



EGUANA ANNOUNCES CHANGE IN AUDITOR AND PROVIDES FINANCIAL UPDATE

CALGARY, Alberta, (Newsfile Corp. – Aug 12, 2024) - **Eguana Technologies Inc.** (TSXV: EGT) (OTCQB: EGTYF) (“**Eguana**” or the “**Company**”), a leading provider of high-performance energy storage systems, announces a change in auditor and provides a financial update.

Change of Auditor

The Company has changed its auditor from KPMG LLP (“Former Auditor”) to MNP LLP (“Successor Auditor”) effective August 9, 2024.

At the request of the Company, the Former Auditor resigned as the auditor of the Company and the Board of Directors of the Company appointed the Successor Auditor, as the new auditor of the Company as of the Effective Date, until the close of the Company's next annual meeting of shareholders. The next annual and special general meeting is scheduled for September 26, 2024.

There were no reservations in the Former Auditor's audit reports for any financial period during which the Former Auditor was the Company's auditor. There are no "reportable events" (as the term is defined in National Instrument 51-102 - Continuous Disclosure Obligations) between the Company and the Former Auditor.

In accordance with National Instrument 51-102, the Notice of Change of Auditor, together with the required letters from the Former Auditor and the Successor Auditor, have been reviewed by the Company's audit committee and board of directors and will be filed on SEDAR+ accordingly.

Financial Update

The Company has provided periodic updates on its liquidity position, throughout 2024. The Company's cash position remains constricted in the near and medium term, despite efforts to manage liquidity. As outlined in prior updates, the Company's major USA customer continues to miss committed payments, which has decreased Eguana's short-term liquidity; however, the customer has recently increased sales and commenced weekly payments, albeit slightly lower than the original agreed to amount. The decreased short-term liquidity has had a follow-on effect of delaying payments to Eguana's senior long-term debt holder. As previously disclosed, the Company negotiated deferrals and reductions to the loan amortization payment amounts, up to and including June 1, 2024. However, in July 2024, the negotiated agreed to payment was expected to be interest only and Eguana has not made this payment, which may fall under a formal default. The Company confirms that negotiations with the senior long-term debt holder remain ongoing, with respect to the missed July payment, the August 1, 2024 payment, future regular monthly payments and potential formal amendments. The Company will provide additional details, as further amendments are agreed to between the parties.

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](https://twitter.com/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 any formal long-term debt default; ability to raise capital in debt or equity, as needed, on appropriate terms; general economic, market and business conditions; competitive factors; achieving strategic objectives; effective implementation and deployment of Eguana solutions and building additional partnerships and developing existing partnerships; 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; 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.

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 news release.