

November 10, 2025



SUNation Energy Announces 2025 Third Quarter Results and Reiterates 2025 Full Year Financial Guidance

Q3 2025 Select Highlights

- Sales Increased 29% to \$19.0 Million
- Gross Profit Rose to \$7.2 Million; Gross Margin Improved to 38%
- Net Loss Narrowed to \$0.4 Million
- Adjusted EBITDA Improved to \$898,000
- Unrestricted Cash Rose to \$5.4 Million – Highest Level Since 2022
- Total Debt Declined 59% from December 31, 2024

RONKONKOMA, N.Y., Nov. 10, 2025 (GLOBE NEWSWIRE) -- **SUNation Energy, Inc. (Nasdaq: SUNE) (the “Company”)**, a leading provider of sustainable solar energy and backup power to households, businesses, municipalities, and for servicing existing systems, today announced financial results for the third quarter ended September 30, 2025 (“Q3 2025”) and reiterated full year financial guidance for total sales and Adjusted EBITDA.

“Our third quarter results reflected increased residential demand for solar and battery storage due to sweeping changes in tax credits associated with the passage of the One Big Beautiful Bill Act (OBBBA) earlier this year,” said Scott Maskin, Chief Executive Officer. “This new legislation has accelerated near-term solar adoption in our markets, while dramatically changing and likely adding additional challenges to the long-term industry landscape. We are focused on the opportunities and continue to prepare for what lies ahead.

“We believe that our diversification across residential solar and storage, commercial, service, and roofing remains one of our greatest strengths. Combined with our geographic presence in states with the highest per-kilowatt-hour energy costs, we are well positioned to weather the turbulence created by the abrupt withdrawal of the 25D tax credit. While expansion and M&A opportunities continue to present themselves, our focus remains on executing what we do best - right here, in the markets we know best. We will continue to strengthen our foundation by adding adjacent services such as HVAC, with a focus on energy efficiency, by deepening relationships with our existing customers through expanded offerings, and building market share by offering maintenance, repair, and support services to owners of solar systems whose original installers have gone out of business or can no longer be reached. What we will not do is panic or fall victim to knee-jerk reactions. After 22 years of riding this solar coaster, we bring experience, confidence, and steady hands to this moment. Q1 2026 will be a transitional quarter that provides valuable insight into the state of the industry overall. Our product offerings are strong, energy costs continue to rise, and we’re well past the inflection point of adoption.”

James Brennan, SUNation's Chief Financial Officer, said, "The benefits from our restructuring and debt reduction initiatives allowed us to capitalize on increased residential demand with efficiency and scale. For the third quarter of 2025, we generated higher sales and improved gross margin, significantly narrowed our losses, and produced \$900,000 in Adjusted EBITDA. We also continued to strengthen our balance sheet; cash of \$5.4 million at quarter end was the highest in three years and we have reduced debt by more than \$11.0 million from December 31, 2024. As we continue to prepare for what we believe may be a dramatically changed business landscape 2026, we expect to end 2025 with a strong fourth quarter and remain confident in our ability to meet our full year financial guidance."

Q3 2025 Financial Results Overview

Comparisons are to the third quarter ended September 30, 2024 ("Q3 2024") unless otherwise noted

- Total sales rose 29% to \$19.0 million from \$14.7 million, driven by a 54% increase in consolidated residential sales at SUNation NY and Hawaii Energy Connection ("HEC") and a 72% increase in service revenue, partially offset by a decline in commercial contracts.
- Consolidated gross profit improved to \$7.2 million, or 38.0% of sales, from gross profit of \$5.2 million, or 35.6% of sales, driven by higher residential margins.
- Total operating expenses rose to \$7.5 million from \$6.8 million; as a percentage of sales, total operating expenses improved to 39.3% from 46.5%.
- Net loss improved to \$(0.4) million from a net loss of \$(3.3) million.
- Adjusted EBITDA improved to \$0.9 million from an Adjusted EBITDA loss of \$(1.0) million.

Financial Condition at September 30, 2025

- Cash and cash equivalents improved to \$5.4 million from \$0.8 million at December 31, 2024. Restricted cash and equivalents was stable at \$0.3 million.
- Total debt, which included earnout consideration of \$1.0 million, improved 59% to \$7.9 million from \$19.1 million at December 31, 2024.
- Accounts payable improved to \$7.3 million from \$8.0 million at December 31, 2024.
- Current liabilities improved to \$19.0 million from \$27.2 million at December 31, 2024.
- Stockholders' equity improved to \$21.7 million from \$8.5 million at December 31, 2024.

