

## BioLargo, Inc.

*Company Description:*

BioLargo, Inc. invents, develops, and commercializes innovative platform technologies to solve challenging environmental problems like PFAS contamination, advanced water and wastewater treatment, industrial odor and VOC control, air quality control, and infection control.

### 1Q26 Has Initial Revenue From Clyra. Meaningful News Starting To Show Strategic Positioning For BLGO Tech Portfolio. Affirm Buy Rating And \$0.32 PT.

#### Key Points

#### Financial Summary

All figures USD\$

Rev \$mil	2024	2025	2026E
Mar	\$4.8	\$3.3	\$1.1
Jun	\$5.0	\$2.8	\$1.3 E
Sep	\$4.4	\$1.1	\$1.4 E
Dec	\$3.7	\$0.6	\$1.5 E
FY	\$17.8	\$7.8	\$5.3 E
P/Sales	2.2x	4.9x	7.3x E

EPS \$	2024	2025	2026E
Mar	(0.00)	(0.01)	(0.01)
Jun	(0.00)	(0.01)	(0.01) E
Sep	(0.00)	(0.02)	(0.01) E
Dec	(0.01)	(0.01)	(0.01) E
FY	(0.01)	(0.05)	(0.04) E
P/E	NM	NM	NM

Adj. EBITDA	(\$1.7M)	(\$7.2M)	(\$11.3M) E
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Price:	\$0.12
52-Week Range:	\$0.23 - \$0.12
Target:	\$0.32
Rating:	BUY
Shares Outstanding:	320.9 mil
Mkt. Capitalization:	\$38.5 mil
Ave. 3M Daily Volume:	244,559
Inst. Ownership:	0.04%
BV / Share:	\$0.01
Debt / Tot. Cap.:	70.6%
Est. LT EPS Growth:	15%

One-Year Performance Chart



**1Q26 Results:** Revenues were \$1.1M, compared to \$637K in 4Q25 and \$3.3M in the year ago quarter. These results continue to reflect the absence of any Pooph sales with the brand still in the litigious process. On a positive note, the quarter included the first stocking order to Advanced Solution within the Clyra Medical segment. The net loss was \$2.3M, or a loss of \$0.01 per share, compared to a net loss of \$1.2M, or a loss of \$0.00 per share a year ago. BLGO had cash of \$4.1M and debt of \$4.3M.

BLGO's top-line impact from the loss of Pooph-related sales is disappointing. The ultimate legal outcome between BLGO and Pooph Inc remains unknown. What is known is that BLGO will defend its underlying technology that was behind Pooph's success and management is working to re-position its technology in other new product initiatives.

**Progress Beyond The Numbers:** There were several significant announcements recently showing progress across BLGO's various segments.

- BLGO's engineering segment was awarded a \$1.2M contract to design a pilot-scale minerals processing facility that will support the remediation and beneficial reuse of a legacy mineral waste deposit. This contract is for the initial design phase only, focused on the design of a pilot plant intended to demonstrate and validate the core manufacturing and processing capabilities required for scale-up. The potential exists for a multi-year, remedial project.
- Clyra delivered on its first stocking order to Advanced Solutions and signed an exclusive distribution agreement with Al Hikma for territory spanning the Gulf Cooperation Council, the Levant, North Africa.
- BLGO signed a memorandum of understanding (MOU) with Aquatech to advance the integration and commercialization of BioLargo's proprietary Aqueous Electrostatic Concentrator (AEC) for PFAS treatment.

**Business Model - Invent/Prove/Partner:** BLGO's business model is a hub and spoke format – invent/acquire a product, prototype/prove it out, partner with necessary 3<sup>rd</sup> parties, and commercialize. By commercializing technologies through operating subsidiaries, BLGO diversifies overall risk, maintains high levels of segment ownership while providing solutions to diversified, high-growth end markets.

**Valuation:** We are reaffirming a Buy rating and a \$0.32 PT. Our PT is based on a FY26 Revenue multiple of 5.0x, which is in line with historical industry valuations and transactions, and an independent valuation of Clyra Medical and the Company's PFAS technology. When considering our bull-case scenario, we believe Cellinity has proven itself as a viable technology based on 3<sup>rd</sup>-party validation. Recent valuations estimate Cellinity to be \$44M which, at a 96% ownership to BLGO, would value the battery technology at \$0.13 on a per share basis. We incrementally add this to our valuation, which results in a bull-case PT of \$0.45.

