UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2026

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period __________ to __________

Commission file number 001-36103

TECOGEN INC.
(Exact name of Registrant as specified in its charter)

Delaware	**04-3536131**
(State or Other Jurisdiction of Incorporation or Organization)	*(IRS Employer Identification No.)*

76 Treble Cove Road
North Billerica, Massachusetts 01862
(Address of Principal Executive Offices and Zip Code)

(781) 466-6402
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
Common Stock, $0.001 par value per share	TGEN	NYSE American LLC

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ¨ No ý

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ý No ¨

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ý No ¨

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of “large accelerated filer”, “accelerated filer”, “smaller reporting company” and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐ Accelerated filer ☐
Non–accelerated filer ☒ Smaller reporting company ☒
Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ¨

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).Yes ☐ No ý

As of May 13, 2026, 29,917,952 shares of common stock, $0.001 par value per share, of the registrant were issued and outstanding.

CAUTIONARY NOTE CONCERNING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q *("report")* contains forward-looking statements within the meaning of the federal securities laws that involve a number of risks and uncertainties. Forward-looking statements generally can be identified by the use of forward-looking terminology such as *"believe," "expect," "anticipate," "intend," "plan," "estimate," "project," "target," "potential," "will," "should," "seek," "could," "likely" "may," "pro-forma," "continue"* or other variances thereof (including their use in the negative), or by discussions of strategies, plans or intentions. All statements, other than statements of historical fact, included in this report regarding our strategy, future operations, future financial position, future revenues, projected costs, prospects and plans and objectives of management are forward-looking statements. Such forward-looking statements include, among other things, demand for our products and services, the availability of incentives, rebates, and tax benefits relating to our products, changes in the regulatory environment relating to our products, competing technological developments, and the availability of financing to fund our operations and growth.

Forward-looking statements are not guarantees of future performance and our actual results may differ significantly from the results discussed in the forward-looking statements.

The outcome of the events described in these forward-looking statements is subject to known and unknown risks, uncertainties and other factors that may cause us, our customers' or our industry's actual results, levels of activity, performance or achievements expressed or implied by these forward-looking statements to differ. See *"Item 1A. Risk Factors"* and *"Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations"* of our Annual Report on Form 10-K for the year ended December 31, 2025, as well as other sections in this report that discuss some of the factors that could contribute to these differences.

In addition, such forward-looking statements are necessarily dependent upon assumptions and estimates that may prove to be incorrect. Although we believe that the assumptions and estimates reflected in such forward-looking statements are reasonable, we cannot guarantee that our plans, intentions, or expectations will be achieved. The information contained in this report, including the section discussing risk factors, identifies important factors that could cause such differences.

The cautionary statements made in this report are intended to be applicable to all related forward-looking statements wherever they appear in this report. The forward-looking statements made in this report relate only to events as of the date on which the statements are made. Except as required by law, we undertake no obligation to update or release any forward-looking statements as a result of new information, future events, or otherwise, and assume no obligation to update the reasons why actual results could differ materially from those anticipated in such forward-looking statements.

Our logo, trademarks and service marks are the property of Tecogen. Other trademarks or service marks appearing in this report are the property of their respective holders. Solely for convenience, the trademarks, service marks, trade names and copyrights referred to in this report may appear without the TM, SM, ® or © symbols, but such references are not intended to indicate in any way that we or any third-party will not assert, to the fullest extent under applicable law, their rights or the right of the applicable licensor to these trademarks, service marks, trade names and copyrights.

This report also contains or may contain market data related to our business and industry and any such market data may include projections that are based on certain assumptions. If these assumptions turn out to be incorrect, actual results may differ from the projections based on these assumptions. As a result, our markets may not grow at the rates projected by this data, or at all. The failure of these markets to grow at these projected rates may have a material adverse effect on our business, results of operations, financial condition, and the trading price of our common stock.

References in this report to "we," "our," "us," the "Company" and "Tecogen" refer to Tecogen Inc. and its consolidated subsidiaries, unless otherwise noted.

QUARTERLY REPORT ON FORM 10-Q
FOR THE PERIOD ENDED MARCH 31, 2026
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PART I - FINANCIAL INFORMATION
Item 1 - Financial Statements

CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited)

	March 31, 2026	December 31, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	$ 9,332,650	$ 12,430,287
Accounts receivable, net of allowances for expected credit losses of $416,448 and $389,079, respectively	5,056,943	4,280,991
Inventories, net	11,439,973	10,949,697
Unbilled revenue	138,020	138,020
Prepaid and other current assets	581,756	1,086,310
Total current assets	26,549,342	28,885,305
Long-term assets:		
Property, plant and equipment, net	1,558,124	1,609,321
Right-of-use assets - operating leases	1,366,435	1,490,094
Right-of-use assets - finance leases	1,606,080	1,434,080
Intangible assets, net	2,056,855	2,146,503
Goodwill	1,248,442	1,248,442
Other assets	79,480	176,358
TOTAL ASSETS	$ 34,464,758	$ 36,990,103
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 3,612,215	$ 3,381,545
Accrued expenses	2,641,746	2,814,150
Deferred revenue, current portion	950,867	1,530,977
Operating lease liability, current portion	527,990	538,641
Finance lease liability, current portion	349,943	280,265
Acquisition liabilities, current portion	674,019	677,162
Unfavorable contract liability, current portion	41,893	44,433
Total current liabilities	8,798,673	9,267,173
Long-term liabilities:		
Deferred revenue, net of current portion	3,244,037	3,265,886
Operating lease liability, net of current portion	892,239	1,004,488
Finance lease liability, net of current portion	1,085,015	992,285
Acquisition liabilities, net of current portion	754,029	826,757
Unfavorable contract liability, net of current portion	150,642	160,902
Total liabilities	14,924,635	15,517,491
Commitments and contingencies		
Stockholders' equity:		
Tecogen Inc. shareholders' equity:		
Common stock, $0.001 par value; 100,000,000 shares authorized; 29,905,229 issued and outstanding at March 31, 2026 and 29,846,479 shares issued and outstanding at December 31, 2025	29,906	29,847
Additional paid-in capital	78,353,394	78,216,467
Unearned compensation	(662,839)	(712,019)
Accumulated deficit	(58,009,222)	(55,888,649)
Total Tecogen Inc. stockholders' equity	19,711,239	21,645,646
Noncontrolling interest	(171,116)	(173,034)
Total stockholders' equity	19,540,123	21,472,612
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 34,464,758	$ 36,990,103

The accompanying notes are an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

	Three Months Ended	
	March 31, 2026	**March 31, 2025**
Revenues		
Products	$ 1,175,300	$ 2,533,809
Services	4,636,394	4,245,022
Energy production	524,075	498,939
Total revenues	6,335,769	7,277,770
Cost of sales		
Products	647,348	1,487,750
Services	2,700,169	2,258,898
Energy production	398,590	310,082
Total cost of sales	3,746,107	4,056,730
Gross profit	2,589,662	3,221,040
Operating expenses		
General and administrative	3,718,472	2,928,135
Selling	640,932	594,481
Research and development	363,823	292,668
Loss on disposition of assets	2,344	—
Total operating expenses	4,725,571	3,815,284
Loss from operations	(2,135,909)	(594,244)
Other income (expense)		
Other income (expense), net	62,398	(14,245)
Interest expense	(34,244)	(32,326)
Unrealized loss on investment securities	—	(18,749)
Total other income (expense), net	28,154	(65,320)
Loss before provision for state income taxes	(2,107,755)	(659,564)
Provision for state income taxes	10,900	925
Consolidated net loss	(2,118,655)	(660,489)
(Income) loss attributable to the noncontrolling interest	(1,918)	567
Loss attributable to Tecogen Inc.	$ (2,120,573)	$ (659,922)
Net loss per share - basic	$ (0.07)	$ (0.03)
Weighted average shares outstanding - basic	29,859,173	24,954,928
Net loss per share - diluted	$ (0.07)	$ (0.03)
Weighted average shares outstanding - diluted	29,859,173	24,954,928

The accompanying notes are an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
For the Three Months Ended March 31, 2026 and 2025
(unaudited)

Three Months ended March 31, 2026	**Common Stock Shares**	**Common Stock $0.001 Par Value**	**Additional Paid-In Capital**	**Accumulated Deficit**	**Unearned Compensation**	**Non-controlling Interest**	**Total**
Balance at December 31, 2025	29,846,479	$ 29,847	$ 78,216,467	$ (55,888,649)	$ (712,019)	$ (173,034)	$ 21,472,612
Exercise of stock options	58,750	59	54,441	—	—	—	54,500
Stock-based compensation expense	—	—	82,486	—	49,180	—	131,666
Net (loss) income	—	—	—	(2,120,573)	—	1,918	(2,118,655)
Balance at March 31, 2026	29,905,229	$ 29,906	$ 78,353,394	$ (58,009,222)	$ (662,839)	$ (171,116)	$ 19,540,123

Three Months ended March 31, 2025	**Common Stock Shares**	**Common Stock $0.001 Par Value**	**Additional Paid-In Capital**	**Accumulated Deficit**	**Unearned Compensation**	**Non-controlling Interest**	**Total**
Balance at December 31, 2024	24,950,261	$ 24,950	$ 57,845,289	$ (47,639,894)	$ —	$ (104,807)	$ 10,125,538
Exercise of stock options	35,000	35	38,465	—	—	—	38,500
Stock-based compensation expense	—	—	40,833	—	—	—	40,833
Distributions to noncontrolling interest	—	—	—	—	—	(32,889)	(32,889)
Net (loss) income	—	—	—	(659,922)	—	(567)	(660,489)
Balance at March 31, 2025	24,985,261	$ 24,985	$ 57,924,587	$ (48,299,816)	$ —	$ (138,263)	$ 9,511,493

The accompanying notes are an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

	Three Months Ended	
	March 31, 2026	**March 31, 2025**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Consolidated net loss	$ (2,118,655)	$ (660,489)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	265,238	185,695
Provision for (recovery of) credit losses	27,409	(75,000)
Stock-based compensation	131,666	40,833
Unrealized loss on investment securities	—	18,749
Loss on disposition of assets	2,344	—
Non-cash interest expense	—	18,852
Changes in operating assets and liabilities		
(Increase) decrease in:		
Accounts receivable	(803,359)	252,034
Inventory	(490,278)	(252,745)
Unbilled revenue	—	272,160
Prepaid assets and other current assets	408,090	(3,983)
Other assets	220,537	71,264
Increase (decrease) in:		
Accounts payable	230,669	204,237
Accrued expenses and other current liabilities	(172,403)	(63,742)
Deferred revenue	(601,959)	(1,041,023)
Other liabilities	(207,420)	(140,245)
Net cash used in operating activities	(3,108,121)	(1,173,403)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(46,118)	(132,020)
Proceeds from the liquidation of investment securities	96,464	—
Distributions to noncontrolling interest	—	(32,889)
Net cash provided by (used) in investing activities	50,346	(164,909)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Finance lease principal payments	(94,362)	(38,628)
Proceeds from exercise of stock options	54,500	38,500
Net cash used in financing activities	(39,862)	(128)
Net increase (decrease) in cash and cash equivalents	(3,097,637)	(1,338,440)
Cash and cash equivalents, beginning of the period	12,430,287	5,405,233
Cash and cash equivalents, end of the period	$ 9,332,650	$ 4,066,793
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 33,830	$ 13,474
Cash paid for taxes	$ 10,900	$ 925
Non-cash investing activities		
Right-of-use assets acquired under operating leases	$ —	$ 115,857
Right-of-use assets acquired under finance leases	$ 265,420	$ 226,794

The accompanying notes are an integral part of these condensed consolidated financial statements.

Note 1. Description of Business and Basis of Presentation

Description of Business

Tecogen Inc., a Delaware corporation (together with its subsidiaries "we", "our", "us", "Tecogen," or "Company"), was incorporated on September 15, 2000. We produce commercial and industrial, natural-gas-fueled engine-driven, combined heat and power (CHP) products that reduce energy costs, decrease greenhouse gas emissions and alleviate congestion on the national power grid. Our products supply electric power or mechanical power for cooling, while heat from the engine is recovered and purposefully used at a customer facility. The majority of our customers are located in regions with the highest utility rates, typically California, the Midwest and the Northeast.

