UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 40-F

☐ Registration statement pursuant to Section 12 of the Securities Exchange Act of 1934

or

☒ Annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934

For the fiscal year ended **September 30, 2023** Commission File **Number 001-41726**

Electrovaya Inc.

(Exact name of Registrant as specified in its charter)

N/A

(Translation of Registrant's name into English (if applicable))

Ontario, Canada	**3692**	**N/A**
(Province or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

6688 Kitimat Road
Mississauga, Ontario L5N 1P8
(905) 855-4627
(Address and telephone number of Registrant's principal executive offices)

Cogency Global Inc.
122 East 42nd Street, 18th Floor
New York, NY 10168
1-800-221-0102

(Name, address (including zip code) and telephone number (including area code) of agent for service in the United States)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading Symbol**	**Name of each exchange on which registered**
Common Shares, no par value	**ELVA**	**The NASDAQ Stock Market LLC**
Common Shares, no par value	**ELVA**	**Toronto Stock Exchange**

Securities registered pursuant to Section 12(g) of the Act: **None**

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: **None**

For annual reports, indicate by check mark the information filed with this Form:

☒ Annual information form ☒ Audited annual financial statements

Indicate the number of outstanding shares of each of the registrant's classes of capital or common stock as of the close of the period covered by the annual report: 33,832,784 outstanding as of September 30, 2023.

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the registrant was required to file such reports); and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 12b-2 of the Exchange Act.

☒ Emerging growth company

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act. ☐

> The term “new or revised financial accounting standard” refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☒

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant’s executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

EXPLANATORY NOTE

Electrovaya Inc. is a “foreign private issuer” as defined in Rule 3b-4 under Securities Exchange Act of 1934, as amended (the “Exchange Act”), and is a Canadian issuer eligible to file its annual report (“Annual Report”) pursuant to Section 13 of the Exchange Act on Form 40-F pursuant to the multi-jurisdictional disclosure system (the “MJDS”) adopted by the United States Securities and Exchange Commission (the “SEC”). The Company’s common shares are listed in the United States on the Nasdaq Capital Market (“NASDAQ”) under the trading symbol “ELVA” and in Canada on the Toronto Stock Exchange (“TSX” or the “Exchange”) under the trading symbol “ELVA”

In this Annual Report, references to “we,” “our,” “us,” the “Registrant,” the “Company,” or “Electrovaya,” mean Electrovaya Inc. unless the context suggests otherwise.

FORWARD LOOKING STATEMENTS

The Exhibits incorporated by reference into this Annual Report of the Registrant contain forward-looking statements including statements with respect to the effects of pandemics, geopolitical tensions, supply chains customer demand and order flow, other factors impacting revenue, the competitive position of the Company’s products, global trends in technology supply chains, the Company’s strategic objectives and financial plans, including the operations and strategic direction of Electrovaya Labs, the Company’s products, including high voltage battery systems for electric bus, truck and energy storage applications and low voltage battery systems for electric lift truck and robotic applications and the potential for revenue from new applications, cost implications, continually increasing the Company’s intellectual property portfolio, additional capital raising activities, the adequacy of financial resources to continue as a going concern, and also with respect to the Company’s markets, objectives, goals, strategies, intentions, beliefs, expectations and estimates generally. Forward-looking statements can generally be identified by the use of words such as “may”, “will”, “could”, “should”, “would”, “likely”, “possible”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “plan”, “objective” and “continue” (or the negatives thereof) and words and expressions of similar import. Readers and investors should note that any announced estimated and forecasted orders and volumes provided by customers and potential customers to Electrovaya also constitute forward-looking information and Electrovaya does not have (a) knowledge of the material factors or assumptions used by the customers or potential customers to develop the estimates or forecasts or as to their reliability and (b) the ability to monitor the performance of the business its customers and potential customers in order to confirm that the forecasts and estimates initially represented by them to Electrovaya remain valid. If such forecasts and estimates do not remain valid, or if firm irrevocable orders are not obtained, the potential estimated revenues of Electrovaya could be materially and adversely impacted.

Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, the outcome of such statements involve and are dependent on risks and uncertainties, and undue reliance should not be placed on such statements. Certain material factors or assumptions are applied in making forward-looking statements, and actual results may differ materially from those expressed or implied in such statements. Material assumptions used to develop forward-looking information in this Annual Report of the Registrant include, among other things, that that current customers will continue to make and increase orders for the Company's products; that the Company's alternate supply chain will be adequate to replace material supply and manufacturing; that the Company's products will remain competitive with currently-available alternatives in the market; that the alternative energy market will continue to grow and the impact of that market on the Company; the purchase orders actually placed by customers of Electrovaya; customers not terminating or renewing agreements; general business and economic conditions (including but not limited to inflation, currency rates and creditworthiness of customers); the relative effect of the global geopolitical and supply chain challenges on the Company's business, its customers, and the economy generally; the Company's technology enabling a new category of solid state battery that meets the requirements for broader market adoption; the Company's liquidity and capital resources, including the availability of additional capital resources to fund its activities; industry competition; changes in laws and regulations; legal and regulatory proceedings; the ability to adapt products and services to changes in markets; the ability to retain existing customers and attract new ones; the ability to attract and retain key executives and key employees; the granting of additional intellectual property protection; and the ability to execute strategic plans. Information about risks that could cause actual results to differ materially from expectations and about material factors or assumptions applied in making forward-looking statements may be found under the heading "Risk Factors" on page 18 of the Annual Information Form for the year ended September 30, 2023, attached as Exhibit 99.1 to this Annual Report and incorporated herein by reference, and in other public disclosure documents filed with Canadian and United States securities regulatory authorities. The Company does not undertake any obligation to update publicly or to revise any of the forward-looking statements contained or incorporated by reference in this document, whether as a result of new information, future events or otherwise, except as required by law.

Readers are cautioned that the above list of cautionary statements is not exhaustive.

These statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in the forward-looking statements. Applicable risks and uncertainties include, but are not limited to, those identified under the heading "Risk Factors" on page 18 of the Annual Information Form for the year ended September 30, 2023, attached as Exhibit 99.1 to this Annual Report and incorporated herein by reference, and under the heading "Qualitative and Quantitative Disclosures about Risks and Uncertainties" on page 23 of the Registrant's Management's Discussion & Analysis for the year ended September 30, 2023, attached as Exhibit 99.3 to this Annual Report and incorporated herein by reference, and in other filings that the Registrant has made and may make with applicable securities authorities in the future.

No assurance can be given that these expectations will prove to be correct and such forward-looking statements in the Exhibits incorporated by reference into this Annual Report should not be unduly relied upon. The Registrant's forward-looking statements contained in the Exhibits incorporated by reference into this Annual Report are made as of the respective dates set forth in such Exhibits. Such forward-looking statements are based on the beliefs, expectations, and opinions of management on the date the statements are made. In preparing this Annual Report, the Registrant has not updated such forward-looking statements to reflect any change in circumstances or in management's beliefs, expectations or opinions that may have occurred prior to the date hereof. Nor does the Registrant assume any obligation to update such forward-looking statements in the future as stated above. For the reasons set forth above, investors should not place undue reliance on forward-looking statements.

NOTICE TO UNITED STATES READERS - DIFFERENCES IN UNITED STATES AND CANADIAN REPORTING PRACTICES

The Registrant is permitted, under the MJDS, to prepare this Annual Report in accordance with Canadian disclosure requirements, which are different from those of the United States. The Registrant has historically prepared its consolidated financial statements, which are filed as Exhibit 99.2 to this Annual Report on Form 40-F, in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), which are subject to Canadian auditing and auditor independence standards. Financial statements prepared in IFRS may differ from financial statements prepared in United States GAAP ("U.S. GAAP") and from practices prescribed by the SEC. Therefore, the Registrant's financial statements filed with this Annual Report may not be comparable to financial statements of United States companies prepared in accordance with U.S. GAAP.

Unless otherwise indicated, all dollar amounts in this Annual Report on Form 40-F are in United States dollars.

PRINCIPAL DOCUMENTS

The following documents have been filed as part of this Annual Report on Form 40-F:

A. Annual Information Form

The Registrant's Annual Information Form for the fiscal year ended September 30, 2023 is attached as Exhibit 99.1 to this Annual Report on Form 40-F, and is incorporated by reference herein.

B. Audited Annual Financial Statements

The Registrant's consolidated audited annual financial statements, including the reports of the independent registered public accounting firm with respect thereto, are attached as Exhibit 99.2 to this Annual Report on Form 40-F and is incorporated by reference herein.

C. Management's Discussion and Analysis

The Registrant's management's discussion and analysis of financial condition and results of operations for the twelve-month period ended September 30, 2023 is attached as Exhibit 99.3 to this Annual Report on Form 40-F and is incorporated by reference herein.

TAX MATTERS

Purchasing, holding or disposing of securities of the Registrant may have tax consequences under the laws of the United States and Canada that are not described in this Annual Report on Form 40-F.

DISCLOSURE CONTROLS AND PROCEDURES

The information provided in the sections entitled “Disclosure Controls” and “Internal Control Over Financial Reporting” in the 2023 Management’s Discussion and Analysis filed as Exhibit 99.3 to this Annual Report on Form 40-F are incorporated by reference herein.

MANAGEMENT’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The information provided in the sections entitled “Disclosure Controls” and “Internal Control Over Financial Reporting” in the 2023 Management’s Discussion and Analysis filed as Exhibit 99.3 to this Annual Report on Form 40-F are incorporated by reference herein.

ATTESTATION REPORT OF THE REGISTERED PUBLIC ACCOUNTING FIRM

This Annual Report does not include an attestation report of the Registrant’s registered public accounting firm due to a transition period established by rules of the SEC for newly public companies. Under Section 3 of the Exchange Act, as a result of enactment of the Jumpstart Our Business Startups Act (the “JOBS Act”), “emerging growth companies” are exempt from Section 404(b) of the Sarbanes-Oxley Act of 2002, which generally requires that a public company’s registered public accounting firm provide an attestation report relating to management’s assessment of internal control over financial reporting. The Registrant qualifies as an “emerging growth company” and therefore has not included in, or incorporated by reference into, this Annual Report such an attestation report as of the end of the period covered by this Annual Report.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

There have been no changes in the Registrant’s internal control over financial reporting during the fiscal year ended September 30, 2023, that have materially affected, or are reasonably likely to materially affect, the Registrant’s internal control over financial reporting.

NOTICES PURSUANT TO REGULATION BTR

None.

CODE OF ETHICS

The Registrant has adopted a written “code of ethics” (as defined by the rules and regulations of the SEC), entitled “Code of Conduct” (the “Code”) that applies to all members of the board of directors, officers, employees, consultants, contractors and agents of the Company and its affiliates and subsidiaries worldwide. Adherence to this code is a condition of employment with or providing services to the Company.

The Code may be obtained upon request from Electrovaya Inc.'s head office at 6688 Kitimat Rd, Mississauga, Ontario, L5N 1P8, Canada or by viewing the Registrant's web site at https://electrovaya.com/financial-summary/.

All amendments to the Code, and all waivers of the Code with respect to any director, executive officer or principal financial and accounting officers, will be posted on the Registrant's web site within five business days following the date of the amendment or waiver and any amendment will be provided in print to any shareholder upon request.

AUDIT COMMITTEE

Our Board of Directors has established the Audit Committee in accordance with section 3(a)(58)(A) of the Exchange Act and Rule 5605(c) of the NASDAQ Marketplace Rules for the purpose of overseeing our accounting and financial reporting processes and the audits of our annual financial statements.

The Audit Committee is comprised of Dr. Carolyn M. Hansson, Dr. James K. Jacobs (Chair), Steven Berkenfeld, and Kartick Kumar. Our Board of Directors has determined that the Audit Committee meets the composition requirements set forth by Section 5605(c)(2) of the NASDAQ Marketplace Rules and are independent members of the Audit Committee as determined under Rule 10A-3 of the Exchange Act and Rule 5605(a)(2) of the NASDAQ Marketplace Rules.

All four members of the Audit Committee are financially literate, meaning they are able to read and understand the Registrant's financial statements and to understand the breadth and level of complexity of the issues that can reasonably be expected to be raised by the Registrant's financial statements.

Our Board of Directors has determined that Steven Berkenfeld qualifies as an "audit committee financial expert" (as defined in paragraph (8)(b) of General Instruction B to Form 40-F).

The SEC has indicated that the designation or identification of a person as an audit committee financial expert does not make such person an "expert" for any purpose, impose any duties, obligations or liability on such person that are greater than those imposed on members of the audit committee and the board of directors who do not carry this designation or identification, or affect the duties, obligations or liability of any other member of the audit committee or board of directors.

PRINCIPAL ACCOUNTANT FEES AND SERVICES

The required disclosure is included under the heading "Audit Committee – Audit Fees" and "Audit Committee – Audit-related Fees" in the Company's Annual Information Form for the fiscal year ended September 30, 2023, filed as Exhibit 99.1 to this Annual Report on Form 40-F.

PRE-APPROVAL OF AUDIT AND NON-AUDIT SERVICES PROVIDED BY INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Audit Committee Charter sets out responsibilities regarding the provision of non-audit services by the Registrant's external auditors and requires the Audit Committee to pre-approve all permitted non-audit services to be provided by the Registrant's external auditors, in accordance with applicable law.

OFF-BALANCE SHEET ARRANGEMENTS

The Registrant currently has no off-balance sheet arrangements.

TABULAR DISCLOSURE OF CONTRACTUAL OBLIGATIONS

The following table lists, as of September 30, 2023, information with respect to the Registrant's known contractual obligations (in thousands):

	2024	2025	2026	2027	2028 & beyond	Total
Trade and other payables	8,429	-	-	-	-	8,429
Lease liability	929	950	789	745	1,737	5,150
Promissory notes	3,500	-	-	-	-	3,500
Short term loans	1,026	-	-	-	-	1,026
Working capital facility	11,821	-	-	-	-	11,821
Other payable	1,365	490	215	56	38	2,164
	27,070	**1,440**	**1,004**	**801**	**1,775**	**32,090**

NASDAQ CORPORATE GOVERNANCE

The Registrant is a foreign private issuer and its common shares are listed on the NASDAQ.

NASDAQ Rule 5615(a)(3) permits a foreign private issuer to follow its home country practice in lieu of the requirements of the Rule 5600 Series, the requirement to distribute annual and interim reports set forth in Rule 5250(d), and the Direct Registration Program requirement set forth in Rules 5210(c) and 5255; provided, however, that such a company shall comply with the Notification of Material Noncompliance requirement (Rule 5625), the Voting Rights requirement (Rule 5640), have an audit committee that satisfies Rule 5605(c)(3), and ensure that such audit committee's members meet the independence requirement in Rule 5605(c)(2)(A)(ii).

The Registrant has reviewed the NASDAQ corporate governance requirements and confirms that except as described below, the Registrant is in compliance with the NASDAQ corporate governance standards in all significant respects:

The Registrant does not follow Rule 5605(b)(2), which requires the company to have regularly scheduled meetings at which only independent directors present ("executive sessions"). In lieu of following Rule 5605(b)(2), the Registrant follows Canadian securities laws and the rules of the TSX.

The Registrant has a formal Audit Committee charter but does not follow Rule 5605(c)(1), which requires a company's Audit Committee charter to include the items enumerated in Rule 5605(c)(1) and have the Audit Committee review and reassess the Charter on an annual basis. In lieu of following Rule 5605(c)(1), the Registrant follows applicable Canadian securities laws and the rules of the TSX with respect to audit committee charters.

The Registrant does not follow Rule 5605(d)(1), which requires companies to adopt a formal written compensation committee charter and have a compensation committee review and reassess the adequacy of the charter on an annual basis. In lieu of following Rule 5605(d)(1), the Registrant follows applicable Canadian securities laws and the rules of the TSX.

The Registrant does not follow Rule 5620(c), under which the Nasdaq minimum quorum requirement for a shareholder meeting is 33-1/3% of the outstanding shares of common stock. A quorum for a meeting of shareholders of the Registrant is two shareholders or proxyholders that hold or represent, as applicable, not less than 25% of the issued and outstanding shares entitled to be voted at the meeting. In lieu of following Rule 5620(c) (shareholder quorum), the Registrant follows applicable Ontario and Canadian corporate and securities laws and the rules of the TSX.

The foregoing is consistent with the laws, customs, and practices in the province of Ontario and Canada.

Further information about the Registrant's governance practices is included on the Registrant's website.

MINE SAFETY DISCLOSURE

Not applicable.

BOARD DIVERSITY MATRIX

The table below reports self-identified diversity statistics for the Board of Directors of the Registrant as required by NASDAQ Rule 5606.

Board Diversity Matrix for Electrovaya Inc. As of January 5, 2024 To be completed by Foreign Issuers (with principal executive offices outside of the U.S.) and Foreign Private Issuers				
Country of Principal Executive Offices	Canada			
Foreign Private Issuer	Yes			
Disclosure Prohibited Under Home Country Law	No			
Total Number of Directors	6			
	Female	**Male**	**Non-Binary**	**Did Not Disclose Gender**
Part I: Gender Identity				
Directors	1	5	0	0
Part II: Demographic Background				
Underrepresented Individual in Home Country Jurisdiction	4			
LGBTQ+	0			
Did Not Disclose Demographic Background	0			

UNDERTAKING

The Registrant undertakes to make available, in person or by telephone, representatives to respond to inquiries made by the SEC staff, and to furnish promptly, when requested to do so by the SEC staff, information relating to: the securities registered pursuant to Form 40-F; the securities in relation to which the obligation to file an annual report on Form 40-F arises; or transactions in said securities.

CONSENT TO SERVICE OF PROCESS

The Registrant has previously filed with the SEC a written consent to service of process on Form F-X. Any change to the name or address of the Registrant's agent for service shall be communicated promptly to the SEC by amendment to the Form F-X referencing the file number of the Registrant.

ADDITIONAL INFORMATION

Additional information relating to the Registrant may be found on the SEDAR+ System for Electronic Document Analysis and Retrieval at www.sedarplus.ca and on the SEC's Electronic Data Gathering, Analysis and Retrieval (EDGAR) system at www.sec.gov.

SIGNATURES

Pursuant to the requirements of the Exchange Act, the Registrant certifies that it meets all of the requirements for filing on Form 40-F and has duly caused this Annual Report to be signed on its behalf by the undersigned, thereunto duly authorized.

ELECTROVAYA INC.

By: /s/ Raj Das Gupta
Name: Raj Das Gupta
Title: Chief Executive Officer

Date: January 16, 2024

EXHIBIT INDEX

EXHIBIT	DESCRIPTION OF EXHIBIT
99.1	The Registrant's Annual Information Form for the fiscal year ended September 30, 2023
99.2	Audited Consolidated Financial Statements for the fiscal year ended September 30, 2023
99.3	Management's Discussion and Analysis for the year ended September 30, 2023
99.4	Certification by the Chief Executive Officer of the Registrant pursuant to Rule 13a-14(a) or 15d- 14 of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
99.5	Certification by the Chief Financial Officer of the Registrant pursuant to Rule 13a-14(a) or 15d-14 of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
99.6	Certification by the Chief Executive Officer of the Registrant pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
99.7	Certification by the Chief Financial Officer of the Registrant pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
99.8	Consent of MNP LLP
99.9	Consent of Goodman & Associates LLP
101	XBRL Document
104	Cover Page Interactive Data File

EXHIBIT 99.1



www.electrovaya.com

ELECTROVAYA INC.

ANNUAL INFORMATION FORM
FOR THE YEAR ENDED SEPTEMBER 30, 2023

January 2, 2024

ELECTROVAYA INC.

ANNUAL INFORMATION FORM

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ELECTROVAYA INC.

ANNUAL INFORMATION FORM

Unless otherwise indicated herein, the information set out in this annual information form ("AIF") is current to December 29, 2023 and is presented in US dollars.

This AIF contains forward-looking statements including statements with respect to the effects of pandemics, geopolitical tensions, supply chains customer demand and order flow, other factors impacting revenue, the competitive position of the Company's products, global trends in technology supply chains, the Company's strategic objectives and financial plans, including the operations and strategic direction of Electrovaya Labs, the Company's products, including high voltage battery systems for electric bus, truck and energy storage applications and low voltage battery systems for electric lift truck and robotic applications and the potential for revenue from new applications , cost implications, continually increasing the Company's intellectual property portfolio, additional capital raising activities, the adequacy of financial resources to continue as a going concern, and also with respect to the Company's markets, objectives, goals, strategies, intentions, beliefs, expectations and estimates generally. Forward-looking statements can generally be identified by the use of words such as "may", "will", "could", "should", "would", "likely", "possible", "expect", "intend", "estimate", "anticipate", "believe", "plan", "objective" and "continue" (or the negatives thereof) and words and expressions of similar import. Readers and investors should note that any announced estimated and forecasted orders and volumes provided by customers and potential customers to Electrovaya also constitute forward-looking information and Electrovaya does not have (a) knowledge of the material factors or assumptions used by the customers or potential customers to develop the estimates or forecasts or as to their reliability and (b) the ability to monitor the performance of the business its customers and potential customers in order to confirm that the forecasts and estimates initially represented by them to Electrovaya remain valid. If such forecasts and estimates do not remain valid, or if firm irrevocable orders are not obtained, the potential estimated revenues of Electrovaya could be materially and adversely impacted.

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1. Corporate Structure

1.1 Name, Address and Incorporation

The company's full corporate name is Electrovaya Inc. (the "Company" or "Electrovaya"), which, as used herein, refers to Electrovaya Inc., its predecessor corporations and all of its subsidiaries (unless the context otherwise requires).

Our registered and head office is located at 6688 Kitimat Road, Mississauga, Ontario L5N 1P8. Our telephone number and website address are (905) 855-4610 and www.electrovaya.com, respectively.

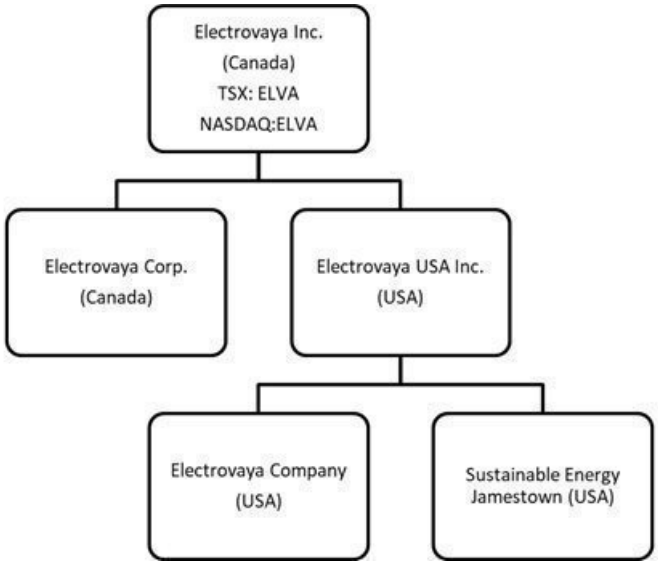
Electrovaya was incorporated under the *Business Corporations Act* (Ontario) in September 1996. With the approval of our shareholders, we split our common shares on a three for one basis on September 18, 2000. We were listed on the Toronto Stock Exchange under the ticker symbol "EFL" in November 2000. On March 26, 2002, our shareholders approved the change of our name to "Electrovaya Inc." from "Electrofuel Inc." With the approval of our shareholders, on June 16, 2023 the Company completed a 5:1 share consolidation and changed the ticker symbol on the TSX to ELVA. On July 3, 2023 the Company received approval from the Nasdaq Stock Market LLC to list on the exchange with the first date of trading on July 6, 2023 under the trading symbol ELVA. The Company designs, develops and manufactures lithium-ion batteries and systems with competitive advantages for both safety and longevity (cycle life). The company manufactures complete battery systems for heavy duty applications including material handling, robotics, electric bus, truck and defense applications. The Company has a team of mechanical, electrical, electrochemical, materials science, battery and system engineers able to provide clients with a "complete solution" for their energy and power requirements.

1.2 Our Mission and Values

Our mission is to accelerate the energy transition from fossil fuels to renewable sources with safer and better batteries through technology advancement. We strive to provide valuable and innovative solutions to our customers globally, create rewarding opportunities for our team, provide extraordinary value to our shareholders and power energy transformation to clean technology. We intend to accomplish this through the use of our lithium ion battery expertise to deliver a series of products which focus on maximising the cycle-life of the battery for mission critical and intensive use applications. We developed cells, modules, battery management systems, software and firmware necessary to deliver systems for discerning users.

1.3 Intercorporate Relationships

The following diagram illustrates the intercorporate relationships between the Company and its material subsidiaries, and the percentage of votes attached to all voting securities of the material subsidiary owned, controlled, or directed, directly or indirectly, by the Company, and the subsidiary's respective jurisdiction of formation.



2. General Development of the Business

2.1 Summary of the Business

We design, develop and manufacture lithium-ion batteries and systems for Materials Handling Electric Vehicles ("MHEVs") and other electric transportation applications, as well for electric stationary storage and other battery markets. Our main businesses include:

- lithium-ion batteries to power MHEVs including forklifts and Automated Guided Vehicles as well as accessories such as battery chargers to charge the batteries;
- electromotive power products for electric trucks, electric buses and other transportation applications;

- industrial products for energy storage; and

- specialty applications which require complex power solutions, including competencies in building systems for third parties.

Electrovaya has a team of mechanical, electrical, electrochemical, materials science, battery and system engineers able to give clients a "complete solution" for their energy and power requirements. Electrovaya also has substantive intellectual property in the lithium-ion battery sector.

We believe that our battery and battery systems contain a unique combination of characteristics that enable us to offer battery and energy solutions that are competitive with currently available advanced lithium-ion and non-lithium-ion battery technologies. These characteristics include:

- *Safety*: We believe our batteries provide an industry leading level of safety in a lithium-ion battery. Safety in lithium-ion batteries is becoming an important performance factor and original equipment manufacturers ("OEMs") and users of lithium-ion batteries prefer to have the highest level of safety possible in such batteries.

- *Cycle life*: Our cells are in the forefront of battery manufacturers with respect to cycle life, with excellent rate capabilities. Cycle life is generally controlled by the parasitic reactions inside the cell and these reactions have to be reduced in order to deliver industry leading cycle life. Higher cycle life is critical and necessary in many intensive applications such as e-forklifts, e-bus, e-taxi, e-trucks, energy storage and of important value to less intensive applications such as e-passenger cars. In general, the greater the cycle life, the lower the total cost of ownership is for heavy duty applications.

- *Energy, Power and form factor:* Electrovaya's technology focus is optimised to provide batteries of superior energy density, packing density, high power and fast charging capabilities.

- *Battery management system*: Our latest 5th generation battery management system has developed over the years, and provides excellent control and monitoring of the battery with advanced features as well as communication to chargers and electric vehicles, as well as "internet of things" and remote monitoring functionality.

Additional information can be found in the Company's Management's Discussion and Analysis for the year ended September 30, 2023.

2.2 Three-Year History

During the last three years, Electrovaya has developed advanced lithium-ion battery cells and systems with unique performance attributes for use in a variety of heavy duty and mission critical applications. The first target market for these products was the material handling sector as it was an existing market that was relatively mature and willing to pay higher costs for better performing battery products. As of today, the majority of our battery systems are being utilized in the material handling industry. The Company demonstrated continuous improvements in the energy density of its commercial cell technologies and also has launched an increasing list of battery systems. These include battery systems for multiple classes of material handling vehicles, customized systems for autonomous guided vehicles and high voltage battery systems that are targeting the electric bus, truck and other specialized electric vehicle applications. Many of these battery systems have also gone through UL safety testing certification and the Company also achieved ISO9001 certification in 2022. Finally, the company continues research and development activities for new battery systems, advances in battery management system technology and next generation solid state battery technology.

Material Handling OEM Partner Sales Channel

In May 2019, after an extensive qualifying review, Raymond Corp., (“Raymond”) a wholly owned subsidiary of Toyota Material Handling North America and one of the largest material handling OEMs in North America, and Electrovaya entered into a Raymond Dealer Network Sales Agreement. This allowed Electrovaya to sell directly through the extensive Raymond dealer network.

In November 2020 Electrovaya received UL2580 (“Underwriters Laboratories” or “UL”) listing for its full line of 24v and 36v material handling batteries. In December 2020 Electrovaya and Raymond signed a Strategic Supply Agreement making Raymond its OEM partner in the material handling industry. The agreement provides Raymond with exclusively distributed Raymond branded “Energy Essentials” lithium-ion batteries that are UL 2580 Listed and compatible with most class I, II and III Raymond lift trucks.

During 2022 and 2023, the Company received increasing orders through the OEM sales channel and believes it is well positioned to grow sales through this strategic alignment with the market leader in material handling. Since the launch of the Strategic Supply Agreement, Electrovaya has delivered over $60 Million in battery systems through the OEM channel.

In November 2023, the Company announced a new three year strategic supply agreement with its existing OEM partner for the material handling industry in addition to a second related OEM with similar or larger overall sales. The new agreement increased the minimum sales volumes required to maintain exclusivity and also included capability to supply additional affiliated companies. This new agreement replaces the 2020 Strategic Supply Agreement with Raymond.

Other Material Handling Sales Channels

The Company also sells battery systems directly to some customers and through partnered dealers. Direct sales are generated by the Company’s own direct sales team and are focused on a few large key accounts including, but not limited to, Walmart and Mondelez. The Company’s first sale of lithium ion batteries for the material handling sector was in July 2017 to Mondelez. Walmart’s first major order was in September 2017 for the conversion of one distribution center. Subsequently Walmart has converted further distribution centers to the Company’s Lithium ion batteries. This sales channel is distinct from the OEM partner sales channel as these customers are generally ordering batteries for vehicles supplied by non-Raymond and Toyota OEMs. This therefore represents a complementary sales channel to our OEM partner sales channel.

