



Q1 2025 Earnings Call

May 15, 2025



Today's Presenters



Rick Dauch
CEO

- 28 years automotive industry experience
- 16 years serving in CEO roles
- Multiple public/private board memberships



Bob Ginnan
CFO

- 23+ years of senior finance and leadership experience
- Refined capital structures for firms in multiple industries
- Executed multiple accounting and information technology ("IT") system installations



Stan March
Vice President, Corporate Development

- 27 years executive experience across multiple industrial sectors
- Extensive M&A, public affairs, investor relations and corporate communications experience

Agenda

Introduction

Business Update

Q1 2025 Financials

Near-Term Priorities

Q&A



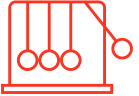
Disclaimer

Cautionary Note Regarding Forward-Looking Statements

The discussions in this presentation contain forward-looking statements reflecting our current expectations that involve risks and uncertainties. These statements are made under the “safe harbor” provisions of the U.S. Private Securities Litigation Reform Act of 1995. When used in this presentation the words “anticipate,” “expect,” “plan,” “believe,” “seek,” “estimate” and similar expressions are intended to identify forward-looking statements. These are statements that relate to future periods and include, but are not limited to, statements about the features, benefits and performance of our products, our ability to introduce new product offerings and increase revenue from existing products, expected expenses including those related to selling and marketing, product development and general and administrative, our beliefs regarding the health and growth of the market for our products, anticipated increase in our customer base, expansion of our products' functionalities, expected revenue levels and sources of revenue, expected impact, if any, of legal proceedings, the adequacy of our liquidity and capital resources, including our ability to receive sufficient funding from our existing financing arrangements or from future financings and the expected terms of such financing, and expected growth in business. Forward-looking statements are statements that are not historical facts. Such forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ materially from the forward-looking statements contained in this presentation. Factors that could cause actual results to differ materially include, but are not limited to: our ability to develop and manufacture our product portfolio, including the W4 CC, W750, and W56 and other programs; our ability to attract and retain customers for our existing and new products; ongoing and anticipated changes in the U.S. political environment, including those resulting from the new Presidential Administration, control of Congress, and changes to regulatory agencies; the implementation of changes to the existing tariff regime by the new Presidential Administration and measures taken in response to such tariffs by foreign governments; risks associated with obtaining orders and executing upon such orders; the unavailability, reduction, elimination or adverse application of government subsidies and incentives or any challenge to or failure by the federal government, states or other governmental entities to adopt or enforce regulations such as the California Air Resource Board's Advanced Clean Fleet regulation; changes in attitude toward environmental, social, and governance matters among regulators, investors, and parties with which we do business; supply chain disruptions, including constraints on steel, semiconductors and other material inputs and resulting cost increases impacting our Company, our customers, our suppliers or the industry; our ability to capitalize on opportunities to deliver products to meet customer requirements; our limited operations and need to expand and enhance elements of our production process to fulfill product orders; our general inability to raise additional capital to fund our operations and business plan; our ability to receive sufficient proceeds from our current and any future financing arrangements to meet our immediate liquidity needs and the potential costs, dilution and restrictions resulting from any such financing; our ability to maintain compliance with the listing requirements of the Nasdaq and the impact of any steps we have taken, including reverse splits of our Common Stock, on our operations, stock price and future access to liquidity; our ability to protect our intellectual property; market acceptance of our products; our ability to obtain sufficient liquidity from operations and financing activities to continue as a going concern and, our ability to control our expenses; the effectiveness of our cost control measures and impact such measures could have on our operations, including the effects of furloughing employees; potential competition, including without limitation shifts in technology; volatility in and deterioration of national and international capital markets and economic conditions; global and local business conditions; acts of war (including without limitation the conflicts in Ukraine and the Middle East) and/or terrorism; the prices being charged by our competitors; our inability to retain key members of our management team; our inability to satisfy our customer warranty claims; the outcome of any regulatory or legal proceedings, including with Coulomb Solutions Inc.; our ability to consummate and realize the benefits of a potential sale and leaseback transaction of our Union City Facility; and other risks and uncertainties and other factors discussed from time to time in our filings with the Securities and Exchange Commission (“SEC”), including under the “Risk Factors” section of our filings with the SEC, including our Annual Report on Form 10-K for the year ended December 31, 2024. Forward-looking statements speak only as of the date hereof. We expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based, except as required by law.



