

Investor Presentation

Q3 Earnings Conference Call | November 2026

Disclaimer

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and 21E of the Securities Exchange Act of 1934, as amended, which provides a “safe harbor” for such statements in certain circumstances. When used in this presentation, the words "anticipates," “may,” "believes," "expects," "intends," "plans," "estimates," "predicts," the negative expressions of such words, or similar expressions and any other statements that are not historical facts are intended to identify those assertions as forward- looking statements. All statements that address activities, events or developments that Arq, Inc. (“we,” “us,” “our,” “Arq” or the “Company”) intends, expects or believes may occur in the future are forward-looking statements. These forward-looking statements include, but are not limited to, statements or expectations regarding: the future of our GAC Facility, GAC production, and Corbin Facility, as well as our development plans and funding needs associated therewith; our efforts to improve operating and financial efficiency, maximize throughput, and optimize unit costs; the anticipated commercial success and efficacy of our new product applications, including PAC for PFAS™, as well as their impact on our future financial results; the size and future growth of the PFAS remediation market, including the addressable market for our PAC for PFAS™ products; the future of the coal-fired power generated market; the anticipated benefits of transitioning away from using Corbin Wetcake to a bituminous proven performance coal as a feedstock for our GAC products in the future; our financial guidance for fiscal year 2026, as well as our financial goals and anticipated guidance for future fiscal years; the anticipated effects from fluctuations in the pricing of our AC products, including through expansion into higher-value end markets; expected supply and demand for our AC products and services, including our PAC for PFAS™ products; the seasonal impact on our customers and their demand for our products; the future profitability and sustainability of our PAC business; our ability to fund our business over the next twelve months; plans to refinance existing debt; our ability to monetize our Corbin Facility and access new markets for our feedstocks and other products, including, but not limited to, the asphalt market; the effectiveness of our technologies and products and the benefits they provide; the timing and amounts of or changes in future revenue, profits or losses, funding for our business and projects, margins, expenses, earnings, tax rates, cash flows, royalty payment or guarantee obligations, working capital, liquidity and other financial and accounting measures; the performance of obligations secured by our surety bonds; the amount, use and timing of future capital expenditures needed to fund our business plan and total anticipated capital expenditures for the current fiscal year; the adoption and scope of regulations to control certain chemicals in drinking water and other environmental concerns and the impact of such regulations on our customers' and our businesses, including any increase or decrease in demand and sales of our AC products resulting from such regulations; our near-term priorities and objectives and our long-term outlook regarding the growth of our business; and the impact of prices of competing power generation sources such as natural gas and renewable energy on demand for our products. These forward-looking statements involve risks and uncertainties. Actual events or results could differ materially from those discussed in the forward-looking statements as a result of various factors including, but not limited to, the timing and scope of new and pending regulations and any legal challenges to or extensions of compliance dates of them; the U.S. government’s failure to promulgate new regulations or enforce existing regulations that benefit our business; changes in laws and regulations, accounting rules, prices, economic conditions and market demand; availability, cost of and demand for alternative energy sources and other technologies and their impact on coal-fired power generation in the U.S.; technical, start up and operational difficulties; competition within the industries in which the Company operates; risks associated with our debt financing; our inability to effectively and efficiently commercialize new products, including our GAC products; our inability to effectively identify solutions to the design flaws in GAC Facility at our Red River Plant or execute on any remedial measures or modifications thereto; disruptions at any of our facilities, including by natural disasters or extreme weather; risks related to our information technology systems, including the risk of cyberattacks on our networks; failure to protect our intellectual property from infringement or claims that we have infringed on the intellectual property of others; our inability to obtain future financing or financing on terms that are favorable to us; our inability to ramp up our operations to effectively address recent and expected growth in our business; loss of key personnel; ongoing effects of the inflation and macroeconomic uncertainty, including from increased domestic and international tariffs and armed conflicts around the world, and such uncertainty's effect on market demand and input costs; availability of materials and equipment for our business; intellectual property infringement claims from third parties; the impacts of any current or future write-downs or write-offs, restructuring, impairment or other charges; our failure to realize the anticipated benefits of acquisitions, joint ventures, and divestitures we may engage in; pending litigation; factors relating to our business strategy, goals and expectations, including our ability to execute on our GAC business plan; our ability to maintain relationships with customers, suppliers and others with whom the Company does business and meet supply requirements; our results of operations and business generally; risks related to diverting management's attention from our ongoing business operations; costs related to the ongoing manufacturing of our products, including costs necessary to resume GAC production; opportunities for additional sales of our AC products and end-market diversification, including for our Corbin Wetcake; the rate of coal-fired power generation in the U.S.; the timing and cost of any future capital expenditures and the resultant impact to our liquidity and cash flows; and the other risk factors described in our filings with the SEC, including those described in Item 1A. Risk Factors of our Annual Report on Form 10-K for the year ended December 31, 2025. You are cautioned not to place undue reliance on the forward-looking statements and to consult filings we have made and will make with the SEC for additional discussion concerning risks and uncertainties that may apply to our business and the ownership of our securities. In addition to causing our actual results to differ, the factors listed above may cause our intentions to change from those statements of intention set forth in this presentation. Such changes in our intentions may also cause our results to differ. We may change our intentions, at any time and without notice, based upon changes in such factors, our assumptions, or otherwise. The forward-looking statements speak only as to the date of this presentation, and we disclaim any duty to update such statements unless required by law.