Other Sales

The Company has also made sales in other markets and is continuing to develop new markets for products based on its Infinity Battery Technology platform. This includes sales of cells for specialized applications, high voltage battery systems, battery systems for autonomous guided vehicle OEMs and research and development contracts.

In July 2023, the company launched its Infinity-HV battery system, an addition to its existing Infinity product line. The infinity-HV systems target heavy duty, high-voltage applications including electric buses, delivery trucks, construction tricks, hybrid-fuel cell/battery systems and stationary energy storage systems. The first shipment of this product occurred in December 2023.

2.3 Narrative Description of the Business

2.3.1 Overview of Products & Services

Electric Vehicle

The electric vehicle sector is quickly growing with increased global pressure on reducing carbon emissions. In addition to the electrification of passenger vehicles, the electrification of other vehicle types are also occurring rapidly, often with higher per-vehicle impacts on climate change mitigation. This includes material handling vehicles, robots, buses, trucks and other heavy duty vehicles. Our focus is addressing applications where a lithium-ion battery will be used intensively, as intensive users tend to place a higher value on higher performance and safer technology and also provide a lower cost of ownership with a higher performing and longer cycle life product. Examples of intensive use of lithium-ion batteries in the electric vehicle space include electric trucks, electric forklifts, electric buses and other industrial vehicle systems. These vehicles are generally driven 16 to 24 hours per day as opposed to a passenger vehicle whose average usage is about 1-4 hours a day. Intensive use vehicles need fast charging and in the case of forklifts operating 24/7, can be working an equivalent of over 100,000 miles/year, on a work equivalency basis, and require high performance lithium ion batteries.

The Company has two battery technology platforms, the Infinity Platform and the Solid State Platform.

Infinity Platform

This technology platform is based on key IP that Electrovaya owns including but not limited to ceramic separators, electrolytes and the final lithium-ion cell design. Management believes that this technology platform provides significantly improved safety and cycle life performance when compared to other available lithium ion battery chemistries and types. Due to these advantages, products based on this technology platform are well suited to heavy duty applications that Electrovaya prioritizes including material handling, robotics and electric heavy duty vehicles. Nearly all Electrovaya's current commercial products are based on this technology platform.

Solid State Platform

This technology platform is under development, is not currently revenue generating and would be considered as a next-generation battery technology for electric vehicles and other applications. Management believes that our technology may enable a new category of battery that meets the requirements for broader market adoption. The lithium-metal solid-state battery and solid-state hybrid battery technology that we are developing is being designed to offer greater energy density and higher performance when compared to today's conventional lithium-ion batteries used in the electric vehicle industry.

2.3.2 Sale of Products

In the last three years, Electrovaya has focused its sales efforts primarily on the electric forklift, robotic and material handling market but we have recently added high voltage applications including electric bus and truck markets as key focus areas. Our primary geographical focus is North America, however we have had recent sales activities in South America, Asia and Australia.

For our batteries powering electric forklifts, there are two main market sales channels as detailed in section 2.2 Three-Year History; the OEM Partners sales channel and the Direct sales channel. The Company is actively pursuing additional OEM relationships for electric bus, truck, diesel generator replacement and defense applications for its new high voltage product line. These are emerging and fast growing markets and the Company believes it is making significant progress in establishing new long term relationships and contracts. The Company anticipates some contribution to revenue from these new market segments from the 2024 fiscal year, however with more significant contributions in 2025 and beyond due to production schedules of the targeted OEMs.

Electrovaya has achieved UL2580 listing across its line of 24V, 36V and 48 forklift batteries. The safety certification covers more than 30 different models and is a key milestone for the Company. UL certification shows the Company's continued commitment to safety and quality. Our R&D and Engineering teams were responsible for achieving this listing, which also leverages some of the key safety technologies that Electrovaya owns, including critical cell and systems IP. These technologies will be critical for broad implementation of lithium ion battery technology. The Company is pursuing UL2580 on additional models for the 2024 fiscal year.

2.3.3 Competition

The battery industry is highly competitive. Electrovaya competes with a large number of market participants including pure-play battery providers, diversified technology and industrial vendors and strategic joint ventures. Our primary competitors are included in the following summary below:

- *MHEVs including forklifts and Automated Guided Vehicles.* Competition in this group includes alternative power sources such as lithium ion batteries, lead acid batteries, hydrogen fuel cells and other power sources including fossil fuels. Our lead acid battery competitors include EnerSys, East Penn Manufacturing Company and Exide Technologies Inc. Our hydrogen fuel cell competitors include Plug Power, Ballard as well as forklift manufacturers Hyster Yale and Linde. Competitors in the lithium ion battery sector include Navitas Systems, Green Cubes, and Flux Power as well as EnerSys.

- *High Voltage Vehicle Battery Systems.* Competition includes manufacturers and battery system integrators including Proterra, Nikola, Microvast, Akasol, Forsee Power, Toshiba and others.

- *Stationary Energy Storage*. Competition includes manufacturers and system integrators. We compete primarily with LG Chem, Panasonic, Tesla, SAFT, BYD,, Samsung, SK Innovation, Toshiba, Leclanche, and others.

- *Other Electric Vehicle Battery Systems.* We compete primarily with LG Chem, Johnson Controls, SAFT, Samsung, SK Innovation, BYD, CATL, Enersys, Panasonic, and others.

To compete successfully, we intend to continue to build on the advantages offered by our technology.

2.3.4 Research and Development

Electrovaya continues to research, develop and commercialize improved lithium-ion batteries and associated technologies with longer life, higher energy density and increased safety. The Company primarily uses “NCM” (nickel cobalt manganese) anode based cells. The NCM cathode is a lithiated nickel and mixed metal oxide based system that distinguishes itself with 50% or more higher energy density compared to phosphate based lithium-ion batteries, resulting in more stable chemistry than some higher-energy chemistries. When combined with other Electrovaya technologies including specialized electrolytes and composite separators, the end result is a cell with competitive advantages in performance, cycle life and safety.

Electrovaya is committed to investing in developing better products for our customers and pursuing research activities that prepare us for the future. To date, Electrovaya has invested more than $80 million (Cdn $100 million) in research & development and manufacturing advances, and 10% of our revenues during the 2023 fiscal year were reinvested in research and development.

At the system level, our team of engineers in Mississauga continues to develop the mechanical, thermal, electrical, and control systems for innovative battery systems for our clients, enabling us to offer a complete solution for their specific power or energy requirements. Electrovaya has expanded its engineering team in the current fiscal year.

The Electrovaya Labs division continues research into next generation cells and batteries in the areas of solid-state cells, electrode production and higher energy density batteries, and will generate additional intellectual property and patent applications in connection with the same. Electrovaya expanded the team at this division in 2023.

2.3.5 Intellectual Property

Electrovaya has a program to enhance its intellectual properties and owns many patents. These patents cover our fundamental structural technology innovations, our system level designs including our intelligent battery management system for transportation, as well as some nanomaterial developments. Our patents are issued globally and typically across the United States and Canada. In some cases we do file into other jurisdictions such as Europe, India, China, Japan and other countries where potential markets and/or manufacturing activities make patent protection desirable and economically justifiable. Electrovaya recently also acquired about 30 patents mainly on ceramic composite separators and lithium ion cells.

We seek to protect our intellectual property, including our technological innovations, products, software, manufacturing processes, business methods, know-how, trade secrets, trademarks and trade dress by law through patents, copyright and trademark law, by contract through non-disclosure agreements, and through safeguarding of trade secrets.

Our patent portfolio, trade secrets and proprietary know-how are an important component in protecting our battery innovations and our manufacturing processes. We further protect our trade secrets and proprietary know-how by keeping our facilities physically secure, disclosing relevant information only on a need-to-know basis and entering into non-disclosure agreements with our potential customers, employees, consultants and potential strategic partners, and by treating and marking the confidential information as confidential.

We will continue to apply for patents resulting from ongoing research and development activities, acquire, or license patents from third parties, if appropriate, and further develop the trade secrets related to our manufacturing processes and the design and operation of the equipment we use in our manufacturing processes.

2.3.6 Employees

As of September 30, 2023 we had approximately 97 full-time employees as well as contract employees and consultants. We believe we enjoy a good and productive relationship with our employees.

2.3.7 Manufacturing

The Company has a battery and battery systems research and manufacturing facility in Mississauga, Ontario. The location comprises approximately 62,000 square feet and is designed to enhance the Company's productivity and efficiency. The facilities are focused on lithium ion battery production, which includes the assembly, integration and testing of lithium ion batteries as well as development and testing of new products and enhancements by our engineering team.

During 2024, the Company anticipates that it will begin limited operations at its 137,000 square feet facility in Jamestown, New York. The facility will be focused on cell, pack and module manufacturing of lithium ion batteries. The facility will produce both the Infinity and Infinity-HV battery lines and provide additional capacity as the Company expands into new verticals.

2.3.8 Safety

Safety is of paramount importance to the Company not only for our products but more importantly for our people. We have robust safety protocols in all areas. We have a Joint Health and Safety Committee which includes employees across disciplines and at all levels. This Committee regularly meets to ensure safety protocols are followed and updated when necessary.

Our products are designed and manufactured with safety as the primary concern. All components are vigorously tested prior to being included in the manufacturing process. Our products are assembled to the highest standard and are subject to a comprehensive end of line testing to ensure they adhere to our demanding safety standards.

Electrovaya recently achieved the UL2580 certification, with UL LLC completing multiple system level tests on Electrovaya's batteries, including fire propagation at both ambient and elevated temperatures, and other electrical and mechanical tests. Furthermore, UL completed full functional testing and provided UL991 and UL1998 certifications relating to Electrovaya's fifth generation proprietary Battery Management System.

2.3.9 Quality

Quality is also an integral part of our culture and processes. We believe we have differentiated ourselves in the market by having the highest quality and safest product available.

Electrovaya received ISO9001:2015 Quality Management certification in 2022. Furthermore, our quality assurance management system has been tested and validated by a number of third parties including Toyota Material Handling and Raymond Corporation.

Our processes and systems are focused on ensuring that every product that is shipped to our customers conforms to our rigorous quality standards while being produced in a safe and environmentally conscious manner.

2.3.10 Sustainability

Our Company was founded 20 years ago with the express purpose to develop clean technology for a greener planet. Electrovaya is focused on contributing to the prevention of climate change through supplying the safest and longest lasting Li-Ion batteries in the marketplace. Our goal is to be a global leader in the supply of advanced lithium ion battery technologies.

Our processes and facilities embody our focus on sustainability. Waste is minimized and recycled where possible. Steps have been introduced to reduce our energy and water use.

3. Capital Structure and Market for Shares

Our authorized share capital consists of an unlimited number of common shares. Holders of common shares are entitled to receive notice of any meetings of our shareholders, to attend and to cast one vote per common share at all such meetings. The holders of our common shares are entitled to vote at all meetings of our shareholders, and each common share carries the right to one vote in person or by proxy. The holders of the common shares are also entitled to receive any dividends we may declare, and to receive our remaining property upon liquidation, dissolution or wind-up.

In June 2023, the Company, with the approval of shareholders, carried out a share consolidation at a ratio of 5 to 1. Subsequent to this, in July 2023, the Company listed its common shares on Nasdaq.

Our common shares are listed for trading on the Toronto Stock Exchange under the symbol “ELVA.TO” and on the Nasdaq under the symbol “ELVA”. The table below sets forth information relating to the trading of the common shares on the TSX and Nasdaq for the months indicated. Trading prices and volumes are adjusted to take into account the share consolidation effected in June 2023.

TSX			
Month	**High (C$)**	**Low (C$)**	**Volume Traded**
2023/09	4.78	3.70	203,225
2023/08	5.54	4.31	280,434
2023/07	7.20	4.86	866,397
2023/06	5.00	4.50	371,959
2023/05	5.10	4.65	554,917
2023/04	5.40	4.85	839,200
2023/03	6.00	5.00	1,313,252
2023/02	6.50	5.10	2,120,863
2023/01	6.25	5.15	1,135,720
2022/12	6.60	4.95	970,942
2022/11	6.00	4.35	1,112,524
2022/10	5.25	4.60	870,573

NASDAQ			
Month	**High (U$)**	**Low (U$)**	**Volume Traded**
2023/09	3.59	2.61	343,614
2023/08	4.49	3.09	1,025,906
2023/07	5.50	4.06	3,256,239

4. Dividend Policy

We have never declared or paid any dividends on our common shares in the past; however, we may declare and pay dividends on our common shares in the future depending upon our financial performance.

5. Directors and Officers

The following table sets forth the names and municipalities of residence of our directors and officers, the position they hold with us and their principal occupation during the last five years:

Name, Office (if any) and Principal Occupation	Director Since	Common Shares Beneficially Owned	Stock Options Held	Warrants
Dr. Sankar Das Gupta, Mississauga, Ontario, Canada Executive Chairman	1996	10,330,750	740,000	1,420,000
Dr. Carolyn M. Hansson[(1)(2)] Waterloo, Ontario, Canada Director Professor of Materials Engineering, Department of Mechanical and Mechatronics Engineering, University of Waterloo	2017	50,000	37,000	-
Dr. James K. Jacobs[(1)(2)], Toronto, Ontario, Canada Director Retired	2018	478,107	26,000	-
Kartick Kumar[(1)(2)] San Francisco, California, USA Director Managing Director, Climate Investments, King Philanthropies	2021	2	12,000	-
Dr. Rajshekar Das Gupta Oakville, Ontario, Canada Director, Chief Executive Officer	2022	239,548	2,310,000	38,884
Steven Berkenfeld New York, New York USA Director	2023	-	60,000	-
John Gibson Hamilton, Ontario, Canada Secretary and Chief Financial Officer	N/A	243	85,000	-

(1) Audit Committee member.

(2) Nominating, Corporate Governance and Compensation Committee member.

All directors hold office until the close of the next annual meeting of the shareholders or until their successors are duly elected or appointed

Effective March 24, 2023, Bejoy Das Gupta resigned as a director of the Company.

As of September 30, 2023, the directors and officers of the Company, as a group, beneficially own, directly or indirectly, or exercise control or direction over, an aggregate of 11,098,650 or approximately 33% of the issued and outstanding common shares of the Company.

In October, 2023, the board of directors accepted the nomination of Steven Berkenfeld to join as a director of the Company.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Except as described below, to the best of management's knowledge, no officer or director:

(a) is, as at the date of this AIF, or has been, within 10 years before the date of this AIF, a director, chief executive officer or chief financial officer of any company (including the Company) that:

(i) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or

(ii) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or

(b) is, as at the date of this AIF, or has been within 10 years before the date of the AIF, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(c) has, within the 10 years before the date of the AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the officer or director.

On January 25, 2018, Litarion GmbH ("Litarion"), a former subsidiary of Electrovaya, commenced a voluntary structured insolvency process and an Administrator was put in place for the sale of the business. On April 30, 2018, the Administrator commenced insolvency proceedings and assumed control of the assets of Litarion. Sankar Das Gupta, Executive Chairman of the Corporation, was a managing director of Litarion until the Administrator's appointment.

In June, 2021, the administrator of Litarion and the Company and its officers agreed to mutually settle all claims as part of the termination of the insolvency proceedings.

Except as described below, to the best of management's knowledge, no officer or director has been subject to:

(a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to make an investment decision in the Company's common shares.

On June 30, 2017, the Company and Sankar Das Gupta, Executive Chairman of the Corporation, entered into a Settlement Agreement (the "Agreement") with Staff of the Ontario Securities Commission ("OSC") resolving issues the OSC identified with respect to the Company's continuous disclosure between December 2015 and September 2016 (the "Time Period"). The Agreement settled allegations by the OSC regarding unbalanced news releases that did not adequately disclose the nature and risks of newly-announced business arrangements issued by the Company during the Time Period, that the Company did not update previously announced forward-looking information in its Management Discussion and Analysis during the Time Period, and that the Company did not provide an accurate description of its business in its annual information form filed during the Time Period.

The Company did not face a financial penalty in relation to the Agreement. Dr. Das Gupta agreed to pay an administrative penalty and upgrade his personal knowledge of continuous disclosure standards. Under the terms of the Agreement, the Company agreed to additional steps to comply with continuous disclosure requirements, including

- a review of the Company's corporate governance framework by an independent consultant and adopting all recommended changes that are accepted by OSC Staff;
- instituting a disclosure committee comprising 4 directors (2 of whom were required to be independent) for a period of 20 months, which committee was to approve all public disclosure made by the Corporation;
- naming an independent director as Chair of the disclosure committee for a period of 20 months; and
- naming an independent director as Chair of the Board for a period of 20 months.

Under the terms of the Settlement Agreement, Dr. Das Gupta agreed to:

- pay an administrative penalty of Cdn$250,000;
- a prohibition on acting as a director or officer of any reporting issuer, other than the Company or an affiliate, for a period of one year;
- pay the costs of the corporate governance consultant's review; and
- participate in, and pay for, a corporate governance course on disclosure issues acceptable to staff of the OSC.

6. Transfer Agent and Registrar

The transfer agent and registrar for the common shares of the Company is TSX Trust Company at its principal office in Toronto, Ontario.

7. Legal Proceedings and Regulatory Actions

The Company is not involved in any legal proceeding or regulatory action which it expects would have a material effect on the Company.

8. Interest of Management and Others in Material Transactions

Other than as disclosed in this AIF, no director, executive officer, person or company that beneficially owns or controls more than 10% of any class of the Company's outstanding voting securities, or any associates or affiliates of persons had any material interest, direct or indirect, in any transaction within the three most recently completed financial years or during the current financial year that has materially affected or is reasonably expected to materially affect the company.

Purchase of Jamestown Property

On October 15, 2021, the Company, as purchaser, agreed to purchase the property municipally known as 1 Precision Way, Jamestown, NY 14701 (the "Property") for a purchase price of $5 million. Among other factors, the Property was of interest to the Company for various reasons, including access to Government incentives, increased capacity, and access to the US market.

Prior to closing, it was determined that the Company would not have access to sufficient capital to finance the building purchase. The vendor had another buyer, therefore, in May 2022, prior to closing, the Company, as assignor, and Sustainable Energy Jamestown LLC ("SEJ"), as assignee, entered into an agreement to assign the agreement of purchase and sale for the Property to SEJ, with the intention that SEJ would complete the purchase of the Property. SEJ completed the purchase of the property in May 2022.

On November 1, 2022, the Company entered into an agreement with Sustainable Energy Jamestown ("SEJ"), a party related to shareholders of the Company for the purchase of the building at 1 Precision Way, Jamestown, NY. The purchase agreement sets the purchase price at $5,500 less any expenses incurred on behalf of the related party to date and the repayment of the deposit of $550. The purchase is expected to be finalized on or about June 30, 2023.

On March 31, 2023, the Company completed the purchase of the membership interest in SEJ. The purchase of the site includes 52 acres of land, including a building previously utilized for the manufacturing of electronic components. The purchase price was paid by way of a $1.05 million promissory note payable to the members of Sustainable Energy Jamestown LLC with a term of 365 days bearing interest at 7.5% per annum payable at maturity and the assumption of a $4.4 million vendor promissory note ("VPN") issued on July 1, 2022 with a 2 year term bearing interest at 2% per annum and secured against the property. At the time of the transaction, the balance of the VPN was $3.95 million with a payment due on maturity of $2.4 million. As part of the security interests granted to the Company's existing lender for its consent to the transaction, Dr. Sankar Das Gupta pledged 7,000,000 Common Shares (1,400,000 post consolidation) of the Company.

Personal Guarantees

The Company's Cdn$6 million principal promissory note was guaranteed by the personal guarantee of Dr. Sankar Das Gupta, Executive Chairman and the controlling shareholder of the Company, as well as secured by a pledge of 25,700,000 Common Shares (5,140,000 post consolidation) by Dr. Das Gupta in favour of the lender. On November 14, 2022, the Company repaid the promissory note in the amount of $4.4 million via the proceeds of an equity raise. Upon repayment, the pledge of 27,500,000 Common Shares (5,140,000 post consolidation) by Dr. Das Gupta on the share certificates were returned.

	September 30,	
	2023	2022
Promissory Note	$ 1,022,000	$ 4,363,000

Electrovaya Labs – Facility Usage Agreement

In May 2021 Electrovaya entered a month to month Facility Usage Agreement for the use of space and allocated staff of a third party research firm providing access to laboratory facilities, primarily for research associated with its Electrovaya Labs segment. The term of the agreement was for six months and could be terminated by either party upon 90 days notice.

In July 2021 the facility was acquired by an investor group controlled by the family of Dr. Das Gupta, the Chairman of the Company and a controlling shareholder, and which group included the Company's current CEO, Dr. Raj Das Gupta. The Facility Usage Agreement was not changed on the change of ownership and remains in effect between the Company and the owner, such that the monthly payment of $25,000 is now with a related party of Electrovaya.

In June 2023, the Facility Usage Agreement was retroactively extended from January 1, 2023, for an additional three years. The agreement maintains a 2.5% annual rent increment while keeping all other terms and conditions unchanged.

Performance Option Grants

In September 2021, on the recommendation of the Compensation Committee of the Corporation, a committee composed entirely of independent directors, the Board of Directors of the Corporation determined that it is advisable and in the best interests of the Corporation to amend the terms of the compensation of certain key personnel to incentivize future performance, to encourage retention of their services, and to align their interests with those of the Corporation's shareholders.

Dr. Sankar Das Gupta was granted 700,000 options which vest in two tranches of 200,000 options and one tranche of 300,000 options, based on reaching specific target market capitalizations. The fair value of these options on the day of grant is calculated using the Monte Carlo method of option valuation and expensed over the mean vesting period in accordance with IFRS 2.

Dr. Rajshekar Das Gupta was granted 900,000 options which vest in three tranches of,300,000 options based on reaching specific target market capitalizations. The fair value of these options on the day of issuance is calculated using the Monte Carlo method of option valuation and expensed over the mean vesting period in accordance with IFRS 2.

In April 2023, following the suggestion of the Company's Compensation Committee, consisting entirely of independent directors, the Company's Board of Directors awarded Dr. Rajshekar Das Gupta a total of six hundred thousand options. These options will vest in two phases: three hundred thousand options and three hundred thousand options, contingent upon achieving certain target market capitalizations.

9. Material Contracts

The Company does not have any material contracts that were required to be filed under section 12.2 of National Instrument 51-102 - *Continuous Disclosure Obligations*.

10. Interests of Experts

The auditor of the Company is MNP LLP ("MNP"), Chartered Accountants, Suite 1900, 1 Adelaide St East, Toronto, Ontario M5C 2V9. There are no registered or beneficial interests, direct or indirect, in any securities or other property of the Company or any of its subsidiaries held or received by MNP. MNP is independent in accordance with the auditors' rules of Professional conduct in Canada. Our business of designing, developing and manufacturing lithium-ion advanced battery and battery systems for the transportation, electric grid stationary storage and mobile markets faces many risks of varying degrees of significance, which could affect our ability to achieve our strategic objectives. The risk factors described below are not the only risks and uncertainties that we face. Additional risks and uncertainties not presently known to us or that we currently consider immaterial may also impair our business operations. These risk factors could materially affect our future operating results and could cause actual events to differ materially from those described in our forward-looking statements. Additional risks the Company faces are disclosed in the Company' Management's Discussion and Analysis for the year ended September 30, 2023.

11. Risk Factors

Our business of designing, developing and manufacturing lithium-ion advanced battery and battery systems for the transportation, electric grid stationary storage and mobile markets faces many risks of varying degrees of significance, which could affect our ability to achieve our strategic objectives. The risk factors described below are not the only risks and uncertainties that we face. Additional risks and uncertainties not presently known to us or that we currently consider immaterial may also impair our business operations. These risk factors could materially affect our future operating results and could cause actual events to differ materially from those described in our forward-looking statements. Additional risks the Company faces are disclosed in the Company' Management's Discussion and Analysis for the year ended September 30, 2023.

There is no assurance that we will be able to produce or generate and fulfill orders for large quantities of our products.

Electrovaya may not be able to establish anticipated levels of high-volume production on a timely, cost-effective basis, or at all. It has never manufactured batteries in substantially large quantities and it may not be able to maintain future commercial production at planned levels. As a result of the risks discussed within this AIF, among others, Electrovaya may not be able to generate or fulfill new sales orders or deliver them in a timely manner, which could have a material effect on its business and results of operations.

Our ability to generate positive cash flow is uncertain.

To rapidly develop and expand our business, we have made significant up-front investments in our manufacturing capacity and incurred research and development, sales and marketing and general and administrative expenses. In addition, our growth has required a significant investment in working capital and significant debt finance over the last several years. We have had negative cash flow in multiple fiscal periods in our recent history and we may continue to have negative cash flow in the future as we continue to incur debt service costs, increased research and development, sales and marketing, and general and administrative expenses, as well as acquisition expenses. Our business will continue to require significant amounts of working capital to support our growth. Therefore, we may not achieve sufficient revenue growth to generate positive future cash flow and may need to raise additional capital from investors or other finance sources to achieve our future growth. An inability to generate positive cash flow for the foreseeable future or raise additional capital on reasonable terms may decrease our viability.

Our failure to raise additional capital necessary to expand our operations and invest in our products and manufacturing facilities could reduce our ability to compete successfully.

We regularly require additional capital and we may not be able to obtain additional debt or equity financing on favorable terms, if at all. If we raise additional equity financing, our shareholders may experience significant dilution of their ownership interests, and the per-share value of our common shares could decline. If we engage in debt financing, we may be required to accept terms that restrict our ability to incur additional indebtedness and force us to maintain specified liquidity or other ratios. We also seek Canadian and U.S. federal, provincial and state grants, loans and tax incentives, some of which we intend to use to expand our operations. We may not be successful in obtaining these funds or incentives. If we need additional capital and cannot raise or otherwise obtain it on acceptable terms, we may not be able to, among other things:

- develop or enhance our products or introduce new products;
- continue to expand our development, sales and marketing and general and administrative organizations and manufacturing operations;
- attract top-tier companies as customers or as our technology and product development partners;
- acquire complementary technologies, products or businesses;
- expand our operations, in Canada, U.S. or internationally;
- expand and maintain our manufacturing capacity;
- hire, train and retain employees;
- respond to competitive pressures or unanticipated working capital requirements: or
- continue as a going concern.

Financial outlooks are inherently forward-looking and the Company's actual financial results may differ, possibly materially, from any expected results presented in a financial outlook.

From time to time, the Company may disclose financial outlooks. Financial outlooks constitute forward-looking information, which is necessarily based on certain assumptions about future circumstances and results of operations. The Company believes it bases its financial outlooks from time to time on assumptions that are reasonable in the circumstances, but the achievement of actual results is subject to a number of risks that could cause the information in the forward-looking statement to differ from the statements as presented, possibly materially.

There is no guarantee that actual results will be as presented in any financial outlook, and may materially differ. Investors and other market participants may base their expectations on a financial outlook provided by management. Differences in financial and operating results as compared to any financial outlook may cause the trading price of the Common Shares to decrease, possibly materially.

Sales under the Material Handling OEM Strategic Supply Agreement

In December 2020, the Company entered into the Raymond Strategic Supply Agreement. In November 2023, the Company announced a new three year strategic supply agreement which included a second related OEM with similar or larger overall sales. The new agreement increased the minimum sales volumes required to maintain exclusivity and also included capability to supply additional affiliated companies. The Strategic Supply Agreement includes a provision where the OEMscan have an exclusive arrangement with the Company if it makes minimum purchases. The Company based its financial outlook (including revenue forecasts) in its base shelf prospectus dated December 7, 2021 on the basis that Raymond (one of the two OEMs under the contract) would be incentivized to maintain the exclusive relationship and provide purchase orders in at least an amount required to maintain exclusivity, given feedback on the products received to date, interpretation of such a clause, and an evaluation of Raymond's financial capability to complete such orders and the materiality of the value of such orders in the context of Raymond's enterprise as a whole. While the Company believes it is reasonable to assume that the minimum quantity required to maintain exclusivity under the Strategic Supply Agreement will be purchased, there is no guarantee these sales will be made and the achievement of such sales is subject to a number of assumptions and factors including those described in the section "Cautionary Note Regarding Forward-Looking Information. The failure of the OEMs to fulfill a material amount of orders under the Strategic Supply Agreement could have a material adverse effect on the Company's ability to meet the sales and revenue projections in any financial outlook provided herein, and on the Company's results of operations.

We manufacture a complex product including components from various suppliers. Failures in components or the finished product could result in product recalls, and rework of the product could lead to claims and additional costs. Our products carry warranties, and this exposes us to undeterminable cost should product failures occur.

While we have in place quality controls for ourselves and our suppliers, there is no assurance that a fault will not occur occasionally. As such there is a risk of a warranty claim and recall of products, that could have a negative effect on our business and results of operations.

Our principal competitors have, and any future competitors may have, greater financial and marketing resources than we do, and may develop batteries or other technologies similar or superior to ours or otherwise compete more successfully than we do.