Our operations are comprised of three business segments. Our Products segment designs, manufactures and sells industrial and commercial cogeneration and chiller systems. Our Services segment provides operation and maintenance services to customers for our products under long-term service contracts. Our Energy Production segment installs, operates, and maintains distributed generation electricity systems that we own, and sells energy in the form of electricity, heat, hot water and cooling to our customers under long-term energy contracts.

On April 30, 2025, we announced that our shares of common stock had been approved for listing on the NYSE American LLC ("NYSE American"), stock exchange. On May 6, 2025, our common stock began trading on the NYSE American under our current symbol "TGEN."

On July 21, 2025, we closed on the sale of an aggregate of 3,985,000 shares of common stock, $0.001 par value per share ("Common Stock"), including an additional 485,000 shares of common stock to cover over-allotments, at a price to the public of $5.00 per share (before deduction of underwriting discounts and commissions), in a firm commitment underwritten public offering pursuant to an underwriting agreement, dated July 18, 2025 between the Company and Roth Capital Partners, LLC as sole underwriter and manager for the offering ("Offering"). The net proceeds from the Offering, after deducting underwriting discounts and commissions and offering expenses were approximately $18,105,100. The net Offering proceeds were as follows:

Gross proceeds	$	19,925,000
Transaction Costs		
Underwriters discounts and commissions		1,394,750
Legal fees		256,557
Assurance		83,000
Original listing fee		75,000
Filing and other fees		10,593
Total transaction costs		1,819,900
Net offering proceeds	$	18,105,100

Basis of Presentation

The financial statements have been prepared in accordance with accounting standards set by the Financial Accounting Standards Board, or FASB. The FASB sets United States (U.S.) generally accepted accounting principles, or U.S. GAAP, to ensure financial condition, results of operations, and cash flows are consistently reported. References to U.S. GAAP issued by the FASB in these footnotes are to the FASB Accounting Standards Codification, or ASC. We adopted the presentation requirements for noncontrolling interests required by ASC 810 Consolidation. Under ASC 810, earnings or losses attributed to the noncontrolling interests are reported as part of the consolidated earnings and not a separate component of income or expense.

The accompanying condensed consolidated financial statements include our accounts and the accounts of the entities in which we have a controlling financial interest. Those entities include our wholly-owned subsidiary, American DG Energy Inc. ("ADGE"), Tecogen CHP Solutions, Inc., and a joint venture, American DG New York, LLC, or ADGNY, in which ADGE holds a 51.0% interest. As the controlling partner, all major decisions in respect of ADGNY are made by ADGE in accordance with the joint venture agreement. The interests in the individual underlying energy system projects in ADGNY vary between ADGE and its joint venture partner. The noncontrolling interest and distributions are determined based on economic ownership. The economic ownership is calculated by the amount invested by us and the noncontrolling partner in each site. Each quarter, we calculate a year-to-date profit or loss for each site that is part of ADGNY and the noncontrolling interest percent of economic ownership in each site is applied to determine the noncontrolling interest share in the profit or loss. The same methodology is used to determine quarterly distributions of available cash to the noncontrolling interest partner. On our balance sheet, noncontrolling interest represents the joint venture partner’s investment in ADGNY, plus its share of after-tax profits less any cash distributions. ADGE owned a controlling 51.0% legal and economic interest in ADGNY as of March 31, 2026 and December 31, 2025. Operating results for the three months ended March 31, 2026 are not necessarily indicative of the results that may be expected for the year ending December 31, 2026. All intercompany transactions have been eliminated in consolidation.

The condensed consolidated balance sheet at December 31, 2025 has been derived from the audited consolidated financial statements at that date included in our Annual Report on Form 10-K for the year ended December 31, 2025, but does not include all of the information and footnotes required by U.S. GAAP for complete financial statements.

For further information, refer to the consolidated financial statements and footnotes thereto included in Tecogen's Annual Report on Form 10-K for the year ended December 31, 2025.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

The provisions for income taxes in the accompanying unaudited consolidated statements of operations differ from that which would be expected by applying the federal statutory tax rate primarily due to losses for which no benefit is recognized.

Business Combinations

In accordance with applicable accounting standards, we estimate the fair value of assets acquired and liabilities assumed as of the acquisition date of each business combination. Any excess purchase price over the fair value of the net tangible and intangible assets acquired is allocated to goodwill. We may make certain estimates and assumptions when determining the fair values of assets acquired and liabilities assumed, including intangible assets. Critical estimates in valuing certain intangible assets include but are not limited to future expected cash flows from energy production sites or customer maintenance contracts, estimated operating costs, as well as discount rates. At the acquisition date, we will also record acquisition related liabilities, if applicable, for any contingent consideration or deferred payments to the seller and pre-acquisition deferred maintenance contingencies identified at service contract acquisition. Contingent consideration and pre-acquisition deferred maintenance contingencies are recorded at fair value on the acquisition date based on our expectation of achieving the contractually defined revenue targets and actual and projected future costs. The fair value of the contingent consideration and pre-acquisition deferred maintenance liabilities are remeasured each reporting period after the acquisition date and any changes in the estimated fair value are reflected as gains or losses in cost of goods sold or general and administrative expense in the condensed consolidated statement of operations. Contingent consideration liabilities and deferred payments to sellers are recorded as current liabilities and other long-term liabilities in the consolidated balance sheets based on the expected timing of settlement.

Management’s estimates of fair value are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable and, as a result, actual results may differ from estimates. Any changes to provisional amounts identified during the measurement period are recognized in the reporting period in which the adjustment amounts are determined. Transaction costs associated with business combinations are expensed as incurred.

Segment Information

Our operations are comprised of three business segments. Our Products segment designs, manufactures and sells industrial and commercial cogeneration systems as described above. Our Services segment installs and maintains our cogeneration and chiller systems under long-term services contracts. Our Energy Production segment installs, operates, and maintains distributed generation electricity systems that we own, and sells energy in the form of electricity, heat, hot water and cooling to our customers under long-term energy contracts. Segment profit is based on operating income after the elimination of intercompany transactions. Segment profit is a measure of operating performance of our reportable segments and may not be comparable to similar measures reported by other companies. Segment profit is a performance metric utilized by our Chief Executive Officer, who is our Chief Operating Decision Maker, to allocate resources to and access performance of our segments. See Note 13. "Segments" of the Notes to Condensed Consolidated Financial Statements, for a reconciliation of segment profit to income (loss) from operations.

Significant Accounting Standards Adopted in the Period

Financial Instruments - Credit Losses Topic (326). In July 2025, the Financial Accounting Standards Board issued ASU 2025-05, *Financial Instruments-Credit Losses (Topic 326) - Measurement of Credit Losses for Accounts Receivable and Contract Assets.* This update is intended to address challenges encountered when applying the guidance of *Topic 326, Financial Instruments-Credit Losses* to accounts receivable and current contract assets arising from transactions accounted for under *Topic 606, Revenue from Contracts with Customers*. The amendments in this update provide all entities with a practical expedient and entities other than public entities with an accounting policy election when estimating expected credit losses for current accounts receivable and current contract assets arising from transactions accounted for under Topic 606. Under Topic 326, in developing reasonable and supportable forecasts of expected credit losses, an entity is required to consider historical credit loss experience of financial assets with similar risks characteristics which generally provides a basis for an entity's assessment of credit losses, but also requires the entity to consider adjustments to that information to reflect the extent to which the entity expects current conditions and reasonable and supportable forecasts to differ from the conditions that existed for the period over which historical information was evaluated. The update allows entities to elect a practical expedient that assumes that current conditions as of the balance sheet date do not change for the remaining life of the asset. The amendments are effective for annual reporting periods beginning after December 15, 2025, and interim periods within those annual reporting periods. The amendments should be applied prospectively. The adoption of ASU 2025-05 did not have a material effect on our financial position or results of operations.

Recently Issued Accounting Standards

Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40). In November 2024, the Financial Accounting Standards Board issued ASU 2024-03, *Income Statement - Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40)*. This update is intended to improve disclosures about public entity's expenses and will require more detailed information about types of expenses including inventory purchases, employee compensation, depreciation, amortization and depletion in commonly presented captions such as cost of sales, SG&A and research and development. In addition, an entity will be required to include certain amounts that are already disclosed under U.S. GAAP in the same disclosure as the other disaggregation requirements; disclose a qualitative description of the amounts remaining in expense captions not separately disaggregated quantitatively; and, disclose the amount of selling expense and, in annual reporting periods, the entity's definition of selling expenses. The amendments are effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. Early adoption is permitted. The amendments should be applied prospectively to the financial statements after the effective date and retrospectively to any and all prior periods presented in the financial statements. ASU 2024-03 will apply to Tecogen after December 15, 2026, adoption of which will not have a material effect on our financial position or results of operation, but will require additional disclosure.

Interim Reporting (Topic 270) - Narrow-Scope Improvements. In November 2025, the Financial Accounting Standards Board issued ASU 2025-11, *Interim Reporting (Topic 270) - Narrow-Scope Improvements*. This update is intended to improve the navigability of the required interim disclosures under Topic 270 and clarify when the guidance is applicable. The amendments also provide a comprehensive list of disclosures required by Topic 270 that should be provided in interim reporting periods. The amendments add to Topic 270 a principle that requires entities to disclose since the end of the last annual reporting period that have a material impact on the entity. The amendments clarify the applicability of Topic 270, the types of interim reporting, and the form and content of the interim financial statements in accordance with GAAP. The amendments in this update apply to all entities that provide interim financial statements and notes in accordance with GAAP and include guidance on the definition of interim financial statements and notes in accordance with GAAP, including referencing the U.S. Securities and Exchange Commission requirements for entities to which those requirements apply. The amendments are effective for interim reporting periods beginning after December 15, 2027, for public entities. Early adoption is permitted. The amendments can be applied either prospectively or retrospectively to any and all prior periods presented in the financial statements. ASU 2024-11 will apply to Tecogen after December 15, 2027, adoption of which will not have a material effect on our financial position or results of operation, but will require additional disclosure.

Codification Improvements. In December 2025, the Financial Accounting Standards Board Issued ASU 2025-12, *Codification Improvements*. ASU 2025-12 contains amendments to the Codification that affect a wide variety of Topics in the Codification and applies to all reporting entities within the scope of the affected accounting guidance. The amendments in this update represent changes to the Codification that clarify, correct errors or make minor improvements, making the Codification easier to understand and apply. The amendments in this update are effective for public entities for fiscal years beginning after December 15, 2026, and interim reporting periods within those annual reporting periods. Early adoption of the amendments in this update are permitted for any fiscal year or interim period for which financial statements have not yet been issued or made available for issuance. If adopted in an interim period, the amendment must be adopted as of the beginning of the fiscal years that includes the interim period. An entity should apply the amendments in this update (except for amendments to Topic 260, Earnings per Share, related to Issue 4) using one of the following transition methods: (1) prospectively to all new transactions recognized on or after the date that the entity first applies the amendments, or (2) retrospectively to the beginning of the earliest comparative period presented in which the amendments were first applied, by adjusting the opening balance of retained earnings, or other appropriate components of equity or net assets, as of the beginning of the earliest comparative period presented. For amendments to Topic 260, Issue 4, an entity shall apply the amendments retrospectively to each prior reporting period presented in the period of adoption. ASU 2025-12 will apply to Tecogen after December 15, 2026. We are currently evaluating the impact on our consolidated financial statements and related disclosures, the adoption of which we anticipate will not have a material effect on our financial position or results of operations.

Note 2. Revenue

Revenue is recognized when performance obligations under the terms of a contract with our customer are satisfied; generally this occurs with the transfer of control of our products, services, and energy production. Revenue is measured as the amount of consideration we expect to receive in exchange for transferring goods or providing services or energy to customers.

