



Electreon Wireless Ltd.

CID 52-003812-6

("The Company")

This is an English translation of a Hebrew immediate report that was published on March 23, 2023 (reference no.:2023-01-026563) (hereafter: the "**Hebrew Version**"). This English version is only for convenience purposes. This is not an official translation and has no binding force. Whilst reasonable care and skill have been exercised in the preparation hereof, no translation can ever perfectly reflect the Hebrew Version. In the event of any discrepancy between the Hebrew Version and this translation, the Hebrew Version shall prevail.

April 4th, 2023

To:

THE TEL AVIV STOCK EXCHANGE LTD.

www.tase.co.il

To:

Israel Securities Authority

www.isa.gov.il

Via Magna (Electronic Due Diligence System)

Dear Madam or Sir,

Re: **An MOU (Memorandum of Understanding) with TOYOTA and DENSO to Co-develop a Wireless Charging System for TOYOTA's New Vehicles (as part of the Manufacturing Process) and Existing Vehicles (Aftermarket)**

The Company is pleased to announce that on March 22nd, 2023, it signed a Memorandum of Understanding ("**MOU**") with two of the leading and most respected companies in the global automotive industry - the Japanese automaker TOYOTA Motor Corporation ("**TOYOTA**"), and the auto parts global manufacturer (Tier 1) DENSO Corporation ("**DENSO**"). The MOU specifies the principles and conditions for wireless charging technology joint development for existing and new vehicles, based on the technology developed by the Company.

This MOU follows the comprehensive and successful technological assessment of the Company's wireless charging system carried out by TOYOTA and DENSO, inter alia, as part of a two-week feasibility study conducted at the Company's headquarters in Beit Yanai with TOYOTA and DENSO

technical teams. At the end of the feasibility study, a demonstration was held at the Company's headquarters, in the presence of TOYOTA and DENSO technical teams. The system's technological capabilities were displayed on a TOYOTA RAV4 hybrid vehicle. Representatives of TOYOTA and DENSO informed the Company that they were impressed by the technological innovation and advancement of the Company's products. They stated that they view the dynamic wireless charging technology as an effectual solution to the numerous challenges related to the transition to electric vehicles.

Included in the MOU agenda was the parties' agreement to collaborate to execute five main products (collectively - "**The Products**"): First and foremost, TOYOTA and DENSO **made a commitment** to act jointly, with the Company's development teams, to create a wireless charging kit designed for simple installation on existing vehicles (Aftermarket Kit) of various car manufacturers. In addition, the parties **made a commitment** to develop a wireless charging system that will be integrated into new TOYOTA electric vehicles as part of the production process (collectively, "**The Binding Products**"). In addition, the parties agreed to collaborate in the international standardization committees regarding electric vehicles' wireless charging; conduct a pilot in Japan aimed at building a local consortium of companies and encouraging decision-makers to promote dynamic wireless charging projects; and conduct a pilot in the United States and/or Europe that will lay the foundations for future commercial projects and that will establishing the Company's business model.

Shortly after endorsing the MOU, and based on the principles set forth therein, the parties will begin formulating a detailed agreement ("**The Detailed Agreement**") that will apply to all the products, including the Binding products. A separate technical agreement will be signed for each product, in which the parties will regulate all the technical collaboration aspects, as well as intellectual property matters related to the collaboration, and other business agendas. The Parties also agreed, that the joint development budget, including the budget allocated to cover Electreon's research and development expenses, will be determined and agreed upon in the detailed agreement or in separate agreements relating to each product.

The MOU will be in force until March 31st, 2025, or until the date the detailed agreement is signed, whichever occurs first. In addition, the parties may terminate the engagement in the MOU in the event of a material breach that has not been amended or with 30 days' prior notice for any reason.

The Company views the collaboration with TOYOTA and DENSO as a strategic collaboration, enabling the Company's wireless charging technology to be accessible to a wide range of drivers and vehicles and demonstrating the Company's technological advantage as a green and cost-effective solution for charging electric vehicles. In addition, the Company estimates that this MOU

and the resulting technological developments will help promote additional projects that the Company is planning.

The Company's assessments and evaluations regarding the MOU's implementation, including the possibility of signing a detailed agreement, the Binding products, the collaboration scope, its success, and potential effects on the Company's endeavors; as well as concerning the technological and commercial application of the developed products and considering the parties potential projects, are "forward-looking information", as defined in the Israeli Securities Act, 1968, based on numerous factors and variables existing in the Company at the time of the report unforeseen by the Company. These assessments and evaluations may not materialize, in whole or in part, or may occur in a materially different manner than anticipated by the Company. Among the main factors, which may affect the assessments and evaluations, as mentioned above, are technological changes, changes in local and global market conditions and/or competitive market changes, changes and/or stricter policies of the relevant regulatory authorities, and/or additional unforeseen factors and not under the control of the Company and/or the realization of any of the risk factors defined in the Corporation Business Description in the Company's periodic report. It should also be noted that the Company's wireless charging technology is in the development stages, and aside from the experiments specified in the Company's reports, the Company has not yet completed developing the system. There is no certainty that the said development will be completed and what the results will be if it is completed.

Sincerely,

Electreon Wireless Ltd.

Signed at the reporting:

Oren Ezer, Chairman of the Board and CEO

Barak Duani, CFO