Competition in the battery industry is intense. The industry consists of major domestic and international companies, most of which have existing relationships in the markets into which we sell as well as financial, technical, marketing, sales, manufacturing, scaling capacity, distribution and other resources, and name recognition substantially greater than ours. With respect to large energy storage systems specifically, this is a relatively new product offering for the Company, and competition for sales of such products includes both battery companies listed elsewhere and large multinational companies such as General Electric, Siemens, and Hitachi, and Electrovaya may not be able to compete with such entities due to inability to match scale, expertise, geographical reach, or other factors. These companies may develop batteries or other technologies that perform as well as or better than our batteries, activities into which the Company has limited knowledge and visibility. We believe that our primary battery competitors are existing suppliers of cylindrical lithium-ion, nickel cadmium, nickel metal-hydride and in some cases, non-starting/lighting/ignition lead-acid batteries. Potential customers may choose to do business with our more established competitors, because of their perception that our competitors are more stable, are more likely to complete various projects, can scale operations more quickly, have greater manufacturing capacity, are more likely to continue as a going concern, and may lend greater credibility to any joint venture. If we are unable to compete successfully against manufacturers of other batteries or technologies in any of our targeted applications, our business could suffer, and we could lose or be unable to gain market share.

The demand for batteries for transportation and in other markets depends on the continuation of current trends resulting from dependence on fossil fuels. Low gasoline prices could adversely affect demand for electric and hybrid-electric vehicles.

We believe that much of the present and projected demand for advanced batteries in the transportation and other markets results from the price of oil, the dependency of the United States on oil from unstable or hostile countries, government regulations and economic incentives promoting fuel efficiency and alternate forms of energy, as well as the belief that climate change results in part from the burning of fossil fuels. If the cost of oil decreased significantly, the outlook for the long-term supply of oil to the United States improved, the government eliminated or modified its regulations or economic incentives related to fuel efficiency and alternate forms of energy, or if there is a change in the perception that the burning of fossil fuels negatively impacts the environment, the demand for our batteries could be reduced, and our business and revenue may be harmed.

Gasoline prices have been volatile, and this continuing volatility is expected to persist. Lower gasoline prices over extended periods of time may lower the perception in government and the private sector that cheaper, more readily available energy alternatives should be developed and produced. If gasoline prices deflate and remain deflated for extended periods of time, the demand for hybrid and electric vehicles may decrease, which would have an adverse effect on our business.

From time to time, the Company may enter into contracts or other arrangements with customers, and may disclose estimates of future sales and revenue associated with such contracts or arrangements. Contracts with our customers typically do not provide for firm price or volume commitments, or "take or pay" arrangements with respect to product orders. As a result, our business development and partnering efforts may fail to generate revenue in meaningful amounts, or at all, and actual revenue generated from any such contracts may be materially less than estimated and announced.

From time to time, the Company will negotiate sales or supply contracts for its products. Typically, such contracts provide for a master framework for sales to a customer under which product will be sold pursuant to purchase orders, but without any minimum volumes or other purchase or payment obligations under the contract. Therefore the Company is subject to the requirements of such customers as to if, as, when, and in what volume they wish to ultimately purchase the product.

From time to time, the Company may estimate future revenue expectations based on forecasts for orders during the life of such contract provided to the Company by the customers, and may announce such expectations publicly. However, execution of the orders remains solely at the discretion of the customers. Accordingly, Electrovaya's actual revenues under any contract or other customer arrangement could be materially less than initially estimated or announced. Any such customer order forecasts constitute forward-looking information of the customer, and the Company does not have knowledge of the material factors or assumptions used by the customers to develop the order forecasts, and cannot assess their reliability. The Company also does not have the ability to monitor the performance of the customers' business in order to confirm that the volumes initially represented by them in any forecasts remain valid. If such forecasts do not remain valid, or if firm irrevocable orders are not obtained, the Company's potential estimated revenues could be materially and adversely impacted, which could have a material effect on its business and results of operations.

The Company's actual results of operations may differ materially from the expected results announced based on arrangements with customers that are not definitive agreements. The Company may not be able to fulfill certain requirements of customer arrangements.

From time to time, the Company may enter into and announce understandings or other arrangements other than contracts with customers. Any understandings or other arrangements may be subject to additional risks including that the arrangements may still be subject to negotiation and there is no assurance a definitive agreement will be reached, or that if such agreement is reached, such agreement will be on the same terms as disclosed in the understanding. For example, product specifications may not yet have been agreed to and therefore a definitive agreement cannot be entered into, nor deliveries commenced until product specifications are agreed and a definitive arrangement is signed. Any definitive agreement with a customer, if entered into at all, may be on terms materially different than as disclosed in any announcement of an understanding or other arrangement that is not a definitive agreement. The actual results of the Company's business may be materially different than as expected pursuant to any understanding that is not a definitive agreement, therefore undue reliance should not be placed on any agreement that is not a definitive agreement.

Electrovaya occasionally receives purchase orders that contain a series of milestones or deliverables, all or a portion of which may need to be completed in serial fashion before each subsequent activity and revenue generating milestones can be achieved. If each required milestone is not achieved, the entire amount of the purchase order may not be realized.

Pandemic outbreaks may have significant and far-reaching negative effects on our operations and our customers.

The global COVID-19 global pandemic created a number of risks in the Company's business, not all of which may be quantifiable to or immediately identifiable by the Company. Future widespread outbreaks of disease may have similar effects on the Company's business. The effects of lockdowns, lower efficiency and productivity from affected employees and due to regulations, costs of compliance with mitigation, such as physical separation or air quality installations, or personal protective equipment, disruptions to suppliers and increased costs, border and shipping restrictions, decreased customer engagement, and effects of disease outbreaks on customers' business and the downstream effect of their purchases of battery products from us can all have a detrimental effect on our business and results of operations.

We may not be able to successfully recruit and retain skilled employees, particularly scientific, technical and management professionals.

We believe that our future success will depend in large part on our ability to attract and retain highly skilled technical, managerial and marketing personnel who are familiar with our key customers and experienced in the battery industry. Industry demand for such employees, especially employees with experience in battery chemistry and battery manufacturing processes, exceeds the number of personnel available, and the competition for attracting and retaining these employees is intense. This competition will intensify if the advanced battery market continues to grow, possibly requiring increases in compensation for current employees over time. We compete in the market for personnel against numerous companies, including larger, more established competitors who have significantly greater financial resources than we do and may be in a better financial position to offer higher compensation packages to attract and retain human capital. We cannot be certain that we will be successful in attracting and retaining the skilled personnel necessary to operate our business effectively in the future. Because of the highly technical nature of our batteries and battery systems, the loss of any significant number of our existing engineering and project management personnel could have a material adverse effect on our business and results of operations.

Our working capital requirements involve estimates based on demand expectations and may decrease or increase beyond those currently anticipated, which could harm our operating results and financial condition.

In order to fulfill the product delivery requirements of our customers, we plan for working capital needs in advance of customer orders. As a result, we base our funding and inventory decisions on estimates of future demand. If demand for our products does not increase as quickly as we have estimated or drops off sharply, our inventory and expenses could rise, and our business and operating results could suffer. Alternatively, if we experience sales in excess of our estimates, our working capital needs may be higher than those currently anticipated. Our ability to meet this excess customer demand depends on our ability to arrange for additional financing for any ongoing working capital shortages, since it is likely that cash flow from sales will lag behind these investment requirements.

Laws regulating the manufacture or transportation of batteries may be enacted which could result in a delay in the production of our batteries or the imposition of additional costs that could harm our ability to be profitable.

Laws and regulations exist today, and additional laws and regulations may be enacted in the future, which impose environmental, health and safety controls on the storage, use and disposal of certain chemicals and metals used in the manufacture of lithium-ion batteries. Complying with any laws or regulations could require significant time and resources from our technical staff and possible redesign of one or more of our products, which may result in substantial expenditures and delays in the production of one or more of our products, all of which could harm our business and reduce our future profitability. The transportation of lithium and lithium-ion batteries is regulated both domestically and internationally. Compliance with these regulations, when applicable, increases the cost of producing and delivering our products.

Electrovaya does not have a collaborative partner to assist it in the development of its batteries, which may limit its ability to develop and commercialize its products on a timely basis.

Electrovaya believes that the formation of strategic partnerships will be critical for the Company to meet its business objectives. It will continue to seek arrangements with potential partners to mitigate development and commercialization risks going forward, balanced by its objective to maximize market share and penetration by not entering into exclusivity arrangements with a single partner.

The Company expects to continue to incur significant costs and invest considerable resources designing and testing batteries for use with, or incorporation into, specific products, which may not translate into revenue for long periods of time, or ever.

The development by the Company of new applications for its rechargeable batteries is a complex and time-consuming process. New battery designs and enhancements to existing battery models can require long development and testing periods. Significant delays in new product releases or significant problems in creating new products could negatively impact the Company's revenues. Significant revenue from these investments may not be achieved for a number of years, if at all. Moreover, these applications may never be profitable and even if they are profitable, operating margins may be low.

We depend on contract manufacturing.

There are many risks associated with contract manufacturing. Trade wars and associated tariffs, as well as other associated factors, such as Russia's invasion of Ukraine could make contract manufacturing too expensive to operate. Our intellectual property is more difficult to control in contract manufacturing. Contract manufacturing could lead to products with inferior quality, especially as we will have to depend on the quality practices of the contract manufacturer. There is also potential loss of control of the supply chain, potential supplier credit risk, and third-party product and financial liability.

Our products depend on intellectual property, which may be subject to challenge or failures to adequately protect it.

Our success depends, in part, on our ability to protect our proprietary methodologies, processes, know-how, tools, techniques and other intellectual property that we use to manufacture and sell our products. If we fail to protect our proprietary technology, we may lose any competitive advantage it provides. Others may claim that the Company's products infringe on their intellectual property rights, which could result in significant expenses for litigation, developing new technology or licensing existing technologies from third parties. If we are unable to maintain registration of our trademarks, or if our trademarks or trade name are found to violate the rights of others, the Company may have to change its trademarks or name and lose any associated goodwill.

We have had a history of losses, and we may be unable to achieve or sustain profitability.

We have never been profitable on an annual basis. We expect to incur expenses as we continue to develop and expand our business and our manufacturing capacity. We may incur significant losses in the future for a number of reasons, including the risks described in this AIF, and we may encounter unforeseen expenses, difficulties, complications, delays and other unknown events. Accordingly, we may not be able to achieve or maintain profitability.

The Company manufactures products which can become hazardous in some circumstances.

Electrovaya is exposed to certain risks as a result of being in an industry that manufactures devices or products containing energy. All lithium-ion polymer batteries can become hazardous under some circumstances. In the event of a short circuit or other physical, electrical or thermal damage to these batteries, chemical reactions may occur that release excess heat or gases, which could create dangerous situations, including fire, explosions and releases of toxic fumes. The Company's batteries may emit smoke, catch fire or emit gas, any of which may expose Electrovaya to product liability litigation. In addition, these batteries incorporate potentially hazardous materials, which may require special handling, and safety problems may develop in the future. Product failure or improper use of lithium-ion polymer battery products, such as the improper management of the charging/discharging system, may also result in dangerous situations. The identification of any health or safety concerns could affect the Company's reputation and sales. Changes in environmental or other regulations affecting the manufacture, transportation or sale of Electrovaya's products could also adversely affect the Company's ability to manufacture or sell its products or result in increased costs or liability.

Electrovaya may be required to devote significant financial and management resources to processing and remedying warranty claims. If product liability issues arise, the Company could incur significant expenses and suffer damage to its reputation and the market acceptance of its products.

Our sales volume is not assured, and we depend on a limited number of customers for a significant portion of our sales.

The Company expects to continue to sell its products directly to corporate customers, but if these parties do not purchase these products or purchase them in lower quantities or over longer time periods than expected, Electrovaya's revenue profile and cash flows may be severely affected. The Company continues to rely upon a limited number of customers for a significant portion of its sales and the loss of any customer could have a material adverse effect on its sales and operating results and make it more difficult to attract and retain other customers.

If overall market demand for the Company's products and clean energy sources declines significantly, and consumer and corporate spending for such products declines, Electrovaya's revenue growth will be adversely affected. Additionally, the Company's revenues would be unfavorably impacted if customers reduce their purchases of new products or upgrades to the Company's existing product lineup if such new offerings are not perceived to add significant new functionality or other value to prospective purchasers.

Electrovaya depends on the supply of certain raw materials and components for the manufacture of anodes, cathode and separators, the supply of which is beyond our control. Such raw materials, especially lithium salts, may be in short supply. As demand for lithium-ion batteries escalates there could be significant raw material shortages and the company may be unable to produce or deliver products to its customers or meet its cost targets due to escalation of prices of its raw materials.

Lithium salts have escalated in price as the demand for lithium-ion batteries increases, and the development of additional lithium salt supply to meet demand is not assured. In addition, Electrovaya's battery management systems contain electronics and microchips. Prices for raw materials critical to the Company's products could continue to escalate, and the price and delivery of electronic components and micro-chips can have high volatility. If the Company is unable to source critical raw materials and components in a cost-effective manner or at all, the Company may not be able to produce its products in the anticipated volume or at all, or charge a competitive price for its products, which could have a material adverse effect on its business and results of operations. Contract manufacturing reduces some of these risks to Electrovaya and moves it to the contract manufacturer.

Letters of Intent and Memoranda of Understanding Entered into by Electrovaya are non-binding and no definitive agreements may be executed.

Non-binding MoUs entered into by Electrovaya are subject to a number of risks including: (i) the arrangements are still in the negotiation phase and there is no assurance a definitive agreement will be reached or if reached, such agreement will be on the same terms as disclosed in the MoU, (ii) product specifications have not yet been agreed and thus Electrovaya cannot enter into a definitive agreement nor commence deliveries until the product specifications are agreed and a definitive arrangement is signed; (iii) no sales are assured under the MoUs and no firm irrevocable commitments have been obtained from the potential customer; and (iv) the MoUs and any definitive agreement entered into in furtherance thereof, may be subject to the same risk factors as the Contracts.

Our international operations and sales activities subject us to a number of risks, including unfavorable political, regulatory, labor and tax conditions.

Risks inherent to international operations and sales, include, but are not limited to, the following:

- difficulty in enforcing agreements, judgments and arbitration awards in foreign legal systems;
- impediments to the flow of foreign exchange capital payments and receipts due to exchange controls instituted by certain foreign governments and the fact that the local currencies of these countries are not freely convertible;
- inability to obtain, maintain or enforce intellectual property rights;
- changes in general economic and political conditions;
- changes in foreign government regulations and technical standards, including additional regulation of rechargeable batteries, power technology, or the transport of lithium or phosphate, which may reduce or eliminate our ability to sell or license in certain markets;
- requirements or preferences of foreign nations for domestic products could reduce demand for our products;
- trade barriers such as export requirements, tariffs, taxes and other restrictions and expenses, which could increase the prices of our products and make us less competitive; and
- longer payment cycles typically associated with international sales and potential difficulties in collecting accounts receivable, which may reduce the future profitability of foreign sales.

Our business in foreign jurisdictions (including the United States) requires us to respond to rapid changes in market conditions in these countries. Our overall success as a global business depends on our ability to succeed in different legal, regulatory, economic, social and political situations and conditions. We may not be able to develop and implement effective policies and strategies in each foreign jurisdiction where we do business.

Our strategic plan includes growth, which we may not be able to manage effectively.

If the Company fails to manage growth successfully, it could experience delays, cost overruns or other problems. Similarly, the Company is in a specialized industry where qualified, key personnel may be difficult to retain or replace on a cost-effective basis.

The shift into large energy storage product lines exposes us to elevated levels of system failure and therefore reputational and product liability risk, as larger products have longer lives and greater voltage capacities, and are therefore relied on more heavily.

Electrovaya has plans to build and deliver large MWh sized energy storage systems for grid energy storage. Safety concerns are further heightened in these systems as they are necessarily larger and with greater voltages, yet are contained in a small space. Furthermore, these systems are for expected use in utilities and other electrical energy delivery applications where typical service life is longer than automotive or similar applications. There is a risk that our systems will not meet utility and similar industry standards.

If securities or industry analysts do not publish or cease publishing research or reports about us, our business or our market, or if they change their recommendations regarding our shares adversely, our share price and trading volume could decline.

The trading market for our common shares will be influenced by the research and reports that industry or securities analysts may publish about us, our business, our market or our competitors. If any of the analysts who may cover us change their recommendation regarding our shares adversely, or provide more favorable relative recommendations about our competitors, our share price would likely decline. If any analyst who may cover us were to cease coverage of our company or fail to regularly publish reports on us, we could lose visibility in the financial markets, which in turn could cause our share price or trading volume to decline.

We are exposed to risks associated with the fluctuation of currency values.

The Company is exposed to foreign currency risk. The Company's functional currency is the Canadian dollar and a majority of its revenue is derived in United States dollars. Purchases are denominated in Canadian dollars and United States dollars. The majority of the Company's operations are located primarily in Canada. Any fluctuations in the value of any of these currencies relative to the Canadian dollar or to each other may result in a material effect on the results of the Company's operations.

Our share price may be volatile.

The market price of our common shares could be subject to significant fluctuations, and it may decline below the price at which you purchased it. Market prices for securities of early stage companies have historically been particularly volatile. As a result of this volatility, you may not be able to sell your common shares at or above the price you paid. Some of the factors that may cause the market price of our common shares to fluctuate include:

- fluctuations in our quarterly financial results or the quarterly financial results of companies perceived to be similar to us;
- fluctuations in our recorded revenue, even during periods of significant sales order activity;
- changes in estimates of our future financial results or recommendations by securities analysts;
- failure of any of our products to achieve or maintain market acceptance;
- product liability issues involving our products or our competitors' products;
- changes in market valuations of similar companies;
- success of competitive products or technologies;
- changes in our capital structure, such as future issuances of securities or the incurrence of debt;
- announcements by us or our competitors of significant services, contracts, acquisitions or strategic alliances;
- regulatory developments in Canada, the United States or foreign countries;
- litigation involving us, our general industry or both;
- additions or departures of key personnel;
- investors' general perception of us and our business; and
- changes in general economic, industry and market conditions.

In addition, if the market for technology stocks or the stock market in general experiences a loss of investor confidence, the trading price of our common shares could decline for reasons unrelated to our business, financial condition or results of operations. The occurrence of any of the foregoing, without limitation, could cause the trading price of our shares to fall and may expose us to class action lawsuits that, even if unsuccessful, could be costly to defend and a distraction to management.

We do not expect to declare any dividends in the foreseeable future.

We do not anticipate declaring any cash dividends to holders of our common shares in the foreseeable future. Consequently, investors may need to rely on sales of their common shares after price appreciation, which may never occur, as the only way to realize any future gains on their investment. Investors seeking cash dividends should not purchase our common shares.

Adverse business or financial conditions affecting the electromotive and energy storage industries may have a material adverse effect on our development and marketing partners and our battery business.

Our financial results may vary significantly from period-to-period due to the long and unpredictable sales cycles for some of our products and changes in the mix of products we sell during a period, which may lead to volatility in our operating results and share price.

Much of our business depends on and is directly affected by the general economic state of Canada and the United States and the global material handling and energy storage industry. Possible effects could include reduced spending on alternative energy systems, a delay in the introduction of new, or the cancellation of new and existing, hybrid and electric vehicles and programs, and a delay in the conversion of existing batteries to lithium-ion batteries, each of which would have a material adverse effect on our business.

The size and timing of our revenue from sales to our customers is difficult to predict and is market dependent. Our sales efforts often require us to educate our customers about the use and benefits of our products, including their technical and performance characteristics. Customers typically undertake a significant evaluation process that has in the past resulted in a lengthy sales cycle for us, typically many months. In some markets such as the transportation market, there is usually a significant lag time between the design phase and commercial production. We spend substantial amounts of time and money on our sales efforts and there is no assurance that these investments will produce any sales within expected time frames or at all. Given the potentially large size of battery development and supply contracts, the loss of or delay in the signing of a contract or a customer order could significantly reduce our revenue in any period. Since most of our operating and capital expenses are incurred based on the estimated number of design wins and their timing, they are difficult to adjust in the short term. As a result, if our revenue falls below our expectations or is delayed in any period, we may not be able to reduce proportionately our operating expenses or manufacturing costs for that period, and any reduction of manufacturing capacity could have long-term implications on our ability to accommodate future demand.

Our profitability from period-to-period may also vary significantly due to the mix of products that we sell in different periods. As we expand our business we expect to sell new battery and battery system products into new markets and applications. These products are likely to have different cost profiles and will be sold into markets governed by different business dynamics. Consequently, sales of individual products may not necessarily be consistent across periods, which could affect product mix and cause revenues and profit or loss to vary significantly.

As a result of these factors, we believe that quarter-to-quarter comparisons of our operating results are not meaningful in every circumstance and that these comparisons cannot be relied upon as indicators of future performance. Moreover, our operating results may not meet expectations of equity research analysts or investors. If this occurs, the trading price of our common shares could fall substantially either suddenly or over time.

We are dependent upon customers who manufacture their own finished products for our sales, and the actions and risks affecting these customers may also affect us, which risks we may not be able to effectively mitigate.

To be commercially useful, battery products must be integrated into products manufactured by customers, such as OEMs. We can offer no guarantee that such customers will manufacture appropriate, durable or safe products incorporating our products. Any integration, design, manufacturing or marketing problems encountered by such OEMs could adversely affect our reputation and therefore the market for our products and our financial results. The Company does not have visibility into the operating and business processes of its customers.

Our re-shoring of cell production in Jamestown, New York is delayed or canceled

The Company may be unsuccessful in gaining the required funding for its planned Jamestown NY cell assembly plans. Furthermore, even if funding is achieved, delays in procurement, supplies and outfitting may delay overall production timelines.

Electrovaya Solid State Battery developments may not result in any commercially viable technology

The Company may be unsuccessful in demonstrating viability, performance and manufacturability of its Solid State platform.

US Incentives related to the Inflation Reduction Act are Retracted

The Company believes that the Inflation Reduction Act provides a strong incentive to manufacture batteries in its planned manufacturing site in Jamestown, New York. Changes to this legislation could adversely impact the business case for these operations.

12. Additional Information

Additional information including directors' and officers' remuneration and indebtedness, principal holders of our securities, securities authorized for issuance under equity compensation plans, and interests of insiders in material transactions, where applicable, is contained in the management information circular for our most recent annual meeting of shareholders that involved the election of directors. Additional information is also included in our consolidated financial statements and MD&A for our most recently completed financial year. The foregoing and other information about the Company can be found on the SEDAR website for Canadian regulatory filings at www.sedar.com and on the Company's website at www.Electrovaya.com.

13. Audit Committee

The text of the Company's Audit Committee Charter is appended as Appendix "A".

The members of the Audit Committee of the Company are indicated in the listing of Directors in the section above entitled "Directors and Officers". All members of the Audit Committee are financially literate and independent.

In addition to carrying out its statutory legal responsibilities (including review of the Company's annual consolidated financial statements prior to their presentation to the Board) the Audit Committee reviews all financial reporting, including interim financial statements and management's discussion and analysis. The Audit Committee meets or confers with the Company's external auditors and with members of management at least four times a year (and more frequently as necessary) to assist it in the effective discharge of its duties. The Audit Committee also recommends to the Board the auditors to be appointed as the Company's auditors at the annual meeting and the terms of their remuneration.

Pursuant to the Audit Committee's charter, any non-audit services to be provided to the Company must be approved by the Audit Committee prior to the auditors' engagement. Non-audit services are approved on an engagement-by-engagement basis.

The following summarizes the fees paid for professional services rendered by Goodman and Associates and MNP LLP to the Company for the years ended September 30, 2023 and September 30, 2022:

Audit Fees	***2023****	***2022****
Audit and quarterly review for the fiscal years 2022 and only quarterly review for the fiscal year 2023 by Goodman and Associates.	$ 24,447	$ 93,640
Audit fee for 2023 by MNP LLP	$ 297,109	
Total	$ 321,556	$ 93,640
Audit-related Fees	Nil	Nil
Tax Fees		
Year-end tax returns preparation, NTR preparation, preparation and filing of required tax forms by Goodman and Associates	Included in above fees	Included in above fees
All other Fees	Nil	Nil
Total fees	$ 321,556	$ 93,640

** Converted into US dollars at the average rate for the fiscal year ended September 30, 202 3 and 2022 respectively (2023: 1.3482 Cdn dollars per US dollar 2022: 1.2815 Cdn dollars per US dollar;)*

Appendix "A"
AUDIT COMMITTEE CHARTER

ELECTROVAYA INC.

1. General

It is the policy of Electrovaya Inc. (the "Corporation") to establish and maintain an Audit Committee (the "Committee"), composed entirely of independent directors, to assist the board of directors (the "Board") in carrying out its oversight responsibility for the Corporation's internal controls, financial reporting and risk management processes. The Committee will be provided with resources commensurate with the duties and responsibilities assigned to it by the Board, including administrative support. If determined necessary by the Committee, it will have the discretion to institute investigations of improprieties, or suspected improprieties within the scope of its responsibilities, including the standing authority to retain special counsel or experts.

2. Composition of the Committee

2.1 **The Committee shall consist of at least three directors. The Board shall appoint the members of the Committee. The Committee shall appoint one member to be the chair of the Committee (the "Chair").**

2.2 **Each director appointed to the Committee by the Board shall be an outside director who is unrelated. An outside, unrelated director is a director who is independent of management and is free from any interest, any business or other relationship which could, or could reasonably be perceived, to materially interfere with the director's ability to act with a view to the best interests of the Corporation, other than interests and relationships arising from shareholdings. In determining whether a director is independent of management, the Board shall make reference to the then current legislation, rules, policies and instruments of applicable regulatory authorities. Notwithstanding these guidelines, determination of independence is to be decided by the Board, whose decision is final.**

2.3 **Each member of the Committee shall be "financially literate". A director appointed by the Board to the Committee shall be a member of the Committee until replaced by the Board or until his or her resignation.**

3. Meetings of the Committee

3.1 **The Committee shall convene a minimum of four times each year at such times and places as may be designated by the Chair and whenever a meeting is requested by the Board, a member of the Committee, the auditors, or a senior officer of the Corporation. Meetings of the Committee shall also correspond with the review of the quarterly financial statements and management's discussion and analysis.**

3.2 **Notice of each meeting of the Committee shall be given to each member of the Committee and to the auditors, who shall be entitled to attend each meeting of the Committee and shall attend whenever requested to do so by a member of the Committee. However, no notice of a meeting shall be necessary if all of the members are present either in person or by means of telephone or web conference, or other communication equipment, or if those absent waive notice or otherwise signify their consent to the holding of such meeting.**

3.3 **Notice of a meeting of the Committee shall:**

3.3.1 be in writing;

3.3.2 state the nature of the business to be transacted at the meeting in reasonable detail;

3.3.3 to the extent practicable, be accompanied by copies of documentation to be considered at the meeting; and

3.3.4 be given at least two business days prior to the time stipulated for the meeting or such shorter period as the members of the Committee may permit.

3.4 **A quorum for the transaction of business at a meeting of the Committee shall consist of a majority of the members of the Committee. However, it shall be the practice of the Committee to require review, and, if necessary, approval of certain important matters by all members of the Committee.**

3.5 **Any matter to be determined by the Committee shall be decided by a majority of the votes cast at a meeting of the Committee called for such purpose. Any action of the Committee may also be taken by an instrument or instruments in writing signed by all of the members of the Committee (including in counterparts, by facsimile or other electronic signature) and any such action shall be as effective as if it had been decided by a majority of the votes cast at a meeting of the Committee called for such purpose.**

3.6 **A member or members of the Committee may participate in a meeting of the Committee by means of such telephonic, electronic or other communication facilities, as permits all persons participating in the meeting to communicate adequately with each other. A member participating in such a meeting by any such means is deemed to be present at the meeting.**

3.7 **In the absence of the Chair, the members of the Committee shall choose one of the members present to be chair of the meeting. In addition, the members of the Committee shall choose one of the persons present to be the secretary of the meeting.**

3.8 **The chairman of the Board, senior management of the Corporation and other parties may attend meetings of the Committee; however, the Committee (i) shall meet with the external auditors independent of management, as necessary, in the sole discretion of the Committee, but in any event, not less than quarterly; and (ii) may meet separately with management.**

3.9 **The Committee shall hold an in-camera session without any senior officers present at each meeting of the Committee, unless such a session is not considered necessary by the members present.**

3.10 **Minutes shall be kept of all meetings of the Committee and shall be signed by the chair and the secretary of the meeting.**

4. Committee Responsibilities

The Committee's primary responsibilities are to:

4.1 **identify and monitor the management of the principal risks that could impact the financial reporting of the Corporation;**

4.2 **monitor the integrity of the Corporation's financial reporting process and system of internal controls regarding financial reporting and accounting compliance;**

4.3 **engage independent counsel and other advisors as it determines necessary to carry out its duties;**

4.4 **set and pay the compensation for any advisors employed by the audit committee**

4.5 **monitor the independence and performance of the Corporation's external auditors;**

4.6 **communicate directly with the internal and external auditors;**

4.7 **deal directly with the external auditors to approve external audit plans, other services (if any) and fees;**

4.8 **directly oversee the external audit process and results;**

4.9 **provide an avenue of communication among the external auditors, management and the Board; and,**

4.10 **ensure that there is an appropriate standard of corporate conduct relating to the internal controls and financial reporting of the Corporation.**

5. Duties

5.1 **The Committee shall:**

5.1.1 review the audit plan with the Corporation's external auditors and with management;

5.1.2 discuss with management and the external auditors any proposed changes in major accounting policies or principles, the presentation and impact of significant risks and uncertainties and key estimates and judgments of management that may be material to financial reporting;

5.1.3 review with management and with the external auditors significant financial reporting issues arising during the most recent fiscal period and the resolution or proposed resolution of such issues;

5.1.4 review any problems experienced or concerns expressed by the external auditors in performing an audit, including any restrictions imposed by management or significant accounting issues on which there was a disagreement with management;

5.1.5 review with senior management the process of identifying, monitoring and reporting the principal risks affecting financial reporting;

5.1.6 consider whether the Corporation's financial disclosures are complete, accurate, prepared in accordance with IFRS and fairly present the financial position of the Corporation;

5.1.7 obtain timely reports from the external auditors describing critical accounting policies and practices applicable to the Corporation, the alternative treatment of information in accordance with IFRS that were discussed with the CFO of the Corporation, the ramifications thereof, and the external auditor's preferred treatment, and should review any material written communications between the Corporation and the external auditor;

5.1.8 review and discuss with senior officers of the Corporation any guidance being provided on the expected future results and financial performance of the Corporation, and provide its recommendations on such guidance to the Board;

5.1.9 review the procedures which are in place for the review of the public disclosure by the Corporation of financial information extracted or derived from the financial statements of the Corporation and periodically assess the adequacy of such procedures;

5.1.10 review audited annual financial statements and related documents in conjunction with the report of the external auditors and obtain an explanation from management of all significant variances between comparative reporting periods;

5.1.11 consider and review with management, the internal control memorandum or management letter containing the recommendations of the external auditors and management's response, if any, including an evaluation of the adequacy and effectiveness of the internal financial controls of the Corporation and subsequent follow-up to any identified weaknesses;

5.1.12 review with financial management and the external auditors the quarterly unaudited financial statements and management's discussion and analysis before release to the public;

5.1.13 before release, review and if appropriate, recommend for approval by the Board, all public disclosure documents containing audited or unaudited financial information, including any prospectuses or securities offering documents (including documents incorporated by reference therein), annual reports, annual information forms, management's discussion and analysis and press releases containing financial information;

5.1.14 review, consider and if appropriate, approve any transactions between the Corporation and related parties of the Corporation and specifically reviewing the actions taken by, and especially non-management expenditures proposed by Board members to certify that these are correctly in the best interests of the Company and not just in the interest of a Board member or group of Board members;

5.1.15 oversee any of the financial affairs of the Corporation, its subsidiaries or affiliates, and, if deemed appropriate, make recommendations to the Board, external auditors or management;

5.1.16 evaluate the independence and performance of the external auditors and annually recommend to the Board the appointment of the external auditors or the discharge of the external auditors when circumstances are warranted;

5.1.17 consider the recommendations of management in respect of the appointment of the external auditors;

5.1.18 pre-approve all non-audit services to be provided to the Corporation or its subsidiary entities by its external auditors, or the external auditors of the Corporation's subsidiary entities (if any);

5.1.19 approve the engagement letter for non-audit services to be provided by the external auditors or affiliates, together with estimated fees, and consider the potential impact of such services on the independence of the external auditors;

5.1.20 review the fees paid by the Corporation to the external auditor in respect of audit and non-audit services on an annual basis;

5.1.21 when there is to be a change of external auditors, review all issues and provide documentation related to the change, including the information to be included in the Notice of Change of Auditors and documentation required pursuant to National Instrument 51-102 — Continuous Disclosure Obligations (or any successor instrument) of the Canadian Securities Administrators and the planned steps for an orderly transition period;

5.1.22 review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the external auditors and any former external auditors;

5.1.23 review all reportable events, including disagreements, unresolved issues and consultations, as defined by applicable securities policies, on a routine basis, whether or not there is to be a change of external auditors; and

5.1.24 review with management at least annually, the financing strategy and plans of the Corporation.

