



Q2 2021 REPORT

August 16, 2021



FORWARD-LOOKING STATEMENTS

Except for historical information, all of the statements, expectations, and assumptions contained in this presentation are forward-looking statements. Forward-looking statements include, but are not limited to, statements that express our intentions, beliefs, expectations, strategies, predictions or any other statements relating to our future activities or other future events or conditions. These statements are based on current expectations, estimates and projections about our business based, in part, on assumptions made by management. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict and include, without limitation, our expectations as to product deliveries, the establishment of our service and delivery network and our expected rate of production. Therefore, actual outcomes and results may, and are likely to, differ materially from what is expressed or forecasted in the forward-looking statements due to numerous factors discussed from time to time in documents which we file with the SEC. In addition, such statements could be affected by risks and uncertainties related to, among other things: our ability to manage the distribution channels for our products, including our ability to successfully implement our rental strategy, direct to consumer distribution strategy and any additional distribution strategies we may deem appropriate; our ability to design, manufacture and market vehicle models within projected timeframes given that a typical vehicle consists of thousands of unique items and we can only go as fast as the slowest item; our inexperience to date in manufacturing vehicles at the high volumes that we anticipate; our ability to maintain quality control over our vehicles and avoid material vehicle recalls; the number of reservations and cancellations for our vehicles and our ability to deliver on those reservations; unforeseen or recurring operational problems at our facility, or a catastrophic loss of our manufacturing facility; our dependence on our suppliers; changes in consumer demand for, and acceptance of, our products; changes in the competitive environment, including adoption of technologies and products that compete with our products; the overall strength and stability of general economic conditions and of the automotive industry more specifically; changes in laws or regulations governing our business and operations; costs and risks associated with potential litigation; and other risks described from time to time in periodic and current reports that we file with the SEC. Any forward-looking statements speak only as of the date on which they are made, and except as may be required under applicable securities laws, we do not undertake any obligation to update any forward-looking statements.

Forward-Looking Statements

TO SET THE FRAME

The IPCC just issued a Code Red for humanity. AND we are in the middle of a global pandemic.

Every organization we interact with - all the people - are under significant stress as the fragility of the global supply chain has been laid bare, and as our patterns of behavior are showing an ever more clear, perilous toll on our home.

At the end of the day, sustainability is a social networking exercise. The rightsizing of our relationship with our planet is going to take all of us, working together, to accomplish.





TO SET THE FRAME

We are heartened that leaders around the globe are advancing targets for carbon reduction, including the Biden Administration, our Oregon congressional delegation, and state and local leaders around the country.

More specifically, much of what I'm going to talk about today in the context of Arcimoto's rapidly accelerating pace of innovation toward its mission is reflective of a shared commitment to maintain a livable planet.





Q2 BY THE NUMBERS

The second quarter wasn't all roses. As anyone who is following the automotive industry already knows, we are subject to a topsy-turvy supply chain in an emerging field.

Two prominent examples: during Q2 one of our critical supplied components had both production and transportation setbacks that would have resulted in an extended production shutdown starting mid-August on our earlier planned path, and another key component's update exhibited a software error that prompted a delivery pause for several weeks, as a multi-organization tiger team dissected root cause and solutions.

