

# **BREAKTHROUGH CHEMISTRY INC ANNOUNCES COMPLETION OF DEFINED INTELLECTUAL PROPERTY TRANSACTION WITH CITROTECH INC**

BONITA SPRINGS, FL May 1, 2026 / (OTCID: BKTH) — Breakthrough Chemistry, Inc. (“BKTH”), a Nevada-based corporation headquartered in Bonita Springs, Florida, today announced the completion of a material intellectual property transaction involving the sale of a defined group of fire-retardant and fire-prevention technology assets to CitroTech, Inc. (NYSE AM: CITR).

This announcement follows the Company’s December 27, 2025, Material Event disclosure regarding completion of the transaction and provides additional factual context as part of BKTH’s ongoing investor communications.

The transaction has an aggregate value of \$1,882,000, consisting of \$100,000 in cash and 220,000 shares of CitroTech (CITR) common stock. The transaction was approved and ratified by BKTH’s Board of Directors on December 22, 2025.

## **Intellectual Property Assets Transferred**

Pursuant to the executed Intellectual Property Purchase Agreement and Intellectual Property Assignment, BKTH transferred to CitroTech the specific intellectual property assets identified in Schedule 1 of the transaction documents (the “Transferred IP Assets”).

The Transferred IP Assets consist of:

- the fire-retardant and fire-prevention formulations identified by the applicable product identifiers; and
- the associated documentation delivered with those identifiers, including formulation recipes, ratios, binder systems, weathering additives, bills of materials, safety data sheets, technical documentation, certifications, and supporting records.

Ownership of these defined IP assets transferred to CitroTech on a worldwide basis.

The transaction documents do not transfer chemistry platforms, material families, ingredient classes, or any formulations other than the Transferred IP Assets.

## **Contract-Defined Restrictions and Compliance**

Under the executed transaction documents:

- BKTH is restricted from making, using, practicing, reproducing, or commercializing the exact Transferred IP Assets; and

- BKTH is subject to a territory-limited non-competition obligation within the United States, Canada, and Mexico for the contract-defined “Business.”

Accordingly, BKTH is not using, practicing, or commercializing the exact Transferred IP Assets.

The transaction documents define the transferred intellectual property by reference to the Schedule 1 assets and the associated delivered documentation. They do not include “substantially similar,” “derivative works,” chemistry-family, or platform-level restrictions.

## **Non-Compete Scope and Express Carve-Outs**

Under the executed Agreement Not to Compete, BKTH agreed not to engage, within the United States, Canada, and Mexico, in the defined competitive “Business,” limited to:

- fire-retardant coatings for structural lumber and other load-bearing wood-based building materials; and
- associated competitive services within that defined category.

The Agreement Not to Compete expressly excludes fire-retardant or fire-inhibitor products and blends for textiles, fabrics, paints, stains, tents, drapes, and other non-structural applications. These categories remain outside the defined “Business”.

## **BKTH Continuing Operations and Permitted Activities**

Under the executed agreements, BKTH retains ownership and operating rights to all technologies not included in the Schedule 1 IP Assets, including:

- non-identical fire-retardant and fire-inhibitor formulations;
- fire-retardant coatings for non-structural wood products such as sheds, fencing, decorative wood, pallets, crates, and trim;
- fire-inhibitor systems and materials for textiles, paints, stains, plastics, foams, polymers, industrial substrates, and specialty applications; and
- business-to-business (B2B) supply of permitted fire-inhibitor materials and formulations to manufacturers, applicators, OEMs, distributors, and industrial customers.

The agreements do not restrict BKTH from supplying such permitted products on a B2B basis, nor do they restrict downstream third-party use of such products, provided BKTH is not using the exact Transferred IP Assets or engaging in the defined restricted business within the stated Territory.

## **Strategic Impact**

BKTH believes the transaction strengthens the Company's balance sheet, enhances liquidity, and aligns the Company with CitroTech's commercialization strategy through ongoing equity ownership. The transaction does not result in any change to BKTH's management, operational control, or underlying business model.

BKTH remains focused on B2B-oriented specialty chemical development and supply across global industrial and materials markets.

## **Subsequent CitroTech Disclosure — Hexion Inc Joint Venture**

CitroTech (NYSE AM: CITR) has publicly disclosed the formation of HexiTech LLC, a joint venture with Hexion Inc., to develop, manufacture, commercialize, and sell products incorporating CitroTech's fire-retardant intellectual property within a defined field of use.

<https://finance.yahoo.com/sectors/technology/articles/citrotech-hexion-launch-global-joint-120000643.html>

BKTH, as a shareholder of CitroTech, supports and wishes for continued success to CitroTech and its partners in advancing the HexiTech joint venture.

For clarity, BKTH is not a party to the HexiTech joint venture. BKTH remains an independent specialty chemistry company and continues to operate its business consistent with the defined limitations and retained rights set forth in the executed BKTH–CitroTech transaction documents.

## **About CitroTech Inc:**

CitroTech Inc. (NYSE AM: CITR) is manufacturing and deploying the CitroTech family of innovative, environmentally safe fire prevention solutions for homes, wood products, and wildfire prevention and asset protection. CitroTech is the only long-term fire inhibitor recognized by the EPA Safer Choice program and tested to UL Greenguard Gold standards, providing effective and scientifically validated wildfire mitigation while safeguarding human and environmental health. The company's growing patent portfolio, recurring-revenue model, and scalable approach support its long-term growth and market expansion

## **Another corporate update: Loeffler IP Group**

BKTH has engaged Loeffler IP Group, a full-service intellectual property and business law firm with offices across Southwest Florida, to support the Company's international patent strategy and provide ongoing business-law counsel as BKTH advances its global specialty-chemistry platforms. Loeffler IP Group advises clients ranging from inventors to manufacturers and provides comprehensive services across patents, trademarks, copyrights, trade secrets, and corporate matters.

## **About Breakthrough Chemistry Inc.**

Breakthrough Chemistry provides three engineered chemistry platforms designed to replace outdated and regulated legacy chemistries: • Stabilized Halogen (N-Halamine) — Rechargeable oxidative systems for odor destruction, VOC reduction, antimicrobial performance, and food-safety applications. • SiO<sub>2</sub> Surface Protection — Ultra-thin, durable silica micro-layers that enhance clarity, repel water, resist fouling, and strengthen surfaces across transportation, marine, eyewear, agricultural, and PFAS-free packaging uses. • Fire-Inhibitor Systems (Aqueous + Mineral) — Water-based fire-inhibitor sprays for textiles, wood, carpets, foam, and flexible materials, paired with mineral-anchored systems integrated into plastics, composites, insulation, and building materials for material-level flame resistance. Breakthrough Chemistry supports global deployment through: Licensing and OEM integration, regional toll blending and local manufacturing, Chemistry supply where appropriate, Application-specific technical support and formulation guidance

### **Breakthrough Chemistry Inc**

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**Forward-Looking Statements** The statements contained in this release that are not historical facts are forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Words such as "may," "will," "could," "should," "expect," "plan," "project," "intend," "anticipate,"

"believe," "estimate," "predict," "potential," "pursuant," "target," "continue," and similar expressions are intended to identify such forward looking statements. The statements in this press release that are not historical statements, including statements regarding BKTH's plans, objectives, future opportunities for BKTH's services, future financial performance and operating results and any other statements regarding BKTH's future expectations, beliefs, plans, objectives, financial conditions, assumptions or future events or performance that are not historical facts, are forward looking statements within the meaning of the federal securities laws. These statements are not guarantees