

LiqTech International Announces First Quarter 2025 Financial Results

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BALLERUP, Denmark, May 14, 2025 /PRNewswire/ -- LiqTech International, Inc. (Nasdaq: LIQT) ("LiqTech"), a clean technology company that manufactures and markets highly specialized filtration technologies, today announced its financial results for the first quarter of 2025 for the period ended March 31, 2025.

Recent Financial Highlights

- Q1 2025 revenue of \$4.6 million, a sequential increase of 36% from \$3.4 million in Q4 2024, and a 9% increase from \$4.2 million in Q1 2024.
- Q1 2025 net loss of \$(2.4) million compared to \$(2.4) million in Q1 2024.
- Ending cash balance of \$10.4 million on March 31, 2025.

Outlook

- The Company expects Q2 2025 revenue to be between \$4.8 million and \$5.2 million which would equate to a 4% to 13% sequential increase from Q1 2025, and a 7% to 16% year-over-year improvement from Q2 2024.

Recent Operational Highlights

- Shipped a record commercial order from Razorback Direct for LiqTech's PureFlow™ mobile units for the North American energy sector. The order was delivered in Q1 2025 and contributed to the strong sequential quarterly growth.
- Joint venture with Jiangsu JiTRI Marine Equipment Co., Ltd. ("JiTRI") to develop and sell silicon carbide ceramic membrane-based water treatment system for marine ships in China had official opening ceremony on April 14, 2025. Two new marine scrubber orders were received as the result of Joint Venture establishment. These two systems will be delivered in Q4 2025 and Q1 2026, respectively. Further, a new China-based framework agreement was entered into for aftersales support recently.
- Multiple pilot units are currently operational across a variety of addressable end markets, including for lithium brine production pretreatment in the U.S. and a unit with one of the world's leading integrated energy companies for oil and gas water treatment. Both rental-based agreements have recently been extended with expanded scopes contributing to expected revenue growth in Q2 2025.
- Two swimming pool systems delivered during Q1 2025 with three additional orders received over the past few weeks expected to contribute to planned revenue growth in Q2 2025.
- David Kowalczyk was appointed Chief Financial and Operating Officer, effective March 1, 2025.

Management Commentary

"We successfully delivered a record commercial order for our PureFlow™ Mobile Units to the oil and gas industry during the first quarter of 2025 helping drive strong 36% sequential revenue growth. This order was a key milestone for LiqTech that further validates how our highly specialized filtrations solutions can benefit the global energy industry," commented Fei Chen, CEO of LiqTech. "As we enter the second quarter and remainder of 2025, we have multiple pilot and commercial projects underway that leverage our proprietary technology to address some of the most demanding environments, such as lithium brine production, positioning us to build upon the recent momentum we have gained."

"We also made significant progress with our China joint venture. Following the official grand opening in mid-April 2025, we received two marine scrubber orders scheduled for delivery over the next 12 months and entered into a new framework agreement for aftersales support which has already gained traction. With the global ship building market and numerous retrofits applications move towards cleaner fuel applications, China, with its strong global position, is expected to be a strong growth market for our solutions in the years to come."

"Our guidance for the second quarter is based on good sales development across a variety of our key products and market verticals and less dependent on any single larger system order. Beyond our pilot unit rental expansions, we are seeing a ramp up in DPF order intakes, an increase in swimming pool systems order, and growth in our plastics, all of which are expected to drive further revenue growth. With improved manufacturing utilization that should drive improved gross margins, and the full effect of our recent cost saving initiatives implemented, we are expected to further improve our profitability metrics," Chen concluded.

Q1 2025 Financial Results

Revenue for the quarter ended March 31, 2025, was \$4.6 million compared to \$4.2 million for the same period in 2024, representing an increase of 9.0%. Sequentially, revenue increased 36% compared to \$3.4 million in the fourth quarter of 2024. The favorable change was attributable to an increase in liquid filtration systems, specifically a full-scale system delivery to the U.S., increased sales of plastics products and on par aftermarket sales, partly offset by a decrease in deliveries of ceramic membranes and DPFs. The Company believes that the decrease in sales of ceramic membranes and DPFs reflects temporary market conditions, with customers awaiting potential interest rate cuts.