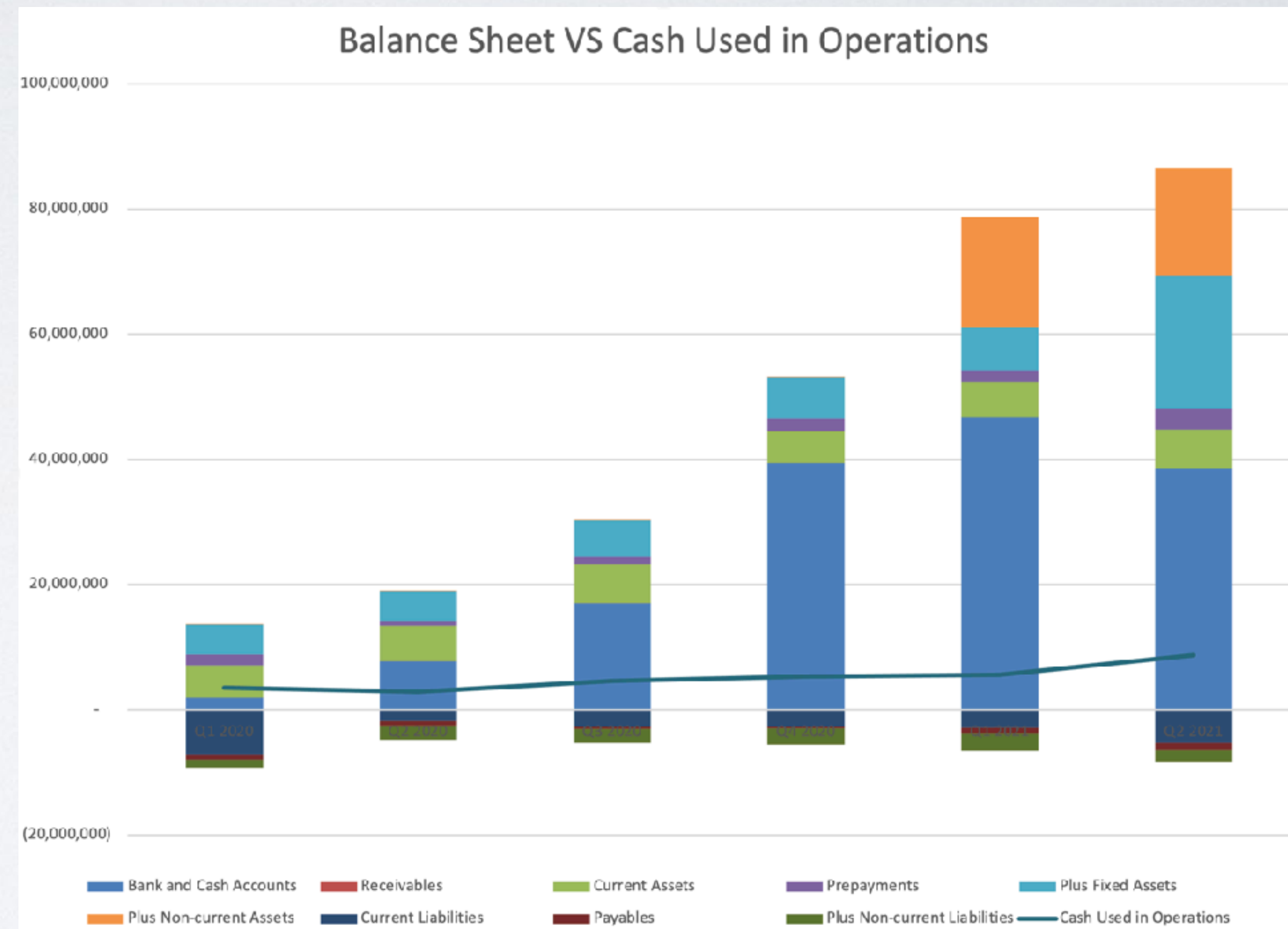
Consequently, we adjusted our build rate, and have revised our planned main line target of production output to 425 FUV platform vehicles in 2021. In context of our planned marketing efforts, this will impact total planned customer deliveries in 2021.



Q2 BY THE NUMBERS

By the financial metrics that we see as most important to the achievement of Arcimoto's mission, Q2 was far and away the Company's best quarter to date. Our balance sheet is the strongest in the Company's 14 year history. We continue to maintain a disciplined approach to resource expenditure, and we've made substantial forward progress on critical fronts for the company's growth.

In Q2 we submitted a first draft of, and are presently refining, our application to the Department of Energy for a loan to fund the substantial portion of our planned expenditures for next stage production, and further, the ATM facility we put in place this year in partnership with Canaccord Genuity allows us to continue to fortify our position at current market prices and times we believe are in the best interest of our stakeholders.

