

Loop Reports Increase in Product Backlog to \$45 Million, YTD Revenues More Than Triple Versus 2020

- **Q3 YTD revenue more than triples to \$1.3 million compared with the same period in 2020**
- **Nanjing bus fleet hits close to 200,000 kilometres of accumulated on-road service**
- **8 customers now in Loop's 1-10-100 sales process.**

VANCOUVER, British Columbia--(BUSINESS WIRE)--November 10, 2021--Loop Energy (TSX: LPEN) today announced consolidated financial results for the third quarter ending September 30, 2021. All amounts are in CAD dollars unless otherwise noted and have been prepared in accordance with International Financial Reporting Standards (IFRS).

"During Q3 2021, Loop Energy continued to progress towards our commercial goals for 2021," said Ben Nyland, President and CEO, Loop Energy. "The fleet deployment with Skywell has accumulated close to 200,000 in-service kilometres. We continue to see strong growth in Europe and we are building momentum in Korea. Customer feedback about the performance of our products relative to our competitors gives us confidence that our market focus on commercial vehicles is establishing a strong foundation for growth over the coming years."

Three and nine months ended September 30, 2021 Financial Results Highlights

- Year to date revenues of \$1.3 million as compared to \$0.4 million for the same period in 2020.
- Net loss for the third quarter of 2021 was \$6.6 million as compared to a net loss of \$2.4 million for the same period in 2020 due to increased research and product development costs as well as higher general and administrative costs.

Q3 2021 Business Highlights

- The Company has continued to build out its senior management team and Board of Directors. On November 9, 2021, the Company announced the appointment of Damian Towns as Chief Financial Officer, replacing Darren Ready. Mr. Towns brings over 25 years of experience in progressive and rapid-growth companies, spending 15 years leading organizations at the executive level. He joins Loop Energy from Photon Control, a Richmond, BC-based optical sensors supplier to the world's largest semi-conductor OEMs. As the Chief Financial Officer and Corporate Secretary, Mr. Towns guided Photon's exponential growth and maximized shareholder revenue through its recent acquisition. He brings deep expertise and technical knowledge in corporate finance, financial planning, accounting, governance, and investor relations. Mr. Towns will start November 15, providing a two-week overlap with Mr. Ready for a smooth transition.
- During the quarter, Wendy Bach also joined the executive team as General Counsel and Corporate Secretary, and Peter Johansson joined Loop Energy's Board of Directors. Ms. Bach brings over 19 years of experience from Methanex Corporation (MX-T; MEOH), where she held various legal and executive roles. Ms. Bach will support the development of corporate strategies and the execution of key commercialization goals and objectives.

As a member of the Board of Directors, Mr. Johansson's 35 year career spans across the aerospace, automotive and industrial sectors. Previously the EVP, Strategy, Business Development and Marketing at Accudyne Industries, Mr. Johansson was responsible for the formulation and execution of growth, business development and M&A strategies.

- Loop now has 8 customers in its 1-10-100 sales process and is on track to achieve the 2021 target of having 10 customers actively engaged in this process.
- Loop continued to expand its offerings through an agreement with Técnicas Reunidas to provide convenient and cost-effective hydrogen-based solutions in key vertical markets. Several of these key vertical markets include transport agencies, truck, transit, coach bus service fleets, drayage, stationary power, and other applications.
- Loop announced the placement of its first order from NGVI for hydrogen fuel systems in transit and coach bus applications in Korea.
- Loop announced its collaboration with Hydrogen in Motion (H2M) to convert a southern railway of British Columbia-owned and operated diesel-electric switcher locomotive to hydrogen-electric. This project signifies Loop's entry to the rail transport industry.
- Loop announced a partnership with METTEM-M Ltd. to provide hydrogen electric powertrain solutions to commercial vehicle OEMS across Russia, the Commonwealth of Independent States, and Greater Europe. Applications include transit buses, logistics vehicles and rail transport.
- Loop shipped its first shipment of fuel cell systems to Mobility & Innovation (M&I). Under the agreement, Loop is expected to provide over \$1.9 million USD in fuel cell shipments to M&I over the next two and half years.

