10 September 2026

MYCELX TECHNOLOGIES CORPORATION (AIM: MYX)

Half Year Results Statement

MYCELX Technologies Corporation ("MYCELX" or the "Company"), a leading provider of proprietary water treatment technology to Oil and Gas and other industries worldwide, announces its unaudited interim results for the six months ended 30 June 2026 ("H1 2026").

Highlights

Financial

- Revenue of $2.1 million (2025 H1: $1.7 million). The increase in 2026 is primarily from paid trials, leases and recurring media sales.
- Gross profit of $1.2 million (2025 H1: $0.7 million) and a gross margin of 57% (2025 H1: 41%), reflecting the H1 2026 revenue relating primarily to leases and recurring media sales.
- EBITDA[1] of negative $1.2 million (2025 H1: negative $1.8 million).
- Loss before tax of $1.4 million (2025 H1: loss $1.9 million).
- Cash and cash equivalents $0.5 million (2025 H1: $0.7 million), with a further $1.1 million of payments received after period-end in July 2026.

Operational

- Fourth offshore produced water treatment contract in the Gulf of Mexico awarded by a super major upgrading for near-term increase in production driven by global oil prices.
- Executed an agreement with a municipal solid waste landfill in Minnesota to conduct a comprehensive three-month paid field validation of its PFAS treatment technology.
- Unprecedented project bidding activity across the produced water treatment markets onshore and offshore in the U.S. as well as overseas in response to the macro demand in the oil and gas market.

Post Period Update

- Delivered a REGEN system to a major water midstream company for a produced water treatment project in the Permian Basin and recognised $3.9 million of revenue.
- Awarded contract for treating industrial water for a power plant with a global EPC which is scheduled for delivery in Q4 2026.

Outlook

MYCELX enters the second half of 2026 with increased commercial momentum and improved revenue visibility driven by elevated oil demand and large oilfield expansion projects. Following period end, the Company delivered its REGEN system for the Permian Basin produced water treatment project and recognised approximately $3.9 million of revenue in August. This important project provides a strong commercial reference for MYCELX's technology in one of the world's largest produced water markets. Alongside this project revenue, the Company is seeing an increasing contribution from equipment leases and recurring media sales as its installed base expands.

The Company expects to meet the market's FY2026 revenue expectation of $11.0 million, with approximately 80% of that amount booked, contracted or expected through recurring lease and media sales. A single-source contract from a Middle East producer that supports the full-year revenue forecast is expected within the execution window to deliver equipment by year end. Several additional opportunities could contribute to FY2026 revenue, although the final outturn will depend on timing of the project award and delivery timelines. The Company continues to manage working capital carefully and evaluate financing options to support capital equipment requirements for specific growth opportunities.

Looking ahead, MYCELX has multiple project bids under consideration or in negotiation with current and new produced water treatment customers. The projects span the U.S. Permian Basin and offshore Gulf of Mexico, offshore South America and Europe, and onshore in the Middle East. These projects are both aggressive, near-term execution plays and long-term capital projects and, if awarded, delivery would be expected in 2027.

On the PFAS front, the Company is continuing a paid trial for landfill leachate treatment which has demonstrated successful treatment of PFAS but has subsequently been extended by the customer to target an additional contaminant. The trial is expected to conclude by year-end and, subject to successful results, the Company anticipates entering into discussions regarding the potential sale of a PFAS system.

With proven technology, an expanding installed base, established customer relationships and a strong track record of project delivery, the Company believes it is well positioned to convert these opportunities into project wins and continue building a higher-quality business with an increasing proportion of recurring revenue from on-going sales of filter media to its installed base.

[1]See Financial Review for definition of EBITDA.

Commenting on these results, Connie Mixon, CEO, said:

"The first half of 2026 demonstrates continued progress in our strategy to build the MYCELX brand as the global standard for onshore and offshore produced water treatment. Our reputation for superior project execution and reliable, cost-effective operation has placed the Company at the forefront of an industry aggressively capitalising on the macro market demand and building capacity for the future.

We enter the second half with significantly improved project and revenue visibility and the largest opportunity pipeline in MYCELX's history. Our focus is on converting the growing pipeline and leveraging our new installations for greater brand exposure and accelerated growth. We believe our technology best supports the water management demands of the oil and gas industry and we are well-positioned to significantly expand our install base, which is being driven by elevated oil prices and disciplined capital growth plans."

For further information, please contact:

MYCELX Technologies Corporation
Connie Mixon, CEO
Kim Slayton, CFO
Tel: +1 888 306 6843

Cavendish Capital Markets Limited (Nomad and Sole Broker)
Giles Balleny / Callum Davidson / Elysia Bough (Corporate Finance)
Harriet Ward (Corporate Broking)
Jasper Berry / Michael Johnson (Sales)
Tel: +44 20 7220 0500

Chairman's and Chief Executive Officer's Statement

MYCELX publishes its H1 2026 results today, alongside an update on the operational and commercial progress achieved year to date. The first half reflects continued progress in executing the Company's strategy to build a more resilient business, underpinned by recurring revenue and higher-value produced water treatment projects, while also developing the largest and highest quality opportunity pipeline in the Company's history.

Operational Review

During the first half of 2026, MYCELX continued to expand its presence across its core Produced Water markets, both onshore and offshore, while advancing PFAS and industrial water treatment opportunities in the U.S. The Company's opportunity pipeline has grown materially in both number and aggregate value, providing greater visibility into potential future project awards.

In the offshore Produced Water market, MYCELX delivered its fourth produced water treatment system in May 2026 to a global integrated oil company in the Gulf of Mexico. Several additional platforms are being evaluated for upgraded water treatment capability, adding to the Company's pipeline. The offshore market represents an attractive opportunity for MYCELX's modular treatment systems, which can be deployed quickly to help operators manage water treatment requirements and support higher production levels. As the installed base expands, the Company expects associated filter media sales to contribute increasing recurring revenue.

The onshore Permian Basin market also remains highly active, with water midstream companies, super majors and mid-tier producers seeking cost-effective and reliable solutions to manage increasing produced water volumes. In August 2026, MYCELX delivered its first project for a major midstream company, with approximately $3.9 million of revenue recognised in Q3 2026. The project represents an important commercial reference for MYCELX's advanced produced water treatment and oil recovery capabilities, and the Company is currently engaged in a number of material bids and business development activities across the Permian Basin.

