

# XOS

Credit Suisse 9th Annual Industrials  
Conference

December 1, 2021

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## *Forward-Looking Statements*

This presentation includes “forward-looking statements” within the meaning of the “safe harbor” provisions of the United States Private Securities Litigation Reform Act of 1995. These forward-looking statements include, but are not limited to, statements regarding projected financial and performance information for the fourth quarter and full year 2021, expectations and timing related to production, customer acquisition and order metrics, and Xos, Inc.’s (“Xos”) long-term strategy and future growth. These forward-looking statements generally are identified by the words “believe,” “project,” “expect,” “anticipate,” “estimate,” “intend,” “strategy,” “future,” “opportunity,” “plan,” “may,” “should,” “will,” “would,” “will be,” “will continue,” “will likely result,” and similar expressions. Forward-looking statements are predictions, projections and other statements about future events that are based on current expectations and assumptions and, as a result, are subject to risks and uncertainties. Many factors could cause actual future events to differ materially from the forward-looking statements in this presentation, including but not limited to: (i) Xos’ ability to implement business plans, forecasts, and other expectations, and identify and realize additional opportunities, (ii) Xos’ limited operating history, (iii) cost increases and delays in production due to supply chain shortages in the components needed for the production of Xos’ vehicle chassis and battery system, (iv) Xos’ ability to meet production milestones and fulfill backlog orders, (v) changes in the industries in which Xos operates, (vi) variations in operating performance across competitors, (vii) changes in laws and regulations affecting Xos’ business, (viii) Xos’ ability to implement its business plan or meet or exceed its financial projections (ix) Xos’ ability to retain key personnel and hire additional personnel, particularly in light of current and potential labor shortages, (x) the risk of downturns and a changing regulatory landscape in the highly competitive electric vehicle industry and (xi) the outcome of any legal proceedings that may be instituted against Xos. You should carefully consider the foregoing factors and the other risks and uncertainties described under the heading “Risk Factors” included in Xos’ Quarterly Report on Form 10-Q for the quarter ended September 30, 2021 filed with the Securities and Exchange Commission (the “SEC”) on November 12, 2021 and Xos’ other filings with the SEC, copies of which may be obtained by visiting Xos’ Investors Relations website at <https://investors.xostrucks.com/> or the SEC’s website at [www.sec.gov](http://www.sec.gov). These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Forward-looking statements speak only as of the date they are made. Readers are cautioned not to put undue reliance on forward-looking statements, and Xos assumes no obligation and does not intend to update or revise these forward-looking statements, whether as a result of new information, future events, or otherwise. Xos does not give any assurance that it will achieve its expectations.

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### *Non-GAAP Financial Measures*

*The financial information in this presentation has been presented in accordance with United States generally accepted accounting principles ("GAAP") as well as on a non-GAAP basis to supplement our consolidated financial results. Our non-GAAP financial measures include Operating Cash Flow less CapEx (Free Cash Flow) and Non-GAAP Operating Loss which are defined as follows. "Operating Cash Flow less CapEx (Free Cash Flow)" is defined as net cash used in operating activities minus purchase of property and equipment. "Non-GAAP Operating Loss" is defined as operating loss adjusted for stock-based compensation.*

*We believe that the use of Operating Cash Flow less CapEx (Free Cash Flow) and Non-GAAP Operating Loss reflect additional means of evaluating Xos' ongoing operating results and trends. Our presentation of these measures should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. It is important to note our computation of Operating Cash Flow less CapEx (Free Cash Flow) and Non-GAAP Operating Loss may not be comparable to other similarly titled measures computed by other companies, because not all companies may calculate Operating Cash Flow less CapEx (Free Cash Flow) and Non-GAAP Operating Loss the same fashion. 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 our operating performance. A reconciliation between GAAP and non-GAAP financial information is provided in this presentation.*

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Our mission is to decarbonize transportation with reliable electric trucks and the tools to adopt them.

