



# Exro Announces Filing and Mailing of Management Information Circular in Relation to the Proposed Merger with SEA Electric

- Exro Technologies Inc. files management information circular for proposed merger with SEA Electric Inc. (the "Transaction").
- The Transaction is designed to leverage complementary technologies to strengthen Exro's position in the electric vehicle technology sector, accelerate growth, and create a defined path to profitability, with multi-year commitments from leading commercial vehicle OEMs.
- Shareholders are encouraged to review the information circular carefully and to vote online in advance of the April 2, 2024 deadline.
- The special meeting of shareholders to approve the Transaction is scheduled for April 4, 2024 at 11:00 a.m. (Mountain time) (the "Meeting").
- For questions or voting assistance, please contact Carson Proxy Advisors at 1-800-530-5189 toll free in North America or 416-751-2066 local (collect outside of North America) or by email at [info@carsonproxy.com](mailto:info@carsonproxy.com).

CALGARY, AB, March 13, 2024 /CNW/ - Exro Technologies Inc. (TSX: EXRO), (OTCQB: EXROF) (the "Company" or "Exro"), a leading clean-technology company focused on developing new generation power-control electronics that expand the capabilities of electric motors and batteries, announced today the filing of its management information circular (the "Circular") with respect to the Transaction with SEA Electric Inc. ("SEA Electric"). The Circular, which provides comprehensive information about the Transaction, marks another milestone in the Transaction process and precedes the Meeting.

"The Circular sets out the compelling case for shareholders to approve Exro's merger with SEA Electric," said Exro CEO Sue Ozdemir. "We are at the inflection of a great step forward, combining our collective strengths to build on our OEM partnerships and combined technology to make electric vehicles ("EVs") more practical, with a lower total cost of ownership."

The Transaction, announced on [January 30, 2024](#), is a strategic move designed to strengthen Exro's position in the EV technology sector, while accelerating revenue growth and establishing a defined path to profitability in the first half of 2025. The Transaction will result in a fully integrated next generation electric propulsion technology company and will:

- Combine Exro's Coil Driver™ motor control technology with SEA Electric's SEA-Drive vehicle control unit (VCU) software technology to deliver superior performance, efficiency, and total cost of ownership advantages embedded in a complete package electric propulsion system for the commercial vehicle space. Following the closing of the Transaction, Exro is preparing to deliver over 1,000 propulsion systems in 2024 to blue-chip OEMs, targeting combined company annual revenues of over C\$200 million.
- Introduce a new asset-light business model to EV technology space by leveraging the OEMs manufacturing and distribution networks (i.e. no requirement for large capital or operating expenses to build-out and operate manufacturing facilities) enabling the Company to focus on its core competency of technology innovation.

In addition to the above, the Circular provides detailed information on the expected benefits of the Transaction, terms and conditions, potential risks, and voting procedures, among other relevant information. The Circular is also available under the Company's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and on the Company's website at [www.exro.com](http://www.exro.com) and our website for the Transaction at [www.exroandsea.com](http://www.exroandsea.com).

The Transaction is expected to provide meaningful benefits to Exro and its shareholders, including but not limited to:

- *Technology Synergies.* The Transaction marks a significant leap forward in electrification technology. The Company following the Transaction (the "Combined Company") will offer comprehensive end-to-end electrification solutions that encompass full propulsion systems equipped with patented vehicle control and motor control technologies. This union enriches the Company's offering with a robust IP portfolio of over 60 patent and patent applications, supporting Exro's position at the forefront of innovation in the electrification transition.
- *Operational Synergies.* The Transaction will tap into a wealth of operational synergies. This strategic partnership blends Exro and SEA Electric's industrial expertise with a shared network of key product partnerships, catalyzing innovation in energy efficiency.
- *Shareholder Value Creation.* The Transaction is a strategic move designed to maximize shareholder value through several key avenues:
  - anticipated increase in revenue and a decrease in cost base, thanks to operational efficiencies and combined expertise,
  - broadened intellectual portfolio that will enable Exro to commercialize new technologies more efficiently,
  - stronger financial performance, enhanced marketing position and a solid position for long-term growth, and
  - accelerated path to profitability.

Shareholders are encouraged to review the Circular carefully and to vote online in advance of the April 2, 2024, 11:00 a.m. (Mountain time), vote deadline. For more information on the Transaction, shareholders are invited to:

- Contact Carson Proxy Advisors for questions or voting assistance at 1-800-530-5189 toll free in North America or 416-751-2066 local (collect outside of North America) or by email at [info@carsonproxy.com](mailto:info@carsonproxy.com).
- Visit Exro's dedicated merger website at [www.exroandsea.com](http://www.exroandsea.com) for detailed information about the Transaction and its strategic benefits.
- Watch for the next Shareholder AMA ("Ask Me Anything"). A link to submit your questions on the merger will be available via [www.exro.com](http://www.exro.com) on March 15. Management plans to post video replies to these questions on March 21, 2024.

