



## EGUANA PROVIDES BUSINESS UPDATES

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Calgary, Alberta - (Newsfile Corp. – **January 22, 2025**) - **Eguana Technologies Inc.** (TSXV: EGT) ("**Eguana**" or the "**Company**"), a leading developer and manufacturer of high-performance energy storage systems, provides a financial and operational update.

As a result of the overall solar, and renewable energy, sector's underperformance, Eguana continues to actively manage its liquidity. Decreased consumer spending related to inflation, high-interest rates, and increased dealer fees continue to delay consumer market recovery within the industry. A key USA customer continues to experience financial recovery delays, driven from the same industry pressures impacting Eguana, which has continued to delay previously agreed upon payment amounts and timing to Eguana. The Company anticipated these cash receipts would support short-term liquidity requirements; however, the customer continues to have payment delays and has not yet reached its previously agreed payment schedule.

Additionally, the collaboration with BC Hydro, announced on November 27, 2024, was also expected to support financial liquidity for the Company, however run rates of sales were delayed through December, causing delayed invoicing and cash receipts to the Company. Utility shipments are expected to commence this week, with steady weekly run rates expected thereafter.

As outlined in the Third Quarter 2024 Financial Results news release, dated November 28, 2024, the Company completed a debt amendment with its senior lender to extend its loan amortization out to May 15, 2026, starting on December 15, 2024. All previously deferred payments and accrued interest were included in the loan balance and are amortized over the longer term of the loan. At this time, due to the liquidity items noted above, the Company has delayed the January 15, 2025 regular amortization payment and anticipates the loan will fall into technical default. The Company has initiated discussions with its senior lender to support the Company's shift to utility sales and to put in place a forbearance agreement, for a period of time.

“With weak renewable energy consumer markets, Eguana drove an aggressive entry into North American utility channels, which has gained traction in recent months, as utilities begin utilizing advanced battery technology as grid assets to enhance grid capacities and efficiencies. Slow collections from a key customer, and the high debt service, compelled us to take prudent action to further adapt to market conditions, and to help ensure Eguana moves forward to execute operational objectives,” commented Justin Holland, CEO. “In the meantime, we remain focused on advancing key relationships in utility and virtual power plant channels while delivering on our mission to connect homeowners and utilities, for a seamless experience through the distributed grid transition.”

Lastly, long standing Eguana CTO, Mr. Daljit Ghotra, has resigned, effective January 31, 2025. Eguana’s development team continues to transition its development objectives toward expanding its software platform, including AI-driven enhancements to its Eguana Edge, Exchange, and Engage products and intends to recruit a new technical leader more directly focused on these technologies. Cloud features that enable better visibility and control at the grid edge for operators, and more advanced integration with the platforms of our industry partners are expected to accelerate utility sales and generate long term recurring revenue, from the installed base of Eguana’s utility-grade residential energy storage systems.

“Mr. Ghotra has been instrumental in driving our advanced power electronics and hardware platforms and certifications for many years delivering utility grade, VPP enhanced products with a full range of stakeholder features” added Holland. “He will remain a key external hardware resource for the team as the focus on Eguana Cloud and Eguana Edge products increases, both of which are critical to driving virtual power plant success.”

### **About Eguana Technologies Inc.**

Eguana’s vision is to build the grid of the future 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.

Since 1998, Eguana Technologies has connected utilities with consumers through its high-performance commercial and residential energy storage solutions. The Eguana 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](http://www.EguanaTech.com) or follow us on [LinkedIn](#) or [@EguanaTech](#) on X

### Company Inquiries

Justin Holland, CEO    Eguana Technologies Inc.  
+1.416.728.7635        Justin.Holland@EguanaTech.com

### 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, anticipated payments from a key Eguana customer, the effects of the collaboration with BC Hydro, anticipated timing of utility shipments, the run rate of invoicing and cash collections from a key Eguana customer, the Company's cash flow needs and liquidity, any anticipated market recovery, success and traction in utility channels, the status of the loan with the Company's senior lender, the Company's ability to negotiate funding and/or a forbearance from existing lenders, success with product development objectives, the effects of cloud features, and the Company's business operations, cash flow constraints, liquidity impacts, accounts receivable collections, personnel, and strategy. 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; 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; unanticipated effects of the reduction to headcount; inability to or delays in sourcing materials; the Company's ability to enter and sell into utility channels and/or advance relationships in the virtual power plant space; the slower adoption of energy storage technologies than anticipated; inability to integrate with industry partners; lack of success in product development and enhancements; impacts of the departure of the CTO and/or replacement of the CTO; failure by the Company to improve liquidity, enter into financing with existing or new lenders, and obtain a forbearance from its senior lender; to raise equity capital when needed and on reasonable terms; to effectively rationalize the business and strategy or to recapitalize and/or restructure the Company and other factors set out in the "Risk Factors" section of the Company's management's discussion and analysis for the three and nine months ended September 30, 2024, dated November 30, 2024 and annual financial statements and management discussion and analysis dated May 27, 2024, which may be found on its website or at [www.sedarplus.ca](http://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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