## 5 YEARS

Of operation. With trucks on the road since 2018, testing and improving our technology

**\$34B<sup>1</sup>**

Addressable market, growing at a 35% CAGR

**2,000 UNITS<sup>2</sup>**

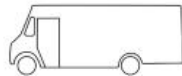
Annual production capacity between two facilities

## TRACTION

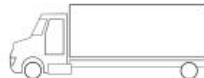


### VEHICLES

CLASS 5/6



CLASS 6/7



CLASS 8



### SOFTWARE

VEHICLE CONTROLS

Powertrain/body controls, over-the-air software updates, and more

FLEET INTELLIGENCE

Centralized control hub for fleets to manage their Xos vehicles

### SERVICES

X-LEASE

Competitive financing plans



Xos ENERGY

Energy storage and charging infrastructure



SERVICE

750+ mobile service technicians in network



(1) U.S. Last-Mile MD & HD Truck Sales. Based on data provided by ACT Research Commercial Vehicle Sales Forecasts, and reflects Xos assumed average selling price applied to medium-duty and 20% of heavy-duty commercial truck sales assumed to be used for last mile applications.

(2) Assumes facilities are operating at full production capacity and Xos is able to mitigate current supply chain constraints.

# Investment Thesis

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Technology | Total Addressable Market | Team

## Proprietary Commercial EV Powertrain Technology

- Proprietary air-cooled, battery system designed for rigors of the commercial vehicle environment
- Improved modular battery architecture launched and in ramp-up

## Large Total Addressable Market







- Xos delivers product to a \$100B global TAM
- U.S. commercial vehicle segment Xos serves is over \$34B

## World-Class Leadership Team with Expertise in EV Manufacturing

- Management Team comprised of renowned R&D and engineering experts that were instrumental in leading EV and commercial truck OEMs.

## Focus on Modular EV Platforms Tailored for Last-Mile Market

Common platform architecture drives significant engineering and manufacturing synergies.

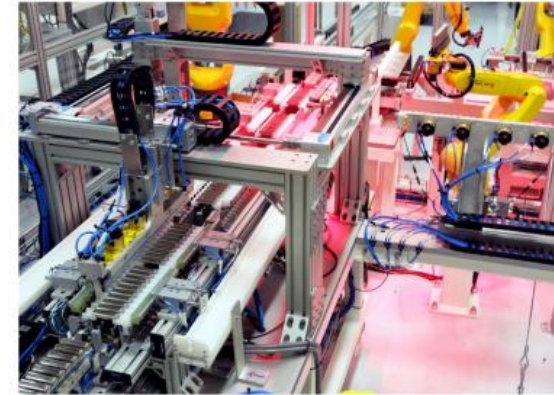
PLATFORM	VEHICLE CLASSES	X-PLATFORM CHASSIS	VEHICLES
MD X-PLATFORM	<b>Class 5-6</b> Adaptable chassis for on-highway, pickup and delivery.		
HD X-PLATFORM	<b>Class 7-8</b> Adaptable chassis for on-highway, vocational, and severe work condition.		
POWERTRAIN	<b>Various</b> Powertrain solutions for both off-highway, industrial equipment and on-highway trucks.		



# Lyra Series Batteries

Xos reveals a new series of batteries

- Newly launched Lyra 30 and Lyra 60 batteries
- 30kWh and 60kWh models
- 52% improvement in Gravimetric Density
- 45% improvement in Volumetric Density
- Provides more compact packaging and improved range
- Builds on air cooling modular technology platform
- Proprietary module and enclosure design



The automated production line in development for Lyra 30 and Lyra 60

## TCO Advantage Driven by Core Proprietary Technologies



### Xos Battery System, X-Pack and Lyra 30 and Lyra 60

- Proprietary **"cut-to-length" battery architecture** reduces acquisition cost by eliminating unnecessary battery capacity
- **Forced air-cooling technology** ensures maximum pack longevity and weight savings



### Xos Battery Management System

- Pack-level BMS allows **each X-Pack to perform independently** reducing vehicle downtime
- Proprietary **technology manages battery health** for 200,000+ miles of usable life



### X-Platform Modular Chassis Platform

- **Universal chassis platform** reduces engineering and testing expenses associated with releasing new trucks
- Designed specifically for commercial vehicles with **key focus on weight and durability**