2021 Outlook and Investment

- With the successful completion of Loop Energy's \$100 million IPO, the Company has initiated all the major purchases related to the capital equipment deployment in 2021. Additionally, we have built up our human resource capabilities, which has led to strong success in our recruitment program. Loop started 2021 with just over 41 employees and closed Q3 with 67 employees, a 63% growth since IPO. Our new VP Human Resources, Lisa Beck, is leading this initiative.
- The Company's inbound business development queries have greatly increased to broaden its customer base in core mobility markets. Continued momentum in the European market resulted in growth of the Company's 24-month product backlog to over \$45 million. Product backlog is a non-IFRS financial measure. Please see the section entitled "Non-IFRS Measures" below for more information on product backlog.
- Loop's engineering team is continuing with the design of its next-generation 120 kW single row stack for use in the 250 kW Class 8 and heavy-duty truck markets. The initial stack design and testing is planned to be completed by the end of 2021, with the 120 kW fuel cell module expected to be available for customers in 2022.
- As planned, the Loop Shanghai facility is on track to be operational by the end of 2021 and fully commissioned for production to be capable of supplying the Chinese market by the end of Q1 2022.

Q3 2021 Financial Summary

The Company will host a conference call at 11:00 am EDT (8:00 am PDT) on Friday, November 12 for a more detailed discussion of Loop Energy Inc. Q3 2021 results.

Dial-in by phone 5-10 min prior to the scheduled start time and ask to join the Loop Energy call:

Toll Free Dial-In Number: 1 (888) 330-2057
International Dial-In Number: 1 (646) 960-0203
Conference ID: 5946836

The Company's financial statements and management's discussion & analysis are available at investors.loopenergy.com, www.sedar.com

About Loop Energy Inc.

Loop Energy is a 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's products feature the Company's proprietary eFlow™ technology in the fuel cell stack's bipolar plates. eFlow™ is designed to enable commercial customers to achieve performance maximization and cost minimization. Loop works with OEMs and major vehicle sub-system suppliers to enable the production of fuel cell electric vehicles. For more information about how Loop is driving towards a zero-emissions future, visit www.loopenergy.com.

Forward Looking Information

This press release may contain forward-looking statements with respect to us and the fuel cell industry. Such statements reflect our current expectations and projections regarding future events. Forward-looking information is based on a number of assumptions 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 ability of the Company to execute on its strategy and the factors discussed under "Risk Factors Company's Annual Information Form dated March 30, 2021. Also refer to the section entitled "Cautionary Statement Regarding Forward Looking Information" in our current Management's Discussion and Analysis for more information. Loop does not undertake to update, correct, or revise any forward-looking statements as a result of any new information, future events or otherwise, except as may be required by applicable law.

Non-IFRS Financial Measures

Product back-log is a non-IFRS financial measure intended to provide additional information and should not be considered a substitute for measures of performance prepared in accordance with IFRS. In addition, this measure does not have a standardized meaning under IFRS and therefore may not be comparable to a similar measure presented by other companies. This non-IFRS measure is used by management, and we believe that it assists investors and other users of our financial reports in assessing our financial performance and monitoring our ongoing financial

position. Our product backlog represents the estimated aggregate value of all future conditional orders, binding and non-binding commitments and memorandums of understanding from customers who have placed at least one committed purchase order with us for at least one fuel cell stack or module with written intention (including binding and non-binding commitments) of follow-on unit orders. Our product backlog is currently comprised of a relatively limited number of contracts and a relatively limited number of customers and there can be no assurance that any such conditions will be fulfilled, or that our product backlog will be equal to our future revenues. Given the relative immaturity of our industry and customer deployment programs, our product backlog is potentially vulnerable to risk of cancellation, deferral or non-performance by our customers for a variety of reasons, including: risks related to continued customer commitment to a fuel cell program; risks related to customer liquidity; credit risks; risks related to changes, reductions or eliminations in government policies, subsidies and incentives; risks related to macro-economic conditions including trade, public health (including the ongoing impact of the COVID-19 pandemic), and other geopolitical risks; risks related to slower market adoption; risks related to vehicle integration challenges; risks related to the development of effective hydrogen refueling infrastructure; risks related to the ability of our products to meet evolving market requirements; and supplier-related risks.

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