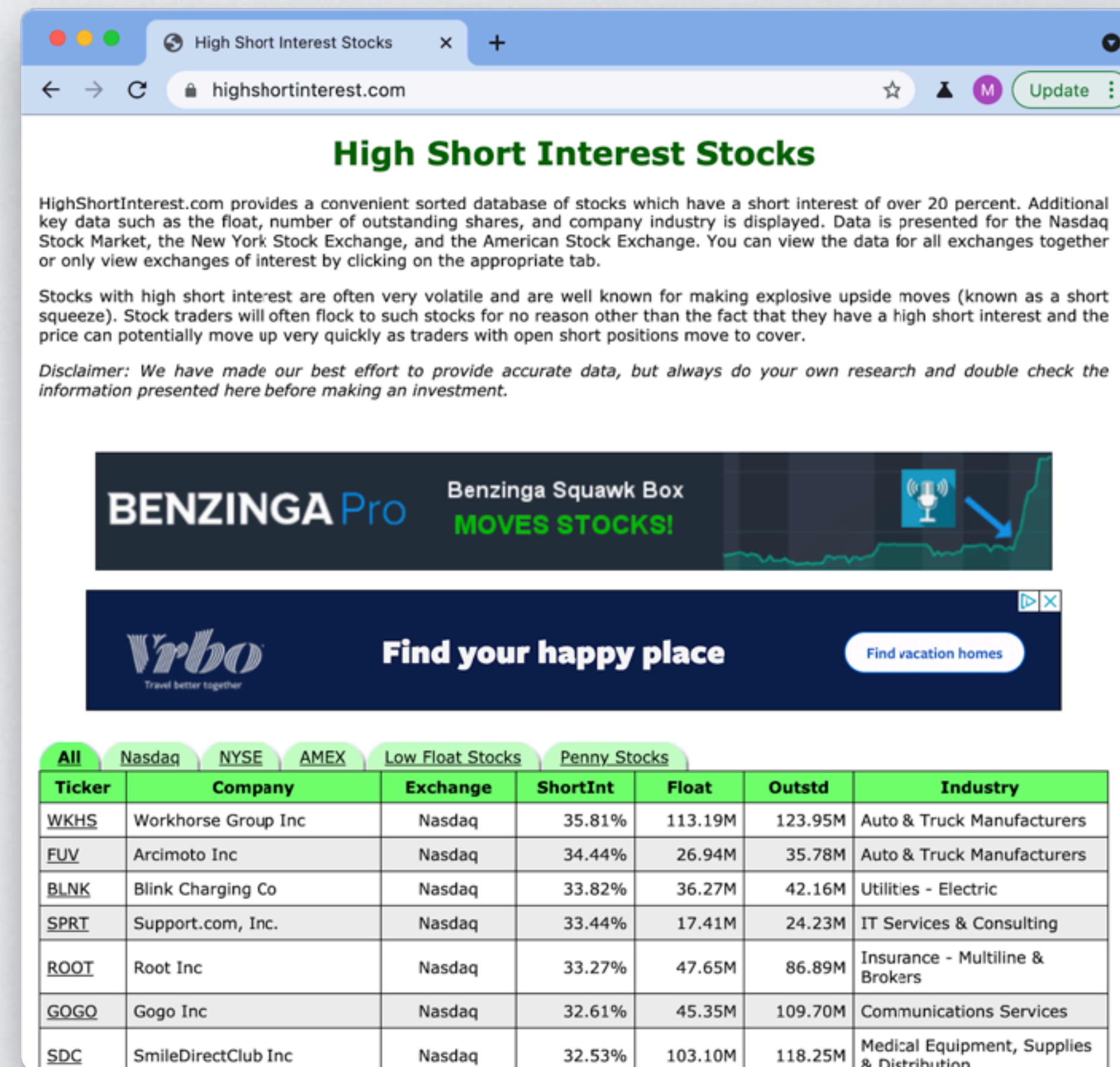




Q2 BY THE NUMBERS

Contemporaneously, as our balance sheet has strengthened, we have noticed a meaningful rise in the number of market bets against the Company.