Non-GAAP Financial Measures

Included in this presentation are certain financial measures that are not calculated in accordance with U.S. generally accepted accounting principles ("GAAP") designed to supplement, and not substitute, the Company's financial information presented in accordance with GAAP. The non-GAAP measures as defined by the Company may not be comparable to similar non-GAAP measures presented by other companies. The presentation of such measures, which may include adjustments to exclude unusual or non-recurring items, should not be construed as an inference that the Company’s future results or leverage will be unaffected by other unusual or non-recurring items. Please see the attached appendix for how we define these non-GAAP measures, a discussion of why we believe they are useful to investors, and certain limitations and reconciliations thereof to the most directly comparable GAAP measures.

Notable Q3 2026 Financial Highlights & Recent Updates

Revenue

$38.2M

Record quarterly revenue increased 9% YoY, driven by higher sales volumes

Net Income

$2.5M

Material improvement versus $0.9 million loss in Q3 2025[2]

Adjusted EBITDA[1]

$8.8M

+71% YoY on improved PAC profitability – 10th straight quarter of positive Adjusted EBITDA

Balance Sheet

Cash Building

Unrestricted cash grew from $0.9M at June 30 to $7.8M at September 30

PAC for PFAS™

Testing Underway

Patent protection is pending & testing continuing through Q4 2026 with multiple parties ahead of anticipated sales in 2027

2026 Outlook

Guidance Upgraded

Upgraded Adjusted EBITDA guidance to $19-20M

(1) Adjusted EBITDA is a non-GAAP measure. Please see "Financial Detail" slides for reconciliation information.
(2) As adjusted

Q3 2026 Financial Highlights

Strong financial and operational performance, including material improvement in profitability

$ millions unless noted	Q3 2026	Q3 2025	Variance
Revenue	**$38.2**	$35.1	**+9%**
Gross Margin	**39.7%**	28.8%	**+38%**
Net income	**$2.5**	($0.9)	**n/m**
Adjusted EBITDA(1)	**$8.8**	$5.2	**+71%**
Cash & Restricted Cash	**$19.1**	$15.5	**+23%**

- Record quarterly revenue, driven by continued PAC volume improvements
- Gross margin improvement of ~1,100 bps reflects stronger PAC profitability – highest gross margin in 11 quarters
- R&D expense decreased by $1.8M, reflecting streamlined focus
- Adjusted EBITDA of $8.8M marks 10th consecutive quarter of positive Adjusted EBITDA
- Cash & Restricted Cash +$7M (+57%) since Q2 26

1) Adjusted EBITDA is a non-GAAP measure. Please see “Financial Detail” slides for reconciliation information.

Arq Investment Opportunity

Profitable, growing baseline business supported by valuable assets and strategic advantages

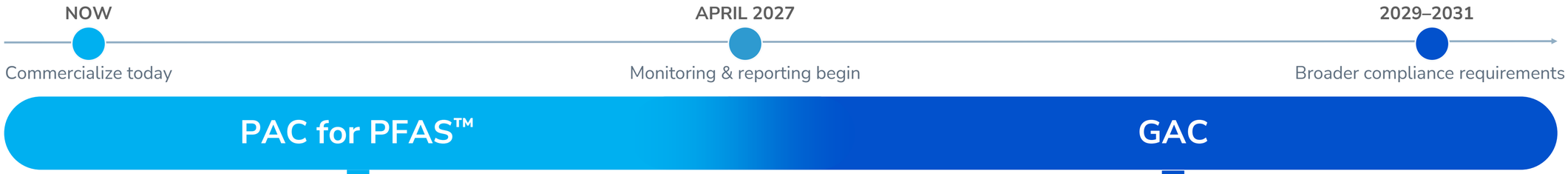
- ✓ **Foundational PAC business:** steady, recurring demand, mainly non-cyclical power and water utilities
- ✓ **PFAS remediation is broad growth engine:** multiple products planned, starting with PAC for PFAS™; GAC upside optionality remains in place
- ✓ **Strong asset base:** balance sheet assets ~$230M and Red River replacement value >$750M [1]
- ✓ **Asset base drives growing profitability:** Adj EBITDA $12M (2024)[2], $13M (2025), $20M (top-end 2026 guidance) – implies ~30% annualized growth
- ✓ **Near-term growth:** YE 2027 Adj EBITDA exit run-rate target ~$30M
- ✓ **Expected 2027 growth drivers targets:** operational efficiencies (~30-40%, including 15-20% volume upside) and sales expansion (~60-70%)



1 – Assumes 150 million pound per annum nameplate capacity and greenfield construction costs of $5-7/pound of annual capacity
2 – Adjusted to reflect the retrospective change in accounting method for planned major maintenance costs.