5.2 **The Committee has the authority to:**

5.2.1 inspect any and all of the books and records of the Corporation, its subsidiaries and affiliates (to the extent necessary);

5.2.2 discuss with the management of the Corporation, its subsidiaries and affiliates and senior staff of the Corporation, any affected party and the external auditors, such accounts, records and other matters as any member of the Committee considers necessary and appropriate;

5.2.3 engage independent counsel and other advisors as it determines necessary to carry out its duties;

5.2.4 to set and pay the compensation for any advisors employed by the Committee;

5.2.5 conduct any investigation considered appropriate by the Committee; and

5.2.6 at any meeting, request the presence of the auditor, a member of senior management or any other person who could contribute to the subject of the meeting.

5.3 **The Committee shall, at the earliest opportunity after each meeting, report to the Board the results of its activities and any reviews undertaken and make recommendations to the Board as deemed appropriate.**

6. Chair of the Committee

6.1 **The Committee will appoint one member who is qualified for such purpose to be Chair, to serve until the next annual election of directors or otherwise until his or her successor is duly appointed. If, following the election of directors, in any year, the Board does not appoint a Chair, the incumbent Chair will continue in office until a successor is appointed.**

6.2 **The Chair should:**

6.2.1 provide leadership to the Committee and oversee the functioning of the Committee;

6.2.2 chair meetings of the Committee (unless not present), including in-camera sessions, and report to the Board following each meeting of the Committee on the activities and any recommendations and decisions of the Committee, and otherwise at such times and in such manner as the Chair considers advisable;

6.2.3 ensure that the Committee meets at least quarterly in each financial year of the Corporation, and otherwise as is considered advisable;

6.2.4 in consultation with the Chairman of the Board and the members of the Committee, establish dates for holding meetings of the Committee;

6.2.5 set the agenda for each meeting of the Committee, with input from other members of the Committee, the Chairman of the Board, and any other appropriate individuals;

6.2.6 ensure that Committee materials are available to any director upon request;

6.2.7 act as a liaison, and maintain communication, with the Chairman of the Board, and the Board to coordinate input from the Board and to optimize the effectiveness of the Committee;

6.2.8 report annually to the Board on the role of the Committee and the effectiveness of the Committee in contributing to the effectiveness of the Board;

6.2.9 assist the members of the Committee to understand and comply with the responsibilities contained in this mandate;

6.2.10 foster ethical and responsible decision making by the Committee;

6.2.11 together with the Board, oversee the structure, composition and membership of, and activities delegated to, the Committee from time to time;

6.2.12 ensure appropriate information is provided to the Committee by the senior officers of the Corporation to enable the Committee to function effectively and comply with this mandate;

6.2.13 ensure that appropriate resources and expertise are available to the Committee;

6.2.14 ensure that the Committee considers whether any independent counsel or other experts or advisors retained by the Committee are appropriately qualified and independent in accordance with the applicable laws;

6.2.15 facilitate effective communication between the members of the Committee and the senior officers of the Corporation, and encourage an open and frank relationship between the Committee and the external auditor;

6.2.16 attend, or arrange for another member of the Committee to attend, each meeting of the shareholders of the Corporation to respond to any questions from shareholders that may be asked of the Committee; and

6.2.17 perform such other duties as may be delegated to the Chair by the Committee or the Board from time to time.

7. Removal and Vacancies

Any member of the Committee may be removed and replaced at any time by the Board, and will automatically cease to be a member as soon as he or she resigns or ceases to meet the qualifications set out above. The Board will fill vacancies on the Committee by appointment from among qualified members of the Board on the recommendation of the Committee. If a vacancy exists on the Committee, the remaining members will exercise all of its powers so long as a quorum remains in office.

8. Assessment

At least annually, the Committee will assess its effectiveness in fulfilling its responsibilities and duties as set out in this Mandate and in a manner consistent with the Board mandate to be adopted by the Board.

9. Review and Disclosure

The Committee will review this Mandate at least annually and submit it to the Board for approval with such further proposed amendments as it deems necessary and appropriate.

10. Access to Outside Advisors

The Committee may retain any outside advisor, at the expense of the Corporation at any time and has the authority to determine any such advisor's fees and other retention terms. The Committee, and any outside advisors retained by it, will have access to all records and information relating to the Corporation and its subsidiaries which it deems relevant to the performance of its duties.

EXHIBIT 99.2

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Directors and Shareholders of Electrovaya Inc.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated statement of financial position of Electrovaya Inc. and its subsidiaries (the "Company") as of September 30, 2023, and the related consolidated statements of earnings (operations), comprehensive income (loss), changes in equity, and cash flows for the year ended September 30, 2023, and the related notes (collectively referred to as the consolidated financial statements).

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of September 30, 2023, and the results of its consolidated operations and its consolidated cash flows for the year ended September 30, 2023, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS").

Material Uncertainty Related to Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2(b) of the consolidated financial statements, the Company has recurring net losses and negative cash flows from operations that raise substantial doubt about its ability to continue as a going concern. Management's plans regarding these matters are also described in Note 2(b). The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion
These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audit provide a reasonable basis for our opinion.

MNP LLP
1 Adelaide Street East, Suite 1900, Toronto ON, M5C 2V9
1.877.251.2922 T: 416.596.1711 F: 416.596.7894

MNP LLP

/s/ MNP LLP

Chartered Professional Accountants
Licensed Public Accountants

We have served as the Company's auditor since 2023.
Toronto, Canada
January 2, 2024
PCAOB ID: 1930

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Electrovaya Inc.

Opinion
We have audited the comparative information of Electrovaya Inc. (the "Company"), which comprise the consolidated statement of financial position as at September 30, 2022 and October 1, 2021, and the consolidated statements of earnings, comprehensive earnings, changes in equity and cash flows for the year ended September 30, 2022, and other explanatory information, including Note 27 which explains the restatement of the Company's financial statements as at September 30, 2022. (Hereinafter referred to as the "financial statements".)

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2022 and October 1, 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS") as issued by International Accounting Standards Board.

Basis for Opinion
We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the year ended September 30, 2022. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our auditor's report.

Other Information
Management is responsible for the other information. The other information comprises the information included in "Management's Discussion and Analysis" but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and in doing so, consider whether the

other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement,

whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company’s audit. We remain solely responsible for our audit opinion.

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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Alan Goodman, CPA, CA, LPA.

Goodman & Associates LLP
Chartered Professional Accountants
Licensed Public Accountants

Toronto, Ontario
January 2, 2024



ELECTROVAYA INC.
Consolidated Statements of Financial Position
(Expressed in thousands of U.S. dollars)
As at September 30, 2023 and September 30, 2022

	2023	As Restated 2022 (Note 27)
Assets		
Current assets		
Cash and cash equivalents	$ 1,032	$ 626
Trade and other receivables (note 5)	10,611	2,913
Inventories (note 6)	8,266	7,355
Prepaid expenses and other (note 8)	5,997	3,894
Total current assets	25,906	14,788
Non current assets		
Property, plant and equipment (note 9)	10,149	7,313
Long-term deposit	459	88
Total non-current assets	10,608	7,401
Total assets	$ 36,514	$ 22,189
Liabilities and Equity		
Current liabilities		
Trade and other payables (note 11)	$ 8,429	$ 4,714
Working capital facilities (note 12(a))	11,821	11,635
Promissory notes (note 12(b))	1,026	4,363
Promissory note and other loans (note 14)	3,457	1,255
Derivative warrants liability (note 21)	1,489	-
Due to related parties (note 17)	-	531
Lease liability – current portion (note 15)	389	164
Total current liabilities	26,611	22,662
Non-current liabilities		
Lease liability – non-current portion (note 15)	2,338	2,235
Relief and recovery fund payable (note 19)	96	102
Other payables (note 24)	323	440
Promissory note (note 14)	-	3,457
Total non-current liabilities	2,757	6,234
Equity (Deficiency)		
Share capital (note 16)	115,041	103,305
Contributed surplus	9,249	8,099
Warrants (note 16)	4,725	4,725
Accumulated other comprehensive income	8,581	6,135
Deficit	(130,450)	(128,971)
Total Equity (Deficiency)	7,146	(6,707)
Total liabilities and equity (deficiency)	$ 36,514	$ 22,189

See accompanying notes to the consolidated financial statements.

Signed on behalf of the Board of Directors

Chair of the Board	Sankar Dasgupta	Director
Chair of Audit Committee	James K. Jacobs	Director

ELECTROVAYA INC.
Consolidated Statement of Earnings (Operations)
(Expressed in thousands of U.S. dollars, except per share amounts)
Years ended September 30, 2023 and September 30, 2022

	As Restated

	September 30, 2023	September 30, 2022 (Note 27)
Revenue (note 23)	$ 44,059	$ 16,270
Direct manufacturing costs (note 6(b))	32,203	12,396
Gross margin	11,856	3,874
Expenses		
Research and development	3,382	3,434
Government assistance (note 20)	(387)	(210)
Sales and marketing	1,897	1,147
General and administrative	3,687	3,046
Stock based compensation	1,167	3,223
Depreciation	907	503
	10,653	11,143
Profit (Loss) from operations	1,203	(7,269)
Net finance charges (note 14)	2,474	3,033
Foreign exchange gain(loss) and interest income	(887)	1,091
Net loss before income taxes	(2,158)	(9,211)
Deferred tax recovery (note 25)	679	-
Net loss for the year	(1,479)	(9,211)
Basic and Diluted loss per share	$ (0.04)	$ (0.31)
Weighted average number of shares		
Outstanding, basic and fully diluted	33,832,784	29,344,622

See accompanying notes to consolidated financial statements

ELECTROVAYA INC.
Consolidated Statement of Comprehensive income (Loss)
(Expressed in thousands of U.S. dollars)
Years ended September 30, 2023 and September 30, 2022

	September 30, 2023	As Restated September 30, 2022 (Note 27)
Net income (loss) for the year	$ (1,479)	$ (9,211)
Items that will not be reclassified to profit or loss		-
Revaluation surplus (net of tax of $679) (note 7, 25)	1,921	
Items that may be reclassified to profit or loss Currency translation differences	525	585
Other comprehensive income for the period	2,446	585
Total Comprehensive income (loss) for the period	967	(8,626)

See accompanying notes to consolidated financial statements.

ELECTROVAYA INC.
Consolidated Statement of Changes in Equity
(Expressed in thousands of U.S. dollars)
Years ended September 30, 2023 and September 30, 2022

	Share Capital	Contributed Surplus	Deficit	Warrants	Accumulated other Comprehensive Income	Total
Balance – October 01, 2021 (as restated, note 27)	$ 102,498	$ 4,903	$ (119,760)	$ 4,687	$ 5,550	$ (2,122)
Stock-based compensation	-	3,223	-	-	-	3,223
Issue of shares	780	-	-	-	-	780
Issue of broker warrants	-	-	-	38	-	38
Exercise of options	27	(27)	-	-	-	-
Currency translation differences	-	-	-	-	585	585
Net loss for the year	-	-	(9,211)	-	-	(9,211)
Balance – September 30, 2022 (as restated, note 27)	$ 103,305	$ 8,099	$ (128,971)	$ 4,725	$ 6,135	$ (6,707)
Balance – October 01, 2022 (as restated, note 27)	$ 103,305	$ 8,099	$ (128,971)	$ 4,725	$ 6,135	$ (6,707)
Stock-based compensation	-	1,167	-	-	-	1,167
Issue of shares	7,306	-	-	-	-	7,306
Exercise of warrants	4,413		-	-	-	4,413
Exercise of options	17	(17)	-	-	-	-
Revaluation of property	-	-	-	-	1,921	1,921
Currency translation differences	-	-	-	-	525	525
Net loss for the year	-	-	(1,479)	-	-	(1,479)
Balance – September 30, 2023	$ 115,041	$ 9,249	$ (130,450)	$ 4,725	$ 8,581	$ 7,146

See accompanying notes to consolidated financial statements.

	September 30, 2023	As Restated September 30, 2022 (Note 27)
Cash and cash equivalents provided by (used in)		
Operating activities		
Net loss for the period	$ (1,479)	$ (9,211)
Items not involving cash:		
Depreciation	907	503
Stock based compensation expense	1,167	3,223
Deferred tax recovery (note 25)	(679)	-
Premium on purchase of SEJ (note 17)	495	-
Net finance charges	2,474	3,033
Cash and cash equivalents provided by (used in) operating activities	2,885	(2,452)
Net changes in working capital (note 18)	(7,741)	(6,373)
Cash and cash equivalents used in operating activities	(4,856)	(8,825)
Investing activities		
Purchase of property, plant and equipment	(505)	(203)
Change in long-term deposit	(398)	(9)
Cash and cash equivalents (used in) investing activities	(903)	(212)
Financing activities		
Issuance of shares	7,167	780
Issuance of warrants	3,259	-
Exercise of options	21	27
Exercise of warrants	3,004	-
Proceeds from working capital facilities (note 12a)	35,727	21,522
Repayment of working capital facilities (note 12a)	(34,184)	(11,435)
Repayment of Vendor Take Back loan (note 14)	(750)	(150)
Repayment of Promissory Note (note 12b)	(4,363)	-
Repayment of Promissory Note (note 14)	(582)	-
Lease payments	(707)	(744)
Interest and financing fees	(2,391)	(2,114)

Cash and cash equivalents from (used in) financing activities	6,201	7,886
Increase (Decrease) in cash and cash equivalents	442	(1,151)
Effect of movements in exchange rates on cash held	(36)	(2,425)
Cash and cash equivalents, beginning of year	626	4,202
Cash and cash equivalents, end of year	1,032	626
Supplemental cash flow disclosures:		
Income tax paid	-	-
Interest paid	2,089	2,308

See accompanying notes to consolidated financial statements.

1. Reporting Entity

Electrovaya Inc. (the "Company") is domiciled in Ontario, Canada, and is incorporated under the Business Corporations Act (Ontario). The Company's registered office is at 6688 Kitimat Road, Mississauga, Ontario, L5N 1P8, Canada. The Company's common shares trade on the Toronto Stock Exchange and NASDAQ under the symbol ELVA.TO and ELVA respectively. The Company has no immediate or ultimate controlling parent.

These consolidated financial statements comprise the Company and its subsidiaries (together referred to as the “Group”). The Group is primarily involved in the design, development, manufacturing and sale of Lithium-Ion batteries, battery systems and battery-related products for energy storage, clean electric transportation, and other specialized applications.

2. Basis of Presentation

a) Statement of Compliance

These consolidated financial statements have been prepared based on the principles of International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

These consolidated financial statements were authorized for issuance by the Company’s Board of Directors on January 2, 2024.

b) Basis of Accounting

These consolidated financial statements have been prepared on the going concern basis, which contemplates the realization of assets and settlement of liabilities as they fall due in the normal course of business.

During the year ended September 30, 2023, the Company generated negative cash from operations of $ 4.8 million (September 30, 2022: $8.8 million). As of September 30, 2023, the Company had negative working capital of $ 7.7 million (September 30, 2022: $6.4 million) and a net loss of $ 1.4 million (2022: $ 9.2 million). The Company’s equity was a surplus of $ 7.1 million (September 30, 2022: deficiency of $6.7 million). As of September 30, 2023, the Company had cash and cash equivalents of $ 1.0 million (September 30, 2022: $0.6 million). The Company is also anticipating the planned construction of its gigafactory in Jamestown, New York (the "Gigafactory"), which will need additional financing.

The first phase of construction is expected to take place within the existing 135,000 square foot manufacturing facility for the production of cells and batteries, with an estimated capital expenditure of approximately US$38 million. These material uncertainties raise significant doubt upon the Company's ability to continue as a going concern.

In assessing whether the going concern assumption was appropriate, management took into account all relevant information available about the future, which was at least, but not limited to, the twelve-month period following September 30, 2023. The Company and its Board of Directors have implemented various operating and financing strategies, including the following:

Subsequent to year-end, the Company renewed its revolving credit facility and extended it to March 29, 2024 with capability to refinance earlier. Despite this, it expects to refinance this facility with a different lender in fiscal year 2024, providing additional working capital to support the increase in revenue expected for fiscal year 2024.

The Company plans on pursuing large scale investments in its planned Jamestown gigafactory only in the event that it closes a government backed debt facility that includes advantageous terms with minimal impacts to operating cash flow and equity dilution. If the Company is unable to secure such financing, it will delay or cancel these expansion plans with limited financial impact as the main investment made thus far is the land and building which can be sold at a profit.

The Company has made improvements to its manufacturing process, equipment, and facilities over the last several months that have led to increased capacity and efficiency. Furthermore, the Company also anticipates gross margins to improve in fiscal year 2024 due to decreasing costs of key materials including but not limited to cell materials, separators, and other high value items.

These anticipated improved margins, when combined with expected overall sales growth should result in improved overall financial performance.

Finally, the Company is confident in securing additional working capital from either debt or equity. Since the Company listed on Nasdaq in July 2023, it has further increased liquidity and overall financing capabilities.

c) Functional and Presentation Currency

These consolidated financial statements are presented in U.S. dollars and have been rounded to the nearest thousands, except per share amounts and when otherwise indicated. The functional currency of the Company is the Canadian dollar and the functional currencies of the Group's subsidiaries include U.S. dollar.

d) Use of Judgements and Estimates.

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about significant areas of critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements relate to the following (judgements made are disclosed in individual notes throughout the financial statements where relevant):

- Acquisitions – at initial recognition and subsequent remeasurement, judgements are made both for key assumptions in the purchase price allocation for each acquisition and regarding impairment indicators in the subsequent period. The purchase price is assigned to the identifiable assets, liabilities, and contingent liabilities based on fair values. Any remaining excess value is reported as goodwill. This allocation requires judgement as well as the definition of cash generating units for impairment testing purposes. Other judgements might result in significantly different results and financial position in the future.

Information about significant areas of estimation uncertainty that have the most significant effect on the amounts recognized in the consolidated financial statements relate to the following (assumptions made are disclosed in individual notes throughout the financial statements where relevant):

- Estimates used in determining the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices;

- Estimates used in testing non-financial assets for impairment including determination of the recoverable amount of a cash generating unit;

- Estimates used in determining the fair value of stock option grants and warrants. These estimates include assumptions about the volatility of the Company's stock, forfeiture and expected exercise rates.

Allowance for credit losses

The allowance for expected credit losses is based on our assessment of the collectability of customer accounts and the aging of the related invoices and represents our best estimate of probable credit losses in our existing trade accounts receivable. We regularly review the allowance by considering factors such as historical experience, credit quality, the age of the account receivable balances, and current economic conditions that may affect a customer's ability to pay.

Stock-Based Compensation

We account for stock-based compensation costs in accordance with the accounting standards for stock-based compensation, which require that all stock-based payments to employees be recognized in the audited consolidated statements of earnings based on their fair values. The fair value of stock options on the grant date is estimated using the Black-Scholes option-pricing model using the single-option approach and the Monte Carlo valuation method depending on the type of option granted. The Black Scholes and Monte Carlo option pricing models require the use of highly subjective and complex assumptions, including the option's expected term and the price volatility of the underlying stock, to determine the fair value of the award.

Warrants

We account for warrants in accordance with the accounting standards for warrants, which requires all warrants to be recognized in the audited consolidated statement of financial position based on their fair values. The fair value of warrants on the grant date is estimated using the Black-Scholes pricing model approach. The Black Scholes pricing model requires the use of highly subjective and complex assumptions, including the warrant's expected term and the price volatility of the underlying stock, to determine the fair value of the award.

3. Significant Accounting Policies

The accounting policies below are in compliance with IFRS and have been applied consistently to all periods presented in these consolidated financial statements.

a) Basis of Measurement

These consolidated financial statements have been prepared primarily on the historical cost basis. Other measurement bases, where used, are described in the applicable notes.

b) Basis of consolidation

i) **Subsidiaries**

These consolidated financial statements include our direct and indirect subsidiaries, all of which are wholly-owned. Any subsidiaries that are formed or acquired during the year are consolidated from their respective dates of formation or acquisition. Inter-company transactions and balances are eliminated on consolidation.

Subsidiaries are entities controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Company. All subsidiaries have the same reporting dates as their parent Company.

ii) Transactions eliminated on consolidation

Intra-company balances and transactions, and any unrealized income and expenses arising from intra-company transactions, are eliminated in preparing the consolidated financial statements.

iii) Business Combinations

The Company uses the acquisition method to account for any business combinations. All identifiable assets and liabilities are recorded at fair value as of the acquisition date. Any goodwill that arises from business combinations is tested annually for impairment. Potential obligations for contingent consideration and other contingencies are also recorded at fair value as of the acquisition date. We record subsequent changes in the fair value of such potential obligations from the date of acquisition to the

settlement date in our consolidated statement of operations. We expense integration costs (for the establishment of business processes, infrastructure and information systems for acquired operations) and acquisition-related consulting and transaction costs as incurred in our consolidated statement of operations.

We use judgment to determine the estimates used to value identifiable assets and liabilities, and the fair value of potential obligations, if applicable, at the acquisition date. We may engage third parties to determine the fair value of certain inventory, property, plant and equipment and intangible assets. We use estimates to determine cash flow projections, including the period of expected future benefit, and future growth and discount rates, among other factors, to value intangible assets and contingent consideration. The fair value of acquired tangible assets are measured by applying the market, cost or replacement cost, or the income approach (using discounted cash flows and forecasts by management), as appropriate.

c) Foreign currency

Each subsidiary of the Company maintains its accounting records in its functional currency. A Company's functional currency is the currency of the principal economic environment in which it operates.

i) Foreign currency transactions

Transactions carried out in foreign currencies are translated using the exchange rate prevailing at the transaction date. Monetary assets and liabilities denominated in a foreign currency at the reporting date are translated at the exchange rate at that date. The foreign currency gain or loss on such monetary items is recognized as income or expense for the period. Non-monetary assets and liabilities denominated in a foreign currency are translated at the historical exchange rate prevailing at the transaction date.

ii) Translation of financial statements of foreign operations

The assets and liabilities of subsidiaries whose functional currency is not the U.S. dollar are translated into U.S. dollars at the exchange rate prevailing at the reporting date. The income and expenses of foreign operations whose functional currency is not the U.S. dollar are translated to U.S dollars at the exchange rate prevailing on the date of transaction. Foreign currency differences on translation are recognized in other comprehensive income in the cumulative translation account net of income tax.

Foreign exchange gains or losses arising from a monetary item receivable from or payable to a foreign operation, the settlement of which is neither planned nor likely to occur in the foreseeable future and which in substance is considered to form part of the net investment in the foreign operation, are recognized in other comprehensive income in the cumulative translation adjustment.

d) Financial instruments

Recognition

Financial assets and financial liabilities are recognized in the Company's consolidated statement of financial position when the Company becomes a party to the contractual provisions of the instrument. On initial recognition, all financial assets and financial liabilities are recorded at fair value, net of attributable transaction costs, except for financial assets and liabilities classified as at fair value through profit or loss ('FVTPL'). The directly attributable transactions costs of financial assets and liabilities as at FVTPL are expensed in the period in which they are incurred.

Subsequent measurement of financial assets and liabilities depends on the classification of such assets and liabilities.

Classification and Measurement

The Company determines the classification of its financial instruments at initial recognition. Financial assets and financial liabilities are classified according to the following measurement categories:

- those to be measured subsequently at fair value either through profit or loss ("FVTPL") or through other comprehensive income ("FVTOCI"); and,
- those to be measured subsequently at amortized cost.

The classification and measurement of financial assets after initial recognition at fair value depends on the business model for managing the financial asset and the contractual terms of the cash flows. Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding, are generally measured at amortized cost at each subsequent reporting period. All other financial assets are measured at their fair values at each subsequent reporting period, with any changes recorded through FVTPL or through FVTOCI (which designation is made as an irrevocable election at the time of recognition).

After initial recognition at fair value, financial liabilities are classified and measured at either:

- amortized cost;
- FVTPL, if the Company has made an irrevocable election at the time of recognition, or when required (for items such as instruments held for trading or derivatives); or,

The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

The Company's financial assets consist of cash and cash equivalents, trade and other receivables, which are classified and subsequently measured at amortized cost. The Company's financial liabilities consist of trade and other payables, working capital facilities, promissory notes, short term loans, lease liability, Due to related parties, Relief and Recovery fund payable, and other payables, which are classified and measured at amortized cost using the effective interest method. Derivative warrant liability is classified and measured at fair value through profit and loss. Interest expense is reported in profit or loss.

e) Cash equivalents

Cash equivalents include short-term investments with original maturities of three months or less.

f) Inventories

Inventories are stated at the lower of cost and net realizable value. Cost of raw material is determined using the average cost method. Cost of semi-finished and finished goods are determined using the First in First out (FIFO) method. Cost includes all expenses directly attributable to the manufacturing process as well as appropriate portions of related production overheads. Net realizable value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

g) Property, plant and equipment

Recognition and measurement:

Items of property, plant and equipment (other than land and buildings) are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes the cost of material and labor and other costs directly attributable to bringing the asset to a working condition for its intended use.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within profit or loss.

The Company capitalizes borrowing costs directly attributable to the acquisition, construction or production of qualifying property, plant and equipment as part of the cost of that asset, if applicable. Capitalized borrowing costs are amortized over the useful life of the related asset.

During the year, the Company adopted the revaluation method of accounting for the newly acquired building and land. Land and building measured using the revaluation method is initially measured at cost and subsequently carried at its revalued amount, being the fair value at the date of the revaluation less any subsequent accumulated depreciation and any accumulated impairment losses. Revaluations are made on an annual basis to ensure that the carrying amount does not differ significantly from fair value. Where the carrying amount of an asset increases as a result of revaluation, the increase is recognized in other comprehensive income or loss and accumulated in equity in revaluation surplus, unless the increase reverses a previously recognized impairment recorded through net income, in which case that portion of the increase is recognized in net income. Where the carrying amount of an asset decreases, the decrease is recognized in other comprehensive income to the extent of any balance existing in revaluation surplus in respect of the asset, with the remainder of the decrease recognized in profit or loss. Material residual value estimates and estimates of useful life are updated as required, but at least annually. Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amounts of the assets and are recognized in profit or loss within “other income” or “other expenses.

Subsequent costs:

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. Maintenance and repair costs are expensed as incurred, except where they serve to increase productivity or to prolong the useful life of an asset, in which case they are capitalized.

Depreciation is provided on a straight-line basis over the estimated useful lives of the assets.

