



Eguana Announces 3rd Quarter 2021 Financial Results

Calgary, AB – (August 26, 2021) – Eguana Technologies Inc. ("Eguana" or the "Company") (TSX-V: EGT, OTCQB: EGTYF) today announced results for its third fiscal quarter ended June 30, 2021.

“Planned supply chain investments and inventory positioning started to have an impact during the back half of the quarter. More than two-thirds of the quarter revenue was recognized in June. Moreover, the Company has continued to grow this monthly run rate into fiscal Q4 with consistent production output,” commented Eguana CEO Justin Holland. “While Covid-19 supply disruptions continue to create challenges, Eguana has successfully demonstrated its ability to engineer component flexibility, a key competitive advantage of our advanced power controls that we expect to help offset the on-going supply disruptions.”

Fiscal Q3 2021 Financial Highlights

- Q3 2021 product revenue of \$1.3 million, down from Q3 2020 product revenue of \$1.9 million
- Q3 2021 gross margin from product sales of \$48.1 thousand, or 3.6%, an increase from \$21.9 thousand, or 1.2%, in Q3 2020
- Q3 2021 operating loss of \$2.7 million relative to a \$1.8 million operating loss for the same period in 2020
- Positive working capital trend from previous quarter, sitting at \$10.0 million at June 30, 2021 from a working capital deficit of \$5.2M for the F2020 year end

“The Covid-19 supply disruptions have had an acute impact on shipping costs, depressing product gross margins. We estimate that under normalized shipping conditions, product gross margins would have been approximately 11% and should continue to trend upwards as volumes increase and cost reduction programs continue,” Holland added.

Business Highlights



- Received first Hawaii order of \$3.6M for the Emergency Demand Response Program (EDRP)
- Completed National Agreement with CED Greentech for greater distribution coverage
- Entered into discussions to white label the Evolve for multi-national battery company
- Completed battery management system (BMS) architecture for vertical integration strategy
- Diversified and strengthened Eguana Board of Directors
- Modified manufacturing process to double production capacity

“The 24M technology is targeted to deliver a 30%-40% reduction in battery costs versus current available technology. Itochu has brought multiple 24M licensees to the table and completing the BMS architecture is a key milestone to opening up future battery channels and cost savings for Eguana products” Holland concluded.

The Consolidated Financial Statements and the Management Discussion and Analysis thereof are available on SEDAR at www.sedar.com

About Eguana Technologies Inc.

Based in Calgary, Alberta Canada, Eguana Technologies (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, Australia 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 www.EguanaTech.com or follow us on Twitter @EguanaTech

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Forward Looking Information

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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.

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