



Eguana Announces ITOCHU's Exercise of Warrants for Approximately \$3.333 Million and Conversion of Approximately \$1.145 Million of Interest into Common Shares

CALGARY, Alberta, March 16, 2023 – Eguana Technologies Inc. ("**Eguana**" or the "**Company**") (TSXV: EGT) (OTCQB:EGTYF) is pleased to announce that ITOCHU Corporation ("**ITOCHU**"), a strategic investor in the Company, has purchased 16,666,666 common shares of Eguana (the "**Common Shares**") through the exercise of share purchase warrants (the "**Warrants**") issued in connection with an offering which closed on March 16, 2020 for aggregate consideration of \$3,333,333.20 (the "**Warrant Exercise**"). Additionally, ITOCHU and Eguana have agreed to convert \$1,145,506.84 of interest owing under the Company's 7% unsecured convertible debenture (the "**Convertible Debenture**") into 4,242,617 Common Shares of Eguana in full satisfaction of the interest payment due on March 1, 2023.

"The exercise of the Warrants, along with the interest conversion, further demonstrates ITOCHU's confidence in our partnership and expansion plans" commented Eguana CEO Justin Holland. "We currently have multiple ongoing objectives with ITOCHU including near and long term battery supply, homebuilder, and virtual power plant."

In connection with the interest conversion, Eguana will issue 4,242,617 Common Shares at a deemed price of \$0.27 per share on March 16, 2023. All of the Common Shares will be subject to a four month and one day hold period in accordance with applicable Canadian securities laws. The Conversion remains subject to final approval by the TSX Venture Exchange (the "**TSXV**"). Additional details regarding the Convertible Debenture issued on August 31, 2022 can be found in the Company's news releases dated August 26 and August 31 and additional details regarding the Warrants can be found in the Company's news releases dated March 2 and March 16, 2020, all of which are available on the Company's profile on SEDAR at www.sedar.com.

As a result of ITOCHU's status as an insider of the Company, the foregoing interest conversion constitutes a related-party transaction under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). This transaction is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 pursuant to sections 5.5(a) and 5.7(1)(a) of MI 61-101 as neither the fair market value of the securities issued, nor the consideration provided therefore exceed 25% of the Company's market capitalization

Immediately prior to the Warrant Exercise and interest conversion, ITOCHU owned or exercised control or direction over 34,013,998 Common Shares and Warrants, representing 8.44% of the total issued and outstanding Common Shares and 16,666,666 common share purchase warrants of Eguana. Immediately following the Warrant Exercise and interest conversion, ITOCHU held 54,923,281 Common Shares, representing 12.95% of the total issued and outstanding Common Shares and no common share purchase warrants of Eguana. When combined with its existing holdings, the conversion in full of the Convertible Debenture would result in ITOCHU holding approximately 24.67% of the Common Shares of the Company.

ITOCHU acquired the Common Shares for investment purposes. ITOCHU may from time to time (i) convert the existing securities held by it or acquire additional securities, (ii) dispose of some or all of the existing securities held by it, the securities received upon conversion of the existing securities or any additional securities acquired by it or (iii) may continue to hold the securities of the Company. The Warrant Exercise did not occur on a stock exchange or other securities market.

ITOCHU will file an early warning report with the securities regulators with respect to the foregoing matters pursuant to National Instrument 62-103 – *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues*, a copy of which will be available under Eguana's profile on SEDAR at www.sedar.com.

Contact:

ITOCHU Corporation
5-1, Kita-Aoyama 2-chome, Minato-ku, Tokyo 107-8077 Japan



Contact: Energy Storage Business Section
<https://www.itochu.co.jp/en/inquiry/index.html>

About ITOCHU

The history of ITOCHU Corporation dates back to 1858 when the Company's founder Chubei Itoh commenced linen trading operations. Since then, ITOCHU has evolved and grown over 150 years. With approximately 110 bases in 63 countries, ITOCHU, one of the leading sogo shosha, is engaging in domestic trading, import/export, and overseas trading of various products such as textile, machinery, metals, minerals, energy, chemicals, food, general products, realty, information and communications technology, and finance, as well as business investment in Japan and overseas.

About Eguana Technologies Inc.

Based in Calgary, Alberta Canada, Eguana Technologies Inc. (TSXV: EGT) (OTCQB: EGTYF) designs and manufactures high performance residential and commercial energy storage systems. Eguana has two decades of experience delivering grid edge power electronics for fuel cell, photovoltaic and battery applications, and delivers proven, durable, high quality solutions from its high capacity manufacturing facilities in Europe, Australia and North America.

With thousands of its proprietary energy storage inverters deployed in the European and North American markets, Eguana is one of the leading suppliers of power controls for solar self-consumption, grid services and demand charge applications at the grid edge.

Company Inquiries

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To learn more, visit www.eguanatech.com or follow us on Twitter [@EguanaTech](https://twitter.com/EguanaTech)

Forward Looking Information

The reader is advised that some of the information herein may constitute forward-looking statements and forward-looking information (together, "forward-looking statements") within the meaning assigned by National Instrument 51-102 – Continuous Disclosure Obligations and other relevant securities legislation. In particular, we include, among other things: the Company's ability to obtain necessary approvals from the TSXV and the issuance of the Common Shares.

Forward-looking statements are not a guarantee of future performance and involves a number of risks and uncertainties. Many factors could cause the Company's actual results, performance or achievements, or future events or developments, to differ materially from those expressed or implied by the forward-looking information. Such factors include, but are not limited to, risks associated with: failure to obtain necessary regulatory approvals; general economic, market and business conditions; industry capacity; the operations of Eguana's assets, competitive action by other companies, and other factors set out in the "Risk Factors" section of the Company's most recent annual management's discussion and analysis for the three and twelve months ended September 30, 2022 which may be found on its website or at sedar.com. Readers are cautioned not to place undue reliance on forward-looking information, which speaks only as of the date hereof. The Company does not undertake any obligation to release publicly any revisions to forward-looking statements contained herein to reflect events or circumstances that occur after the date hereof or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.