You can refer back to our last two webinars if you want more color on some of the knock on ecosystem effects of such activities.



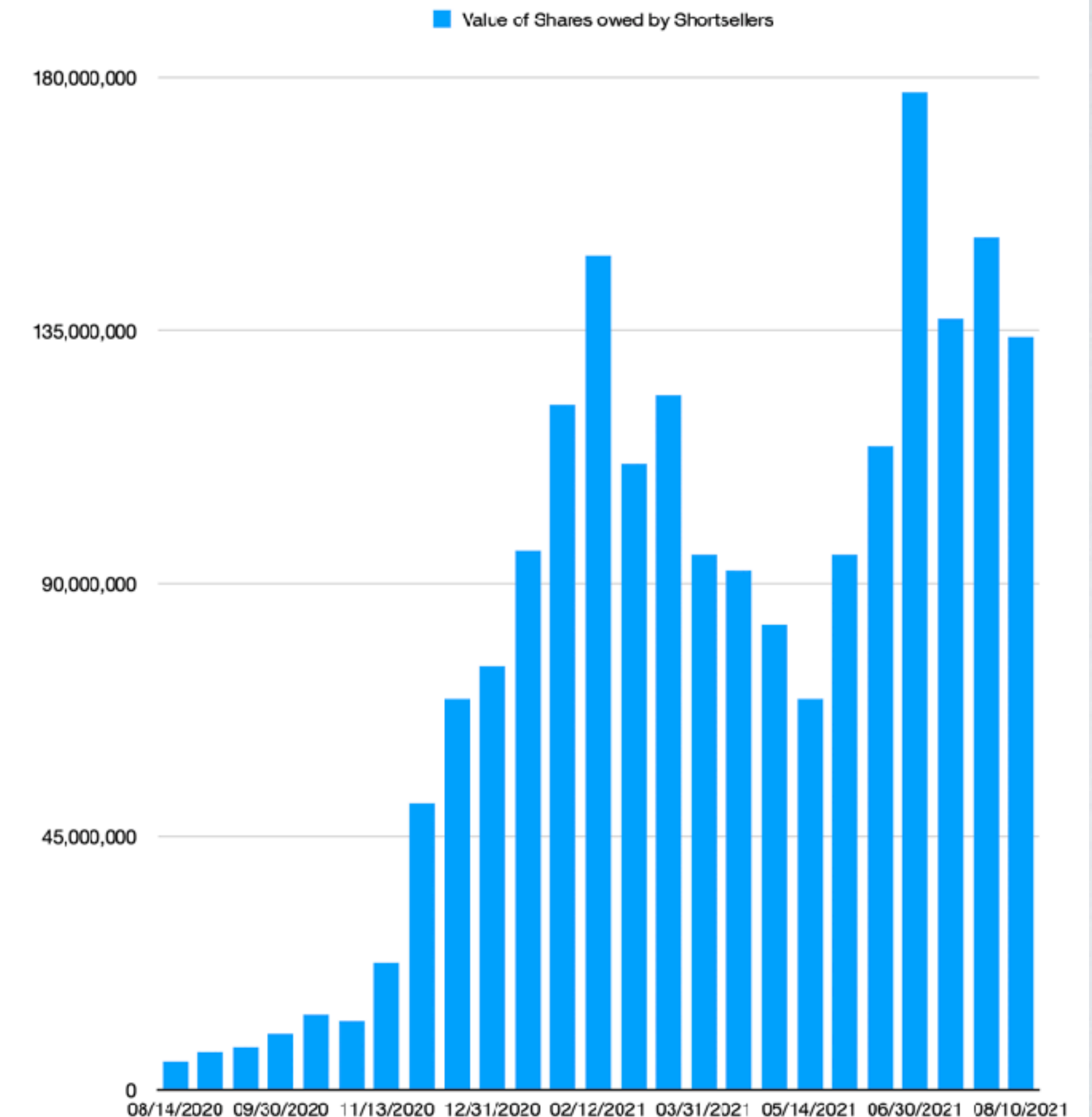


Q2 BY THE NUMBERS

However, to provide some perspective on relative size, at the time of the last Nasdaq report, short sellers of our stock collectively had short positions that totaled almost double the amount of funding the Company is presently contemplating requesting in its next ATVM loan application revision.