In the Middle East, producers continue to pursue expansion and upgrade projects. Management believes MYCELX is well positioned to win a number of projects that are expected to be awarded by year end, including a retrofit project that could be delivered during 2026, although delivery remains dependent on timing of the contract award and regional conditions. In PFAS, market activity is also increasing. The Company recently executed an agreement with a municipal solid waste landfill in Minnesota for a comprehensive three-month field validation of its PFAS treatment technology. The paid trial commenced in Q3 and is designed to validate treatment efficiency for an additional contaminant, having been successful treating PFAS in previous trials. If successful, the Company expects to engage in negotiations that could lead to a permanent installation at the current site and opportunities at other sites across the state.

Financial Review

MYCELX generated approximately $2.1 million in revenue in the first half of 2026, an increase of 26% from $1.7 million in the first half of 2025, primarily from paid trials, leases and recurring media sales. Revenue from leases increased to $0.2 million from $0.1 million in the prior-year period, while revenue from equipment, consumable filtration media and service increased to $1.9 million from $1.6 million. The Company expects a significantly stronger second half as major projects progress through delivery milestones and recurring lease and media revenue continue to increase, including approximately $3.9 million of revenue recognised in August 2026 from the Permian Basin REGEN project.

Gross profit increased by 77% to $1.2 million in the first half of 2026, compared to $0.7 million in the first half of 2025. Gross margin increased to approximately 57% from 42% in the prior year period, reflecting the mix of revenue generated during the period.

Total operating expenses for the first half of 2026, including depreciation and amortisation, decreased 4% to $2.6 million from $2.8 million in the first half of 2025. Selling, general and administrative expenses decreased approximately 5% to $2.4 million from $2.6 million, while research and development expense increased to $128,000 from $105,000. Depreciation and amortisation within operating expenses decreased to $103,000 from $109,000.

EBITDA was negative $1.2 million for the first half of 2026, compared to negative $1.8 million for the first half of 2025. EBITDA is a non-U.S. GAAP measure that the Company uses to measure and monitor performance and liquidity and is calculated as net profit before interest expense, provision for income taxes, and depreciation and amortisation of fixed and intangible assets, including depreciation of leased equipment which is included in cost of goods sold, and includes gains on sale of fixed assets. This non-U.S. GAAP measure may not be directly comparable to other similarly titled measures used by other companies and may have limited use as an analytical tool.

The Company recorded a loss before tax of $1.4 million for the first half of 2026, compared with a loss before tax of $1.9 million for the first half of 2025. Basic loss per share was 6 cents for the first half of 2026, compared to basic loss per share of 8 cents for the first half of 2025.

As of 30 June 2026, total assets were $8.8 million with the largest assets being inventory of $3.6 million, accounts receivable of $2.5 million, property and equipment of $0.9 million, operating lease assets of $0.6 million, and cash and cash equivalents, including restricted cash, of $0.5 million.

Total liabilities as of 30 June 2026 were $4.5 million and stockholders' equity was $4.3 million. Total liabilities included $2.7 million of deferred revenue related principally to milestone payments on projects expected delivered in Q3 2026 and $0.5 million outstanding under the Company's line of credit.

The Company ended the period with $0.5 million of cash and cash equivalents, plus $50,000 of restricted cash, and received a further $1.1 million of customer payments in July following the period end. Net cash used in operating activities was $0.3 million in the first half of 2026, compared with $0.6 million in the first half of 2025. The Company used $43,000 for investing activities and received $50,000 of additional advances under its line of credit during the period. MYCELX continues to manage working capital carefully to support its growth ambitions.

The Company continues to evaluate financing options to support the manufacture of capital equipment for specific growth opportunities, particularly in the Permian Basin. This approach is intended to preserve working capital while enabling MYCELX to pursue attractive projects that can expand the installed equipment base and generate recurring lease and media revenue.

Outlook

MYCELX enters the second half of 2026 with increased commercial momentum and improved revenue visibility. Approximately $3.9 million of revenue was recognised in August from the Permian Basin produced water treatment project, alongside an increasing contribution from equipment leases and recurring media sales in Q3 2026. The Company expects to meet the market's FY2026 revenue expectation of $11.0 million, with approximately 80% of that amount either booked, contracted or expected through recurring lease and media sales and is currently awaiting a single-source contract from a Middle East producer that is expected to be received in time for year-end delivery. Several additional opportunities could contribute to 2026 revenue, although the final outturn will depend on project award and delivery timelines.

Looking beyond the current year, the Company's opportunity pipeline has more than doubled in both number and aggregate value since January 2026 and spans onshore and offshore Produced Water opportunities in the U.S. and Middle East, together with PFAS and industrial water treatment opportunities in the U.S. The momentum in our core market, which is driven by higher oil prices and capital expansion projects, is the platform for significant growth in 2027 and beyond. Supported by proven technology, established customer relationships and a strong track record of project delivery, MYCELX believes it is well positioned to convert this pipeline into project wins and build a higher-quality, growing recurring revenue base.

Tom Lamb
Chairman
10 September 2026

Connie Mixon
Chief Executive Officer

MYCELX TECHNOLOGIES CORPORATION
Statements of Operations
(USD, in thousands, except share data)

	Six Months Ended 30 June 2026 (unaudited)	*Six Months Ended 30 June 2025 (unaudited)*	*Year Ended 31 December 2025*
Revenue	**2,108**	**1,670**	**11,742**
Cost of goods sold	875	974	6,126
Gross profit	**1,233**	**696**	**5,616**
Operating expenses:			
Research and development	128	105	203
Selling, general and administrative	2,415	2,550	5,007
Depreciation and amortisation	103	109	213
Total operating expenses	**2,646**	**2,764**	**5,423**
Operating income (loss)	**(1,413)**	**(2,068)**	**193**
Other income (expense)			
Gain on sale of property and equipment	-	159	159
Interest expense	(18)	(5)	(15)
Profit (loss) before income taxes	**(1,431)**	**(1,914)**	**337**
Provision for income taxes	(3)	(1)	(3)
Net profit (loss)	**(1,434)**	**(1,915)**	**334**
Profit (loss) per share-basic	**(0.06)**	**(0.08)**	**0.01**
Profit (loss) per share-diluted	(0.06)	(0.08)	0.01
Shares used to compute basic profit (loss) per share	**24,363,814**	**24,363,814**	**24,363,814**
Shares used to compute diluted profit (loss) per share	**24,363,814**	**24,363,814**	**25,816,965**

The accompanying notes are an integral part of the financial statements.