Gross profit for the quarter ended March 31, 2025, was \$0.1 million, reflecting a gross profit margin of 2.7%, compared to \$0.3 million, or a gross profit margin of 6.4% in the same period of 2024. This decline was primarily driven by low margin on the full-scale liquid filtration system to the U.S., due to the first time manufacturing and development cost of the full scale system, furthermore, impacted by underutilization of our manufacturing capacity as a direct result of the slower sales in ceramic membranes and DPFs. This impact was partly offset by lower depreciation expenses. Included in the gross profit was depreciation of \$1.4 million and \$2.1 million for the three months ended March 31, 2025, and 2024, respectively.

Total operating expenses for the quarter ended March 31, 2025, were \$2.3 on par with the same period in 2024.

Selling expenses increase due to a reversal of bonus accruals in 2023 and due to cost associated with the newly formed joint venture Nantong JiTRI LiqTech Green Energy Technology Co., Ltd. The increase was partially offset by decreased bad debt and depreciations.

General and administrative expenses were \$1.4 million during the first quarter of 2025 compared to \$1.5 million in the same period of 2024. The decrease was mainly attributable to non-recurring cost in the comparable period related to recruitment expenses associated with the CFO transition.

Research and development expenses for the three months ended March 31, 2025 were \$0.2 million compared to \$0.3 million for the same period in 2024. The decrease was primarily attributed to a reduction in average number of employees engaged in research and development activity as the Company streamlined and

centralized the R&D function, partially offset by increased patent costs.

Total Other expense for the quarter ended March 31, 2025, was \$0.2 million compared to \$0.4 million for the comparable period in 2024, representing decreased expense of \$0.2 million, or 51.4%. The change was primarily attributable to significant losses on disposal of property and equipment in the comparing period, partially offset by less gain on currency transactions for the three months ended March 31, 2025 as well as increased debt discount amortization due to the extension of the maturity date for the senior promissory notes.

Net loss for the quarter ended March 31, 2025 was \$(2.4) million, compared to \$(2.4) million in the prior year.

Cash on hand (including restricted cash) on March 31, 2025 was \$10.4 million.

Conference Call Details

Date and Time: Wednesday, May 14, 2025, at 9:00 a.m. Eastern time

Call-in Information: Interested parties can access the conference call by dialing (833) 535-2206 or (412) 902-6741.

Webcast: Interested parties can access the conference call via a live webcast, which is available in the Investor Relations section of the Company's website at <https://www.liqtech.com/investor-relations/> or at <https://app.webinar.net/roA9QlO420D>.

Replay: A teleconference replay of the call will be available for seven days, at (877) 344-7529 or (412) 317-0088, replay access code 9014836. A webcast replay will be available at <https://app.webinar.net/roA9QlO420D>.

About LiqTech International Inc.

LiqTech International, Inc., a Nevada corporation, is a high-tech filtration technology company that provides state-of-the-art ceramic silicon carbide filtration technologies for gas and liquid purification. LiqTech's silicon carbide membranes are designed to be used in the most challenging purification applications, and its silicon carbide filters are used to control diesel exhaust soot emissions. Using nanotechnology, LiqTech develops products using its proprietary silicon carbide technology, resulting in a wide range of component membranes, membrane systems, and filters for both microfiltration and ultrafiltration applications. By incorporating LiqTech's SiC liquid membrane technology with the Company's extensive systems design experience and capabilities, LiqTech offers unique, modular designed filtration solutions for the most difficult water purification applications.

For more information, please visit www.liqtech.com

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Forward-Looking Statement

This press release contains "forward-looking statements." Although the forward-looking statements in this release reflect the good faith judgment of management, forward-looking statements are inherently subject to known and unknown risks and uncertainties that may cause actual results to be materially different from those discussed in these forward-looking statements. Readers are urged to carefully review and consider the various disclosures made by us in the reports filed with the Securities and Exchange Commission, including the risk factors that attempt to advise interested parties of the risks that may affect our business, financial condition, results of

operation, and cash flows. If one or more of these risks or uncertainties materialize, or if the underlying assumptions prove incorrect, our actual results may vary materially from those expected or projected. Readers are urged not to place undue reliance on these forward-looking statements, which speak only as of the date of this release.

We assume no obligation to update any forward-looking statements to reflect any event or circumstance that may arise after the date of this release.

