

# Exro stock has powered 177% higher YTD, as investors see the potential

I last wrote on Exro Technologies Inc. (CSE: XRO | OTCQB: EXROF) here on InvestorIntel only 6 weeks ago, and I hope readers got onboard the stock. That is because the stock has since risen from C\$0.465 to C\$0.93 for an impressive 100% gain, in just 6 weeks. But wait, there's more! Exro Technologies stock price in 2020 has risen from C\$0.335 to C\$0.93 for a staggering YTD gain of 177%, all while COVID-19 disruptions have caused many small stocks to fall. Investors who read the November 2019 Exro article and bought Exro Technologies at C\$0.275 would be sitting on an incredible 238% gain.

**Exro Technologies stock price is up a staggering 177% so far in 2020**



The closing remarks of my May 1, 2020 InvestorIntel article stated:

“Exro Technologies is a small company going places. Their technology fills an enormous niche demand, especially in the growing world of better electric motors, notably for EVs. The momentum of contracts in multiple sectors related to electric motors and the new innovation center opening soon will surely boost awareness and further contracts. **With a market cap of just C\$35 million, investors should not wait too long.**”

Indeed I am guilty of not focusing to buy Exro Technologies. I believed in the story but never made time to buy the stock. But the good news is that the EV boom is only just beginning and any price pullbacks should be a great opportunity to buy into this exciting innovative company.

Exro Technologies Inc. is a software design company that creates an electric program module, effectively a computer chip, which communicates directly with an electric motor and powertrain. The module uses a machine learning algorithm that integrates into the power electronics and essentially acts as the ‘brains’ of the system, adjusting the output of the electric motor when needed. Or in layman’s terms **the module acts as the gears for the EV**. This is needed to optimize the performance of an electric motor’s output, similar to how gears work in a conventional vehicle.

Exro has been rapidly gaining industry acceptance. This will only increase with their soon to open Calgary Innovation Centre, where Exro can demonstrate their technology directly to potential customers.

**Exro Technologies is leading an ‘intelligent revolution’, here are some contracts won by Exro Technologies:**

- **Electric boats** – Exro has a pilot project running with Templar Marine’s water taxis. The marine sector is a multi-billion dollar industry that can stand to benefit enormously from Exro’s technology as they increasing switch across to electric motors for a cleaner

environment.

- **Electric bikes** – Exro has partnered with Motorino Electric. Exro's engineered technology provided a torque and acceleration **increase of 25%** for the Motorino e-bike. Motorino is now performing extensive field tests on the Exro-enhanced e-bike to confirm Exro's preliminary results. Josh Sobil, Chief Commercial Officer of Exro, stated: "Our goal is to revolutionize the performance of electric motors around the world with Exro: To make them operate faster, stronger and last longer."
- **Snow mobiles** – Exro has partnered with Aurora Powertrains to improve the Aurora's e-sled all-electric snowmobile.
- **Electric motors/generators** – Exro has contracts with Potencia Industrial who design and manufacture special application, high efficiency, electrical motors and generators. One of their projects involves converting internal combustion engines in Mexico City's taxis to electric motors, as part of a city initiative to green the city's 250,000 taxi fleet. Exro jointly works to integrate its hardware and software technology into Potencia's motor drives.
- **Electric farm equipment** – On April 28, 2020, Exro announced it has signed a collaboration and supply agreement with Clean Seed Capital Group Ltd. (TSX-V: CSX) to integrate Exro's technology into Clean Seed's high-tech agricultural seeder and planter platforms, advancing the electrification of the world's heavy-farm equipment.

In a recent exclusive InvestorIntel interview with Exro Technologies CEO Sue Ozdemir stated:

"I think what we bring to the table that is really different from anybody else is that we are looking at how we control efficiency through the power electronics, but working with the

motor. We are looking at that complete system optimization. **By doing that we have got this huge market that is interested in what we are doing.** It doesn't matter if you are into green technology or motors or power electronics. We are kind of covering all three of it."

As Exro grows the Company has been bringing on new expertise including ex Siemens engineer Josh Sobil in the role of Chief Commercial Officer.

Near term catalysts for Exro will be the Potencia final testing and delivery to customers, including the first 'proof of concept' of Exro Technology in an electric vehicle. Beyond that Exro hopes to win further contracts from a number of clients that they are currently in discussions with.

### **Closing remarks**

Once again investors should take note of this highly innovative company that is making tremendous progress in the world of optimizing the performance of electric motors. Just as regular cars need a gear box, EVs need a 'software gearbox'. This is in essence what Exro Technologies provides.

After a staggering 177% run up in the stock price investors could see if the stock cools off a bit. But with a growing suite of contracts, a new innovation center about to open, and a market cap of just C\$77 million in the multi-billion dollar growth sector of EVs; once again I would not be waiting too long to buy.

Of course this is not advice, but rather an information service, so investors should do their own research and due diligence. It will be most interesting to see where Exro Technologies goes from here in 2020.