Shipping and handling fees billed to customers in sales transactions are recorded in revenue and shipping and handling costs incurred are recorded in cost of sales. We have elected to exclude from revenue any value-added sales and other taxes which we collect concurrent with revenue-producing activities. These accounting policy elections are consistent with the manner in which we historically recorded shipping and handling fees and value-added taxes. Incremental costs incurred by us to obtain a contract with a customer are negligible, if any, and are expensed ratably in proportion to the related revenue recognized.

Disaggregated Revenue

In general, our business segmentation is aligned according to the nature and economic characteristics of our products and customer relationships and provides meaningful disaggregation of each business segment's results of operations. (See Note 13. "Segments " of the Notes to Condensed Consolidated Financial Statements.)

The following table further disaggregates our revenue by major source and by segment for the three months ended March 31, 2026 and 2025.

	Three Months Ended	
Revenues	**March 31, 2026**	**March 31, 2025**
Products:		
Cogeneration	$ 356,241	$ 1,080,369
Chiller	780,589	1,374,197
Engineered Accessories	38,470	79,243
Total Products Revenue	1,175,300	2,533,809
Services	4,636,394	4,245,022
Energy production	524,075	498,939
Total revenues	$ 6,335,769	$ 7,277,770

Products Segment

Products. Our Products revenues include cogeneration systems that supply electricity and hot water, chillers that provide air-conditioning and hot water and engineered accessories, which consist of ancillary products and parts necessary to install a cogeneration unit including integration into the customers' existing electrical and mechanical systems. We refer to the package of engineered accessories and engineering and design services necessary for the customers' installation of a cogeneration unit as light installation services.

We transfer control and generally recognize a sale when we ship a product from our manufacturing facility at which point title has transferred and the customer takes ownership of the product. Payment terms on product sales are generally thirty (30) days.

We recognize revenue in certain circumstances before delivery to the customer has occurred (commonly referred to as bill and hold transactions). We recognize revenue related to such transactions once, among other things, the customer has made a written fixed commitment to purchase the product(s) under normal billing and credit terms, the customer has requested the product(s) be held for future delivery as scheduled and designated by them, risk of ownership has been assumed by the customer, and the product(s) are tagged as sold and segregated for storage awaiting further direction from the customer. Due to the infrequent nature and duration of bill and hold arrangements, the value associated with custodial storage services is deemed immaterial in the context of the contract and in total, and accordingly, none of the transaction price is allocated to such service.

Depending on the product and terms of the arrangement, we may defer the recognition of a portion of the transaction price received because we have to satisfy a future obligation (e.g., product start-up service). Amounts allocated to product start-up services are recognized as revenue when the start-up service has been completed. We use an observable selling price to determine standalone selling prices where available and either a combination of an adjusted market assessment approach, an expected cost plus a margin approach, and/or a residual approach to determine the standalone selling prices for separate performance obligations as a basis for allocating contract consideration when an observable selling price is not available. Amounts received but not recognized pending completion of performance are recognized as contract liabilities and are recorded as deferred revenue along with deposits by customers.

Services Segment

Maintenance services are provided under either long-term service contracts or time and material maintenance contracts. Revenue under time and material maintenance contracts is recognized when the maintenance service is completed. Revenue under long-term maintenance contracts is recognized either ratably over the term of the contract where the contract price is fixed or when the periodic maintenance activities are completed and the invoiced cost to the customer is based on run hours or kilowatts produced in a given period. We use an output method to measure progress towards completion of our performance obligation which results in the recognition of revenue on the basis of a direct measurement of the value to the customer of the services transferred to date relative to the remaining services promised under the contract. We use the practical expedient at ASC 606-10-55-18 of recognizing revenue in an amount equal to the amount we have the right to invoice the customer under the contract.

Energy Production Segment

Revenue from long-term energy contracts is recognized when electricity, heat, hot and/or chilled water is produced by our owned on-site cogeneration systems. Each month we bill the customer and recognize revenue for the various forms of energy delivered, based on meter readings which capture the quantity of the various forms of energy delivered in a given month under a contractually defined formula which takes into account the current month's cost of energy from the local power utility.

As the various forms of energy delivered by us under energy production contracts are simultaneously delivered and consumed by the customer, our performance obligation under these contracts is considered to be satisfied over time. We use an output method to measure progress towards completion of our performance obligation which results in the recognition of revenue on the basis of a direct measurement of the value to the customer of the services transferred to date relative to the remaining services promised under the contract. We use the practical expedient at ASC 606-10-55-18 of recognizing revenue in an amount equal to that amount to which we have the right to invoice the customer under the contract. Payment terms on invoices under these contracts are generally thirty (30) days.

Contract Balances

The timing of revenue recognition, billings and cash collections result in billed accounts receivable, unbilled revenue (contract assets) and deferred revenue, consisting of customer deposits and billings in excess of revenue recognized (contract liabilities) on the condensed consolidated balance sheets.

We did not recognize any unbilled revenue during the three months ended March 31, 2026 that was included in the unbilled revenue receivable as of March 31, 2026.

Revenue recognized during the three ended months March 31, 2026 that was included in the deferred revenue liability at December 31, 2025 was approximately $791,064.

Remaining Performance Obligations

Remaining performance obligations related to ASC 606 represent the aggregate transaction price allocated to performance obligations with an original contract term of greater than one year, excluding certain maintenance contracts and all energy production contracts where a direct measurement of the value to the customer is used as a method of measuring progress towards completion of our performance obligation. Exclusion of these remaining performance obligations is due in part to the inability to quantify values based on unknown future levels of delivery and in some cases rates used to invoice customers. Remaining performance obligations therefore consist of unsatisfied or partially satisfied performance obligations related to fixed price maintenance contracts and installation contracts.

As of March 31, 2026, the aggregate amount of the transaction price allocated to remaining performance obligations was approximately $4,194,905. We expect to recognize revenue of approximately 33.1% of the remaining performance obligations over the next 24 months, 22.7% recognized in the first 12 months and 10.4% recognized over the subsequent 12 months and the balance thereafter.

Note 3. Income (Loss) Per Common Share

Basic and diluted income (loss) per share for the three months ended March 31, 2026 and 2025, respectively, were as follows:

	Three Months Ended	
	March 31, 2026	March 31, 2025
Numerator:		
Net loss available to stockholders	$ (2,120,573)	$ (659,922)
Denominator:		
Weighted average shares outstanding - Basic	29,859,173	24,954,928
Effect of dilutive securities:		
Stock options	—	—
Weighted average shares outstanding - Diluted	29,859,173	24,954,928
Basic loss per share	$ (0.07)	$ (0.03)
Diluted loss per share	$ (0.07)	$ (0.03)
Anti-dilutive shares underlying stock options outstanding	391,921	194,966

Note 4. Inventories, net

Inventories at March 31, 2026 and December 31, 2025 consisted of the following:

	March 31, 2026	December 31, 2025
Raw materials, net	$ 10,181,480	$ 9,361,583
Work-in-process	1,172,144	1,410,757
Finished goods, net	86,349	177,357
Total inventories, net	$ 11,439,973	$ 10,949,697

Note 5. Property, Plant and Equipment, net

Property, plant and equipment at March 31, 2026 and December 31, 2025 consisted of the following:

	Estimated Useful Life (in Years)	March 31, 2026	December 31, 2025
Energy systems	10 - 15 years	$ 2,504,679	$ 2,488,929
Machinery and equipment	5 - 7 years	1,618,204	1,631,139
Furniture and fixtures	5 years	278,911	270,837
Computer software	3 - 5 years	192,865	192,865
Leasehold improvements	*	1,179,688	1,166,708
		5,774,347	5,750,478
Less - accumulated depreciation and amortization		(4,216,223)	(4,141,157)
Property, plant and equipment, net		$ 1,558,124	$ 1,609,321

* Lesser of estimated useful life of asset or lease term

Depreciation and amortization expense on property and equipment for the three months ended March 31, 2026 and 2025 was $94,970 and $95,768, respectively.

Note 6. Intangible Assets and Liabilities Other Than Goodwill

As of March 31, 2026 and December 31, 2025 we had the following amounts related to intangible assets and liabilities other than goodwill:

	March 31, 2026			December 31, 2025		
Intangible assets	**Cost**	**Accumulated Amortization**	**Total**	**Cost**	**Accumulated Amortization**	**Total**
Product certifications	$ 777,465	$ (737,754)	$ 39,711	$ 777,465	$ (732,469)	$ 44,996
Patents	888,910	(705,183)	183,727	888,910	(682,370)	206,540
Developed technology	240,000	(208,000)	32,000	240,000	(204,000)	36,000
Trademarks	26,896	—	26,896	26,896	—	26,896
In Process R&D	263,936	(188,526)	75,410	263,936	(179,100)	84,836
Favorable contract asset	384,465	(384,465)	—	384,465	(383,540)	925
Customer contracts	2,225,123	(526,012)	1,699,111	2,225,123	(478,813)	1,746,310
	$ 4,806,795	$ (2,749,940)	$ 2,056,855	$ 4,806,795	$ (2,660,292)	$ 2,146,503
Intangible liability						
Unfavorable contract liability	$ 2,341,478	$ (2,148,943)	$ 192,535	$ 2,341,478	$ (2,136,143)	$ 205,335

The aggregate amortization expense related to non-contract related intangible assets was $41,525 and $43,711 for the three months ended March 31, 2026 and 2025, respectively. The net aggregate expense related to the amortization of the contract related intangible assets and liabilities for the three months ended March 31, 2026 and 2025 was $35,323 and $14,050, respectively.

Contract Related Intangibles

The favorable contract asset and unfavorable contract liability in the foregoing table represent the fair value of ADGE's customer contracts (both positive for favorable contracts and negative for unfavorable contracts) which were acquired by us on May 18, 2017. The customer contract asset includes the maintenance services contracts acquired by us on April 1, 2023 as part of the Aegis acquisition and pursuant to the February 2024 Amendment and the May 2024 Amendment. (See Note 7. "Aegis Contract and Related Asset Acquisitions.")

Amortization of intangibles including contract related amounts is calculated using the straight line method over the remaining useful life or contract term, which range from approximately one year to eleven years, and is charged against either administrative expenses or cost of sales in the accompanying condensed consolidated statement of operations. Aggregate future amortization over the next five years from March 31, 2026 is estimated to be as follows:

	Non-contract Related Intangibles	**Contract Related Intangibles**	**Total**
Year 1	$ 165,723	$ 146,897	$ 312,620
Year 2	129,915	154,563	284,478
Year 3	18,768	158,007	176,775
Year 4	5,650	158,007	163,657
Year 5	5,649	170,624	176,273
Thereafter	5,143	718,478	723,621
Total	$ 330,848	$ 1,506,576	$ 1,837,424

Note 7. Aegis Contract and Related Asset Acquisitions

On March 15, 2023, we entered into an agreement ("Agreement") with Aegis Energy Services, LLC (“Aegis”) pursuant to which Aegis agreed to assign to us and we agreed to assume certain Aegis maintenance agreements, we agreed to purchase certain assets from Aegis, and related matters (“Acquisition”). On April 1, 2023, the Acquisition closed. Under the Agreement, we agreed to acquire from Aegis and assume Aegis’ rights and obligations arising on or after April 1, 2023, under maintenance agreements pursuant to which Aegis provided maintenance services to third parties for approximately 200 cogeneration systems and we agreed to acquire from Aegis certain vehicles and inventory used by Aegis in connection with the performance of its maintenance services. Following the closing and for a period of up to seven (7) years, we agreed to pay Aegis a percentage of the revenue collected for maintenance services provided pursuant to the maintenance agreements acquired from Aegis. We acquired the Aegis maintenance agreements to expand our Service portfolio and to benefit from the long-term contract revenue stream generated by these agreements.

On February 1, 2024, Tecogen and Aegis amended the Agreement to add eighteen (18) additional maintenance contracts assumed by us (the "February 2024 Amendment").

On May 1, 2024, Tecogen and Aegis amended the Agreement to add thirty-one (31) additional maintenance contracts assumed by us (the "May 2024 Amendment").