## Investment Thesis

BioLargo, Inc., (BLGO) has put engineering at the forefront of its efforts to invent/acquire cleantech technology solutions that address difficult global environmental issues. Its engineering team has decades of experience and have been part of such global industrial groups as CB&I and the Shaw Group. BLGO's ability to invent/prove/partner its portfolio of technologies has required patience. BLGO has historically been in a cash burning cycle that has resulted in share dilution at the parent and subsidiary level.

We have been of the belief that newsworthy events are likely within several of BLGO's segments and that a rewrite of the story is at hand. With its recent announcements regarding Clyra, we believe the next potential commercialization is with BLGO's wound-healing irrigation solution (FDA certified Bioclynsse).

### Key Segments and Recent Activities:

- BLGO's PFAS solution (AEC) has a municipal drinking water project in Stockholm, N.J. Now that the project has gone live, it is BLGO's first commercial project up and running is key to show BLGO's capabilities. BLGO recently announced it can remove ultrashort chain molecules to non-detect status, which are not yet regulated but will likely be. They are typically associated with highly concentrated PFAS waste streams. Additionally, BLGO has announced that it has been able to lower energy usage for its large scale PFAS treatment solutions, which likely puts its total cost of ownership at very competitive levels.

Importantly, BLGO signed a memorandum of understanding (MOU) with Aquatech to advance the integration and commercialization of BioLargo's proprietary Aqueous Electrostatic Concentrator (AEC) for PFAS treatment. Under the agreement, BioLargo and Aquatech will collaborate to enable the deployment of the AEC technology as a concentration & collection step within Aquatech's full flowsheet solutions for PFAS treatment including destruction. The agreement establishes a non-exclusive framework for collaboration on PFAS treatment projects worldwide, enabling both companies to combine their complementary technologies to better serve the rapidly growing PFAS remediation market.

- Clyra Medical – 48% owned subsidiary – is advancing the commercialization of its FDA certified wound irrigation surgical solution targeting that initially targeted the orthopedics market. The Clyra story has evolved over 14 years, with upwards of \$20M being invested and, what appears to be, the cusp of commercialization.

Clyra signed two exclusive stocking distribution agreements. One is with Advanced Solution, LLC, representing a national network to distribute and promote ViaCLYR™, Clyra's innovative wound irrigation solution, throughout the United States. BLGO has shipped its first stocking order from Advanced Solutions.

The second distribution agreement is with Al- Hikma FZCO, headquartered in Dubai, United Arab Emirates, to commercialize ViaCLYR™ across a broad territory spanning the Gulf Cooperation Council, the Levant, North Africa, and select adjacent markets. Country-level regulatory work required for commercial sales across the territory has begun in key areas through a cooperative process between the parties.

Clyra Medical Technologies secured a series of sales and distribution agreements covering both U.S. and international markets, expected to make Clyra's products available by 6,100 hospitals, 6,300 ambulatory surgery centers and 2,200 specialty wound care clinics in the U.S. alone.

- BLGO has invested ~\$2.0M in its long duration (Cellinity) facility and management believes the chemistries for its batteries are superior to other battery types and is assessing how it can compete in long duration energy storage market. BLGO's strategy is to sell factories, not batteries, and this puts them in a position to receive a royalty (~6%) and carried interest on the project. This type of relationship not only conserves capital, but highlights the core competencies of BLGO - engineering, deal making, support, training and leveraging its partners' balance sheets, thus preserving capital. Independent evaluation conducted by U.S. BESS Corporation, an expert provider of advanced energy storage solutions for critical infrastructure applications, confirmed breakthrough performance of BioLargo's Cellinity battery technology for grid-scale energy storage.

### 1Q26 Results:

**Revenue.** 1Q26 revenues were \$1.1M, versus \$617K in 4Q25 and \$3.3M in the year ago period. Services revenues were \$538K, up from \$466K a year ago. Product sales decreased 79% to \$577K. Service revenues reflect engineering consulting service contracts. The decrease in product revenues was almost entirely due to the decrease in the volume of sales to its largest private-label odor-control products customer, Pooph Inc.