Arq's Growth Strategy: PFAS Remediation

One market with two complementary products and adoption horizons



Immediate low-capex pathway into PFAS remediation

- Targets compliance at lower contamination levels
- Can use existing infrastructure, enabling faster adoption & no/minimal capex
- Can be used at front-end of process (in conjunction with GAC) to reduce GAC costs
- Creates near-term sales potential

Scaled solution for higher contamination applications

- Industry standard for higher-contamination PFAS
- Economic efficacy at higher contamination rates
- Provides Arq with potential future additional volume and margin optionality as regulatory deadlines approach

Initial Addressable Market Identified

~160MM

pounds [1]

Commercialization Timeline

- ✓ Testing underway with multiple customers
- ✓ Testing volumes sold at prices materially above traditional PAC ASP
- ✓ Scale-up anticipated through 2027

PAC for PFAS™ drives near-term opportunity
GAC for PFAS would extend Arq's PFAS growth platform as regulatory-driven demand develops

1: Current Company estimate of demand in 2029

Strategic Optimization Review Update

Ongoing optimization of broader operations targeted to potentially deliver up to 50% Adjusted EBITDA growth

Existing business can potentially be made materially more profitable by:

- ✓ **Increasing capacity utilization**
  Optimize fixed costs
- ✓ **Increasing throughput**
  Maximize sales into existing markets
- ✓ **Growing new products**
  (i.e. PAC for PFAS™)
- ✓ **Cost Efficiencies**
  Reduction of operating/SG&A costs
- ✓ **Targeting up to 50% Adj. EBITDA growth**
  Based on combined efforts above
- ✓ **Generating more cash flow**

Ensure optimal production scale economics

Determine best value creation path

Deploy capital most effectively

Create long-term shareholder value

GAC Optimization

- Review effectively complete
- Potential capital requirement: ~$40-60 million
- No GAC production expected in 2027
- Anticipate ~18 month financing, construction and commissioning timeline

Introducing *PAC for PFAS™*

PFAS removal for certain customers can provide incremental volume from 2027

What We're Doing:

- A highly engineered PAC product line extenstion designed to remove low levels of PFAS contamination
- Targets utilities marginally outside the EPA's 4 ppt compliance threshold
- Can address PFAS and taste/odor control simultaneously for customers already using PAC
- Customer trials ongoing, with no material 2026 contribution expected
- In light of outperformance during testing, Arq has pending patent protection for this line of products

Benefits to Customers

Lower capital cost

Faster path to compliance

Leverages existing equipment

Can be used in conjunction with existing products

Benefits to Arq

Meaningful volume, pricing, & margin upside 2027+

Minimal capex

Optimization of fixed costs

Increased capacity throughput and utilization

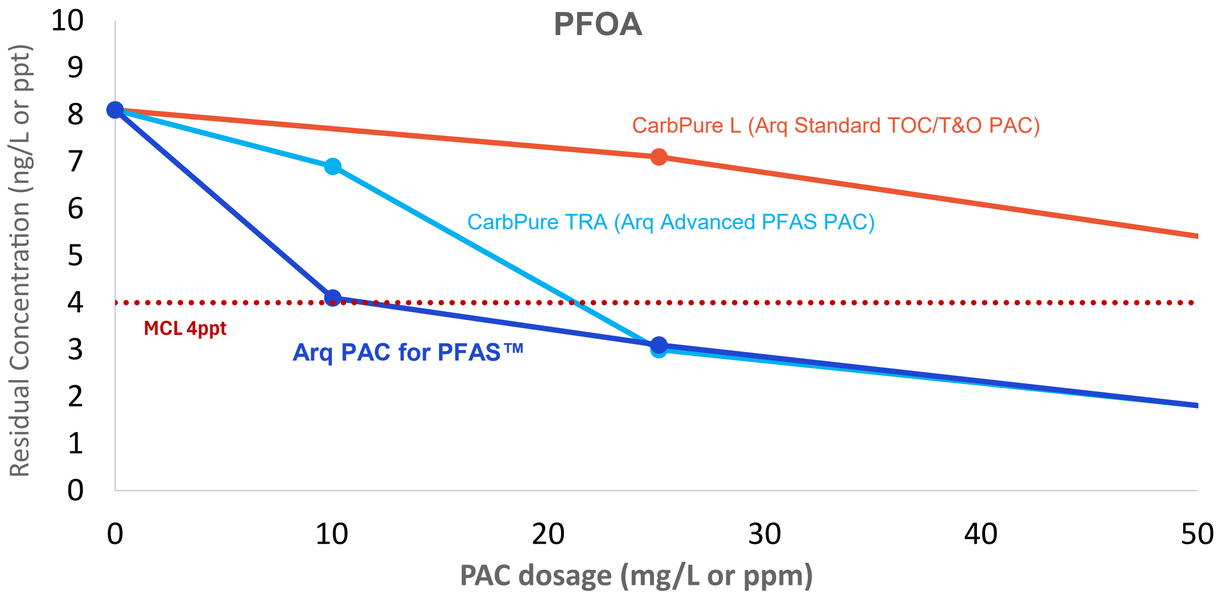
Low Capital Cost Strategy to Address PFAS

Provides practical, proven and affordable solution to customers ahead of regulatory changes

Standard PAC
(CarbPure® L)
- Ideal for Taste & Odor and TOC control
- Does not perform as well for PFAS removal even at high dosage

Advanced PAC
(CarbPure® TRA)
- Improved PFAS removal with lower dosage than Standard PAC
- No significant capital investments required

Next-Gen PAC
(Arq's PAC for PFAS™)
- Optimized for PFAS removal
- Can achieve the MCL at low dosage

