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Capstone Green Energy to Provide Systems to Japanese Industrial Manufacturer

Seven C65 Units will Replace Systems that Reached 80,000 Hours of Operation

VAN NUYS, Calif.--(BUSINESS WIRE)-- Capstone Green Energy Corporation (www.CapstoneGreenEnergy.com) (NASDAQ: CGRN), ("Capstone," the "Company," "we" or "us"), a global leader in carbon reduction and on-site resilient green energy solutions, today announced that its Japan distributor, Kanamoto (<https://www.kanamoto.co.jp>), secured a contract to provide seven C65 microturbine systems to a Japanese firm in the chemical industry.

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20220214005154/en/>

44 Capstone C65 CHP Systems Installed at Chemical Plant in Japan (Photo: Business Wire)

Out of 44 Capstone units currently in operation at the Japanese site, the

new systems will replace seven units that have reached 80,000 hours of continuous service. The units were previously covered by a 10-year Factory Protection Plan (FPP) that ended in December 2021.

Fueled by high-pressure natural gas (HPNG), the new systems will be designed to provide Combined Heat and Power (CHP), providing maximum efficiency in the production process for which the power will be used. At the same time, the waste heat produced by the microturbines will be captured and used for drying processes required by the chemical plant, a site that has been in operation for 20 years.

The new systems are expected to be commissioned in July 2022. This is the only installation in Japan where 44 units have been installed in one location.

"The Capstone Green Energy microturbine's lightweight and compact footprint met the customer's site requirements while using the clean exhaust gas directly in the drying furnace, perfectly matching the customer's thermal requirements," said Kanamoto's manager, Atsushi Isono. "Despite the harsh environment in which this continuous-duty application operates, the customer feels confident in the long-term viability of the system due to the FPP contract in place. The 80,000 hours of operation and FPP contract is what allowed us to win a second end-of-life replacement contract," added Mr. Isono.

"The implementation of a CHP system is an efficient, cost-effective investment an industrial site can make to improve its financial bottom line," said Darren Jamison, Chief Executive Officer of Capstone Green Energy. "Add to that the increased power reliability and environmental benefits of low maintenance, clean-burning microturbines, and you have an energy strategy designed to meet today's business challenges head-on," concluded Mr. Jamison.

About Capstone Green Energy

Capstone Green Energy (www.CapstoneGreenEnergy.com) (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.

For customers with limited capital or short-term needs, Capstone offers rental systems; for more information, contact: rentals@CGRNenergy.com. To date, Capstone has shipped over 10,000 units to 83 countries and estimates that, in FY21, it saved customers over \$217 million in annual energy costs and approximately 397,000 tons of carbon. Total savings over the last three full fiscal years are estimated to be approximately \$698 million in energy savings and approximately 1,115,100 tons of carbon savings.

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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