

# Exro Technologies

Q2 Financial Results

2024



OPTIMIZING POWER

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This presentation 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.

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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; conflicts of interest and market competition; the ability to commercialize the Company's technology; and operating in an environment subject to regulation.

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# Key Highlights

01

Record quarterly revenue of **\$5.3 million** with finished goods of **\$6.7 million** at quarter end.

02

Exceeded targeted bill of material costs savings of 5% ahead of schedule recognizing over **10% savings**.

03

Recognized cumulative annualized cross business cost savings of **US\$7.5 million** and on-track to deliver 2024 target of **US\$10 million**.

04

Awarded ETL certification to UL standards including UL9540 for Cell Driver™ stationary battery energy storage system for commercial and industrial applications.

05

Subsequent to quarter end, restructured US\$53.4 million convertible debenture up to a US\$60.4 million promissory note removing the dilutive potential of the convert while providing an additional **US\$7 million**.



# Deal Synergies

Pillars to our future



**Consistent Growth  
through Operational  
Excellence**



**Path to  
Profitability**



**Technology  
Synergies**



# Disruptive Patented Technology

Disruptive technology with full powertrain solutions

FULL E-PROPULSION SYSTEM  
(Commercial Vehicles)

AND/OR

TRACTION INVERTER / MOTOR CONTROL ONLY  
(Commercial & Passenger Vehicles)



1. Traction Inverter
2. Electric Motor
3. Vehicle Control Unit (VCU)
4. Battery
5. On-Board Charger (OBC)

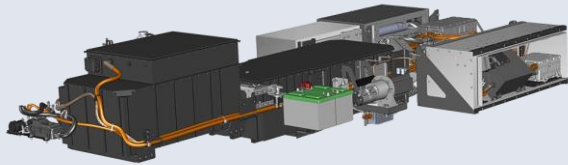
**Exro Coil Driver™** brings electric gearing to EVs by enabling multiple speed-torque combinations in a single motor.

# Our Core Technology

BEVs, Hybrids, and FCEVs have at least one traction inverter. Acting as the brain between the battery and motor, inverters are essential, not optional.

## FULL PROPULSION SYSTEM

Class 4-8 Vehicles



RANGE ↑

PAYLOAD ↑

TCO ↓

Designed specifically for the commercial trucking industry the Exro Propulsion System provides the key components that electrify a vehicle, providing OEMs with a modular power system bolstered by patented software that efficiently controls the entire electric system.

**Delivering Now:** to Blue Chip OEMs with Class 5, 6 & 7 applications

## MOTOR CONTROL ONLY

For Commercial and Passenger Vehicle Applications

Coil Driver™



EFFICIENCY ↑

PERFORMANCE ↑

COST ↓

**Coil Driver™** brings electric gearing to EVs by enabling multiple speed-torque combinations in a single motor. Boosting torque at low speeds and significantly enhancing power and efficiency in high speeds.



*Turnkey solution provides critical edge.*

# Disrupting with Patented Technology

Delivering the ability to reduce total cost of ownership

## Full Propulsion

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## Motor Control

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## Battery Control

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# How We Do It

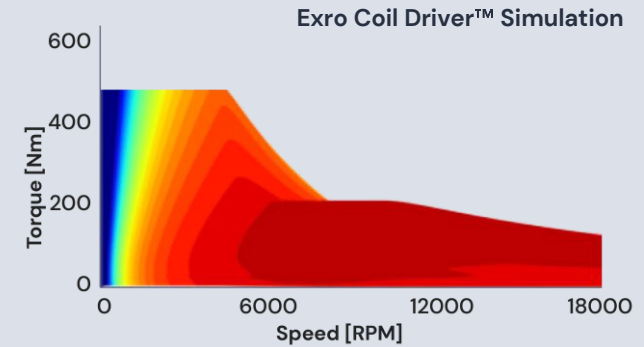
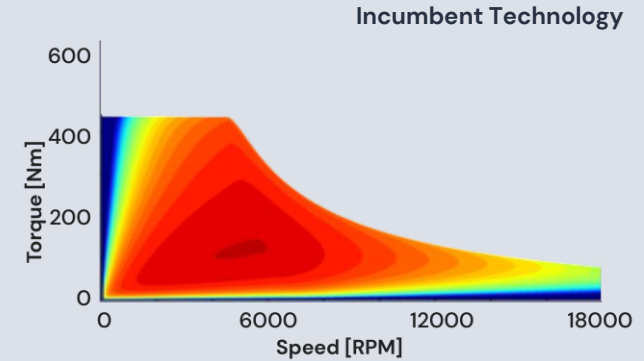
## Inclusive all-in-one motor control