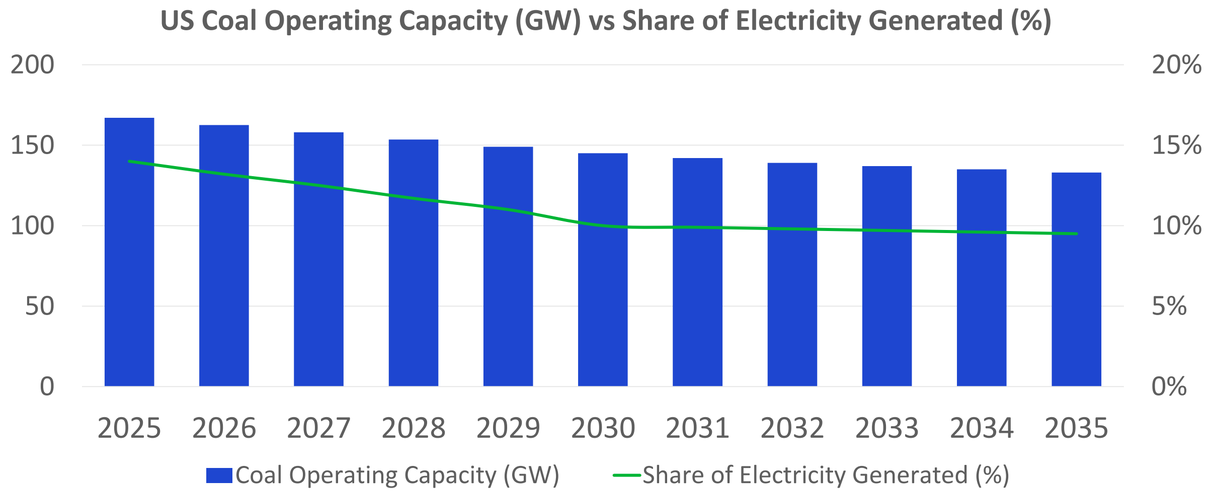


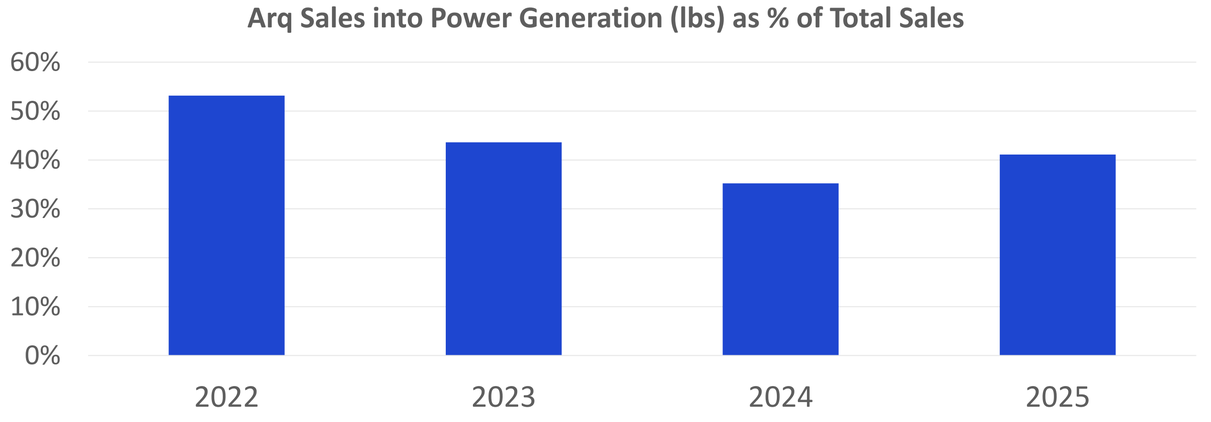
- Arq's Next-Gen PAC products expected to enable immediate PFAS compliance for certain customers without infrastructure capex requirements
- Arq's Next-Gen PAC products are expected to provide PFAS compliance at lower dosage than standard industry water PACs
- Effective April 26, 2027, over 10,000 U.S. community water systems must complete initial PFAS monitoring and report results publicly to customers
- Systems exceeding 4 ppt Maximum Contaminant Level for PFAS must notify customers and meet enforcement deadlines between April 2029-2031
- GAC retrofits typically require years to build and significant capital investment
- Arq's new advanced PAC products for PFAS removal provide practical, proven and affordable first step for customers, while providing Arq with incremental low-capital growth products to address PFAS contamination ahead of potential GAC roll-out

Source: Company estimates

Coal-fired Power Market Provides Base Load Profitability for Arq

Remains material portion of US grid through 2035 but diversification still prudent





Source: Reuters, EIA, Company estimates

- Market has longer duration than previously anticipated
- Operating life of N. American coal fired power generation anticipated to last materially longer than previously anticipated
- Market share expected to remain ~10% through 2035 in absence of alternative base-load power generation
- 2025-2035: percentage of power modelled -32% but physical grid capacity only -20% – reflective of operator desire to mitigate against seasonal or extreme weather while alternative base-load built
- Demand now rapidly rising (driven by data centres and domestic industry) and utilities obliged to freeze scheduled retirements and keep old capacity functional
- Given long-term headwinds and pricing discrepancies, still prudent to diversify end-market exposure, so Arq reduced volumes sold into coal-fired power by 36% between 2022-2025, while growing volumes sold into alternative markets including water purification