The following useful lives are applied:

	Years
Leasehold improvements	5
Production equipment	2-15
Office Furniture and Equipment	2-5
Building	20
Right of use assets	Over the lease term

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

h) Leases

Where the Company has entered a lease, the Company has recognized a right-of-use asset representing its rights to use the underlying assets and a lease liability representing its obligation to make lease payments. The right-of-use asset, where it relates to an operating lease, has been presented net of accumulated depreciation and is disclosed in the Statement of Financial Position. The lease liability has been disclosed as a separate line item, allocated between current and non- current liabilities. The lease liability associated with all leases is measured at the present value of the expected lease payments at inception and discounted using the interest rate implicit in the lease. If the rate cannot be readily determined, the Company's incremental borrowing rate is used to discount the lease liability. Judgement is required to determine the incremental borrowing rate.

i) Intangible assets

The Company records intangible assets at fair value at the date of acquisition. An intangible asset is capitalized when the economic benefit associated with an asset is probable and when the cost can be measured reliably. Intangible assets are carried at cost less accumulated depreciation and impairment losses. Cost consists of expenditures directly attributable to the acquisition of the assets. Intangibles are amortized over a period of five years.

j) Impairment

(i) Financial assets

The Company recognizes an allowance for credit losses equal to lifetime credit losses for trade and other receivables. None of these assets include a financing component. Significant receivable balances are assessed for impairment individually based on information specific to the customer. The remaining receivables are grouped, where possible, based on shared credit risk characteristics, and assessed for impairment collectively. The allowance assessment incorporates past experience, current and expected future conditions.

(ii) Non-financial assets

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For intangible assets that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit ("CGU") is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. Fair value less costs of disposal is the amount obtainable from the sale of an asset or CGU in an arm's-length transaction between knowledgeable, willing parties, less the costs of disposal. Costs of disposal are incremental costs directly attributable to the disposal of an asset or CGU, excluding finance costs and income tax expense. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are allocated to the carrying amounts of the assets in the unit (group of units).

In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or depreciation, if no impairment loss had been recognized.

k) Provisions

Legal:

Provisions are recognized for present legal or constructive obligations arising from past events when the amount can be reliably estimated and it is probable that an outflow of resources will be required to settle an obligation. Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

At the end of each reporting period, the Company evaluates the appropriateness of the remaining balances. Adjustments to the recorded amounts may be required to reflect actual experience or to reflect the current best estimate.

In the normal course of our operations, the Company may be subject to lawsuits, investigations and other claims, including environmental, labor, product, customer disputes and other matters. The ultimate outcome or actual cost of settlement may vary significantly from our original estimates. Material obligations that have not been recognized as provisions, as the outcome is not probable or the amount cannot be reliably estimated, are disclosed as contingent liabilities, unless the likelihood of outcome is remote.

l) Share-based payments

The Company accounts for all share-based payments to employees and non-employees using the fair value based method of accounting. The Company measures the compensation cost of stock- based option awards to employees at the grant date using the Black-Scholes option pricing model to determine the fair value of the options. The share-based compensation cost of the options is recognized as stock-based compensation expense over the relevant vesting period of the stock options.

Under the Company's stock option plan, all options granted under the plan have a maximum term of 10 years and have an exercise price per share of not less than the market value of the Company’s common shares on the date of grant. The Board of Directors has the discretion to accelerate the vesting of options or stock appreciation rights granted under the plan in accordance with applicable laws and the rules and policies of any stock exchange on which the Company’s common shares are listed.

The Company has an option plan whereby options are granted to employees and consultants as part of our incentive plans. Stock options vest in installments over the vesting period. Stock options typically vest one third each year over 3 years or immediately as approved by the Board. The Company treats each installment as a separate grant in determining stock-based compensation expenses.

The grant date fair value of options granted to employees is recognized as stock-based compensation expense, with a corresponding charge to contributed surplus, over the vesting period. The expense is adjusted to reflect the estimated number of options expected to vest at the end of the vesting period, adjusted for the estimated forfeitures during the period. Any cumulative adjustment prior to vesting is recognized in the current period. No adjustment is made to any expense recognized in the prior periods if share options ultimately exercised are different to that estimated on vesting. The fair value of options are measured using the Black-Scholes option pricing model. Measurement inputs include the price of our Common shares on the measurement date, exercise price of the option, expected volatility of our Common shares (based on weighted average historic volatility), weighted average expected life of the option (based on historical experience and general option holder behavior), expected dividends, estimated forfeitures and the risk-free interest rate.

Upon exercise of options, the proceeds received net of any directly attributable transaction costs up to the nominal value of the shares issued are allocated to share capital with any excess being recorded in retained earnings or deficit.

m) Income taxes

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity. Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with investments in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax assets are recognized to the extent that it is probable that they will be able to be utilized against future taxable income, based on the Group's forecast of future operating results which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit.

Deferred tax assets and liabilities are offset only when the Group has a right and intention to set off current tax assets and liabilities from the same taxation authority. Changes in deferred tax assets or liabilities are recognized as a component of tax income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively. A valuation allowance is recorded against any deferred income tax asset if it is more likely than not that the asset will be realized.

n) Revenue

Revenue arises from the sale of goods and the rendering of services. It is measured by reference to the fair value of consideration received or receivable, excluding sales taxes, rebates, and trade discounts. The Group often enters into sales transactions involving a range of the Group's products and services, for example for the delivery of battery systems and related services.

Sale of goods

Sale of goods is recognized when the Group has transferred to the buyer the significant risks and rewards of ownership, generally when the customer has taken undisputed delivery of the goods. For contracts that permit the customer to return an item, revenue is recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. Therefore, the amount of revenue recognized is adjusted for expected returns, which are estimated based on the historical data for specific types of products. advance payments by customers. Any advance receipts from customers are included in contract liabilities until the revenue recognition criteria is met.

Government Grants

Government grants are recognized when there is reasonable assurance that the Company has met the requirements of the approved grant program and there is reasonable assurance that the grant will be received. Government grants that compensate for expenses already incurred are recognized in income on a systematic basis in the same year in which the expenses are incurred. Government grants for immediate financial support, with no future related costs, are recognized in income when receivable. Government grants that compensate the Company for the cost of an asset are recognized on a systematic basis over the useful life of the asset. Government grants consisting of investment tax credits are recorded as a reduction of the related expense or cost of the asset acquired. If a government grant becomes repayable, the repayment is treated as a change in estimate. Where the original grant related to income, the repayment is applied first against any related deferred government grant balance, and any excess as an expense. Where the original grant related to an asset, the repayment is treated as an increase to the carrying amount of the asset or as a reduction to the deferred government grant balance.

o) Research and development

Expenditure on research is recognized as an expense in the period in which it is incurred.

Costs that are directly attributable to the development phase are recognized as intangible assets provided, they meet the following recognition requirements:

- completion of the intangible asset is technically feasible so that it will be available for use or sale.
- the Group intends to complete the intangible asset and use or sell it.
- the Group has the ability to use or sell the intangible asset.
- the intangible asset will generate probable future economic benefits. Among other things, this requires that there is a market for the output from the intangible asset or for the intangible asset itself, or, if it is to be used internally, the asset will be used in generating such benefits.
- there are adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
- the expenditure attributable to the intangible asset during its development can be measured reliably.

Development costs not meeting these criteria for capitalization are expensed in profit or loss as incurred.

p) Finance income and finance expense

Interest income is reported on an accrual basis using the effective interest method.

Finance costs are comprised of interest expense on promissory notes, short term loans and working capital facilities. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss using the effective interest method.

Foreign currency gains and losses are reported on a net basis.

q) Earnings per share (EPS)

The Company presents basic and diluted earnings per share (“EPS”) data for its common shares. Basic EPS is calculated by dividing the profit or loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to common shareholders and the weighted average number of common shares outstanding, adjusted for own shares held, for the effects of all dilutive potential common shares, which comprise share options granted to employees. In a period of losses, the dilutive instruments comprising warrants and stock options are excluded for the determination of dilutive net loss per share because their effect is anti-dilutive.

r) Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components. All operating segments' operating results are regularly reviewed by the Company's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

4. Standards issued but not yet effective

The IASB and the IFRIC have issued the following new and revised standards and interpretations that are not yet effective for the relevant reporting periods and the Company has not early adopted these standards, amendments and interpretations. However, the Company is currently assessing what impact the application of these standards or amendments will have on the Consolidated Financial Statements of the company. The Company intends to adopt these standards, if applicable, when the standards become effective:

(a) Effective for annual periods beginning on or after January 1, 2023, the Company will adopt amendments to IAS 1, 'Presentation of financial statements'. The amendment clarifies that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date. The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability.

(b) Effective for annual periods beginning on or after January 1, 2023, the Company will adopt amendments to IAS 12, 'Income taxes'. The amendment requires companies to recognize deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences.

5. Trade and Other Receivables

	September 30, 2023	September 30, 2022
Trade receivables, gross	$ 9,404	$ 2,916
Allowance for expected credit losses	(257)	(54)
Trade receivables	9,147	2,862
Other receivables	1,464	51
Trade and other receivables	$ 10,611	$ 2,913

As at September 30, 2023, 7.18% of the Company's accounts receivable is over 90 days past due in (September 30, 2022 – 2.08%)

Current	31 – 60 days	61 – 90 days	91 – 120 days	Over 120 days	Total
74.8%	20.0%	0.6%	2.9%	1.7%	100%
$ 7,034	$ 1,881	$ 56	$ 273	$ 160	9,404

All of the Company's trade and other receivables have been reviewed for indicators of impairment. The movement in the allowance for credit losses can be reconciled as follows:

The movement in the allowance for credit losses can be reconciled as follows:

	September 30 2023	September 30, 2022
Beginning balance	$ 54	$ -
Allowance provided	203	54
Ending balance	$ 257	$ 54

6. Inventories

(a)

	September 30, 2023	September 30, 2022
Raw materials	$ 6,553	$ 4,184
Semi-finished	165	755
Finished goods	1,548	2,416
	$ 8,266	$ 7,355

(b) During the year ended September 30, 2023, the provision for slow moving and obsolete inventories amounted to $nil (September 30, 2022: $187), which was also included in direct manufacturing costs.

7. Revaluation of land and building

The Company has revalued its Land and Building as at March 31, 2023, and recognized a revaluation surplus of $ 2,600 (less tax of $679) in OCI. The valuation techniques was based on income and sales comparable approach. Significant unobservable inputs used in measuring the fair value of the building at the date of revaluation were as follows:

	High	**Low**
Market Rent ($ sq ft)	$ 7.10	$ 3.14
Capitalization Rate	13.7%	9.5%
Sales ($ sq ft)	$ 56.87	$ 35.41

The Company's estimates are, by their nature, subject to change. Changes in the capitalization rate would represent a change in the value of the land and buildings. The Company performed a sensitivity analysis on the value of the land and buildings based on changes to the capitalisation rate. The following table the impact of a reasonable increase/decrease in the input and the impact it would have on the valuation. A 1% change in the capitalization rate and market rent would result in a change in the value of the land and building by approximately $800.

8. Prepaid expenses

	September 30, 2023	September 30, 2022
Prepaid expenses	$ 5,997	$ 3,894
	$ 5,997	$ 3,894

Prepaid expenses are comprised of vendor deposits on inventory orders for the future requisition of inventories, insurance premium and current deposits.

9. Property, plant and equipment

		Property, plant and equipment				
	Land & Building	Right of Use Asset	Leasehold Improvement	Production Equipment	Office Furniture and Equipment	Total
Gross carrying amount						
Balance October 1, 2021	-	$ 2,802	$ 42	$ 1,304	$ 60	$ 4,208
Additions (restated, see note 27)	5,105	-	-	48	1	5,154
Exchange differences	-	(220)	(3)	(112)	(5)	(340)
Balance September 30, 2022	5,105	2,582	39	1,240	56	9,022
Depreciation and impairment						
Balance October 1, 2021	-	(490)	(13)	(775)	(60)	(1,338)
Additions	(104)	(258)	(8)	(105)	-	(475)
Exchange differences	-	38	1	60	5	104
Balance September 30, 2022	(104)	(710)	(20)	(820)	(55)	(1,709)
Net Book Value – September 30,2022	$ 5,001	$ 1,872	$ 19	$ 420	$ 1	$ 7,313

	Property, plant and equipment					
	Land & Building	**Right of Use Asset**	**Leasehold Improvement**	**Production Equipment**	**Office Furniture and Equipment**	**Total**
Gross carrying amount						
Balance October 1, 2022	5,105	$ 2,582	$ 39	$ 1,240	$ 56	$ 9,022
Additions	2,595	573	37	452	16	3,673
Exchange differences	-	42	-	20	1	63
Balance September 30, 2023	7,700	3,197	76	1,712	73	12,758
Depreciation and impairment						
Balance October 1, 2022	(104)	(710)	(20)	(819)	(55)	(1,708)
Additions	(315)	(406)	(12)	(138)	(4)	(875)
Exchange differences	-	(11)	(1)	(13)	(1)	(26)
Balance September 30, 2023	(419)	(1,127)	(33)	(970)	(60)	(2,609)
Net Book Value – September 30,2023	7,281	$ 2,070	$ 43	$ 742	$ 13	$ 10,149

10. Right of use assets

Property, plant and equipment includes a right-of-use asset, which relates to the office lease at 6688 Kitimat Road, Mississauga, ON L5N 1P8 (refer Note 14).

11. Trade and Other Payables

	September 30 2023	**September 30, 2022**
Trade Payables	$ 6,046	$ 3,133
Accruals	1,197	545
Other Payables	1,186	1,036
	$ 8,429	$ 4,714

12. Working Capital Facilities

a) Revolving Credit Facility

As at September 30, 2023, the maximum funds available under the facility also amounted to $ 11.82 million (Cdn $16 million).

The interest on the revolving credit facility is the greater of a) 7.05% per annum above the Prime Rate or b) 12% per annum. Interest is payable monthly.

	September 30 2023	September 30 2022
Opening balance	$ 11,635	$ 3,277
Exchange difference	186	(207)
Payments made during the year	(34,184)	(11,435)
Finance cost paid	(1,543)	(1,522)
Cash drawn during the year	35,727	21,522
Closing balance	$ 11,821	$ 11,635

On December 17, 2021, the credit agreement was amended to extend the maturity from December 31, 2021 to December 31, 2022. All other terms and conditions are unchanged. In exchange for extension, the Company paid Canadian $70 as extension fee. On February 23, 2022, the credit agreement was again amended to increase the credit facility from C$7 million to C$ 11 million to support the sales growth and investment in working capital.

In May 2022, the credit agreement was amended to increase the credit facility from C$ 11 million to C$ 14 million to support the sales growth and investment in working capital. In exchange for increase in the borrowing limit, the Company issued 46,155 shares at Cdn $3.25 (as determined by five-day volume weighted average) as compensation for Canadian $150 amendment fee. This was included within finance costs on the statement of earnings. All other terms and conditions are unchanged.

In June 2022, the credit agreement was again amended to add to the definition of “Credit Facility Advance Rate Limit” 50% of the Value of Eligible Inventory that is in-transit to or between locations owned by the Borrower or with respect to which a Collateral Access Agreement has been obtained plus the Value of Eligible Receivables on account of Purchase Orders with respect to which the related goods are expected to ship prior to December 31, 2022. In exchange for this amendment to the definition of “Credit Facility Advance Rate Limit”, the Company issued 16,949 shares at Cdn $2.95 (as determined by five-day volume weighted average) as compensation for Canadian $50 amendment fee. This was included within finance costs on the statement of earnings. All other terms and conditions are unchanged.

In July 2022, the credit agreement was amended to increase the credit facility from C$ 14 million to C$ 16 million to support the sales growth and investment in working capital. In exchange for increase in the borrowing limit, the Company issued 11,764 shares at Cdn $4.25 (as determined by five-day volume weighted average) as compensation for Canadian $50 amendment fee. This was included within finance costs on the statement of earnings. All other terms and conditions are unchanged.

On December 20, 2022, the Company renewed its revolving facility and extended the term of the facility by six months to June 30, 2023, with the Company having the option to extend the facility by a further six months to December 31, 2023. In exchange for this renewal and amendment to the definition of "Credit Facility Advance Rate Limit", the Company issued 14,414 shares at Cdn $5.55 (as determined by five-day volume weighted average) as compensation for Canadian $80 amendment fee. This was included within finance costs on the statement of earnings. The terms include a reduction in the interest rate calculation by 1%. All other terms and conditions are unchanged.

On June 30, 2023, the Company renewed its revolving facility and extended the term of the facility by three months to September 29, 2023, with the Company having the option to extend the facility by a further three months to December 31, 2023. In exchange for this renewal, the Company issued 8,376 shares at Cdn $4.77 (as determined by five-day volume weighted average) as compensation for Cdn $40 amendment fee. This was included within finance costs on the statement of earnings. All other terms and conditions are unchanged.

On September 29, 2023, the Company renewed its revolving facility and extended the term of the facility by three months to December 29, 2023. In exchange for this renewal, the Company issued 10,443 shares at Cdn $3.83 (as determined by five-day volume weighted average) as compensation for Cdn $40 amendment fee. This was included within finance costs on the statement of earnings. All other terms and conditions are unchanged.

At the time of issuance of the shares in lieu of the renewal fee, the Company debited the finance cost and credited equity.

b) Promissory Note

	September 30, 2023	September 30, 2022
Promissory Note(i) opening balance	$ 4,363	$ 4,363
Finance cost	126	
Repayment of Promissory Note (i)	(4,489)	-
Promissory Note (ii) issued	1,050	-
Repayment of Promissory Note (ii)	(24)	-
	$ 1,026	$ 4,363

i) The promissory note was secured by the personal guarantee of Dr. Sankar Das Gupta, (then CEO) and the controlling shareholder of the Company, as well as a pledge of 25,700,000 Common Shares by Chairman Dr. Sankar Das Gupta in favour of the lender. The Promissory Note was for $4,363 (Cdn $6 million) and had interest at the greater of a) 10% per annum or b) 7% per annum above the Prime Rate.

On November 14, 2022, the Company repaid the promissory note in the amount of $4.4 million (Cdn $6 million) via the proceeds of an equity raise. Upon repayment, the pledge of 27,500,000 Common Shares by Dr. Das Gupta on the share certificates was cancelled.

ii) On March 31, 2023, the Company purchased 100% of the membership interest in Sustainable Energy Jamestown LLC ("SEJ"), a New York incorporated company controlled by the majority shareholders of the Company. In return, the Company issued a promissory note for $1.05 million to the members of SEJ, of which $24 has been paid as part of the private placement in Nov 2023, with a term of 365 days bearing interest at 7.5% annually payable at maturity. The Company maintains the ability to prepay the promissory note prior to the maturity date. This note is to be read in conjunction with note 27 on restatement of 2022 financial statements and note 16 on related parties.

13. Deferred Grant Income

Total funds received of $4.2 million, of which $nil was recognized as revenue during the year ended September 30, 2023 (2022: $ 400).

14. Promissory note and Other Loans

The short term loan, having a principal amount of $364 (Cdn $500), that was originally obtained in 2017, was fully repaid during the year ended September 30, 2023. This loan had interest at 1.8% per annum.

The short term loans, having principal amount of $218 (Cdn $300), that were originally obtained in 2019, were fully repaid during the year ended September 30, 2023. The loans had interest at 2% per month and carried a commitment fee of 5% .

On May 16, 2022, the company took control of the assets and liabilities of Sustainable Energy Jamestown ("SEJ"), including a Vendor Take Back ('VTB") note relating to the purchase of the property by SEJ. The secured VTB has a two-year term starting on July 1, 2022 and expiring on June 30, 2024, and carries interest at 2% per annum. The VTB note is secured against the real estate property that was acquired as part of the SEJ transaction

The VTB carries a balloon payment of $2.4 million and is due on June 30, 2024. At September 30, 2023 the balance of the VTB was $ 3.5 million. As at September 30, 2022 the VTB was split between long term $3,457 and short term $673.

	September 30, 2023	September 30, 2022
Short term loans	$ -	$ 582
Vendor Take Back	$ 3,457	$ 673
	3,457	1,255

The VTB continuity is as follows:

Opening Balance as at May 22, 2022 (ST: $419. LT:$3,826)	$ 4,245
Repaid in year	(150)
Interest accretion	35
Closing balance as at September 30, 2022 (ST: $673. LT: $3,457)	4,130
Repaid in the year	(750)
Interest accretion	77
Closing balance as at September 30, 2023 (ST:$3,457. LT:$nil)	3,457

Finance Costs

During the year the Company incurred both cash and non-cash finance costs. The following table shows the split as included on the statement of earnings.

	Cash	Non-Cash	Total
Working capital facility	1,543	-	1,511
Issued to lender (note 16a (vii,viii,ix)	-	118	118
Promissory notes	47	-	47
Settlement fee on promissory note	126		126
Interest on VTB loan (note 14)	77		77
Lease interest (note 15)	380	-	380
Equity issuance costs	84	-	84
Warrant issuance costs	134	-	134
Changes in FV of derivative warrants	-	(361)	(361)
Accretion on promissory note (note 12b)	-	32	-
Accretion on Government Loans	-	294	294
	$ 2,391	**$ 83**	**$ 2,474**

The comparative table for 2022 is as follows:

	Cash	Non-Cash	Total
Working capital facility	1,522	-	1,522
Issued to lender	-	621	621
Promissory notes	109	-	109
Interest on VTB loan (note 14)	35		35
Lease interest (note 15)	365	-	365
Equity issuance costs	71	-	71
Warrant issuance costs	-	38	38
Other bank interest	12	-	12
Accretion on Government Loans	-	260	260
	$ 2,114	**$ 919**	**$ 3,033**

15. Lease liability

As of September 30, 2023 lease liability consists of:

	September 30, 2023	September 30, 2022
Current	$ 389	$ 164
Non-current	$ 2,338	$ 2,235
Carrying amount – lease liability	$ 2,727	$ 2,399

Information about leases for which the Company is a lessee is as follows:

	September 30, 2023	September 30, 2022
Interest on lease liabilities	$ 380	$ 365
Incremental borrowing rate at time of transition	14.00%	14.00%
Total cash outflow for the lease	$ 707	$ 744

The Company's future minimum lease payments under operating leases for the years ended September 30 for the continued operations is as under:

Year	Amount
2024	$ 929
2025	$ 950
2026	$ 789
2027	$ 745
2028	$ 762
2029 and beyond	$ 975

The Company entered into a lease agreement for 61,327 sq.ft for its premises as its Headquarters in Mississauga, Ontario at 6688 Kitimat Road. The lease is for 10 years starting January 1, 2020 with expiry December 31, 2029. In addition, the Company is required to pay certain occupancy costs.

The lease agreement for our lab facility has been renewed for an additional three years, commencing from January 2023.

The terms of the renewed lease entail a fixed monthly rent as follows:

- CAD $25,625 for the first year,
- CAD $26,265.23 for the second year, and
- CAD $26,922.27 for the third year.

16. Share Capital

a) Authorized and issued capital stock

	Common Shares	
	Number	**Amount**
Balance, September 30, 2021	29,188,182	$ 102,498
Issuance of shares (i)	61,224	234
Exercise of options (note 16(b))	13,000	29
Exercise of options	-	25
Issuance of shares (ii)	98,765	320
Issuance of shares (iii)	46,155	115
Issuance of shares (iv)	16,949	40
Exercise of options (note 16(b))	1,333	3
Transfer from contributed surplus	-	2
Issuance of shares (v)	11,764	39
Balance, September 30, 2022	29,437,372	$ 103,305
Issuance of shares (vi)	3,508,680	7,167
Exercise of options (note (16(b))	6,800	8
Issuance of shares (vii)	14,414	59
Transfer from contributed surplus	-	5
Exercise of options (note (16(b))	5,200	13
Transfer from contributed surplus	-	11
Issuance of shares note (viii)	8,376	30
Issuance of shares note (ix)	10,443	30
Exercise of warrants (note 16(c))	841,499	3,004
Transfer from derivative liability	-	1,409
Balance, September 30, 2023	33,832,784	115,041

(i) On December 17, 2021, the promissory note which was due to mature on December 31, 2021 and was amended to July 1, 2022. All other terms and conditions are unchanged. In exchange for the extension, the Company issued 61,224 shares at Cdn $4.90 as compensation for Canadian $300K extension fee. The fee is recorded in finance costs on the statement of earnings.

(ii) On February 23, 2022, the promissory note which was due to mature on July 1, 2022 was amended to December 21, 2022 and the credit facility was increased from C$7 million to C$11 million. All other terms and conditions are unchanged. As consideration for these amendments, the company issued 98,765 shares at Cdn $4.05 as compensation for Canadian $400K renewal fee. The fee is recorded in finance costs on the statement of earnings.

(iii) On May 12, 2022, the promissory note was amended and the credit facility was increased from C$11 million to C$14 million. All other terms and conditions are unchanged. As consideration for these amendments, the company issued 46,155 shares at Cdn $3.25 as compensation for Canadian $150K amendment fee. The fee is recorded in finance costs on the statement of earnings.

(iv) On June 08, 2022, the credit agreement was amended to redefine the "Credit Facility Advance Rate Limit. All other terms and conditions are unchanged. As consideration for these amendments, the company issued 16,949 shares at Cdn $2.95 as compensation for Canadian $50K amendment fee. The fee is recorded in finance costs on the statement of earnings.

(v) On July 20, 2022, the credit agreement was amended and the credit facility was increased from C $14M to C $16M. All other terms and conditions are unchanged. As consideration for these amendments, the company issued 11,764 shares at Cdn $4.25 as compensation for Canadian $50K amendment fee. The fee is recorded in finance costs on the statement of earnings.

(vi) The Company completed a non-brokered private placement of 3,508,680 units at a price of Cdn $4.2305 per Unit for aggregate gross proceeds of CAD$14.8 million. Each Unit comprised of one common share of the Company and one-half of one common share purchase warrant. The Company issued 1,754,340 share purchase warrants on November 09, 2022. The expiry date of these warrants was November 09, 2025. The warrant exercise price would be adjusted from $5.30 to $4.70, should the Company fail to list its common shares on the Nasdaq Capital Markets by April 30, 2023. The warrants were classed as a derivative liability as they did not meet the fixed for fixed criteria. See note (20) financial instruments for further details.

(vii) On December 20, 2022, the revolving facility note which was due to mature on December 31, 2022, was amended to June 30, 2023 with an option to renew for further six months until December 31, 2023. The terms include a reduction in the interest rate calculation by 1%. All other terms and conditions are unchanged. In exchange for the extension, the Company issued 14,414 shares at Cdn $5.55 (as determined by a five-day volume weighted average) as compensation for Canadian $ 80 extension fee. The fee is recorded in finance costs on the statement of earnings.

(viii) On June 30, 2023, the revolving facility which was due to mature on June 30, 2023, was amended to September 29, 2023 with an option to renew for further three months until December 31, 2023. All other terms and conditions are unchanged. In exchange for the extension, the company issued 8,376 shares at Cdn $4.77 (as determined by a five-day volume weighted average) as compensation for Canadian $40 extension fee. The fee is recorded in finance costs on the statement of earnings.

(ix) On September 29, 2023, the revolving facility which was due to mature on September 29, 2023, was amended to December 29, 2023. All other terms and conditions are unchanged. In exchange for the extension, the Company issued 10,443 shares at Cdn $3.83 (as determined by a five-day volume weighted average) as compensation for Canadian $40 extension fee. The fee is recorded in finance costs on the statement of earnings.

(x) On June 13, 2023, the Company completed a reverse split of its issued and outstanding common stock at a ratio of 1 consolidated for 5 pre-consolidated shares. The Company initiated the reverse stock split in connection with its intention to meet the minimum bid price requirement and list the Common Shares for trading on the Nasdaq Capital Market. As a result of the reverse stock split, every five outstanding Common Shares were consolidated into one Common Share without any action from stockholders, reducing the number of outstanding Common Shares from approximately 164.86 million to approximately 32.97 million. Additionally, the number of stock options, the number of warrants and earnings per share were also adjusted retrospectively, to reflect the stock split..

b) Stock Options

Options to purchase common shares of the Company under its stock option plan may be granted by the Board of Directors of the Company to certain full-time and part-time employees, directors and consultants of the Company and its affiliates. Stock options are non-assignable and may be granted for terms of up to 10 years. Stock options vest at various periods from zero to three years. As a result of the reverse stock split, every five options were consolidated into one option without any action from option holders, reducing the number of outstanding options from approximately 23.5 million to 4.7 million.

On February 17, 2021 at a Special Meeting of the Shareholders, a resolution was passed to (i) authorize amendments to the Company's Stock Option Plan to increase the maximum number of common shares issuable upon the exercise of stock options thereunder from 3,020,000 to 4,600,000.

On March 25, 2022 at a Special Meeting of the Shareholders, a resolution was passed to (i) authorize amendments to the Company's Stock Option Plan to increase the maximum number of common shares issuable upon the exercise of stock options thereunder from 4,600,000 to 6,000,000.

