



Penn Electric Vehicle Company

Board of Directors Meeting 2022



AGENDA



▶ 01 Company Overview

▶ 02 Retrospectives

Supply Chain Disruption

Supply Chain Strategy

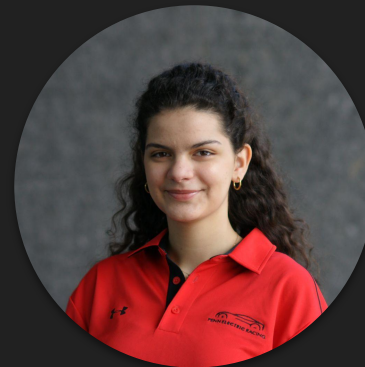
Workplace Disruption

Labor Model Reinvention

▶ 03 Future Outlook



Eddy Yang
Chief Executive Officer



Dea Rozhani
Chief Strategy Officer

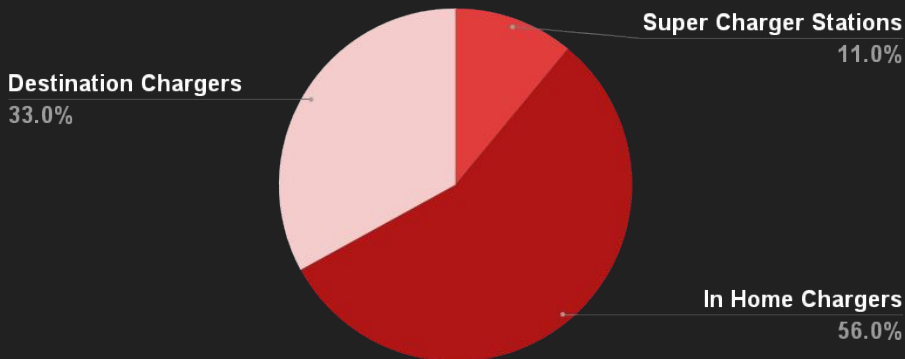
COMPANY OVERVIEW



Our mission is to make electric vehicles the mainstream EV option

Founded in	IPO	Headquarters	Employees	Cars Sold	Revenue
2007	2014	Austin, TX	43,000	223k	\$19.6 Billion

Primary Charging Network used by PEV Customers



Conjoint Analysis of Our Customer Base



Company Overview

Supply Chain

Workplace

Future Outlook

SUPPLY CHAIN DISRUPTIONS



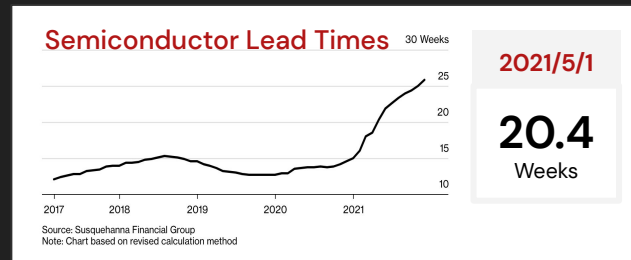
Critical Component Shortage

Raw Materials	Components
Lithium	Semiconductors
Cobalt	Integrated Circuits
Nickel	

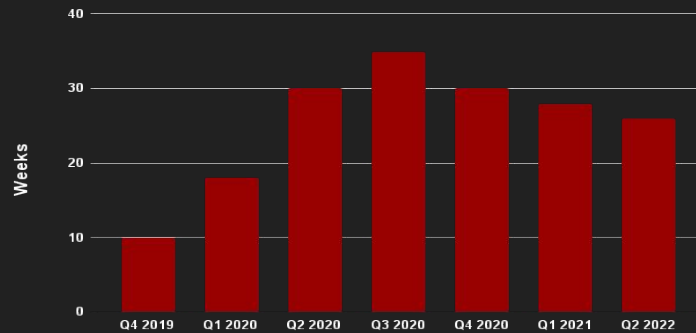
Production cost increased
18%

(averaged across all vehicle models
Between FY19 AND FY20)

Lengthened Lead Times



Average Model Lead Times



Average Vehicle Lead Time (Weeks from Order to Arrival)