REITERATES 2025 FINANCIAL GUIDANCE

Based on current business conditions and estimated outlook, the Company is reiterating its previously issued financial guidance for the full year ending December 31, 2025:

- Total sales are expected to rise to \$65 million to \$70 million, a projected increase of between 14% and 23% from total sales of \$56.9 million in 2024.
- Adjusted EBITDA is expected to improve to \$0.5 million to \$0.7 million from an Adjusted EBITDA loss in 2024.

Guidance for full year 2025 is based on the Company's current views, beliefs, estimates and assumptions. It does not include any potential impact related to, among numerous other

potential events that are largely out of our control, such as current or future tariffs, global disruptions, broader industry dynamics, and legislative policy changes, which the Company is unable to predict at this time. All financial expectations are forward-looking, and actual results may differ materially from such expectations, as further discussed below under the heading " Forward-Looking Statements."

We are not able to provide a reconciliation of Adjusted EBITDA guidance for full year 2025 to net profit (loss), the most directly comparable GAAP financial measure, because certain items that are excluded from Adjusted EBITDA but included in net profit (loss) cannot be predicted on a forward-looking basis without unreasonable effort or are not within our control.

Q3 2025 CONFERENCE CALL

Management will host a conference call on **Monday, November 17, 2025 at 9:00 am ET**. Interested parties may participate in the call by dialing:

USA & Canada: (800) 715-9871

International: (646) 307-1963

Passcode: 7715344

The conference call will also be accessible via the Investor Relations section of the Company's web site at <https://ir.sunation.com/news-events> or via this link: <https://edge.media-server.com/mmc/p/sujaszqv>.

About SUNation Energy, Inc.

SUNation Energy, Inc. 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) provide homeowners and businesses of all sizes with an end-to-end product offering spanning solar, battery storage, and grid services. SUNation Energy, Inc.'s largest markets include New York, Florida, and Hawaii, and the company operates in three (3) states.

Forward Looking Statements

Our prospects here at SUNation Energy Inc. are subject to uncertainties and risks. This news release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 and Section 21E of the Securities Act of 1934. The Company intends that such forward-looking statements be subject to the safe harbor provided by the foregoing Sections. These forward-looking statements are based largely on the expectations or forecasts of future events, can be affected by inaccurate assumptions, and are subject to various business risks and known and unknown uncertainties, a number of which are beyond the control of management. Therefore, actual results could differ materially from the forward-looking statements contained in this presentation. The Company cannot predict or determine after the fact what factors would cause actual results to differ materially from those indicated by the forward-looking statements or other statements. The reader should consider statements that include the words "believes", "expects", "anticipates", "intends", "estimates", "plans", "projects",

"should", or other expressions that are predictions of or indicate future events or trends, to be uncertain and forward-looking. We caution readers not to place undue reliance upon any such forward-looking statements. The Company does not undertake to publicly update or revise forward-looking statements, whether because of new information, future events or otherwise. Additional information respecting factors that could materially affect the Company and its operations are contained in the Company's filings with the SEC which can be found on the SEC's website at www.sec.gov.

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SUNATION ENERGY, INC. CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)

	September 30 2025	December 31 2024
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 5,414,591	\$ 839,268
Restricted cash and cash equivalents	288,948	312,080
Trade accounts receivable, less allowance for credit losses of \$280,863 and \$240,817, respectively	4,924,480	4,881,094
Inventories	3,008,151	2,707,643
Prepaid income taxes	13,461	—
Related party receivables	21,571	23,471
Prepaid expenses	2,088,810	1,587,464
Costs and estimated earnings in excess of billings	797,390	560,648
Other current assets	612,248	198,717
TOTAL CURRENT ASSETS	17,169,650	11,110,385
PROPERTY, PLANT AND EQUIPMENT, net	1,047,668	1,238,898
OTHER ASSETS:		
Goodwill	17,443,869	17,443,869
Operating lease right of use asset, net	3,391,457	3,686,747
Intangible assets, net	10,542,708	12,220,833
Other assets, net	12,000	12,000
TOTAL OTHER ASSETS	31,390,034	33,363,449
TOTAL ASSETS	\$ 49,607,352	\$ 45,712,732
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	\$ 7,291,519	\$ 8,032,769
Accrued compensation and benefits	1,362,804	796,815
Operating lease liability	285,676	321,860
Accrued warranty	198,087	350,013
Other accrued liabilities	1,476,479	1,055,995
Accrued loss contingencies	—	1,300,000
Income taxes payable	—	5,071
Refundable customer deposits	4,331,250	1,870,173