PFAS Market Dynamics

Fundamentals remain strong, supporting both our PAC for PFAS™ and GAC strategies

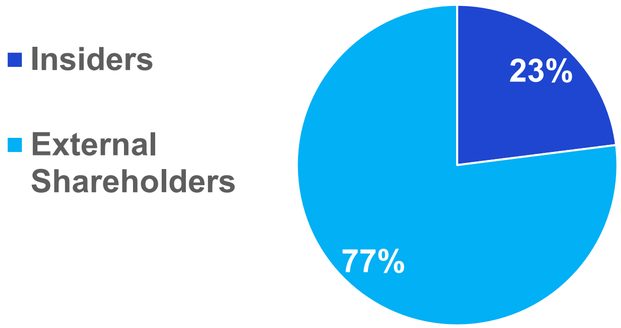


- ***PAC for PFAS™* is complementary, immediate solution for certain customers and does not diminish underlying GAC opportunity**
- GAC fundamentals remain strong – mandatory PFAS monitoring begins April 2027 and full compliance (4 ppt) between 2029-2031
- Significant growth anticipated in stable water market
- RNG demand anticipated to accelerate simultaneous with water market
- Customers remain supportive of Arq and its products
- April 2027 deadline for monitoring compliance means customers are proactive in securing supply ahead of EPA enforcement

Management & Board Alignment with Shareholders

Meaningful ownership and continued commitment

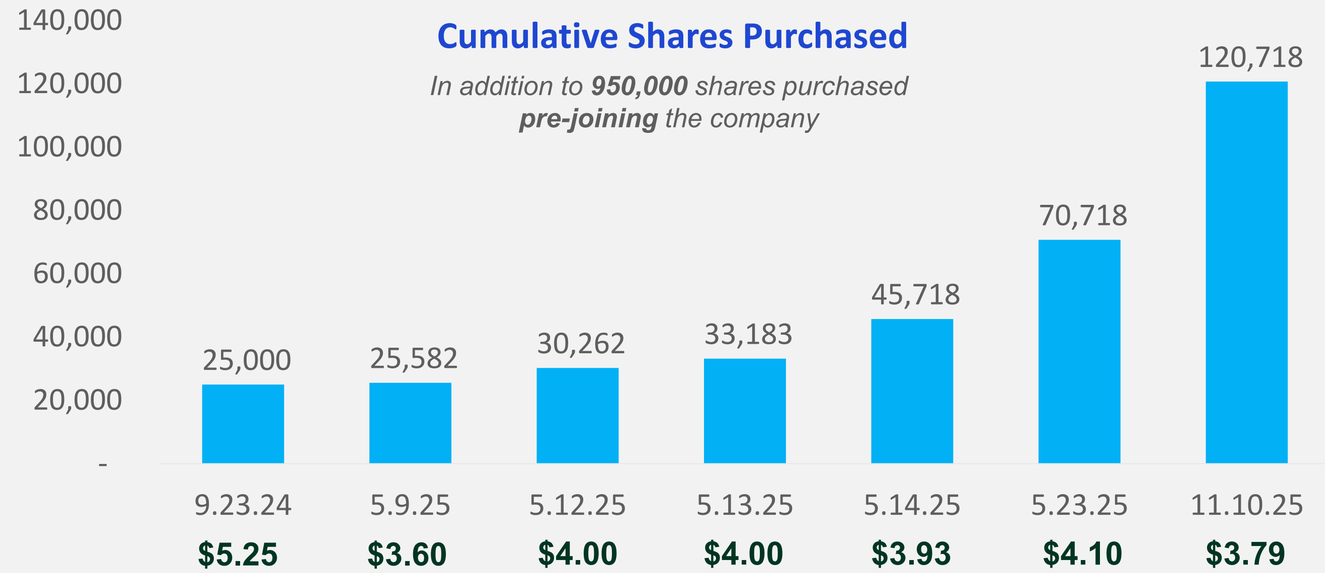
Insider Ownership: Board and Management



Leadership Aligned with Shareholder Interest

- 10 board and management members collectively own ~10.2 million shares, representing 23% of shares outstanding[2]
- Leadership team have previously purchased **shares during periods of price weakness** and outside trading blackout windows
- Sustained capital deployment by insiders underscores **alignment with long-term shareholder value creation**

CEO Robert Rasmus: A History of Commitment



$4.18	~1.1M	~$2.3M	~8.4%	3.1x
Purchase VWAP	Total Position (Shares) – Subscription & Purchased Shares	Total Position (purchase value)	Total Beneficial Ownership Stake1	Investment Multiple of Base Salary (Since Joining)

In addition to purchases and ownership above, Mr Rasmus receives a $50,000 annual salary. Through PSUs, RSUs and Options, total combined exposure: ~3.7 million shares

1) Measured as of 9/30/26
2) Including Common Stock, Vested Options, Performance Shared Units and Restricted Stock Units

Financial Guidance & Outlook (Full-Year 2026) – Upgraded

Guidance based on proven PAC operations with 15+ years of experience

Total Revenue
$120 – $125M

Adjusted EBITDA
$19 – $20M

(vs. $13.2M in FY25)

Adjusted EBITDA upgraded in November 2026 from original target of $17-20M

PAC AVG. SELLING PRICE
($/lb)

$0.88 – $0.91

(vs. $0.89 in FY25, $0.82 in FY24)

PAC VOLUMES
(M lbs)

122 – 125M

(vs. 117M in FY25, 111M in FY24)

% NON-PAC REVENUE

13 – 15%

(Other chemicals / products)

Key Near-term Priorities & Objectives

- Achieve $30 million in Adjusted EBITDA 2027 exit run-rate from PAC business
- Continue expansion into new PAC market opportunities
- Achieve 2026 financial guidance
- Create long-term shareholder value

Financial Detail

Consolidated Balance Sheet[1]