MYCELX TECHNOLOGIES CORPORATION
Balance Sheets
(USD, in thousands, except share data)

	As of 30 June 2026 (unaudited)	*As of 30 June 2025 (unaudited)*	*As of 31 December 2025*
ASSETS			
Current Assets			
Cash and cash equivalents	499	643	812
Restricted cash	50	50	50
Accounts receivable - net	2,484	1,324	3,183
Inventory	3,641	5,462	2,247
Prepaid expenses	47	113	12
Other assets	71	71	71
Total Current Assets	**6,792**	**7,663**	**6,375**
Property and equipment – net	943	869	1,034
Intangible assets – net	458	669	493
Operating lease asset – net	579	1,022	767
Total Assets	**8,772**	**10,223**	**8,669**
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current Liabilities			
Accounts payable	478	1,340	843
Payroll and accrued expenses	133	102	435
Contract liability	2,725	4,319	456
Customer deposits	66	16	15
Line of credit	500	-	450
Operating lease obligations – current	342	398	399
Total Current Liabilities	**4,244**	**6,175**	**2,598**
Operating lease obligations – long-term	274	673	412
Total Liabilities	**4,518**	**6,848**	**3,010**
Stockholders' Equity			
Common stock, $0.025 par value, 100,000,000 shares authorised, 24,363,814 shares issued and outstanding 30 June 2026 and 2025, and 31 December 2025	609	609	609
Additional paid-in capital	45,684	45,620	45,655
Accumulated deficit	(42,039)	(42,854)	(40,605)
Total Stockholders' Equity	**4,254**	**3,375**	**5,659**
Total Liabilities and Stockholders' Equity	**8,772**	**10,223**	**8,669**

The accompanying notes are an integral part of the financial statements.

MYCELX TECHNOLOGIES CORPORATION
Statements of Stockholders' Equity
(USD, in thousands)

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total
	Shares	$	$	$	$
Balances at 31 December 2024	**24,363,814**	**609**	**45,593**	**(40,939)**	**5,263**
Stock-based compensation expense	-	-	27	-	27
Net loss for the period	-	-	-	(1,915)	(1,915)
Balances at 30 June 2025 (unaudited)	**24,363,814**	**609**	**45,620**	**(42,854)**	**3,375**
Stock-based compensation expense	-	-	35	-	35
Net profit for the period	-	-	-	2,249	2,249
Balances at 31 December 2025	**24,363,814**	**609**	**45,655**	**(40,605)**	**5,659**
Stock-based compensation expense	-	-	29	-	29
Net loss for the period	-	-	-	(1,434)	(1,434)
Balances at 30 June 2026 (unaudited)	**24,363,814**	**609**	**45,684**	**(42,039)**	**4,254**

The accompanying notes are an integral part of the financial statements.

MYCELX TECHNOLOGIES CORPORATION
Statements of Cash Flows
(USD, in thousands)

	Six Months Ended 30 June 2026 (unaudited)	*Six Months Ended 30 June 2025 (unaudited)*	*Year Ended 31 December 2025*
Cash flows from operating activities			
Net profit (loss)	(1,434)	(1,915)	334
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation and amortisation	160	156	315
Amortisation of right of use asset	-	(186)	441
Gain on sale of property and equipment	-	(159)	(159)
Loss on abandonment of patent	-	-	140
Inventory reserve adjustment	-	-	(426)
Stock compensation	29	27	62
Change in operating assets and liabilities:			
Accounts receivable - net	699	(607)	(2,625)
Unbilled accounts receivable	-	1,206	1,206
Inventory	(1,385)	(1,485)	2,052
Prepaid expenses	(35)	(78)	23
Operating liabilities	(7)	186	(446)
Accounts payable	(365)	1,066	569
Payroll and accrued expenses	(302)	(76)	257
Contract liability	2,269	1,406	(2,457)
Customer deposits	51	(148)	(149)
Net cash used in operating activities	(320)	(607)	(863)
Cash flows from investing activities			
Payments for purchases of property and equipment	(43)	(10)	(35)
Net cash used in investing activities	(43)	(10)	(35)
Cash flows from financing activities			
Advances on line of credit	50	-	450
Net cash provided by financing activities	50	-	450
Net decrease in cash, cash equivalents and restricted cash	(313)	(617)	(448)
Cash, cash equivalents and restricted cash, beginning of period	862	1,310	1,310
Cash, cash equivalents and restricted cash, end of period	549	693	862
Supplemental disclosures of cash flow information:			
Cash payments for interest	18	5	14
Cash payments for income taxes	3	1	3
Non-cash movements of inventory and fixed assets	9	25	288

The accompanying notes are an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. Nature of business and basis of presentation

Basis of presentation – These interim financial statements have been prepared using recognition and measurement principles of Generally Accepted Accounting Principles in the United States of America ('U.S. GAAP').

The interim financial statements for the six months ended 30 June 2026 and 2025 have not been audited.

Nature of business – MYCELX Technologies Corporation ('MYCELX' or the 'Company') was incorporated in the State of Georgia on 24 March 1994. The Company is headquartered in Norcross, Georgia with operations in Houston, Texas and the United Kingdom. The Company provides clean water technology equipment and related services to the oil and gas, power, marine and heavy manufacturing sectors and the majority of its revenue is derived from the United States.

2. Summary of significant accounting policies

Use of estimates – The preparation of financial statements in conformity with U.S. GAAP requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the amounts reported in the financial statements and accompanying notes. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised. The primary estimates and assumptions made by management relate to the inventory valuation, accounts receivable valuation, useful lives of property and equipment, volatility used in the valuation of the Company's share-based compensation and the valuation allowance on deferred tax assets. Although these estimates are based on management's best knowledge of current events and actions the Company may undertake in the future, actual results ultimately may differ from the estimates and the differences may be material to the financial statements.

Revenue recognition – The Company's revenue consists of filtration media product, equipment leases, professional services to operate the leased assets, turnkey operations and equipment sales. The Company recognises revenue in accordance with ASC 606, *Revenue from Contracts with* Customers, for consumable filtration media, equipment sales and services. Revenue from equipment leases is accounted for under ASC 942, Leases. These sales are based on mutually agreed upon pricing with the customer prior to the delivery of the media product and equipment. The Company recognises revenue when it satisfies a performance obligation by transferring control over a product or service to a customer.