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LIQTECH INTERNATIONAL, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

	March 31, 2025	December 31, 2024
	(Unaudited)	
Assets		
Current Assets:		
Cash and restricted cash	\$ 10,447,432	\$ 10,868,728
Accounts receivable, net	3,440,023	2,396,056
Inventories, net	5,714,955	5,541,192
Contract assets	850,986	1,666,698
Prepaid expenses and other current assets	459,619	168,443
Total Current Assets	20,913,015	20,641,117
Non-Current Assets:		
Property and equipment, net	6,451,419	6,618,822
Operating lease right-of-use assets	4,469,577	4,450,822
Deposits and other assets	469,447	456,658
Intangible assets, net	38,885	39,367
Goodwill	228,495	220,693
Total Non-Current Assets	11,657,823	11,786,362

Total Assets \$ 32,570,838 \$ 32,427,479

LIQTECH INTERNATIONAL, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS (CONTINUED)

	March 31, 2025 (Unaudited)	December 31, 2024
Liabilities and Stockholders' Equity		
Current Liabilities:		
Accounts payable	\$ 1,759,043	\$ 1,300,966
Accrued expenses	2,554,524	2,491,479
Current portion of finance lease liabilities	486,220	458,347
Current portion of operating lease liabilities	569,436	544,197
Contract liabilities	138,810	109,319
 Total Current Liabilities	 5,508,033	 4,904,308
Non-Current Liabilities:		
Deferred tax liability	59,660	57,960
Finance lease liabilities, net of current portion	1,665,330	1,600,931
Operating lease liabilities, net of current portion	3,900,142	3,906,625
Loan from related party, net of current portion	1,120,044	-
Notes payable, net	5,251,593	5,303,563
 Total Non-Current Liabilities	 11,996,769	 10,869,079
 Total Liabilities	 17,504,802	 15,773,387
Stockholders' Equity:		
Preferred stock; par value \$0.001, 2,500,000 shares authorized, 0 shares issued and outstanding at March 31, 2025 and December 31, 2024, respectively	-	-
Common stock; par value \$0.001, 50,000,000 shares authorized and 9,606,024 and 9,475,443 shares issued and outstanding at March 31, 2025 and December 31, 2024, respectively	9,606	9,475

Additional paid-in capital	109,682,187	109,274,166
Accumulated deficit	(88,618,830)	(86,267,438)
Accumulated other comprehensive loss	(6,013,765)	(6,362,111)
Total Stockholders' Equity	15,059,198	16,654,092
Noncontrolling Interest	6,838	-
Total Equity	15,066,036	16,654,092
Total Liabilities and Equity	\$ 32,570,838	\$ 32,427,479

LIQTECH INTERNATIONAL, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

	For the Three Months Ended	
	March 31,	
	2025	2024
Revenue	\$ 4,617,541	\$ 4,235,344
Cost of goods sold	4,492,485	3,964,242
Gross Profit	125,056	271,102
Operating Expenses:		
Selling expenses	718,016	517,579
General and administrative expenses	1,362,246	1,544,731
Research and development expenses	230,123	254,812
Total Operating Expenses	2,310,385	2,317,122
Loss from Operations	(2,185,329)	(2,046,020)
Other Income (Expense):		
Interest and other income	68,751	69,086
Interest expense	(48,283)	(71,719)
Amortization of debt discount	(168,030)	(146,040)
Gain (loss) on foreign currency transactions	35,516	255,536
Gain (loss) on disposal of property and equipment	(61,306)	(463,577)

Total Other Expense	(173,352)	(356,714)
Loss Before Income Taxes	(2,358,681)	(2,402,734)
Income tax benefit	(339)	(14,439)
Net Loss	\$ (2,358,342)	\$ (2,388,295)
Net Loss attributable to noncontrolling interest	(6,950)	-
Net Loss attributable to LiqTech International, Inc.	(2,351,392)	(2,388,295)
Loss Per Common Share – Basic and Diluted	\$ (0.25)	\$ (0.41)
Weighted-Average Common Shares Outstanding – Basic and Diluted	9,602,354	5,804,702

SOURCE LiqTech International, Inc.

Latest releases

May. 13, 2026

LiqTech International Announces First Quarter 2026 Financial Results

May. 06, 2026

LiqTech to Discuss First Quarter 2026 Results on Wednesday, May 13, 2026

May. 05, 2026

LiqTech Secures New Record Order for 10 QlariFlow™ Systems for Australian Commercial Pool Project

Apr. 28, 2026

LiqTech Expands Commercial Pool Business Through Strategic Partnership with Lotec and Secures Largest QlariFlow™ Pool Project to Date

Mar. 23, 2026

LiqTech Secures First U.S. Commercial Pool Order for Three QlariFlow™ Systems