Billings in excess of costs and estimated earnings	1,889,832	444,310
Contingent value rights	288,948	312,080
Earnout consideration	—	2,500,000
Current portion of loans payable	379,609	3,139,113
Current portion of loans payable - related party	1,530,244	6,951,563
Embedded derivative liability	—	82,281
TOTAL CURRENT LIABILITIES	19,034,448	27,162,043
LONG-TERM LIABILITIES:		
Loans payable and related interest	1,093,114	6,531,650
Loans payable and related interest - related party	3,897,808	—
Operating lease liability	3,233,929	3,471,623
Accrued compensation and benefits	620,087	—
TOTAL LONG-TERM LIABILITIES	8,844,938	10,003,273
COMMITMENTS AND CONTINGENCIES (Note 6)		
STOCKHOLDERS' EQUITY		
Series A Convertible preferred stock, par value \$1.00 per share; 3,000,000 shares authorized; no shares issued and outstanding, respectively	—	—
Series B preferred stock, par value \$1.00 per share; 3,000,000 shares authorized; no shares issued and outstanding, respectively	—	—
Series C preferred stock, par value \$1.00 per share; 35,000 shares authorized; no shares issued and outstanding, respectively	—	—
Series D preferred stock, par value \$1.00 per share; 3,000,000 shares authorized; 1 and no shares issued and outstanding, respectively	—	—
Common stock, par value \$0.05 per share; 1,000,000,000 shares authorized; 3,406,614 and 9,343 shares issued and outstanding, respectively ⁽¹⁾	170,331	467
Additional paid-in capital ⁽¹⁾	77,953,503	51,445,995
Accumulated deficit	(56,395,868)	(42,899,046)
TOTAL STOCKHOLDERS' EQUITY	21,727,966	8,547,416
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 49,607,352	\$ 45,712,732

(1) Prior period results have been adjusted to reflect the reverse stock split of the common stock at a ratio of 1-for-200 that became effective April 21, 2025, the reverse stock split of the common stock at a ratio of 1-for-50 that became effective October 17, 2024 and the reverse stock split of the common stock at a ratio of 1-for-15 that became effective June 12, 2024.

SUNATION ENERGY, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Sales	\$ 18,993,636	\$ 14,718,386	\$ 44,694,528	\$ 41,487,003
Cost of sales	11,781,951	9,482,661	28,212,001	26,653,476
Gross profit	7,211,685	5,235,725	16,482,527	14,833,527
Operating expenses:				
Selling, general and administrative expenses	6,898,041	6,133,087	19,381,068	19,321,037
Amortization expense	559,375	709,375	1,678,125	2,128,125
Fair value remeasurement of SUNation NY earnout consideration	—	—	—	(800,000)
Total operating expenses	7,457,416	6,842,462	21,059,193	20,649,162
Operating loss	(245,731)	(1,606,737)	(4,576,666)	(5,815,635)
Other (expense) income:				
Investment and other income	15,173	25,410	90,999	98,576
Gain on sale of assets	—	(6,940)	—	(822)
Fair value remeasurement of warrant liability	—	(1,435,845)	(7,531,044)	(974,823)
Fair value remeasurement of embedded derivative liability	—	587,271	—	(468,329)
Fair value remeasurement of contingent forward contract	—	—	899,080	—
Fair value remeasurement of contingent value rights	(2,318)	(14,051)	23,132	478,809
Financing fees	—	—	(1,136,532)	—
Interest expense	(143,420)	(811,551)	(876,790)	(2,312,054)
Loss on debt extinguishment	—	(35,657)	(343,471)	(35,657)
Other expense, net	(130,565)	(1,691,363)	(8,874,626)	(3,214,300)
Net loss before income taxes	(376,296)	(3,298,100)	(13,451,292)	(9,029,935)
Income tax expense	16,679	509	45,530	38
Net loss	(392,975)	(3,298,609)	(13,496,822)	(9,029,973)
Deemed dividend on extinguishment of Convertible Preferred Stock	—	(3,464,426)	—	(4,215,551)
Deemed dividend on modification of PIPE Warrants	—	(875,737)	—	(11,447,251)
Deemed contribution on exchange of equity instruments	—	4,075,681	—	4,075,681
Net loss attributable to common shareholders	<u>\$ (392,975)</u>	<u>\$ (3,563,091)</u>	<u>\$ (13,496,822)</u>	<u>\$ (20,617,094)</u>
Basic net loss per share ⁽¹⁾	\$ (0.12)	\$ (2,350.12)	\$ (6.19)	\$ (25,596.09)
Diluted net loss per share ⁽¹⁾	\$ (0.12)	\$ (2,350.12)	(6.19)	(25,596.09)
Weighted Average Basic Shares Outstanding ⁽¹⁾	3,406,614	1,516	2,180,066	805
Weighted Average Dilutive Shares Outstanding ⁽¹⁾	3,406,614	1,516	2,180,066	805

