

October 3, 2019



Polar Power Receives \$1.3 Million Purchase Order For Rural Telecom Backup Power Systems

GARDENA, Calif., Oct. 03, 2019 (GLOBE NEWSWIRE) -- [Polar Power, Inc.](#) (NASDAQ: POLA), a global provider of prime, backup and solar hybrid power solutions, announced today the receipt of a \$1.3 million purchase order for backup generators from a rural telecom provider engaged in building high-speed rural wireless broadband networks in 14 states to enhance public safety. Telecom companies and the Federal government are jointly building the rural networks throughout the nation to provide enhanced high-speed communications across the United States. This rural initiative is intended to provide more reliable communications during emergencies and faster and more complete broadband services for all public sector needs.

This purchase order reflects Polar's renewed efforts to service rural telecom providers. Over the past 5 years, our resources have been centered on Tier 1 wireless carriers in the United States and internationally. Our recent strategic initiative to return to rural markets is a result of our increased production capacity and expanded coverage in service infrastructure within our domestic marketplace. We believe that our new propane (LPG) generators and battery storage systems are ideally suited for off-grid and backup / uninterrupted power supply (UPS) applications. Although Polar sells directly to Tier 1 telecoms, sales to rural telecoms will be made through a combination of direct sales and our existing channel partners who are currently servicing our equipment in the field. We believe that the placement of our solar and non-solar hybrid systems on rural telecom sites will have a positive sales spill-over effect into other local applications.

The lack of good broadband infrastructure in rural America has been identified by numerous sources as a key hindrance in improving health care services, farm productivity and academic expansion which, in turn, hinders economic development in these regions.

The expansion of quality wireless 4G and later 5G technologies into rural areas can eliminate the high cost of installing copper or fiber optic cable services to connect farms, small businesses, educational institutions, and households to a stationary broadband service. The wireless service covers both stationary and mobile needs.

The challenge to quality and cost effective broadband service is the need for a reliable and low-cost electric power. Rural communities typically experience more power outages and power outages of longer duration than urban and metropolitan areas due to the long distances the power lines must transverse. Many optimum sites for cell coverage are located off-grid and connecting these sites to the utility grid is oftentimes cost prohibitive, resulting in the use of solar PV, diesel or propane generators to power these sites. Polar believes that in these rural markets, its products provide higher reliability at lower CAPEX and OPEX cost

giving us a competitive edge over other products and technologies.

In August 2019, the FCC proposed the Rural Digital Fund (RDF) which would allow the FCC to provide up to \$20.4 billion in grants, loans or guarantees to telecom or cable companies to subsidize the cost of building new network infrastructures to provide high speed broadband connections to rural schools, libraries, medical facilities and other local government buildings. In addition, the U.S Department of Agriculture (USDA) in 2019 approved an additional \$600 million towards infrastructure grants named Re-Connect Program aimed at delivering expanded deployment of high-speed broadband internet access to benefit precision farming.

“We believe the FCC’s announcement of up to \$20.4 billion in potential subsidies and grants accessible to over 400 small to mid-level rural telecom and cable providers will provide us with both a significant sales opportunity and the platform to demonstrate renewable technologies coupled with clean fuel generators providing low cost and sustainable energy to other applications and markets worldwide,” said Arthur Sams.

About Polar Power, Inc.

Gardena, California-based Polar Power, Inc. (NASDAQ: POLA), designs, manufactures and sells direct current, or DC, power systems, lithium battery powered hybrid solar systems and lithium battery storage systems for applications in the wireless telecommunications market and, in other markets, including military, electric vehicle charging, cogeneration, distributed power and uninterruptable power supply. Within the telecommunications market, Polar’s systems provide reliable and low-cost energy for off-grid and bad-grid applications with critical power needs that cannot be without power in the event of utility grid failure. For more information, please visit www.polarpower.com or follow us on www.linkedin.com/company/polar-power-inc/

Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995

This news release contains certain statements of a forward-looking nature relating to future events or future business performance. Forward-looking statements can be identified by the words “expects,” “anticipates,” “believes,” “intends,” “estimates,” “plans,” “will,” “outlook” and similar expressions. Forward-looking statements are based on management’s current plans, estimates, assumptions and projections, and speak only as of the date they are made. With the exception of historical information, the matters discussed in this press release including, without limitation, Polar Power’s belief that its new generators and battery storage systems are ideally suited for off-grid and bad-grid markets; Polar Power’s belief that the placement of its solar and non-solar hybrid systems on rural telecom sites will have a positive sales spill-over effect into local applications; Polar Power’s belief that in rural markets its higher reliability performance and lower CAPEX and OPEX cost products makes its products a competitive alternatives to other products and technologies; and Polar Power’s belief that the announcement by the FCC of up to \$20.4 billion in potential subsidies and grants accessible to over 400 small to mid-level rural telecom and cable providers will provide Polar both a significant sales opportunity and the platform to demonstrate renewable technologies coupled with clean fuel generators providing low cost and sustainable energy to other applications and markets worldwide are forward-looking statements and considerations that involve a number of risks and uncertainties. The actual future results of Polar Power could differ from those statements. Factors that could cause or contribute to such differences include, but are not limited to, cancellation of, or material changes in, the RAF; regulatory

changes to emissions requirements for telecom backup generators; the introduction of new technologies that replace current 4G and 5G technologies, adverse domestic and foreign economic and market conditions, including demand for DC power systems; trade tariffs on raw materials; changes in domestic and foreign governmental regulations and policies; and other events, factors and risks. We undertake no obligation to update any forward-looking statement in light of new information or future events, except as otherwise required by law. Forward-looking statements involve inherent risks and uncertainties, most of which are difficult to predict and are generally beyond our control. Actual results or outcomes may differ materially from those implied by the forward-looking statements as a result of the impact of a number of factors, many of which are discussed in more detail in our reports filed with the Securities and Exchange Commission.

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Source: Polar Power, Inc.