SUPPLY CHAIN STRATEGY



No Price Changes for Customers

Temporary Feature Discontinuation

Ambient Lighting

Wireless Charging Pad

Wifi Connectivity

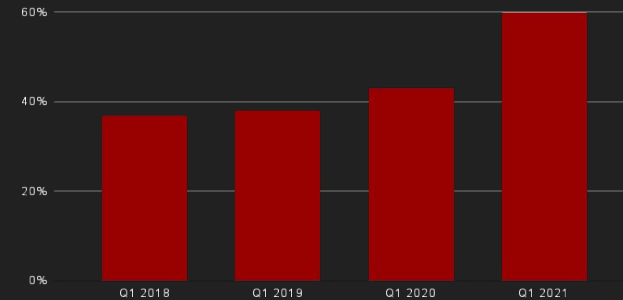
4 Week Lead Time Decrease

Free Installation

< 0.8 % Orders Cancelled

Domestic & In-House Expansion

% Domestically Sourced Parts



% of Parts Sourced from US and Canada

New Raw Material Partnerships

17 ICs Designed in House

LABOR MODEL REVAMP



	Average Pre-Covid	2020	2021
Turnover Rate (Annual)	22%	38%	25%
Manufacturing Capacity Utilization	78%	67%	90%
Employee Satisfaction Rating (1-10)	7.5	6	8.5

- **Agile Environment** allows for quick response
- Innovative **hybrid work model** to maximize employee engagement
- Greatly **increased employee benefits**
- Increased use of technology to aid efficiency in manufacturing

CHARGER INFRASTRUCTURE



Success of L2 Destination Chargers

- 240 Volt
- Restaurants, Malls, Universities, Public Venues
- Commercial Viability