	Number outstanding	Weighted average exercise price
Outstanding, September 30, 2021	3,454,254	$ 2.25
Granted	20,000	$ 4.50
Expired	(11,000)	$ 0.63
Exercised (note 15(a))	(13,000)	$ 2.20
Granted	300,000	$ 2.20
Exercised (note 15(a))	(1,333)	$ 2.55
Expired	(21,333)	$ 3.15
Outstanding, September 30, 2022	3,727,588	$ 2.30
Exercised (note 15(a))	(6,800)	$ 1.05
Exercised (note 15(a))	(5,200)	$ 2.55
Expired	(3,200)	$ 2.60
Granted	1,060,000	$ 4.04
Cancelled or expired	(58,000)	$ 4.04
Outstanding, September 30, 2023	4,714,388	$ 2.44

Exercise price		Number Outstanding	Weighted average remaining life (years)	Number exercisable	Weighted average exercise price
$ 2.66	$ (Cdn 3.60)	256,400	0.39	256,400	$ 2.66
$ 3.84	$ (Cdn 5.20)	3,000	0.44	3,000	$ 3.84
$ 3.77	$ (Cdn 5.10)	8,200	0.64	8,200	$ 3.77
$ 2.40	$ (Cdn 3.25)	35,499	1.39	35,499	$ 2.40
$ 3.36	$ (Cdn 4.55)	12,000	1.64	12,000	$ 3.36
$ 2.55	$ (Cdn 3.45)	42,900	2.00	42,900	$ 2.55
$ 2.92	$ (Cdn 3.95)	9,600	2.37	9,600	$ 2.92
$ 7.87	$ (Cdn 10.65)	101,121	3.25	101,121	$ 7.87
$ 4.51	$ (Cdn 6.10)	10,667	3.84	10,667	$ 4.51
$ 1.03	$ (Cdn 1.40)	120,066	4.40	120,066	$ 1.03
$ 1.11	$ (Cdn 1.50)	1,024,000	5.84	1,024,000	$ 1.11
$ 2.44	$ (Cdn 3.30)	274,268	6.95	274,268	$ 2.44
$ 3.69	$ (Cdn 5.00)	1,494,667	7.96	671,337	$ 3.69
$ 4.25	$ (Cdn 5.75)	20,000	8.17	20,000	$ 4.25
$ 2.11	$ (Cdn2.85)	150,000	8.73	123,333	$ 2.11
$ 2.11	$ (Cdn 2.85)	150,000	8.73	50,000	$ 2.11
$ 3.95	$ (Cdn 5.35)	1,002,000	9.53	41,000	$ 3.95
		4,714,388	7.06	2,803,391	$ 2.44

For the options exercised, the share price at the time of exercise was between $2.83-$3.80. Total stock- based compensation expense recognized during the year ended September 30, 2023 was $1,167 (2022: $3,223). Of this, the portion related to stock options that vested during the year ended September 30, 2023 was $511 (September 30, 2022-$1,358).

We amortize the estimated grant date fair value of stock options to expense over the vesting period (generally three years). The grant date fair value of outstanding stock options was determined using the Black-Scholes option pricing model. Black Scholes uses highly subjective and complex assumptions, including the option's expected term and the price volatility of the underlying stock based on historical stock prices, to determine the fair value of the option.

(i) The following table summarizes the assumptions used with the Black-Scholes valuation model for the determination of the stock-based compensation costs for the stock options granted during the year ended September 30, 2023:

Grant date		**April 10, 2023**
No of options		1,060,000
Share price	$	3.85
Exercise price	$	4.04
Average expected life in years		10
Volatility		79.30%
Risk-free weighted interest rate		2.92%
Dividend yield		-
Fair-value of options granted	$	4,282

(ii) The following tables summarizes the assumptions used with the Black-Scholes valuation model for the determination of the stock-based compensation costs for the stock options granted during the year ended September 30, 2022:

Grant date		**November 29, 2021**
No of options		20,000
Share price	$	3.75
Exercise price	$	4.20
Average expected life in years		10
Volatility		89.38%
Risk-free weighted interest rate		1.54%
Dividend yield		-
Fair-value of options granted	$	84

Grant date		**June 20, 2022**
No of options		300,000
Share price	$	2.20
Exercise price	$	2.05
Average expected life in years		10
Volatility		81.04%
Risk-free weighted interest rate		2.72%
Dividend yield		-
Fair-value of options granted	$	615

c) Warrants

Details of Share Warrants

	Number Outstanding	Exercise Price
Outstanding, September 30, 2021 and September 30, 2022	2,035,015	$ 2.30
Expired during the year	(80,869)	$ 5.80
Expired during the year	(242,222)	$ 6.45
Outstanding, September 30, 2023	1,711,924	$ 2.38

Additionally, the number of derivative warrants at September 30. 2023 were 912,845.

The grant date fair value of outstanding share warrants was determined using the Black-Scholes pricing model using the following assumptions in the year of the grant: risk-free interest rate (based on U.S. government bond yields) of 3.8%, expected volatility of the market price of our shares (based on historical volatility of our share price) of 85.58%, and the expected warrant life (in years) of 3. As a result of the reverse stock split, every five warrants were consolidated into one warrant without any action from warrant holders, reducing the number of outstanding warrants from approximately 13.1 million to 2.6 million. A 10% of change in any assumption would result in the change in derivative warrant liability between $(417) and $393.

Warrant continuity schedule is as follows:

	Units	Fair Value
Opening valuation as at Nov 9, 2022	1,754,340	$ 3,259
Warrants exercised as at July 28, 2023	(841,499)	(1,409)
Fair value adjustment		(361)
Closing balance	912,841	$ 1,489

Details of Compensation options

	Number Outstanding	Exercise Price
Outstanding, September 30, 2021 and September 30, 2022	46,588	$ 5.90
Expired during the year	(29,066)	$ 6.45
Outstanding, March 31, 2023, June 30, 2023 and September 30, 2023.	17,522	$ 4.95

17. Related Party Transactions

Management compensation

Key management compensation comprises the following:

	2023	2022
Salaries, bonus and other benefits	764	310
Share based compensation	1,089	2,757
	1,853	3,067

Share based compensation includes a portion of options that are granted but have not vested and are valued using the Monte Carlo valuation method. See details in *Special Option Grants* below.

Personal Guarantees

Dr. Sankar Das Gupta personally guaranteed the following short-term loans, see note 13 for further details.

	September 30, 2023		September 30, 2022	
	USD	CDN	USD	CDN
Shareholder guaranteed loan (Dec. 2017)	$ -	$ -	$ 364	$ 500
Shareholder guaranteed loan (June 2019)	-	-	218	$ 300
	$ -	$ -	$ 582	$ 800

The Shareholder's guaranteed loans were repaid along with accrued interest on November 10, 2022.

	September 30, 2023	September 30, 2022
Promissory Note (note 11(b))	$ 1,026(i)	$ 4,363(ii)

i) The promissory note payable to our lender, was secured by the pledge of 1,400,000 Common Shares by Dr Sankar Das Gupta in favor of the lender. This was repaid in the year ended September 30, 2023.

ii) The promissory note payable to the members of Sustainable Energy Jamestown, was also secured by the personal guarantee of Dr. Sankar Das Gupta, as well as a pledge of 5,140,000 Common Shares by Dr. Das Gupta in favor of the lender. All Common Shares were released after the repayment of the promissory note on November 14, 2022.

Research Lab – Facility Usage Agreement

In May 2021 Electrovaya entered a month-to-month Facility Usage Agreement for the use of space and allocated staff of a third-party research firm providing access to laboratory facilities, primarily for research associated with its Electrovaya Labs. The laboratory and pilot plant facilities have certain equipment and permits for research and developments with chemicals. The term of the agreement was for six months and could be terminated by either party upon 90 days notice.

In July 2021 the facility was acquired by an investor group controlled by the family of Dr. Sankar Das Gupta, which includes its CEO, Dr. Rajshekar Das Gupta. The Facility Usage Agreement was not changed on the change of ownership and remains in effect between the Company and the owner, such that the monthly payment of Cdn $25,000 is now made to a related party of Electrovaya.

On June 7, 2023, the Facility Usage Agreement was retroactively extended from January 1, 2023, for an additional three years. The lease has been recognized as a lease liability and corresponding right of use asset.

Special Option Grants

In September 2021, on the recommendation of the Compensation Committee of the Company, a committee composed entirely of independent directors, the Board of Directors of the Company determined that it is advisable and in the best interests of the Company to amend the terms of the compensation of certain key personnel to incentivize future performance, to encourage retention of their services, and to align their interests with those of the Company's shareholders.

Dr. Sankar Das Gupta was granted 700,000 options which vest in two tranches of 200,000 options and one tranche of 300,000 options, based on reaching specific target market capitalizations. The fair value of these options on the day of grant is calculated using the Monte Carlo method of option valuation and expensed over the mean vesting period in accordance with IFRS 2. The expense of $256 is recorded within stock based compensation on the face of the statement of earnings.

Dr. Rajshekar Das Gupta was granted 900,000 options which vest in three tranches of, 300,000 options based on reaching specific target market capitalizations. These fair value of these options on the day of issuance is calculated using the Monte Carlo method of option valuation and expensed over the mean vesting period in accordance with IFRS 2. The expense of $248 is recorded within stock based compensation on the face of the statement of earnings.

In April 2023, following the suggestion of the Company's Compensation Committee, consisting entirely of independent directors, the Company's Board of Directors awarded Dr. Rajshekar Das Gupta a total of six hundred thousand options. These options will vest in two phases: three hundred thousand options and three hundred thousand options, contingent upon achieving certain target market capitalizations. The expense of $260 is recorded within stock based compensation on the face of the statement of earnings.

Investment in Sustainable Energy Jamestown LLC (note to be read in conjunction with note 25)

During the year ended September 30, 2022, the company acquired real estate (land and building) through its common control entity Sustainable Energy Jamestown ("SEJ"), a limited liability company controlled by the major shareholders of the company. SEJ purchased the land and buildings for $5.1 million financing the purchase with a deposit of $ 600 and a promissory note of $ 4.4 million, see note 13 for details. Transaction costs incurred by the Company were $105. Both the asset and liability, including an amount payable to the majority shareholders of $ 531, are included in the restated September 30, 2022 financials. See note 27 for additional detail.

During the year ended September 30, 2023, the Company purchased the membership interest in SEJ from the major shareholders of the company. The land and buildings comprising the real estate was revalued by
$2.7 million, which was recognised in other comprehensive income. The purchase price included a premium of $ 500 paid to the members of SEJ, who are also majority shareholders of the Company, which was recorded in General and Administrative costs on the statement of earnings.

18. Change in Non-Cash Operating Working Capital

	September 30	
	2023	**2022**
Trade and other receivables	$ (7,845)	$ (1,626)
Inventories	(724)	(2,788)
Prepaid expenses and other	(2,103)	(2,075)
Trade and other payables	3,054	43
Other payable	(123)	73
	$ (7,741)	$ (6,373)

19. Relief and Recovery Fund Payable

The Relief and recovery fund is created by the Ministry of Economic Development to support the Company to recover from economic disruption associated with the COVID-19 outbreak. An amount of $300 (Cdn 380) was received as at September 30, 2021. The funding bears no interest and the Company is required to repay in equal monthly payments for 5 years starting from April 1, 2023. The Company discounted the loan to the present value using the applicable discount rate

20. Government Assistance

The government assistance is related to specific Government supported research and development programs undertaken by Electovaya. The National Research Council of Canada Industrial Research Assistance Program (IRAP) has provided $348 (Cdn $470) and Innovation Asset MSP contribution $39 (Cdn $52). This total was recorded within Government Grants on the statement of earnings.

21. Financial Instruments

Derivative Liabilities

Warrants as derivative liability is fair valued using Black Scholes Model. Using this approach, the fair value of the warrants on 09 November 2022 was determined to be $3.3 million. Key valuation inputs and assumptions used in the BSM are stock price of CAD $ 4.55, expected life of 3 years, annualized volatility of 85.58%, annual risk-free rate of 3.87%, and annual dividend yield of 0.0%. Key valuation inputs and assumptions used in the BSM when valuing the warrants as at September 30, 2023 were, stock price $3.75, expected life of 2.1 years, annualized volatility of 76.8%, annual risk-free rate of 3.92%, and dividend yield of 0.0%.

The company incurred total issuance costs of $ 459. The Company allocated proportionally to the derivative liability and expensed $ 134 as a finance cost in the statement of earnings, and balance portion of the issuance cost reduced from equity for the amount of $325 respectively.

Warrants are fair valued at each reporting date and the gain / (loss) is charged to the other comprehensive income. Warrants would fall under Level 2 Fair Value Measurement.

Fair Value

IFRS 13 “Fair Value Measurement” provides guidance about fair value measurements. Fair value is defined as the exchange price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value are required to maximize the use of observable inputs and minimize the use of unobservable inputs. The fair value hierarchy is based on three levels of inputs. The first two levels are considered observable and the last unobservable. These levels are used to measure fair values as follows:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities, either directly or indirectly.
- Level 2 – Inputs, other than Level 1 inputs that are observable for assets and liabilities, either directly or indirectly. Level 2 inputs include quoted market prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

There were no transfers between levels of the fair value hierarchy during the period presented.

	Fair Value	Level 1	Level 2	Level 3
Warrants	$ 1,489	-	$ 1,489	-

Risk Management

The Company may be exposed to risks of varying degrees of significance which could affect its ability to achieve its strategic objectives. The main objectives of the Company's risk management processes are to ensure that the risks are properly identified and that the capital base is adequate in relation to those risks. The principal risks to which the Company is exposed are described below. There have been no changes in risk exposure since the prior year unless otherwise noted.

Capital risk

The Company manages its capital to ensure that there are adequate capital resources for the Company to maintain and develop its products. The capital structure of the Company consists of shareholders' equity and depends on the underlying profitability of the Company's operations.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the development, manufacture and marketing of its products. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Group's capital management objectives are:

- to ensure the Group's ability to continue as a going concern.
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Group monitors capital on the basis of the carrying amount of equity plus its short-term debt comprised of the promissory notes, less cash and cash equivalents as presented on the face of the statement of financial position.

The Group sets the amount of capital in proportion to its overall financing structure, comprised of equity and long-term debt. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group issues new shares or increases its long-term debt.

Credit risk and Concentration risk

Credit risk is the risk that the counter-party fails to discharge an obligation to the Company. The Company is exposed to this risk due to its cash and cash equivalents, trade and other receivables.

The Company manages its credit risk related to trade and other receivables by establishing procedures to establish credit limits and approval policies. The balance in trade and other receivables is primarily attributable to trade accounts receivables. In the opinion of management, the credit risk is moderate and no credit losses are expected. Management is taking appropriate action to mitigate this risk by adjusting credit terms.

The Company is exposed to credit risk in the event of default by its customers. Accounts receivable are recorded at the invoiced amount, do not bear interest, and do not require collateral. For the year ended September 30, 2023, one customer accounted for $42 million or 94% of revenue (2022 — $13 million or 82%). As of September 30, 2023, one customer accounted for 85% of accounts receivable (2022 — 64%).

Liquidity risk

Liquidity risk is the risk that we may not have cash available to satisfy our financial obligations as they come due. The majority of our financial liabilities recorded in accounts payable, accrued and other current liabilities and provisions are due within 90 days. We manage liquidity risk by maintaining a portfolio of liquid funds and having access to a revolving credit facility. We believe that cash flow from operating activities, together with cash on hand, cash from our A/R, and borrowings available under the revolving facility are sufficient to fund our currently anticipated financial obligations and will remain available in the current environment.

The following are the undiscounted contractual maturities of significant financial liabilities and the total contractual obligations of the Company as at September 30, 2023

	2024	2025	2026	2027	2028 & beyond	Total
Trade and other payables	8,429	-	-	-	-	8,429
Lease liability	929	950	789	745	1,737	5,150
Promissory notes	3,500	-	-	-	-	3,500
Short term loans	1,026	-	-	-	-	1,026
Working capital facility	11,821	-	-	-	-	11,821
Other payable	1,365	490	215	56	38	2,164
	27,070	**1,440**	**1,004**	**801**	**1,775**	**32,090**

Market risk

Market risk incorporates a range of risks. Movement in risk factors, such as market price risk and currency risk, affect the fair value of financial assets and liabilities. The Company is exposed to these risks as the ability of the Company to develop or market its products and the future profitability of the Company is related to the market price of its primary competitors for similar products.

Interest rate risk

The Company has variable interest debt as described in Note 11 and 13. Changes in interest rates will affect future interest expense and cash flows. The Company does not enter into derivative instruments to reduce this exposure.

Foreign currency risk

The Company is exposed to foreign currency risk. The Company's functional currency is the United States dollar and the financial statements are presented in United States dollars. Changes in the relative values of these currencies will give rise to changes in other comprehensive income.

Purchases are transacted in Canadian dollars, United States dollars and Euro. Management believes the foreign exchange risk derived from any currency conversions may have a material effect on the results of its operations. The financial instruments impacted by a change in exchange rates include our exposures to the above financial assets or liabilities denominated in nonfunctional currencies. Cash held by the Company in US dollars at September 30, 2023 was $175 (September 30, 2022 $386).

If the US dollar to Canadian foreign exchange rate changed by 2% this would change the recorded Net gain(loss) by $173 (September 30, 2022- $179).

22. Contingencies

a) Refundable Ontario Investment Tax Credits

On July 22, 2022, the Company received a Notice of Confirmation from the CRA relating to the 2014 and 2015 SRED reassessment for $299 (Cdn$386) and $302 (Cdn$389) including interest respectively. The balance owing has been fully provided for in Other payables, and the Company is pursuing the next appropriate step in the appeal process and believes the amounts may be reversed or substantially reduced. The outcome cannot be determined.

b) Ministry of Energy

On May 28, 2018, the Province of Ontario issued a claim against Electrovaya Corp. claiming $ 655 (Cdn $830) related to a dispute regarding funding and fulfilment of the Intelligent Energy Storage System under the Smart Grid Fund program. A Statement of Defense disputing the claim in its entirety was filed on March 21, 2019. No further steps have been taken by the Province to pursue the claim.

c) Other Contingencies

In the normal course of business, the Company is party to business related claims. The potential outcomes related to existing matters faced by the Company are not determinable at this time. The Company intends to defend these actions, and management believes that the resolution of these matters will not have a material adverse effect on the Company's financial condition.

23. Segment and Customer Reporting

The Group develops, manufactures and markets power technology products. There is only a single segment applicable to the Group.

Given the size and nature of the products produced, the Company's sales are segregated based on large format batteries, with the remaining smaller product line categorized as "Other".

There has been no change in either the determination of our segments, or how segment performance is measured, from that described in the Company's consolidated financial statements as at and for the year ended September 30, 2023.

	2023	2022
Large format batteries	$ 42,168	$ 15,190
Other	1,891	1,080
	$ 44,059	$ 16,270

Revenues can also be analyzed as follows based on the nature of the underlying deliverables:

	2023	2022
Revenue with customers		
Sale of batteries and battery systems	$ 42,168	$ 15,190
Sale of services	216	142
Grant income		
Research grant	693	650
Others	982	288
	$ 44,059	$ 16,270

Revenues attributed to geographical regions based on the location of the customer were as follows:

	2023	2022
Canada	$ 1,258	$ 1,927
United States	42,351	14,313
Others	450	30
	$ 44,059	$ 16,270

24. Other payables

Technology Partnerships Canada ("TPC") projects were long-term (up to 30 years) commencing with an R&D phase, followed by a benefits phase – the period in which a product, or a technology, could generate revenue for the Company. In such cases, repayments would flow back to the program according to the terms and conditions of the Company's contribution agreement.

In June 2018 the contribution agreement was amended and is included at its Net Present Value in other payables.

The following table represents changes in the provision for repayments to Industry Canada.

	September 30,	
	2023	2022
Opening balance	798	508
Interest accretion	294	290
Miscellaneous	(108)	-
Ending balance	984	798
Less: current portion of the provision	(661)	(358)
Ending balance of long-term portion	$ 323	$ 440

Interest accretion amounted to $294, which was included in finance charges.

The latest repayment schedule starting July 1, 2018 for current and future fiscal years are as follows:

2024	1,309
2025	434
2026	159

25. Income-tax

The income tax recovery differs from the amount computed by applying the Canadian statutory income tax rate of 26.50% (2022 – 26.50%) to the loss before income taxes as a result of the following:

	September 30,	
	2023	2022
Income (Loss) before income taxes	$ (1,479)	$ (9,211)
Expected recovery of income taxes based on statutory rates	(392)	(2,441)
Reduction in income tax recovery resulting from:		
Lower rate on manufacturing profits	(9)	66
Non-taxable portion of capital gain	-	-
Other permanent differences	206	654
Deferred tax benefit not recognized	(484)	1,721
Income tax recovery	$ (679)	$ -

The components of deferred income taxes as at September 30, 2023 and 2022 are as follows:

	Opening, October 1, 2022	Recognized in P&L	Recognized in OCI	Closing, September 30,2023
Deferred Tax Assets:				
Canadian non-capital loss carry forwards	47	555	-	602
US net operating losses	-	408	-	408
Deferred tax assets recognized	47	963	-	1,010
Deferred Tax Liabilities				
Unrealized foreign exchange	-	(11)	-	(11)
Property, plant and equipment	(47)	(273)	(679)	(999)
	(47)	(284)	(679)	(1,010)
Net Deferred tax asset (liability)	-	679	(679)	-

	Opening, October 1, 2021	Recognized in P&L	Recognized in OCI	Closing, September 30,2022
Deferred Tax Assets:				
Canadian non-capital loss carry forwards	-	47	-	47
US net operating losses	-			-
Deferred tax assets recognized	-	47	-	47
Deferred Tax Liabilities				
Property, plant and equipment	-	(47)	-	(47)
Net Deferred tax asset (liability)	-	(47)	-	(47)
	-	-	-	-

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the future tax assets will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of deferred taxable income during the year in which those temporary differences become deductible.

Management considers projected future taxable income, uncertainties related to the industry in which the Company operates and tax planning strategies in making this assessment.

The Company concluded that there is uncertainty regarding the future recoverability of Company's deferred income tax assets in future periods. Therefore, deferred tax assets have not been recognized in the financial statements with respect to the following deductible temporary differences:

	September 30, 2023	September 30, 2022
Canadian non-capital loss carry forwards	44,061	52,264
US net operating losses	4,306	3,939
Property, plant and equipment	-	27
Lease liabilities	2,727	-
Unclaimed research and development expenses	15,824	15,571
Non-refundable research and development credits	19,489	-
Other	1,343	61
	87,750	71,862

The Company has Unrecognized losses that expire as early as 2025 as follows:

Year of expiry	Canada	USA
2024	-	-
2025	-	1,422
2026	11,394	192
2027	3,398	678
2028	3,844	49
2029	-	356
2030	311	665
2031	-	944
2032	633	-
2033	994	-
2034	-	-
2035	2,196	-
2036	1,631	-
2037	2,175	-
2038	6,100	-
2039	2,190	-
2040	548	-
2041	5,097	-
2042	3,550	-
2043	-	-
Infinite	-	-
	44,061	4,306

26. Subsequent events

On December 20, 2023 the Company renewed its revolving facility and extended the term of the facility by three months to March 29, 2024. The Company retains the option to extend the existing facility by a further three months to June 29, 2024.

27. Restatement of financial results

The Company identified certain errors and determined that a correction was required, and as such, has restated its previously reported consolidated financial statements as at and for the year ended September 30, 2022. Such restatement was applied retrospectively as at October 1, 2021. The impact of the correction was as follows:

(i) The Company had previously not recognized its acquisition of control of Sustainable Energy Jamestown during and for the year ended September 30, 2022. Accordingly, the Company restated and recognized the associated real estate and loan payable in its comparative financial statements. Refer to note 16 for the SEJ acquisition.

(ii) Certain revenue was incorrectly recognized during the year ended September 30, 2022, resulting in adjustments of revenue, direct manufacturing costs, trade receivables, and inventories.

(iii) Certain promissory notes and short-term loans were not appropriately measured at fair value at initial recognition, resulting in adjustments to these balances along with interest accretion expense.

(iv) The functional currency of one of the Company's subsidiary was incorrectly determined, resulting in adjustments to certain assets and liabilities and accumulated other comprehensive income.

(v) The fair value of certain stock options was incorrectly determined, resulting in adjustments to stock-based compensation expense and contributed surplus.

(vi) The above adjustments also resulted in changes in cash flows from operating, investing and financing activities in the comparative statement of cash flows.

(vii) Certain comparative figures were reclassified to confirm with the current year's presentation.

a) Statemen to Financial Position

	As at September 30, 2022		
	As Restated	As Previously Reported	Restatement
Assets			
Current assets			
Cash and cash equivalents	$ 626	$ 626	$ -
Trade and other receivables (ii)	2,913	6,309	(3,396)
Inventories (ii)	7,355	4,477	2,878
Prepaid expenses and other	3,894	3,895	(1)
Due from related party (i)	-	374	(374)
Total current assets	14,788	15,681	(893)
Non current assets			
Property, plant and equipment (i)	7,313	2,312	5,001
Long-term deposit	88	88	-
Total non-current assets	7,401	2,400	5,001
Total assets	$ 22,189	$ 18,081	4,108
Liabilities and Equity			
Current liabilities			
Trade and other payables (iv)	$ 4,714	$ 4,627	87
Working capital facilities	11,635	11,635	-
Promissory notes	4,363	4,363	-
Short term loans (iii)	1,255	582	673
Lease liability – current portion	164	164	-
Due to related party (i)	531	-	531
Total current liabilities	22,662	21,371	1,291
Non-current liabilities			
Lease liability – non-current portion	2,235	2,235	-
Relief and recovery fund payable (iii)	102	249	(147)
Other payables (iii)	440	145	295
Promissory Note (i)	3,457	-	3,457
Total non-current liabilities	6,234	2,629	3,605
Equity (Deficiency)			
Share capital	103,305	103,305	-
Contributed surplus (v)	8,099	6,235	1,864
Warrants	4,725	4,725	-
Accumulated other comprehensive gain	6,135	13,491	(7,356)
Deficit	(128,971)	(133,675)	4,704
Total Equity (Deficiency)	(6,707)	(5,919)	(788)
Total liabilities and equity (deficiency)	$ 22,189	$ 18,081	4,108

b) Statement of Earnings

	Year Ended September 30, 2022		
	As Restated	As Previously Reported	Restatement
Revenue (ii)	$ 16,270	$ 19,823	$ (3,553)
Direct manufacturing costs (ii)	12,396	14,847	(2,451)
Gross margin	3,874	4,976	(1,102)
Expenses			
Research and development (iii)	3,434	3,899	(465)
Government assistance	(210)	(210)	-
Sales and marketing	1,147	1,147	-
General and administrative (i)	3,046	2,776	270
Stock based compensation (v)	3,223	1,358	1,865
Depreciation (i)	503	399	104
	11,143	9,369	1,774
Income(loss) from operations	(7,269)	(4,393)	(2,876)
Finance costs (iii)	3,033	2,700	333
Foreign exchange gain(loss) and interest income (iv)	1,091	546	545
Net income(loss) for the period	(9,211)	(6,547)	(2,664)
Basic income(loss) per share	$ (0.31)	$ (0.22)	-
Weighted average number of shares			
Outstanding, basic and fully diluted	29,344,623	29,344,622	-

c) Statement of Cash Flows

	Year Ended September 30, 2022		
	As Restated	As Previously Reported	Restatement
Net loss for the period (ii)	$ (9,211)	$ (6,547)	(2,664)
Items not involving cash:			
Depreciation and depreciation (i)	503	399	104
Stock based compensation expense (v)	3,223	1,358	1,865
Interest and financing costs (iii)	3,033	2,700	333
Cash and cash equivalents provided by (used in) operating activities	(2,452)	(2,090)	(362)
Net changes in working capital (iii)	(6,373)	(7,567)	1,194
Cash and cash equivalents used in operating activities	(8,825)	(9,657)	832
Investing activities			
Purchase of property, plant and equipment (i)	(203)	(49)	(154)
Change in long term deposits	(9)	(17)	8
Cash and cash equivalents (used in) investing activities	(212)	(66)	(146)
Financing activities			
Issue of shares	780	780	-
Exercise of options	27	-	27
Proceeds from loans (vi)	21,522	9,245	12,277
Repayment of loans (vi)	(11,435)		(11,435)
Repayment of loans (i)	(150)	-	(150)
Change in due to related parties (i)	-	(374)	374

Changes in other payables	-	12	(12)
Lease payments	(744)	-	(744)
Interest and financing costs	(2,114)	(2,662)	548
Cash and cash equivalents from (used in) financing activities	7,886	7,001	885
Increase (Decrease) in cash and cash equivalents	(1,151)	(2,722)	(1,571)
Exchange difference	(2,425)	(854)	1,571
Cash and cash equivalents, beginning of period	4,202	4,202	-
Cash and cash equivalents, end of period	626	626	-

d) Statement of Comprehensive Income (Loss)

	As Restated	As Previously Reported	Restatement
Net Loss for the year	$ (9,211)	$ (6,547)	$ (2,664)
Currency translation difference	585	147	438
Total comprehensive loss for the year	(8,626)	(6,400)	(2,226

e) Opening balances

	Opening Balances as at October 1, 2021		
	As Restated	As Previously Reported	Restatement
Assets			
Current assets			
Cash and cash equivalents	$ 4,202	$ 4,202	$ -
Trade and other receivables	1,341	1,341	-
Inventories	4,666	4,666	-
Prepaid expenses and other	1,819	1,819	-
Due from related party	-	-	-
Total current assets	12,028	12,028	-
Non current assets			
Property, plant and equipment	2,870	2,870	-
Long-term deposit	79	79	-
Total non-current assets	2,949	2,949	-
Total assets	$ 14,977	$ 14,977	-
Liabilities and Equity			
Current liabilities			
Trade and other payables	$ 4,671	$ 4,671	-
Working capital facilities	3,277	3,277	-
Promissory notes	4,734	4,734	-
Short term loans (iii)	937	631	306
Lease liability – current portion	140	140	-
Total current liabilities	13,759	13,453	306
Non-current liabilities			
Lease liability – non-current portion	2,603	2,603	-
Relief and recovery fund payable (iii)	40	300	(260)
Other payables (iii)	549	169	380
Lease inducement	148	148	-
Total non-current liabilities	3,340	3,220	120
Equity (Deficiency)			
Share capital	102,498	102,498	-
Contributed surplus	4,903	4,903	-
Warrants	4,687	4,687	-
Accumulated other comprehensive gain (iv)	5,550	13,344	(7,794)
Deficit (iv)	(119,760)	(127,128)	7,368
Total Equity (Deficiency)	(2,122)	(1,696)	(426)
Total liabilities and equity (deficiency)	$ 14,977	14,977	-

EXHIBIT 99.3

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ELECTROVAYA INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

January 2, 2024

ELECTROVAYA INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS

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- **Introduction**

Management's discussion and analysis ("MD&A") provides our viewpoint on our Company, performance and strategy. "We," "us," "our," "Company" and "Electrovaya" include Electrovaya Inc. and its wholly-owned or controlled subsidiaries, as the context requires.