We have determined that the assignment and assumption of the Aegis maintenance agreements, in combination with the related asset acquisition and the retention of the former Aegis employees, constitutes a business and should be accounted for as a business combination under the acquisition method. As of the acquisition date, we recognized, separately from goodwill, the identifiable assets acquired and the liabilities assumed, at fair value. We have applied an interpretation of the guidance in ASC 805, Business Combinations, that allows an entity to combine multiple acquisitions as one single transaction due to the April 1, 2023, February 1, 2024 and May 1, 2024 acquisitions being executed in contemplation of one another to achieve the same commercial objective for the Company.

We have included the financial results of the Aegis maintenance agreements in our condensed consolidated financial statements from April 1, 2023, from February 1, 2024 and from May 1, 2024, the closing or acquisition dates for the acquisitions.

Acquisition Valuation

The fair value of the identifiable intangible asset was estimated using the income approach. The excess cash flow was discounted to present value using an appropriate rate of return to estimate the market value of the customer identifiable intangible asset and the risks associated with the future revenue forecasts due to potential changes in customer energy requirements or changes in the economic viability of these CHP sites which depend on the spread between natural gas fuel and electricity prices, all of which are not within our control. Key assumptions to value the customer identifiable intangible asset included the discount rate of 15%, profitability assumptions, revenue assumptions, and anticipated existing contract run out were the material assumptions utilized in the discounted cash flow model used to estimate fair value. The discount rate reflects an estimate of our weighted-average cost of capital. (See Note 6." Intangible Assets and Liabilities Other Than Goodwill.")

Following the closing and for a period of up to seven (7) years, we agreed to pay Aegis contingent consideration equal to a percentage of the revenue collected for maintenance services provided pursuant to the maintenance agreements acquired from Aegis. The contingent consideration is payable within forty-five (45) days following the end of each calendar quarter through the earlier of the expiration or termination of the relevant maintenance agreements, or the seventh (7th) anniversary of the acquisition date. The consideration is equal to the product of the revenues collected in a calendar quarter multiplied by an applicable percentage. The agreement stipulates quarterly aggregate revenue targets and an applicable percentage, and provides for a higher applicable percentage if revenues exceed the target revenues. The applicable percentage ranges from 5% to 10% over the agreement term.

On the date of acquisition, the fair value of the contingent consideration and the deferred maintenance reserve were calculated under the income approach using a weighted average cost of capital of 15%, discounting the future cash flows to present value, and are subsequently remeasured to fair value at each reporting date until the fair value contingencies are resolved. Fair value adjustments which may be determined at subsequent reporting dates will be recorded in our condensed consolidated statements of operations and will not impact the goodwill balance after the measurement period. The deferred maintenance reserve represents costs, which are expected to be incurred over a three-year period from the date of acquisition to repair customer equipment which had not been sufficiently maintained prior to our acquisition of the maintenance service agreements.

The purchase price of the acquisition was allocated to the tangible and intangible assets acquired and liabilities assumed and recognized at their fair value based on widely accepted valuation techniques in accordance with ASC 820, "Fair Value Measurement," as of the acquisition date. The process for estimating fair value requires the use of significant assumptions and estimates of future cash flows and developing appropriate discount rates. The excess of the purchase price over fair value of the net identified assets acquired and liabilities assumed was recorded as goodwill. Goodwill is primarily attributable to the going concern element of the Aegis business, including its assembled workforce and the long-term nature of the customer maintenance agreements, as well as anticipated cost synergies due primarily to the elimination of administrative overhead. Goodwill resulting from the Aegis acquisition is not expected to be deductible for income tax purposes.

The following table summarizes the contract-related liabilities assumed as of March 31, 2026 and December 31, 2025:

	March 31, 2026	December 31, 2025
Acquisition liabilities, current portion		
Contingent consideration	$ 366,836	$ 349,385
Deferred maintenance reserve	307,183	327,777
	674,019	677,162
Acquisition liabilities, net of current portion		
Contingent consideration	$ 754,029	$ 826,757

Revenues and gross profit from the Aegis maintenance contracts were $671,663 and $365,176 and $692,292 and $462,282, respectively, for the three months ended March 31, 2026 and 2025. The revenue and gross profit are and have been included in our Services segment since the respective contract acquisitions dates.

Periodic Remeasurement of Contingent Liabilities

The fair value of the contingent consideration and pre-acquisition deferred maintenance liabilities are remeasured each reporting period after the acquisition date and any changes in the estimated fair value are reflected as gains or losses in cost of goods sold or general and administrative expense in the condensed consolidated statement of operations.

We performed a remeasurement analysis of the contingent consideration and pre-acquisition deferred maintenance liabilities at March 31, 2026 and determined that the carrying value of the liabilities approximated the estimated fair value of the liabilities, based on a discounted cash flow analysis, and did not record a remeasurement adjustment for the year ended March 31, 2026.

We are unable to provide the pro forma information required under ASC 805-10-50-2(h) as the disclosure is impracticable since the required pre-acquisition historical information could not be obtained from Aegis.

Note 8. Sale of Energy Producing Assets

During the first quarter of 2019 we recognized two individual sales of energy producing assets for a total of eight power purchase agreements, including the associated energy production contracts, for total consideration of $7 million.

In connection with the asset sales, we entered into agreements with the purchaser to maintain and operate the assets over the remaining periods of the associated energy production contracts (through August 2033 and January 2034, respectively) in exchange for monthly fees for both maintenance and operation. These agreements contain provisions whereby we have guaranteed to the purchaser a minimum level or threshold of cash flows from the associated energy production contracts. As of March 31, 2026 the remaining minimum guaranteed cash flows aggregated to $4,155,675 over the remaining periods of the associated energy production contracts (through August 2033 and January 2034, respectively). Based upon an analysis of these energy producing assets expected future performance, as of March 31, 2026, we do not expect to make any material payments under the guarantee. Actual results are compared to the minimum threshold bi-annually and we reimburse any shortfall to the purchaser. To the extent actual results are in excess of the minimum threshold, we are entitled to fifty percent of such excess under the agreements. For the year ended December 31, 2025, we recognized a threshold shortfall of $84,854. Payment of our obligation under the energy production contracts for the bi-annual period ended June 30, 2025, in the amount of $42,089, representing 100% of the cash flows shortfall below the minimum threshold for this measurement period was made in the third quarter of 2025. Our obligation under the energy production contracts was $42,765, representing 100% of the cash flows shortfall below the minimum threshold for the bi-annual measurement period ended December 31, 2025. Payment of the December 31, 2025 shortfall was issued in the first quarter of 2026.

The foregoing agreements also contain provisions whereby we have agreed to make whole the purchaser in the event the counterparty to the energy production contract(s) defaults on or otherwise terminates before the stated expiration of the energy production contract. Should we be required to make whole the purchaser under such provisions, we would be entitled to seek recovery from the counterparty to the energy production contract(s) under a similar provision contained in those contracts in respect of early termination.

We are also responsible under the agreements for site decommissioning costs, if any, in excess of certain threshold amounts by site. Decommissioning of site assets is performed when, if and as requested by the counterparty to the energy production contract upon termination of the energy production contract.

Note 9. Leases

Our leases principally consist of operating leases related to our corporate office, field offices, and our research, manufacturing, and storage facilities. Effective December 19, 2023, we entered into a master finance lease agreement for motor vehicles.

At inception, we determine if an arrangement constitutes a lease and whether that lease meets the classification criteria of a finance or operating lease. Some of our lease agreements contain lease components (e.g. minimum rent payments) and non-lease components (e.g. maintenance, labor charges, etc.). We account for each component separately based on the estimated standalone price of each component.

Operating Leases

Operating leases are included in Right-of-use assets - operating leases, Operating lease liability, current portion and Operating lease liability, net of current portion, on the consolidated balance sheets. These assets and liabilities are recognized at the commencement date based on the present value of remaining lease payments over the lease term and using an incremental borrowing rate consistent with the lease terms or implicit rates, when readily determinable. For those leases where it is reasonably certain at the commencement date that we will exercise the option to extend the lease, then the lease term will include the lease extension term. Short-term operating leases, which have an initial term of 12 months or less, are not recorded on the balance sheet.

On March 31, 2023, we entered into two lease agreements for two adjacent buildings, located in North Billerica, Massachusetts, containing approximately 26,412 square feet of manufacturing, storage and office space to serve as our headquarters and manufacturing facilities. The lease agreements provide for initial lease terms of five (5) years with two successive options to renew for additional terms of five (5) years. Both leases commenced on January 1, 2024 and require payment of the base rent, real estate taxes, common maintenance expenses and aggregate deposits of $38,200. Our costs for initial improvements required to the leased premises is estimated to range between $1,200,000 and $1,225,000. As of March 31, 2026 we have expended $1,179,688 on the required improvements at our North Billerica facility. The estimated straight-line monthly rent expense for the initial term of the lease is approximately $26,962 per month. In accordance with ASC 842-20-30-1, we recorded the lease liability and right-of-use asset using the discount rate for the lease upon the lease commencement date, January 1, 2024.

On January 1, 2024 we extended the lease for our 2,800 square foot Valley Stream, NY service center for an additional three (3) years through December 31, 2026, with an option to renew for an additional term of three (3) years. The straight-line base monthly rent for the extension is $4,560 per month. On February 1, 2024 we entered into a lease agreement for 2,063 square feet of office and storage space in East Syracuse, New York for an initial lease term of three (3) years, expiring on January 31, 2027, with an option for an additional lease term of two (2) years. The straight-line base monthly rent for the initial lease term is $1,891 per month. On June 17, 2024, we extended our lease for our 1,751 square foot Hayward, CA service center for an additional three (3) years through July 31, 2027. The straight-line monthly rent for the extension is $3,662 per month. On January 15, 2025 we entered into a lease agreement for 2,969 square feet of office and storage space in Easton, MA for an initial term of five (5) years, expiring on January 31, 2030, with an option for an additional lease term of five (5) years. The straight-line base monthly rent for the initial lease term is $2,324 per month. On April 30, 2025 we extended the term of our Windsor, CT service facility for an additional two (2) years through March 31, 2027, effective April 1, 2025, for 2,000 square feet of office and storage space, with an option for an additional lease term of two (2) years. The straight-line base monthly rent for the initial lease term is $1,850 per month. On July 1, 2025, we exercised our option and extended the term of our 1,414 square foot Mamaroneck, NY service center for an additional term of five (5) years, expiring on February 28, 2031. The straight-line monthly rent for the additional term is $4,519 for our Mamaroneck, NY service facility

Lease expense for operating leases, which principally consists of fixed payments for base rent, is recognized on a straight-line basis over the lease term. Operating lease expense for the three months ended March 31, 2026 and 2025 was $151,057 and $148,291, respectively.

Supplemental information related to operating leases for the three months ended March 31, 2026 and 2025 was as follows:

	March 31, 2026	March 31, 2025
Cash paid for amounts included in the measurement of operating lease liabilities	$ 149,101	$ 143,961
Right-of-use assets obtained in exchange for operating lease liabilities	$ —	$ 115,857
Weighted-average remaining lease term - operating leases	3.3 Years	3.9 Years
Weighted-average discount rate - operating leases	7.6 %	7.6 %

Supplemental balance sheet information related to operating leases as of March 31, 2026 and December 31, 2025 was as follows:

	March 31, 2026	December 31, 2025
Operating leases		
Right-of-use assets - operating leases	$ 1,366,435	$ 1,490,094
Operating lease liability, current portion	$ 527,990	$ 538,641
Operating lease liability, net of current portion	892,239	1,004,488
Total operating lease liability	$ 1,420,229	$ 1,543,129

Finance Leases

Finance leases are included in Right-of-use assets - finance leases, Finance lease liability, current portion and Finance lease liability, net of current portion, on the condensed consolidated balance sheets. These assets and liabilities are recognized at the commencement date based on the present value of remaining lease payments over the lease term and using an incremental borrowing rate consistent with the lease terms or implicit rates, when readily determinable. For those leases where it is reasonably certain at the commencement date that we will exercise the option to extend the lease, then the lease term will include the lease extension term. Effective December 19, 2023, we entered into a master finance lease agreement for motor vehicles. As of March 31, 2026, we have forty (40) vehicles under lease of which five vehicles (5) have been added in the three months ended March 31, 2026.