**Operating Results.** Total operating expenses for the quarter were \$3.7M compared to \$3.4M in the year ago quarter. The operating loss in 1Q26 was \$3.2M versus a loss of \$1.9M a year ago. An increase in operating loss can be attributed to a ramp in Clyra-related operating expenses in preparation for commercial launch.

**Net Loss.** The net loss was \$3.4M, or a loss of \$0.01 per share, compared to a net loss of \$1.9M, or a loss of \$0.00 per share. The net loss increased due to the decrease in ONM Environmental.

**Cash/Debt/Operating Cash Flow.** BLGO ended 1Q26 with \$4.1M in cash and \$4.3M in total debt. For the quarter, cash usage was \$2.9M from operations compared with usage of \$1.8M a year ago. We believe BLGO will continue to be in a position of needing additional capital.

**Capitalization & Financing.** During the three months ended March 31, 2026, Clyra issued the guaranteed promissory notes in the aggregate amount of \$2.4M. The notes bear interest at the rate of 15% per annum, matures February 28, 2029, and is guaranteed by the Company's largest stockholder, BioLargo Inc.

During the three months ended March 31, 2026, BLGO sold 555,556 shares of common stock and received \$100,000 gross and net proceeds from one accredited investor.

During the three months ended March 31, 2026, BETI sold 124,867 shares of its common stock at \$3.70 per share to seven accredited investors and received \$462,000 in gross and net proceeds.

During the three months ended March 31, 2026 BLGO sold 984,188 shares of common stock to Lincoln Park and received \$171,000 in gross and net proceeds.

As of May 14, 2026 BLGO had 320.9M common shares outstanding.

#### **Opinion/Valuation:**

BLGO's position is that its proprietary technology is behind the success of the broad list of Pooph products that has generated more than \$50M in annual sales and earned sizeable positive customer reviews.

While the ultimate outcome for Pooph remains uncertain, noticeable progress is occurring across BLGO's other divisions. A key summation is that BLGO has a unique diversified portfolio of solutions that can address the needs of very large global end markets, thus allowing the company to have "many shots on goal", which is a testament to its science/technologies, BLGO's reputation is rising.

#### **Base Case**

Given the Company's revocation of its technology licensing, BLGO anticipates exploring alternative partnership options as a means to distribute the Company's proprietary odor elimination technology. However, given the uncertainty of the situation we have eliminated Pooph related revenues from our forecast until a clear path forward is presented. As a result, current revenues reflect the Company's industrial odor elimination services and engineering services.

We believe an independent valuation of Clyra and the Company's PFAS technology presents investors with underlying support. Given the proven commercial viability of BLGO's PFAS technology, we have included its valuation in our PT. As a result, we are reaffirming a Buy with a \$0.32 PT.

Our PT is based on a FY26 sum-of-the-parts valuation method. We forecast each revenue generating segment of BLGO and apply a weighted average industry multiple. Said multiple is 5.0x, which is in line with historical industry valuations and transactions, and an independent valuation of Clyra Medical and the Company's PFAS technology. Clyra's most recent valuation is estimated to be \$88M which, at a 48% ownership to BLGO, would value Clyra at \$0.13 on a per share basis. As the pipeline for AEC installations grows, management has indicated that 2026 revenue potential is \$10M. Attributing a 3.5x revenue multiple (industry average within water filtration) provides a relative valuation to BLGO's PFAS segment of \$35M or \$0.11 on a per share basis.

For 2026, we estimate Revenues/EPS/Adj.EBITDA of \$5.3M/\$(0.04)/\$(11.3M) versus our previous estimates of \$3.6M/\$(0.05)/\$(14.1M).

