



## REE Automotive Announces Commencement of Exchange Offer and Consent Solicitation Relating to Warrants

August 25, 2022

TEL AVIV, Israel, Aug. 25, 2022 (GLOBE NEWSWIRE) -- REE Automotive Ltd. (NASDAQ: REE) ("REE" or the "Company"), an automotive technology leader and provider of electric vehicle (EV) platforms, today announced that it has commenced an exchange offer (the "Offer") and consent solicitation (the "Consent Solicitation") relating to its outstanding (i) public warrants to purchase Class A ordinary shares of the Company, without par value (the "Class A ordinary shares"), which warrants trade on the Nasdaq Stock Market ("Nasdaq") under the symbol "REEAW" (the "public warrants") and (ii) related private placement warrants to purchase Class A ordinary shares (the "private placement warrants" and, together with the public warrants, the "warrants"). The warrants were assumed by REE in connection with its business combination with 10X Capital Venture Acquisition Corp. on July 22, 2021. The purpose of the Offer and Consent Solicitation is to simplify the Company's capital structure and reduce the potential dilutive impact of the warrants, thereby providing the Company with more flexibility for financing its operations in the future.

The Company is offering to all holders of the warrants the opportunity to receive 0.20 Class A ordinary shares in exchange for each outstanding warrant tendered by the holder and exchanged pursuant to the Offer. Pursuant to the Offer, the Company is offering up to an aggregate of 3,112,500 of its Class A ordinary shares in exchange for the warrants.

Concurrently with the Offer, the Company is also soliciting consents from holders of the public warrants and the private placement warrants to amend the warrant agreement that governs all of the warrants (the "Warrant Agreement") to permit the Company to require that each warrant that is outstanding upon the closing of the Offer be converted into 0.18 Class A ordinary shares, which is a ratio 10% less than the exchange ratio applicable to the Offer (the "Warrant Amendment"). Pursuant to the terms of the Warrant Agreement, all except certain specified modifications or amendments, require the vote or written consent of holders of at least 50% of the number of the then outstanding public warrants and, solely with respect to any amendment to the terms of the private placement warrants or any provision of the Warrant Agreement with respect to the private placement warrants, the vote or written consent of at least 50% of the number of the then outstanding private placement warrants. Parties representing 20% of the public warrants have agreed to tender their warrants in the Offer and to consent to the Warrant Amendment in the Consent Solicitation, pursuant to a tender and support agreement. Accordingly, if holders of an additional approximately 30% of the outstanding public warrants consent to the Warrant Amendment in the Consent Solicitation, and the other conditions of the Offer are satisfied or waived, then the Warrant Amendment will be adopted with respect to the public warrants. The offering period will continue until midnight (end of day), Eastern Time, on September 22, 2022, or such later time and date to which the Company may extend, as described in the Company's Schedule TO and Prospectus/Offer to Exchange (the "Expiration Date"). Holders of warrants may withdraw their tendered warrants at any time before the Expiration Date and retain them on their current terms or amended terms if the Warrant Amendment is approved, by following the instructions in the Prospectus/Offer to Exchange. Tendered warrants that are not accepted by the Company for exchange by September 22, 2022, may thereafter be withdrawn by a holder of warrants until such time as the warrants are accepted by the Company for exchange. If a holder of warrants withdraws a tender of its warrants, its consent to the Warrant Amendment will also be withdrawn as a result.

The Offer and Consent Solicitation are being made pursuant to a Prospectus/Offer to Exchange dated August 25, 2022, and Schedule TO, dated August 25, 2022, each of which have been filed with the U.S. Securities and Exchange Commission ("SEC") and more fully set forth the terms and conditions of the Offer and Consent Solicitation.

The Company's Class A ordinary shares and public warrants are listed on Nasdaq under the symbols "REE" and "REEAW," respectively. As of August 22, 2022, a total of 15,562,500 warrants were outstanding.

The Company has engaged BofA Securities, Inc. as the Dealer Manager for the Offer and Consent Solicitation. Any questions or requests for assistance concerning the Offer and Consent Solicitation may be directed to BofA Securities, Inc. at:

BofA Securities  
NC1-004-03-43  
200 North College Street, 3rd Fl  
Charlotte, NC 28255-0001  
Attn: Prospectus Department  
Email: [dq.prospectus\\_requests@bofa.com](mailto:dq.prospectus_requests@bofa.com)

Morrow Sodali LLC ("Morrow Sodali") has been appointed as the Information Agent for the Offer and Consent Solicitation, and Continental Stock Transfer & Trust Company ("Continental") has been appointed as the Exchange Agent. Requests for documents should be directed to Morrow Sodali at (800) 662-5200 (for warrant holders) or (203) 658-9400 (for banks and brokers) or via the following email address: [REE.info@investor.morrowsodali.com](mailto:REE.info@investor.morrowsodali.com).

