



Exro Technologies Reports Record Revenue with Q2 Financial Results

- Record quarterly revenue of C\$5.3 million with C\$6.7 million at quarter end in completed units
- Exceeded targeted bill of material costs and savings of 5%, recognizing over 10%
- Recognized cumulative annual business cost-savings of US\$7.5 million and on track to deliver 2024 target of US\$10 million
- Awarded ETL certification for the Exro Cell Driver[®] stationary battery energy storage system
- Subsequent to quarter end, restructured US\$53 million convertible debenture into a promissory note, removing the dilutive potential of a convert while providing up to an additional US\$7 million in funding

CALGARY, AB, Aug. 14, 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, today announced its financial results for the second quarter ended June 30, 2024. The earnings presentation is available on the Company's investor relations website [here](#).

Highlights

- **Record revenue:** Exro achieved record revenue of C\$5.3 million in Q2 2024 with the delivery of 36 propulsion system units, a significant increase from nil reported in Q2 2023. In addition, the Company had C\$6.7 million in completed units at the end of Q2, including an additional 40 completed units being delivered in early Q3.
- **Cell Driver[™] Certification:** the Company was awarded ETL certification to UL standards at the end of June which marked the next phase of commercialization for its proprietary battery energy storage technology.
- **Path to Profitability:** the initial target of US\$10 million is on track for 2024, with US\$7.5 million annualized savings realized to date from headcount restructure, facilities, and operational efficiencies.

Exro is focused on achieving profitability and realizing annualized cost savings of US\$10 million through operational cost reductions and bill of material savings. The integration of the Exro Coil Driver[®] technology into major OEM programs, set to launch in Q3 and Q4, will allow for validation and initiate production in 2025, demonstrating the technology's disruptive potential and growing market demand.

"We are pleased about our progress immediately post-merger," said Exro CEO Sue Ozdemir. "We delivered record revenue and production volumes, on track for our cost-out targets, and integrated our technology offerings. Despite challenges, our team's dedication has been outstanding, and we are confident in our continued growth and industry disruption."

Conference Call Information

Management will host its first quarterly earnings conference call for analysts and investors at 8:30 a.m. Eastern time / 5:30 a.m. Pacific time on Thursday, August 15, 2024. Details below:

Toll-Free Dial-In Number: 800-245-3047

Conference ID: EXROQ2

The condensed consolidated interim financial statements and Management's Discussion and Analysis for the quarter ended June 30, 2024, are available at www.exro.com/investors and on SEDAR+ under Exro Technologies Inc. at www.sedarplus.ca.

ABOUT EXRO TECHNOLOGIES INC.

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 (Exro Coil Driver[®]) and stationary energy storage (Exro Cell Driver[®]), and act to accelerate 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, that 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, 2022, and financial statements and related MD&A for the financial year ended December 31, 2022, 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 that 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.

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

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