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Interview with Peter Rawlinson and Deirdre Bosa
Transcript
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Deirdre Bosa (host): Lucid Motors is going public via the SPAC Churchill Capital, that stock is up 80% plus since going public. But since actually announcing the SPAC merger on February 22, the stock has fallen more than 60%. This year, the company projects to produce 6,000 to 7,000 vehicles, and record over a billion dollars in losses and if you want another comparison, look at unprofitable EV company QuantumScape reporting results last night was down 10% in premarket, but it has now climbed back into the green up nearly 2%.

DB: Peter Rawlinson is the CEO of Lucid Motors and a former Tesla engineer. Peter, thanks for being back with us, just talked about QuantumScape before. Several EVs' reality is hitting home lately, production and profits are proving to be elusive. Lucid is still just selling a concept and spots like Saturday Night Live ad over the weekend. Give our audience an update on production and supply chain and whether you're still on track to hit the targets that you laid out previously: more than 20,000 vehicles in 2022 and \$10 billion in revenue in 2024.

Peter: Well, we're on track to put Lucid Air, the car behind me, into production in the second half of this year, and we're really making great progress here on three fronts. The factory is ready and up and running. The car is getting higher quality and getting closer to start of production on a daily basis, and we're rolling out our sales and service network. We've got six stores open across the country, with four more to come in the very near future, so very much on track for start of production of what I hope will be an outstanding product in the second half of this year.

DB: Started production, but are you on track for 20,000 vehicles in 2022?

Peter: We're very much on track for our plan. We're aiming for over 577 vehicles this year, and a significant increase throughout next year as we grow the business.

DB: Okay, but you won't repeat that 20,000 number I'm noticing Peter, are there some hesitations around that? Is there any reason to think that you might not be able to hit that number that you laid out?

Peter: I'm very optimistic about our future potential for manufacturing. We are going to start production this year, in that second half we're predicting 577 vehicles this year, and significant growth next year.

DB: Okay, Peter, I'm wondering if you can talk a little bit about your incentives. Elon Musk famously does not take a salary but has an incentive-based structure that is tied to financial milestones. Can you give us any color on your equity and Lucid, your salary, especially after giving up majority ownership to the Saudi sovereign wealth fund a few years ago?

Peter: Well, I'm all in on stock options that's what motivates and drives me. And that's really my, my view of the potential future of this company, so that's what I'm really working for primarily stock options and my and my current stock options in the company.

DB: And I just wonder Peter, why go public now in pre-production rather than raise more money in private markets? As I mentioned you were quite successful in doing so, from the Saudis. Do retail investors give electric vehicle companies better valuations in terms?

Peter: Well I think we were in a very good position. Because, unlike so many other startups Lucid was in a strong financial position where we could choose, we could choose our routes to going public through either a traditional IPO or through the SPAC process. And we felt that the SPAC process was a very useful tool for us to secure a great amount of funding. We've secured \$4.4 billion, through the SPAC, and the pipe, and that collectively secures our future. It takes us well past the start of production of Lucid Air, the car behind me, and it takes us into 2023, close to when we will be putting a second product into production, the Gravity.

DB: Peter, thank you very much for joining us. We'll continue to track the company and look forward to seeing that vehicle in production, Peter Rawlinson listed as CEO.

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