# Lucid Announces Third Quarter 2021 Financial Results and Lucid Air Wins 2022 MotorTrend Car of the Year

November 15, 2021

- Lucid Air today won the 2022 MotorTrend Car of the Year
- Customer reservations rose to 13,000 in Q3, reflecting an order book of approximately $1.3B, and have since increased beyond 17,000
- Customer vehicle production started in Q3 at Lucid's Advanced Manufacturing Plant ("AMP-1") in Casa Grande, Arizona, and the second phase of construction broke ground to add 2.85 million square feet of space
- Lucid Group, Inc. successfully listed as a public company on Nasdaq in July under the ticker symbol LCID
- Lucid bolstered its balance sheet to close Q3 with approximately $4.8B in cash

NEWARK, Calif. and NEW YORK, Nov. 15, 2021 /PRNewswire/ -- Lucid Group, Inc. (Nasdaq: LCID) ("Lucid" or the "Company"), which is setting new standards with its advanced technologies and luxury electric vehicles ("EVs"), today announced financial results for the third quarter ending September 30, 2021.

Peter Rawlinson, CEO & CTO of Lucid, said, "We are tremendously excited by our accomplishments in our first quarter as a publicly traded company. We successfully began production of vehicles for customer deliveries, continued investing in capacity expansion of our manufacturing facility in Arizona, and opened new retail and service locations in advance of the Lucid Air launch. We were also pleased to receive independent validation by the EPA of our industry-leading range of over 500 miles for the Lucid Air. Our progress this quarter demonstrates our focus on execution, our cutting-edge technology, and our vision to help with solutions to address the climate challenges we all face. We look forward to ramping up production of our Grand Touring, Touring, and Pure models and expanding our footprint internationally."

Sherry House, CFO of Lucid, said, "Lucid's strong balance sheet following the closing of the merger enabled us to drive the growth of our business and execute on our larger mission to inspire the adoption of sustainable energy. Moving forward, we anticipate continuing vehicle deliveries to customers, investing in capacity and capabilities, and providing value to all of our stakeholders."

**Third Quarter Financial Highlights**

- In the third quarter of 2021, Lucid significantly strengthened its balance sheet through the closing of the de-SPAC reverse merger + PIPE, bringing approximately $4.4B onto Lucid's balance sheet.
- Continued to invest in the business, readying production and deliveries, globalization of our retail network and adding headcount across R&D and SG&A to continue growing our core operations.
- Initiated investment in property, plant, and equipment associated with Phase 2 expansion of manufacturing, continued investment in vehicle program development, and ongoing expansion of retail, delivery, and service capacities.

**Third Quarter Business Highlights**

- **Received EPA Certification as Longest-Range Production EV**: Lucid's technological prowess is a key differentiator for the company, with a "clean-sheet" approach to vehicle development that resulted in the ground-breaking Lucid Air, with six trim variants whose range exceeds 450 miles on a single charge. The Dream Edition R achieves 520 miles of range on a single charge.
- **Refined Quality and Received Certifications**: In the third quarter of 2021, Lucid's engineering efforts were focused on optimizing product quality and delivering final certifications in the lead-up to factory commissioning and customer deliveries. Lucid's laser focus on engineering was validated through significant positive press and third-party validation by media, customers, and certification agencies like the EPA.
- **Commissioned and Started Production at the First Greenfield, Dedicated EV Factory in North America**: AMP-1 in Casa Grande, AZ, is operational with production capacity to deliver up to 34,000 vehicles per year. Lucid is further differentiated with in-house powertrain manufacturing at Lucid Powertrain Manufacturing Plant (LPM-1) a few miles from AMP-1 in Casa Grande, AZ.
- **Kicked off expansion of production capacity and capabilities**: Lucid kicked off the expansion of AMP-1's manufacturing capacity, expected to provide production capacity for up to 90,000 vehicles per year by the end of 2023, by expanding Lucid Air production capacity and adding production capacity for the "Project Gravity" SUV. The phase 2 expansion is expected to add 2.85M sq. ft. of production footprint and will further vertically integrate production processes.
- **Hosted Media, Customers and Lucid Stakeholders at AMP-1 Commissioning Event**: Lucid hosted a commissioning event for more than 150 customers, members of the media, institutional investors, and sell-side analysts, among other Lucid stakeholders.
- **Continued Expanding Retail Network:** Lucid's direct-to-consumer sales are supported by brick-and-mortar retail studio and service center locations, delivering best-in-class customer experience in all elements of our customers' journey of vehicle ownership. Lucid expanded its footprint in Q3 to 13 locations in key geographies that align with Lucid's expected customer demand, and will continue expansion of its retail and service network, including expansion into Canada (4Q'21),