Revenue from filtration media sales and spare parts (part of equipment sales) is billed and recognised when products are shipped to the customer. Revenue from equipment leases is recognised over time as the equipment is available for customer use and is typically billed monthly. Revenue from professional services provided to monitor and operate the equipment is recognised over time when the service is provided and is typically billed monthly. Revenue from turnkey projects whereby the Company is asked to manage the water filtration process end to end is recognised on a straight-line basis over time as the performance obligation, in the context of the contract, is a stand-ready obligation to filter all water provided. Revenue from contracts related to construction of equipment is recognised upon either factory acceptance testing or shipment of the equipment to the customer because the control transfers at acceptance or the point of shipment and there is no enforceable right to payments made as customer deposits prior to that date. Customer deposits for equipment sales represent payments made prior to

transferring control at the point of shipment that can be refunded at any time when requested by the customer. Contract liabilities represent milestone payments on large equipment sales.

Sales tax charged to customers is presented on a net basis within the Statements of Operations and therefore recorded as a reduction of net revenues. Shipping and handling costs associated with outbound freight after control over a product has transferred to a customer are accounted for as a fulfilment cost and are included in cost of goods sold.

The Company's contracts with the customers state the final terms of the sales, including the description, quantity, and price of media product, equipment (sale or lease) and the associated services to be provided. The Company's contracts are generally short-term in nature, and in most situations the Company provides products and services ahead of payment and has fulfilled the performance obligation prior to billing.

The Company believes the output method is a reasonable measure of progress for the satisfaction of its performance obligations that are satisfied over time, as it provides a faithful depiction of (1) performance toward complete satisfaction of the performance obligation under the contract and (2) the value transferred to the customer of the services performed under the contract. All other performance obligations are satisfied at a point in time upon transfer of control to the customer.

The Company's contracts with customers often include promises to transfer multiple products and services. Determining whether products and services are considered distinct performance obligations that should be accounted for separately versus together may require significant judgment. Judgment is required to determine stand-alone selling price ('SSP') for each distinct performance obligation. The Company develops observable SSP by reference to stand-alone sales for identical or similar items to similarly situated clients at prices within a sufficiently narrow range.

All equipment sold by the Company is covered by the original manufacturer's warranty. The Company does not offer an additional warranty and has no related obligations.

Unbilled accounts receivable represents revenue recognised in excess of amounts billed. Contract liability represents billings in excess of revenue recognised. Unbilled accounts receivable at 30 June 2026 and 2025, 31 December 2025 and 1 January 2025 was $nil, $nil, $nil and $1.2 million, respectively. Contract liability at 30 June 2026 and 2025, 31 December 2025 and 1 January 2025 was $2.7 million, $4.3 million, $0.5 million and $2.9 million, respectively.

Timing of revenue recognition for each of the periods and geographic regions presented is shown below:

	Equipment Leases, Turnkey Arrangements, and Services Recognised Over Time			**Consumable Filtration Media, Equipment Sales and Services Recognised at a Point in Time**		
(USD, in thousands)	30 June 2026	30 June 2025	31 December 2025	30 June 2026	30 June 2025	31 December 2025
Nigeria	-	-	-	-	74	6,569
Middle East	-	-	-	184	74	1,394
United States	-	-	-	1,568	1,044	2,455
Australia	-	-	-	39	150	280
Other	-	-	-	145	316	835
Total revenue recognised under ASC 606	-	-	-	1,936	1,584	11,533
Total revenue recognised under ASC 842	172	86	209	-	-	-

Total revenue	172	86	209	1,936	1,584	11,533

Contract costs – The Company capitalises certain contract costs such as costs to obtain contracts (direct sales commissions) and costs to fulfil contracts (upfront costs where the Company does not identify the set-up fees as a performance obligation). These contract assets are amortised over the period of benefit, which the Company has determined is customer life and averages one year.

During the six months ended 30 June 2026 and 2025, and the year ended 31 December 2025, the Company did not have any costs to obtain a contract and any costs to fulfil a contract were inconsequential.

Cash, cash equivalents and restricted cash – Cash and cash equivalents consist of short-term, highly liquid investments which are readily convertible into cash within ninety days of purchase. At 30 June 2026, all of the Company's cash, cash equivalent and restricted cash balances were held in checking and money market accounts. The Company maintains its cash in bank deposit accounts at U.S. institutions which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company classifies as restricted cash all cash whose use is limited by contractual provisions. At 30 June 2026 and 2025, and 31 December 2025, restricted cash included $50,000 in a money market account to secure the Company's corporate credit card.

Reconciliation of cash, cash equivalents and restricted cash at 30 June 2026 and 2025, and 31 December 2025:

	30 June 2026 *US$000*	30 June 2025 *US$000*	31 December 2025 *US$000*
Cash and cash equivalents	499	643	812
Restricted cash	50	50	50
Total cash, cash equivalents and restricted cash	549	693	862

Accounts receivable – Trade accounts receivable are stated at the amount management expects to collect from outstanding balances. The Company provides credit in the normal course of business to its customers and performs ongoing credit evaluations of those customers and maintains allowances for doubtful accounts, as necessary. Accounts are considered past due based on the contractual terms of the transaction. Credit losses, when realised, have been within the range of the Company's expectations and, historically, have not been significant. The Company measures its credit losses using a current expected credit loss model. The measurement of expected credit losses is based on relevant information about past events, including historical experience, current conditions and reasonable and supportable forecasts that affect the collectability of the reported amounts. The allowance for credit losses represents the Company's best estimate of probable future losses in the accounts receivable balance, primarily based on known troubled accounts, historical experience and other currently available evidence. Accounts receivable are written off against the allowance when the Company believes that the receivable will not be recovered. The allowance for doubtful accounts at 30 June 2026 and 2025, and 31 December 2025 was $nil, $83,000 and $nil, respectively.

Inventories – Inventories consist primarily of raw materials and filter media finished goods as well as equipment to house the filter media and are stated at the lower of cost or net realisable value.

Equipment that is in the process of being constructed for sale or lease to customers is also included in inventory (work-in-progress). The Company applies the Average Cost method to account for its inventory. Manufacturing work-in-progress and finished products inventory include all direct costs, such as labour and materials, and those indirect costs which are related to production, such as indirect labour, rents, supplies, repairs and depreciation costs. A valuation reserve is recorded for slow-moving or obsolete inventory items to reduce the cost of inventory to its net realisable value. The Company determines the valuation by evaluating expected future usage as compared to its past history of utilisation and future expectations of usage. The inventory reserve at 30 June 2026 and 2025, and 31 December 2025 was $249,000, $675,000 and $249,000, respectively. Changes to the inventory reserve are included in cost of goods sold. At 30 June 2026 and 2025, and 31 December 2025, the Company had REGEN-related inventory of 31 percent, 23 percent and 53 percent of the total inventory balance, respectively, which is in excess of the Company's current requirements based on the recent level of sales. The inventory is associated with efforts to expand into the Enhanced Oil Recovery and Beneficial Reuse markets that the Company has identified as large global markets.