L3 Fast Charger Proposal

- 500 Volt DC
- CCS and CHAdeMO compatibility
- 6-12 chargers per Station

Competitive Advantages

1

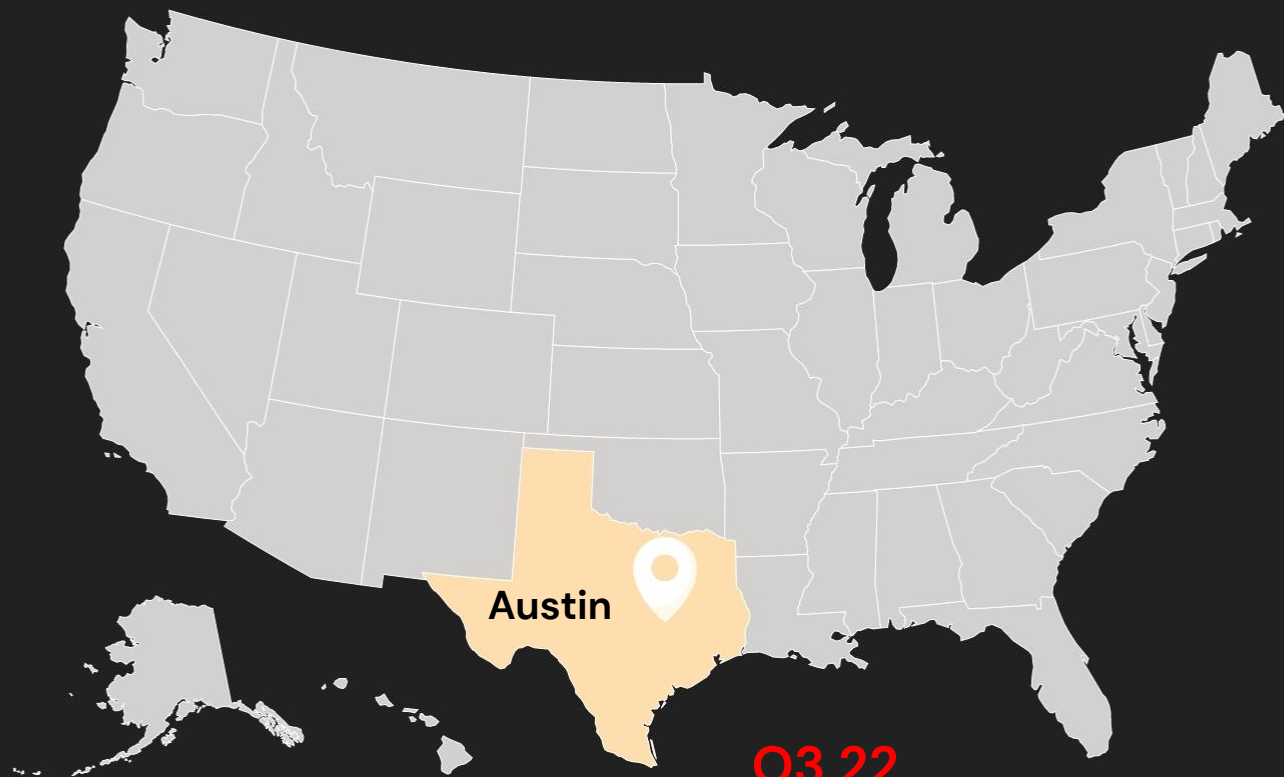
Technological Capabilities

2

Charging Roaming

3

Customer Loyalty



Austin

Q3 22

R&D Continues

Construction Begins

Construction Begins

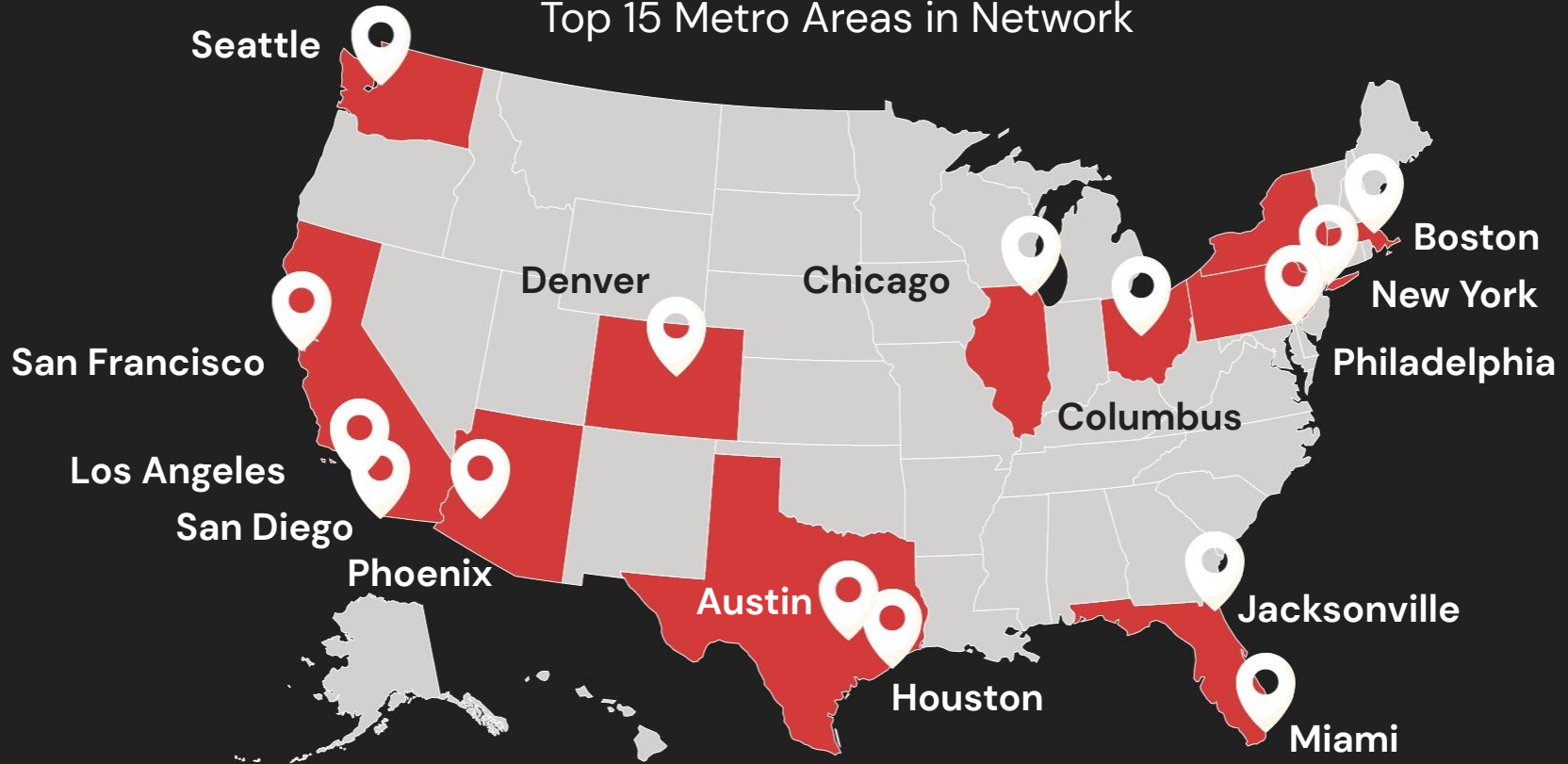
Q2 24

POR-SF-LA
Stations Open



