

January 16, 2025



AYRO Highlights Recent Accomplishments and Updates Stakeholders on its Current Business Strategy

ROUND ROCK, TEXAS / [ACCESS Newswire](#) / January 16, 2025 /AYRO, Inc. (NASDAQ:AYRO) ("AYRO" or the "Company"), a designer and manufacturer of electric, purpose-built delivery vehicles and solutions for micro-distribution, micro-mobility, and last-mile delivery, today provides a letter to stakeholders highlighting its recent accomplishments and discussing its path forward.

To our valued stakeholders,

Clearly, 2024 was a transformational year for AYRO. The purpose of this letter is to update you on our progress and how these developments help set our course for 2025.

Recent Accomplishments

- During the fourth quarter of 2023, the Company took extraordinary measures to reduce its cost structure and improve profitability. In fact, total operating expenses declined from \$6.1 million in Q3-23 to just \$1.6 million in Q3-24, a reduction of 74%
- During 2024, we also took bold steps to reduce our manufacturing costs and enhance our management team. We began to revamp the Vanish, our Low-Speed Electrical Vehicle (LSEV), in late 2024, which is currently underway, and expect this work to significantly reduce its manufacturing costs through our new partnership with GLV Ventures. We fully expect this partnership to also open doors for additional business opportunities and expand our overall target market
- In August of 2024, we enhanced the management team with the addition of Gilbert Villarreal as President of AYRO's operating subsidiary and hired a new Chief Financial Officer, Joseph Ramelli, both with the primary focus on improving the profitability of the Company and seeking partnerships to expand potential opportunities for AYRO
- On December 4, 2024, we announced our partnership with GLV Ventures with the primary objective of leveraging the relationship to secure additional partnerships and drive new orders. Our initial focus is to use GLV's low-cost manufacturing capability to redesign the Vanish to enhance its unit profitability
- Importantly, on December 12, 2024, we announced that the Company became a Tier One Supplier for General Motors, a significant accomplishment with incredible upside potential
- Most recently, on December 16, 2024, we announced the securing of our first

purchase order through our partnership with GLV, from a top three auto manufacturer. This highlights the Company's ability to diversify its business and expand into new markets

Going Forward

Following these recent accomplishments, we believe we are better positioned to continue to expand our reach as a contract manufacturer by leveraging both our low cost facilities in Texas and GLV's low-cost facilities, thereby underscoring a Made in America guarantee.

These milestones also help ensure that we can and will continue with the development and marketing of our Vanish vehicle, which remains a top opportunity. We remain focused on revamping our business and expanding into additional markets, which we believe will drive profitability and revenue growth.

Conclusion

Given that we are now a recognized supplier to GM, one of the largest auto manufacturers in the world, we believe that it will also enable us to further expand our capabilities and secure design and manufacturing projects. As such, we are also keenly focused on building a pipeline of non-GM opportunities.

With a revamped management team, a much lower cost structure, a valuable partnership with GLV, expanded capabilities, all which are supported by a strong cash position sufficient to support our current plans, we believe that our business outlook continues to improve and should improve our ability to successfully execute on our evolving business strategy to meet the demands of the changing EV market.

As always, our priority is to increase stockholder value, and we look forward to updating our stockholders on our continued progress throughout 2025.

Sincerely,
Josh Silverman
Executive Chairman
AYRO, Inc.

About AYRO

AYRO designs and produces zero emission vehicles and systems that redefine the very nature of sustainability. Our goal is to craft solutions in a way that leaves minimal impact on not only carbon emissions, but the space itself. From tire tread, fuel cells, sound, and even discordant visuals, we apply engineering and artistry to every element of our product mix. The AYRO Vanish is the first in this new product roadmap. For more information, visit www.ayro.com.

Forward-Looking Statements

This press release may contain forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements to be materially different from any expected future results, performance, or achievements. Words such as "anticipate,"

"believe," "could," "estimate," "intend," "expect," "may," "plan," "will," "would" and their opposites and similar expressions are intended to identify forward-looking statements and include the development and launch of the AYRO Vanish. Such forward-looking statements are based on the beliefs of management as well as assumptions made by and information currently available to management. Important factors that could cause actual results to differ materially from those indicated by such forward-looking statements include, without limitation: AYRO's success depends on its ability to complete the development of and successfully introduce new products; AYRO may experience delays in the development and introduction of new products; the ability of AYRO's suppliers to deliver parts and assemble vehicles; the ability of the purchaser to terminate or reduce purchase orders; AYRO has a history of losses and has never been profitable, and AYRO expects to incur additional losses in the future and may never be profitable; AYRO faces risks associated with litigation and claims; AYRO may be unable to replace lost manufacturing capacity on a timely and cost-effective basis, which could adversely impact its operations and ability to meet delivery timelines; the market for AYRO's products is developing and may not develop as expected and AYRO, accordingly, may never meet its targeted production and sales goals; AYRO's limited operating history makes evaluating its business and future prospects difficult and may increase the risk of any investment in its securities; AYRO may experience lower-than-anticipated market acceptance of its vehicles; developments in alternative technologies or improvements in the internal combustion engine may have a materially adverse effect on the demand for AYRO's electric vehicles; the markets in which AYRO operates are highly competitive, and AYRO may not be successful in competing in these industries; AYRO may become subject to product liability claims, which could harm AYRO's financial condition and liquidity if AYRO is not able to successfully defend or insure against such claims; increases in costs, disruption of supply or shortage of raw materials, in particular lithium-ion cells, chipsets and displays, could harm AYRO's business; AYRO may be required to raise additional capital to fund its operations, and such capital raising may be costly or difficult to obtain and could dilute AYRO stockholders' ownership interests, and AYRO's long term capital requirements are subject to numerous risks; AYRO may fail to comply with evolving environmental and safety laws and regulations; and AYRO is subject to governmental export and import controls that could impair AYRO's ability to compete in international market due to licensing requirements and subject AYRO to liability if AYRO is not in compliance with applicable laws. A discussion of these and other factors with respect to AYRO is set forth in our most recent Annual Report on Form 10-K and subsequent reports on Form 10-Q. Forward-looking statements speak only as of the date they are made and AYRO disclaims any intention or obligation to revise any forward-looking statements, whether as a result of new information, future events or otherwise.

For investor inquiries:

CORE IR

investors@ayro.com

516-222-2560

SOURCE: Ayro, Inc.

View the original [press release](#) on ACCESS Newswire