Prepaid expenses and other current assets – Prepaid expenses and other current assets include non-trade receivables that are collectible in less than 12 months, security deposits on leased space and various prepaid amounts that will be charged to expenses within 12 months. Non-trade receivables that are collectible in 12 months or more are included in long-term assets.

Property and equipment – All property and equipment are valued at cost. Depreciation is computed using the straight-line method for reporting over the following useful lives:

Leasehold improvements	Lease period or 1-5 years (whichever is shorter)
Office equipment	3-10 years
Manufacturing equipment	5-15 years
Research and development equipment	5-10 years
Purchased software	Licensing period or 5 years (whichever is shorter)
Equipment leased to customers	5-10 years

Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalised. Expenditures for maintenance and repairs are charged to expense as incurred. Depreciation expense includes depreciation on equipment leased to customers and is included in cost of goods sold.

Intangible assets – Intangible assets consist of the costs incurred to purchase patent rights and legal and registration costs incurred to internally develop patents. Intangible assets are reported net of accumulated amortisation. Patents are amortised using the straight-line method over a period based on their contractual lives which approximates their estimated useful lives.

Impairment of long-lived assets – Long-lived assets to be held and used, including property and equipment and intangible assets with definite useful lives, are assessed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If the total of the expected undiscounted future cash flows is less than the carrying amount of the asset, a loss, if any, is recognised for the difference between the fair value and carrying value of the assets. Impairment analyses, when performed, are based on the Company's business and technology strategy, management's views of growth rates for the Company's business, anticipated future economic and regulatory conditions, and expected technological availability. For purposes of recognition and measurement, the Company groups its long-lived assets at the lowest level for which there are identifiable cash flows, which are largely independent of the cash flows of other assets and liabilities. No impairment charges were

recorded in the six months ended 30 June 2026 and 2025, and the year ended 31 December 2025.

Research and development costs – Research and development costs are expensed as incurred. Research and development expense for the six months ended 30 June 2026 and 2025, and the year ended 31 December 2025 was approximately $128,000, $105,000 and $203,000, respectively.

Advertising costs – The Company expenses advertising costs as incurred. Advertising expense for the six months ended 30 June 2026 and 2025, and the year ended 31 December 2025 was $nil, $25,000 and $46,000, respectively, and is recorded in selling, general and administrative expenses.

Income taxes – The provision for income taxes for interim and annual periods is determined using the asset and liability method, under which deferred tax assets and liabilities are calculated based on the temporary differences between the financial statement carrying amounts and income tax bases of assets and liabilities using currently enacted tax rates. The deferred tax assets are recorded net of a valuation allowance when, based on the weight of available evidence, it is more likely than not that some portion or all of the recorded deferred tax assets will not be realised in future periods. Decreases to the valuation allowance are recorded as reductions to the provision for income taxes and increases to the valuation allowance result in additional provision for income taxes. The realisation of the deferred tax assets, net of a valuation allowance, is primarily dependent on the ability to generate taxable income. A change in the Company's estimate of future taxable income may require an addition or reduction to the valuation allowance.

The benefit from an uncertain income tax position is not recognised if it has less than a 50 percent likelihood of being sustained upon audit by the relevant authority. For positions that are more than 50 percent likely to be sustained, the benefit is recognised at the largest amount that is more-likely-than-not to be sustained. Where a net operating loss carried forward, a similar tax loss or a tax credit carry forward exists, an unrecognised tax benefit is presented as a reduction to a deferred tax asset. Otherwise, the Company classifies its obligations for uncertain tax positions as other non-current liabilities unless expected to be paid within one year. Liabilities expected to be paid within one year are included in the accrued expenses account.

The Company recognises interest accrued related to tax in interest expense and penalties in selling, general and administrative expenses. During the six months ending 30 June 2026 and 2025, and the year ended 31 December 2025 the Company recognised no interest or penalties.

Earnings per share – Basic earnings per share is computed using the weighted average number of common shares outstanding during the period. Diluted earnings per share is computed using the weighted average number of common and potentially dilutive shares outstanding during the period. Potentially dilutive shares consist of the incremental common shares issuable upon conversion of the exercise of common stock options. Potentially dilutive shares are excluded from the computation if their effect is anti-dilutive. Total common stock equivalents consisting of unexercised stock options that were excluded from computing diluted net loss per share were approximately 1,492,267 for the six months ended 30 June 2026 and there were no adjustments to net income available to stockholders as recorded on the Statement of Operations.

The following table sets forth the components used in the computation of basic and diluted net (loss) profit per share for the periods indicated:

	30 June 2026	30 June 2025	31 December 2025

Basic weighted average outstanding shares of common stock	24,363,814	24,363,814	24,363,814
Effect of potentially dilutive stock options	-	-	1,453,151
Diluted weighted average outstanding shares of common stock	24,363,814	24,363,814	25,816,965
Anti-dilutive shares of common stock excluded from diluted weighted average shares of common stock	1,492,267	1,400,046	1,478,718

Fair value of financial instruments – The Company uses the framework in ASC 820, Fair Value Measurements, to determine the fair value of its financial assets. ASC 820 establishes a fair value hierarchy that prioritises the inputs to valuation techniques used to measure fair value and expands financial statement disclosures about fair value measurements.

The hierarchy established by ASC 820 gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under ASC 820 are described below:

- **Level 1**: Unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.

- **Level 2**: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

- **Level 3**: Unobservable inputs for the asset or liability.

There were no transfers into or out of each level of the fair value hierarchy for assets measured at the fair value for the six months ended 30 June 2026 and 2025, and the year ended 31 December 2025.

All transfers are recognised by the Company at the end of each reporting period.

Transfers between Levels 1 and 2 generally relate to whether a market becomes active or inactive. Transfers between Levels 2 and 3 generally relate to whether significant relevant observable inputs are available for the fair value measurement in their entirety.

The Company's financial instruments as of 30 June 2026 and 2025, and 31 December 2025 include cash and cash equivalents, restricted cash, accounts receivable and accounts payable. The carrying values of cash and cash equivalents, restricted cash, accounts receivable and accounts payable approximate fair value due to the short-term nature of those assets and liabilities.

