



Eguana Announces 1st Quarter 2020 Financial Results and Provides Update

CALGARY, Alberta, March 02, 2020 -- Eguana Technologies Inc. ("Eguana" or the "Company") (TSX-V: EGT, OTCQB: EGTYF) today announced results for its first fiscal quarter ended December 31, 2019.

"The sales team has continued to significantly increase our dealer and distribution partnerships, which is quickly approaching 150, with a primary focus in California and Adelaide, South Australia. The continued outreach translated into recurring order growth and record revenue for the first quarter," stated Justin Holland, Eguana Chief Executive Officer. "With the contract manufacturing transition complete for Enduro production, including both Europe and Australia, we will focus on moving back to standard lead times and improving gross margins over the next two quarters."

Fiscal Q1 2020 Financial Highlights

- Revenue was a quarterly record at \$2,802,161 for Q1 2020, a 228% increase compared to \$854,647 for the first three months of fiscal 2019. Revenue included an engineering services contribution of \$417,362 from the Itochu development contract.
- Revenue from energy storage system sales increased 179% to \$2,384,799.
- Gross Margin from the sale of energy storage systems was \$34,394 compared to \$97,018 in the first quarter of fiscal 2019 and was hampered by non-recurring expediting charges associated with ramping our supply chain to meet growing demand.
- Operating loss improved by \$704,200 to \$1,099,751, compared to fiscal Q1 2019 operating losses of \$1,803,951.

Business Highlights

- Entered into a development contract with the Itochu Corporation to fully integrate Moixa Gridshare AI with our Eguana Evolve platform for resale by Itochu.
- Expanded dealer network in California and increased California specific order book to \$1.5M by adding dedicated sales and technical sales coverage.
- Received additional \$1.8M in recurring orders for the Hawaiian market to be shipped in fiscal Q2.
- Finalized Enduro transition to contract manufacturing to support European growth and regional expansion including France, United Kingdom and Ireland, and the Scandinavian countries.

The Company will build on its first quarter success by completing its contract manufacturing transition of the Evolve circuit board package during fiscal Q2, furthering cost reduction opportunities through supply chain management and collaboration with its contract manufacturer, Jabil Circuit.

"Part of Jabil's strength resides within its engineering specialties, particularly with respect to cost and manufacturing efficiency. Together we have begun outlining key areas of cost reduction opportunities from both supply chain and development processes and expect to see improvements in the spring/summer," added Holland.

Cost reduction and gross margin improvement will be key focus areas for the Company as it expects to see continued growth through the second half of the fiscal year.

About Eguana Technologies Inc.

Based in Calgary, Alberta Canada, Eguana Technologies Inc. (EGT: TSX.V) (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 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.

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

Company Inquiries

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

Forward Looking Information

The reader is advised that some of the information herein may constitute forward-looking statements within the meaning assigned by National Instruments 51-102 and other relevant securities legislation. In particular, we include: statements pertaining to the value of our power controls to the energy storage market and statements concerning the use of proceeds and the Company's ability to obtain necessary approvals from the TSX Venture Exchange.

Forward-looking information is 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. Readers are cautioned not to place undue reliance on forward-looking information, which speaks only as of the date hereof. Readers are also directed to the Risk Factors section of the Company's most recent audited Financial Statements which may be found on its website or at sedar.com. The Company does not undertake any obligation to release publicly any revisions to forward-looking information 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 TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.