

# THE FUTURE OF E-MOBILITY POWERED BY REE

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**Propriety Information** 

## Disclaimer

#### About REE Automotive

REE Automotive (Nasdaq: REE) is an automotive technology company that allows companies to build electric vehicles of various shapes and sizes on their modular platforms. With complete design freedom, vehicles Powered by REE<sup>™</sup> are equipped with the revolutionary REEcorner<sup>®</sup>, which packs critical vehicle components (steering, braking, suspension, powertrain and control) into a single compact module positioned between the chassis and the wheel. As the first company to certify a fully by-wire vehicle in the U.S, REE's proprietary by-wire technology for drive, steer and brake control eliminates the need for mechanical connection. Using four identical REEcorners<sup>®</sup> enables REE to make 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.

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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, including its plan to successfully evaluate, obtain regulatory approval, produce and market its P7 lineup; REE's ability to maintain and advance relationships with current 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 building out of REE's supply chain; 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; risks associated with data security breach, failure of information security systems and privacy concerns; risks related to lack of compliance with Nasdaq's minimum bid price requirement; future sales of our securities by existing material shareholders or by us could cause the market price for the Class A Ordinary Shares to decline; potential disruption of shipping routes due to accidents, political events, international hostilities and instability, piracy or acts by terrorists; 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 and geopolitical uncertainty; the global economic environment, the general market, political and economic conditions in the countries in which we operate; the ongoing military conflict in Israel; fluctuations in interest rate and ofreign exchange rates; the need to attract, train and retain highly-skilled exchanges of and regulations that impact REE's ability to enforce, protect and maintain intellectual property rights; REE's ability to reforce, prot



## **REE's Vision**

Unbound by legacy thinking, we created the world's first certified software-driven fullby-wire electric vehicles. We aim to expedite and solidify the electrification of commercial trucks through a white-label approach - trucks **Powered by REE**®







## Investment Highlights

#### Innovative Technology will Lower EV Truck Costs

Patented REEcorner<sup>®</sup> advantages: lower cost of manufacturing & fleet ownership, superior maneuverability & vehicle safety and improved efficiency

#### World's First Fully By-Wire Vehicle Certification

Achieved U.S. Federal Motor Vehicle Safety Standards and Environmental Protection Agency certifications, based on years of testing and collaboration with leading 3<sup>rd</sup> party lab - Horiba Mira

#### Sizeable Addressable Market

Target U.S. class 3 to 5 medium-duty trucks, a 200,000 annual vehicle market. Federal and State incentives cover up to 70% of vehicle price

#### **Robust Dealer and Partner Network**

17 authorized dealers in the U.S. & Canada; collaborations with market-leading body upfitters including Knapheide and Morgan Truck

#### Growing Order Book: Aligned with Production Roadmap

Initial orderbook of ~300 trucks valued ~\$43 million\*\*; production target of 6,000 trucks and \$1 billion in sales, cumulatively, over the next 3 years. Initial U.S. deliveries in progress

#### **UK Automated REEcorner® Integration Center - Capex Light Approach**

Technology enables scalability; leverage U.S. truck manufacturers for assembly.

#### Cash and cash equivalents as of Dec 31, 2023

\$86 million in cash & cash equivalents and short-term investments\* as of December 31, 2023

\* Includes \$15M Bank facility



#### 118 pending Cash and cash Patents equivalents as of worldwide Dec 31, 2023 \$43M 17 Authorized Initial Dealers In N.A. Sales & orderbook Service Network value\*\* 6,000 Trucks Cumulative target production 2024 -2026 equating to 3% of TAM \* \*The Company's order book is determined by management based on purchase orders received by the Company. The number of P7 units included in the order book as of November 30, includes 297 P7 units under firm orders (i.e. binding orders) and the remainder of units ordered that are binding orders with certain additional conditions as set forth in the order. The dollar value of the order book is determined based on the pricing of each unit included in the order book. The Company's presentation of the order book should not be construed as a representation by the Company that the units included in its order book will translate into actual sales or revenue.

World's 1<sup>st</sup>

U.S. certified fully by-wire truck

\$86M\*

**58 registered** 

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## N OUR PRODUCT

World's first U.S. certified full by-wire commercial electric vehicle

P7 uses identical REEcorners®™ to target class 3 to 5 medium-duty commercial vehicles

Customer deliveries have begun





# OUR TECHNOLOGY

**REEcorner**<sup>®</sup> is a **full-by-wire** system which enables for software driven vehicles that allow higher safety, improved total cost of ownership (TCO) and deep analytical data

Portfolio of **176 Patents**, registered and pending globally



## REEcorner<sup>®</sup> and full X-by-wire

#### **REEcorner**<sup>®</sup>

- Integrates steering, braking, suspension, powertrain and control into a single module
- Each corner is independent with redundancies for enhanced fail-operational design
- Smart preventative maintenance

#### **REE's Proprietary X-by-wire System Provides Full Steer,** Brake and drive-by-wire control

- All corner operations are coordinated by a central ECU (electronic control unit)
- Autonomous driving ready
- Replaces traditional mechanical & hydraulic systems including braking, throttle, and steering
- Enables efficient vehicle assembly
- Expands cabin space, windshield, and cargo volume with low 24" load floor height



Platform height.