Foreign currency transactions – From time to time the Company transacts business in foreign currencies (currencies other than the United States Dollar). These transactions are recorded at the rates of exchange prevailing on the dates of the transactions. Foreign currency transaction gains or losses are included in selling, general and administrative expenses.

Stock compensation – The Company issues equity-settled share-based awards to certain employees, which are measured at fair value at the date of grant. The fair value determined at

the grant date is expensed, based on the Company's estimate of shares that will eventually vest, on a straight-line basis over the vesting period. Fair value for the share awards representing equity interests identical to those associated with shares traded in the open market is determined using the market price at the date of grant. Fair value is measured by use of the Black Scholes valuation model (see Note 10).

Recently issued accounting standards – In November 2024, the FASB issued ASU 2024-03, *Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*, to improve the disclosures by requiring more detailed information about the types of expenses (including purchases of inventory, employee compensation, depreciation and amortisation) in commonly presented expense captions (such as cost of sales, SG&A, and research and development). In January 2025, the FASB issued 2025-01, *Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40)*, to modify the effective date previously stated in ASU 2024-03 to clarify that all public business entities are required to adopt the guidance in annual reporting periods beginning after 15 December 2026. Early adoption is permitted. We are currently evaluating the impact that adopting ASU 2024-03 would have on our financial statements and will adhere to the clarified effective date in ASU 2025-01 if implementation is necessary.

Recent accounting pronouncements pending adoption not discussed above are either not applicable or are not expected to have a material impact on the Company.

3. Accounts receivable

Accounts receivable and their respective allowance amounts at 30 June 2026 and 2025, and 31 December 2025:

	30 June 2026 *US$000*	30 June 2025 *US$000*	31 December 2025 *US$000*
Accounts receivable	2,484	1,407	3,183
Less: allowance for doubtful accounts	-	(83)	-
Total receivable - net	2,484	1,324	3,183

4. Inventories

Inventories consist of the following at 30 June 2026 and 2025, and 31 December 2025:

	30 June 2026 *US$000*	30 June 2025 *US$000*	31 December 2025 *US$000*
Raw materials	997	1,020	850
Work-in-progress	1,446	3,180	52
Finished goods	1,197	1,262	1,345
Total inventory	3,641	5,462	2,247

5. Property and equipment

Property and equipment consist of the following at 30 June 2026 and 2025, and 31 December 2025:

	30 June 2026 *US$000*	30 June 2025 *US$000*	31 December 2025 *US$000*
Leasehold improvements	530	530	530
Office equipment	621	616	616
Manufacturing equipment	743	709	709
Research and development equipment	427	427	427
Purchased software	211	207	207
Equipment leased to customers	2,123	1,844	2,132
	4,655	4,333	4,621
Less: accumulated depreciation	(3,712)	(3,464)	(3,587)
Property and equipment – net	943	869	1,034

During the six months ended 30 June 2026 and 2025, and the year ended 31 December 2025, the Company removed property, plant and equipment and the associated accumulated depreciation of approximately $9,000, $nil million and $nil, respectively, to reflect the disposal of property, plant and equipment.

Depreciation expense for the six months ended 30 June 2026 and 2025, and the year ended 31 December 2025 was approximately $125,000, $121,000 and $244,000, respectively, and includes depreciation on equipment leased to customers. Depreciation expense on equipment leased to customers included in cost of goods sold for the six months ended 30 June 2026 and 2025, and the year ended 31 December 2025 was $57,000, $47,000 and $102,000, respectively.

6. Intangible assets

During 2009, the Company entered into a patent rights purchase agreement. The patent is amortised utilising the straight-line method over a useful life of 17 years which represents the legal life of the patent from inception. Accumulated amortisation on the patent was approximately $99,000, $92,000 and $96,000 as of 30 June 2026 and 2025, and 31 December 2025, respectively.

In January 2023, the Company entered into a patent rights purchase agreement. The patents are amortised utilising the straight-line method over useful lives of 13 and 14.75 years which represent the remaining legal life of the patents on the date of purchase. Accumulated amortisation on the patents was approximately $13,000, $9,000 and $11,000 as of 30 June 2026 and 2025, and 31 December 2025, respectively.

In addition to the purchased patents, the Company has internally developed patents. Internally developed patents include legal and registration costs incurred to obtain the respective patents. The Company currently holds various patents and numerous pending patent applications in the United States, as well as numerous foreign jurisdictions outside of the United States. In the six months ended 30 June 2026, there was no new expense for internally developed patents and fees on patents in progress.

Intangible assets as of 30 June 2026 and 2025, and 31 December 2025 consist of the following:

	Weighted Average Useful lives	30 June 2026 *US$000*	30 June 2025 *US$000*	31 December 2025 *US$000*
Internally developed patents	15 years	1,389	1,529	1,389
Purchased patents	17 years	150	150	150
		1,539	1,679	1,539
Less accumulated amortisation – internally developed patents		(969)	(909)	(939)
Less accumulated amortisation – purchased patents		(112)	(101)	(107)
Intangible assets – net		458	669	493

At 30 June 2026, internally developed patents include approximately $34,000 for costs accumulated for patents that have not yet been issued and are not depreciating.

Approximate aggregate future amortisation expense is as follows:

Year ending 31 December (USD, in thousands)	
2026	35
2027	63
2028	56
2029	51
2030	44
Thereafter	177

Amortisation expense for the six months ended 30 June 2026 and 2025, and the year ended 31 December 2025 was approximately $35,000, $35,000 and $71,000, respectively.

7. Income taxes

The components of income taxes shown in the Statements of Operations are as follows:

	30 June 2026 *US$000*	30 June 2025 *US$000*	31 December 2025 *US$000*
Current:			
Federal	-	-	-
Foreign	-	-	-
State	3	1	3
Total current provision	3	1	3
Deferred:			
Federal	-	-	-
Foreign	-	-	-
State	-	-	-
Total deferred provision	-	-	-
Total provision for income taxes	3	1	3

The provision for income tax varies from the amount computed by applying the statutory corporate federal tax rate of 21 percent, primarily due to the effect of certain non-deductible expenses and changes in valuation allowances.

