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Capstone Green Energy Secures Repeat 1MW Order for District Heating Application in Italy

A Cogeneration Power Plant Will Provide Clean, Reliable Electricity and Thermal Energy

LOS ANGELES--(BUSINESS WIRE)-- [Capstone Green Energy Corporation](#) (NASDAQ: CGRN), announced that [IBT Group](#), Capstone's authorized distributor in Italy, received an order for a C1000 Signature Series microturbine to power a district heating plant for the municipality of Bardonecchia, Italy. The follow-on order is the second for Energetica S.p.A. Group, an energy service company and the plant operator. The microturbine is scheduled to be commissioned in December 2023.

"District heating is an ideal use for Capstone's microturbines. By combining heat and power production for an area, so many efficiencies are gained compared to distributed and disconnected buildings and boilers. We are always happy when our customers return for a second order because they have first-hand knowledge of the value and reliability of Capstone technology," said Darren Jamison, President and CEO of Capstone Green Energy.

A natural gas-fueled C1000S microturbine will enable the continuity of electrical energy and heat service for the area's population and provide increased energy security. In district heating systems, each user's boiler is removed and they are connected to a single hot water distribution network. This makes it possible to produce heat at higher efficiency levels and with better emissions control. When the heat is produced through a cogeneration plant, the production cycle works more efficiently resulting in increased energy savings.

In 2016, Energetica S.p.A. commissioned a Capstone microturbine for the Breuil-Cervinia district heating plant. Having exceeded the company's expectations with the first installation, plant operators selected Capstone's innovative microturbine technology again as a trusted source of clean and reliable energy. The application provides the best economic value to the customer and is designed to lower energy costs, increase resiliency, and reduce greenhouse gas emissions.

"Our customer was already familiar with Capstone's highly efficient cogeneration systems. This repeat order demonstrates that they clearly value both the power reliability offered by low emission, clean energy microturbine-based systems," said Ilario Vigani, Principal at IBT Group.

According to the U.S. Energy Information Administration (EIA), district heating networks offer great potential for efficient, cost-effective and flexible large-scale integration of low-carbon energy sources into the heating energy mix. Furthermore, Italy's economy has one of the

highest CHP potentials among major European economies leading up to 2030.

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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