EMEA ('22), and China ('23), unlocking global demand for the sale of our product in the luxury vehicle marketplace.
- **Increased Reservation Volume**: Surpassed 13,000 reservations in Q3 for estimated order book of greater than $1.3B.
- **Announced Lucid Care**: Lucid announced Lucid Care, detailing our service capabilities and offerings.

**Looking Forward**
Looking ahead, Peter Rawlinson noted, "We see significant demand for the award-winning Lucid Air, with accelerating reservations as we ramp production at our factory in Arizona. We remain confident in our ability to achieve 20,000 units in 2022. This target is not without risk given ongoing challenges facing the automotive industry, with global disruptions to supply chains and logistics. We are taking steps to mitigate these challenges, however, and look forward to the launch of the Grand Touring, Touring, and Pure versions of Lucid Air through 2022."

**Conference Call & Webcast Details:**
The Company will host a conference call and live webcast for analysts and investors at 2:00 P.M. PT / 5:00 P.M. ET on November 15, 2021.

- Parties in the United States and Canada can access the call by dialing (844) 467-6942 using conference code 7317079.
- International parties can access the call by dialing (262) 222-2347, using conference code 7317079.

The webcast will be accessible on Lucid's investor relations website at ir.lucidmotors.com for 90 days after the conference call. A telephone replay of the conference call will be available beginning 10:00 P.M. PT on November 15, 2021 through 10:00 P.M. PT on November 22, 2021. To access the replay, parties in the United States and Canada should call (855) 859-2056 and enter the conference code 7317079. International parties should call (404) 537-3406 and enter the conference code 7317079.

Lucid uses its ir.lucidmotors.com website as a means of disclosing material non-public information and for complying with its disclosure obligations under Regulation FD.

**About Lucid Group**
Lucid's mission is to inspire the adoption of sustainable energy by creating the most captivating electric vehicles, centered around the human experience. The Company's first car, Lucid Air, is a state-of-the-art luxury sedan with a California-inspired design underpinned by race-proven technology. Lucid Air features a luxurious full-size interior space in a mid-size exterior footprint. Customer deliveries of Lucid Air, which is produced at Lucid's new factory in Casa Grande, Arizona, are underway.