A reconciliation of the differences between the effective tax rate and the federal statutory tax rate is as follows:

	30 June 2026	30 June 2025	31 December 2025
Federal statutory income tax rate	21.0%	21.0%	21.0%
State tax rate, net of federal benefit	0.2%	0.7%	28.5%
Valuation allowance	(21.1%)	(21.7%)	(47.7%)
Other	0.1%	(0.1%)	(0.8%)
Effective income tax rate	0.2%	(0.1%)	1.0%

The significant components of deferred income taxes included in the balance sheets are as follows:

	30 June 2026 *US$000*	30 June 2025 *US$000*	31 December 2025 *US$000*
Deferred tax assets			
Net operating loss	7,401	8,231	7,709
Equity compensation	138	125	132
Research and development credits	91	91	91
Right of use liability	134	233	176
Inventory valuation reserve	54	147	54
Other	9	54	9
Total gross deferred tax asset	7,827	8,881	8,171
Deferred tax liabilities			
Property and equipment	(245)	(323)	(245)
Right of use asset	(126)	(223)	(167)
Total gross deferred tax liability	(371)	(546)	(412)
Net deferred tax asset before valuation allowance	7,456	8,335	7,759
Valuation allowance	(7,456)	(8,335)	(7,759)
Net deferred tax asset (liability)	-	-	-

Deferred tax assets and liabilities are recorded based on the difference between an asset or liability's financial statement value and its tax reporting value using enacted rates in effect for the year in which the differences are expected to reverse, and for other temporary differences as defined by ASC-740, Income Taxes. At 30 June 2026 and 2025 and 31 December 2025, the Company has recorded a valuation allowance of $7.5 million, $8.3 million and $7.8 million, respectively, a change of $300,000, $415,000 and $160,000 for each period, for which it is more likely than not that the Company will not receive future tax benefits due to the uncertainty regarding the realisation of such deferred tax assets.

As of 30 June 2026, the Company has approximately $34.6 million of gross U.S. federal net operating loss carry forwards and $2.0 million of gross state net operating loss carry forwards that will begin to expire in the 2026 tax year and will continue through 2044 when the current year net operating losses will expire. As of 30 June 2025, the Company had approximately $38.1 million of gross U.S. federal net operating loss carry forwards and $3.6 million of gross state net operating loss carry forwards and at 31 December 2025, the Company had approximately $36.1 million of gross U.S. federal net operating loss carry forwards and $2.0 million of gross state net operating loss carry forwards.

On 4 July 2025, the One Big Beautiful Act ('OBBBA') was signed into law in the U.S., which contains a broad range of tax provisions. The Company has evaluated the provisions and does not expect the adoption or implementation of OBBBA to have a material impact on its consolidated financial statements, including its effective tax rate. The Company does not anticipate that OBBBA will result in any additional tax credits, deductions, or other tax-related differences. Accordingly, the Company does not expect OBBBA to have a material impact on its overall tax position.

The Company's tax years 2021 through 2025 remain subject to examination by federal, state and foreign income tax jurisdictions. However, net operating losses that were generated in previous years may still be adjusted by the Internal Revenue Service if they are used in a future period.

8. Line of Credit

In August 2025, the Company entered into a bank line of credit with TriState Capital Bank that allows for borrowings up to $500,000. The line of credit is revolving and is payable on demand. The line of credit is secured by a security interest in a brokerage account held by Connie Mixon, CEO and Director. Borrowings bear interest at a rate per annum equal to (a) the Term SOFR Reference Rate, a forward-looking term rate based on SOFR, for a period of one month plus (b) the Term SOFR Adjustment, which is defined as a percentage equal to 0.11448 percent per annum. 'SOFR' means a rate equal to the secured overnight financing rate as administered by the Federal Reserve Bank of New York. The balance on the line of credit at 30 June 2026 and 31 December 2025 was $500,000 and $450,000, respectively. The interest rate on 30 June 2026 and 31 December 2025 was 5.23576 percent and 5.3728 percent, respectively. Interest expense related to this loan for the six months ended 30 June 2026 and the year ended 31 December 2025 was $12,000 and $5,000, respectively.

9. Stock compensation

In July 2011, the Company's shareholders approved the Conversion Shares and the Directors' Shares, as well as the Plan Shares and Omnibus Performance Incentive Plan ('Plan'). This included the termination of all outstanding stock incentive plans, cancellation of all outstanding stock incentive agreements, and the awarding of stock incentives to Directors and certain employees and consultants. The Company established the Plan to attract and retain Directors, officers, employees and consultants. The Company reserved an amount equal to 10 percent of the Common Shares issued and outstanding immediately following its public offering.

Upon the issuance of these shares, an award of share options was made to the Directors and certain employees and consultants, and a single award of restricted shares was made to a former Chief Financial Officer. In addition, additional stock options were awarded in each year subsequent. The awards of stock options and restricted shares made upon issuance were in respect of 85 percent of the Common Shares available under the Plan, equivalent to 8.5 percent of the Public Offering.

In July 2019, the Company's shareholders approved the extension of the Plan to 2029 and the increase in the possible number of shares to be awarded pursuant to the Plan to 15 percent of the Company's issued capital at the date of any award. The total number of shares reserved for stock options under this Plan is 3,654,572 with 1,483,000 shares allocated as of 30 June 2026. The shares are all allocated to employees, executives and consultants.

Any options granted to Non-Executive Directors, unless otherwise agreed, vest contingent on continuing service with the Company at the vesting date and compliance with the covenants applicable to such service.

Employee options vest over three years with a third vesting ratably each year, partially on issuance and partially over the following 24-month period, or if there is a change in control, and expire on the tenth anniversary date the option vests. Vesting accelerates in the event of a change of control. Options granted to Non-Executive Directors, Consultants and one Executive vest partially on issuance and will vest partially one to two years later. The remaining Non-Executive Director options expired at the end of 2016 on the five-year anniversary date of the grant.

As discussed in Note 2, the Company uses the Black Scholes valuation model to measure the fair value of options granted. The Company's expected volatility is calculated as the historical volatility of the Company's stock over a period equal to the expected term of the awards. The expected terms of options are calculated using the weighted average vesting period and the contractual term of the options. The risk-free interest rate is based on a blended average yield of two- and five-year United States Treasury Bills at the time of grant. The assumptions used in the Black Scholes option pricing model for options granted in 2026 and 2025 were as follows:

	Number of Options Granted	Grant Date	Risk-Free Interest Rate	Expected Term	Volatility	Exercise Price	Fair Value Per Option
2025	200,000	09/04/2025	4.04%	5.75 years	62%	$0.31	$0.19

The Company assumes a dividend yield of 0.0%.