Q2 25

Top 15 Metro Areas in Network

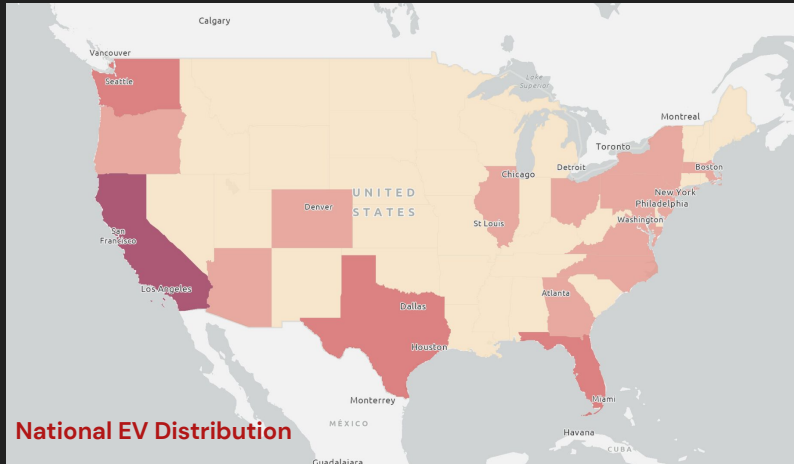
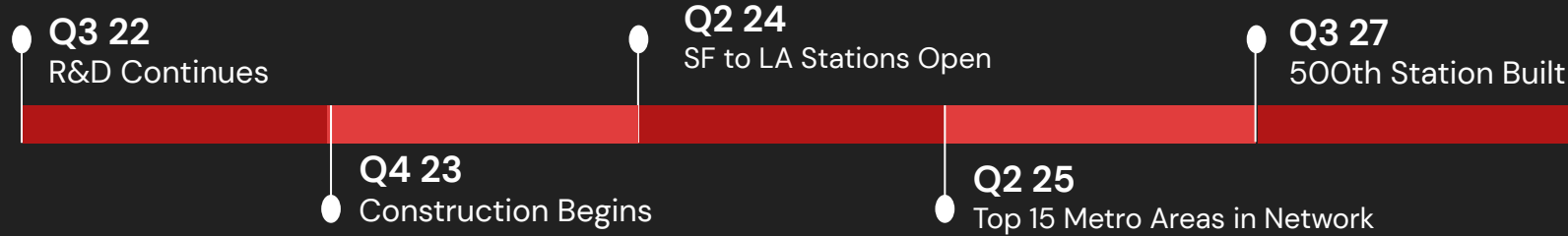


Q3 27

500th Station Built



BUSINESS AND DEVELOPMENT PLAN



PEV Vehicle Owners

Free/Subsidized Charging (Based on Car Model)
Standard Rate \$0.30/kw

Non PEV Vehicle Owners

Must have account registered with
PEV/Network Partner
\$0.35/kw + \$1 Service Fee

