



Exro Progresses Deliveries to OEM Customers and Provides Operational Update

CALGARY, AB, June 13, 2024 /CNW/ - Exro Technologies Inc. (TSX: EXRO) (OTCQB: EXROF) (the "Company" or "Exro"), a leading clean-technology company that provides proprietary motor-control and complete electric propulsion system technology for e-mobility, is pleased to provide an operational update on propulsion system deliveries, progress with partners, and the signing of Exro's first-ever outbound intellectual property licensing agreement.

"As promised, since the closing of the acquisition of SEA Electric on April 5th, Exro has been focused on increasing revenue, reducing costs, and progressing technology development," said Exro CEO Sue Ozdemir. "Since our last update three weeks ago, there has been progress across these three facets. The past 60 days have provided many challenges, opportunities, and progress with management working diligently to implement process that helps to scale the business efficiently and profitably. We are focused on our execution with customers while continuing to utilize our technology to break down the barriers to electrification including cost, performance, and infrastructure."

Propulsion System Deliveries

Exro is pleased to report that May marked material progress in execution. The Company continues efforts to increase production and enhance operational efficiency, producing 46 propulsion systems for customers in April and May. As Exro accelerates its output, the Company is focused on meeting its goal of delivering more than 250 propulsion systems to customers through Q2 and Q3 of 2024 -- the first six months post-closing the SEA acquisition.

Commercial Vehicle OEM Customers

Exro continues to progress with deliveries to its blue-chip OEM and Tier 1 customers. Quarter-to-date has provided strong progress with all partners.

Exro and Hino Trucks are preparing to integrate the Coil Driver™ inverter technology with the current SD120a propulsion system. This integration allows additional packaging flexibility, improved performance, and greater system efficiency while utilizing the same propulsion system as Exro's existing production SEA-5e, validating the scalability of the technology. We continue to explore together with Hino Trucks the full market potential as Exro's differentiated motor control technology helps to solve some of the largest challenges of electrification – cost, weight, and performance.

Mack Trucks continues to progress with deliveries on its electric MD6 series medium-duty trucks. Exro and Mack continue to build their partnership to scale deliveries and lead medium duty truck performance. Mack Trucks has a goal of 35% of its sales to be zero emission vehicles by 2030, and it also has a goal to reduce emissions by 50% in its operations and freight transports by 2030.

Partnership Updates

Licensing Agreement with Tier-1 OEM Supplier HB4

After several years of co-development and successful initial deliveries, Exro and HB4 S.r.l. of Capri, Italy have entered into Exro's first technology licensing agreement to better serve the European market with a cost-effective and high-performing powertrain solution in electric vehicles. The first application of the intellectual property license will be in Casalini vehicles, which will soon hit Italian roads, demonstrating the practical and efficient capabilities of Exro's low-voltage Coil Driver™ inverter technology. This licensing agreement aligns with Exro's focus on driving profitable revenue growth and will serve as a roadmap for future licensing opportunities for high-volume production with passenger vehicle OEMs. This agreement is a non-exclusive arrangement that will allow Exro's low-voltage Coil Driver™ technology to be coupled with HB4's SM4E motors to form a new low voltage powertrain solution.

Giaffone Delivers Exro Tech to Global Beverage Company

After approximately 2,000 km of road testing with Giaffone Electric, the partners successfully transitioned the pilot to a major global beverage company for continued on-road validation. The propulsion system is powered by an Exro Coil Driver™ inverter paired with motor from a top 5 global motor company (under NDA) that showcases the performance needed in the commercial vehicle space. During road testing, the pilot demonstrated navigation of a challenging 18.5% grade under a full load of 17,000 kg whilst achieving required highway driving speeds from a direct drive system.

"The progress made on Exro's propulsion system technology is remarkable, and I am confident that together our technology will provide impressive results for customers in South America," said Zeca Giaffone, CEO of Giaffone.

Linamar Progresses OEM Engagement

Exro and Linamar Corporation successfully marketed the e-axle at the ACT Expo in Las Vegas last month. The e-axle, featuring the Coil Driver™ inverter, generated significant attention, setting the stage for increased OEM engagement. Progress remains on schedule for the Linamar e-axle program, with the medium-duty commercial truck demonstration hitting the road over the summer.

Passenger Vehicle OEM Progress

The innovation program with Exro's leading global NDA passenger vehicle partner remains a focal point. The program continues on-track through phase 2, which includes the development and prototype delivery of reduced rare earth material motors paired with Exro Coil Driver™ inverter technology in 2024. Technical collaborations continue with three other major global passenger vehicle OEMs, two of which are currently evaluating Coil Driver™ technology in producing battery electric vehicle (BEV) applications, while work with a third OEM consists of implementation of Coil Driver™ inverter technology for a plug-in hybrid electric vehicle (PHEV) application.

UL Certification

Exro has concluded the testing program necessary for UL certification of its Cell Driver™ stationary energy storage system. With all materials currently under review by an approved UL certifier, the Company continues to anticipate certification in June. As the Company approaches finalization of UL certification, it has initiated the production process of an initial 10-unit pilot run. While these pilot units will be sold commercially, they will also collect operational performance data to be used by Exro for further product development.

In Closing

Exro recognizes that shareholders look forward to updates on the Company's progress. The Company is focused on demonstrating consistent month-over-month and quarter-over-quarter growth and delivering value to shareholders. Starting in Q2 Exro will move to quarterly earnings calls tied to the release of its quarterly financial results. Q2 2024 results are scheduled for release on August 14th.

ABOUT EXRO TECHNOLOGIES INC.

Exro Technologies Inc., now expanded through the strategic acquisition of SEA Electric, is a leading clean technology company that has developed new generation power control electronics. Its innovative suite of solutions, including Coil Driver™, Cell Driver™, and SEA-Drive®, expand the capabilities of electric motors and batteries and offer OEMs a comprehensive e-propulsion solution with unmatched performance and efficiency. Exro is reshaping global energy consumption, accelerating adoption towards a circular electrified economy by delivering more with less – minimum energy for maximum results.

ABOUT HINO TRUCKS

Hino Trucks, a Toyota Group Company, manufactures, distributes, and services a lineup of Class 4-8 commercial trucks in the United States. Hino Trucks has a product lineup that offers fully connected vehicles with a low total cost of ownership, unmatched reliability, maneuverability, and the most comprehensive bundle of standard features in the market. Hino continues to lead the industry toward a more sustainable future with its evolving electric vehicle lineup. Headquartered in Novi, Michigan, Hino has a nationwide network of dealers committed to achieving excellence in the ultimate ownership experience.

Learn more about Hino Trucks at <http://www.hino.com> or follow us on Facebook, LinkedIn, X, and YouTube.

For more information visit our website at www.exro.com.

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