



## Xos Introduces Next-Generation 2023 Battery-Electric Stepvan

March 9, 2023

**New Stepvan platform significantly reduces the Company's unit production costs while providing technology capabilities that enable greater savings in total cost of ownership for fleet operators**

LOS ANGELES, March 09, 2023 (GLOBE NEWSWIRE) -- Xos, Inc. (NASDAQ: XOS) ("Xos" or "the Company"), a leading electric truck manufacturer and fleet services provider, today introduced its 2023 Battery-Electric Stepvan ("Stepvan" or "2023 Xos Stepvan"). The next-generation Stepvan introduces several engineering changes that will significantly reduce direct material costs and strengthen the Company's gross margins, while offering enhanced technology capabilities and savings for customers. Watch the launch video for the 2023 Xos Stepvan here: <https://youtu.be/bsrraXxnFho>.

Built on the medium- and heavy-duty X-Platform™ chassis that is on the road today operating in fleets in parcel delivery, uniform rental, and cash-in-transit industries, the 2023 Xos Stepvan features an enhanced telematics module and over-the-air software capabilities. Updates received via over-the-air offer additional features and improvements that will enhance the vehicle's performance, while the telematics module enables advanced remote diagnostics for subscription customers of Xosphere®, the Company's proprietary fleet management platform.

"The Xos Stepvan is a category-defining electric commercial truck that has proven its effectiveness, durability, and reliability with top fleets across North America for the last five years. Early last year, we undertook a company-wide effort to enhance the design and engineering of our stepvan vehicle, with the goal to improve performance while driving down material costs, strengthening our supply chain, and identifying opportunities for efficiencies in our manufacturing process," said Dakota Semler, Chief Executive Officer at Xos. "Thanks to significant changes to the design, sourcing, and production processes, the 2023 Stepvan offers a significant reduction in unit production costs for Xos, while simultaneously enhancing the level of quality that our customers have come to know and value."

The 2023 Xos Stepvan operates with a centralized liquid thermal management system and includes several structural changes to the chassis system. Together, these optimize the performance of the battery systems and allow for more compact packaging of harnesses, hoses, and high voltage electronics.

"The structural changes we made to the chassis system of the 2023 Xos Stepvan reduce the curb weight of the vehicle, enabling greater payloads and a more efficient vehicle," said Scott Zion, Head of Engineering. "More compact packaging of the high voltage power electronics allows for body upfitters and fleets of varying vocations to utilize this chassis in new applications. The changes we have made to the design, engineering, materials sourcing, and production of our Stepvan are part of an ongoing process of continuous improvement as we look to provide an ever more efficient and high quality vehicle for our customers."

This launch is a key component of a company-wide program to achieve positive gross margin at the unit level in mid-2023. Kingsley Afemikhe, Chief Financial Officer, added, "We expect to see the benefit of the new vehicles in our gross margins as deliveries of the new Stepvan scale up beginning in the second quarter and throughout the year."

The 2023 Xos Stepvan is available for purchase now. Schedule time to speak with an Xos sales executive at [www.xostrucks.com](http://www.xostrucks.com). The Company is showcasing its 2023 Stepvan at both 763 at Work Truck Week, March 7-10, 2023 in Indianapolis, Indiana. CEO Dakota Semler and Head of Engineering Scott Zion are giving a presentation on Thursday, March 9 at Work Truck Week where they will share more details about the new platform.

### **About Xos, Inc.**

Xos is a leading technology company, electric truck manufacturer, and fleet services provider for battery-electric fleets. Xos vehicles and fleet management software are purpose-built for medium- and heavy-duty commercial vehicles that travel on last-mile, back-to-base routes. The company leverages its proprietary technologies to provide commercial fleets with battery-electric vehicles that are easier to maintain and more cost-efficient on a total cost of ownership (TCO) basis than their internal combustion engine counterparts. For more information, visit [www.xostrucks.com](http://www.xostrucks.com).

### **Xos Contacts**

Xos Investor Relations  
[investors@xostrucks.com](mailto:investors@xostrucks.com)

Xos Media Relations  
[press@xostrucks.com](mailto:press@xostrucks.com)

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