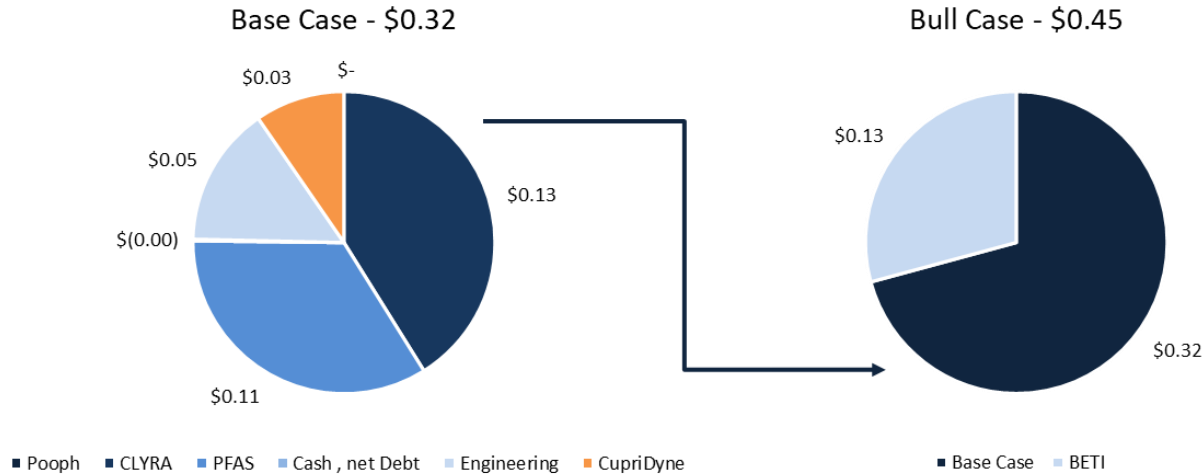
#### **Bull Case**

We understand that the current base-case valuation reflects a discount to the potential performance of the Company considering BLGO's biggest "unseen value" opportunity has been excluded. For this reason, we have formulated a "bull-case" scenario where we have attached a valuation to BLGO's upcoming commercial project – Cellinity.

Although it may seem aggressive to attribute a valuation toward a technology that has yet to reach meaningful commercialization, there is overwhelming evidence on the importance of sustainable, grid-scale technologies. With the recent 3rd-party validation of BLGO's battery technology, we believe it is only

a matter of time until Cellinity reaches commercialization. Cellinity's most recent valuation is estimated to be \$44M which, at a 96% ownership to BLGO, would value the battery technology at \$0.13 on a per share basis. We incrementally add this to our valuation, which results in a bull-base PT of \$0.45.

With a lot of unknowns remaining, it is always difficult to get, and time, momentum. Yet, the importance for BLGO obtaining 3rd-party validation and accelerating talks with potential partners should not be understated.



Source: Oak Ridge Financial

**BioLargo, Inc.**

BioLargo, Inc. is a cleantech and life sciences innovator and engineering services solution provider. Its core products address PFAS contamination, achieve advanced water and wastewater treatment, control odor and VOCs, improve air quality, enable energy-efficiency and safe on-site energy storage, and control infections and infectious disease. BLGO's business model approach is to invent or acquire novel technologies, develop them into product offerings, and extend their commercial reach through licensing and channel partnerships to maximize their impact.

BioLargo, the parent company, is responsible for overall corporate operations, finance and strategy. Under this umbrella engineering/innovation exists as the entrepreneurial engine that develops potentially disruptive environmental solutions.

### The BioLargo Impact Portfolio – Sum of the Parts

Four Platforms. Four Massive Markets. One Company.

<p><b>Clyra Medical</b></p> <p>Advanced Wound Care &amp; Infection Control. FDA-cleared ViaCLYR™ technology.</p> <p>OWNERSHIP 48% + 6% Royalty</p>	<p><b>Cellinity Battery</b></p> <p>Liquid Sodium Long-Duration Storage. High density, non-flammable, earth-abundant.</p> <p>OWNERSHIP 95% + 6% Royalty</p>
<p><b>AEC Water Treatment</b></p> <p>PFAS Remediation Technology. High efficiency, low waste, municipal scale.</p> <p>OWNERSHIP 100% + 6% Royalty</p>	<p><b>ONM Environmental</b></p> <p>Odor &amp; VOC Control. Proven CupriDyne™ technology for industrial &amp; consumer use.</p> <p>OWNERSHIP 100% + 6% Royalty</p>

