

Form 51-102F3
Material Change Report

Item 1 Name and Address of Company

Eguana Technologies Inc. (the “Company”)
Unit 3636, 7th Street SE
Calgary, AB T2G 2Y8

Item 2 Date of Material Change

December 5, 2023

Item 3 News Release

A news release was filed on December 5, 2023 under the Company’s profile on the System for Electronic Document Analysis and Retrieval + and was issued through the facilities of a recognized newswire service.

Item 4 Summary of Material Change

In connection with their previously announced and on-going liquidation of Doughty Hanson & Co Technology II (the “Fund”), and the wind-down of its operations, DHCT II Luxembourg S.à r.l. (“DHCT”) is proceeding with a distribution-in-kind (the “Distribution”) of the common shares (the “Common Shares”) that DHCT currently holds in the capital of the Company. The Common Shares will be distributed to the underlying investors in the Fund consisting of a number of large institutional investors as well as a small number of individuals affiliated with DHCT.

As a result of the Distribution, DHCT will no longer own any shares of the Company thereby triggering the termination of the investor rights agreement between the Company and DHCT dated August 8, 2019 (as amended) (the “Investor Rights Agreement”). In connection with the termination of the Investor Rights Agreement, DHCT will no longer have the right to appoint a director of the Company and as a result, Graeme Stening, DHCT’s representative on the board of directors of the Company, has resigned.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change(s)

A full copy of the news release is attached hereto as Schedule “A”.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Justin Holland, Chief Executive Officer
Telephone: (416) 728-7635

Item 9 Date of Report

December 15, 2023

SCHEDULE A

Eguana Announces DHCT and Corporate Update

Calgary, Alberta--(Newsfile Corp. - December 5, 2023) - Eguana Technologies Inc. (TSXV: EGT) (OTCQB: EGTYF) ("**Eguana**" or the "**Company**") has been notified that DHCT II Luxembourg S.à r.l. (in liquidation) ("**DHCT**"), an investment vehicle of Doughty Hanson & Co Technology II (in dissolution)(the "**Fund**"), a fund managed by Doughty Hanson & Co Managers Limited (as liquidating trustee), in connection with their previously announced and on-going liquidation of the Fund, and the wind-down of its operations, will proceed with a distribution-in-kind (the "**Distribution**") of the common shares (the "**Common Shares**") that DHCT currently holds in the capital of Eguana. The Common Shares will be distributed to the underlying investors in the Fund consisting of a number of large institutional investors as well as a small number of individuals affiliated with DHCT.

The Distribution is being undertaken in accordance with the Fund's confidential governing documents as part of the Fund finalizing its winding-up and dissolution. The Distribution is expected to be completed during the month of December 2023. The Common Shares transferred to the underlying investors of DHCT will have a four month and one day hold period. Following the Distribution, none of the investors in the Fund will become reporting insiders of Eguana.

As a result of the Distribution, DHCT will no longer own any shares of Eguana thereby triggering the termination of the investor rights agreement between the Company and DHCT dated August 8, 2019 (as amended) (the "**Investor Rights Agreement**"). In connection with the termination of the Investor Rights Agreement, DHCT will no longer have a right to appoint a board member and as a result, Graeme Stening, DHCT's representative on the board has tendered his resignation effective immediately. In addition, the single Series 8 preferred share of the Company, currently held by DHCT will be redeemed for cancellation at a price of \$1.00.

"DHCT has been a valued investor in Eguana since 2009, and we are pleased that they decided to pursue a distribution rather than a sale of the Fund's shares as part of the on-going wind down. Eguana is excited to now be able to engage directly with these institutional shareholders and share our growth strategy, particularly as it relates to utility and virtual power plant execution," stated Justin Holland, Chief Executive Officer of Eguana.

Mr Holland concluded: "On behalf of the board, we would like to thank Graeme Stening for his many contributions to Eguana, and we wish Mr. Stening and the entire DHCT team well as they proceed with the wind-up and dissolution of the Fund."

DHCT currently exercises control or direction over 91,710,165 Common Shares of Eguana, which represents approximately 20.9% of the issued and outstanding Common Shares. Following the Distribution, DHCT will cease to have control or direction over any of the Common Shares.

The foregoing disclosure is being disseminated pursuant to National Instrument 62-103 - *The Early Warning System and Related Take-Over Bid and Insider Reporting*. Copies of the early warning reports with respect to the foregoing will appear on the Company's SEDAR+ profile at www.sedarplus.ca and may also be obtained by contacting Hansine Ullberg, Chief Financial Officer of the Company at hansine.ullberg@eguanatech.com.

George W. Powlick, a director of Eguana and former managing director of the Fund, will receive 2,076,461 Common Shares as part of the Distribution. Mr. Powlick will continue to act as Chairman of the Company.

About Eguana Technologies Inc.

Eguana Technologies Inc. (TSXV: EGT) (OTCQB: EGTYF) designs and manufactures high performance

residential and commercial energy storage systems. The Company also markets and sells a suite of micro inverter products, which are integrated with its energy storage platform, providing consumers with full solar + storage system architecture, for residential and commercial applications. 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 North America, Europe, and Australia.

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. Focused on distributed energy storage applications located at the point of energy consumption, Eguana provides cost-effective solutions to modernize the power grid, from the consumer to the electricity retailer, the distribution utility, and the system operator.

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

Company Inquiries

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Forward-Looking Information

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 include, among other things, the Company's ability to engage with our new shareholder base following the Distribution; whether the Company's new shareholder base will participate in the growth of the Company through additional investments in the future; whether the Company will be able to recruit additional board talent.

Forward-Looking statements are not a guarantee of future performance and involve 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 properly allocate available funds for immediate needs, such as debt service, payroll and payments; failure by the Company to raise additional funds to fund working capital requirements or to solve its current cash flow constraints, which would impact the viability of the business to continue operating as a going concern or the viability of the business to continue operating altogether; statements pertaining to the value of our power controls to the energy storage market; statements concerning future sales, operating results and liquidity; and other factors as 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.



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