

Loop Energy Reports Third Quarter 2023 Results

VANCOUVER, British Columbia - November 9, 2023 – Loop Energy™ (TSX: LPEN) today reported consolidated financial results for the third quarter ending September 30, 2023.

Commercial Highlights Q3 2023

- On August 1, 2023, we announced that our value-added distributor in South Korea - NGVI Inc., had secured a supply contract for a hydrogen electric bus project with a second municipality in the country. The two-year government project, led by KAR Co. Ltd., will see the hydrogen electric bus put into operation in Ulju-gun, South Korea in 2024.
- On August 1, 2023, we announced that Loop Energy had been selected to supply fuel cell systems for a new fire truck platform by an established specialty vehicle OEM with significant global presence. The new hydrogen electric fire truck will be fitted with two of Loop Energy's T505 fuel cell systems. In the first stage of the roll-out plan, a pilot project will see a vehicle put into operation at an airport in Spain. In subsequent stages, the OEM is looking to scale production for use in other locations with production expected to begin in Q4 of 2023.
- On September 12, 2023, we announced that Loop Energy and TYCROP Manufacturing Ltd., had been selected to provide a hydrogen electric solution for the global supply chain leader DP World pilot project to decarbonize its rubber-tired gantry cranes (RTGs) fleet at the Port of Vancouver. The design and manufacturing of DP World's RTG pilot project is led by TYCROP and brings together a consortium of companies in British Columbia, including Loop Energy as fuel cell supplier and HTEC for hydrogen fuel supply.
- On September 19, 2023, we announced further cost reduction activities and an update on the previously announced review and evaluation of strategic alternatives. Due to challenging capital market conditions the Board determined that was in the best interests of the Company to immediately execute an additional operating cost reduction program, including an approximate 65% global headcount reduction by the end of the year and the closing of production in China. Going forward, the Company will be focusing its staffing and business development efforts on fuel cell stack design, development, production and testing based on the Company's

proprietary eFlow™ technology. Business development efforts will include finding potential partners to support the existing install base and exploring options for its fuel cell modules and systems business.

Financial Highlights Q3 2023

- Year to date revenues for the 3 quarters ending September 30, 2023 of \$1.7 million compared year to date revenues for the 3 quarters ending September 30, 2022 of \$2.6 million
- Revenues in the 3rd Quarter of 2023 of \$0.4 million compared to revenues of \$1.4 million for the 3rd Quarter in 2022
- An Impairment loss of \$4.8 million in the 3rd Quarter of 2023
- Q3/2023 Operating expenses, net of cost recoveries, of \$10.7 million (which includes the \$4.8 million impairment loss) versus \$7.5 million in Q3/2022
- Q3/2023 Capital expenditures of \$0.7 million compared to Q3/2022 Capital expenditures of \$2.5 million
- Q3/2023 Net loss of \$14.7 million compared to a Net loss of \$9.9 million in Q3/2022
- Q3/2023 Loss per share of \$0.43 compared to Q3/2022 Loss per share of \$0.29
- Q3/2023 cash and cash equivalents of \$5.6 million compared to Q2/2023 cash and cash equivalents of \$9.9 million

Outlook

- On October 24, 2023, we announced that the Company had executed its first non-binding letter of intent and is considering other non-binding proposals for the acquisition of components of its module business. It is anticipated that any potential acquirers may become customers of our hydrogen fuel cell stack business.
- On October 24, 2023, we announced that the Company had responded to a request for proposal to develop a new hydrogen fuel cell stack and is actively in discussions with a number of other parties with respect to fuel cell stack engineering and design services.
- On October 24, 2023, we announced that the Company was engaged in discussions with potential new investors interested in supporting a smaller and more tightly focused company.
- On October 24, 2023, we announced that the change in ownership of the Company's financial advisor Credit Suisse and the strategic direction of its new owner had



required a termination of its engagement as financial advisor to Loop for the strategic alternative review process.

About Loop Energy Inc.



Loop Energy™ is a leading designer and manufacturer of hydrogen fuel stacks targeted for the electrification of commercial vehicles such as buses and trucks, as well as stationary power applications. Loop Energy's products feature the company's proprietary eFlow™ technology in the fuel cell stack's bipolar plates. eFlow™ technology enables customers to achieve superior performance and higher fuel efficiency when using Loop Energy's fuel cell stacks, which lowers operating cost for end users while enabling OEMs to achieve lower capital cost and faster time to market. Loop Energy works closely with its partners to enable the production of hydrogen electric solutions. For more information about how Loop Energy is driving towards a zero- emissions future, visit www.loopenergy.com.

Forward Looking Warning

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 including statements regarding the potential divestitures of its module business, and potential engagements with third-party developers and investors. Forward looking information also includes our assessment of the ability of the Company's eFlow™ technology to maintain uniform operation over time, the impact of such technology on fuel cell durability and the achievement of cost reduction, profitability and revenue targets; our future growth prospects and business outlook including without limitation the expected demand for our products, the allocation of resources and funds, the expected timeline for profitability, 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 to negotiations with third parties, the current and future performance of the Company's products, growth in demand for the Company's products and the Company's ability to execute on its current strategy), 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, risks associated with, and uncertainty regarding, the realization of costs savings from implementation of the Company's operating cost reduction program and benefits derived therefrom, the realization of electrification of transportation and hydrogen adoption rates, the elimination of diesel fuel and ongoing government support of such hydrocarbon fuels, the expected growth in demand for fuel cells in 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 as well as the other risk factors discussed under "Risk Factors" in the Company's Annual Information Form dated March 28, 2023 and in its other disclosure documents. Loop Energy disclaims any obligation to update these forward-looking statements.

Source: Loop Energy Inc.

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