Lease expense for finance leases for the three months ended March 31, 2026 and 2025 was as follows:

	March 31, 2026	March 31, 2025
Finance lease cost:		
Depreciation of right-of-use assets	$ 93,420	$ 32,167
Interest on lease liabilities	32,579	12,888
Total finance lease cost	$ 125,999	$ 45,055

Supplemental information related to finance leases for the three months ended March 31, 2026 and 2025 was as follows:

	March 31, 2026	March 31, 2025
Cash paid for amounts included in the measurement of finance lease liabilities	$ 126,926	$ 76,809
Right-of-use assets obtained in exchange for finance lease liabilities	265,420	226,794
Weighted-average remaining lease term - finance leases	3.8 Years	4.4 years
Weighted-average discount rate - finance leases	10.4 %	10.3 %

Supplemental balance sheet information related to finance leases as of March 31, 2026 and December 31, 2025 was as follows:

	March 31, 2026	December 31, 2025
Finance leases		
Right-of-use assets - finance leases	$ 1,606,080	$ 1,434,080
Finance lease liability, current portion	$ 349,943	$ 280,265
Finance lease liability, net of current portion	1,085,015	992,285
Total finance lease liability	$ 1,434,958	$ 1,272,550

Future minimum lease commitments under non-cancellable operating and finance leases as of March 31, 2026 were as follows:

	Operating Leases	Finance Leases	Total
Year 1	$ 574,415	$ 487,808	$ 1,062,223
Year 2	487,009	453,300	940,309
Year 3	384,944	441,073	826,017
Year 4	79,857	309,580	389,437
Year 5	52,195	41,422	93,617
Total lease payments	1,578,420	1,733,183	3,311,603
Less: imputed interest	158,191	298,225	456,416
Total	$ 1,420,229	$ 1,434,958	$ 2,855,187

Note 10. Stock-Based Compensation

Stock-Based Compensation

On December 22, 2005, our Board of Directors adopted Tecogen's 2006 Stock Option and Incentive Plan ("2006 Plan") under which the Board of Directors or a committee appointed by the Board of Directors may grant incentive stock options to officers and employees and may grant non-qualified stock options, restricted stock and stock to officers, employees, directors, advisors and consultants. The 2006 Plan was amended at various dates by the Board of Directors to increase the number of shares of common stock reserved for issuance under the Plan to 3,838,750, and, in June 2017, stockholders approved an amendment to extend the termination date of the Plan to January 1, 2026 (2006 Plan as amended, "Amended Plan").

Stock options vest based upon the terms of each individual option grant with an acceleration of the unvested portion of such options upon a change of control event, as defined in the Amended Plan. The options are not transferable except by will or domestic relations order. Under the Internal Revenue Code, the option exercise price per share under the Amended Plan cannot be less than the fair market value of the underlying shares on the date of the grant. Incentive stock options granted to an officer or employee owning more than 10% of the combined voting power of the Company, are required to be exercisable at a price per share equal to 110% of the fair market value of a share on the date of grant and such options are not exercisable after the expiration of five years from the date such option is granted. On January 1, 2026 the Amended Plan expired and no further incentive or non-qualified stock options or other awards may be granted or made under the Amended Plan.

On March 8, 2022, our Board of Directors adopted Tecogen's 2022 Stock Incentive Plan ("2022 Plan"), under which the Board of Directors or a committee appointed by the Board of Directors may grant incentive stock options to officers and employees and grant non-qualified stock options, restricted stock, and stock grants to officers, employees, directors, advisors and consultants. We have reserved 3,800,000 shares of our common stock for issuance pursuant to awards under the 2022 Plan. The adoption of the 2022 Plan was approved by our shareholders on June 9, 2022. The 2022 Plan expires ten years from its effective date or March 1, 2032.

Under the 2022 Plan, stock options vest based upon the terms of each individual option grant with an acceleration of the unvested portion of such options upon a change of control event, as defined in the 2022 Plan. The options are not transferable except by will or domestic relations order. Under the Internal Revenue Code, the option exercise price per share under the Amended Plan cannot be less than the fair market value of the underlying shares on the date of the grant. Incentive stock options granted to an officer or employee owning more than 10% of the combined voting power of the Company are required to be exercisable at a price per share equal to 110% of the fair market value of a share on the date of grant and the option must expire within a period of not more than five years from the date of grant. The number of shares remaining available for future issuance under the Plan as of March 31, 2026 was 2,620,356.

During the year ended December 31, 2025, we recognized $799,997 of unearned compensation due to the issuance of restricted stock awards, with respect to 95,808 shares of common stock priced at $8.35 per share to officers which vest in equal annual installments over the four year period commencing on the date of grant.

During the three months ended March 31, 2026, we granted nonqualified stock options to purchase an aggregate of 50,000 shares of common stock at $2.36 per share to key employees. These options have a vesting schedule of five years and expire in ten years from the date of grant. The fair value of the options issued in the three months ended March 31, 2026 was

$63,920. The weighted-average grant date fair value of stock options granted three months ended March 31, 2026 was $1.28 per share.

During the three months ended March 31, 2026 and 2025, options for 58,750 and 35,000 shares of common stock, respectively, were exercised.

Stock option activity for the three months ended March 31, 2026 was as follows:

Common Stock Options	Number of Options	Exercise Price Per Share	Weighted Average Exercise Price	Weighted Average Remaining Life	Aggregate Intrinsic Value
Outstanding, December 31, 2025	2,347,044	$ 0.71 — $8.61	$ 1.90	6.29 years	$ 7,961,973
Granted	50,000	$ 2.36	$ 2.36		
Exercised	(58,750)	$ 0.88 — $1.20	$ 0.93		$ 95,900
Canceled and forfeited	(65,500)	$ 0.71 — $3.93	$ 0.95		
Outstanding, March 31 2026	2,272,794	$ 0.71 — $8.61	$ 1.97	6.10 years	$ 2,933,445
Exercisable, March 31, 2026	1,400,458		$ 1.26		$ 1,980,445
Vested and expected to vest, March 31, 2026	2,141,944		$ 1.90		$ 2,790,495

We used a forfeiture rate of 15% to calculate the expected to vest shares in the table above. We use the Black-Scholes option pricing model to determine the fair value of stock options granted. Use of a valuation model requires management to make certain assumptions with respect to selected model inputs. Expected volatility was calculated based on the average volatility of four comparable publicly traded companies. The average expected life was estimated using the simplified method to determine the expected life based on the vesting period and contractual terms, since we do not have the necessary historical exercise data to determine an expected life for stock options. We use a single weighted-average expected life to value option awards and recognize compensation on a straight-line basis over the requisite service period for each separately vesting portion of the awards. The risk-free interest rate is based on U.S. Treasury zero-coupon issues with a remaining term which approximates the expected life assumed at the date of grant.

The weighted average assumptions used in the Black-Scholes option pricing model for options granted in three months ended March 31, 2026 and 2025 are as follows:

Stock Option Award Assumptions	March 31, 2026	March 31, 2025
Expected dividend yield	—%	—%
Expected life	6.50 years	6.25 years
Risk-free interest rate	5.20%	4.22%
Expected volatility	49.49%	42.33%

We recognized stock-based compensation expense of $82,486 and $40,833, respectively, for the three months ended March 31, 2026 and 2025. No tax benefit was recognized related to the stock-based compensation recorded during the period. For the three months ended March 31, 2026, we recognized stock-based compensation expense of $49,180 related to restricted stock grant awards. No tax benefit was recognized related to the stock-based compensation expense during the period. At March 31, 2026, the total compensation cost related to unvested stock option awards and restricted stock awards not yet recognized is $1,711,214 and this amount will be recognized over a weighted average period of 2.17 years.

Note 11. Related Party Notes

On October 9, 2023, we entered into note subscription agreements with each of John N. Hatsopoulos and Earl R. Lewis, III, each a director and shareholder of the Company, pursuant to which Mr. Hatsopoulos agreed to provide financing to us of up to $1,000,000, and Mr. Lewis agreed to provide financing to us of $500,000, and potentially, an additional $500,000 at his discretion. On October 10, 2023, we borrowed $500,000 from Mr. Hatsopoulos and issued to him a one-year promissory note with interest accruing at 5.12% per annum. On July 23, 2024, we borrowed an additional $500,000 from Mr. Hatsopoulos, and issued a one-year promissory note with interest accruing at 5.06% per annum. On March 21, 2024, Mr. Hatsopoulos amended the terms of the promissory note, dated October 10, 2023, extending the maturity date by one-year, making the maturity date October 10, 2025. On September 18, 2024, we borrowed $500,000 from Mr. Lewis and issued to him a one-year promissory note with interest accruing at 4.57% per annum.

On January 14, 2025 we agreed to permit Mr. Lewis to either receive repayment of his note in cash or, at his discretion, convert the balance of the promissory note into shares of our common stock. In the event of such a conversion, the number of shares of we will be required to issue will be determined by dividing the balance due under the promissory note by the average closing price per share of our shares during the thirty-day period prior to the date of conversion.

On February 18, 2025 we amended the promissory notes with Mr. Hatsopoulos to extend the maturity dates for both promissory notes to July 31, 2026. We also agreed to permit Mr. Hatsopoulos to either receive repayment of his notes in cash, or at his discretion, convert the balance(s) due of one or both of the promissory notes into shares of our common stock. In the event of such a conversion, the number of shares we will be required to issue will be determined by dividing the balance(s) due under the promissory note(s) by the average closing price per share of our shares during the thirty-day period prior to the date of conversion.

The loans are required to be repaid in the event of a change of control of the company and upon the occurrence of an event of default under the note, including upon a failure to pay when due the principal and interest when due, or the commencement of voluntary or involuntary bankruptcy or insolvency proceeding.

The loans and terms of the loan agreements were unanimously approved by our Board of Directors.

The loans bear interest on the outstanding principal at the Internal Revenue Service's Applicable Federal Rate to be determined at the time we issue a promissory note in connection with a loan drawdown. The notes may be prepaid by us at any time. The principal amount of each loan and accrued interest is subject to mandatory prepayment in the event of a change of control of the Company. The promissory notes are subject to customary events of default and are transferable provided the conditions to transfer set forth in the promissory notes are satisfied by the noteholder. The proceeds of the loans have been used for general working capital purposes and to fund the initial improvements required at our North Billerica facility.

On May 1, 2025, Mr. Lewis elected to convert the promissory note we issued to him in connection with his loan to us in the principal amount of $500,000 together with $14,148 of accrued and unpaid interest into 240,256 shares of our common stock at a per share price of $2.14. The number of shares was determined by dividing the balance due under the promissory note by the average closing price per share of our shares during the thirty-day period prior to the date of conversion. At May 1, 2025, our obligation to Mr. Lewis under the promissory note was paid and the note was canceled.

On September 3, 2025 and September 4, 2025, we paid $548,675 and $528,281, respectively, to Mr. Hatsopoulos in repayment of his loans to us in the aggregate principal amount of $1,000,000 together with $76,956 of accrued and unpaid interest. At September 4, 2025, our obligation to Mr. Hatsopoulos under the promissory notes were paid and the notes were canceled.

Note 12. Fair Value Measurements

The fair value topic of the FASB Accounting Standards Codification defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The accounting guidance also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs, where available, and minimize the use of unobservable inputs when measuring fair value. There are three levels of inputs that may be used to measure fair value:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities. We currently do not have any Level 1 financial assets or liabilities.

Level 2 - Observable inputs other than quoted prices included in Level 1. Level 2 inputs include quoted prices for identical assets or liabilities in non-active markets, quoted prices for similar assets or liabilities in active markets and inputs other than quoted prices that are observable for substantially the full term of the asset or liability. During the three months ended March 31, 2026 we had Level 2 financial assets which were liquidated as provided below.

Level 3 - Unobservable inputs reflecting management's own assumptions about the input used in pricing the asset or liability. We have Level 3 liabilities as provided below.