Our Board of Directors, on the recommendation of its Audit Committee, approved the content of this MD&A on January 2, 2024 and it is, therefore, dated as at that date. This MD&A includes the operating and financial results for the years ending September 30, 2023 and 2022, and should be read in conjunction with our consolidated financial statements. It includes comments that we believe are relevant to an assessment of

and understanding of the Company's consolidated results of operations and financial condition. The financial information herein is presented in thousands of US dollars unless otherwise noted (except per share amounts, which are presented in US dollars unless otherwise noted), in accordance with International Financial Reporting Standards ("IFRS"). Additional information about the Company, including Electrovaya's current annual information form, can be found on the SEDAR website for Canadian regulatory filings at www.sedar.com.

- **Forward-looking statements**

This MD&A contains forward-looking statements including statements with respect factors impacting revenue, the competitive position of the Company's products, global trends in technology supply chains, the Company's current and prospective Original Equipment Manufacturer (OEM) relationships, the Company's strategic objectives and financial plans, including the operations and strategic direction of Electrovaya Labs, expectations with respect to increasing predictability of customer sales cycles in the future, the Company's products, including electric bus, high voltages and electric lift truck and robotic applications and the potential for revenue from new applications , market conditions being favourable for the use of the Company's shelf prospectus; the ability to draw on the Company's shelf prospectus and favourable market conditions therefor, cost implications, continually increasing the Company's intellectual property portfolio, additional capital raising activities, the adequacy of financial resources to continue as a going concern, and also with respect to the Company's markets, objectives, goals, strategies, intentions, beliefs, expectations and estimates generally. Forward-looking statements can generally be identified by the use of words such as "may", "will", "could", "should", "would", "likely", "possible", "expect", "intend", "estimate", "anticipate", "believe", "plan", "objective" and "continue" (or the negatives thereof) and words and expressions of similar import. Readers and investors should note that any announced estimated and forecasted orders and volumes provided by customers and potential customers to Electrovaya also constitute forward-looking information and Electrovaya does not have (a) knowledge of the material factors or assumptions used by the customers or potential customers to develop the estimates or forecasts or as to their reliability and (b) the ability to monitor the performance of the business its customers and potential customers in order to confirm that the forecasts and estimates initially represented by them to Electrovaya remain valid. If such forecasts and estimates do not remain valid, or if firm irrevocable orders are not obtained, the potential estimated revenues of Electrovaya could be materially and adversely impacted.

Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, the outcome of such statements involve and are dependent on risks and uncertainties, and undue reliance should not be placed on such statements. Certain material factors or assumptions are applied in making forward-looking statements, and actual results may differ materially from those expressed or implied in such statements. Material assumptions used to develop forward-looking information in this MD&A include, among other things, that current customers will continue to make and increase orders for the Company's products; that the Company's alternate supply chain will be adequate to replace material supply and manufacturing; that the Company's products will remain competitive with currently-available alternatives in the market; that the alternative energy market will continue to grow and the impact of that market on the Company; the purchase orders actually placed by customers of Electrovaya; customers not terminating or renewing agreements; general business and economic conditions (including but not limited to currency rates and creditworthiness of customers); the relative effect of the global pandemics, geopolitics and supply chains on the Company's business, its customers, and the economy generally; the Company's liquidity and capital resources, including the availability of additional capital resources to fund its activities; the Company's ability to raise sufficient non-dilutive capital to start up its US cell manufacturing operations; industry competition; changes in laws and regulations; legal and regulatory proceedings; the ability to adapt products and services to changes in markets; the ability to retain existing customers and attract new ones; the ability to attract and retain key executives and key employees; the granting of additional intellectual property protection; and the ability to execute strategic plans. Information about risks that could cause actual results to differ materially from expectations and about material factors or assumptions applied in making forward-looking statements may be found herein under the heading "Qualitative and Quantitative Disclosures About Risks and Uncertainties", in the Company's Annual Information Form ("AIF") for the year ended September 30, 2023 under the heading "Risk Factors", and in other public disclosure documents filed with Canadian securities regulatory authorities. The Company does not undertake any obligation to update publicly or to revise any of the forward-looking statements contained or incorporated by reference in this document, whether as a result of new information, future events or otherwise, except as required by law.

Revenue forecasts herein constitute future-oriented financial information and financial outlooks (collectively, "FOFI"), and generally, are, without limitation, based on the assumptions and subject to the risks set out above under "Forward-Looking Statements". Although management believes such assumptions to be reasonable, a number of such assumptions are beyond the Company's control and there can be no assurance that the

assumptions made in preparing the FOFI will prove accurate. FOFI is provided for the purpose of providing information about management's current expectations and plans relating to the Company's future performance, and may not be appropriate for other purposes.

The FOFI does not purport to present the Company's financial condition in accordance with IFRS, and it is expected that there may be differences between actual and forecasted results, and the differences may be material. The inclusion of the FOFI in this MD&A should not be regarded as an indication that the Company considers the FOFI to be a reliable prediction of future events, and the FOFI should not be relied upon as such.

ELECTROVAYA INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

1. OUR BUSINESS

Electrovaya Inc. designs, develops and manufactures directly or through out-sourced manufacturing lithium ion batteries for Material Handling Electric Vehicles ("MHEV"), robotic applications and high voltage battery systems for use in electrified bus, truck, energy storage and defense

applications. Our main businesses include:

(a) lithium ion battery systems to power MHEV including fork-lifts as well as accessories such as battery chargers to charge the batteries;

(b) lithium ion batteries for robotic applications; and,

(c) high voltage battery systems for electric bus, truck and defense applications

(d) industrial products for energy storage.

The Company has a battery and battery systems research and manufacturing facility in Mississauga, Ontario. In December 2019, Electrovaya moved its corporate head office to 6688 Kitimat Road in Mississauga, Ontario. The location, which comprises approximately 62,000 square feet, is designed to enhance the Company's productivity and efficiency. The Company also owns a 52 acre site including a 137,000 square foot manufacturing site at 1 Precision Way in Jamestown New York. This site is intended to be Electrovaya's US headquarters and a key manufacturing hub. For further information, see "Liquidity and Capital Resources". The Company has operating personnel in both Canada and the USA..

Electrovaya has a team of mechanical, electrical, electronic, battery, electrochemical, materials and system engineers able to give clients a "complete solution" for their energy and power requirements. Electrovaya also has substantial intellectual property in the lithium ion battery sector.

Management believes that our battery and battery systems contain a unique combination of characteristics that enable us to offer battery solutions that are competitive with currently available advanced lithium ion and non-lithium ion battery technologies. These characteristics include:

- *Scalability and pouch cell geometry*: We believe that large-format pouched prismatic (flat) cells represent the best long-term battery technology for use in large electro-motive and energy storage systems.

- *Safety*: We believe our battery technologies provide a high level of safety benefits for lithium ion batteries. Safety in lithium ion batteries is becoming an important performance factor and Original Equipment Manufacturers ("OEMs") and users of lithium ion batteries prefer to have the highest level of safety possible in lithium ion batteries.

- *Cycle-life*: Our cells are in the forefront of battery manufacturers with respect to cycle-life, with excellent rate capabilities. Cycle-life is generally controlled by the parasitic reactions inside the cell and these reactions have to be reduced in order to deliver industry leading cycle-life. Higher cycle-life is of importance in many intensive applications of lithium ion batteries.

- *Energy and Power*: Our batteries give industry leading combination of energy and power and can be application specific.

- *Battery Management System*: Our Battery Management System ("BMS") has developed over the years, and provides excellent control and monitoring of the battery with advanced features as well as communication to many chargers, electric vehicles and other devices.

2. OUR STRATEGY

We have developed a highly proprietary and specialized lithium ion technology that provides superior cycle life and safety. Given these advantages, the Company is focused on applications where those two performance differentiators provide the greatest benefits which has led to a focus on heavy duty and mission critical applications. These often require battery systems to provide around the clock operational capability, longer life and better safety and include material handling, robotics, transit, aerospace and other intensive electrified applications. We developed cells, modules, battery management systems, software and firmware necessary to deliver systems for these intensive applications. We also developed supply chains which can produce needed components including separators, electrolytes with appropriate additives, cells and cell assembly, modules, electronic boards, electrical and mechanical components as needed for our battery systems. Our goal is to utilize our battery and systems technology to develop and commercialize mass-production levels of battery systems for our targeted end markets.

To achieve these strategic objectives, we intend to:

- Establish global strategic relationships in order to broaden the market potential of our products and services;

- Develop and commercialize leading-edge technology for heavy duty and mission critical electrified applications, as well as partnering with key large organizations to bring them to market;

- Invest in research and development initiatives related to new technologies that reduce the costs of our products, but enhance the operating performance, of our current and future products; and,

- Focus our products and sales efforts on intensive use and mission critical applications such as the logistics and e-commerce industry, automated guided vehicles, electric buses, defense, energy storage and other heavy duty applications.

3. RECENT DEVELOPMENTS

On October 3, 2022, the Company announced that it has selected New York State as the location for its first U.S. gigafactory (“the

Gigafactory"), for the production of cells and batteries. The Company will set up operations at a 135,000 square foot plant on a 52-acre campus near Jamestown, NY. The Company is developing the Gigafactory due to rising demand for its lithium-ion batteries, which provide superior safety and longevity in demanding applications for e-forklifts, e-trucks, e-robots, e-buses and more. Empire State Development (ESD) is assisting the project by providing up to $4 million of tax credits through the performance-based Excelsior Jobs Program, and $2.5 million of funding through the Regional Council Capital Fund Program. The Gigafactory will be located in a former electronics manufacturing facility and is expected to create approximately 250 new jobs, with expected production of more than one GWh of battery and energy storage systems over the next five years. The Company will also be eligible for other New York State funds, as well as U.S. federal funding from various agencies and programs. In July, the New York Power Authority Board of Trustees approved an allocation of more than 1.5 megawatts of low-cost hydropower under the Power Authority's Industrial Economic Development program to meet the increased electric load resulting from the Gigafactory. The final capital cost of the facility is estimated at approximately $75 million, and it is expected to open in phases starting late 2023.

On November 9, 2022, the Company completed a private placement with existing institutional investors, new institutional investors and insiders, (the "Offering") of 17,543,402 units ("Units") at a price of $0.8461 per Unit for aggregate gross proceeds of approximately C$14.8 million. Each Unit comprises one common share of the Company (a "Common Share") and one-half of one common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder thereof to acquire one Common Share at a price of C$1.06 until November 9, 2025, subject to adjustment in accordance with the terms and conditions of the Warrants. The Company covenanted with the purchasers of Units to undertake best efforts to list on NASDAQ by April 30, 2023, failing which the exercise price of the Warrants would be adjusted to C$0.94 per Common Share after that date, subject to adjustment in accordance with the terms and conditions of the Warrants. proceeds of the Offering were used for working capital to service purchase orders, for general corporate purposes, Jamestown startup costs, for debt repayment and restructuring.

On December 29, 2022, the Company announced that it had amended its loan agreement with its lender to extend the current term by six months with the option of a further six months under the same terms. The fees for the six month extension are 0.5% of the facility and were paid in shares. The Company also announced that it had repaid and closed its C$6 million promissory note with the same lender.

On February 9, 2023, the Company announced the receipt of a battery purchase order through its OEM sales channel valued at approximately $3.4 million. The batteries will be used by a leading Fortune 100 retailer to power Material Handling Electric Vehicles in the United States. Delivery will be made during the 2023 fiscal year.

On March 6, 2023, the Company announced the receipt of a battery purchase order through its OEM sales channel valued at approximately $14 million. The batteries will be used by a leading Fortune 500 company in the United States.

On March 27, 2023, the Company announced that all of the resolutions that shareholders were asked to consider at its 2023 Annual and Special Meeting held on March 24, 2023 in Toronto, Ontario, were approved. The five directors named in the management information circular of the Company, being Dr. Sankar Das Gupta, Dr. Raj Das Gupta, Dr. James Jacobs, Dr. Carolyn Hansson and Mr. Kartick Kumar, were each elected as directors by over 98% of the votes cast. Goodman & Associates LLP were re-appointed as auditors of the Company. A special resolution to approve the consolidation of the Common Shares at the board's discretion at a ratio of up to 5:1 was passed with 98.92% in favour.

On April 3, 2023, the Company announced that it had closed the previously announced purchase of its planned manufacturing site in Jamestown, New York as of March 31 2023. The site includes 52 acres of land, including a building previously utilized for the manufacturing of electronic components.

The purchase price was paid by way of a $1.05 million promissory note payable to the members of Sustainable Energy Jamestown LLC with a term of 365 days bearing interest at 7.5% per annum payable at maturity and the assumption of a $4.4 million vendor promissory note ("VPN") issued on July 1, 2022 with a 2 year term bearing interest at 2% per annum and secured against the property. At the time of the transaction, the balance of the VPN was $3.95 million with a payment due on maturity of $2.4 million. As part of the security interests granted to the Company's existing lender for its consent to the transaction, Dr. Sankar Das Gupta pledged 7,000,000 Common Shares of the Company.

On April 30, 2023, the Company entered into an agreement with the purchasers of the private placement of units consisting of common shares and warrants with an automatic price adjustment mechanism tied to listing the Common Shares on a major US exchange ("Warrants") completed in November 2022, to extend the deadline for the automatic adjustment from April 30, 2023 to June 9, 2023 in exchange for certain limits on the issuance of new Common Shares by the Company, subject to certain customary exceptions. All other terms and conditions remained unchanged.

On June 13, 2023, the Company completed a reverse split of its issued and outstanding common stock at a ratio of 1 consolidated for 5 pre-consolidated shares. The Company initiated the reverse stock split in connection with its intention to meet the minimum bid price requirement and list the Common Shares for trading on the Nasdaq Capital Market. As a result of the reverse stock split, every five outstanding Common Shares were consolidated into one Common Share without any action from stockholders, reducing the number of outstanding

Common Shares from approximately 164.86 million to approximately 32.97 million.

On June 30, 2023, the Company renewed its revolving facility and extended the term of the facility by three months to September 29, 2023, with the aim to refinance the facility by the end of Q4 FY2023. The Company retains the option to extend the existing facility by a further three months to December 31, 2023.

On September 29 2023, the Company engaged MNP LLP to replace Goodmans and Associates as the Company's auditors.

3.1 Business Highlights, Subsequent Events and 2024 Outlook

Business Highlights – Q4 FY2023:

On July 3, 2023, the Company announced that the Nasdaq Stock Market LLC approved the listing of the Common Shares on the Nasdaq Capital Market ("Nasdaq"). The Company commenced trading on Nasdaq under the symbol "ELVA" at the opening of trading on Thursday, July 6, 2023 and will continue to trade on the Toronto Stock Exchange under the symbol "TSX:ELVA".

Between July 19 and July 31, 2023, a portion of the warrants issued during the November 9, 2022, private placement was exercised, resulting in cash received of approximately $3 million. This investment was used for general working capital and will be reflected in the Q4 FY2023 financial statements.

On July 20, 2023, the Company announced the launch of its Infinity-HV battery systems. The Infinity-HV systems target heavy-duty, high-voltage applications including buses, delivery trucks, construction trucks, hybrid-fuel cell/battery systems and stationary energy storage systems. Electrovaya's Infinity-HV systems will offer industry-leading safety and longevity for these applications, ultimately providing users with lower liability costs, better warranty coverage and an overall lower cost of ownership.

On August 2, 2023, the Company provided the following business update on the planned New York gigafacto ry. The first phase of construction is expected to take place within the existing 135,000 square foot manufacturing facility for the production of cells and batteries, with an estimated capital expenditure of approximately US$48 million. The planned Gigafactory, we believe, provides significant benefits for Electrovaya:

- Domestic manufacturing and supply chain security;
- Inflation Reduction Act incentives of up to US$45 million for every 1GWh of plant output;
- Improved gross margins; and
- Enhanced ability to make more rapid implementation of new battery technologies.

On September 29, 2023, the Company engaged MNP LLP to carry out the audit for the 2023 fiscal year. The audit for the Fiscal Year 2023 was carried out in line with PCAOB auditing standards as opposed to Canadian Accounting Standards for Fiscal Year 2022.

Subsequent Events

On October 3, 2023, announced preliminary unaudited Q4 and Fiscal Year 2023 revenue. (“Q4 FY2023” and “FY2023”, respectively)

- Preliminary unaudited Q4 FY 2023 revenue of US$13.4 million (C$18.1 million) for the quarter ending September 30, 2023, an increase of 35% compared with Q4 FY 2022
- Preliminary unaudited FY 2023 revenue of US$42.2 million (C$56.9 million), an increase of 113% compared with $19.8 million (C$26.7 million) in FY 2022; and an increase of 264% compared to $11.6 million (C$15.6 million) in FY 2021; a CAGR of 100% over 2 years.

In October 2023, the Company established a relationship with one of the four largest Japanese trading houses or “sogo shosha”. Through this partnership, Electrovaya products are being marketed to a host of Japanese and international OEMs representing a significant boost to the Company’s sales reach.

On October 21, 2023, the Company announced the appointment of Steven Berkenfeld to the Company’s board of directors.

On November 2, 2023, the Company announced that it had executed a strategic supply agreement with two leading affiliated OEM partners for material handling vehicles and other affiliates for the supply of battery systems. The new agreement supersedes a preceding agreement from December 2020 with just one of the OEM partners and includes a longer term with larger minimum purchases to maintain exclusivity.

On November 7, 2023, the Company announced the receipt of a battery purchase order through one of its OEM sales channels valued at over US$8 million. The batteries will be used by a leading Fortune 100 company in the United States for material handling electric vehicles.

On December 20, 2023 the Company renewed its revolving facility and extended the term of the facility by three months to March 29, 2024, with the aim to refinance the facility by the end of Q2 FY2024. The Company retains the option to extend the existing facility by a further three months to June 29, 2024.

Positive Financial Outlook:

In Q1 FY2023, the Company announced its revenue guidance for FY2023 of $42 million. The Company continued to reiterate its guidance and confirmed in October, 2023 that it had met its guidance. Upon release of the financial statements, this figure was adjusted to $44.4 million for FY2023.

The Company anticipates revenue of between $65-75 million for the fiscal year ending September 30, 2024 (“FY 2024”), an increase of between 47-70% over the revenue generated in FY2023 of $44 million. The revenue forecast takes into consideration the Company’s existing purchase order backlog, anticipated pipeline, additional demand from its key OEM partners and new products designed for new sectors. This guidance is subject to change and is made barring any unforeseen circumstances. See “Forward-Looking Statements”.

4. SELECTED ANNUAL FINANCIAL INFORMATION

4.1 Selected Annual Financial Information for the Years ended September 30, 2023, 2022 and 2021

Results of Operations
(*Expressed in thousands of U.S. dollars*)

	Year Ended September 30,		
	2023	2022 Restated	2021
Total Revenue	44,059	16,270	11,584
Variable Costs	32,203	12,396	7,660
Gross Margin	11,856	3,874	3,924
GM%	26.9%	23.8%	33.9%
Expenses			
Research & development	3,382	3,434	4,555
Government assistance	(387)	(210)	(871)
Sales & marketing	1,897	1,147	1,282
General & administrative	3,687	3,046	2,707
Stock based compensation	1,167	3,223	541
Depreciation	907	503	319
	10,653	11,143	8,533
Profit(loss) from operations	1,203	(7,269)	(4,609)
Finance Cost	2,474	3,033	2,669
Foreign exchange gain (loss)	(887)	1,091	(256)
	3,361	1,942	2,925
Deferred tax recovery	679	-	-
Net Profit (Loss)	(1,479)	(9,211)	(7,534)

Operating Segments

The Company has reviewed its operations and determined that it operates in one business segment and has only one reporting unit. The Company develops, manufactures and markets power technology products.

Revenue

Revenue increased to $44.1 million, compared to $16.3 million for the years ended September 30, 2023 and restated 2022 respectively, an increase of $27.8 million or 171%. The 171% increase in year-over-year revenue was due to increased order volume and ramp up in production to meet the demand.

Revenue was predominantly from the sale of batteries and battery systems for MHEVs. Batteries and battery systems accounted for $42.2 million or 95.7% of revenue for FY 2023 and $15.2 million or 93.4% for FY2022. Sale of engineering services, research grants, and other sources of revenue, including Government assistance, accounted for the remaining $1.9 million or 4.3% in FY 2023 and $1.1 million or 6.8% in FY 2022.

	Year Ended September 30,		
	2023	2022 Restated	2021
Battery Systems	42,168	15,190	9,475
Services	216	142	88
Research Grants	693	650	1,662
Other Revenue	982	288	359
	44,059	16,270	11,584

For the year ended September 30, 2023 revenue attributable to the United States accounted for $42.4 million or 96.1% of total revenue while revenue attributed to Canada and other countries accounted for the remaining $1.7 million or 3.9%. For the year ended September 30, 2022 revenue attributable to the United States accounted for $14.3 million or 87.7% and Canada and other countries accounted for the remaining $2.0 million or 12.3%. This reflects the growing level of interest in our material handling batteries and an increased direct and indirect sales presence in the United States.

Direct Manufacturing Costs (variable costs) and Gross Margin

Direct manufacturing costs are comprised of materials, labour and manufacturing overhead, excluding amortization, associated with the production of batteries and battery packs for Electric Vehicles, stationary grid applications and research and engineering service revenues.

The gross margin increased to $11.9 million, compared to $3.9 million for the year ended September 30, 2023 and restated 2022 respectively, an increase of $8.0 million or 206%. The gross margin percentage was 26.9% for the year ended September 30, 2023, compared to 23.8% for the prior year. When reviewing gross margin by revenue stream, the main driver of revenue, Battery Systems, shows a gross margin of 27.7% for the year.

	Year Ended September 30,		
	Revenue	GM %	GM $
Battery Systems	42,168	27.7%	11,698
Services	216	5.0%	11
Research Grants	693	0.0%	-
Other Revenue	982	15.0%	147
	44,059	26.9%	11,856

Our margin varies from period to period due to a number of factors including the product mix, special customer pricing, material cost, shipping costs and foreign exchange movement. In the current fiscal year, we have seen some significant increases in prices due to inflationary pressures. The company has offset this by increasing sales prices and continues to work to improve gross margins going forward. The Company continues to monitor gross margin closely and has implemented measures to increase it for fiscal year 2024.

Operating Expenses

Operating expenses include:

- *Research and Development ("R&D")* Research and development expenses consist primarily of compensation and premises costs for research and development personnel and activities, including independent contractors and consultants, and direct materials;
- *Government Assistance* The company applied for and received funding from the Industrial Research Assistance Program during the year;
- *Sales and Marketing* Sales and marketing expenses are comprised of the salaries and benefits of sales and marketing personnel, marketing activities, advertising and other costs associated with the sales of Electrovaya's product lines;
- *General and Administrative* General and administrative expenses include salaries and benefits for corporate personnel, insurance, professional fees, reserves for bad debts and facilities expenses. The Company's corporate administrative staff includes its executive officers and employees engaged in business development, financial planning and control, legal affairs, human resources and information technology;
- *Stock based compensation* Recognizes the value based on Black-Scholes option pricing model of stock based compensation expensed over the relevant vesting period; stock based compensation that carries market conditions is fair valued using the Monte Carlo method and expensed over the calculated vesting period.
- *Financing costs* Financing costs includes the cost of debt, equity or other financing. This includes cash and non-cash interest, legal costs of financing, commissions and fees; and,
- *Patent and trademark costs* Patent and trademark expense recognizes the cost of maintaining the Company's patent and trademark portfolio.

Total operating expenses decreased to $10.7 million compared to $11.1 million for the years ended September 30, 2023 and restated 2022 respectively, a decrease of $0.4 million or 4%. Within this movement, Sales & Marketing expenses increased by $0.7 million, being the costs associated with expanding into new sales verticals, and General & Administrative costs increased $0.6 million, being primarily the increase in headcount and Jamestown plant startup costs. Stock based compensation increased significantly in both 2023 and 2022 due to the recognition of options granted with special market conditions. Although these market conditions have yet to be met, the options are recognised based on the valuation under the Monte Carlo option pricing model. As a result of this calculation, an additional $0.7 million was recognised in 2023 and $3.4 million in 2022.

Net Profit/(Loss)

The net loss decreased to $1.5 million million from a net loss of $9.2 million for the years ended September 30, 2023 and restated 2022 respectively, a decrease of $7.7 million. This decrease in the net loss was due in a large part to the increase in revenue during the year of 171%, decrease in operating expenses of 4% and the recognition of a deferred tax recovery relating to the US operations. The Company also experienced unfavourable movements in exchange rates and recognised a foreign exchange loss of $0.9 million, compared to the gain of $1.1 million in the prior year.

Key Performance Indicators

In addition to operating results and financial information described above, management reviews the following measures (which are not measures defined under IFRS):

Adjusted EBITDA[1]

(*Expressed in thousands of U.S. dollars*)

		Year Ended September 30,		
		2023	2022 Restated	2021
Profit (Loss) from operations		1,203	(7,269)	(4,609)
Less:	Stock based compensation	1,167	3,223	541
	Depreciation	907	503	319
	Adjusted EBITDA[1]	3,277	(3,543)	(3,749)
	Adjusted EBITDA[1] %	7%	-22%	-32%

[1] Non-IFRS Measure: Adjusted EBITDA is defined as profit(loss) from operations, plus stock-based compensation costs and depreciation. Adjusted EBITDA does not have a standardized meaning under IFRS. We believe that certain investors and analysts use Adjusted EBITDA to measure the performance of the business and is an accepted measure of financial performance in our industry. It is not a measure of financial performance under IFRS, and may not be defined and calculated in the same manner by other companies and should not be considered in isolation or as an alternative to Income (loss) from operations.

Adjusted EBITDA[1] increased by $6.8 million from the restated 2022 figure, and $7.0 million from the 2021 figure. The main driver of the improvement is the 171% increase in revenue and the 4% decrease in operating expenses during the year. Adjusted EBITDA for Q4 was $1.2 million and Management is focused on maintaining this trend in 2024.

Adjusted EBITDA[1] will improve primarily through increased sales, maintaining or improving gross margin percentage and controlling operating expenses. We continue our efforts for sales growth, control of manufacturing costs and reduction operating expenses.

Summary Financial Position

(*Expressed in thousands of U.S. dollars*)

	Year Ended September 30,		
	2023	2022	2021
		Restated	
Total current assets	$ 25,906	$ 14,788	$ 12,028
Total non-current assets	10,608	7,401	2,949
Total assets	$ 36,514	$ 22,189	$ 14,977
Total current liabilities	26,611	22,662	13,453
Total non-current liabilities	2,757	6,234	3,220
Equity (Deficiency)	7,146	(6,707)	(1,696)
Total liabilities and equity (deficiency)	$ 36,514	$ 22,189	$ 14,977

In the three year period commencing September 30, 2021 and ending September 30, 2023 current assets have increased by $13.8 million, current liabilities have increased by $13.1 million and the equity deficiency has decreased by $8.8 million.

Management is focused on continuing to improve the company's financial position through the prudent use of debt and equity but most importantly achieving a profitable position and strong working capital management.

Summary Cash Flow
(*Expressed in thousands of U.S. dollars*)

		Year Ended September 30,		
		2023	2022	2021
			Restated	
Net income (loss) for the year		$ (1,479)	$ (9,211)	$ (7,534)
Less:	Amortization	907	503	319
	Stock based compensation	1,167	3,223	541
	Deferred tax recovery	(679)	-	-
	Financing and other costs	2,474	3,033	1,158
	Premium on purchase of SEJ	495	-	-
Cash provided by (used in) operating activities		$ 2,885	$ (2,452)	$ (5,516)
Net change in working capital		(7,741)	(6,373)	(2,600)
Cash from(used in) operating activities		(4,856)	(8,825)	(8,116)
Cash (used in) investing activities		(903)	(212)	(560)
Cash from financing activities		6,201	7,886	10,916
Decrease in cash		442	(1,151)	2,240
Exchange difference		(36)	(2,425)	838
Cash, beginning of year		626	4,202	1,124
Cash at end of year		$ 1,032	$ 626	$ 4,202

The Company ended September 30, 2023 with $1 million of cash as compared to $0.6 million and $4.2 million for September 30, 2022 and 2021, respectively. The Company showed a positive cash generated from operations of $2.9m compared to a cash used in operations of $2.5 million and $5.5 million for September 2022 and 2021 respectively. This is a significant milestone for the Company as we move towards positive cash flow from operations. The Company had a negative change in working capital of $7.7 million compared to $6.4 million for September 2022 and $2.6 million for September 2021.

Further details of the restatements made to FY2022 can be found in note 27 of the financial statements.