### Xos Proprietary Software

- Xos Connect Software is integrated in every Xos vehicle with **over-the-air update capabilities**
- Xosphere Intelligence Platform provides **comprehensive data and analysis and generates savings** through reduced vehicle downtime and driver safety and behavior monitoring



# 3Q21 Updates

Product | Growth | Validation

- **Xos announces launch** of new products and solutions
  - **Lyra Series Batteries.** Began production of proprietary Lyra Series battery system, improving vehicle range.
  - **The Hub.** Xos announces The Hub—a mobile, free-standing fleet charging station.
- **Xos significantly expands** staff, production capacity, and network.
  - **Automated Battery Line.** Battery production facilities at Xos HQ position Xos to meet 2022 production targets.
  - **Team Growth.** Increased full-time employee count by 42%.
- **Xos continues to validate** vehicles with rigorous testing and to affirm market approach with customer retention.
  - **Repeat Customers.** Xos secures repeat orders from key clients, including 120 new vehicle orders from FedEx ISPs and additional orders from Loomis and Wiggins Heavy Lift.
  - **Durability Testing.** Completed simulated 200K mile vehicle validation.



Xos HQ Battery Facility



Chassis Production at Flex1 in TN



Lyra 60, Xos' new proprietary 60kWh Battery Pack



Xos HQ automated battery cell



The Hub, a stand-alone charging solution launched in Q3 as part of Xos Energy Solutions

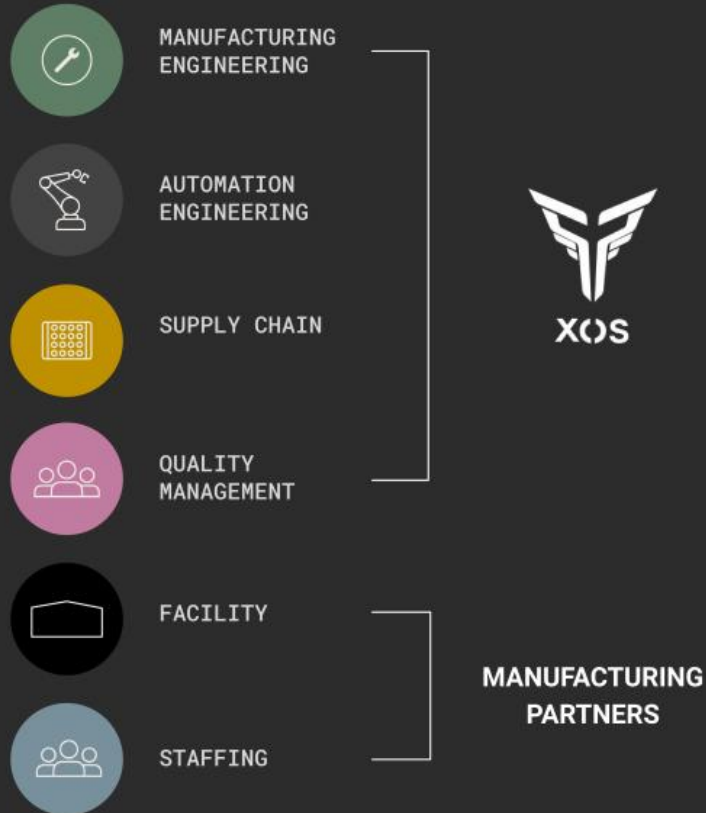
## 3Q21 Commercial Update

### Additional Orders and Traction from Key Customers

- **FedEx Ground operators** order 120 additional zero-emission electric trucks
- Leading Uniform Rental companies, including **Unifirst**, **Cintas**, and **Morgan Services**, purchase 13 vehicles with LOIs for up to 200 units
- Orders from leading beverage distribution companies including **Anheuser Busch** and **Southern Glazer's Wine and Spirits**
- Additional total of **360 Vehicles under LOI** for Q3 2021



## Manufacturing Partners



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### Flex1 | Byrdstown

- Largest manufacturer of glider vehicles in the US market
- Produced over 5,000 trucks per year<sup>1</sup>
- Partner to Xos' first Flex Manufacturing facility



### Flex 2 | Monterrey

- Leading global manufacturer of frame and chassis systems for commercial vehicles generating ~\$2B in annual revenue
- Contract manufacturer of commercial vehicles in South America and flex assembler for Xos
- Facilities within US, Mexico, and South America

(1) Prior to EPA emissions regulations beginning in January 2018.



