April 9, 2025

SUNation Energy Strengthens Financial Position Via Recently Completed Financings and Debt Reduction

RONKONKOMA, N.Y., April 09, 2025 (GLOBE NEWSWIRE) -- **SUNation Energy, Inc. (Nasdaq: SUNE) ("SUNation" or "the Company")**, a leading provider of sustainable solar energy and backup power solutions for households, businesses, and municipalities, today announced that recently completed capital transactions have allowed the Company to materially deliver its balance sheet, improve future cash flows, and enhance its financial flexibility to pursue its long-term growth objectives.

As previously announced, the Company raised approximately $20.0 million in aggregate gross proceeds via a securities purchase agreement with certain institutional investors ("the Offering"), which closed in separate tranches in February 2025 and April 2025, respectively. Using a portion of the proceeds from the Offering, the Company has eliminated approximately $12.6 million of secured debt and other long-term contractual obligations.

Primary among these obligations was the previously announced repayment in full of $9.4 million in senior and junior secured loans, eliminating all monthly payment obligations and removing an average annual cash drain of approximately $3.4 million through 2027.

Today, the Company announced that on April 7, 2025 it paid an aggregate $2.1 million of earnout consideration associated with the November 2022 acquisition of SUNation Solar Systems, Inc. and five of its affiliated entities (SUNation Commercial, Inc., SUNation Service, Inc., SUNation Electric, Inc., SUNation Energy, LLC, and SUNation Roofing, LLC) by Pineapple Energy Inc. (now known as SUNation Energy, Inc.). Following this recent payment, the total earnout consideration of $2.5 million is paid in full.

"We are very proud to have executed on these debt reduction initiatives, which reflect our commitment to meeting SUNation's financial obligations while strengthening our financial profile and capital base," said Scott Maskin, Chief Executive Officer. "This reduction in debt has produced material benefits including lowering our annual interest expense, while enhancing cash flows that provide the flexibility necessary to invest appropriately in our long-term expansion and/or other strategic options. Given the timing of the closing of the offering and associated payments, these benefits will initially be reflected in our results for the first quarter ended March 31, 2025."

The Company also announced that it expects to file its Form 10-K for the period ended December 31,2024 on or before April 15, 2025. In connection with this filing, the Company will provide additional information regarding its results, recent events and business strategy, as well as its plans to address investors.

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.

Contacts:
Scott Maskin
Chief Executive Officer
+1 (631) 823-7131
smaskin@sunation.com

SUNation Energy Investor Relations
IR@sunation.com

Source: SUNation Energy, Inc.