(1) Prior period results have been adjusted to reflect the reverse stock split of the common stock at a ratio of 1-for-200 that became effective April 21, 2025, the reverse stock split of the common stock at a ratio of 1-for-50 that became effective October 17, 2024 and the reverse stock split of the common stock at a ratio of 1-for-15 that became effective June 12, 2024.

Non-GAAP Financial Measures

This press release also includes non-GAAP financial measures that differ from financial measures calculated in accordance with United States generally accepted accounting principles ("GAAP"). Adjusted EBITDA is a non-GAAP financial measure provided in this release, and is net (loss) income calculated in accordance with GAAP, adjusted for interest, income taxes, depreciation, amortization, stock compensation, gain on sale of assets,

financing fees, loss on debt remeasurement, and non-cash fair value remeasurement adjustments as detailed in the reconciliations presented below in this press release.

These non-GAAP financial measures are presented because the Company believes they are useful indicators of its operating performance. Management uses these measures principally as measures of the Company's operating performance and for planning purposes, including the preparation of the Company's annual operating plan and financial projections. The Company believes these measures are useful to investors as supplemental information and because they are frequently used by analysts, investors, and other interested parties to evaluate companies in its industry. The Company also believes these non-GAAP financial measures are useful to its management and investors as a measure of comparative operating performance from period to period.

The non-GAAP financial measures presented in this release should not be considered as an alternative to, or superior to, their respective GAAP financial measures, as measures of financial performance or cash flows from operations as a measure of liquidity, or any other performance measure derived in accordance with GAAP, and they should not be construed to imply that the Company's future results will be unaffected by unusual or non-recurring items. In addition, these measures do not reflect certain cash requirements such as tax payments, debt service requirements, capital expenditures and certain other cash costs that may recur in the future. Adjusted EBITDA contains certain other limitations, including the failure to reflect our cash expenditures, cash requirements for working capital needs and cash costs to replace assets being depreciated and amortized. In evaluating non-GAAP financial measures, you should be aware that in the future the Company may incur expenses that are the same as or similar to some of the adjustments in this presentation. The Company's presentation of non-GAAP financial measures should not be construed to imply that its future results will be unaffected by any such adjustments. Management compensates for these limitations by primarily relying on the Company's GAAP results in addition to using non-GAAP financial measures on a supplemental basis. The Company's definition of these non-GAAP financial measures is not necessarily comparable to other similarly titled captions of other companies due to different methods of calculation.

SUNATION ENERGY, INC.
RECONCILIATION OF GAAP NET LOSS TO ADJUSTED EBITDA

	Three Months Ended September 30		Nine Month Ended September 30	
	2025	2024	2025	2024
Net Loss	\$ (392,975)	\$ (3,298,609)	\$ (13,496,822)	\$ (9,029,973)
Interest expense	143,420	811,551	876,790	2,312,054
Interest income	(9,670)	(16,450)	(27,070)	(56,572)
Income taxes	16,679	509	45,530	38
Depreciation	68,674	75,373	202,668	245,187
Amortization	559,375	709,375	1,678,125	2,128,125
Stock compensation	18,899	(201,922)	72,175	(16,199)
Earnout consideration compensation	491,130	—	1,003,951	—
Gain on sale of assets	—	6,940	—	822
FV remeasurement of contingent value rights	2,318	14,051	(23,132)	(478,809)
FV remeasurement of earnout consideration	—	—	—	(800,000)
FV remeasurement of warrant liability	—	1,435,845	7,531,044	974,823
FV remeasurement of contingent forward contract	—	—	(899,080)	—
FV remeasurement of embedded derivative liability	—	(587,271)	—	468,329
Financing fees	—	—	1,136,532	—
Loss on debt remeasurement	—	35,657	343,471	35,657
Adjusted EBITDA	\$ 897,850	\$ (1,014,951)	\$ (1,555,818)	\$ (4,216,518)



Source: SUNation Energy, Inc.