



Eguana Announces Operational Update and 2021 Annual Results

Calgary, AB – (January 6, 2022) – Eguana Technologies Inc. ("Eguana" or the "Company") (TSX-V: EGT, OTCQB: EGTYF) today announced results for its fiscal year ended September 30, 2021.

2021 was a transformative year for Eguana with both quarterly and annual revenue records set for product sales in a year that continued to see supply chains severely impacted by the COVID-19 pandemic. Including recent activity, Eguana has established a strong framework for future growth;

- Launch of the premium branded Evolve through PowerCenter+ to address the retail dealer market in North America
- Increased manufacturing capacity in the US through Omega EMS partnership, including support for working capital growth
- Eguana Cloud Services, to participate in and operate future virtual power plants
- Battery module and battery management system development, to secure future battery supply, a critical component in energy storage systems, and
- Investment in pre-positioned inventory to mitigate on-going impacts of COVID-19 on Eguana's supply chain

“Finishing the year by launching a premium brand along with the expected launch of our 10kW whole home backup product early in the new year, has set the stage for explosive growth in 2022,” commented Eguana CEO Justin Holland. “Eguana sales channel partners have immediately jumped onboard and we are seeing orders increase weekly. Combine this with the Eguana Cloud and our battery development objectives with Itochu and the 24M family, and Eguana is ready to be front and center within the ESS marketplace.”

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

Fiscal 2021 Financial Highlights

- Record quarterly revenue in fiscal Q4 2021 of \$3.12 million, a 135% increase versus the prior year fourth quarter



- \$440,311 in annual gross margin from product sales compared to a gross margin of \$66,923 in fiscal 2020
- 4th quarter normalized gross margin on product sales of 13%, calculated using 2% of revenue standard freight costs on inbound materials, compared to 6% on a fourth quarter GAAP basis
- Record setting ESS product revenue of \$7.13 million, a 3.3% increase versus prior year
- Conversion of all convertible debentures into common shares, plus conversion of all DHCT's Series A preferred shares post fiscal year end
- Improved balance sheet reflecting positive working capital

Fiscal 2021 Business Highlights

- Launched first cobalt free LFP units to the California market
- Completed development of the 10kW/28kWh cobalt-free full home backup solution
- Completed battery management system (BMS) architecture for vertical integration strategy
- Licensed the energy management system (EMS) Cloud platform from our long-standing partner E-GEAR LLC
- Received approval into Hawaii's Battery Bonus VPP, the only ESS company to meet all utility requirements as defined
- Completed MoU with Freyer to develop residential battery modules based on 24M semi solid lithium technology
- Raised \$22 million in new capital to strategically position raw materials and increase production capacity
- Diversified and strengthened Eguana Board of Directors, plus changed auditor to KPMG LLP
- Post year end entered into definitive agreements to launch a premium line of home energy storage systems based on Eguana's proven technology and energy storage platform into North American and Caribbean markets with PowerCenter+ and Omega EMS



Energy storage markets are going to have significant and sustained growth over the next decade, according to Bloomberg (BNEF), markets are expected to grow more than 20x during that time frame from 17GW / 34GWh to 358GW / 1,028 GWh of installed capacity.

“Our partnership with the Omega entities provides Eguana with several key milestones including premium branded product offering, working capital support for non-battery materials, and an immediate increase in manufacturing capacity to capitalize on the market growth. We do expect supply chain challenges to remain through 2022 for certain raw materials and the development team will remain active in alternate material sourcing and design modifications to continue mitigating these risks to shorter time periods” Holland added.

The Company has also confirmed, further to the Company’s press release dated December 17, 2021, that 1,326,986 common shares were issued to DHCT II Luxembourg SARL (“DHCT”) on December 20, 2021 in respect of the remaining accretive dividend payable on the Series A preferred shares of the Company previously held by DHCT.

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 www.EguanaTech.com or follow us on Twitter @EguanaTech

Company Inquiries

Justin Holland

Eguana Technologies | 3 - 6143 4th Street SE, | Calgary AB, T2H 2H9 | CANADA
EguanaTech.com | +1.403.508.7177



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.