

**Tantalus Systems Announces Preliminary 2022 Financial Highlights**  
*Anticipates reporting 23% revenue growth with record quarterly revenue and annual sales orders*

**BURNABY, BC – January 19, 2023** – Tantalus Systems (TSX: GRID) (“Tantalus” or the “Company”), a company focused on helping build sustainable utilities for the future, is pleased to announce preliminary financial results for the quarter and year ended December 31, 2022. Tantalus believes that it will be reporting a strong quarterly and annual performance (as highlighted below) and is ending the year well-positioned for continued growth in 2023 as utilities accelerate smart grid investments.

“We started 2022 with the transformative acquisition of Congruitive to position Tantalus at the forefront of helping utilities prepare for the integration of microgrids, roof-top solar, storage and electric vehicle charging infrastructure and ended the year with strong financial results including a record level of revenue generated in a quarter,” said Pete Londa, President & CEO of Tantalus Systems. “As we turn our sights towards 2023, we continue to witness improving visibility into our financial position, strong demand for our new TRUSense™ Gateway product offering and favorable tailwinds across the utility industry,” said Mr. Londa.

### **Summary of Highlights**

- **Q4 Revenue**: Estimated at US\$12.0 million to US\$12.2 million, representing the highest quarterly revenue in Tantalus’ history and approximately 60% growth over the prior year.
- **2022 Revenue**: Estimated at US\$39.5 million to US\$39.7 million, representing approximately 23% growth over the prior year.
- **Annual Recurring Revenue (ARR)<sup>[1]</sup>**: Estimated at approximately US\$9.8 million as at December 31, 2022, representing approximately 13% growth over the prior year.
- **Q4 Adjusted EBITDA<sup>[2]</sup>**: Estimated at positive US\$0.075 million to US\$0.15 million.
- **2022 Adjusted EBITDA<sup>[3]</sup>**: Estimated at (US\$2.3) million to (US\$2.5) million reflecting the Company’s investments in R&D initiatives.
- **Cash**: US\$5.9 million as of December 31, 2022 which is estimated to be sufficient to support ongoing operations and R&D investments, exclusive of US\$0.7 million restricted cash.
- **Orders**: The Company converted approximately US\$42 million in orders from its sales pipeline, representing the highest order conversion for a calendar year in the Company’s history and year-over-year growth of approximately 12%.

Financial information is reported in United States dollars (“US\$”) unless otherwise specified and is presented in accordance with International Financial Reporting Standards (“IFRS”). The financial information contained in this press release is preliminary and subject to finalization and audit. The Company anticipates releasing its financial results for the three and twelve months ended December 31, 2022 during the week of March 13, 2023.

**About Tantalus Systems Holding Inc. (TSX: GRID)**

Tantalus is a smart grid technology company that transforms aging one-way grids into future-proofed multi-directional grids that improve the efficiency, reliability and sustainability of public power and electric cooperative utilities and the communities they serve. Our solutions are purpose-built to allow utilities to restore power quickly after major disruptions, adapt to rapidly shifting consumer expectations and population shifts, innovate new solutions based on the adoption of distributed energy resources and evolve their grid infrastructure at their own pace without needless cost or complexity. All this gives our user community the flexibility they need to get the most value from existing infrastructure investments while planning for future requirements. Learn more at [www.tantalus.com](http://www.tantalus.com).

**Non-IFRS and Other Financial Measures:**

*This press release refers to the following non-IFRS measures:*

*"Adjusted EBITDA" is comprised as income (loss) less interest, income tax, depreciation, amortization, stock-based compensation, foreign exchange gain (loss) and other income / expenses not attributable to the operations of the Company. Management believes that Adjusted EBITDA is a useful indicator for investors, and is used by management, in evaluating the operating performance of the Company.*

*"Recurring Revenue" is comprised of the Company's revenues that are recurring in nature and attributable to its analytics and other software as a service ("SaaS") offerings, hosting services and software maintenance and technical support agreement services. "Annual Recurring Revenue" or "ARR" is comprised of the Company's Recurring Revenue as expressed on an annualized revenue basis attributable to its customer agreements at a point in time.*

*Such non-IFRS measures do not have a standardized meaning under IFRS and may not be comparable to a similar measure disclosed by other issuers.*

**Forward-Looking Statements:**

*This news release contains "forward-looking information" within the meaning of applicable securities laws. Forward-looking information is generally identifiable by use of the words "believes", "may", "plans", "will", "anticipates", "intends", "could", "estimates", "expects", "forecasts", "projects" and similar expressions, and the negative of such expressions. Forward-looking information in this news release includes statements regarding the Company's forecasted revenue, ARR and Adjusted EBITDA results for the fourth quarter and full year of 2022, orders converted from the Company's sales pipeline in 2022, improving financial visibility for the Company in 2023, and the adoption, performance and development of the Company's solutions, including the TRUSense Gateway, across the utility industry.*

*To the extent any forward-looking information in this news release constitutes a "financial outlook" within the meaning of securities laws, such information is being provided because management's estimate of the future financial performance of Tantalus is useful to investors, and readers are cautioned that this information may not be appropriate for any other purpose and that they should not place undue reliance on such information.*

*In connection with the forward-looking information contained in this news release, Tantalus has made numerous assumptions, regarding, among other things: the expected impact of COVID-19, the expected impact of supply chain constraints, the expected impact of inflationary pressures on costs and the expected timing of new product introductions. While Tantalus considers these assumptions to be reasonable, these assumptions are inherently subject to significant uncertainties and contingencies. Additionally, there are known and unknown risk factors which could cause Tantalus' actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information contained herein. A complete discussion of the risks and uncertainties facing Tantalus is disclosed under the heading "Risk Factors" in the Tantalus' Annual Information Form dated March 23, 2022, as well as those risk factors included with Tantalus' continuous disclosure filings with Canadian securities regulatory authorities available at [www.sedar.com](http://www.sedar.com). All forward-looking information herein is qualified in its entirety by this cautionary statement, and Tantalus disclaims any obligation to revise or update any such forward-looking information or to publicly announce the result of any revisions to any of the forward-looking information contained herein to reflect future results, events or developments, except as required by law.*

**Contact Tantalus:**

Deborah Honig  
Investor Relations  
647-203-8793 | [deborah@adcap.ca](mailto:deborah@adcap.ca)