Short interest from Nasdaq, closing price from Yahoo

Date	Short Interest	Closing Price	Value of Shares owed by Shortsellers
08/14/2020	694,027	7.19	4,990,054
08/31/2020	1,113,708	6.06	6,749,070
09/15/2020	1,288,977	5.95	7,669,413
09/30/2020	1,502,557	6.53	9,886,825
10/15/2020	1,807,454	7.35	13,284,787
10/30/2020	2,279,141	5.39	12,284,570
11/13/2020	2,977,008	7.55	22,476,410
11/30/2020	3,761,525	13.50	50,780,588
12/15/2020	5,440,545	12.80	69,638,976
12/31/2020	5,696,629	13.23	75,366,402
01/15/2021	6,034,029	15.88	95,820,381
01/29/2021	5,629,693	21.62	121,713,963
02/12/2021	5,329,307	27.84	148,367,907
02/26/2021	6,212,214	17.92	111,322,875
03/15/2021	6,193,128	19.99	123,614,835
03/31/2021	7,190,905	13.23	95,135,673
04/15/2021	8,299,119	11.13	92,369,194
04/30/2021	8,034,548	10.31	82,836,190
05/14/2021	8,608,153	8.09	69,639,958
05/28/2021	9,752,449	9.75	95,086,378
06/15/2021	8,975,570	12.76	114,528,273
06/30/2021	10,322,955	17.19	177,451,596
07/15/2021	9,828,480	13.96	137,205,581
07/30/2021	9,275,350	16.35	151,651,973
08/10/2021	7,310,000	18.31	133,846,100





2021 TOP-LEVEL GOALS

- **Accelerate towards scale production**

Initially laid out one year ago during 2020's Q2 report: to get to mass production in a new facility, starting by the end of next year, with a targeted capacity, once at full output, of 50,000 vehicles per year that provides a pattern for yet higher scale replication.

- **Continue to build the market for scale production**

Second, continue to build the market for Arcimoto products to support that level of production and ultimately way beyond.

- **Demonstrate full portfolio of Arcimoto solutions for sustainable mobility**

Finally, showcase the full presently-contemplated range of Arcimoto solutions for sustainable mobility.



GOAL I: ACCELERATE TOWARD SCALE

The push to volume production is our most important overarching objective bar none. We believe achieving scale will allow us to reduce vehicle cost to the point where the Arcimoto is affordable to almost everyone while providing the positive cash flows necessary to sustain the business long term, and I'm pleased to report that In the second quarter through present, we've made significant headway towards this primary goal.

New facility purchased, automated thermoformer landed

We closed on the purchase of a new facility - more than 200,000 square feet under roof on 10 acres of land. We landed our new plastic thermoforming cell in the new facility and are aiming to have it operational before the end of this year.

Construction planning for phase one complete, prior owner move out targeted for end of this month

We have completed the first phase of construction planning, and that build-in will commence when the prior owner completes move out, targeted at the end of this month.

Significant progress with Munro and Associates: architectural down-selection complete

With our partners at Munro and Associates, we have completed architectural down-selection of all major vehicles subsystems - essentially the materials and manufacturing method choice for the parts of the vehicle for volume, and engineering and assembly planning are now moving ahead full steam.

ATVM application submitted, refinement on the way

And as I mentioned earlier, in Q2 we submitted our first draft to the US Department of Energy for a vehicle manufacturing loan, are now in regular conversation with their team, and expect to submit a refined draft imminently that takes into account their feedback and requirements as well as our ongoing engineering refinement efforts.



