



EGUANA PROVIDES FINANCIAL AND BUSINESS UPDATES

CALGARY, Alberta, (Newsfile Corp. – July 23, 2024) - Eguana Technologies Inc. (TSXV: EGT) (OTCQB: EGTYF) (“Eguana” or the “Company”), a leading provider of high-performance energy storage systems, provides updates with respect to financial and business updates, and other general matters.

The Company has and continues to manage liquidity in various ways, including the prior return of inventory components, working with long-term debt holders, working with its major USA customer to adjust and set ongoing cash payments to Eguana, increasing utility engagement for sales through the VPP strategy and ongoing cost reductions. The Company’s cash position remains constricted in the near and medium term, despite the efforts to manage liquidity.

With respect to the Company’s major USA customer receivable and related collections, the agreed collaboration steps, including the fixed payment schedule and the security agreement, are under continual review. The Company anticipated these cash receipts would support short-term liquidity concerns; however, the customer continued to have payment delays and has not yet reached an agreed payment schedule. The customer has recently increased sales through a new sales channel and payments have again commenced, which should reduce risk with respect to the amounts and timing of future payments. The Company will continue to work closely with the customer and we remain cautious about near and medium-term cash flow emanating from this customer.

The Company continues to work closely with its senior long-term debt holder and has disclosed previously negotiated deferrals and reductions to the loan amortization payment amounts. The Company confirms that negotiations with the senior long-term debt holder remain ongoing. In addition to deferred payments, outlined in the news releases dated February 7, 2024 and April 15, 2024, the Company has further deferred the principal and interest payment due on May 1,

2024 and June 1, 2024. As outlined in the annual financial statements for the Company for the year ended December 31, 2023 and associated news release, Eguana received forbearance for payments, up to and including June 1, 2024. As the Company and the lender review ongoing payment amounts and potential formal amendments, Eguana has delayed the payment due on July 1, 2024, as agreed with the lender and will likely delay the payment due on August 1, 2024. The Company will provide additional details, as further amendments are agreed to between the parties.

Eguana sees positive momentum with its utility VPP objectives, with systems deployed through utility-direct procurement and B2C campaigns, which supplement existing utility bring-your-own-device “BYOD” programs. Deployment with VPPs and utilities demonstrates Eguana’s fully integrated hardware, software, and fleet aggregation solutions, including the Eguana Edge™. Eguana Edge™ was designed to deliver real-time feeder balancing services on distribution grids, especially in rural areas where long feeders experience the most stress and are also the most expensive to upgrade with traditional infrastructure solutions. The Canadian developed technology provides a host of additional benefits through the Eguana Cloud, where utilities and aggregators can control Eguana energy storage solutions connected to their grid assets.

“Eguana believes that utility ownership is the best option to deploy our technology, as the value proposition broadly includes efficiency, sustainability, flexibility and lower operational and capital costs,” commented Eguana CEO Justin Holland. “Contracting for access to customer-owned backup power systems, under the BYOD programs, is a capital-light approach but thus far, has not been driven fast enough adoption for utilities. Growing peak loads and increasing density of rooftop solar and electric vehicles have only increased the urgency and opportunity for utility deployment of VPP capable solutions.”

In connection with Eguana’s early successes within North American utility and VPP channels, and in line with strategic decisions recently announced for the Australian market, the Company is proceeding with the closure of its European office. Both markets will be managed largely from the Canadian head office.

The Company is also reviewing options to improve stock performance, as the utility channels continue to grow. Eguana was recently notified, by the OTCQB in the USA, of

the low trading price for the stock and potential removal of the EGTYPF stock from the OTCQB marketplace, which was under consideration by the Company's management as to overall stock and stakeholder benefit.

About Eguana Edge™

Eguana Edge™ consists of a fleet of Eguana's industry leading energy storage solution products, combined with Eguana's fleet management software and operations and maintenance services. Eguana Edge™ can be deployed as a customer owned fleet, however, it delivers the highest value when deployed as a utility owned asset, offering resiliency to their customers, in exchange for hosting and accessing the systems.

About Eguana Technologies Inc.

Eguana's vision is to accelerate grid modernization and resilience, by delivering flexible, modular, and cost-effective alternatives to traditional grid upgrades. Our technology provides value to all key stakeholders - from the consumer, to the electricity retailer, the distribution utility, and the system operator.

Eguana Technologies connects utilities with consumers, through its high-performance commercial and residential energy storage solutions. Eguana's vertically integrated product suite has been designed from the ground up, with both the end user and the utility in mind, to transition the power grid seamlessly.

Manufactured in local facilities across the globe to ensure compliance and quality, Eguana's standardized platform allows the flexibility to ensure each product solution is optimized for use in major grid modernization markets.

To learn more, visit www.EguanaTech.com or follow us on LinkedIn and @EguanaTech on X.

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Forward Looking Statements

The reader is advised that all information herein, other than statements of historical fact, 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, forward-looking statements include, among other things, statements regarding the date or speed for the deployment of solutions with utilities, and its anticipated effects, the benefits associated with the aggregated storage systems and feeder load balancing, the effects of the Company's integrated cloud platform, and benefits to consumers and utilities, the success of marketing efforts, the success of product demonstrations, cash flow constraints, product solutions, strategy, success of negotiating extension with long term debt lenders, and product development.

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 by the Company to improve cash flow which would have a material adverse impact on the viability of the business to continue operating; timely collection of accounts receivable; successful negotiations and/or amendments with and to existing long-term debt lenders; unanticipated effects of the reduction to headcount or cost reductions; ability to raise capital in debt or equity, as needed, on appropriate terms; effective implementation and deployment of Eguana solutions and building additional partnerships and developing existing partnerships; general economic, market and business conditions; competitive factors; achieving strategic objectives; inability to or delays in sourcing materials; production delays or certification delays; the Company's ability to roll out additional utility pilot and VPP programs and demonstrations or deployment; the operational effectiveness and efficiency of the products when in use by utilities; a slower adoption of energy storage technologies; stock performance and other factors set out in the "Risk Factors" section of the Company's management's discussion and analysis for the year ended December 31, 2023, which may be found on its website or at www.sedarplus.ca. 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.

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