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Pineapple Energy Subsidiary E-Gear Licenses Energy Management Controller to Energy Storage Leader Eguana

- *Potential for high recurring revenue with monthly per-device payment to E-Gear*
- *Licensing structure expected to make substantial margin contribution*
- *Initial up-front fee funds ongoing innovation and additional commercialization opportunities*
- *Solidifies E-Gear's leading position in energy storage components*

MINNETONKA, Minn., March 22, 2023 (GLOBE NEWSWIRE) -- Pineapple Energy Inc. (NASDAQ: PEGY) (the "Company" or "Pineapple Energy"), a leading provider of sustainable solar energy and back-up power to households and small businesses, today announced that its technology subsidiary E-Gear will license its proprietary Energy Management Controller ("EMC") to energy storage leader Eguana for use in their portfolio of battery energy storage systems.

Eguana's residential batteries, when paired with the E-Gear EMC, create a state-of-the-art energy storage system that controls solar self-consumption, backup power, time-of-use, and grid services. The system consists of three major components: the battery, the power control system, and the energy management system. The E-Gear EMC is part of the energy management system, where it optimizes energy production, usage and export. The EMC offers electrical production and home usage monitoring, Time-of-Use load control, Time-of-Export optimization, and grid support capabilities.

E-Gear will license its technology to Eguana, who will have the right to manufacture chipsets based on the E-Gear design and also develop a custom "fork" of the E-Gear firmware going forward. By agreeing to a licensing relationship, E-Gear can go to market with reduced capital needs, while Eguana maintains tighter control over a key system component.

Eguana will pay an up-front licensing fee for the right to utilize and customize the E-Gear hardware and firmware, and will additionally pay an ongoing per-device per-month licensing fee, generating high-margin recurring revenue for E-Gear.

Pineapple CEO Kyle Udseth commented, "The Eguana relationship is the cornerstone of our effort to establish our proprietary technology line of business, which is a natural complement to our sales, installation and servicing business. Eguana is a leader in energy storage systems, and our 'Intel Inside' role in their products ensures that we can both contribute to, and benefit from, their success."

Eguana Chief Operating Officer Brent Harris, added, "Our business depends in part on working with industry leaders like Pineapple to enhance the customer benefits of our products. The E-Gear EMC has been and remains a valuable component of our energy

storage systems, enabling important functions that differentiate us from the competition. We look forward to harvesting the benefits of this partnership, while also exploring new avenues of collaboration between our two companies.”

Pineapple CFO Eric Ingvaldson noted, “We struck a deal that offers substantial value to Eguana, while also enhancing Pineapple’s financial position. The deal features the high margins and low capital cost of licensing and will produce stable and highly visible recurring revenue as the installed base grows. The initial up-front licensing fee enables E-Gear to ramp the relationship very quickly, while preserving our balance sheet flexibility.”

About Pineapple Energy

Pineapple is focused on growing leading local and regional solar, storage, and energy services companies nationwide. Our vision is to power the energy transition through grass-roots growth of solar electricity paired with battery storage. Our portfolio of brands (SUNation, Hawaii Energy Connection, E-Gear, Sungevity, and Horizon Solar Power) provide homeowners and small businesses with an end-to-end product offering spanning solar, battery storage, and grid services.

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, Eguana is one of the leading suppliers of energy storage systems 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.

Forward Looking Statements

This press release includes certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding future financial performance, future growth or growth opportunities, future opportunities, future flexibility to pursue acquisitions, future cash flows, and the expected financial impact of, and results following, the SUNation acquisition. These statements are based on the Company’s current expectations or beliefs and are subject to uncertainty and changes in circumstances. Actual results may vary materially from those expressed or implied by the statements here due to changes in economic, business, competitive or regulatory factors, and other risks and uncertainties, including those set forth in the Company’s filings with the Securities and Exchange Commission. The forward-looking statements in this press release speak only as of the date of this press release. The Company does not undertake any obligation to update or revise these forward-looking statements for any reason, except as required by law.

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