Marketable equity securities

The following table present the asset reported in "other assets" in the condensed consolidated balance sheet measured at its fair value on a recurring basis as of March 31, 2025 by level within the fair value hierarchy.

	Total	Quoted prices in active markets for identical assets Level 1	Significant other observable inputs Level 2	Significant unobservable inputs Level 3	Gains (losses)
March 31, 2025					
Recurring fair value measurements					
Available-for-sale equity securities					
Aivita Group, Inc. formerly EuroSite Power Inc.	$ 74,995	$ —	$ 74,995	$ —	$ (18,749)
Total recurring fair value measurements	$ 74,995	$ —	$ 74,995	$ —	$ (18,749)

We utilize a Level 2 category fair value measurement to value our investment in Aivita Group, Inc., formerly EuroSite Power Inc., as a marketable equity security at period end. That measurement is equal to the quoted market closing price at period end. Since this security is not actively traded we classify it as Level 2. During the three months ended March 31, 2026, our position in Aivita Group, Inc. was liquidated resulting in the receipt of $96,464 in proceeds.

The following table summarizes changes in Level 2 assets which are comprised of marketable equity securities for the three months ended March 31, 2026 and March 31, 2025:

Fair value at December 31, 2025	$	96,464
Proceeds from share liquidation	$	(96,464)
Fair value at March 31, 2026	$	—
Fair value at December 31, 2024	$	93,744
Unrealized loss		(18,749)
Fair value at March 31, 2025	$	74,995

Contingent Contract Consideration

We utilize a Level 3 category fair value measurement to value the agreed upon Aegis contingent contract consideration liability at period end since there are no quoted prices for this liability in non-active markets, there are no quoted prices for similar liabilities in active markets and there are no inputs that are observable for substantially the full term of the the liability. The contingent contract consideration calculation requires management to make estimates and assumptions that affect the reported amount of the liability. The contingent contract consideration is payable each calendar quarter through the earlier of the expiration or termination of the relevant maintenance agreements, or the seventh (7th) anniversary of the acquisition date. The consideration is equal to the product of the revenues collected in a calendar quarter multiplied by an applicable percentage. The agreement stipulates quarterly aggregate revenue targets and an applicable percentage, and provides for a higher applicable percentage if revenues exceed the target revenues. The applicable percentage ranges from 5% to 10% over the agreement term. On the date of acquisition, the fair value of the contingent consideration was calculated using a weighted average cost of capital of 15%, discounting the future cash flows to present value.

		Quoted prices in active markets for identical assets	Significant other observable inputs	Significant unobservable inputs	
	Total	Level 1	Level 2	Level 3	Total g (loss
March 31, 2026					
Recurring fair value measurements					
Contingent contract consideration					
Acquisition liabilities, current portion	$ 366,836	$ —	$ —	$ 366,836	$
Acquisition liabilities, net of current portion	754,029	—	—	754,029	
Total recurring fair value measurements	$ 1,120,865	$ —	$ —	$ 1,120,865	$
March 31, 2025					
Recurring fair value measurements					
Contingent contract consideration					
Acquisition liabilities, current portion	$ 362,362	$ —	$ —	$ 362,362	$
Acquisition liabilities, net of current portion	938,407	—	—	938,407	
Total recurring fair value measurements	$ 1,300,769	$ —	$ —	$ 1,300,769	$

Note 13. Segments

Our Chief Executive Officer, who is our Chief Operating Decision Maker ("CODM") manages our business through three operating segments, wherein our CODM manages our businesses by: (i) assessing operating performance on a periodic basis, (ii) making resource allocation decisions and (iii) designating responsibilities for his direct reports. As of March 31, 2026 and 2025, we were organized into three operating segments through which senior management evaluates our business. These segments, as described in more detail in Note 1. Description of Business and Basis of Presentation, are organized around the products, services and energy production provided to customers and represent our reportable segments.

Our CODM utilizes segment profit, based on operating income after the elimination of intercompany transactions and segment identifiable assets to assess segment operating performance and to make resource allocation decisions. Certain costs such as other income (expense) are not included in the measure of segment profit and are excluded from management's assessment of segment financial performance.

Corporate includes finance, treasury, certain research and development costs, tax and legal costs and certain other costs which are not allocated to the reportable segments.

The following table presents information by reportable segment for the three months ended March 31, 2026 and 2025:

	Products	Services	Energy Production	Corporate	Total
Three Months Ended March 31, 2026					
Revenues	$ 1,175,300	$ 4,636,394	$ 524,075	$ —	$ 6,335,769
Cost of sales	647,348	2,700,169	398,590		3,746,107
Gross profit	527,952	1,936,225	125,485	—	2,589,662
Operating expenses	782,917	2,134,972	42,546	1,765,136	4,725,571
Profit (loss) from operations	$ (254,965)	$ (198,747)	$ 82,939	$ (1,765,136)	$ (2,135,909)
Identifiable assets	$ 8,986,940	$ 13,753,378	$ 1,431,310	$ 10,293,130	$ 34,464,758
Three Months Ended March 31, 2025					
Revenues	$ 2,533,809	$ 4,245,022	$ 498,939	$ —	$ 7,277,770
Cost of sales	1,487,750	2,258,898	310,082	—	4,056,730
Gross profit	1,046,059	1,986,124	188,857	—	3,221,040
Operating expenses	569,829	1,760,446	16,469	1,468,540	3,815,284
Profit (loss) from operations	$ 476,230	$ 225,678	$ 172,388	$ (1,468,540)	$ (594,244)
Identifiable assets	$ 10,255,443	$ 11,475,395	$ 2,703,490	$ 5,291,500	$ 29,725,828

Note 14. Subsequent Events

We have evaluated events through the date of this filing and have determined that no material subsequent events occurred that would require recognition in the consolidated financial statements or disclosure in the notes thereto for the period ended March 31, 2026.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis should be read in conjunction with our unaudited condensed consolidated financial statements and the accompanying notes thereto included in this report and is qualified in its entirety by the foregoing and by more detailed financial information appearing elsewhere in this report. See "Item 1 - Financial Statements." In addition to historical financial information, the following discussion and analysis contains forward-looking statements that involve risks, uncertainties and assumptions. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of many factors, including those discussed in the "Cautionary Note Concerning Forward Looking Statements," above.

Recent Developments

Recent Equity Financing

On July 21, 2025, we closed on the sale of an aggregate of 3,985,000 shares of common stock, $0.001 par value per share ("common stock"), including an additional 485,000 shares of common stock to cover over-allotments, at a price to the public of $5.00 per share (before deduction of underwriting discounts and commissions), in a firm commitment underwritten public offering pursuant to an underwriting agreement, dated July 18, 2025, between the Company and Roth Capital Partners, LLC, as sole underwriter and manager for the offering ("Offering"). The net proceeds from the Offering, after deducting underwriting discounts and commissions and offering expenses were approximately $18,105,100. See Note 1. "Description of Business and Basis of Presentation" of the Notes to Condensed Consolidated Statements for additional detail on the net Offering proceeds.

We have used and intend to use the net proceeds of the Offering for continued product development, increased sales and marketing activities, sales, marketing, additional human resources, capital expenditures, repayment of related party promissory notes and other costs and expenses we may incur in connection with the anticipated expansion into the data center market, and for general working capital and corporate purposes.

Uplist to NYSE American Stock Exchange

On April 30, 2025, we announced that our common stock had been approved for listing on the NYSE American LLC ("NYSE American") stock exchange. On May 6, 2025, our common stock began trading on the NYSE American under our current symbol "TGEN."

Vertiv Sales and Marketing Agreement - Data Center Cooling Market

On February 28, 2025, we entered into a Sales and Marketing Agreement with Vertiv Corporation ("Vertiv") relating to sales of Tecogen DTx chillers for data center cooling applications ("Vertiv Agreement"). The Vertiv Agreement has a term of two years and provides that Vertiv will engage in establishing a budget for marketing activities and use commercially reasonable efforts to sell our DTx chillers for cooling applications in data centers. The Vertiv Agreement also provides the basis for the negotiation of a definitive supply agreement between us and Vertiv. We have agreed to provide Vertiv with reasonable discounts for purchases of significant volumes of our chillers, and Vertiv has agreed to use commercially reasonable efforts to assist us in securing favorable terms for engineering components and supplies for manufacturing our chillers. Pursuant to the Vertiv Agreement we have granted Vertiv the exclusive right to market and sell our DTx chillers for data center cooling applications outside the United States, and the non-exclusive right to market and sell our DTx chillers for such applications within the United States. We have also agreed to grant Vertiv the exclusive right to market and sell our DTx chillers for data center cooling applications in the United States if Vertiv achieves and maintains agreed sales levels of DTx chillers. The foregoing description of the Vertiv Agreement is not complete and is qualified in its entirety by reference to the full text thereof, a copy of which was filed as Exhibit 99.01 to our Current Report on Form 8-K filed with the Securities and Exchange Commission ("SEC") on February 28, 2025.

Impact of Outlook Regarding Fossil Fuels

In some key markets such as New York City, the regulatory push to eliminate fossil fuels from buildings has impacted cogeneration unit sales. We believe that as regulations take into account scope 2 emissions and products like our hybrid chiller that can choose the cleanest fuel source will have a significant advantage in decarbonization efforts. The political environment following the 2024 elections in the United States may have a material impact on anti-fossil fuel sentiment and the regulatory environment that may be favorable to our business. We have also diversified our sales activities to reduce our reliance on markets like New York City.

Impact of Utility Power Constraints, Data Center Construction

As more load is added to the utility grid in the form of data centers, EV charging, and other demands for power, customers are facing power constraints. Tecogen believes that these power constrained customers, in particular data centers and industrial facilities, represent a significant opportunity for growth. The customer need is driven by the ability to expand an existing facility or open a new facility quickly while taking advantage of utility expense savings long term. Our chiller products can reduce the electrical capacity needed on-site by 30% or more. Our InVerde product can provide on-site power generation which allows customers to eliminate long lead times associated with electrical switch gear and bridge any short fall in power from the utility.

Tecochill Hybrid-Drive Air-Cooled Chiller Development

During the third quarter of 2021, we began development of the Tecochill Hybrid-Drive Air-Cooled Chiller. We recognized that there were many applications where the customer wanted an easy to install chiller. Using the inverter design from our InVerde e+ cogeneration module, the system can simultaneously take two inputs, one from the grid or a renewable energy source and one from our natural gas engine. This allows a customer to seek the optimum blend of operational cost savings and greenhouse gas benefits while providing added resiliency from two power sources. We introduced the Tecochill Hybrid-Drive Air-Cooled Chiller at the AHR Expo in February 2023 and received an order on February 8, 2024 for three hybrid-drive air-cooled chillers for a utility company in Florida which were shipped in the second and third quarter of 2025. In March 2024, the US Patent and Trademark Office granted patent 11,936,327: "Hybrid Power System With Electric Generator and Auxiliary Power Source."

Impact of Geopolitical Tensions

We have no operations or customers in Russia, the Ukraine, or in the Middle East. However, disruptions in global energy supplies and volatility in global energy prices may continue to result in higher energy prices for natural gas as a result of these conflicts and may affect the performance of our Energy Production Segment and the cost differential between grid generated energy and natural gas sourced energy using our cogeneration equipment. We have also seen higher electricity prices as much of the electricity production in the United States is generated from fossil fuels. If the electricity prices continue to rise, the economic savings generated by our products are likely to increase. In addition to the direct result of changes in natural gas and electricity prices, the war in Ukraine and the conflict in the Middle East, including the recent military actions in Iran, may result in higher cybersecurity risks, increased or ongoing supply chain challenges, and volatility related to the trading prices of commodities. We are continuing to evaluate the macroeconomic environment and our ability to mitigate the impact on our business, consolidated results of operations, and financial condition.

Impact of Tariffs

The majority of our vendors are domestic. Although we have some exposure to Chinese and European suppliers, we do not anticipate any increases in tariffs to materially affect our operations.

