ARRIVAL
Q3 2021
FINANCIAL RESULTS
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 third quarter earnings release issued today on the 8th of November 2021.

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
We are on a mission to replace all vehicles with electric
ARRIVAL IS UNIQUE
It is not an automotive business
- It is a platform technology business
We have invested in enabling technologies – software, components, materials, robotics and Microfactories that provide a strong competitive advantage
We are doing things that have never been done before and expect our powerful technologies will change the fundamentals of the automotive industry.
These transformative technologies are coming together in our first Microfactories and we like what we see
Our first Bus to be used for validation has been completed which is an important milestone for the company and I can share it is a remarkable product.
We have hosted a number of events around the world where customers were able to experience our Van first hand
The Car is progressing well and its exterior is developed to the level where we are happy to share it today
Start of production for the Bus and the Van are unchanged
To achieve our mission to replace all vehicles with electric we want to create 10s of vehicle platforms and produce them in 100s of Microfactories
We have revised our 2022 expectations with a more conservative view, however I am very confident we are well positioned for significant growth in the next several years.
We believe that the size of our business will be defined by the number of Microfactories we deploy and the number of Microfactories is primarily defined by the capital we have access to.

It could be 10s of Microfactories or 100s and for this reason we withdraw our long term forecasts
We have over 2,400 employees who share Arrival’s mission and values and have a strong sense of purpose
Flexible vehicle designs adaptable to global market

**Non-binding Lois and Orders**

**Broken down by vehicle type**
- Bus: 12%
- Van: 88%

**Broken down by region**
- Americas: 44%
- Rest of World: 11%
- Europe: 45%

*Source: Company estimates as of November 2022. Total Lois/Orders include UPS 1kK order and option for additional 1kK vehicles. Van volumes include large van. All references to orders and Lois are non-binding and subject to cancellation and modification at any time. Breakdown of Lois by region assumes UPS additional 1kK option to have same regional breakdown as original order.*
8 repair and maintenance partners in US and Europe
- Rockhill SOP  Q2  2022
- Bicester SOP  Q3  2022
- Charlotte SOP  Q4  2022
- 2022 vehicle priorities: Bus and Van
Bus

- Trial Bus production  Q4 2021
- Proving ground trials  Q4 2021
- Rock Hill equipment installation  Q4 2021
- Certification and public road trials  Q1 2022
- Rock Hill Buses SOP  Q2 2022

Van

- Public road trials  Q1 2022
- Final prototype Van build  Q1 2022
- Bicester equipment installation  Q1 2022
- Full product certification  Q2 2022
- Bicester Vans SOP  Q3 2022
Microfactory latest schedule

Rock Hill, US
Bus Microfactory
Start of Production: Q2 2022

Bicester, UK
Van Microfactory
Start of Production: Q3 2022

Charlotte, US
Van Microfactory
Start of Production: Q4 2022
Bicester total Capex: c.$75M
Rock Hill total Capex: c.$50M
We’ve also completed the first accelerated durability test for our Van, and have completed two of the European certification tests for Bus
We anticipate that Charlotte and other future Van Microfactories will have a more efficient footprint and improved processes as compared to Bicester.

With the Microfactory method, we have the opportunity to further optimize each Microfactory as it’s deployed. Charlotte will be the second version of our Van Microfactory process and we therefore expect total Capex there to be lower than Bicester.
The first battery module assembly facility will be in the UK and will support initial production at multiple Microfactories.

To date we have already manufactured more than 1,850 high voltage battery modules to support our prototype builds.
€26m
Q3 2021
LOSS

€22m
Q3 2020
LOSS
€40m
Q3 2021
ADJUSTED EBITDA LOSS

€18m
Q3 2020
ADJUSTED EBITDA LOSS
€38m  Q3 2021
ADMINISTRATIVE EXPENSES

€9m  Q3 2021
NON CAPITALISED R&D EXPENSES

€20m  Q3 2020
ADMINISTRATIVE EXPENSES

€1m  Q3 2020
NON CAPITALISED R&D EXPENSES
ca $440m

CASH AND EQUIVALENTS (€301m)
30 SEPTEMBER, 2021
- Expected Q4 2021 Capex: €110-120M
- Expected Q4 2021 adjusted EBITDA modestly higher than Q3 2021
Additional investments to make our business stronger
1. Investments in R&D and tooling
2. Bringing battery assembly and logistics in-house
3. Pre-payments for battery cells
4. Additional Selling, General and Administrative costs
5. Price increases in certain raw materials
1. Three Microfactories in 2022: Rock Hill, Bicester and Charlotte
2. Plan is to reach full capacity in early 2023
3. Revenue is expected to start in the second half of 2022
REVENUE GROWTH FACTORS

1. Dependent on the number of Microfactories we can deploy and capital available to deploy them.
2. Status of our vehicle programs and our planned Microfactory rollout are key indicators of our progress.
3. Future volume mix to be weighted toward Van.
2022 adjusted EBITDA and Capex expected to be consistent with Q3 2021 annualized
FUTURE MICROFACTORY ATTRIBUTES

1. Total Capex per Microfactory of ca $50M
2. Total Opex per Microfactory of ca $15M*
3. Optimize logistics costs as we scale

*EXCLUDING LOGISTICS COSTS
Working capital is expected to improve as we scale
Arrival is unique. We believe our new method is superior and will change the fundamentals of the auto industry.

We re-confirmed our key milestones for the Bus and Van.

Arrival is not a traditional OEM, we are developing technology platforms that allow us to create multiple products and build them in local microfactories with relatively small resources.
Arrival is on a mission to replace all vehicles with electric

We continue to see strong, growing demand from customers all over the world

The commercial vehicles market is in the beginning of an enormous and imperative transition and we believe we are coming to the market at the right time with our transformative new method of production and superior products