## IP Portfolio Includes 176\* patents, 50% related to REE's Proprietary X-by-wire systems

## REEplatform

- Flat chassis
- Control system and electrification

### **REEplatform+REEcorner**®

- Corner + subsystem redundancies
- Functional synergies between REEcorners<sup>®™</sup>
- Energy efficiency & performance
- Modularity

### **REEcorner**®

- Suspension systems and height adjustment
- High performance compact suspension
- Extended steering per volume
- In-corner brake system
- Compact powertrain and drivetrain
- Mechanical and electrical interfaces
- Operational performance
- Fast corner swap for servicing
- Smart Service & Maintenance

## 3 Major Advantages - for the fleet owner

REEcorner<sup>®</sup> & X-by-wire offer major advantages to cost, safety and efficiency

#### TOTAL COST OF OWNERSHIP

- Quick REEcorner<sup>®</sup> swaps improves fleet uptime
- Smart Preventative Maintenance ("PM")+ OTA updates
- Future-proofed for improved residuals

#### SAFETY

- Superior maneuverability for congested areas
- Low cab for maximum pedestrian visibility
- Fail-operational design for safe vehicle operation

#### EFFICIENCY

- Energy efficiencies from 4-corner regenerative braking and an aerodynamic underbody
- Low flat floor for easier deliveries
- 1 less step into the cab for the driver



## REEcorner<sup>™</sup> technology enables lower Total Cost of Ownership\*

TCO INPUTS	TRADITIONAL DIESEL CHASSIS ATTRIBUTES	ELECTRIC CHASSIS CAB ATTRIBUTES	REE BENEFITS	P7-C CHASSIS CAB ATTRIBUTES
Vehicle operating cost - Energy	Diesel Consumption	Electricity Consumption <b>Reduced</b> vs. Diesel equivalents	<ul> <li>Improved Aerodynamics &amp; 4 x Regenerative Braking</li> <li>Flat and low underbody</li> </ul>	<b>Reduced</b> vs. Electric equivalents**
Driver cost	Many steps to enter/exit van over the course of a delivery shift, higher load floor	Constant steps	Low floor design Optional cab designs including walk-through bulkheads	One less step for reduced driver strain <b>Reduced</b> vs. Electric + Diesel equivalents
Fleet operating cost - maintenance	Excess vehicles required to replace vehicles off the road & reduce downtime. ICE Preventative maintenance schedules - oil changes, etc.	Reduced PMs vs. ICE <b>Reduced</b> Constant fleet size to ICEs	Predictive Maintenance	Spare corners required instead of vehicles . Reduced vehicle downtime & PMs <b>Reduced</b> Vs. Electric + Diesel equivalents
Residual value	Limited by major component life and declining interest in combustion driven vehicles due to environmental impact.	Limited by battery warranty and battery life, a long with remaining traditional component life span	Image: Smart Modular cornersImage: Over the air updatesImage: Smart Modular cornersImage:	Improved over same lifetime due to easy upgradability and agnostic power source, autonomous ready future proof design.



## REEcorner<sup>®</sup> technology improves safety and efficiency

Best-In-Class Specifications\* Across Class 4 Electric Trucks

**Step-in height** 



Full X-by-wire enables lowest step-in heights for P7-C, improving driver ingress/egress, vehicle dynamics and volumetric efficiency







All-wheel steer enables the tightest turning circles in the segment, ideal for urban environments and congested depots by reducing risk of collisions and damage





# SO-TO-MARKET





## Addressable Market Size

Target ~3% share of U.S. class 3-5 commercial truck market by 2026



## REE's Go-to-Market Strategy

REE brings unique technology to the truck ecosystem





## REE's local and national dealer network





## Go-to-Market Strategy

Tailwinds of EV Incentives, broad dealer presence, and improved total cost of ownership



- Truck dealerships account for over 70% of all trucks sold in the U.S.^
- REE's 17 dealerships have current annual ICE Internal Combustion Engine sales of over \$1B in revenue\*
- Significant advantages:
  - Local sales team
  - Service and aftersales provider
  - Existing customer base that will potentially shift to EV



## Funding Production Ramp

Production goal of cumulative 6,000\* trucks by the end of 2026



- Cash & Cash Equivalents and short-term investments of \$86 million as of December 31,
- Goal to Start Production by Q4 2024 by U.S. contract manufacturer
- Goal is to ramp production to low- thousands of vehicles in 2025 and to mid-thousands of vehicles in 2026, reaching cumulative 6,000 trucks by the end of 2026, without the need for heavy CAPEX investment

For illustrative purposes only. Investors should not extrapolate this as company guidance. These are not forward estimates



Propriety Information

\*This figure represents the estimated \$1 billion in sales as previously disclosed by REE

\*\*We are unable to present a quantitative reconciliation of our expected EBITDA break even as we are unable to predict with reasonable certainty, and without unreasonable effort the impact and timing of any one-time items. The financial impact of these one-time items is uncertain and is dependent on various factors, including timing, and could be material to our condensed consolidated statements of income. \*\*\* Includes \$15M Bank facility

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## Strong and highly experienced group of leaders and experts





