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AYRO Inc. Enters Agreement with Element Fleet Management, the World's Largest Pure-Play Automotive Fleet Manager

Element Fleet to help bring AYRO's next-generation delivery EVs to market by offering comprehensive management services and financing.

AUSTIN, TEXAS, March 17, 2021 (GLOBE NEWSWIRE) -- [AYRO, Inc.](#) (Nasdaq: AYRO) ("AYRO" or the "Company"), a designer and manufacturer of light-duty, short-haul, and last-mile delivery electric vehicles (EVs), today announces an agreement with Element Fleet Management, the world's largest pure-play automotive fleet manager. By combining AYRO's marketing, engineering, and production expertise with Element's fleet management capabilities, global footprint and consulting experience, the companies aim to support the deployment of large fleets of AYRO electric delivery vehicles over the next four years.

Element currently has 1 million vehicles under management across 5 countries and serves over 5,500 loyal, world-class clients. AYRO will partner with Element for their suite of fleet management services spanning the vehicle lifecycle. The collaboration is intended to allow clients interested in AYRO vehicles to benefit from Element's experienced strategic consulting team to help select, finance, and optimize their fleets for cost savings, driver safety, and reduced environmental impact. In addition, Element's commercial sales team is expected to offer AYRO EVs and Element's industry-leading service partner network to provide appropriate maintenance, accident repair, transport, roadside assistance, and other on-road services to ensure client satisfaction and real-time support.

"Our partnership with Element is intended to support large-volume deployments of our EVs that are purpose-built for the delivery market," said AYRO CEO Rod Keller. "Restaurants, food services, and delivery companies with national footprints need more than just EVs - they need financing, telematics, and maintenance and repair services to manage the entire fleet lifecycle and keep operating costs low. Together with Element, we should now be able to provide custom, end-to-end EV fleet management services for commercial customers, enabling us to quickly and effectively scale. We believe that Element's market dominance and global footprint also give us a significant competitive advantage against other companies that do not have this support in meeting immediate demand for sustainable delivery fleets."

AYRO's lineup of EV models vary from light-duty truck, van, and flatbeds to three-wheel vehicle configurations. Given that AYRO's EVs are 100% electric, they can also operate in challenging environments, including inside warehouses and stadiums, as well as outside on higher education, government, and corporate campuses, in addition to traversing public roads (LSV version – subject to state regulations). The wide range of applications for AYRO's next-generation EVs are supported by the efficiency and ergonomic nature of its

vehicles that have the potential to deliver lower annual operation costs than gas or diesel. Because each vehicle can be charged using a standard 110V/20amp outlet, EV charging infrastructure is not required, allowing fleet managers to transition to electric fleets more easily.

AYRO and Element intend to initially serve clients in the U.S. and Canada over the next four years, but the supply chain capabilities and resources of the two companies can also be leveraged to meet potential future demand across global markets.

“Element is strategically well-positioned to support our clients and lead our industry through the gradual electrification of automotive fleets over the next decade. We are excited by both the economic and environmental benefits of fleet vehicle electrification,” said Chris Gittens, Executive Vice President, Strategic Relationships. “As the market-leading fleet management company everywhere we operate, our relationship with AYRO ensures our clients have ready access to this innovative new offering.”

ABOUT AYRO, INC.

Texas-based AYRO, Inc., engineers and manufactures purpose-built electric vehicles to enable sustainable fleets. With rapid, customizable deployments that meet specific buyer needs, AYRO’s agile EVs are an eco-friendly microdistribution alternative to gasoline vehicles. The AYRO 411 Club Car is the only zero-emission, light duty EV known to AYRO that can be optimized for the needs of any sustainable fleet, while the AYRO 311 EV can be configured for a variety of urban last-mile transportation needs. AYRO innovates with speed, discipline, and agility, and was founded in 2017 by entrepreneurs, investors, and executives with a passion for creating sustainable urban electric vehicle solutions for micromobility. For more information, visit: www.ayro.com

ABOUT ELEMENT FLEET MANAGEMENT

Element Fleet Management (TSX: EFN) is the largest pure-play automotive fleet manager in the world, providing the full range of fleet services and solutions to a growing base of loyal, world-class clients – corporates, governments, and not-for-profits – across North America, Australia, and New Zealand. Element enjoys proven resilient cash flow, a significant proportion of which is returned to shareholders in the form of dividends and share buybacks; a scalable operating platform that magnifies revenue growth into earnings growth; and an evolving capital-lighter business model that enhances return on equity. Element’s services address every aspect of clients’ fleet requirements, from vehicle acquisition and maintenance to accident recovery and remarketing. Clients benefit from Element’s expertise as the largest fleet solutions provider in its markets, offering unmatched economies of scale and insight used to reduce fleet operating costs and improve productivity and performance.

For more information, visit www.elementfleet.com/investors.

FORWARD LOOKING STATEMENTS

This press release includes forward-looking statements regarding Element and its business. Such statements are based on the current expectations and views of future events of Element’s management. In some cases the forward-looking statements can be identified by words or phrases such as “may”, “will”, “expect”, “plan”, “anticipate”, “intend”, “potential”,

“estimate”, “believe” or the negative of these terms, or other similar expressions intended to identify forward-looking statements, including, among others, statements regarding Element’s improvements to run-rate profitability; enhancements to clients’ service experience and service levels; enhancement of financial performance; improvements to client retention trends; reduction of operating expenses; increases in efficiency; Element’s dividend policy and the payment of future dividends; transformation of its core business; creation of value for all stakeholders; expectations regarding syndication; growth prospects and expected revenue growth; level of workforce engagement; improvements to magnitude and quality of earnings; executive hiring and retention; focus and discipline in investing; balance sheet management and plans to reduce leverage ratios; anticipated benefits of the balanced scorecard initiative; Element’s proposed share purchases, including the number of common shares to be repurchased, the timing thereof and TSX acceptance of the NCIB and any renewal thereof; and expectations regarding financial performance. No forward-looking statement can be guaranteed. Forward-looking statements and information by their nature are based on assumptions and involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statement or information. Accordingly, readers should not place undue reliance on any forward-looking statements or information. Such risks and uncertainties include those regarding the ongoing COVID-19 pandemic, risks regarding the fleet management and finance industries, economic factors and many other factors beyond the control of Element. A discussion of the material risks and assumptions associated with this outlook can be found in Element’s annual MD&A, and Annual Information Form for the year ended December 31, 2020, each of which has been filed on SEDAR and can be accessed at www.sedar.com. Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and Element undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

This press release may contain forward-looking statements about AYRO. 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,” “expect,” “may,” “plan,” “will,” “would” and their opposites and similar expressions are intended to identify forward-looking statements and include the intended use of net proceeds from the registered direct offering. 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 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; 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 relies on and intends to

continue to rely on a single third-party supplier for the sub-assemblies in semi-knocked-down for all of its vehicles; 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, could harm AYRO's business; AYRO will 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 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 the Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2020, filed by AYRO on November 6, 2020, as amended. 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.

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