



IMPORTANT REMINDER TO VOTE TODAY



March 18, 2024

Exro Technologies Inc. (“Exro” or the “Corporation”) will hold a special meeting (the “Meeting”) of the holders of common shares (“Exro Common Shares”) on April 4, 2024 at 11:00 a.m. (Mountain Time). Shareholders are being asked to approve an ordinary resolution (the “Share Issuance Resolution”), authorizing (i) the issuance by the Corporation of up to 398,549,647 Aggregate Exro Common Shares and 10,000,000 Additional Exro Common Shares (as such terms are defined in the Circular), and (ii) the issuance of 31,600,000 Underlying Shares on conversion of the Subscription Receipts, pursuant to a Plan of Merger (the “Merger Agreement”) with SEA Electric Inc. (“SEA Electric”) and eTruck VCU Acquisition Inc., an indirect wholly-owned subsidiary of Exro (“Merger Sub”) that provides for the acquisition of SEA Electric by Exro. Under the Merger Agreement, Merger Sub will merge with and into SEA Electric and SEA Electric shall continue its corporate existence under Delaware law as the surviving corporation in the merger and will be an indirect wholly-owned subsidiary of Exro (together with the other transactions contemplated by the Merger Agreement, the “Transaction”), as more particularly described in the Management Information Circular (the “Circular”) dated March 6, 2024.

This 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 unparalleled 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 \$200 million.
- ✓ Introduce a new low-capital intensive 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 and operate manufacturing facilities) enabling the company to focus on its core competency of technology innovation create a portfolio of over 60 patents, positioning the combined company to leverage its expanded technology platform offering to capture market share in the EV technology space.

The Exro Board unanimously recommends that Shareholders vote FOR the Share Issuance Resolution

Benefits of the Transaction

The Transaction is expected to provide meaningful benefits to Exro and 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 Corporation’s offering with a robust IP portfolio of over 60 patents, ensuring Exro’s position at the forefront of innovation in the electrification transition.
- ✓ **Operational Synergies.** The Transaction will tap into a wealth of operational synergies that position Exro at the forefront of the electric vehicle revolution. This strategic partnership blends the companies’ 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

The Exro and SEA Electric merger aims to accelerate electrification with a patented, blue chip validated technology platform. End-to-end solution with enhanced performance and improved total cost of ownership for commercial vehicles. Delivery of more than 1,000 propulsion technology systems to OEMs in 2024, with an aggregate revenue forecasted to be more than C\$200 million for the calendar year 2024.

Support for the Arrangement

All of the directors and executive officers of Exro as at January 29, 2024, the date on which the Merger Agreement was signed, have entered into the Exro Voting Agreements pursuant to which they have agreed, among other things, to vote their Exro Common Shares FOR the Share Issuance Resolution at the Meeting.

The Transaction is also supported by a fairness opinion from National Bank Financial Inc as independent financial advisor to the Special Committee for the purposes of the Transaction.

Shareholders are encouraged to read the Circular dated March 6, 2024 for more information regarding the potential risks, expected benefits of the Transaction and related matters, including voting procedures. The Circular is also available under the Company's profile on SEDAR+ at www.sedarplus.ca and on the Company's website at www.exroandsea.com.



**Your vote is important no matter how many shares you may own.
Please vote today.**

On behalf of the management team and Board of Directors, we thank all Shareholders for your continued support. We encourage you to vote online well in advance of the April 2, 2024, 11:00 a.m. (Mountain time) vote deadline.

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.

Cautionary Statement Regarding Forward Looking Statements

This letter 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 by the use of 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 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, and involve risks, uncertainties and other factors disclosed 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. 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 and the Offering; and the Company's (and following the Transaction, the Combined Company's) ability to commercialize its technology.

These forward-looking statements 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 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.

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 letter, 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 Circular, 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.sedarplus.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.

For questions or voting assistance,
please contact Carson Proxy Advisors