(in thousands, except share data)	As of September 30, 2026	As of December 31, 2025 As Adjusted [2]
ASSETS		
Current assets:		
Cash	$ 7,752	$ 6,573
Receivables, net	20,207	14,980
Inventories, net	17,257	15,895
Prepaid expenses and other current assets	5,724	6,404
Total current assets	50,940	43,852
Restricted cash, long-term	11,301	8,467
Property, plant and equipment, net of accumulated depreciation of $37,366 and $28,375, respectively	136,299	143,154
Other long-term assets, net	34,866	35,501
Total Assets	$ 233,406	$ 230,974
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued expenses	$ 14,850	$ 15,269
Revolving credit facility	19,206	18,950
Current portion of long-term debt obligations	1,051	1,063
Other current liabilities	7,385	7,015
Total current liabilities	42,492	42,297
Long-term debt obligations, net of current portion	7,960	8,452
Other long-term liabilities	11,055	11,868
Total Liabilities	61,507	62,617
Stockholders' equity:		
Preferred stock: par value of $0.001 per share, 50,000,000 shares authorized, none issued or outstanding	$ —	$ —
Common stock: par value of $0.001 per share, 100,000,000 shares authorized, 48,789,487 and 47,348,394 shares issued, and 44,171,341 and 42,730,248 shares outstanding at September 30, 2026 and December 31, 2025, respectively	48	47
Treasury stock, at cost: 4,618,146 and 4,618,146 shares as of September 30, 2026 and December 31, 2025, respectively	(47,692)	(47,692)
Additional paid-in capital	204,693	201,784
Retained earnings	14,850	14,218
Total Stockholders' Equity	171,899	168,357
Total Liabilities and Stockholders' Equity	$ 233,406	$ 230,974

(1) See complete, unaudited Condensed Consolidated Financial Statements and Notes related thereto within the Quarterly Report on Form 10-Q for the period ended September 30, 2026.
(2) Adjusted to reflect the retrospective change in accounting method for planned major maintenance costs.

Consolidated Statements of Operations[1]

(in thousands, except per share data)	Three Months Ended September 30, 2026	Three Months Ended September 30, 2025 As Adjusted [2]	Nine Months Ended September 30, 2026	Nine Months Ended September 30, 2025 As Adjusted [2]
Revenue	$ 38,209	$ 35,074	$ 97,145	$ 90,905
Cost of revenue, exclusive of depreciation and amortization	23,040	24,965	60,526	61,363
Operating expenses:				
Selling, general and administrative	7,152	4,624	21,310	16,595
Research and development	754	2,566	2,694	6,137
Depreciation, amortization, depletion and accretion	4,113	3,994	10,520	9,132
Loss on sale of assets	25	—	315	118
Total operating expenses	12,044	11,184	34,839	31,982
Operating income (loss)	3,125	(1,075)	1,780	(2,440)
Other (expense) income:				
Interest expense	(771)	(587)	(2,224)	(1,905)
Other income	148	773	1,076	1,054
Total other (expense) income	(623)	186	(1,148)	(851)
Income (loss) before income taxes	2,502	(889)	632	(3,291)
Income tax expense	—	—	—	—
Net income (loss)	$ 2,502	$ (889)	$ 632	$ (3,291)
Income (loss) per common share (Note 1):				
Basic	$ 0.06	$ (0.02)	$ 0.02	$ (0.08)
Diluted	$ 0.06	$ (0.02)	$ 0.01	$ (0.08)
Weighted-average number of common shares outstanding:				
Basic	42,330	41,606	42,053	41,478
Diluted	42,949	41,606	42,738	41,478

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Consolidated Statements of Cash Flows[1]

(in thousands)	Nine Months Ended September 30, 2026	2025 As Adjusted [2]
Cash flows from operating activities		
Net income (loss)	$ 632	$ (3,291)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation, amortization, depletion and accretion	10,520	9,132
Stock-based compensation expense	3,118	2,523
Operating lease expense	2,094	1,797
Loss on sale of long-term assets, net	315	118
Amortization of debt discount and debt issuance costs	313	266
Other non-cash items, net	(112)	(942)
Changes in operating assets and liabilities:		
Receivables	(5,227)	1,196
Prepaid expenses and other assets	386	(2,326)
Inventories	(882)	2,906
Other long-term assets, net	(2,552)	(2,367)
Accounts payable and accrued expenses	(22)	(8,900)
Other current liabilities	666	687
Operating lease liabilities	(1,352)	(435)
Other long-term liabilities	(212)	(336)
Net cash provided by operating activities	$ 7,685	$ 28

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(2) Adjusted to reflect the retrospective change in accounting method for planned major maintenance costs.

Consolidated Statements of Cash Flows (Cont)[1]

(in thousands)	Nine Months Ended September 30, 2026	2025 As Adjusted [1]
Cash flows from investing activities		
Acquisition of property, plant, equipment and intangible assets, net	$ (2,753)	$ (7,793)
Acquisition of mine development costs	(349)	(292)
Distributions from equity method investee in excess of cumulative earnings	145	238
Net cash used in investing activities	(2,957)	(7,847)
Cash flows from financing activities		
Borrowings on revolving credit facility	94,628	96,683
Repayments of revolving credit facility	(94,372)	(94,560)
Principal payments on notes payable	(572)	(592)
Repurchase of common stock to satisfy tax withholdings	(208)	(62)
Principal payments on finance lease obligations	(191)	(392)
Net cash (used in) provided by financing activities	(715)	1,077
Increase (decrease) in Cash and Restricted Cash	4,013	(6,742)
Cash and Restricted Cash, beginning of period	15,040	22,235
Cash and Restricted Cash, end of period	$ 19,053	$ 15,493
Supplemental disclosure of non-cash investing and financing activities:		
Accrued purchases for property and equipment	$ 551	$ 1,279
Acquisition of property and equipment under finance lease	$ 242	$ —

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(2) Adjusted to reflect the retrospective change in accounting method for planned major maintenance costs.