4.2 Quarterly Financial Results

Results of Operations

(*Expressed in thousands of U.S. dollars*)

	2023				
	Q1	**Q2**	**Q3**	**Q4**	**2023**
Total Revenue	11,117	10,459	10,537	11,946	44,059
Variable Costs	8,154	7,788	7,573	8,688	32,203
Gross Margin	2,963	2,671	2,964	3,258	11,856
GM%	26.7%	25.5%	28.1%	27.3%	26.9%
Expenses					
Research & development	1,082	864	582	854	3,382
Government assistance	(81)	(135)	(109)	(62)	(387)
Sales & marketing	727	501	379	290	1,897
General & administrative	1,073	835	817	962	3,687
Stock based compensation	298	203	545	121	1,167
Depreciation	160	209	243	295	907
	3,259	2,477	2,457	2,460	10,653
Profit(loss) from operations	(296)	194	507	798	1,203
Finance Cost	747	578	626	523	2,474
Foreign exchange gain (loss)	(403)	(127)	(172)	(185)	(887)
	1,150	705	798	708	3,361
Deferred tax recovery	-	-	-	679	679
Net Profit (Loss)	(1,446)	(511)	(291)	769	(1,479)
	2022 Restated				
	Q1	**Q2**	**Q3**	**Q4**	**2022**
Total Revenue	1,250	4,290	4,305	6,425	16,270
Variable Costs	884	3,208	3,218	5,086	12,396
Gross Margin	366	1,082	1,087	1,339	3,874
GM%	29.3%	25.2%	25.2%	20.8%	23.8%
Expenses	69.00	69.00	69.00	69.00	
Research & development	631	1,023	819	961	3,434
Government assistance	(30)	(96)	(226)	142	(210)
Sales & marketing	300	369	290	188	1,147
General & administrative	647	817	797	786	3,046
Stock based compensation	1,150	1,091	414	568	3,223
Depreciation	100	101	152	150	503
	2,798	3,305	2,246	2,795	11,143
Profit(loss) from operations	(2,432)	(2,223)	(1,159)	(1,456)	(7,269)
Finance Cost	578	837	648	969	3,033
Foreign exchange gain (loss)	7	(210)	253	1,041	1,091
	571	1,047	395	(72)	1,942
Net Profit (Loss)	(3,003)	(3,270)	(1,554)	(1,384)	(9,211)

For the three month period ended September 30, 2023, total revenue was $11.9 million. This quarterly revenue was $5.5 million higher than restated Q4 FY2022. The increase is a direct result of increased orders and deliveries.

Gross margin increased by $1.9 million to $3.3 million for Q4 2023 from $1.3 million for Q4 2022. The gross margin percentage increased to 27.3% in Q4 2023 as compared to restated 20.8% in Q4 2022. As described earlier, gross margin is affected by a number of factors including the product mix, special customer pricing, material cost, shipping costs and foreign exchange movement. During Q4 2023, the company saw a significant increase in its shipping and storage costs due to the multi-week port strike in Vancouver. This had a direct impact on the gross margin. The Company is targeting returning to an improved gross margin for fiscal year 2024.

Total operating expenses for Q4 2023 decreased to $2.5 million as compared to $2.8 million for Q4 2022, a decrease of $0.3 million. Both fiscal years were affected by additional costs as a result of changes to the accounting treatment of certain items on the income statement. Stock Based Compensation decreased by $0.4. General & Administrative and Sales & Marketing costs increased by $0.2 million and $0.1 million respectively.

Quarterly Adjusted EBITDA[1]

		2023				
		Q1	**Q2**	**Q3**	**Q4**	**2023**
Gain (Loss) from operations		(296)	194	507	798	1,203
Less:	Stock based compensation	298	203	545	121	1,167
	Depreciation	160	209	243	295	907
	Adjusted EBITDA[1]	162	606	1,295	1,214	3,277

		2022				
		Q1	**Q2**	**Q3**	**Q4**	**2022**
Gain (Loss) from operations		(2,432)	(2,223)	(1,159)	(1,456)	(7,269)
Less:	Stock based compensation	1,150	1,091	414	568	3,223
	Depreciation	100	101	152	150	503
	Adjusted EBITDA[1]	(1,182)	(1,031)	(593)	(738)	(3,543)

Quarterly Adjusted EBITDA shows a significant increase from fiscal 2022 to fiscal 2023.

Comparison to Previously Reported

Changes were made to the accounting treatment for 2023 when compared to the treatment during the year.

	Q1	Q2	Q3
Originally Reported Net Profit/(Loss)	**(1,585)**	**170**	**77**
Adjustments			
Gross Margin	1,017	-	-
Research and development	21	23	103
Warranty	(250)	-	-
Jamestown costs under IFRS 3	(178)	(229)	81
Share Based Payments - Special Option Grant	(165)	(71)	(211)
Finance Costs	(84)	(101)	(108)
Depreciation from revaluation	(63)	(112)	(45)
Foreign exchange gain (loss)	(159)	(191)	(188)
	(1,446)	(511)	(291)

The total impact of the adjustments to the first three quarters of the year is an increase in the loss of $0.3 million. The majority of the adjustments came in the first quarter of 2023, The effect of which was offset by an increase to the gross margin of $1.0 million from prior year revenue being reallocated to Q1 2023. The negative adjustments came from an addition to the warranty provision of $0.2 million, the inclusion of $0.3 million of costs and $0.2 million of depreciation associated with the Jamestown facility, prior to the Company's purchase of Sustainable Energy Jamestown, as a result of a change in treatment of the asset under IFRS 3 common control business combinations, $0.3 million from fair value adjustments to finance costs and $0.4 million related to options with market conditions that have not vested and may never vest (the overall impact for this adjustment was $0.7 million in fiscal 2023 and $3.4 million in fiscal 2022). Of the total increase to costs to the first three quarters, $1.4 million related to non-cash adjustments.

Quarterly Comparative Summaries

Quarterly revenue from continued operations are as follows:

(*USD $ thousands*)	**Q1**	**Q2**	**Q3**	**Q4**
2023	$11,117	$10,459	$10,537	$11,946
2022	$1,250	$4,290	$4,305	$6,425
2021	$2,583	$2,927	$1,918	$4,156

Quarterly net profits/(losses) from continued operations are as follows:

(*USD $ thousands*)	**Q1**	**Q2**	**Q3**	**Q4**
2023	$(1,446)	$(511)	$(291)	$769
2022	$(3,003)	$(3,270)	$(1,554)	$(1,384)
2021	$(1,844)	$(1,866)	$(1,792)	$(2,032)

Quarterly net gains (losses) per common share from continued operations are as follows:

	Q1	**Q2**	**Q3**	**Q4**
2023	$(0.04)	$(0.01)	$(0.00)	$0.02
2022	$(0.10)	$(0.11)	$(0.05)	$(0.05)
2021	$(0.01)	$(0.02)	$(0.01)	$(0.01)

Revenue Seasonality

In recent periods, revenue has been relatively low in the fiscal first quarter, which management believes reflects material handling customers' preference to defer product delivery past the holiday season and into the New Year. This is due to an increasing e-commerce demand and the need to minimize changes or disruptions at high-volume distribution centers during their peak season.

The lithium ion forklift battery has a long sales cycle as many customers are large companies, the technology is relatively new to the forklift market, and customers need time to familiarize themselves with and validate the benefits as compared to the incumbent technology of lead acid batteries. In some cases, the process involves receiving a demonstrator battery for testing and trial. This causes a somewhat long and "lumpy", or uneven, sales cycle. As customers become more comfortable with the product and place repeat orders it is management's view that the sales will grow in a more predictable and consistent fashion.

5. LIQUIDITY AND CAPITAL RESOURCES

During the year ended September 30, 2023, the Company generated negative cash from operations of $5.3 million (September 30, 2022: $8.8 million). As of September 30, 2023, the Company had negative working capital of $7.7 million (September 30, 2022: $6.4 million) and a net loss of $1.4 million (2022: $9.2 million). The Company's equity was a surplus of $7.1 million (September 30, 2022: deficiency of $6.7 million). As of September 30, 2023, the Company had cash and cash equivalents of $1.0 million (September 30, 2022: $0.6 million). The Company is also anticipating the planned construction of its gigafactory in Jamestown, New York (the "Gigafactory"), which will need additional financing.

The first phase of construction is expected to take place within the existing 137,000 square foot manufacturing facility for the production of cells and batteries, with an estimated capital expenditure of approximately US$38 million. These material uncertainties raise significant doubt upon the Company's ability to continue as a going concern.

In assessing whether the going concern assumption was appropriate, management took into account all relevant information available about the future, which was at least, but not limited to, the twelve month period following September 30, 2023. The Company and its Board of Directors have implemented various operating and financing strategies.

Subsequent to year-end, the Company renewed its revolving credit facility and extended it to June 30, 2024 with capability to refinance earlier. Despite this, it expects to refinance this facility with a different lender in Q2 fiscal year 2024, providing additional working capital to support the increase in revenue expected for fiscal year 2024.

The Company plans on pursuing large scale investments in its planned Jamestown gigafactory only in the event that it closes a government backed debt facility that includes advantageous terms with minimal impacts to operating cash flow and equity dilution. If the Company is unable to secure such financing, it will delay or cancel these expansion plans with limited financial impact as the main investment made thus far is the land and building which can be sold at a profit.

The Company has made improvements to its manufacturing process, equipment, and facilities over the last several months that have led to increased capacity and efficiency. The Company has witnessed a significantly increased order backlog year over year with an expanding product platform that now encompasses additional revenue streams. Furthermore, the Company also anticipates gross margins to improve in fiscal year 2024 due to decreasing costs of key materials including but not limited to cell materials, separators, and other high value items. These anticipated improved margins, when combined with expected overall sales growth should result in improved overall financial performance.

Finally, the Company has multiple methods at its disposal for attracting additional working capital including debt and issuing new shares. Since the Company listed on Nasdaq in July 2023, it has further increased liquidity and overall financing capabilities.

Given the Company's improved revenue levels, accounts receivable level, anticipated additional working capital from a planned new financial lender, strong relationship with our OEM partners and end users, a strong backlog and sales pipeline, and availability to draw on $100 million shelf prospectus, we are confident in our ability to continue operations for at least twelve months.

At September 30, 2023, we had the following contractual obligations:

Year of Payment Obligation	Debt Repayment
2024	15,334
2025	56
2026	57
2027 and thereafter	84
Total	$ 15,531

6. OUTSTANDING SHARE DATA

The authorized and issued capital stock of the Company consists of an unlimited authorized number of common shares as follows:

	Common Shares	
	Number	Amount
Balance, September 30, 2021	29,188,182	$102,498
Issuance of shares	61,224	234
Exercise of options	13,000	29
Exercise of options	-	25
Issuance of shares	98,765	320
Issuance of shares	46,155	115
Issuance of shares	16,949	40
Exercise of options	1,333	3
Transfer from contributed surplus	-	2
Issuance of shares	11,764	39
Balance, September 30, 2022	29,437,372	$103,305
Issuance of shares	3,508,680	7,167
Exercise of options	6,800	8
Issuance of shares	14,414	59
Transfer from contributed surplus	-	5
Exercise of options	5,200	13
Transfer from contributed surplus	-	11
Issuance of shares note	8,376	30
Issuance of shares note	10,443	30
Issuance of shares	841,499	3,004
Transfer from derivative liability	-	1,409
Balance, September 30, 2023	33,832,784	115,041

On February 17, 2021 at a Special Meeting of the Shareholders, a resolution was passed to amend the articles of the Corporation to change the number of issued and outstanding common shares of the Corporation by consolidating the issued and outstanding common shares on the basis of one new common share for every 5 existing common shares (or such lower consolidation ratio as may be determined by the Board). Such consolidation would ultimately only become effective at a future date determined by the Board if the Board determined it was in the best interests of the Corporation to implement a consolidation.

On March 25, 2022 at a Special Meeting of the Shareholders, a resolution was passed to (i) authorize amendments to the company's Stock Option Plan to increase the maximum number of common shares issuable upon the exercise of stock options thereunder from 4,600,000 to 6,000,000.

On March 24, 2023 at a Special Meeting of Shareholders, the resolution to amend the articles of the Corporation to change the number of issued and outstanding common shares of the Corporation by consolidating the issued and outstanding common shares on the basis of one new common share for every 5 existing common shares (or such lower consolidation ratio as may be determined by the Board) was re-presented and passed.

On June 13, 2023, the Company completed a reverse split of its issued and outstanding common stock at a ratio of 1 consolidated for 5 pre-consolidated shares. The Company initiated the reverse stock split in connection with its intention to meet the minimum bid price requirement and list the Common Shares for trading on the Nasdaq Capital Market. As a result of the reverse stock split, every five outstanding Common Shares were consolidated into one Common Share without any action from stockholders, reducing the number of outstanding Common Shares from approximately 164.86 million to approximately 32.97 million. The following table reflects the quarterly stock option activities for the period from October 1, 2021 to September 30, 2023:

	Number outstanding	Weighted average exercise price
Outstanding, September 30, 2021	3,454,254	$2.25
Granted	20,000	$4.50
Expired	(11,000)	$0.63
Exercised	(13,000)	$2.20
Granted	300,000	$2.20
Exercised	(1,333)	$2.55
Expired	(21,333)	$3.15
Outstanding, September 30, 2022	3,727,588	$2.30
Exercised	(6,800)	$1.05
Exercised	(5,200)	$2.55
Expired	(3,200)	$2.60
Granted	1,060,000	$4.04
Expired	(58,000)	$4.04
Outstanding, September 30, 2023	4,714,388	$2.44

The following table reflects the outstanding warrant and Broker Compensation Option activities for the period from October 1, 2021 to September 30, 2023:

Details of share warrants

	Number Outstandin	Exercise Price
Outstanding, September 30, 2021 and September 30, 2022	2,035,019	$2.30
Issued during the quarter ended December 31, 2022	1,754,340	$3.90
Expired during the quarter ended December 31, 2022	(80,869)	$5.80
Expired during the quarter ended March 31, 2023	(242,222)	$6.45
Exercised during the quarter ended September 30, 2023	(841,499)	$3.47
standing, September 30, 2023	2,624,769	$2.38

Details of Compensation Options to Brokers

	Number Outstanding	Exercise Price
Outstanding, September 30, 2021 and September 30, 2022	46,588	$5.90
Expired during the quarter ended March 31, 2023	(29,066)	$6.45
Outstanding, March 31, 2023, June 30, 2023 and September 30, 2023.	17,522	$4.95

As of September 30, 2023, the Company had 33,832,784 common shares outstanding, 4,714,388 options to purchase common shares outstanding, 17,522 compensation options outstanding and 2,624,769 warrants to purchase common shares outstanding.

7. OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements for the year ended September 30, 2022.

8. RELATED PARTY TRANSACTIONS

Please refer to note 17 to the 2023 Annual Financial Statements for details on related party transactions

9. CRITICAL ACCOUNTING ESTIMATES

The Company's management makes judgments in the process of applying the Company's accounting policies in the preparation of its consolidated financial statements. In addition, the preparation of financial information requires that the Company's management make assumptions and estimates of effects of uncertain future events on the carrying amounts of the Company's assets and liabilities at the end of the reporting period and the reported amounts of revenue and expenses during the reporting period. Actual results may differ from those estimates as the estimation process is inherently uncertain. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

The critical judgments, estimates and assumptions applied in the preparation of Company's financial information are reflected in Note 3 of the Company's September 30, 2023 consolidated financial statements.

10. CHANGES IN ACCOUNTING POLICIES AND RECENT ACCOUNTING PRONOUNCEMENTS

Our accounting policies and information on the adoption and impact of new and revised accounting standards the Company was required to adopt effective January 1, 2015 are disclosed in Note 3 of our consolidated financial statements and their related notes for the year ended September 30, 2023.

11. FINANCIAL AND OTHER INSTRUMENTS

Derivative Liabilities

Warrants as a derivative liability are fair valued using the Black Scholes Model (BSM). Using this approach, the fair value of the warrants on 09 November 2022 was determined to be $3.3 million. Key valuation inputs and assumptions used in the BSM are stock price of CAD $4.55, expected life of 3 years, annualized volatility of 85.58%, annual risk-free rate of 3.87%, and annual dividend yield of 0.0%. Key valuation inputs and assumptions used in the BSM when valuing the warrants as at September 30, 2023 were, stock price $3.75, expected life of 2.1 years, annualized volatility of 76.8%, annual risk-free rate of 3.92%, and dividend yield of 0.0%.

Under the provisions of IFRS 9, the initial value of the warrant is reduced from equity and booked as derivative liability net off of the allocated issuance cost.
The company incurred total issuance costs of $459. The Company allocated proportionally to the derivative liability and expensed $134 as a finance cost in the statement of earnings, and the balance portion of the issuance cost reduced from equity for the amount of $325 respectively.

Warrants are fair valued at each reporting date and the gain / (loss) is charged to the other comprehensive income.

12. DISCLOSURE CONTROLS

We have established disclosure controls and procedures that are designed to ensure that the information required to be disclosed by the Company in the reports that it files or submits under securities legislation is recorded, processed, summarized, and reported within the time periods specified in such rules and forms and that such information is accumulated and communicated to management, including our principal executive officer and principal financial officer (who are our Chief Executive Officer and Chief Financial Officer, respectively) as appropriate to allow timely decisions regarding required disclosure. In designing and evaluating our disclosure controls and procedures, management recognized that disclosure controls and procedures can provide only reasonable, not absolute, assurance that the objectives of the disclosure controls and procedures are met.

Our management, including our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures. Based on this evaluation and as described below under “Internal Control over Financial Reporting”, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were not effective as of September 30, 2023.

13. INTERNAL CONTROL OVER FINANCIAL REPORTING

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed by, or under the supervision of, the CEO and the CFO and effected by the Board of Directors, management and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with IFRS.

Our management, including our CEO and CFO, believes that any disclosure controls and procedures or internal control over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, have been prevented or detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the control. The design of any system of controls is based in part on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud might occur and not be detected.

Management assessed the effectiveness of the Company’s internal control over financial reporting on September 30, 2023, based on the criteria set forth in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission as published in 2013. Based on this evaluation and due to the material weakness described below, management believes, as of September 30, 2023, the Company’s internal control over financial reporting was not effective in respect of the analysis and evaluation of certain technical accounting matters.

Identification of material weakness in internal control over financial reporting

During the reporting period presented, management did not maintain effective control over the interpretation and application of technical IFRS matters. This deficiency required the Company to make adjustments in connection with the issuance of the September 30, 2022 consolidated financial statements.

A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis. Management has determined there is a material weakness in internal control over financial reporting.

Remediation of material weakness in internal control over financial reporting

In light of the material weakness, management has commenced a plan to add additional technical accounting resources to the financial reporting process. Management is committed to the implementation of remediation efforts to address the material weakness. Remediation is continuing and intended to address the material weakness and enhance the overall financial control environment, including steps to address the evaluation, applicability, and documentation of the impact of technical accounting matters on an ongoing basis. The material weakness will only be considered as remediated when the applicable control operates for a sufficient period of time and management has concluded through testing, that the control is operating effectively.

No assurance can be provided at this time that the actions and remediation efforts of the Company will effectively remediate the material weakness or prevent the occurrence of other significant deficiencies or material weaknesses in the Company's internal controls over financial reporting in the future.

14. QUALITATIVE AND QUANTITATIVE DISCLOSURES ABOUT RISKS AND UNCERTAINTIES

The Company may be exposed to risks of varying degrees of significance which could affect its ability to achieve its strategic objectives. The main objectives of the Company's risk management processes are to ensure that the risks are properly identified and that the capital base is adequate in relation to those risks. The principal risks to which the Company is exposed are described below.

Capital risk

The Company manages its capital to ensure that there are adequate capital resources for the Company to maintain and develop its products. The capital structure of the Company consists of shareholders' equity and depends on the underlying profitability of the Company's operations.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the development, manufacture and marketing of its products. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern.
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company monitors capital on the basis of the carrying amount of equity plus its short-term debt comprising the revolving facility, promissory note, less cash and cash equivalents as presented on the face of the statement of financial position.

The Company sets the amount of capital in proportion to its overall financing structure, comprising equity and long-term debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company issues new shares or increases its long-term debt.

Capital for the reporting periods under review is summarized as follows:

	Year Ended September 30,	
	2023	2022 Restated
Total (Deficiency)	7,146	(6,707)
Cash and cash equivalents	(1,032)	(626)
(Deficiency)	6,114	(7,333)
Total (deficiency)	6,114	(7,333)
Promissory Note	1,026	4,363
Short-term loan	3,457	1,255
Working capital facilities	11,821	11,635
Other Long-term liabilities	3,146	6,398
Overall Financing	25,564	16,318
Capital to Overall financing Ratio	0.24	(0.45)

Credit risk

Credit risk is the risk that the counterparty fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments, for example, by granting loans and receivables to customers, placing deposits, etc. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognized at the reporting date, as summarized below:

	September 30,	
	2023	2022
Cash and cash equivalents	$ 1,032	$ 626
Trade and other receivables	10,611	2,913
Carrying amount	$ 11,643	$ 3,539

Cash and cash equivalents are comprised of the following:

	September 30,	
	2023	2022
Cash	$ 1,032	$ 626
Cash equivalents	-	-
	$ 1,032	$ 626

The Company's current portfolio consists of certain banker's acceptance and high interest yielding savings accounts deposits. The majority of cash and cash equivalents are held with financial institutions, each of which had at September 30, 2023 a rating of R-1 mid or above.

The Company manages its credit risk by establishing procedures to establish credit limits and approval policies. The balance in trade and other receivables is primarily attributable to trade accounts receivables. In the opinion of management, the credit risk is moderate as some receivables are falling into arrears. Management is taking appropriate action to mitigate this risk by adjusting credit terms.

Liquidity risk

Liquidity risk is the risk that we may not have cash available to satisfy our financial obligations as they come due. The majority of our financial liabilities recorded in accounts payable, accrued and other current liabilities and provisions are due within 90 days. We manage liquidity risk by maintaining a portfolio of liquid funds and having access to a revolving credit facility. We believe that cash flow from operating activities, together with cash on hand, cash from our A/R, and borrowings available under the revolving facility are sufficient to fund our currently anticipated financial obligations and will remain available in the current environment.

The following are the undiscounted contractual maturities of significant financial liabilities and the total contractual obligations of the Company as at September 30, 2023.

	2024	2025	2026	2027	2028 & beyond	Total
Trade and other payables	8,429	-	-	-	-	8,429
Lease liability	929	950	789	745	1,737	5,150
Promissory notes	3,500	-	-	-	-	3,500
Short term loans	1,026	-	-	-	-	1,026
Working capital facility	11,821	-	-	-	-	11,821
Other payable	1,365	490	215	56	38	2,164
	27,070	1,440	1,004	801	1,775	32,090

Market risk

Market risk incorporates a range of risks. Movement in risk factors, such as market price risk and currency risk, affect the fair value of financial assets and liabilities. The Company is exposed to these risks as the ability of the Company to develop or market its products and the future profitability of the Company is related to the market price of its primary competitors for similar products.

Interest rate risk

The Company has floating and fixed interest-bearing debt ranging from prime plus 7.05%. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions.

Foreign currency risk

The Company is exposed to foreign currency risk. The Company's functional currency is the Canadian dollar and a majority of its revenue is derived in US dollars. Purchases are transacted in Canadian dollars, United States dollars and Euro. Management believes the foreign exchange risk derived from any currency conversions may have a material effect on the results of its operations. The financial instruments impacted by a change in exchange rates include our exposures to the above financial assets or liabilities denominated in non-functional currencies.

Price risk

The Company is exposed to price risk. Price risk is the risk that the commodity prices that the Company charges are significantly influenced by its competitors and the commodity prices that the Company must charge to meet its competitors may not be sufficient to meet its expenses. The Company reduces the price risk by ensuring that it obtains information regarding the prices set by its competitors to ensure that its prices are appropriate to the unique attributes of our product. In the opinion of management, the price risk is low and is not material.

Disclosure control risks

The Company's management, with the participation of the Chief Executive Officer and Chief Financial Officer of the Company, have designed disclosure controls and procedures ("DC&P"), or caused them to be designed under their supervision, to provide reasonable assurance that material information relating to the issuer, including its consolidated subsidiaries, is made known, particularly during the period in which interim or annual filings are being prepared, and information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation. Although certain weaknesses have been identified, these items do not constitute a material weakness or a weakness in DC&P that are significant. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. DC&P are reviewed on an ongoing basis.

Internal control risks

The Company's management, with the participation of the Chief Executive Officer and Chief Financial Officer of the Company, have designed such internal control over financial reporting ("ICFR"), or caused it to be designed under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Such design also uses the framework and criteria established in Internal Control over Financial Reporting - Guidance for Smaller Public Companies, issued by The Committee of Sponsoring Organizations of the Treadway Commission. The Company relies on entity-wide controls and programs including written codes of conduct and controls over initiating, recording, processing and reporting significant account balances and classes of transactions. Other controls include centralized processing controls, including a shared services environment and monitoring of operating results.

Based on the evaluation of the design and operating effectiveness of the Company's ICFR, the CEO and CFO concluded that the company's ICFR was not effective as at September 30, 2023.

Other than the material weakness mentioned in section 13, control deficiencies have been identified within the Company's accounting and finance departments and its financial information systems over segregation of duties and user access respectively. Specifically, certain duties within the accounting and finance departments were not properly segregated due to the small number of individuals employed in these areas. To our knowledge, none of the control deficiencies has resulted in a misstatement to the financial statements. However, these deficiencies may be considered a material weakness resulting in a more-than remote likelihood that a material misstatement of the Company's annual or interim financial statements would not be prevented or detected.

As the Company incurs future growth, we plan to expand the number of individuals involved in the accounting function. At the present time, the CEO and CFO oversee all material transactions and related accounting records. In addition, the Audit Committee reviews on a quarterly basis the financial statements and key risks of the Company and queries management about significant transactions, there is a quarterly review of the company's condensed interim unaudited financial statements by the Company's auditors and daily oversight by the senior management of the Company.

15. OTHER RISKS

Other Risk Factors

The risks described above are not the only risks and uncertainties that we face. Additional risks the Company faces are described under the heading "Risk Factors" in the Company's AIF for the year ended September 30, 2023.

Other additional risks and uncertainties not presently known to us or that we currently consider immaterial may also impair our business operations. These risk factors could materially affect our future operating results and could cause actual events to differ materially from those described in our forward-looking statements.

Additional information relating to the Company, including our AIF for the year ended September 30, 2023, is available on SEDAR and EDGAR.

EXHIBIT 99.4

CERTIFICATION

I, Dr. Rajshekar DasGupta, Chief Executive Officer of Electrovaya Inc., certify that;

1. I have reviewed this Annual Report on Form 40-F of Electrovaya Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this Annual Report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles:

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: January 16, 2024

By: /s/ *Dr. Rajshekar DasGupta*
Name: Dr. Rajshekar Dasgupta
Title: **Chief Executive Officer**

EXHIBIT 99.5

CERTIFICATION

I, John Gibson, Chief Financial Officer of Electrovaya Inc., certify that;

1. I have reviewed this Annual Report on Form 40-F of Electrovaya Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this Annual Report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles:

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: January 16, 2024

By: /s/*John Gibson*
Name: **John Gibson**
Title: **Chief Financial Officer**

EXHIBIT 99.6

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Dr. Rajshekar DasGupta, Chief Executive Officer of Electrovaya Inc. (the "Company"), hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

a. the Annual Report on Form 40-F of the Company for the fiscal year ended September 30, 2023 (the "Annual Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

b. the information contained in the Annual Report fairly presents in all material respects the financial condition and results of operations of the Company.

Date: January 16, 2024

By: */s/ Dr. Rajshekar DasGupta*
Name: **Dr. Rajshekar DasGupta**
Title: **Chief Executive Officer**

EXHIBIT 99.7

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, John Gibson, Chief Financial Officer of Electrovaya Inc. (the "Company"), hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

a. the Annual Report on Form 40-F of the Company for the fiscal year ended September 30, 2023 (the "Annual Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

b. the information contained in the Annual Report fairly presents in all material respects the financial condition and results of operations of the Company.

Date: January 16, 2024

By: */s/John Gibson*
Name: **John Gibson**
Title: **Chief Financial Officer**

EXHIBIT 99.8

Consent of Independent Registered Public Accounting Firm

We hereby consent to the incorporation by reference in this Annual Report on Form 40-F for the year ended September 30, 2023 of Electrovaya Inc. (the "Company") of our auditor's report dated January 2, 2024, which comprise the consolidated statement of financial position of the Company and its subsidiaries as of September 30, 2023, and the related consolidated statement of earning(operations), comprehensive income (loss), changes in equity, and cash flow for the year ended September 30, 2023, and the related notes relating to the consolidated financial statements of the Company as at September 30, 2023, as filed with the United States Securities Exchange Commissions ("SEC").

MNP LLP

/s/ MNP LLP

Chartered Professional Accountants
Licensed Public Accountants
Toronto, Ontario, Canada
January 16, 2024

MNP LLP
1 Adelaide Street East, Suite 1900, Toronto ON, M5C 2V9 1.877.251.2922 T: 416.596.1711 F: 416.596.7894

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EXHIBIT 99.9

CONSET OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the inclusion by consent in this Annual Report on Form 40-F for the year ended September 30, 2022 and October 1, 2021 of Electrovaya Inc. (the "Company") of our report dated January 2, 2024, which comprise the consolidated statement of financial position as at September 30, 2022 and October 1, 2021, and the consolidated statements of earnings, comprehensive earnings, changes in equity and cash flows for the year ended September 30, 2022, and other explanatory information, including Note 27 which explains the restatement of the Company's financial statements as at September 30, 2022 relating to the consolidated financial statements of the Company as at September 30, 2023.

Goodman & Associates LLP
Chartered Professional Accountants
Licensed Public Accountants
Toronto, Ontario, Canada
January 16, 2024