The following table summarises the Company's stock option activity for the six months ended 30 June 2026:

Stock Options	Shares	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (in years)	Average Grant Date Fair Value
Outstanding at 31 December 2025	1,495,000	$0.65	5.8	$0.42
Granted	-			
Forfeited	(12,000)	$2.15		
Outstanding at 30 June 2026	1,483,000	$0.64	5.8	$0.41
Exercisable at 30 June 2026	1,299,666	$0.82	5.5	

The total intrinsic value of the stock options exercised during the six months ended 30 June 2026 and 2025, and 31 December 2025 was $nil.

A summary of the status of unvested options as of 30 June 2026 and changes during the six months ended 30 June 2025 is presented below:

Unvested Options	Shares	Weighted-Average Fair Value at Grant Date
Unvested at 31 December 2025	191,667	$0.28
Vested	(8,333)	$0.64
Unvested at 30 June 2026	183,334	$0.27

As of 30 June 2026, total unrecognised compensation cost of $32,000 was related to unvested share-based compensation arrangements awarded under the Plan.

Total stock compensation expense for the six months ended 30 June 2026 and 2025, and 31 December 2025 was approximately $28,000, $27,000 and $62,000, respectively.

10. Commitments and contingencies

Operating leases – As of 30 June 2026, the Operating Lease ROU Asset has a balance of $579,000, net of accumulated amortisation of $1,239,000 and an Operating Lease Liability of $616,000, which are included in the accompanying balance sheet. The weighted-average discount rate used for leases is 5.25 percent, which is based on the Company's secured incremental borrowing rate.

The Company's lease arrangements are in relation to two property leases for office and warehouse space. The Company's leases do not include any options to renew that are reasonably certain to be exercised. The Company's leases mature at various dates through March 2027 and have a weighted average remaining life of 2.16 years.

Future maturities under the Operating Lease Liability are as follows for the years ended 31 December:

(USD, in thousands)	Future Lease Payments
2026	218
2027	220
2028	151
2029	64
Total future maturities	653
Portion representing interest	(37)
	616

Total lease expense for the six months ended 30 June 2026 and 2025, and the year ended 31 December 2025 was approximately $205,000, $216,000 and $411,000, respectively.

Total cash paid for leases for the six months ended 30 June 2026 and 2025, and the year ended 31 December 2025 was $214,000, $216,000 and $416,000, respectively, and is part of prepaid operating leases on the Statements of Cash Flows.

The Company has elected to apply the short-term lease exception to all leases of one year or less and is not separating lease and non-lease components when evaluating leases. Total costs associated with short-term leases was $21,000, $19,000 and $32,000 for the six months ended 30 June 2026 and 2025, and 31 December 2025, respectively.

Legal – From time to time, the Company is a party to certain legal proceedings arising in the ordinary course of business. In the opinion of management, there are no current legal proceedings or other claims outstanding which could have a material adverse effect on the results of operations or financial position of the Company.

11. Related party transactions

The Company has held a patent rights purchase agreement since 2009 with a Director, who is also a shareholder, as described in Note 6 and has a bank line of credit secured by Connie Mixon, CEO and Director, as described in Note 8.

12. Segment and geographic information

ASC 280-10, Disclosures About Segments of an Enterprise and Related Information, establishes standards for reporting information about operating segments. ASC 280-10 requires that the Company report financial and descriptive information about its reportable operating segments. Operating segments are components of an enterprise for which separate financial information is available that is evaluated regularly by the chief operating decision maker ('CODM') in deciding how to allocate resources and in assessing performance. The Company's CODM is the Chief Executive Officer ('CEO'). While the CEO is apprised of a variety of financial metrics and information, the business is principally managed on an aggregate basis as of 30 June 2026. The CODM, or CEO, uses net income to evaluate income generated from the Company's assets (return on assets) in deciding whether to reinvest profits into further business development activities or to pay dividends. Net income is also used by the CEO to monitor overall budget versus actual results. The CEO is regularly provided with only the consolidated expenses as noted on the face of the income statement. For the six months ended 30 June 2026, all of the Company's assets were in the United States ('U.S.') and the Company's revenues were generated primarily in the U.S. Additionally, the majority of the Company's expenditures and personnel either directly supported its efforts in the U.S. or cannot be specifically attributed to a geography. Therefore, the Company has only one reportable operating segment.

Revenue from customers by geography is as follows:

(USD, in thousands)	Six months ended 30 June 2026	Six months ended 30 June 2025	Year ended 31 December 2025
Nigeria	-	-	6,569
United States	1,740	1,131	2,657
Middle East	184	-	1,401
Australia	39	151	280
Other	145	388	835
Total	2,108	1,670	11,742

13. Concentrations

At 30 June 2026, four customers represented 84 percent of accounts receivable, including 22 and 23 percent from two customers. During the six months ended 30 June 2026, the Company received 74 percent of its gross revenue from six customers, including 37 percent from a single customer.

At 30 June 2025, four customers represented 82 percent of accounts receivable, including 64 percent from a single customer. During the six months ended 30 June 2025, the Company received 62 percent of its gross revenue from five customers, including 33 percent from a single customer.

At 31 December 2025, four customers represented 92 percent of accounts receivable, including 52 percent from a single customer. During the year ended 31 December 2025, the Company received 84 percent of its gross revenue from five customers, including 56 percent from a single customer.

14. Gain on sale of Saudi Arabia business operations

On 29 February 2024, the Company sold its Saudi Arabia branch assets, including equipment and inventory, for an acquisition price of up to $7.125 million (the 'Total Consideration') to Twarid Water Treatment LLC ('Twarid'). The Total Consideration was split $3.125 million paid at closing with up to $4 million deferred on a 24 month earn-out structure based on Twarid achieving defined revenue targets. The assets sold had a net book value of $2.2 million. The Company initially recognised a gain of $838,000 from the sale of fixed assets and operating profit of $100,000 from the sale of inventory. The Company recognised an additional gain of $1.1 million related to the earn-out for the period ended 31 December 2024 and $159,000 for January and February 2025. Twarid did not achieve the revenue target in the second year earn-out period. Therefore, the Company did not recognise any gain for the period from March 2025 to February 2026. The proceeds of the sale enabled the Company to focus on accelerating its marketing and sales plan for its unique technologies while continuing to grow its propriety media and product sales in Saudi Arabia through an exclusive distribution agreement with Twarid.

15. Subsequent events

The Company discloses material events that occur after the balance sheet date but before the financials are issued. In general, these events are recognised in the financial statements if the conditions existed at the date of the balance sheet but are not recognised if the conditions did not exist at the balance sheet date. Management has evaluated subsequent events through 10 September 2026, the date the interim results were available to be issued, and no events have occurred which require further disclosure.