Overview

Tecogen designs, manufactures, markets, and maintains high efficiency, ultra-clean cogeneration products. These include natural gas engine driven combined heat and power (CHP) systems, chillers and heat pumps for multi-family residential, commercial, recreational and industrial use. We are known for products that provide customers with substantial energy savings, resiliency from utility power outages and for significantly reducing a customer's carbon footprint. Our products are sold with our patented Ultera® technology which nearly eliminates all criteria pollutants such as NOx and CO. Our systems are greater than 88% efficient compared to typical electrical grid efficiencies of 40% to 50%. As a result, our greenhouse gas (GHG) emissions per KwH are typically half that of the electrical grid. Our systems generate electricity and hot water or in the case of our Tecochill product, both chilled water and hot water. These result in savings of energy related costs of up to 60% for our customers. Our products are expected to run on Renewable Natural Gas (RNG) as it is introduced into the US gas pipeline infrastructure.

Our products are sold directly to end-users by our in-house sales team and by established sales agents and representatives. We have agreements in place with distributors and sales representatives. Our existing customers include hospitals and nursing homes, colleges and universities, health clubs and spas, hotels and motels, office and retail buildings, food and beverage processors, multi-unit residential buildings, laundries, ice rinks, swimming pools, factories, municipal buildings, military installations and indoor growing facilities. To date we have shipped over 3,200 units, some of which have been operating for almost 35 years.

With the acquisition of American DG Energy Inc. ("ADGE") in May 2017, we added an additional source of revenue. Through ADGE, we install, own, operate and maintain complete distributed generation electricity systems, or DG systems or energy systems, and other complementary systems at customer sites, and sell electricity, hot water, heat and cooling energy under long-term contracts at prices guaranteed to the customer to be below conventional utility rates. Each month we obtain readings from our energy meters to determine the amount of energy produced for each customer. We use a contractually defined formula to multiply these readings by the appropriate published price of energy (electricity, natural gas or oil) from each customer's local energy utility, to derive the value of our monthly energy sale, which includes a negotiated discount. Our revenues per customer on a monthly basis vary based on the amount of energy produced by our energy systems and the published price of energy (electricity, natural gas or oil) from our customer's local energy utility that month.

Our operations are comprised of three business segments. Our Products segment designs, manufactures and sells industrial and commercial cogeneration and chiller systems. Our Services segment provides operations and maintenance services ("O&M") for our products under long term service contracts. Our Energy Production segment installs, operates, and maintains distributed generation electricity systems that we own, and sells energy in the form of electricity, heat, hot water and cooling to our customers under long-term sales contracts.

Results of Operations

First Quarter Ended March 31, 2026 Compared to the First Quarter Ended March 31, 2025

The following table sets forth for the periods indicated, the percentage of net sales represented by certain items reflected in our condensed consolidated statements of operations:

	Three Months Ended	
	March 31, 2026	**March 31, 2025**
Revenues	100.0 %	100.0%
Cost of sales	59.1 %	55.7%
Gross profit	40.9 %	44.3%
Operating expenses		
General and administrative	58.7 %	40.2%
Selling	10.1 %	8.2%
Research and development	5.7 %	4.0%
Total operating expenses	74.6 %	52.4%
Loss from operations	(33.7)%	(8.2)%
Total other expense, net	0.4 %	(0.9)%
Loss before income taxes	(33.3)%	(9.1)%
Provision for state income taxes	0.2 %	— %
Consolidated net loss	(33.4)%	(9.1)%
(Income) loss attributable to the noncontrolling interest	— %	— %
Net loss attributable to Tecogen, Inc.	(33.5)%	(9.1)%

Revenues

The following table presents revenue for the periods indicated, by segment and the change from the prior year:

	Three Months Ended			
	March 31, 2026	**March 31, 2025**	**Increase (Decrease) $**	**Increase (Decrease) %**
REVENUE:				
Products				
Cogeneration	$ 356,241	$ 1,080,369	$ (724,128)	(67.0)%
Chiller	780,589	1,374,197	(593,608)	(43.2)%
Engineered accessories	38,470	79,243	(40,773)	(51.5)%
Total product revenues	1,175,300	2,533,809	(1,358,509)	(53.6)%
Services	4,636,394	4,245,022	391,372	9.2 %
Energy production	524,075	498,939	25,136	5.0 %
Total revenues	$ 6,335,769	$ 7,277,770	$ (942,001)	(12.9)%

Total revenues for the three months ended March 31, 2026 were $6,335,769 compared to $7,277,770 for the same period in 2025, a decrease of $942,001 or 12.9% year over year.

Products

Products revenues in the three months ended March 31, 2026 were $1,175,300 compared to $2,533,809 for the same period in 2025, a decrease of $1,358,509, or 53.6%. The decrease in revenue during the three months ended March 31, 2026 is due to a decrease in cogeneration sales of $724,128, a decrease in chiller sales of $593,608, and a decrease in engineered accessory sales of $40,773. Cogeneration sales in the three months ended March 31, 2025 were higher due to the shipment of several cogeneration systems to customers seeking tax credits under the Inflation Reduction Act of 2022. Our Products sales mix, as well as product revenue, can vary significantly from period to period as our products are high dollar, low volume sales.

Services

Service revenues in the three months ended March 31, 2026 were $4,636,394, compared to $4,245,022 for the same period in 2025, an increase of $391,372, or 9.2%. The increase in revenue during the three months ended March 31, 2026 is due to a $412,001 increase in revenues from existing service contracts, offset by a $20,629 reduction in revenue from the acquired Aegis maintenance contracts.

Our service operation revenues grow with the sale of installed systems, since the majority of our product sales are accompanied by a service contract or time and materials agreements. As a result, our “fleet” of units being serviced by our service department grows with product sales.

Energy Production

Energy Production revenues in the three months ended March 31, 2026 were $524,075, compared to $498,939 for the same period in 2025, an increase of $25,136, or 5.0%. The increase in Energy Production revenue is due to an increase in run hours at certain sites in the three months ended March 31, 2026.

Cost of Sales

Cost of sales in the three months ended March 31, 2026 was $3,746,107 compared to $4,056,730 for the same period in 2025, a decrease of $310,623, or 7.7%. The decrease in cost of sales is due to decreased Products shipments, offset by increased service contract maintenance costs due to higher labor and material costs three months ended March 31, 2026. During the three months ended March 31, 2026 our gross margin decreased to 40.9% compared to 44.3% for the same period in 2025, a 3.4% percentage point decrease due to higher service contract costs.

Products

Cost of sales for Products in the three months ended March 31, 2026 was $647,348 compared to $1,487,750 for the same period in 2025, a decrease of $840,402, or 56.5% due to decreased sales of Products. During the three months ended March 31, 2026, our Products gross margin was 44.9% compared to 41.3% for the same period in 2025, a 3.6% percentage point increase. The increase in margin is a function of price increases instituted in 2026.

Services

Cost of sales for Services in the three months ended March 31, 2026 was $2,700,169 compared to $2,258,898 for the same period in 2025, an increase of $441,271, or 19.5%, due to increased labor and material costs. During the three months ended March 31, 2026, our Services gross margin decreased to 41.8% compared to 46.8% in the same period in 2025, a 5.0% percentage point decrease. The decrease in gross margin percent is due to increased labor and material costs incurred in 2026.

Energy Production

Cost of sales for Energy Production in the three months ended March 31, 2026 was $398,590 compared to $310,082 for the same period in 2025, an increase of $88,508, or 28.5%. During the three months ended March 31, 2026 our Energy Production gross margin decreased to 23.9% compared to 37.9% for the same period in 2025, a 14.0% percentage point decrease. The decrease in the energy production gross margin is due to increased gas costs at certain of our Energy Production sites in the three months ended March 31, 2026 compared to the same period in 2025.

Operating Expenses

Operating expenses increased $910,287, or 23.9%, to $4,725,571 in the three months ended March 31, 2026 compared to $3,815,284 in the same period in 2025.

	Three Months Ended			
Operating Expenses	**March 31, 2026**	**March 31, 2025**	**Increase (Decrease) $**	**Increase (Decrease) %**
General and administrative	$ 3,718,472	$ 2,928,135	$ 790,337	27.0 %
Selling	640,932	594,481	46,451	7.8 %
Research and development	363,823	292,668	71,155	24.3 %
Loss on disposition of assets	2,344	—	2,344	100.0 %
Total	$ 4,725,571	$ 3,815,284	$ 910,287	23.9 %

General and administrative expenses consist of executive staff, accounting and legal expenses, office space, general insurance and other administrative expenses. General and administrative expenses for the three months ended March 31, 2026 were $3,718,472 compared to $2,928,135 for the same period in 2025, an increase of $790,337 or 27.0%, due to a $170,008 increase in payroll and benefits, a $147,065 increase in operating supply costs, a $102,409 increase in credit losses due to the $75,000 credit loss recovery recognized in 2025, an $80,647 increase in depreciation and amortization costs, a $73,942 increase in stock-based compensation expense, a $48,845 increase in facility costs, a $48,228 increase in travel costs, a $39,156 increase in business insurance costs and the litigation reserve settlement of $79,006 recognized in the three months ended March 31, 2025.

Selling expenses consist of sales staff, commissions, marketing, travel and other selling related expenses. Selling expenses for the three months ended March 31, 2026 were $640,932 compared to $594,481 for the same period in 2025, an increase of $46,451 or 7.8%, due to increased advertising and trade show spend of $57,086 targeted to the data center market.

Research and development expenses consist of engineering and technical staff, materials, outside consulting and other related expenses. Research and development expenses for the three months ended March 31, 2026 were $363,823 compared to $292,668 for the same period in 2025, an increase of $71,155 or 24.3%, due to a $26,230 increase in payroll costs and other spending increases incurred to continue to improve and refine the hybrid-drive air-cooled chiller.

The loss on asset dispositions for the three months ended March 31, 2026 was $2,344.

Income (loss) from Operations

Our loss from operations for the three months ended March 31, 2026 was $2,135,909 compared to a loss from operations of $594,244 for the same period in 2025, an increase of $1,541,665. The increase in the loss from operations is due to lower Products segment revenues and gross profit, lower Services segment gross profit and by a $910,287 increase in operating expenses.

Other Income (Expense), net

Other income, net for the three months ended March 31, 2026 was $28,154 compared to other expense net of $65,320 for the same period in 2025, an increase of $93,474, due to increased interest income earned on invested cash balances of $80,708, and a decrease of $18,749 in unrealized losses on marketable securities, offset by a $4,065 increase in foreign exchange losses and a $1,918 increase in interest due to borrowings under our vehicle leases during the three months ended March 31, 2026.

Provision for State Income Taxes

The provision for state income taxes for the three months ended March 31, 2026 and 2025 was $10,900 and $925, respectively, and represents estimated income tax payments, net of refunds, to various states.

Non-controlling Interest

The income attributable to the non-controlling interest was $1,918 for the three months ended March 31, 2026 which represents the non-controlling interest portion of American DG Energy's 51% owned subsidiary, American DG New York, LLC. For the same period in 2025, loss attributable to the non-controlling interest was $567. The loss in the three months ended March 31, 2025 is attributable to the expiration of an Energy Production contract at one of the Energy Production sites.

Net Income (loss) Attributable to Tecogen Inc.

The net loss attributable to Tecogen for the three months ended March 31, 2026 was a net loss of $2,120,573 compared to a net loss of $659,922 for the same period in 2025, an increase of $1,460,651, or 221.3%. The increase in the loss is due to lower Products segment revenues and gross profit, lower Services segment gross profit and by a $910,287 increase in operating expenses.

Liquidity and Capital Resources

Sources of Liquidity

During the three months ended March 31, 2026, we incurred a loss from operations of $2,135,909 compared to a net loss from operations of $594,244 in the same period in 2025. Cash flows from operations decreased $1,934,718 during the three months ended March 31, 2026 compared to the same period in 2025. As of March 31, 2026, we had cash and cash equivalents of $9,332,650 compared to cash and cash equivalents of $12,430,287 as of December 31, 2025, a decrease of $3,097,637 or 24.9%, and an accumulated deficit as of March 31, 2026, of $58,009,222.

