



Exro Announces UL Certification for Cell Driver™ Energy Storage and Launch of Cellex Energy Inc.

CALGARY, AB, June 27, 2024 /CNW/ - Exro Technologies Inc. (TSX: EXRO) (OTCQB: EXROF) (the "Company" or "Exro"), a leading clean-technology company that provides proprietary propulsion system technology for e-mobility and proprietary battery control technology for stationary energy storage, is pleased to announce today that its Cell Driver™ stationary energy storage system has achieved UL certification status ("Certification"), as well as the launch of Cellex Energy Inc., a new subsidiary dedicated to Cell Driver™ commercialization. UL certification evolves the Cell Driver™ technology to a full de-risked and commercial-ready product.

"Bringing disruptive technology to market is never easy," said Exro CEO Sue Ozdemir. "This important milestone is the result of years of dedication and hard work from our team. We extend our sincere gratitude to our shareholders for their support throughout the UL certification process. The process presented many challenges for both Exro and the UL certifier team as we worked to certify an innovative technology with capabilities that exceeded existing UL testing standards. Thanks to the tenacity and determination of our employees, our energy storage technology is now ready to deploy and bring unparalleled safety, performance, and cost savings to customers."

UL Certification Awarded

Certification marks a significant milestone and the culmination of more than two years of rigorous development and testing. Exro is now positioned to immediately deploy the Cell Driver™ technology to market with a focus on commercial and industrial ("C&I") sectors. The applications across C&I are numerous, including commercial and office buildings, retail centers, hotels, restaurants, schools, hospitals, and more.

Certification is an essential requirement prior to connecting to the energy grid in the USA and Canada, ensuring that products meet rigorous safety standards and regulatory requirements. Certifications of Cell Driver™ include several standards for the system and subcomponents, as well as certification of the manufacturing process for Cell Driver™, which will be performed by Exro's contract manufacturing partner, Re:Build Manufacturing.

Achieving Certification is a testament to Exro's capabilities in innovation and design, bringing new technologies to market that meet customer needs and achieve the highest levels of safety and performance. This safety and performance have been real-world validated with a Cell Driver™ demonstration unit that has been installed at Exro's Calgary facility for more than a year. The full system, including energy storage system (ESS), energy management system (EMS) and webserver, have been operating through harsh Canadian climates to collect data, enhance software functionality and test new EMS features.

Establishment of Cellex Energy Inc.

Shifting to the commercialization phase, Exro will establish a new subsidiary dedicated to its Cell Driver™, named Cellex Energy Inc. This strategic move ensures specific focus and visibility for its energy initiative, enabling the Company to concentrate resources and expertise specifically on energy storage, enhance operational efficiency and market responsiveness, and strengthen customer and stakeholder engagement through a dedicated division.

In parallel with these latest developments, Exro continues to collaborate with several launch partners for in-field pilots. While working towards certification, Exro has built a network of channel partners throughout North America in the solar, energy storage, electric vehicle ("EV") charging, and building energy management industries, which the Company is working with to accelerate a robust pipeline of sales opportunities.

Corporate Cost Optimization Update

Since close of the acquisition of SEA Electric on April 5th, 2024, Exro continues to focus on restructuring the business, divesting non-core assets, and ramping up production for its blue-chip OEM customers. The Company continues to implement rigorous cost optimization measures which target an annualized reduction in General & Administrative expenses of up to US\$10 million in 2024. Since April 5th, Exro has now recognized approximately US\$7.5 million in annualized savings through redundancies, supply chain efficiencies, and optimized business operations. The latest savings are attributed to a wind down of Exro's engineering services division in Detroit, talent which was duplicated internally with the acquisition of SEA Electric. The Company has a plan in place to deliver further savings through facilities rationalization, a focus on execution, and continued operational optimization.

Cell Driver™ Stationary Energy Storage

Exro's Cell Driver™ is designed to optimize performance and reduce costs for stationary energy storage applications by enabling users to manage energy consumption, safeguard against grid outages, store energy produced on-site, and realize benefits through peak shaving and load shifting. The fully integrated battery energy storage system is equipped with the Company's proprietary Battery Control System™ (BCS) technology and offers maximized cell safety, capacity, and lifetime. It enables businesses to efficiently control their power usage, lower electricity expenses, and improve energy reliability. A standout feature of Cell Driver™ is its ability to isolate defective cells while maintaining 100% operational functionality. The dynamic micro-protection mechanisms provide best-in-class safety and minimize the risk of cell-level thermal runaway by reducing operating current on hot cells.

For information about Cell Driver™ visit: <https://www.exro.com/technology/cell-driver-commercial-energy-storage>.

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.

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

To view our Corporate Presentation visit us at www.exro.com/investors

Visit us on social media @exrotech.

CAUTIONARY STATEMENT REGARDING FORWARD LOOKING STATEMENTS

This news release contains forward-looking statements and forward-looking information (together, "forward-looking statements") within the meaning of applicable securities laws. All statements, other than statements of historical facts, are forward-looking statements. Generally, forward-looking statements can be identified using terminology such as "plans", "expects", "estimates", "intends", "anticipates", "believes" or variations of such words, or statements that certain actions, events or results "may", "could", "would", "might", "will be taken", "occur" or "be achieved". Forward looking statements involve risks, uncertainties and other factors disclosed under the heading "Risk Factors" and elsewhere in the Company's filings with Canadian securities regulators, which could cause actual results, performance, prospects, and opportunities to differ materially from those expressed or implied by such forward-looking statements. Although the Company believes that the assumptions and factors used in preparing these forward-looking statements are reasonable based upon the information currently available to management as of the date hereof, actual results and developments may differ materially from those contemplated by these statements. Readers are therefore cautioned not to place undue reliance on these statements, which only apply as of the date of this news release, and no assurance can be given that such events will occur in the disclosed times frames or at all. Except where required by applicable law, the Company disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

This information is qualified in its entirety by cautionary statements and risk factor disclosure contained in filings made by the Company with the Canadian securities regulators, including the Company's annual information form for the financial year ended December 31, 2023, and financial statements and related MD&A for the financial year ended December 31, 2023, filed with the securities regulatory authorities in certain provinces of Canada and available at www.sedar.com. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Although the Company has attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, there may be others that cause results not to be as anticipated, estimated or intended. The Company does not intend, and does not assume any obligation, to update this forward-looking information except as otherwise required by applicable law.

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