## Flex1 | Byrdstown, TN Update

### Facility Focus

X-Platform production with battery line addition to begin in 2022

### Capacity

Production capacity of 1,000 units per year

### Expansion

Preparations underway for battery production in 2022

Ability to expand the vehicle assembly line to 5,000 units per year on multiple shifts

### Partnership

Chassis assembled in partnership with Fitzgerald Manufacturing Partners



## Flex 2 | Monterrey, MX Update

### Facility Focus

X-Platform production

### Capacity

Production capacity of 1,000 units per year on a single shift

Ability to expand the line to 5,000 units per year on multiple shifts

### Partnership

Chassis assembled in partnership with Metalsa, a leading Tier-1 provider of frame rails and chassis systems in North America





## HQ, Los Angeles, CA Update

### Production Ramp

Production delays due to transition to Lyra battery pack system

Challenges overcome and regular production has resumed

### New Automation

Automated cell inspection and clip cell was delayed due to chip shortage, but is now providing parts

Flexible layout and equipment for future cell and module iterations

# XOS



# Stepvan Durability Update

## Key Durability Milestone

Stepvan completed 4,000 miles on the durability course, simulating 200,000 miles of on-road use

Testing performed at a proving grounds in Indiana, and included loaded testing over harsh surfaces such as impact bumps and cobblestone

Reinforces design and engineering of Xos' purpose-built chassis and battery systems





# Xos Energy Solutions

## New Services Launch: XES

Launched Xos Energy Solutions (XES) to provide fleets with charging infrastructure and related services

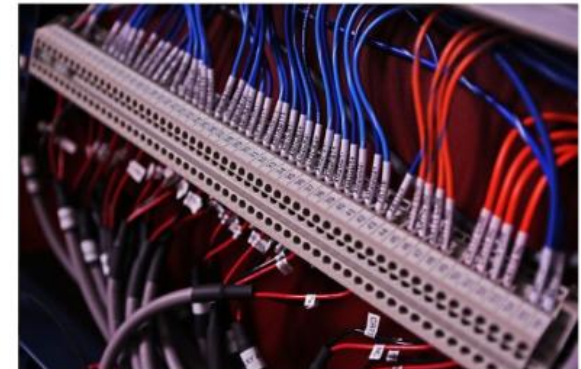
XES serves as an extension of our Fleet-as-a-Service strategy

## Xos Hub

Launched a mobile charging station capable of charging five medium-duty trucks at once

The Hub helps fleets electrify immediately, bridging the gap between fully-installed charging stations and accessible charging infrastructure

Production to ramp up in 2022



## Third Quarter Financial Overview

US\$ Thousands (Except share and per share data)	Q3 2021	Q3 2020	2021 YTD
<b>Total Revenue</b>	<b>\$357</b>	<b>\$1,125</b>	<b>\$1,746</b>
Cost of goods sold	418	1,161	1,675
<b>Gross Margin</b>	<b>(61)</b>	<b>(36)</b>	<b>71</b>
Research & Development	3,237	727	6,867
General & administrative and Sales & Marketing <sup>1</sup>	10,760	2,263	20,280
Depreciation expense	248	66	628
<b>Total Operating Expenses</b>	<b>14,245</b>	<b>3,056</b>	<b>27,775</b>
<b>Loss from Operations</b>	<b>(14,306)</b>	<b>(3,092)</b>	<b>(27,704)</b>
Interest expense	(65)	(867)	(78)
△ fair value of derivatives	1,066	—	6,030
△ fair value of contingent earn-out shares liability	48,202	—	48,202
Other <sup>2</sup>	(1)	—	(14,488)
<b>Net Income (Loss)</b>	<b>\$34,896</b>	<b>(\$3,959)</b>	<b>11,962</b>
Net income per share (basic) <sup>3</sup>	\$0.31	(\$0.05)	\$0.14
Net loss per share (diluted) <sup>4,5</sup>	(\$0.08)	(\$0.05)	(\$0.28)

### Commentary

- Revenue impacted by new battery development and supply chain.
- Expense increases in G&A and R&D in line with production ramp and new product development expectations.
- Non cash income/loss from change in fair value of derivatives and earn-out liability.