Source: Company

<b>BioLargo, Inc. (BLGO)</b>						
USD Thousands, except per-share data	<b>FY: 25</b>	<b>FQ1: 26</b>	<b>FQ2: 26E</b>	<b>FQ3: 26E</b>	<b>FQ4: 26E</b>	<b>FY: 26E</b>
<b>Income Statement</b>						
<b>Total revenue</b>	<b>\$7,765.0</b>	<b>\$1,115.0</b>	<b>\$1,294.7</b>	<b>\$1,374.5</b>	<b>\$1,491.3</b>	<b>\$5,275.6</b>
<i>YoY Growth</i>	-56.3%	-65.9%	-53.4%	24.6%	142.1%	-32.1%
<b>Total cost of revenue</b>	(4,359.0)	(657.0)	(776.8)	(824.7)	(894.8)	(3,153.3)
<b>Gross profit</b>	3,406.0	458.0	517.9	549.8	596.5	2,122.2
<i>Gross Margin</i>	43.9%	41.1%	40.0%	40.0%	40.0%	40.2%
<b>SG&amp;A</b>	11,768.0	2,755.0	2,913.1	3,023.9	3,131.7	11,823.8
<i>% of Sales</i>	151.6%	247.1%	225.0%	220.0%	210.0%	224.1%
<b>Research and development</b>	2,593.0	907.0	938.7	996.5	1,043.9	3,886.1
<i>% of Sales</i>	33.4%	81.3%	72.5%	72.5%	70.0%	73.7%
<b>Impairment expense</b>	3,900.0	0.0	0.0	0.0	0.0	0.0
<i>% of Sales</i>	50.2%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Total operating expenses</b>	18,261.0	3,662.0	3,851.8	4,020.4	4,175.7	15,709.9
<b>Operating loss</b>	(14,855.0)	(3,204.0)	(3,333.9)	(3,470.6)	(3,579.1)	(13,587.7)
<b>Total other (expense) income</b>	(334.0)	(201.0)	(97.8)	(102.2)	(111.7)	(427.7)
<b>Income Taxes</b>	0.0	0.0	0.0	0.0	0.0	0.0
<i>Tax Rate</i>						
<b>Net Income (Loss)</b>	<b>(\$15,189.0)</b>	<b>(\$3,405.0)</b>	<b>(\$3,431.7)</b>	<b>(\$3,572.8)</b>	<b>(\$3,690.9)</b>	<b>(\$14,015.4)</b>
<b>EPS - Basic</b>	(\$0.05)	(\$0.01)	(\$0.01)	(\$0.01)	(\$0.01)	(\$0.04)
<b>Shares Outstanding - Basic</b>	306,954,778	318,698,686	322,698,686	322,698,686	322,698,686	321,698,686
<b>Adj. EBITDA</b>	(\$7,242.0)	(\$2,556.0)	(\$2,778.4)	(\$2,912.3)	(\$3,017.9)	(\$11,264.5)
<i>Adj. EBITDA Margin</i>	-93.3%	-291.9%	-253.2%	-248.3%	-235.9%	-213.5%

## Risks

- **Lack of Profitability:** BLGO has not generated enough revenue or gross profit from operations to fund its expenses, thus, net losses have been incurred every year since its inception. While revenue levels are increasing and management anticipates revenues will be generated from new products and solutions, net losses and negative cash flows are likely to continue for the foreseeable future. Ultimate revenue growth is dependent on the overall acceptance of its products in the marketplace.
- **Cash Requirements.** Both at the corporate level and through direct investments in subsidiaries, BLGO has primarily funded most of its activities using equity securities. Cash requirements are expected to remain significant. At current revenue levels, net losses and negative cash flows are anticipated for the foreseeable future. Thus, financial resources may not support future financial needs.
- **Going Concern.** With persistent losses, BLGO's access to capital, and at acceptable terms, may be limited, possibly impacting its status as a going concern.
- **Revenue Concentration:** Most of BLGO's total current revenue, and for the foreseeable future is from the sale of Pooph branded pet-odor products to Ikigai. The contract with Ikigai does not require minimum guarantees and BLGO has no control over Ikigai's advertising budget or methods, and therefore BLGO has no control over their need for product.
- **Regulatory Approval:** Within BLGO's portfolio of technologies, some may require future regulatory approvals for eventual commercialization. Receiving approvals take time and investment, and the timing of any such approvals is difficult to determine.
- **Competition.** BLGO operates across several different end markets and there are numerous competitors that have greater financial resources that create a very competitive marketplace.
- **Common Stock Liquidity.** BLGO is currently quoted on the OTC Markets. Such a listing can impact the ability to buy or sell stock and liquidity can suffer. Continued trading on the OTCQB can impact the company's ability to obtain financing in the future. It is management's intention to seek listing on Nasdaq or another national stock exchange when eligible. There can be no assurance when or if the common stock will be listed on Nasdaq or another national stock exchange.
- **Future Dilution:** Any additional capital that is raised would dilute the interest of the current stockholders and any persons who may become stockholders before such financing. Given the price of the common stock, future dilution could be substantial.
- **Reliance on Third Parties.** With limited resources, BLGO seeks out-sourcing relationships and partnering for the commercialization of its products and services. Supply chain issues or other factors can impact the ability to establish these relationships or control eventual outcomes.

