

## Loop Energy Q3 Results: Executing to Plan with Record Revenues Combined with Unit Cost Reduction

Loop Energy reports:

- Record revenues of \$2.6 million for the nine months and \$1.4 million for the three months ended September 30, 2022
- Revenue realized from 40 units for the first nine months of 2022 surpasses 14 units for the full year of 2021
- Record purchase orders (POs) of 61 year to date (YTD) exceeding Loop Energy's original PO guidance set for 2022
- On track to exceed 25% unit cost reduction in 2022 with 39% for the first nine months compared to the same period in 2021

VANCOUVER, BRITISH COLUMBIA - November 2, 2022 - Loop Energy™ (TSX: LPEN), a designer and manufacturer of hydrogen fuel cells for commercial mobility, today reported consolidated financial results for the third quarter ending September 30, 2022.

Loop Energy Chief Financial Officer, Damian Towns said "We have continued to build on our history of executing with record quarterly and annual revenues driven by our strong growth in purchase orders and customer base. A highlight of the excellent progress made in achieving our stated objective for 2022 is reducing unit costs by 25%, which currently stands at 39% for the first nine months of the year. Our team has also continued to deliver with the launch of our 120 kW product, which uses our next-generation bipolar plate technology. Overall, we remain very upbeat about the progress made not only during Q3 but also the year to date."

### Q3 2022 Highlights

#### Commercial

- 61 POs received nine months ended September 30, 2022, versus 13 POs nine months ended September 30, 2021, with 9 POs received in Q3 2022 versus 1 PO in Q3 2021
- On track to achieve 25% cost out strategy with 39% unit cost reduction achieved for the first nine months of 2022
- Launched the S1200 fuel cell system, which utilizes next-generation bipolar plate technology, on schedule
- Three customers, NGVI, Rampini and Aluminium Revolutionary Chassis Company (ARCC), each launched hydrogen-electric bus platforms within a three month period

- Entered into the Pilot Phase of the Customer Adoption Cycle with Opex /Hevolucion and Avia Ingeniería, both committing to develop a medium-duty hydrogen-electric truck
- Opened a service facility in the United Kingdom to support customers in the region

### **Financial**

- Q322 revenues of \$1.4 million (Q321: \$0.2m), 2022 YTD revenues of \$2.6 million (2021: \$1.3m)
- Q322 operating expenses of \$7.5 million (Q321: \$5.2m), 2022 YTD operating expenses of \$21.3 million (2021: \$14.1m)
- Q322 capital expenditures of \$2.5 million (Q321: \$0.2m), 2022 YTD capital expenditures of \$7.4 million (2021: \$1.2m)
- Q322 net losses of \$9.9 million (Q321: \$6.5m), 2022 YTD net losses of \$27.8 million (2021: \$17.6m)
- Cash and cash equivalents of \$36.9 million as of September 30, 2022 (June 2022: \$43 million)
- Increased inventory to \$7.5 million (gross value) in order to support supply chain
- Working capital of \$43.9m as of September 30, 2022

### **2022 Outlook**

- Positive progress towards its revised target of 100 POs for 2022, targeting a five-fold increase from 2021
- 60% space increase at Burnaby manufacturing facility and significant additions to engineering and manufacturing teams

Loop Energy's financial results and MD&A are available at [loopenergy.com/investors/](https://loopenergy.com/investors/)

### **Conference Call Details**

Loop Energy will host a conference call on Thursday, November 3, at 8:00 am PT (11:00 am ET) to discuss its financial results for the third quarter of 2022.

To join the call, please dial:

1-877-375-7930 (toll-free)

1 (646) 960-0203 (international)

Following the call's completion, the recording will be made available on Loop Energy's investor site.



## About Loop Energy Inc.



Loop Energy is a leading designer and manufacturer of hydrogen fuel cell systems targeted for the electrification of commercial vehicles, including light commercial vehicles, transit buses and medium and heavy-duty trucks. Loop Energy's products feature the company's proprietary eFlow™ technology in the fuel cell stack's bipolar plates. At the core of this innovation is its modified geometry that delivers improved uniform current density across the entire active area and increases gas velocity throughout the plate to enhance performance and water management. This innovative design provides OEMs and fleet operators with new levels of fuel efficiency, peak power and durability. For more information about how Loop Energy is driving towards a zero-emissions future, visit [www.loopenergy.com](http://www.loopenergy.com).

Source: Loop Energy Inc.

*\* All amounts are in CAD dollars unless otherwise noted and have been prepared in accordance with International Financial Reporting Standards (IFRS).*

## Forward Looking Information

This press release contains forward-looking information within the meaning of applicable securities legislation, which reflect management's current expectations and projections regarding future events. Particularly, statements regarding the Company's expectations of future results, performance, achievements, prospects or opportunities or the markets in which we operate is forward-looking information, including without limitation, our 2022 and 2023 purchase order, cost reduction and revenue targets; our future growth prospects and business outlook including without limitation the expected demand for our products, the planned growth of our customer base and the expected growth of our operations globally. Forward-looking information is based on a number of assumptions (including without limitation assumptions with respect the current and future performance of the Company's products, growth in demand for the Company's products, the Company's ability to execute on its strategy, achieve its targets and progress existing and future customers through the Customer Adoption Cycle in a timely way, and is subject to a number of risks and uncertainties, many of which are beyond the Company's control and could cause actual results and events to vary materially from those that are disclosed, or implied, by such forward-looking information. Such risks and uncertainties include, but are not limited to, the realization of electrification of transportation and hydrogen adoption rates, the elimination of diesel fuel and ongoing government support of such developments, the expected growth in



demand for fuel cells for the commercial transportation market, our ability to obtain future patent grants for our proprietary technology and the effectiveness of current and future patents in protecting our technology and the factors discussed under “Risk Factors” in the Company’s Annual Information Form dated March 23, 2022. Loop disclaims any obligation to update these forward-looking statements.

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