(1) General & administrative expense for Q3 2021 was \$10.2 million, Sales & Marketing was \$0.5 million.

(2) Includes Write off of equity subscription receivable, Realized loss on debt extinguishment and Miscellaneous.

(3) Weighted average shares outstanding, basic of 113.8 million and 72.3 million as of QTD 9/30/2021 and 9/31/2020, respectively.

(4) Weighted average shares outstanding, diluted of 148.8 million and 72.3 million as of QTD 9/30/2021 and 9/31/2020, respectively.

(5) Net Loss per share (diluted) excludes the effects of △ fair value of derivatives and △ fair value of contingent earn-out shares liability

## Third Quarter Financial Overview (cont)

### Balance Sheet & Other Highlights

(US\$ Thousands except Headcount %)

	3Q21	December 2020
Cash & Equivalents	\$207,388	\$10,359
Working Capital <sup>1</sup>	14,274	1,115
PP&E	4,629	1,084
Interest-bearing Liabilities <sup>2</sup>	1,027	308
Free Cash Flow <sup>3</sup> (operating cash flow less capex)	(35,623)	(12,745)
Engineering & Manufacturing (Proportion of overall headcount)	~65%	

### Commentary

- Business Combination with NextGen Acquisition; Cash & Equivalents position of \$207.4m as of September 30, 2021.
- Capex light flex manufacturing approach reflected in PP&E.

(1) Accounts Receivable plus Inventories plus pre-paid Inventories less Accounts Payable.

(2) Current portion of equipment loans payable of \$151 Thousand plus Equipment loans payable, net of current portion of \$876 Thousand.

(3) See Non-GAAP reconciliation. Capital expenditures were \$2.6 million in Q3 2021. Dec 2020 number is the Free Cash Flow (operating cash flow less capex) for FY2020.



## 2021 Business Update

	4Q21 E	FY 21E
Unit Deliveries	15-25 units	27-37 units
Revenues	\$1.7 million - \$3.0 million	\$3.5 million - \$4.7 million
Non-GAAP Operating Loss <sup>1</sup>	\$18 million - \$22 million	\$45.6 million - \$49.6 million

### Commentary

- Increase in deliveries post resumption of Lyra battery production.

(1) Excludes Stock Based Compensation.

# APPENDIX

Financial Reports & Non-GAAP Reconciliations

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**Xos, Inc. and Subsidiaries**  
**Condensed Consolidated Balance Sheets**

<i>(in thousands)</i>	September 30, 2021 <i>(Unaudited)</i>	December 31, 2020
<b>Assets</b>		
Cash and cash equivalents	\$ 207,388	\$ 10,359
Accounts receivable, net	583	408
Inventories	20,834	1,867
Prepaid expenses and other current assets	17,840	56
<b>Total current assets</b>	246,645	12,690
Property and equipment, net	4,629	1,084
Other assets	505	—
<b>Total assets</b>	<b>\$ 251,779</b>	<b>\$ 13,774</b>
<b>Liabilities and Stockholders' Equity (Deficit)</b>		
Accounts payable	\$ 12,468	\$ 1,168
Current portion of equipment loans payable	151	142
Current portion of convertible notes payable	—	18,360
Current portion of derivative liability	—	6,394
Current portion of SAFE notes payable	—	30
Legacy Xos Preferred Stock Warrant liability	—	1,707
Other current liabilities	2,836	5,142
<b>Total current liabilities</b>	15,455	32,943
Equipment loans payable, net of current portion	876	166
Contingent earn-out shares liability	53,542	—
Common stock warrant liability	19,963	—
<b>Total liabilities</b>	89,836	33,109
<b>Commitment and Contingencies</b>		
<b>Legacy Xos Preferred Stock</b> – \$0.0001 par value		
Series A – 27,041 shares authorized; 0 and 2,762 shares issued and outstanding at September 30, 2021 and December 31, 2020, respectively	—	7,862
<b>Stockholders' Equity (Deficit)</b>		
Common Stock \$0.0001 par value, authorized 1,000,000 shares, 162,905 and 72,277 shares issued and outstanding at September 30, 2021 and December 31, 2020, respectively	16	7
Preferred Stock \$0.0001 par value, authorized 10,000 shares, 0 shares issued and outstanding at September 30, 2021 and December 31, 2020, respectively	—	—
Additional paid in capital	177,533	290
Accumulated deficit	(15,606)	(27,494)
<b>Total stockholders' equity (deficit)</b>	161,943	(27,197)
<b>Total liabilities, Legacy Xos Preferred Stock and stockholders' equity (deficit)</b>	<b>\$ 251,779</b>	<b>\$ 13,774</b>

