



Cenntro Electric Group Completes Acquisition of Majority Interest in Tropos Motors Europe

March 25, 2022

Acquisition Expands European Assembly Capacity and Distribution Networks in EMEA and Adds a Strategic Customer Network in Europe

FREEHOLD, N.J.--(BUSINESS WIRE)--Mar. 25, 2022-- [Cenntro Electric Group Limited](#) (NASDAQ: CENN), a leading EV technology company with advanced, market-validated electric commercial vehicles, today announced that it completed the previously-announced acquisition of a 65% equity interest in Tropos Motors Europe GmbH ("TME"), a wholly owned subsidiary of Mosolf SE & Co. KG ("Mosolf"), for €3.25 million and the assumption of 100% of a shareholder loan from Mosolf to TME in the amount of €11.9 million.

TME has been a strategic, private label channel partner and one of the largest customers of Cenntro since 2019. As of March 2022, TME has a distribution network of 50 dealers in Germany and 13 importers in Europe across sixteen countries, including France, Spain, Portugal, the Netherlands, Belgium, Austria, Italy, Denmark, and the Czech Republic, and also sells directly to major fleet providers.

The acquisition expands Cenntro's assembly capabilities and distribution network in EMEA and adds a strategic customer network in Europe. The TME assembly facility in Herne, Germany will be used for the assembly of the full line of Cenntro's vehicles for the European market, including the Metro®, the Logistar™ series, and the Neibor® series for last mile on-delivery and related services. TME will change its name to Cenntro Automotive Europe GmbH and all the products distributed will be under the Cenntro brand. Additionally, all former TME dealers will have the ability to distribute Cenntro's product line.

"This acquisition adds significant capacity to our production and will fast-track our market expansion and brand recognition within EMEA (Europe, Middle East and Africa)," said Peter Wang, Chairman and CEO of Cenntro.

About Cenntro Electric Group

Cenntro Electric Group (or "Cenntro") (NASDAQ: CENN) is a leading designer and manufacturer of electric light and medium-duty commercial vehicles. Cenntro's purpose-built ECVs are designed to serve a variety of organizations in support of city services, last-mile delivery and other commercial applications. Cenntro plans to lead the transformation in the automotive industry through scalable, decentralized production, and smart driving solutions empowered by the Cenntro iChassis. As of November 30, 2021, Cenntro's first ECV model Metro® has been sold or put into service more than 3,600 units in over 16 countries across North America, Europe and Asia. For more information, please visit Cenntro's website at: <http://www.cenntroauto.com>.

About TROPOS MOTORS EUROPE

Tropos Motors Europe is a specialist for compact, electric commercial vehicles for a wide range of target groups and applications. These include, in particular, delivery and parcel services, industry and intralogistics, technical trades and facility management, food retail, hospitality and tourism, zoos, amusement parks and sports facilities as well as cities and municipalities. www.tropos-motors.de

About MOSOLF Group

The MOSOLF Group is one of the leading system service providers for the automobile industry in Europe. The family business, which was founded in 1955, has its headquarters in Kirchheim unter Teck, and provides a range of services. These include tailor-made logistics, technical and service solutions provided using a network of business sites across Europe and a multi-modal fleet. The spectrum of services provided by the MOSOLF Group covers the complete value-added chain for automobile logistics from the end of the production line to recycling. In addition to transporting vehicles (cars, light vans, high & heavy vehicles), workshop services, special vehicle construction, industrial paintwork, mobility services, releasing agent services, and vehicle recycling are all part of the portfolio of services. Within this context, MOSOLF provides all-round, customized solutions for the automobile industry, fleet operators, and dealers from one source and also handles the associated data flow using modern software solutions. To learn more, visit www.mosolf.com.

Forward-Looking Statements

This communication contains "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements include all statements that are not historical facts. Such statements may be, but need not be, identified by words such as "may," "believe," "anticipate," "could," "should," "intend," "plan," "will," "aim(s)," "can," "would," "expect(s)," "estimate(s)," "project(s)," "forecast(s)," "positioned," "approximately," "potential," "goal," "strategy," "outlook" and similar expressions. Examples of forward-looking statements include, among other things, statements regarding assembly and distribution capabilities, decentralized production, fully digitalized autonomous driving solutions and expected synergies and positive developments that could result from this transaction. All such forward-looking statements are based on management's current beliefs, expectations and assumptions, and are subject to risks, uncertainties and other factors that could cause actual results to differ materially from the results expressed or implied in this communication. Among the key factors that could cause actual results to differ materially from those expressed or implied in the forward-looking statements are the following: our ability to successfully integrate the acquired business and to maximize expected synergies; and our ability to realize the expected benefits of the transaction. For additional risks and uncertainties that could impact Cenntro's forward-looking statements, please see disclosures contained in Cenntro's public filings with the SEC, including the "Risk Factors" in Cenntro's Report of Foreign Private Issuer on Form 6-K filed with the Securities and Exchange Commission on January 5, 2022 and which may be viewed at www.sec.gov.

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Source: Centro Electric Group Limited