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**Forward Looking Statements**
This communication includes "forward-looking statements" within the meaning of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as "estimate," "plan," "project," "forecast," "intend," "will," "expect," "anticipate," "believe," "seek," "target," "continue," "could," "may," "might," "possible," "potential," "predict" or other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These forward-looking statements include, but are not limited to, statements regarding financial and operating guidance, size of order book and related revenue, future capital expenditures and other operating expenses, expectations and timing related to commercial product launches, production and delivery volumes, the timing of deliveries, future manufacturing capabilities and facilities, studio and service center openings, providing value to stakeholders, ability to mitigate supply chain risks and logistics, ability to vertically integrate production processes, future sales channels and strategies, future market launches and international expansion and the potential success of Lucid's go-to-market strategy and future vehicle programs. These statements are based on various assumptions, whether or not identified in this communication, and on the current expectations of Lucid's management and are not predictions of actual performance. These forward-looking statements are provided for illustrative purposes only and are not intended to serve as, and must not be relied on by any investor as, a guarantee, an assurance, a prediction or a definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. Many actual events and circumstances are beyond the control of Lucid. These forward-looking statements are subject to a number of risks and uncertainties, including changes in domestic and foreign business, market, financial, political and legal conditions; failure to realize the anticipated benefits of the transactions; risks related to the timing of expected business milestones and commercial launch, including Lucid's ability to mass produce the Lucid Air and complete the tooling of its manufacturing facility; risks related to the expansion of Lucid's manufacturing facility and the increase of Lucid's production capacity; risks related to future market adoption of Lucid's offerings; the effects of competition and the pace and depth of electric vehicle adoption generally on Lucid's future business; changes in regulatory requirements, governmental incentives and fuel and energy prices; Lucid's ability to rapidly innovate; Lucid's ability to enter into or maintain partnerships with original equipment manufacturers, vendors and technology providers; Lucid's ability to effectively manage its growth and recruit and retain key employees, including its chief executive officer and executive team; Lucid's ability to establish its brand and capture additional market share, and the risks associated with negative press or reputational harm; Lucid's ability to manage expenses; the outcome of any potential litigation, government and regulatory proceedings, investigations and inquiries; and the impact of the global COVID-19 pandemic on Lucid's projected results of operations, financial performance or other financial metrics, or on any of the foregoing risks; and those factors discussed under the heading "Risk Factors" in the Registration Statement on Form S-1 and the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2021, as well as other documents Lucid has filed or will file with the Securities and Exchange Commission. If any of these risks materialize or our assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. There may be additional risks that Lucid presently does not know or that Lucid currently believes are immaterial that could also cause actual results to differ from those contained in the forward-looking statements. In addition, forward-looking statements reflect Lucid's expectations, plans or forecasts of future events and views as of the date of this communication. Lucid anticipates that subsequent events and developments will cause Lucid's assessments to change. However, while Lucid may elect to update these forward-looking statements at some point in the future, Lucid specifically disclaims any obligation to do so. These forward-looking statements should not be relied upon as representing Lucid's assessments as of any date subsequent to the date of this

communication. Accordingly, undue reliance should not be placed upon the forward-looking statements.

**Non-GAAP Financial Measures and Key Business Metrics:**
Consolidated financial information has been presented in accordance with US GAAP ("GAAP") as well as on a non-GAAP basis to supplement our consolidated financial results. Our non-GAAP financial measures include Adjusted EBITDA and Free Cash Flow which are discussed below.

Adjusted EBITDA is defined as net loss and comprehensive loss before (1) interest expense, (2) provision for (benefit from) income taxes, (3) depreciation and amortization, (4) change in fair value of forward contracts, (5) change in fair value of convertible preferred stock warrant liability, (6) change in fair value of common stock warrant liability, (7) transaction costs expensed and (8) stock-based compensation. Adjusted EBITDA is a performance measure that we believe provides useful information to our management and investors about the Company's profitability. Free Cash Flow is defined as net cash used in operating activities less capital expenditures. Free Cash Flow is a performance measure that we believe provides useful information to our management and investors about the amount of cash generated by the business after necessary capital expenditures.

These non-GAAP financial measures facilitate management's internal comparisons to Lucid's historical performance. Management believes that it is useful to supplement its GAAP financial statements with this non-GAAP information because management uses such information internally for its operating, budgeting, and financial planning purposes. Management also believes that presentation of the non-GAAP financial measures provides useful information to our investors regarding measures of our financial condition and results of operations that Lucid uses to run the business and therefore allows investors to better understand Lucid's performance. However, these non-GAAP financial and key performance measures have limitations as analytical tools and you should not consider them in isolation or as substitutes for analysis of our results as reported under GAAP.

Non-GAAP information is not prepared under a comprehensive set of accounting rules and therefore, should only be read in conjunction with financial information reported under GAAP when understanding Lucid's operating performance. In addition, other companies, including companies in our industry, may calculate non-GAAP financial measures and key performance measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial measures and key performance measures as tools for comparison. A reconciliation between GAAP and non-GAAP financial information is presented below.

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