

# TUGA Innovations Year End Overview

## -- Company provides key product insight and strategic plans for 2022

VANCOUVER, BC and LISBON, PORTUGAL — (GLOBE NEWSWIRE – December 21, 2021) – TUGA Innovations, Inc. (CSE: TUGA) (“TUGA,” or the “Company”), which provides solutions to urban mobility challenges with a new type of Electric Vehicle (“EV”) is pleased to provide a summary of activity and seasonal greetings from its Chief Executive Officer, Mr. John Hagie. Additional information is available on the Company website at [www.tugainnovations.com](http://www.tugainnovations.com).

“As we enter the holiday season, which has fallen so close to our recent public listing,” Mr. Hagie notes, “I’m delighted to have this opportunity to provide some background for the coming year ahead. I hope you find the following information of interest and value.”

### **Background**

A multi-national venture, TUGA was conceived in Portugal, incubated in Canada, engineered in the USA and is being developed towards initial manufacture and sales in California, USA. Current product development objectives aim to advance the TUGA through established targets for quality, safety, comfort, and performance. Leveraging the experience and data gathered from building and testing the initial concept vehicle prototype, the Company focused on improving the overall engineering aspects of the TUGA, including the chassis, innovative expanding axle, electronics, batteries, suspension, and steering. The Company has incorporated these engineering elements into a next generation TUGA prototype, and the Company intends to carry out road tests in order to accumulate handling and performance data.

### **Public Market Listing**

The executives and directors of TUGA are excited by the commencement of trading of its common shares on the Canadian Securities Exchange (“CSE”) on Wednesday December 8<sup>th</sup> under the trading symbol “TUGA.” Access to the public markets is an important step in the advancement of the Company’s strategic plans as it provides the Company with the opportunity to potentially access capital market financing.

### **The TUGA EV**

Welcome to the TUGA, which, once fully developed, will be an electric three-wheeled vehicle designed with a standard chassis and interchangeable bodies to meet a wide range of challenges faced when driving in, between, and around urban centres and metropolitan areas. With the TUGA, the Company plans to combine transportation and digital connectivity into an innovative urban vehicle mobility solution: an efficient urban commuter vehicle built on a flexible, modular platform that can be configured for the commuter, ride-share delivery, taxi, rental, and leisure markets.

The Company intends to utilize the TUGA Base Platform (patent pending) to create a “TUGA compatible standard” to provide “in the field” modular upgradeability to its products so that many different companies can design and produce TUGA compatible products and offer “TUGA Certified” products in diverse market segments.

The TUGA team has knowledge of transportation systems and are experienced in designing and building aerodynamic, efficient, and innovative vehicles. There are currently patents pending and other intellectual property, technical designs, and market knowledge included on the development platform. The Company team has worked on multiple test vehicles while investigating electric motors, air resistance, weight distribution, and an innovative retractable rear axle – among other attributes – all of which has led to the development of the TUGA Base Platform.

The Company intends to offer exciting features and benefits alongside competitive pricing in the 3-wheeled vehicle market. In particular, our competitors' vehicles are nearly as wide as a car and do not have the TUGA ability to lane-filter or lane-split (where allowed). The overall small size and adjustable width of the TUGA allows for greater agility, improved accessibility, and much easier and more flexible parking – similar to a motorcycle.

## **The Market**

The EV market is very dynamic with new entrants and legacy automotive manufacturers seeking to participate in this emerging industry. The electric vehicle market is expected to reach 233.9 million units by 2027.<sup>1</sup> The growth in the EV market can be attributed to numerous factors such as government policies and regulations that support the adoption and manufacture of EVs, environmental concerns regarding automotive emissions, increased literature on EVs, decreasing prices of batteries, fluctuating fuel costs and the adoption of EVs by traditional automotive manufacturers.<sup>2</sup> The growing deployment of charging stations and increasing adoption of shared mobility is expected to support the growth of this market.

The Company designed the TUGA with a view to providing an alternative solution for urban commuters who use a personal vehicle and for fleets in terms of car share, deliveries, and other mobility purposes. Management believes that a substantial number of fleets, deliveries and urban drivers will find the capacity of the Company's EVs attractive in comparison to cars designed to carry more people.

<sup>1</sup>[www.globenewswire.com/news-release/2021/05/11/2227050/0/en/Electric-Vehicle-EVMarket-Worth-2-495-4-Billion-by-2027-Growing-at-a-CAGR-of-33-6-From-2020-Exclusive-Report-by-Meticulous-Research.html](http://www.globenewswire.com/news-release/2021/05/11/2227050/0/en/Electric-Vehicle-EVMarket-Worth-2-495-4-Billion-by-2027-Growing-at-a-CAGR-of-33-6-From-2020-Exclusive-Report-by-Meticulous-Research.html)

<sup>2</sup> Ibid.

## **The Road Ahead**

The Company's goal is to commence low volume production and sales of the TUGA approximately 18 to 24 months after public listing. During this time, the Company will conduct advanced market research regarding target user groups and will quantify metrics and messaging specific to unique selling points. TUGA anticipates employing expertise to prioritize, focus and communicate vehicle brand, benefits, and feature messaging. The Company will seek additional financing necessary to commence low volume production.

The Company has commenced work with strategic partners to produce the TUGA including with the Portuguese industrial design/build experts at VANGEST (<https://www.vangest.pt/en/>). The first full set of body components were recently fabricated and assembled in Portugal with a chassis and motor assembly shipped directly from the engineering team in Michigan. Please visit our website this holiday season where a video is anticipated shortly which will demonstrate the TUGA in action: <https://tugainnovations.com/>.