### Important Additional Information Filed with the SEC

Copies of the Schedule TO and Prospectus/Offer to Exchange will be available free of charge at the website of the SEC at [www.sec.gov](http://www.sec.gov). Requests for documents may also be directed to Morrow Sodali at (800) 662-5200 (for warrant holders) or (203) 658-9400 (for banks and brokers) or via the following email address: [REE.info@investor.morrowsodali.com](mailto:REE.info@investor.morrowsodali.com). A registration statement on Form F-4 relating to the securities to be issued in the Offer will be or has been filed with the SEC but has not yet become effective. Such securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective.

This announcement is for informational purposes only and shall not constitute an offer to purchase or a solicitation of an offer to sell the warrants or an offer to sell or a solicitation of an offer to buy any Class A ordinary shares in any state in which such offer, solicitation or sale would be unlawful before

registration or qualification under the laws of any such state. The Offer and Consent Solicitation are being made only through the Schedule TO and Prospectus/Offer to Exchange, and the complete terms and conditions of the Offer and Consent Solicitation are set forth in the Schedule TO and Prospectus/Offer to Exchange.

Holders of the warrants are urged to read the Schedule TO and Prospectus/Offer to Exchange carefully before making any decision with respect to the Offer and Consent Solicitation because they contain important information, including the various terms of, and conditions to, the Offer and Consent Solicitation.

None of the Company, any of its management or its board of directors, or the Information Agent, the Exchange Agent or the Dealer Manager makes any recommendation as to whether or not holders of warrants should tender warrants for exchange in the Offer or consent to the Warrant Amendment in the Consent Solicitation.

### **About REE**

REE Automotive (NASDAQ: REE) is an automotive technology company that allows companies to build any size or shape of electric vehicle on their modular platforms. With complete design freedom, vehicles Powered by REE are equipped with the revolutionary REEcorner, which packs critical vehicle components (steering, braking, suspension, powertrain and control) into a single compact module positioned between the chassis and the wheel, enabling REE to build the industry's flattest EV platforms with more room for passengers, cargo and batteries. REE platforms are future proofed, autonomous capable, offer a low TCO, and drastically reduce the time to market for fleets looking to electrify.

### **Cautionary Note Regarding Forward-Looking Statements**

This communication includes certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, but are not limited to, statements regarding REE or its management team's expectations, hopes, beliefs, intentions or strategies regarding the future. In addition, any statements that refer to projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. The words "aim," "anticipate," "appear," "approximate," "believe," "continue," "could," "estimate," "expect," "foresee," "intends," "may," "might," "plan," "possible," "potential," "predict," "project," "seek," "should," "would" and similar expressions (or the negative version of such words or expressions) may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. All statements, other than statements of historical facts, may be forward-looking statements. Forward-looking statements in this communication may include, among other things, statements about REE's strategic and business plans, technology, relationships, objectives and expectations for our business, the impact of trends on and interest in our business, intellectual property or product and its future results, operations and financial performance and condition.

These forward-looking statements are based on information available as of the date of this communication and current expectations, forecasts, and assumptions. Although REE believes that the expectations reflected in forward-looking statements are reasonable, such statements involve unknown number of risks, uncertainties, judgments, and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by forward-looking statements. These factors are difficult to predict accurately and may be beyond REE's control. Forward-looking statements in this communication speak only as of the date made and REE undertakes no obligation to update its forward-looking statements, whether as a result of new information, future developments or otherwise, should circumstances change, except as otherwise required by securities and other applicable laws. In light of these risks and uncertainties, investors should keep in mind that results, events or developments discussed in any forward-looking statement made in this communication may not occur.

Uncertainties and risk factors that could affect REE's future performance and could cause actual results to differ include, but are not limited to: REE's ability to commercialize its strategic plan; REE's ability to maintain and advance relationships with current Tier 1 suppliers and strategic partners; development of REE's advanced prototypes into marketable products; REE's ability to grow and scale manufacturing capacity through relationships with Tier 1 suppliers; REE's estimates of unit sales, expenses and profitability and underlying assumptions; REE's reliance on its UK Engineering Center of Excellence for the design, validation, verification, testing and homologation of its products; REE's limited operating history; risks associated with plans for REE's initial commercial production; REE's dependence on potential suppliers, some of which will be single or limited source; development of the market for commercial EVs; intense competition in the e-mobility space, including with competitors who have significantly more resources; risks related to the fact that REE is incorporated in Israel and governed by Israeli law; REE's ability to make continued investments in its platform; the impact of the ongoing COVID-19 pandemic and any other worldwide health epidemics or outbreaks that may arise; and adverse global conditions, including macroeconomic and geopolitical uncertainty; the need to attract, train and retain highly-skilled technical workforce; changes in laws and regulations that impact REE; REE's ability to enforce, protect and maintain intellectual property rights; REE's ability to retain engineers and other highly qualified employees to further its goals; the inability of REE to successfully or timely consummate the warrant exchange, including with respect to its ability to obtain the requisite approval of the holders of REE's warrants; and other risks and uncertainties set forth in the sections entitled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" in REE's Annual Report on Form 20-F filed with the SEC on March 28, 2022 and in subsequent filings with the SEC.