GOAL 2: CONTINUE TO BUILD MARKET

Butts in seats, positive reviews

On the marketing front, one thing is clear: the more people get a chance to drive an Arcimoto vehicle and experience their one-of-a-kind electric performance, the more our market grows. In addition to test drive and media events across the West Coast, we've also held a large-scale test-drive event at the Portland International Raceway in July, and continue to receive positive product reviews from top-tier EV press, including a review on Forbes.com last week which stated: 'the FUV made more people smile than any other vehicle I have ever reviewed.'

New rental operations opened

We have grown our rental operations in key markets, opening our first two company-owned stores in Eugene and San Diego. We will also be delivering additional rental vehicles to GoCar Tours in both San Francisco and San Diego.

HI, NV and AZ applications for manufacturer license are underway

We continue customer deliveries in California, Washington, Florida, and our home state of Oregon, and are preparing to open sales and rental in Hawaii, Arizona, and Nevada, where we expect to begin taking reservations from our preorder customers in the coming months.

Relaunched FUV configurator to improve purchase process, more enhancements to the FTUE in the works

We recently relaunched the FUV Configurator tool on our website in order to further streamline the ordering process, the first of several major planned upgrades to the initial user experience for prospective customers.

Pilots with potential city, state, and commercial fleet operators underway

We are actively working with both city and state officials with the goal to electrify government fleets. The City of Encinitas in California is testing Arcimoto vehicles for use by Encinitas lifeguards and infrastructure and sustainability departments, continuing Mayor Catherine Blakespear's efforts to reduce carbon pollution and advance sustainable transportation in Encinitas. This week, we will begin our statewide pilot program in the state of Tennessee, introducing Arcimotos in Memphis, Knoxville, Chattanooga, and Nashville with test drive events this month.

Rideshare!

In addition to retail sales and rentals, we believe a key path for Arcimoto vehicles is in shared mobility, and have engaged with multiple potential partners to begin rolling out vehicle-share programs. As the populations in cities continue to grow and vehicle ownership in urban areas declines, the need for rightsized, shared, sustainable fleets becomes ever greater, and our vehicles offer clear environmental, efficiency, and economic advantages over current car-share options.

Global strategy development underway, focusing on FMVSS-ready countries first

We continue to work with state governments across the country to improve access to Arcimoto vehicles, most recently successfully advocating the removal of special motorcycle endorsement requirements in Florida, Hawaii, and Louisiana so that customers there can operate an Arcimoto with a standard driver's license, thereby modernizing legacy three-wheel vehicle legislation with a common sense solution.

And as we look globally, we have begun developing a measured strategy to enter the world market, starting with countries that fully accept the United States Federal Vehicle Motor Vehicle Safety Standards.



GOAL 3: DEMONSTRATE CLEAN MOBILITY PORTFOLIO

Finally, Arcimoto has continued to rapidly accelerate its pace of innovation in order to demonstrate the full range of our solutions for sustainable mobility.

- Production Roadster
- Torque vectoring demonstrated
- Driverless FUV demonstrated
- Battery recycling partnership
- Flatbed demonstrated
- Micromobility prototype now on road
- TRiO accessory for motorcycles
- Lightning electric bike with TRiO first tests completed



SUMMER SHOWCASE







At our summer event just a few weeks ago, we launched our first production Roadster, showed the long-awaited half door accessories, and showcased with partners some of the truly exciting technologies now in development: torque vectoring to dramatically improve low speed steering as well as vehicle handling, driverless capability by remote control, heated storage Deliverators for meals, and battery recycling, in line with our longstanding goal to create true cradle-to-cradle products.





