from a large mid-Atlantic utility. We also were selected for a new collaboration with Civil & Environmental Consultants, one of the nation’s leading engineering firms, to provide rapid scale column testing (RSSCT) for its hundreds of water-utility clients nationwide. Together, these developments give Birchtech access to potential new water utility customers while validating the commercial potential of our clean-water technologies.

“Looking ahead, our focus remains on driving sustainable growth across both segments – finalizing the anticipated judgment tied to our \$160 million patent award request, converting additional utilities into long-term licensees and supply customers, and accelerating the rollout of our next-generation platform in water. With two complementary business lines now in motion, we believe Birchtech is well positioned to become a leading provider of advanced activated carbon and water treatment solutions that deliver cleaner air and water for communities across the country,” concluded MacPherson.

Third Quarter 2025 Financial Results

Revenues increased 41% to \$7.4 million in the third quarter, as compared to \$5.2 million in the same year-ago quarter. The increase in revenues from the prior year was primarily due to growth in licensing revenue as we continue to enter into mutually beneficial business relationships with utilities.

Gross profit totaled \$4.0 million, or 54.8% of total revenues, in the third quarter of 2025, as compared to \$1.6 million, or 30.5% of total revenues, in the same year-ago quarter. The increase in gross margin was primarily attributable to an increase in high-margin licensing revenue.

Operating expenses consisted of selling, general and administrative expenses (“SG&A”) and research and development expenses (“R&D”) in 2025 and SG&A in 2024. SG&A expenses were approximately \$2.7 million and \$2.7 million for the three months ended September 30, 2025, and 2024, respectively. Total SG&A expenses were comparable in the third quarter of 2025 compared to the same year-ago quarter.

Total R&D expenses were approximately \$0.5 million for the three months ended September 30, 2025, as compared to \$0 in the same year-ago quarter. R&D expenses relate to research conducted to develop water treatment products utilizing new sorbent technologies and increased in the third quarter of 2025 compared to the prior year period as the Company had not incurred any research related costs during the year-ago quarter.

Net income for the third quarter of 2025 grew to \$0.8 million, or \$0.01 per basic and diluted

share, an increase of \$1.3 million as compared to a net loss of \$0.5 million, or (\$0.00) per basic and diluted share in the same year-ago quarter.

Adjusted EBITDA, a non-GAAP measure, grew to \$1.0 million in the third quarter of 2025, an increase of \$1.5 million as compared to (\$0.5 million) in the same year-ago quarter.

Cash as of September 30, 2025 totaled \$1.8 million, with no debt, as compared to \$3.5 million, with no debt, as of December 31, 2024. Subsequent to the close of the third quarter, the Company collected \$1.25 million in cash licensing fees recorded as a receivable at September 30, 2025, which will be reflected as a cash receipt in the fourth quarter.

Third Quarter 2025 Earnings Conference Call

Management will host an investor conference call at 5:00 p.m. Eastern time today, Thursday, November 13, 2025, to discuss Birchtech's third quarter 2025 financial results and provide a corporate update. To participate, please use the following information:

Date: Thursday, November 13, 2025

Time: 5:00 p.m. Eastern time

U.S./Canada Dial-in: 1-877-407-0792

International Dial-in: 1-201-689-8263

Conference ID: 13756941

Webcast: [BCHT Q3 2025 Earnings Conference Call](#)

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

A telephone playback of the call will be available through Thursday, December 4, 2025. To listen, call 1-844-512-2921 within the United States and Canada or 1-412-317-6671 when calling internationally, using replay pin number 13756941. A webcast replay will be available for one year, using the webcast link above.

About Birchtech Corp.

Birchtech Corp. (TSX: BCHT) (OTCQB: BCHT) is a leader in specialty activated carbon technologies, serving as America's Clean Coal and Clean Water Company by delivering innovative solutions for air and water purification to support a cleaner, more sustainable future. The Company provides patented SEA® sorbent technologies for mercury emissions capture for the coal-fired utility sector and is developing disruptive water purification technologies with a specialization on forever chemicals such as PFAS. Backed by a strong intellectual property portfolio and a world-class team of activated carbon experts, Birchtech provides cleaner air to North American communities and is applying this expertise to a novel approach in water purification. To learn more, please visit www.birchtech.com.

Non-GAAP Financial Measures

To supplement our consolidated financial statements presented in accordance with GAAP and to provide investors with additional information regarding our financial results, we consider and are including herein 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 because it allows management, investors, debtholders and others to evaluate and compare ongoing operating results from period to period by removing the impact of our asset base, any asset disposals or impairments, stock based compensation and other non-cash income and expense items associated with our reliance on issuing equity-linked debt securities to fund our working capital.

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.

The following table shows our reconciliation of net income (loss) to adjusted EBITDA for the quarters and nine months ended September 30, 2025 and 2024, respectively:

	For the Three Months Ended		For the Nine Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
	(In thousands)		(In thousands)	
Net income (loss)	\$ 788	\$ (470)	\$ (2,433)	\$ (9,189)
Non-GAAP adjustments:				
Depreciation and amortization	107	65	282	185
Interest	-	7	-	259
Change in fair value of profit share	39	(283)	767	2,672
Income taxes	-	-	-	-
Stock based compensation	21	134	100	1,041
Adjusted EBITDA	<u>\$ 955</u>	<u>\$ (547)</u>	<u>\$ (1,284)</u>	<u>\$ (5,032)</u>

Safe Harbor Statement

With the exception of historical information contained in this press release, content herein may contain "forward-looking statements" that are made pursuant to the Safe Harbor Provisions of the U.S. Private Securities Litigation Reform Act of 1995 or forward-looking

information under applicable Canadian securities laws (collectively, “forward-looking statements”). 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. Forward-looking statements in this release include statements relating to expected developments and growth in Birchtech’s business. 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. In addition, this release contains time-sensitive information that reflects management’s best analysis only as of the date of this release. Birchtech 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 or other forward-looking statements contained in this release can be found in Birchtech’s periodic filings with the Securities and Exchange Commission or Canadian securities regulators.

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Source: Birchtech Corp.