



## Eguana Announces Closing of First Tranche of Private Placement of Units and Provides Corporate Update

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CALGARY, Alberta, Dec. 08, 2023 -- **Eguana Technologies Inc.** (TSXV: EGT) (OTCQB: EGTYP) ("**Eguana**" or the "**Company**"), a leading developer and manufacturer of high-performance energy storage systems, is pleased to announce that, further to the Company's news release dated November 23, 2023, it has closed the first tranche of a non-brokered private placement offering of units of the Company (the "**Units**"). The Company issued 11,300,000 Units at a price of \$0.04 per Unit for gross proceeds of \$452,000 (the "**Offering**").

Each Unit is comprised of one common share (each a "**Common Share**" and collectively, the "**Common Shares**") and one common share purchase warrant (the "**Warrant**"). Each Warrant entitles the holder thereof to purchase one additional Common Share at a price of \$0.06 per Common Share for a period of 24 months following the closing date of the Offering.

The Company anticipates using the net proceeds of the Offering to fund operations and working capital.

The Units and any securities issuable upon conversion thereof are subject to a statutory hold period of four months and one day from the date of issuance of the Units. The Offering is subject to final approval by the TSX Venture Exchange (the "**TSXV**").

The Units were offered and sold by private placement in Canada pursuant to exemptions from the prospectus requirements under National Instrument 45-106 *Prospectus Exemptions*, and in certain other jurisdictions on a basis which does not require the qualification or registration of the securities issued pursuant to the Offering.

The subscription by insiders pursuant to the Offering is considered to be a related party transaction subject to Multilateral Instrument 61-101 ("**MI 61-101**"). The Company intends to rely on exemptions from the formal valuation and minority shareholder approval requirements provided under sections 5.5(a) and 5.7(1) (a) of MI 61-101 on the basis that participation in the private placement by insiders will not exceed 25% of the fair market value of the Company's market capitalization. The Company did not file a material change report in respect of the related party transaction at least 21 days before the closing of the first tranche of the Offering, which the Company deems reasonable in the circumstances in order to complete the Offering in an expeditious manner. The Company anticipates closing the second tranche on or about December 22, 2023.

This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful. The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended (the "**1933 Act**") and may not be offered or sold to, or for the account or benefit of, persons in the United States or "U.S. persons" (as such term is defined in Regulation S under the 1933 Act) absent registration or an applicable exemption from the registration requirements of the 1933 Act any application state securities laws.

### Corporate Update

Alongside the financing activities to bridge short term liquidity concerns, for the remainder of 2023, the Company will furlough employees related to its North American business channels, where renewable markets remain constrained due to larger macro-economic factors. Australian and European subsidiaries, where market activities appear to be recovering at a faster pace and where the Company has near term sales momentum, will remain unaffected.

"We've seen an increase in utility engagements related to virtual power plant (VPP) rollouts and with acceptance into seven VPP programs currently, we are optimistic looking into 2024 and are continuing our grid modernization strategy," commented Justin Holland, Chief Executive Officer of Eguana. "With major objectives rolling out in Europe and Australia, US market recovery predicted in mid-2024, and recurring revenue opportunities, we anticipate seeing revenue growth and stronger financial performance in 2024."

This decision to reduce short term operational costs related to North American channels was based on typical seasonality patterns, where sales and installations generally drop through the second half of December, combined with the overall slowness of the renewable energy sector in the US. Management has also begun working to transfer the North American sales team to its US partner, to continue building out distribution and retail sales channels under the DPC brand, further reducing 2024 operational costs. Additionally, the Company received approval from its lending partner to defer its December 1<sup>st</sup> payment, under its long-term debt agreement, to December 15<sup>th</sup>.

### About Eguana Technologies Inc.

Eguana Technologies Inc. (EGT: TSX.V) (OTCQB: EGTYP) 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](http://www.EguanaTech.com) or follow us on Twitter @EguanaTech

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### **Forward Looking Statements and Risks**

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, statements regarding the timing and completion of the Offering, the use of proceeds of the Offering, receipt of TSXV approval, future profitability, and financial outlook for 2024. 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 to obtain necessary regulatory approvals to close the Offering; failure by the Company to close the Offering as contemplated; failure by the Company to properly allocate use of proceeds for immediate needs, such as debt service, payroll and payments; failure by the Company to receive the desired effect of the furlough to bridge short term liquidity concerns; failure by the Company to further reduce operational costs; with respect to VPP rollouts, there is no certainty that despite being accepted to seven VPP programs, that this will translate into revenue for the Company; macro-economic conditions affecting the renewable energy sector; 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; 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](http://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.**