RAPID PACE OF INNOVATION

By the way, it's not lost on us that the top three best selling cars in the US last year were pickup trucks. Might explain all the excitement around the Cybertruck, Rivian, Ford's Lightning F150 and others.

top selling cars 2020			×
 All  News  Shopping  Images  Videos  More			
About 499,000,000 results (1.04 seconds)			
Summary: The 20 Best-Selling Vehicles of 2020			
Rank	Model	2020	
1.	Ford F-Series	787,422	
2.	Chevrolet Silverado	586,675	
3.	Ram Pickup	563,676	

RAPID PACE OF INNOVATION

Well, now Arcimoto has a pickup. We showed the first prototypes of the Arcimoto Flatbed - and it's awesome. Same base scalable Arcimoto platform, incredible configurability and volumetric carrying capacity in a small footprint. We aim to begin piloting the Flatbed later this year.





THANK YOU, PARTNERS

We want to emphasize the importance of partnership and collaboration: Munro and Associates, Stafl Systems, SherpTek, Redivivus, BiB Technologies and so many others have pitched in their brilliant minds and hard work towards our shared purpose.

PRODUCT DEVELOPMENT WITH TILTING MOTOR WORKS

On that note of partnership, we acquired Tilting Motor Works at the beginning of this year to accelerate development of a new micro mobility product line that would leverage their expertise in tilting trikes with Arcimoto's electric vehicle capabilities. The first prototype from that collaboration is now on the road.

This Mean Lean Machine is chock full of new electric vehicle technology -- we are actually reinventing the wheel this time -- and it's targeted squarely at the rapidly growing e-bike marketplace. We believe it will perfectly complement our go-to-market strategy of rentals and ride share, and will set a new bar for efficiency, utility and affordability for a wide range of transportation tasks.





PRODUCT DEVELOPMENT WITH TILTING MOTOR WORKS

Tilting Motor Works also brings an existing product line for motorcycle riders who don't want to fall over anymore.

Our TRiO accessory transforms a motorcycle into an amazing three-wheeled tilting machine, and we see giant market potential for this product. In the US alone, there are more than 12 million motorcycles in use, and the TRiO is already adapted to the leading big bikes: Harleys, of which 180,000 were sold last year worldwide, Indians, Goldwings, and most recently...





PRODUCT DEVELOPMENT WITH TILTING MOTOR WORKS

The Lightning electric superbike, with which we intend to compete for a land speed tilting three wheeler record at Bonneville next year.





SUMMARY

- Strong product and technology portfolio in emerging EV marketplace
- World-class team, rapidly accelerating pace of innovation
- Building market efficiently in tandem with push to scale



SUMMARY

- **Strong product and technology portfolio in emerging EV marketplace**

Arcimoto is shipping, and continuing to further develop, kickass ultra-efficient electric three-wheelers.

- **World-class team, rapidly accelerating pace of innovation**

We have a world-class team with whom we share a mission to rightsize mobility.

- **Building market efficiently in tandem with push to scale**

We are growing our market presence in preparation for volume production.



THE ROAD AHEAD

- **The Arcinauts - our customers and pilots: improve user experience of market touchpoints, communication, products**

We must continue to improve the experience for the Arcinauts, our early customers and riders - their vehicles, the first time user experience, and sales, service and communication processes. This means listening closely to feedback we receive from customers and pilot partners to improve our offerings for scale.

- **Cultivate leadership - process, culture, values**

We must continue to cultivate our leadership skills as our team and demands expand. Arcimoto now counts 21X employees strong, about double where we were a year ago, and this means continued emphasis on process, culture, and our core values of continuous improvement, environmental efficiency, and fun.