Company Overview

Supply Chain

Workplace

Future Outlook

A LOOK AHEAD



Company Goals

1

Remain **Customer-Centric** Amidst Disruption

2

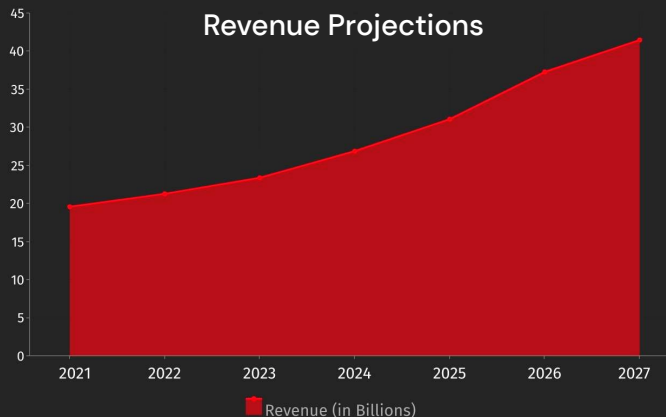
Further Nurture a **Sustainable and Healthy Workplace**

3

Accelerate the **Adoption of Sustainable Transport**

Financial Projections

Revenue Projections



Charging
Infrastructure Costs:
\$150 Million

Net Income:
\$50 Million



Thank You!

Appendix A: Sales Data



Off-road SUV	City SUV	Truck	Luxury Sedan	Economical Sedan
\$95,000 Top speed: 135mph Range: 300 miles Customer base: Avid Off-road fans, large families Units sold: 23,000	\$70,000 Top speed: 135mph Range: 330 miles Customer base: Growing Families Units sold: 65,000	\$60,000 Top speed: 135mph Range: 300 miles Customer base: Rural dwellers Units sold: 15,000	\$105,000 Top speed: 155mph Range: 400 miles Customer base: Wealthy People Units sold: 40,000	\$40,000 Top speed: 150mph Range: 400 miles Customer base: Young consumers Units sold: 80,000

Appendix B: Parts Discontinuation Data



Customer Survey

What Absent Feature Would Cause
The Least Concern?

1. Wifi Connectivity - 487 Votes
2. Seat Lumbar Support - 233 Votes
3. Ambient Lighting - 113 Votes
4. Wireless Charging - 109 Votes
5. Heated Seating - 93 Votes
6. Parking Sensors - 30 Votes

Lead-Time Decrease

How Much Earlier We Can Give
Customers Their Cars

1. **6 weeks**
2. **4 weeks**
3. **8 weeks**
4. **4 weeks**
5. **5 weeks**
6. **5 weeks**

Company Cost Increase

Cost Burden for Late Installation

1. **\$30**
2. **\$380**
3. **\$50**
4. **\$60**
5. **\$330**
6. **\$155**

Appendix C: Sample Worker



Meet **Darrion**, a **Senior Electrical Systems Engineer** who has been at Penn Electric Vehicle for 7 years.

Darrion joined **as a Distribution Electric Vehicle Engineer** and worked his way up the company to become a senior engineer in just **3 years** as compared to the industry average of 6 years.

Darrion will be taking a well earned **two month sabbatical** this year, a reward for his 5 years of service, before joining **Kellogg's one-year accelerated MBA program** all paid for by Penn Electric Vehicle.

In addition to his salary of **\$202,208**, Darrion receives the following employment benefits: Medical Insurance (dental, vision, well-being programs), 401 (k), health savings accounts, legal services, dependent daycare, life and AD&D insurance, employee stock purchase program (ESPP), paid time off, floating holidays, paid maternity leave, paid parental bonding leave, tuition reimbursement, work-from-home stipend, annual health fair and flu shots, 56 hours of Paid Volunteering time, \$100/month Wellness Reimbursement Program

Appendix D: Benefits Package Comparison



Old

- Medical Insurance (including dental & vision)
- Life and AD&D insurance
- Matching 401 (k) contributions
- Health savings accounts
- Dependent daycare
- Employee stock purchase program (ESPP)
- Unlimited paid time off
- Paid maternity leave
- Tuition reimbursement

New

All old benefits +

- Paid parental bonding leave
- Annual health fair and flu shots
- 56 hours of Paid Volunteering time
- \$100/month Wellness Reimbursement Program
- Floating holidays
- Free workday lunch
- Gym membership reimbursement
- Mental Health Guidance Services
- Pet daycare