After quality assurance and user experience analysis of the fully functional base model, TUGA may seek financing to fund the fabrication of an initial product run of up to twenty (20) units with varying design features for marketing and business development purposes. At the point of future commercialization, the Company plans to work with geographically positioned global suppliers within an integrated supply chain ecosystem to scale and document processes to best enable reproducible production outcomes on a market-by-market basis.

## **Happy Holidays**

Company CEO, Mr. John Hagie comments, "I'm thrilled to experience the sense of momentum and excitement that is enveloping us all as we head into the holiday season. I want to thank everyone – our new team members, our founders, the engineers and developers, our service providers, our stakeholders, and of course our shareholders for joining us on this exciting path towards an innovative, more intelligent, safer and ecologically superior mobile journey."

“We will be communicating in the new year and invite you to visit our [website](#) regularly for more information.” Hagie continues, “On behalf of all of us here at TUGA Innovations, we sincerely wish everyone reading this a safe and healthy holiday season, and our truly optimistic best wishes for the year ahead.”

The TUGA team encourages engagement, questions, and interest, so please stay in touch and invite anyone who might be interested in our story to visit our website at [www.tugainnovations.com](http://www.tugainnovations.com) and sign up to receive the latest information with updates on our activities, events and progress.

On behalf of the Board of Directors,

Sincerely,

~John Hagie~

John Hagie  
Chief Executive Officer  
TUGA Innovations, Inc.

As part of the Company’s disclosure obligations as a public issuer, ongoing financial and material filings can be found under the Company’s profile on the System for Electronic Document Analysis and Retrieval (SEDAR) at [www.sedar.com](http://www.sedar.com).

#### **About TUGA Innovations, Inc. (CSE: TUGA)**

TUGA is a development-stage electric vehicle company undertaking the conception, design, and production of specialized EVs to improve the urban mobility experience. The Company is looking to reduce urban mobility difficulties by developing a three-wheeled, fully electric fore-and-aft 2-seat vehicle. The vehicle will be no wider than a motorcycle for agility and will have a patent pending expanding rear axle for high-speed stability. The vehicle will offer advanced connectivity technology to maximize safety, performance, environmental impact, comfort, maintenance, and navigation. The TUGA vehicle is being designed to deliver an estimated 160 km range, have an estimated top speed of 140km/hour with the comforts of a car, and with more protection than a motorcycle in an interchangeable multi-body, multi-function platform. Find out more at: <https://tugainnovations.com/>.

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#### **Forward-Looking Statement**

This news release contains statements and information that, to the extent that they are not historical fact, may constitute “forward-looking information” within the meaning of applicable securities legislation. Forward-looking information may include financial and other projections, as well as statements regarding future plans, objectives, or economic performance, or the assumption underlying any of the foregoing. In some cases, forward-looking statements can be identified by terms such as “aim”, “aims to”, “may”, “would”, “could”, “will”, “will be” “likely”, “expected”, “anticipated”, “believe”, “intend”, “plan”, “forecast”, “project”, “estimate”, “outlook”, or the negative thereof or other similar expressions concerning matters that are not historical facts. Examples of such statements include, but are not limited to, statements with respect to advancing the TUGA through established targets for quality, safety, comfort, and performance; access to capital marketing financing; the full development of the TUGA, and features, specifications and configurations thereof; carrying out road tests of the TUGA and accumulating data; the

combination of transportation and digital connectivity into urban vehicle mobility solution; the utilization of the TUGA Base Platform (patent pending); the design and production of TUGA compatible products; the offering of “TUGA Certified” products; the Company offering competitive pricing in the 3-wheeled vehicle segment; the expected growth of the electric vehicle industry by 2027; the deployment of charging stations and increasing adoption of shared mobility supporting the growth of the EV market; substantial fleets, deliveries and drivers finding the capacity of the Company’s EVs attractive in comparison to cars designed to carry more people; the commencement of low volume production and sales of the TUGA 18 to 24 months after public listing; conducting advanced market research; employing expertise to prioritize, focus and communicate vehicle brand, benefit and feature messaging; seeking additional financing necessary to commence low volume production; seeking financing to fund an initial product run of up to twenty (20) units; working with geographically positioned global suppliers; the width of the vehicle; the expanded rear axle feature of the vehicle; the advanced connectivity features of the vehicle and anticipated benefits; the km range and top speed of the vehicle; the protection and platform offered by the vehicle, and the Company’s commercialization of its automotive concepts.

Forward-looking information is based on the assumptions, estimates, analysis, and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. The material factors and assumptions used to develop the forward-looking information contained in this news release include, but are not limited to, key personnel and qualified employees continuing their involvement with the Company; the Company’s ability to secure additional financing on reasonable terms; the competitive conditions of the industries in which the Company operates; and laws and any amendments thereto applicable to the Company.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company to differ materially from any future results, performance or achievements expressed or implied by the forward-looking information, including, without limitation, risks relating to the future business plans of the Company; risks that the Company will not be able to retain its key personnel; risks that the Company will not be able to secure financing on reasonable terms or at all, as well as all of the other risks as described in the Company’s final prospectus dated November 30, 2021 under the heading “Risks Factors.” Accordingly, readers should not place undue reliance on any such forward-looking information. Further, any forward-looking information speaks only as of the date on which such statement is made. New factors emerge from time to time, and it is not possible for the Company’s management to predict all such factors and to assess in advance the impact of each such factor on the Company’s business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking information. The Company does not undertake any obligation to update any forward-looking information to reflect information or events after the date on which it is made or to reflect the occurrence of unanticipated events, except as required by law, including securities laws.

**The CSE does not accept responsibility for the adequacy or accuracy of this release.**