ARRIVAL
Q1 2022
EARNINGS CALL
Arrival Management Team

Today’s Speakers

Denis Sverdlov
Founder & CEO

Avinash Rugoobur
President

Mike Ableson
CEO Automotive

John Wozniak
CFO
Disclaimer: Safe Harbour statement

Before we begin, I'd like to remind everyone that certain statements made on this call today are forward-looking statements. These statements are subject to various risks and uncertainties, and reflect our current expectations based on our beliefs, assumptions and the information currently available to us.

Although we believe these expectations are reasonable, we undertake no obligation to revise any statements to reflect changes that occur after this call. Descriptions of these factors and other risks that could cause actual results to differ materially from these forward-looking statements are discussed in more detail in our filings with the SEC and our First Quarter 2022 earnings release issued today on the 10th of May.

During the call, we also refer to certain non-IFRS financial measures. This should be considered in addition to and not as a substitute for or in isolation from our IFRS results.

For further information please refer to our investor relations website at investors.arrival.com
- Bus certification: Achieved
- Van certification: Passed over 70% of tests
- Skateboard + Hoop + Cabin assembly in Microfactory
- Re-confirm start of production in Q3
- Commenced first phase of trials with First Bus drivers and technicians
- Public passenger trials expected to commence shortly
- Trials to last 3–6 months
- 70% of Van certification passed
- Crash test passed
- Reconfirmed certification expected in Q2
Non-binding LOIs and Orders increased to c.143k vehicles
- Attended SXSW and held Van media day in NYC
- Van touring multiple US cities
- Avinash Rugoobur due to speak at TechCrunch Mobility on 19th May with the Arrival Van and Car on show
- Key focus for remainder of 2022 is order conversion
Arrival developed technologies enable Microfactories

- Composite materials
  - No paint shop
  - No stamping
  - Repair logistics

- Factory software
  - All factories
  - Synchronous updates
  - New features
  - Data: improve efficiency, path planning etc.

- In-house components
  - Unique grid architecture
  - Shared across vehicles
  - Pick & place
  - Robotic friendly

- Technology cells
  - Robotic assembly
  - Adaptable to multiple vehicles
  - Off the shelf robots

- Mobile Robotics (AMRs)
  - Fully autonomous
  - Dynamic movement

- Vehicle systems
  - No welding
  - Defined part interfaces
- Bus is the first vehicle to achieve certification
- Benefits to future vehicle programs from shared components developed in-house
Van certification:
- Over 70% passed including crash testing
- Target completion in Q2 2022
- Already driving on UK public roads
## Updated target milestones

<table>
<thead>
<tr>
<th>VAN MILESTONES</th>
<th>EXPECTED TIMING</th>
<th>BUS MILESTONES</th>
<th>EXPECTED TIMING</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Final prototype Van build</td>
<td>Achieved</td>
<td>1. Trial Bus production</td>
<td>Achieved</td>
</tr>
<tr>
<td>2. Van certification</td>
<td>Q2 2022</td>
<td>2. Proving ground trials</td>
<td>Achieved</td>
</tr>
<tr>
<td>4. Public road trials</td>
<td>Q2 2022</td>
<td>4. Phased trials with First Bus</td>
<td>Commenced</td>
</tr>
<tr>
<td>5. Bicester / Charlotte Van SOP</td>
<td>Q3/Q4 2022</td>
<td>5. UK production of saleable Buses</td>
<td>H2 2022</td>
</tr>
</tbody>
</table>
Microfactory validation
- Installed all production technology cells
- Assembled hoop (cargo) and cabin structures on skateboard chassis
- Continue to expand the range of parts and assemblies performed
- Confidence in our microfactory method
Charlotte Microfactory update:
- Long lead equipment ordered, replica of Bicester
- Installation to begin in summer
- Accelerated commissioning feature of Arrival’s unique method
AMRs:
- In-house production started
- Continuously upgrading technology: new version with lifting capabilities
– Changing reporting currency to USD
Q1 2022 LOSS

$10.4m

Q1 2021 LOSS

$1.15bn

INCLUDING $1.2BN NON-CASH CHARGE RELATED TO THE MERGER BETWEEN ARRIVAL AND CIIG

SOURC E: ARRIVAL FINANCIALS

$66.9m  Q1 2022
ADJUSTED EBITDA LOSS

$31.1m  Q1 2021
ADJUSTED EBITDA LOSS

SOURCE: ARRIVAL FINANCIALS
Q1 2022
ADMINISTRATIVE EXPENSES
$54.2m

Q1 2021
ADMINISTRATIVE EXPENSES
$43.4m

Q1 2022
NON-CAPITALISED R&D EXPENSES
$27.7m

Q1 2021
NON-CAPITALISED R&D EXPENSES
$11.5m

SOURCE: ARRIVAL FINANCIALS
$99.1m
Q1 2022
CAPEX

$49.8m
Q1 2021
CAPEX

SOURCE: ARRIVAL FINANCIALS
$735m

CASH AND CASH EQUIVALENTS
31 MARCH, 2022

SOURCE: ARRIVAL FINANCIALS
Reconfirmed outlook for 2022

- Continue to expect Van production to begin in Bicester in Q3 and in Charlotte in Q4 and expect to produce 400-600 vans in 2022
- Expect adjusted EBITDA loss of $185-225 million and Capex of $380-420 million for 2022. This range assumes $225m of capitalised R&D, $100m of Microfactory Capex and $75m of tooling at the midpoint
- Cash on hand to achieve SOP with end 2022 target of $150m-250m
- Continue to see increases in costs due to inflation

SOURCE: ARRIVAL FINANCIALS
Targeted Microfactory Unit Economics

## Illustrative Unit Economics for Van Microfactory

<table>
<thead>
<tr>
<th>Production Capacity</th>
<th>10,000 vans</th>
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<tbody>
<tr>
<td>Capex Required</td>
<td>$50M</td>
</tr>
<tr>
<td>Gross Margin per Microfactory / year&lt;sup&gt;3&lt;/sup&gt;</td>
<td>$100M</td>
</tr>
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</table>

**Low capex relative to industry**

Production volume = 10,000 vehicles x # of Microfactories

Production investment = $50M² x # of Microfactories

6 months from site readiness to production

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<sup>1</sup> Source: Company data. Representative van factory for initial target markets (Western Europe / North America)

<sup>2</sup> Target Capex

<sup>3</sup> Gross margin including microfactory opex. Excludes maintenance and warranties

50% of all arrival employees’ long term compensation tied to gross margin and microfactory volume targets
Radical change required for how vehicles are designed and produced
- Certification progress key highlight of progress YTD
- Unique method and in-house developed components drives shared benefits to future programs
- Achieved significant progress with our unique method using Microfactories
- Core technologies have been commissioned and are being tested
Key focus for 2022
- SOP target Q3 in Bicester and Q4 in Charlotte
- Expect to produce 400–600 Vans
THANK YOU