Electric motors fundamentally operate based on the orchestration of their coils. Traditionally these coils operate in a fixed configuration, limiting the motors operational versatility.

**Exro's Coil Driver™ delivers unparalleled performance and system efficiency through integrated coil switching:**

- Individual coil level control within an electric motor allows motor to switch between different operational profiles in real time, akin to having multiple gears. i.e., an Electronic Gearbox
- Broadens the motors operating range, allowing for enhanced performance and increased system efficiency. i.e., an Electronic Turbo Charger
- Simplifies the electrical infrastructure within EVs, optimizing the system to reduce energy loss and offering design flexibility.

*Agnostic to motor and propulsion type*





# Our Business Model

## COMMERCIAL TRUCKS

### Delivering now:

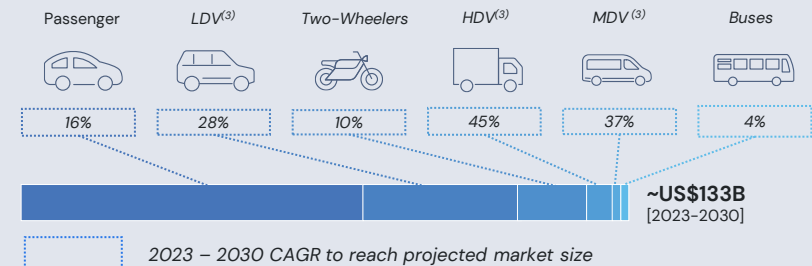
- Blue Chip OEM customers
- Late-stage with next commercial truck OEM for 2025 production

## PASSENGER VEHICLES

### Developing now:

- Innovation program with leading global auto OEM #1
- Late-stage with global auto OEM #2 (Coil Driver™)
- Mid-stage with major global auto OEM #3 (hybrid application)

### Delivering next:



# Growth and profitability



# Financial Highlights

REVENUE	Record <b>\$5.3 million</b> with <b>\$6.7 million</b> finished goods at quarter end.
PROFITABILITY	Achieved targeted bill of material costs savings of <b>5%</b> ahead of schedule, additional savings identified.
	Recognized cumulative annualized cross business cost savings of <b>US\$7.5 million</b> and on-track to deliver better than previous 2024 target of <b>US\$10 million</b> .
CASH	Inventory of <b>\$25.5 million</b> on hand to support propulsion system deliveries through year end.
	Cash <b>\$2.0 million</b> at June 30 supplemented by up to an additional <b>US\$7 million</b> in August in conjunction with restructuring of Exro's <b>US\$53 million</b> senior secured convertible debenture.

Note: All dollar amounts in CAD millions. USD figures converted to CAD at a USD/CAD FX rate of 1.3415.



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# Path to Profitability

Multiple revenue streams to deliver short-term revenue and long-term growth



# Outlook

## Volume



Focus on profitable deliveries with blue-chip customers

## Profit



Positive EBITDA achieved through ramp-up in volumes and realization of supply chain and G&A synergies

## Cash



Gross margin expansion driven by volume ramp-up and realization of supply chain synergies

## Product



Execution on current platform deliveries with a focus on evolution of the technology

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# Thank you



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