

SMMT Electrified 2021

March 25, 2021

Peter Rawlinson, CEO and CTO of Lucid Motors, joined the SMMT Electrified 2021 conference to discuss Lucid Motors.

TRANSCRIPT

Hello everyone. I'm Peter Rawlinson, and I'm the CEO and CTO of Lucid Motors and it's a privilege to present to you at the inaugural International Electrified Conference of the SMMT, here today.

Lucid has a clear vision and mission. We're here to accelerate the transition of mankind's mobility to a more sustainable model and to do that we need a mass, mass transition to pure battery electric cars.

But we have a clearer long-term objective and Lucid's long-term objective is to truly mass industrialize EV powertrains because it's going to take millions and millions of electric cars to truly make that seismic change that the world so desperately needs because I passionately believe we have an impending environmental crisis on our hands.

So, we're starting with unashamedly high-end car, this beauty behind me the, Lucid Air. I'm here in Silicon Valley at our headquarters. This is the Lucid Air, and we built a brand-new factory for this car in Arizona and we're going into production in the second half of 2021. Some versions of this car will have over 500-mile range and we believe it needs to be a technological tour de force - the first product defines the brand. Thereafter will make cars progressively more affordable in progressively increasing numbers and our Factory in Arizona is capable of being expanded from its current guise of 34,000 units per annum. So, we're taking this model, start with a high-end product, gradually make it more affordable.

But anything that Lucid can make is almost a drop in the ocean compared with the demands and the needs of mankind's transition to sustainable mobility. And I think it's prescient that this conference has coincided with the recent announcement from the EU to target 30 million electric cars, battery electric cars, zero emission cars on the roads of Europe by the end of this decade, by 2030.

Now I've been asked what's possible. Now, I don't claim to be Nostradamus, but I'm an engineer. I worked on the forefront of electric cars for the last decade. My last position, I was chief engineer at Tesla. What really excites me is the potential for taking the electric car to a whole new level.

What is possible? Well, there are two inherent hurdles obstacles to the widespread adoption to EVs. One is range anxiety and with versions of this car, we're exceeding 500-mile range. That is the ultimate antidote surely to range anxiety. But it's actually the entry cost, cost of ownership, that's really going to drive and determine how much we can accelerate this sorely needed transition, which will benefit all mankind and future generations.

And I have a clarity of vision to get to the, the mythical \$25,000 electric car and it's going to take one thing to drive it. It's going to take technology, because there is almost a myopic concentration focus upon battery costs. Now that is important, getting below \$100 per kilowatt hour for battery cost is very important, but there's another factor which people are missing completely and that is efficiency.

And what do I mean by that? I mean to mean how far can I go for a given amount of energy? How many miles can I travel per kilowatt hour? And that's really the, the electric equivalent the new metric the new norm compared with petrol mileage. So many of us grew up with miles per gallon and we're going to have to get used to miles per kilowatt hour. What's a good number? Well, we're achieving four and a half miles per kilowatt hour with a relatively luxurious car like Lucid Air.

Just imagine if we can get to six miles per kilowatt hour with a more affordable car and I believe six miles per kilowatt hour is going to be the enabler which is going to drive that pendulum swing towards widespread mass adoption. So, why am I so focused upon efficiency rather than just battery costs - both are equally important or maybe not. So, if I could double efficiency, I could go the same range with half the battery size, that would have the battery cost, we would half the weight of the battery, it would half the size of the battery. Surely that's better than just having battery costs. And I'm not saying that battery costs aren't important here. Really what we need to look at is the cost of creating an electric car to go a certain range, a certain distance. So that's that cost of range equals cost of battery energy, dollars per kilowatt hour divided by efficiency, miles per kilowatt hour, that gives us dollars per mile. That's what you should be chasing. Not this myopia about just industrializing battery costs to get that down. Let's look at the big picture.

Now what are the key battlegrounds for the future? I think there's going to be huge challenges for so many incumbent OEs. And again, I point to technology. This is a tech race. Why is Tesla in such a preeminent position? Tesla recognizes this is a technology play an attack race. They design, develop, engineer and manufacture, vertically integrated all their EV power train in-house. There's another company that does that, It's Lucid. Surprisingly we do that. And it's all going to be about technology and efficiency. The companies that embrace that will be the winners, those who don't, there's going to be blood on the carpet. But there's hope and I offer hope because, as I said, Lucid here to mass industrialize electric technology. Because this is a race that all of us cannot lose. We all breathe the air. And for future generations, we need that clean air. And I see that technology that underpins EVs as the big driver, which gives me enormous hope and optimism for the future. Thank you so much for sharing this moment with me today.

Goodbye from Silicon Valley.

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