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Capstone Green Energy Achieves Target of 50 MW Under EaaS Rental Contract With a New 5 MW Order From a West Texas Oil and Gas Customer

Reliability and Lower Carbon Emissions Factored Into Rental Decision

LOS ANGELES--(BUSINESS WIRE)-- [Capstone Green Energy Corporation](#) (NASDAQ: CGRN), announced that [Lone Star Power Solutions](#), Capstone's exclusive distributor in Texas, Arizona, and the Gulf States, secured an Energy-as-a-Service (EaaS) long-term rental order for five C1000 Signature Series microturbines. The microturbines will be installed at a remote oil and gas production site in West Texas and are expected to be commissioned in May.

The new 5 MW EaaS rental contract pushes Capstone Green Energy's total EaaS contracts to approximately 50 MW, which achieves the Company's stated goal of 50 MW under contract by March 31, 2023, and is up from 26 MW under contract less than a year ago.

"Capstone's EaaS business model continues to drive customer demand for our products, as demonstrated by this order. The oil and gas industry have seen the benefits of Capstone microturbines for many years, and renting units through our EaaS approach makes adopting our technology even easier," said Darren Jamison, President and Chief Executive Officer of Capstone Green Energy. "Our focus remains on our EaaS rental business deployment and the attributes it brings us, including higher margin rates, predictable revenues, and positive cash flow while transitioning us away from being only a manufacturing company," added Jamison.

Capstone microturbines are used across oil and gas applications – upstream, midstream, and downstream because they offer flexible, responsive power generation that can easily adjust to fluctuating or seasonal energy demands, reducing fuel usage and maintaining high levels of efficiency. They can also be powered by on-site production gas, like these units will be, eliminating the need for a secondary fuel source. This helps Capstone customers meet their environmental and operational goals.

"This customer approached us with the challenge of improving operational reliability while at the same time reducing their greenhouse gas emissions," said Doug Demaret, President of Lone Star Power Solutions. "Replacing reciprocating engines with Capstone Green Energy microturbines allowed them to do both with the added benefit of reduced trips to the site due to our market-leading low preventative maintenance requirements."

About Capstone Green Energy

[Capstone Green Energy](#) (NASDAQ: CGRN) is a leading provider of customized microgrid solutions and on-site energy technology systems focused on helping customers around the globe meet their environmental, energy savings, and resiliency goals. Capstone Green Energy focuses on four key business lines. Through its Energy as a Service (EaaS) business, it offers rental solutions utilizing its microturbine energy systems and battery storage systems, comprehensive Factory Protection Plan (FPP) service contracts that guarantee life-cycle costs, as well as aftermarket parts. Energy Generation Technologies (EGT) are driven by the Company's industry-leading, highly efficient, low-emission, resilient microturbine energy systems offering scalable solutions in addition to a broad range of customer-tailored solutions, including hybrid energy systems and larger frame industrial turbines. The Energy Storage Solutions (ESS) business line designs and installs microgrid storage systems creating customized solutions using a combination of battery technologies and monitoring software. Through Hydrogen & Sustainable Products (H2S), Capstone Green Energy offers customers a variety of hydrogen products, including the Company's microturbine energy systems.

To date, Capstone has shipped over 10,000 units to 83 countries and estimates that in FY22, it saved customers over \$213 million in annual energy costs and approximately 388,000 tons of carbon. Total savings over the last four years are estimated to be approximately \$911 million in energy savings and approximately 1,503,100 tons of carbon savings.

For customers with limited capital or short-term needs, Capstone offers rental systems; for more information, contact: rentals@CGRNenergy.com.

For more information about the Company, please visit www.CapstoneGreenEnergy.com. Follow Capstone Green Energy on [Twitter](#), [LinkedIn](#), [Instagram](#), [Facebook](#), and [YouTube](#).

Cautionary Note Regarding Forward-Looking Statements

This release contains forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995, including statements regarding expectations for green initiatives and execution on the Company's growth strategy and other statements regarding the Company's expectations, beliefs, plans, intentions, and strategies. The Company has tried to identify these forward-looking statements by using words such as "expect," "anticipate," "believe," "could," "should," "estimate," "intend," "may," "will," "plan," "goal" and similar terms and phrases, but such words, terms and phrases are not the exclusive means of identifying such statements. Actual results, performance and achievements could differ materially from those expressed in, or implied by, these forward-looking statements due to a variety of risks, uncertainties and other factors, including, but not limited to, the following: the ongoing effects of the COVID-19 pandemic; the availability of credit and compliance with the agreements governing the Company's indebtedness; the Company's ability to develop new products and enhance existing products; product quality issues, including the adequacy of reserves therefor and warranty cost exposure; intense competition; financial performance of the oil and natural gas industry and other general business, industry and economic conditions; the Company's ability to adequately protect its intellectual property rights; and the impact of pending or threatened litigation. For a detailed discussion of factors that could affect the Company's future operating results, please see the Company's filings with the Securities and Exchange Commission, including the disclosures under "Risk Factors" in those filings. Except as expressly required by the federal securities laws, the Company

undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, changed circumstances or future events or for any other reason.

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