Note on Non-GAAP Financial Measures

To supplement our financial information presented in accordance with U.S. Generally Accepted Accounting Principles ("U.S. GAAP"), we provide certain supplemental financial measures, including EBITDA and Adjusted EBITDA, which are measurements that are not calculated in accordance with U.S. GAAP. EBITDA is defined as earnings before interest, taxes, depreciation and amortization, and Adjusted EBITDA is defined as EBITDA reduced by non-cash gains, increased by stock-based compensation expense, executive transition and severance, GAC Facility pre-production feedstock, other non-cash losses and non-recurring costs and fees. EBITDA and Adjusted EBITDA should be considered in addition to, and not as a substitute for, net loss in accordance with U.S. GAAP as a measure of performance. See below for a reconciliation from net income (loss), the nearest U.S. GAAP financial measure, to EBITDA and Adjusted EBITDA.

We believe that the EBITDA and Adjusted EBITDA measures are less susceptible to variances that affect our operating performance. We include these non-GAAP measures because management uses them in the evaluation of our operating performance, and believe they help to facilitate comparison of operating results between periods. We believe the non-GAAP measures provide useful information to both management and users of the financial statements by excluding certain expenses, gains, and losses which can vary widely across different industries or among companies within the same industry and may not be indicative of core operating results and business outlook.

EBITDA and Adjusted EBITDA:

The following table reconciles Net income (loss), our most directly comparable as-reported financial measure calculated in accordance with U.S. GAAP, to EBITDA and Adjusted EBITDA.

Reconciliation of Net Income (Loss) to Adjusted EBITDA[2]

(in thousands)	Three Months Ended September 30, 2026	Three Months Ended September 30, 2025 As Adjusted (1)	Nine Months Ended September 30, 2026	Nine Months Ended September 30, 2025 As Adjusted (1)
Net income (loss)	$ 2,502	$ (889)	$ 632	$ (3,291)
Depreciation, amortization, depletion and accretion	4,113	3,994	10,520	9,132
Amortization of Upfront Customer Consideration	180	127	540	381
Interest expense, net	706	586	1,344	1,842
Income tax expense	—	—	—	—
EBITDA	7,501	3,818	13,036	8,064
Stock-based compensation	1,184	1,053	3,118	2,523
Executive transition and severance (2)	131	—	958	—
Loss on disposal of assets	25	—	315	118
GAC Facility pre-production feedstock (3)	—	982	—	2,879
Gain on insurance recovery	—	(685)	—	(685)
Adjusted EBITDA	$ 8,841	$ 5,168	$ 17,427	$ 12,899

(1) Adjusted to reflect the retrospective change in accounting method for planned major maintenance costs.

(2) Represents expenses related to executive severance and separation, as well as legal fees and recruiting costs associated with the CFO, COO and CAO transitions. In addition to these amounts, we also incurred approximately $0.2 million of stock-based compensation associated with executive transition and severance during the nine months ended September 30, 2026, which is included in the Stock-based compensation adjustment above.

(3) Represents expenses related to feedstock utilized in pre-production testing of our GAC Facility during the three and nine months ended September 30, 2025 included within "Research and development" expense in the Condensed Consolidated Statements of Operations.

Appendix

Arq Company Overview

- **Arq** is a diversified, environmental technology company producing ***activated carbon*** products which reduce or reverse environmental liabilities, including PFAS or “forever chemicals”. Our products enable a ***cleaner and safer planet***

- **Arq** has the ***only fully domestic*** vertically integrated supply chain, improving water and air quality – contributing to ***America’s energy independence***

General Applications of Our Products







Note: PFAS: Per- or poly-fluorinated alkyl substances (PFAS) are a group of industrial chemicals used in everyday products and are often referred to as ‘Forever Chemicals’ because of their extreme persistence in the environment

What is Activated Carbon?

- Also known as activated charcoal
- Activated carbons are largely engineered sorbent materials which purify, filter and remove pollutants from air, water and soil
- When activated, able to “adsorb” a wide range of harmful compounds from air, gas & liquids
- “Activation” process makes product more porous (e.g. think kernel of corn and popcorn kernel)



2 Major Types of Activated Carbon

Powder Activated Carbon (PAC)	Granular Activated Carbon (GAC)

Products & Market Applications

Applications

- Potable Water
- PFAS Remediation
- Wastewater Treatment
- Biogas
- Mercury Emissions
- Pharma
- Specialty
- Automotive
- Food & Beverage
- Soil & Groundwater Remediation

Market Focus

Foundational Business	Powder Activated Carbon **(PAC)**	**Power generation, industrial and municipal water, PFAS remediation**
Future Growth Potential	Granular Activated Carbon **(GAC)**	**Municipal water, PFAS remediation, soil & groundwater remediation, specialty gas purification**

PFAS Regulations & Impact

EPA under new Administration remains committed to reducing and removing PFAS contamination