## About Exro Technologies

Exro Technologies Inc. is a leading clean technology company that has developed new generation power control electronics that change how the world optimizes energy by expanding the capabilities of electric motors and batteries. The Company's innovative technologies serve to bridge the performance-cost gap in e-mobility (Coil Driver™) and stationary energy storage (Cell Driver™), and act to accelerate adoption towards an electrified economy by delivering more with less – minimum energy for maximum results.

For more information visit our website at [www.exro.com](http://www.exro.com).

To view our Investor Presentation visit us at [www.exro.com/investors](http://www.exro.com/investors).

Visit us on social media @Exrotech.

## About SEA Electric Inc.

SEA Electric Inc. is a leading automotive and e-mobility technology company that provides 100% electric drivetrain system technology. SEA Electric has a worldwide presence, deploying products in the USA, Canada, Australia, New Zealand, Thailand, Indonesia, India, and South Africa, collectively achieving more than three million miles of service via independent OEM-testing and real-world operation.

## Cautionary Statement Regarding Forward Looking Statements

This news release contains forward-looking statements within the meaning of Canadian securities laws. These statements relate to future events or future performance and reflect management's expectations regarding the Company's growth, results of operations, performance and business prospects and opportunities. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management. In some cases, forward-looking statements can be identified by terminology such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential", "continue", "target" or the negative of these terms or other comparable terminology.

Forward-looking statements are necessarily based on estimates and assumptions made by management in light of management's experience and perception of historical trends, current conditions and expected future developments, as well as factors management believe are appropriate. Forward-looking statements may include but are not limited to statements respecting: the completion of the Transaction or the realization of the benefits thereof by the Combined Company; the receipt of all required regulatory and shareholder approvals of the Transaction including but not limited to the approval of the Transaction by the shareholders of Exro at the Meeting and the approval of the TSX; the timing and occurrence of the closing of the Transaction; and the Company's (and following the Transaction, the Combined Company's) ability to commercialize its technology.

This news release also includes future-oriented financial information about future forecasted revenue of the Combined Company for calendar year 2024 that is not presented in the format of a historical balance sheet, income statement or cash flow statement, and which is based on assumptions about the closing of the Transaction, future economic conditions, courses of action and additional assumptions listed below (the "FOFI"). Actual results may differ from the FOFI in the news release. The FOFI is as of the date of this news release and has been included in this news release to assist readers in understanding the potential benefit of the Transaction to the Combined Company, and readers should be cautioned that the FOFI in this news release may not be appropriate for other purposes. These statements are not guarantees of future performance and undue reliance should not be placed on them. Such FOFI necessarily involves known and unknown risks and uncertainties which may be outside of the Company's control, and which may cause actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such FOFI. These risks and uncertainties include but are not limited to risks associated with the Combined Company realizing on the perceived benefit of the completion of the Transaction, general economic conditions, adverse industry events, loss of markets, access to capital, and other factors listed below, in the Circular and in the Company's most recent annual information form and MD&A.

These forward-looking statements and FOFI are based on the beliefs of the management of Exro and on assumptions which such management believes to be reasonable, based on information available at the time such statements were made. However, there can be no assurance that forward-looking statements and FOFI will prove to be accurate. Such assumptions and factors include, among other things: demand for the technology of the Company (and following the Transaction, the Combined Company); the Company's (and following the Transaction, the Combined Company's) ability to maintain existing partners and attract new partners; the impact of competition; the Company's (and following the Transaction, the Combined Company's) ability to obtain and maintain existing financing on acceptable terms; the Company's (and following the Transaction, the Combined Company's) ability to retain skilled management and staff; currency, exchange and interest rates; the availability of financing opportunities, risks associated with economic conditions, dependence on management; volatility of stock price and market conditions; technology risks and risks associated with the commercialization of the Company's (and following the Transaction, the Combined Company's) technology; the Company's reliance on key personnel; the Company's limited operating history; market uncertainties; the protection of patents and intellectual property; conflicts of interest; market competition; and operating in an environment subject to regulation.

The preceding list is not exhaustive of all possible factors. Although the Company believes that the assumptions underlying these statements are reasonable, they may prove to be incorrect, and the Company cannot assure that actual results will be consistent with these forward-looking statements. Given these risks, uncertainties and assumptions, any investors or users of this document should not place undue reliance on these forward-looking statements. Whether actual results, performance or achievements will conform to the Company's expectations and predictions is subject to a number of known and unknown risks, uncertainties, assumptions and other factors.

Please refer to the Circular, the Company's annual information form and other public continuous disclosure documents filed with the Canadian securities regulators under its profile on SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com) for additional disclosure respecting the risks affecting the Company and its business.

Readers should not place undue reliance on the Company's forward-looking statements, as the Company's actual results, performance or achievements may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements if known or unknown risks, uncertainties or other factors affect the Company's business, or if the Company's estimates or assumptions prove inaccurate. The Company does not undertake to update any forward-looking information, except as, and to the extent required by applicable securities laws.

Neither the TSX nor the Investment Industry Regulatory Organization of Canada accepts responsibility for the adequacy or accuracy of this press release.

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**For further information:** Contact Information: Investor inquiries: [investors@exro.com](mailto:investors@exro.com); Media inquiries: [media@exro.com](mailto:media@exro.com)

CO: Exro Technologies Inc.

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