



Eguana Announces Second Quarter 2025 Financial Results

CALGARY, Alberta, (Newsfile Corp. – August 29, 2025) - **Eguana Technologies Inc.** (TSXV: EGT) (OTCQB: EGTYF) ("**Eguana**" or the "**Company**"), a leading provider of high-performance energy storage systems, announces its second quarter financial results for the three-month ended June 30, 2025.

Second Quarter 2025 Summary Results

- Q2 2025 revenue of \$0.9 million, representing a 426% increase from the comparative quarter June 2024, and \$1.9 million for the 6 months ending June 30th, a 407% increase over sales of \$0.5 million for the same time period.
- Q2 2025 gross margin was approximately \$424,934 representing a 44%, improvement from gross margins of negative \$62,781 in the comparative quarter of June 2024, and a gross margin of \$886,108 for the 6 months ending June 30th representing a 46% improvement from the comparative period. Gross margin improvements in 2025 are primarily due to the purchase of negotiated discounted finished goods in 2024 from a former partner and a transition into utility channels.
- Q2 2025 operating loss of \$698,385, a decrease from a \$1,590,267 operating loss for the comparative June quarter in 2024. The improvement is largely due to continued prudence on cost reduction and strategic spending. Net loss for the 6 months ending June 30th was \$1,263,835 a 58% improvement from net losses of \$3,116,992 in the comparative period.
- Working capital at June 30th, 2025 remained in a negative position, as the total long-term debt continues to be classified as current. The liquidity position, which continues to be impacted by slow renewables market recovery, is closely monitored and has been reported in prior news releases.
- ITOCHU Corporation ("ITOCHU"), a strategic investor in the Company, and the Company, have agreed to extend the end date of its convertible debenture to November 30th, 2025 to provide additional time for the parties to negotiate a longer-term solution. The extension includes all past interest, which was previously moved to the end of the Debenture term.
- The Company, which was under a management cease trade order ("MCTO"), from the Alberta Securities Commission for late filing the audited annual consolidated financial statements has been fully removed as all filings are current.

Business Updates for the Second Quarter

"Utility engagements continued to increase through Q2 as we have been able to point to success with current projects and pilots to demonstrate the capabilities of our ESS and Eguana Edge technologies" commented Eguana CEO Justin Holland. "Recent changes to investment tax credit rules in the USA have prioritized energy storage and the focus on

corporate ownership of the assets recognizes that this is the best model to deliver the full value from distributed energy storage. In Canada momentum continues to build, especially in deregulated electricity markets, and Eguana will help Canada to lead in this critical new area of technology development and deployment. We have exciting projects planned and ongoing in BC, AB, ON, and NS as we utilize Canadian made technology to build a more resilient distributed grid right here at home.”

- Bidding into California demand response market with California based DERMS partner and Community Choice Aggregator with Evolve fleet after successfully completing multistage testing protocols spanning several months.
- Continued shipments to its Western Canadian utility partner in support of multiple feeder improvement projects. Additional feeders have been identified with new orders expected in Q4.
- Selected recipient of an RFP (request for proposal) with Southern Alberta utility to demonstrate the impact of energy storage on single feeder applications. The feeder has been identified along with multiple home builders taking part in the program. Additional information will be provided in the coming weeks with installations expected to take place in Q1 2026.
- Continued post integration testing with multiple smart meter companies based on Evolve's advanced IEEE 2030.5 implementation demonstrating control and telemetry capabilities to utilities, including smart meter and AMI (Advanced Metering Infrastructure) networks and AI-driven distributed computing at the grid edge.
- Awarded development contract supported by federal and municipal funds to enhance the Eguana Edge platform with additional utility-oriented functionality and reporting, and to demonstrate the solutions in commercial building applications in the municipality. Additional information on the program will be announced through the municipality and program managers in the coming weeks.
- Partnered with a US-based provider of third-party finance for utility infrastructure focused on distributed energy storage. Through this partnership capital requirements for utilities are eliminated and replaced with a fee for services delivered to the utility and the homeowners. Near term opportunities are being developed and further partnership details will be announced in September.

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.

Forward-looking statements are included to provide information about management's current expectations and plans that allows investors and others to have a better understanding of the Company's business plans and financial performance and condition. All statements, other than statements of historical fact included in this news release, regarding the Company's strategy, future operations, prospects, plans, and objectives of management are forward-looking statements that involve risks and uncertainties. Forward-looking statements are typically identified by words such as "plan", "expect", "estimate", "intend", "anticipate", "believe", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward looking statements in this news release include, but are not limited to: that the Company will remain focused on demonstrating the value of demand response, load management and auxiliary power, and voltage and frequency control for utility companies; and, that the Company's VPP utility accelerator program, including Eguana Edge™, is expected to drive higher storage sales with stronger margins and deliver future recurring revenues.

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; ability to raise capital in debt or equity, as needed, on appropriate terms; unanticipated effects of the reduction to headcount; 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; engagement and adoption of the VPP solutions with utilities; obtaining additional revenue, recurring revenue and higher margins; inability to or delays in sourcing materials; production delays or certification delays; the Company's ability to roll out additional utility pilot 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 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, 2023 and annual information form dated May 1, 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.