Landscape Update

- **Apr 2024:** EPA issues rule requiring municipal drinking water meet new PFAS limits within 5 years
- **Sep 2025:** EPA retains CERCLA designations for PFOA and PFOS as hazardous substances, defending Biden-era rule in ongoing litigation
- **May 2026**: EPA proposed two major rules under the Safe Drinking Water Act: one to uphold PFOA and PFOS limits while allowing water systems to request a compliance extension to 2031; and a second to rescind Biden-era limits for PFHxS, PFNA, GenX (HFPO-DA) and related Hazard Index mixtures

Arq Implications & Additional Detail

- Arq estimates regulations could boost municipal water market demand 3-5x from ~170 million lb/year
- Serves as major catalyst for Arq demand and potential supply shortages
- Regulatory focus narrowed: PFAS Maximum Contaminant Level set at 4 ppt for PFOA/PFOS only (down from 70 ppt); 4 ppt ≈ 4 grains of sand in Olympic pool
- Expanded industrial demand: New NPDES permit requirements and effluent guidelines targeting plastics, chemical, synthetic fiber sectors create additional GAC opportunities
- $1B available for public water utilities; $9B under 2021 BIL for PFAS-impacted communities; additional $12B BIL for public water infrastructure improvements





Sources:
https://www.epa.gov/sdwa/and-polyfluoroalkyl-substances-pfas
https://www.epa.gov/newsreleases/administrator-zeldin-announces-major-epa-actions-combat-pfas-contamination
https://www.hklaw.com/en/insights/publications/2025/10/epas-pfas-rulemaking-trajectory-key-updates

Arq Benefiting from U.S. Tariffs

- Only domestic producer with fully integrated activated carbon supply chain - competitive advantage further amplified under tariffs
- Many competitors face headwinds due to imported feedstock or product dependencies
- Net beneficiary of current tariff environment - positioned to maximize operational and financial performance



Unique position with fully integrated domestic supply chain

Developing New Markets: Arq-Enabled Great Lakes Restoration Project

- Thomson Reservoir cleanup marks **largest activated carbon sediment remediation** in U.S. history
- **Activated carbon supplied exclusively by Arq and deployed to isolate and neutralize** toxic dioxins and furans from industrial legacy pollution
- Arq's engineered carbon plays a **critical role** in halting toxin migration through the **food chain**
- Project aims to **help delist** the St. Louis River as a **Great Lakes Area of Concern by 2030**
- Backed by the EPA and funded through the Bipartisan Infrastructure Law, ensuring **regulatory alignment** and long-term support
- Early data shows tangible ecosystem recovery, with Arq's material central to **measurable environmental impact**





Source: Arq, https://www.pinejournal.com/news/local/worlds-largest-environmental-cleanup-of-its-kind-resumes-on-st-louis-river.

GAC Usage in Water Industry

EPA confirms GAC as a Best Available Technology ("BAT") for PFAS removal [1]

- 77% of water entities still lack any PFAS treatment solution per GAO, despite many GAC systems under construction [2]
- Water systems must currently monitor PFAS by April 2027 and remediate by 2029-2031 if levels exceed EPA limits
- Despite demand imbalance, competitors are adding capacity cautiously to avoid over-supply
- Calgon added 55M lbs of GAC capacity in 2023 and is expanding higher-margin reactivation via Sprint Environmental acquisition
- Norit, owned by private equity, is exiting assets (e.g., sold UK reactivation assets to Kemira in 2024)



1 - https://www.epa.gov/sciencematters/reducing-pfas-drinking-water-treatment-technologies
2 - https://www.gao.gov/products/gao-24-106523

EPA Confirms GAC as a Best Available Technology for PFAS removal

Alternative technologies for PFAS removal and how they compare

PFAS Technology	Advantage	Disadvantage
Granular Activated Carbon	✓ Lowest unit cost ✓ Strong PFAS removal performance ✓ Handles varied water quality ✓ Industry benchmark technology ✓ Broad adsorption spectrum ✓ Can be reactivated ✓ Flexible with other treatments ✓ Lowest capex requirement	x Requires longer contact time x More frequent media change-outs
Ion Exchange	✓ Smaller footprint ✓ No backwash needed	x Higher unit cost x Majority of supply imported x Needs pre-filters due to higher headloss x Media disposal required x Sensitive to chlorine x Flow variability can affect performance
Reverse Osmosis / Nanofiltration	✓ Compact footprint	x High cost and energy demand x Generates concentrated waste x Requires pre-treatment and more chemicals
PAC for PFAS™	✓ Minimal capex requirement ✓ Faster path to compliance ✓ Leverages existing equipment ✓ Can be utilized with existing PAC products	x Not suitable for all PFAS pollutant levels

Source – Company data

1 - https://www.epa.gov/sciencematters/reducing-pfas-drinking-water-treatment-technologies

Activated Carbon Competitive Landscape

Arq remains only large scale public pure-play in activated carbon

Arq

- ✓ Exposure to large and growing PFAS remediation market through planned PAC for PFAS™ and potentially through conventional GAC products
- ✓ Exposure to large, reliable municipal water market
- ✓ Meaningful scale while also representing a viable alternative to larger incumbents
- ✓ Given dominance of private companies in activated carbon market, limited public financial disclosure beyond Arq
- ✓ **Arq remains <u>only pure-play</u> public company in the activated carbon market**

- **Attractive growth market** with concentrated pool of private competitors
- **Calgon Carbon Corporation** is largest player in the North American activated carbon market and announced price increases of up to 25% across all activated carbon products and services as of September 1st 2026
- **Arq** and **Norit** have historically been positioned as #2 and #3 in the North American activated carbon market

Source: Company Estimates



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