- **Maintain focus on health and safety of team**

We must maintain our focus on the health and safety of our team during an ongoing pandemic, encouraging good life choices and bolstering our resilience for the road ahead,

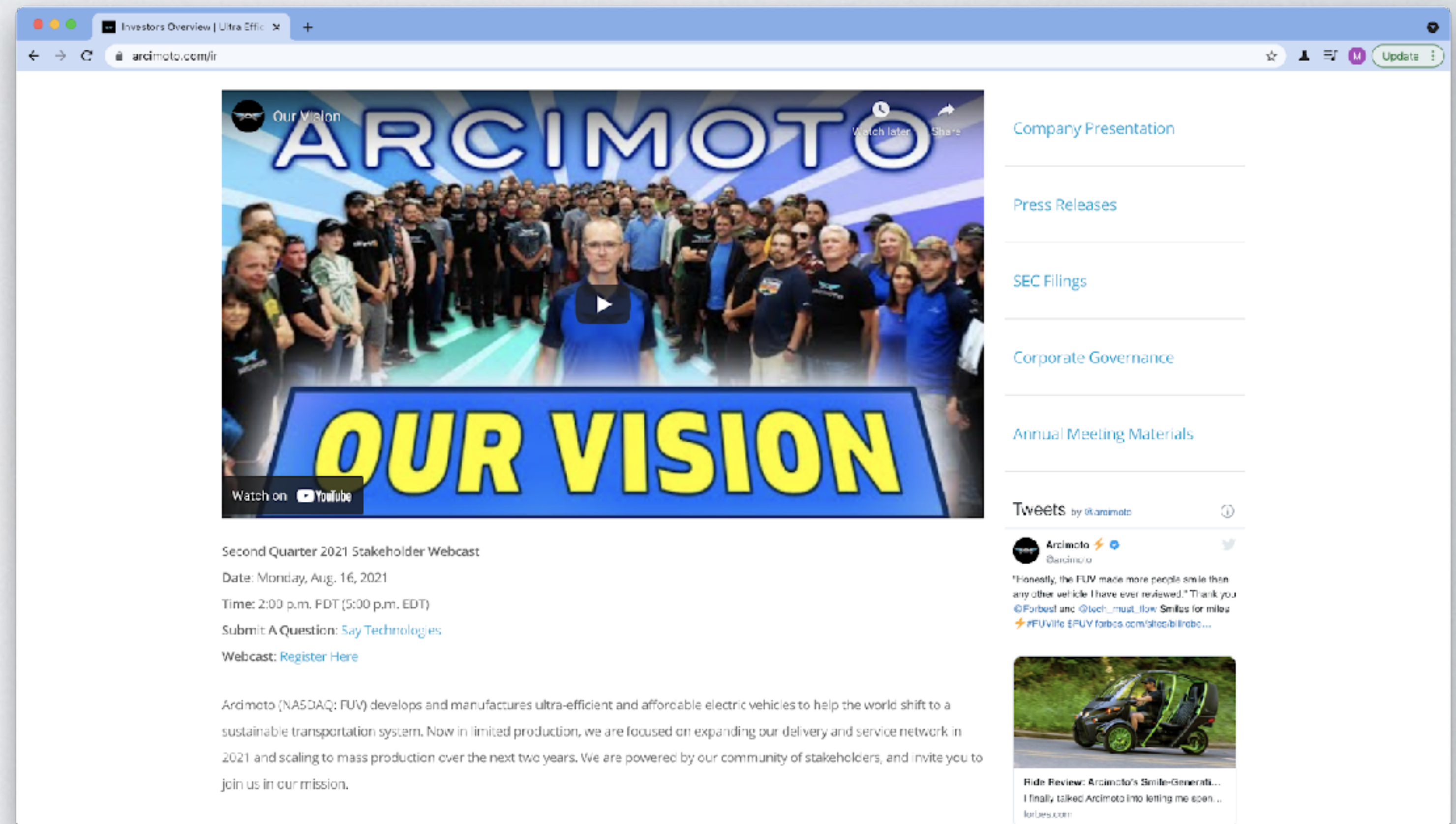
- **Planet's not waiting around**

The IPCC's Code Red is our call to action. We must continue to step up our production pace, amidst the churn, in order to make the contribution for which we are called.



SUPPLEMENTARY INFORMATION

You can find supplementary information including our earnings press release, financial filings, presentation materials, transcript, and a replay of this webinar that will be posted later, on our investor relations page at <http://arcimoto.com/ir>.





Thank you.