March 28, 2024

Pineapple Energy Announced CVR Agreement extended to December 31, 2024

MINNETONKA, Minn., March 28, 2024 (GLOBE NEWSWIRE) -- Pineapple Energy Inc. (NASDAQ: PEGY), a leading provider of sustainable solar energy and back-up power to households and small businesses, today announced CVR agreement extended to December 31, 2024.

Pursuant to the merger of Communications Systems Inc. (CSI) and Pineapple Energy, Inc. on March 28, 2022, CSI shareholders of record at the close of business on March 25, 2022 (the “CVR Holders”) received one contractual, non-transferable contingent value right (“CVR”) per share of CSI common stock each respectively owned. A total of 2,429,341 CVRs were issued following the merger, and each CVR represents the right to receive a pro rata portion of proceeds available from the disposition of CSI’s pre-merger assets following the merger.

The CVRs were distributed, pursuant to a Contingent Value Rights Agreement (“CVR Agreement”) between Pineapple Energy, the CVR Holders’ Representative, and Equiniti Trust Company. At the time of the merger, it was contemplated that the disposition of CSI’s pre-merger assets would be completed within two years following the merger and the CVR Agreement was scheduled to expire on March 28, 2024. However, the disposition of all of CSI’s pre-merger assets and resolving contingencies related to such assets has taken longer than originally anticipated. As a result, Pineapple Energy, Equiniti and the CVR Holders’ Representative have agreed to extend the term of the CVR Agreement to December 31, 2024. Pending completion of this disposition process, it is not possible, at this time, to provide any information regarding the possibility and timing of a further cash distribution, if any, to the CVR holders.

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.

Forward Looking Statements
This press release includes certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, among others, statements regarding future financial performance, future growth or growth opportunities, future opportunities, future cost reductions, future flexibility to pursue acquisitions, future cash flows and future earnings. 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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