Xos, Inc. and Subsidiaries  
Unaudited Condensed Consolidated Statements of Operations  
(Unaudited)

	Three Months Ended September 30		Nine Months Ended September 30	
	2021	2020	2021	2020
<i>(in thousands, except per share data)</i>				
<b>Revenues</b>	\$ 357	\$ 1,125	\$ 1,746	\$ 1,698
Cost of Goods Sold	418	1,161	1,675	1,639
Gross Margin	(61)	(36)	71	59
<b>Operating Expenses</b>				
Research and development	3,237	727	6,867	2,440
Sales and marketing	549	65	700	142
General and administrative	10,211	2,198	19,580	4,122
Depreciation expense	248	66	628	214
<b>Total Operating Expenses</b>	14,245	3,056	27,775	6,918
<b>Loss from Operations</b>	(14,306)	(3,092)	(27,704)	(6,859)
<b>Other Income (Expenses)</b>				
Interest expense	(65)	(867)	(78)	(2,186)
Change in fair value of derivatives	1,066	—	6,030	—
Change in fair value of contingent earn-out shares liability	48,202	—	48,202	—
Write off of subscription receivable	—	—	(379)	—
Realized loss on debt extinguishment	—	—	(14,104)	—
Miscellaneous	(1)	—	(5)	4
<b>Total Other Income (Expenses)</b>	49,202	(867)	39,666	(2,182)
<b>Net Income (Loss)</b>	\$ 34,896	\$ (3,959)	\$ 11,962	\$ (9,041)
<b>Net income (loss) per share</b>				
Basic	\$ 0.31	\$ (0.05)	\$ 0.14	\$ (0.13)
Diluted	\$ (0.08)	\$ (0.05)	\$ (0.28)	\$ (0.13)
<b>Weighted average shares outstanding</b>				
Basic	113,797	72,277	86,192	72,145
Diluted	148,791	72,277	121,186	72,145

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## Reconciliation: Operating Cash Flow less CapEx (Free Cash Flow)

(in thousands)	Three Months Ended September 30		Nine Months Ended September 30	
	2021	2020	2021	2020
Net cash used in operating activities	\$ (32,982)	\$ (5,809)	\$ (53,135)	\$ (9,849)
Purchases of property and equipment	(2,641)	(284)	(3,343)	(427)
<b>Free-Cash Flow</b>	<b>\$ (35,623)</b>	<b>\$ (6,093)</b>	<b>\$ (56,478)</b>	<b>\$ (10,276)</b>

## Reconciliation: Non-GAAP Operating Loss

(in thousands)	Three Months Ended September 30		Nine Months Ended September 30	
	2021	2020	2021	2020
Loss from operations	\$ (14,306)	\$ (3,092)	\$ (27,704)	\$ (6,859)
Stock-based compensation	2	1	5	7
<b>Non-GAAP Operating Loss</b>	<b>\$ (14,304)</b>	<b>\$ (3,091)</b>	<b>\$ (27,699)</b>	<b>\$ (6,852)</b>



# XOS