### Analyst Certification:

Each authoring analyst of Oak Ridge Financial, whose name appears on the front page of this investment research, certifies that the views expressed in this report accurately reflect the authoring analyst's personal views about the subject company and its securities. The authoring analysts also certify that they have not been, are not, and will not be receiving direct or indirect compensation related to the specific recommendations expressed in this report.

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As of the end of the month preceding the date of publication of this report, Oak Ridge Financial **did not** beneficially own 1% or more of any class of common equity securities of the subject company.

There **is not** any actual material conflict of interest that either the analysts or Oak Ridge Financial is aware of.

The analysts **have not** received any compensation for any investment banking business with this company in the past twelve months and **does not** expect to receive any in the next three months.

Oak Ridge Financial **has** been engaged for investment banking or advisory services with the subject company during the past twelve months and **does** anticipate receiving compensation for such services in the next three months.

Oak Ridge Financial **has not** served as a broker, either as agent or principal, buying back stock for the subject company's account as part of the company's authorized stock buy-back program in the last twelve months.

**No** director, officer or employee of Oak Ridge Financial serves as a director, officer or advisory board member to the subject company.

**Oak Ridge Financial Rating System:** Oak Ridge Financial utilizes a two-tier rating system for potential total returns over the next 12 months.

**Buy:** The stock is expected to have total return potential of at least 15%. Catalysts exist to generate higher valuations and positions should be initiated at current levels. Investors requiring time to build positions may consider current levels attractive.

**Hold:** The stock is expected to have total return potential of less than 15%. Fundamental events are not present to make it a Buy. The stock may be an acceptable longer-term holding.

### Valuation and Price Target Methodology:

Clyra Medical and the Company's PFAS technology provides investors with underlying support, while BLGO's biggest "unseen value" opportunity offers investors an interesting "call option", if you will. We are reaffirming a Buy rating and a \$0.32 PT.

Our PT is based on a FY26 Revenue multiple of 5.0x, which is in line with historical industry valuations and transactions, and an independent valuation of Clyra Medical and the Company's PFAS technology. When considering our bull-case scenario, we believe Cellinity has proven itself as a viable technology based on 3rd-party validation. Recent valuations estimate Cellinity to be \$44M which, at a 96% ownership to BLGO, would value the battery technology at \$0.13 on a per share basis. We incrementally add this to our valuation, which results in a bull-case PT of \$0.45.

Rating	Number of Stocks	Percent of Total	<i>Investment Banking</i>	
			<i>Number of Stocks</i>	<i>Percent of Total</i>
Buy	7	100.00%	7	100.00%
Hold	0	00.00%	0	00.00%
Total	7	100.0%	7	100.0%

The above represents our ratings distribution on the stocks covered by Oak Ridge Financial, together with the number (and percentage of) each category for which Oak Ridge Financial provided investment banking services in the previous twelve months.



Date	Nature of Report	Rating	Price Target
09/12/2023	Initiation Buy @ \$0.18	Buy	\$0.35
12/08/23	Update @ \$0.17	Buy	\$0.35
01/29/24	Update @ \$0.21	Buy	\$0.35
04/04/24	Update @ \$0.33	Buy	\$0.35
04/17/24	Update @ \$0.33	Buy	\$0.38
05/16/24	Update @ \$0.33	Buy	\$0.38
08/16/24	Update @ \$0.24	Buy	\$0.38
11/18/24	Update @ \$0.18	Buy	\$0.38
04/03/25	Update @ \$0.28	Buy	\$0.38
05/19/25	Update @ \$0.21	Buy	\$0.35
08/18/25	Update @ \$0.18	Buy	\$0.30
09/30/25	Update @ \$0.18	Buy	\$0.32
11/19/25	Update @ \$0.15	Buy	\$0.32
03/05/26	Update @ \$0.17	Buy	\$0.32
05/19/26	Update @ \$0.12	Buy	\$0.32

Oak Ridge Financial **does not** make a market in the subject security at the date of publication of this report.

**Other Disclosures:**

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