Cash Flows

The following table presents a summary of our net cash flows from operating, investing and financing activities:

	Three Months Ended		
Cash Provided by (Used in)	**March 31, 2026**	**March 31, 2025**	**Increase (Decrease)**
Operating activities	$ (3,108,121)	$ (1,173,403)	$ (1,934,718)
Investing activities	50,346	(164,909)	215,255
Financing activities	(39,862)	(128)	(39,734)
Cash Provided by (Used in)	$ (3,097,637)	$ (1,338,440)	$ (1,759,197)

Consolidated working capital at March 31, 2026 was $17,750,669 compared to $19,618,132 at December 31, 2025 a decrease of $1,867,463, or 9.5%. Included in working capital were cash and cash equivalents of $9,332,650 at March 31, 2026, compared to $12,430,287 at December 31, 2025, a decrease of $3,097,637, or 24.9%.

Cash Flows from Operating Activities

Cash used by operating activities for the three months ended March 31, 2026 was $3,108,121 compared to cash used in operating activities of $1,173,403 for the same period in 2025, an increase in cash used in operating activities of $1,934,718. Our accounts receivable and unbilled revenue balances were $5,056,943 and $138,020, respectively, at March 31, 2026 compared to $4,280,991 and $138,020 at December 31, 2025, using $803,359 of cash.

Accounts payable increased to $3,612,215 as of March 31, 2026 from $3,381,545 at December 31, 2025, providing $230,669 in cash flow from operations. The increase in accounts payable was due to increased material procurement in anticipation of future Products shipments. Deferred revenue decreased to $4,194,904 as of March 31, 2026 compared to $4,796,863 as of December 31, 2025, due to the application of customer deposits against accounts receivables as Products ship, using $601,959 of cash from operations. We expect accounts payable and deferred revenue to fluctuate with routine changes in operations.

Cash Flows from Investing Activities

During the three months ended March 31, 2026 we used $46,118 of cash to purchase property, plant and equipment, primarily for improvements required at the North Billerica facility and received $96,464 of proceeds from the liquidation of our investment in Aivita Group Inc., formerly EuroSite Power Inc. During the three months ended March 31, 2025 we used $132,020 of cash for improvements required to the North Billerica facility and distributed $32,889 to the 49% non-controlling interest holders of American DG New York LLC

Cash Flows from Financing Activities

During the three months ended March 31, 2026 we used $94,362 of cash in payment of finance lease principal and received $54,500 of proceeds from the exercise of stock options. During the three months ended March 31, 2025 we used $38,628 of cash in payment of finance lease principal and received $38,500 of proceeds from the exercise of stock opions.

Backlog

As of March 31, 2026, our backlog of product and installation projects, excluding service contracts, was $8,201,626, consisting of $2,046,462 of purchase orders received by us and $6,155,164 of projects in which the customer's internal approval process is complete, financial resources have been allocated and the customer has made a firm verbal commitment that the order is in the process of execution. As of March 31, 2025, our backlog of product and installation projects, excluding service

contracts, was $9,522,015 consisting of $9,091,587 of purchase orders received by us and $430,428 of projects in which the customer's internal approval process is complete, financial resources have been allocated and the customer has made a firm verbal commitment that the order is in the process of execution. Backlog at the beginning of any period is not necessarily indicative of future performance. Our presentation of backlog may differ from other companies in our industry.

Liquidity

At March 31, 2026, we had cash and cash equivalents of $9,332,650, a decrease of $3,097,637 or 24.9% from the cash and cash equivalents balance at December 31, 2025. The decrease in cash during the three months ended March 31, 2026 is due to increased spending at our Services segment, manufacturing costs incurred to increase our production capacity, research and development costs incurred to continue to improve and refine the hybrid-drive air-cooled chiller and increases in our accounts receivable and inventories.

Based on our current operating plan, we believe existing resources, including cash and cash equivalents and the cash flows from operations will be sufficient to meet our working capital requirements for the next twelve months. In order to grow our business, fund the continued development of our hybrid-drive air-cooled chiller, and respond to opportunities in the data center market, we expect that our cash requirements will increase and we may need to raise additional capital through one or more debt equity financings to meet our need for capital to fund operations and future growth. There can be no assurance that we will be able to raise such additional financing or upon terms that are acceptable to us or at all.

Significant Accounting Policies and Critical Estimates

Our significant accounting policies are discussed in the Notes to our Consolidated Financial Statements in our Annual Report on Form 10-K for the year ended December 31, 2025. The accounting policies and estimates that can have a significant impact upon our operating results, financial position and footnote disclosures are described in the above notes and in the Annual Report.

Significant New Accounting Standards or Updates Not Yet Effective

The Company's critical accounting policies have remained consistent with the policies disclosed in our Annual Report on Form 10-K for the year ended December 31, 2025 filed with the SEC on March 19, 2026.

See Note 1, *Description of Business and Basis of Presentation*, to the Condensed Consolidated Financial Statements included elsewhere in this report.

Seasonality

The majority of our chilling systems sold are operational during the summer. Demand for our service team is higher in the warmer months when cooling is required. Chiller units are generally shut down in the winter and started up again in the spring. The chiller "busy season' for the service team generally runs from May through the end of September. Our cogeneration sales are not generally affected by seasonality.

Off-Balance Sheet Arrangements

Currently, we do not have any material off-balance sheet arrangements, including any outstanding derivative financial instruments, off-balance sheet guarantees, interest rate swap transactions or foreign currency contracts. We do not engage in trading activities involving non-exchange traded contracts.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Not applicable.

Item 4. Controls and Procedures.

Management's Evaluation of Disclosure Controls and Procedures:

As of the end of the period covered by this report, our Chief Executive Officer and our Chief Financial Officer ("Certifying Officers") conducted evaluations of our disclosure controls and procedures. As defined in Rule 13a-15(e) and 15d-15(e) under Securities Exchange Act of 1934, as amended ("Securities Exchange Act"), the term "disclosure controls and procedures" means controls and procedures of an issuer that are designed to ensure the information required to be disclosed by the issuer in the reports that it files or submits under Section 13(a) or 15(d) is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's ("SEC") rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under Section 13(a) or 15(d) of the Securities Exchange Act is accumulated and communicated to the issuer's management, including the Certifying Officers, to allow timely decisions regarding required disclosure.

Our disclosure controls and procedures are designed to provide reasonable assurance that the control system's objectives will be met. Our management, including our Chief Executive Officer and our Chief Financial Officer, after evaluating the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report, has concluded that our disclosure controls and procedures were not effective due to a material weakness with respect to a small number of individuals dealing with general controls over information technology. Management will continue to evaluate the above weaknesses and we are taking steps to remediate the weaknesses as resources become available.

Remediation

We are committed to remediating the material weakness identified in internal controls over financial reporting and have begun the process to remediate this material weakness. Our efforts will focus on instituting mitigating controls to address segregation of duties; hiring of additional staff; implementing additional controls to address system access deficiencies; implementing additional controls over business operations; establish independent review and verification procedures for our vendor and customer master files; enhance the documentation to support review occurrences and approval procedures; and, commence regular periodic reviews of our internal controls over financial reporting with our Board of Directors and Audit Committee to address the inadequate risk oversight function and institute procedures to evaluate and report on risks to financial reporting, including the documentation and completion of a comprehensive risk assessment to identify all potential risk areas and evaluate the adequacy of our controls to mitigate these risks.

Changes in Internal Control over Financial Reporting:

There were no changes in our internal controls over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act) during the period covered by this report that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

We and our subsidiaries and our properties are not parties to any material pending legal proceedings, other than ordinary routine litigation incidental to our business.

Item 1A. Risk Factors

In addition to the risks described below, you should carefully consider the factors discussed under "Item1A - Risk Factors" in our Annual Report on Form 10-K for our fiscal year ended December 31, 2025 ("2025 Form 10-K") The risks discussed in our 2025 Form 10-K could materially affect our business, financial condition and future results. The risks described in our 2025 Form 10-K and below are not the only risks we face. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially and adversely affect our business, financial condition or operating results.

We incurred a loss from operations of $2,135,909 during the three months ended March 31, 2026, compared to a loss from operations of $594,244 in the same period in 2025. We have a history of incurring losses from our operations and there can be no assurance we will be able to increase our revenues, manage our expenses and cash flows, and become profitable in the future.

We incurred a loss from operations of $2,135,909 during the three months ended March 31, 2026, compared to a loss from operations of $594,244 in the three months ended March 31, 2025. Historically, we have incurred losses from operations, including a loss of $8,244,830 in the year ended December 31, 2025, and, as of March 31, 2026, we had an accumulated deficit of $58,009,222. Our business is capital intensive and, because our products are built to order with customized configurations, the lead time to build and deliver a unit can be significant. We may be required to purchase key components long before we can deliver a unit and receive payment. Changes in customer orders or lack of demand may also impact our profitability. There can be no assurance we will be able to increase our sales and achieve and sustain profitability in the future.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Securities Trading Plans of Directors and Executive Officers

During the three months ended March 31, 2026, none of the Company’s directors or officers, as defined in Section 16 of the Securities Exchange Act, adopted or terminated any contract, instruction or written plan for the purchase or sale of Company securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any “non-Rule 10b5-1 trading arrangement” as defined under Item 408(a) of Regulation S-K.

Item 6. Exhibits

Exhibit No.	Description of Exhibit
31.1*	Certification of Chief Executive Officer pursuant to Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2 *	Certification of Chief Financial Officer pursuant to Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1**	Certification of Chief Executive Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2**	Certification of Chief Financial Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS**	XBRL Instance Document
101.SCH**	XBRL Taxonomy Extension Schema
100.CAL**	XBRL Taxonomy Extension Calculation Linkbase
100.DEF**	XBRL Taxonomy Extension Definition Linkbase
101.LAB**	XBRL Taxonomy Extension Label Linkbase
101.PRE**	XBRL Taxonomy Extension Presentation Linkbase

* Filed herewith

** Furnished herewith

\+ Compensatory plan or arrangement

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned.

TECOGEN INC.
(Registrant)

Dated: May 13, 2026

By: /s/ Abinand Rangesh
Abinand Rangesh
Chief Executive Officer
(Principal Executive Officer)

Dated: May 13, 2026

By: /s/ Roger P. Deschenes
Roger P. Deschenes
Chief Financial and Accounting Officer
(Principal Financial and Accounting Officer)

EXHIBIT 31.1

TECOGEN INC.

CERTIFICATION REQUIRED BY EXCHANGE ACT RULES 13a-14(a) and 15d-14(a),
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Abinand Rangesh, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Tecogen Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 13, 2026

/s/ Abinand Rangesh
Abinand Rangesh
Chief Executive Officer

EXHIBIT 31.2

TECOGEN INC.

CERTIFICATION REQUIRED BY EXCHANGE ACT RULES 13a-14(a) and 15d-14(a),
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Roger P. Deschenes, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Tecogen Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 13, 2026

/s/ Roger P. Deschenes
Roger P. Deschenes
Chief Financial and Accounting Officer

EXHIBIT 32.1

TECOGEN INC.

CERTIFICATION REQUIRED BY EXCHANGE ACT RULES 13a-14(b) and 15d-14(b),
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Abinand Rangesh, Chief Executive Officer, of Tecogen Inc., or the Company, certify, pursuant to Section 1350, Chapter 63 of Title 18, United States Code that, to his knowledge:

1. The Quarterly Report on Form 10-Q of the Company for the quarter ended March 31, 2026 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78 m or 78o(d)); and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 13, 2026

/s/ Abinand Rangesh
Abinand Rangesh
Chief Executive Officer

EXHIBIT 32.2

TECOGEN INC.

CERTIFICATION REQUIRED BY EXCHANGE ACT RULES 13a-14(b) and 15d-14(b),
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Roger P. Deschenes, Chief Financial and Accounting Officer, of Tecogen Inc., or the Company, certify, pursuant to Section 1350, Chapter 63 of Title 18, United States Code that, to his knowledge:

1. The Quarterly Report on Form 10-Q of the Company for the quarter ended March 31, 2026 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78 m or 78o(d)); and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 13, 2026

/s/ Roger P. Deschenes
Roger P. Deschenes
Chief Financial and Accounting Officer