Growing Fleet Momentum & Market Discipline



Momentum in Fleet Orders & Deployments

- Secured initial W56 order with Gateway Fleets for their vehicle network
- In addition, purchase orders for 27 W56 step vans in system YTD for 178- and 208-inch models, as well as 6 W4 CC/W750
- Delivered fully-upfitted W56 178-inch step-vans to FedEx
- W56 step vans to be in service at 12 FedEx terminals by end of Q2 (Ground and Express)
- FedEx engagement continues through Ground contractor purchases and '25 RFQ anticipated in Q2
- Multiple active W56 demos underway with logistics providers and service fleets
- Began delivering 208-inch W56 to national fleet customer via Revolv
- Municipality in Washington purchased W4 CCs for recycling fleet via certified dealer



Expanding Dealer, Service & Government Channels

- Added two new Ziegler Companies dealers: Range Truck Group (WA) and Ziegler Truck Group (WI)
- Added two new certified service partners: J&S Truck Repair (San Francisco Bay Area) and Gerber RV (Hackensack, NJ & NYC Metro), expanding support in key markets
- Kingsburg Truck Center awarded California DGS contract for W4 CC and W56 vehicles
- W56 and W750 approved for import and sale in Canada



Financial Discipline Amid Market Headwinds

- Reduced Q1 operating expenses by \$9.3M YoY
- Cash preservation and capital discipline remain priorities
- Navigating fleet adoption delays, shifting incentives, and infrastructure gaps
- Regained Nasdaq compliance



Real-World Ready: W56 Full-Scale Platform

- Only North American OEM producing complete step vans in-house
- Six Class 4–6 EV models in production, four additional variants in development
- 208-inch W56 fully certified (FMVSS + CMVSS) and durability tested
- 140 kWh reduced range W56 development tracking to plan
- Geotab telematics-ready: Standard integration on W56; equipment and service available as option
- 30+ certified upfit partners nationwide, including Utilimaster, Knapheide, and Switch-N-Go
- Actively expanding our national dealer, service, and support network



**Reliable, durable, & capable
commercial vehicle solutions
for last-mile fleets**

W56 Field Proven Across 2,400-Mile Journey

- Completed 2,400-mile cross-country trip from Ohio to California
- Route spanned nine states, multiple charging networks, and varied terrain
- Second long-distance trip following 900-mile Orlando drive in Fall 2024
- Consistently achieved 27 MPGe at highway speeds—nearly 3X ICE efficiency
- 53% lower fuel costs and 40% lower scheduled maintenance than ICE
- Validated range of 150+ miles, even in harsh weather and elevation
- Journey tracked via Geotab telematics, concluded with Ride & Drive at ACT Expo
- Highlighted durability, uptime, and operational readiness in real-world conditions



On the Road, Making an Impact

- Many EV competitors continue to struggle with field quality issues and timely service concerns and/or delayed product deployments
- Workhorse trucks are on the road, in service, and delivering results
- Certified vehicles, proven results, backed by trusted and proven dealer, service, and upfit networks
- Fleets are choosing Workhorse for real EV solutions that work
- With the right people, products, and partners, Workhorse is poised for long-term success and scalable growth



Financial Summary Highlights

Q1 2025 Unaudited Results

	Three Months Ended March 31,	
	2025	2024
Sales, net of returns and allowances	\$ 640,922	\$ 1,339,295
Cost of sales	5,164,763	7,442,778
Gross loss	(4,523,841)	(6,103,483)
Operating expenses		
Selling, general and administrative	6,783,911	14,095,278
Research and development	1,529,019	3,527,911
Total operating expenses	8,312,930	17,623,189
Loss from operations	(12,836,771)	(23,726,672)
Interest income (expense), net	(5,252,228)	(1,164,593)
Change in fair value adjustment on convertible notes	(3,272,095)	(467,874)
Change in fair value adjustment on warrants	716,960	(3,796,648)
Loss before provision for income taxes	(20,644,134)	(29,155,787)
Provision for income taxes	—	—
Net loss	\$ (20,644,134)	\$ (29,155,787)
Net loss per share of common stock		
Basic and Diluted*	\$ (4.68)	\$ (24.09)
Weighted average shares used in computing net loss per share of common stock		
Basic and Diluted*	4,409,194	1,210,429

* Periods presented have been adjusted to reflect the 2024 reverse stock split (1-for-20), which was effective June 17, 2024, and the 2025 reverse stock split (1-for-12.5), which was effective March 17, 2025. Additional information regarding the reverse stock splits may be found in Note 1 – Summary of Business and Significant Accounting Principles to this Quarterly Report on Form 10-Q.

Revenue

Sales, net of returns and allowances for the three months ended March 31, 2025, and 2024 were \$0.6 million and \$1.3 million, respectively. The decrease in sales of \$0.7 million was primarily due to the Aero divestiture and lower W4 CC and W56 truck sales in the current period.

Cost of Sales

Cost of sales for the three months ended March 31, 2025 and 2024 were \$5.2 million and \$7.4 million, respectively. The decrease in cost of sales of \$2.2 million was primarily a result of lower sales volume, which was partially offset by lower inventory reserves of \$0.5 million and lower direct and indirect labor costs of \$1.6 million primarily due to lower headcount as a result of employee furloughs.

Operating Expenses

SG&A expenses for the three months ended March 31, 2025, and 2024 were \$6.8 and \$14.1 million, respectively. The decrease in SG&A of \$7.3 million was primarily driven by a \$4.4 million decrease in employee compensation and related expenses primarily due to lower headcount, a decrease of \$1.0 million in consulting related expenses, a decrease in legal and professional expenses of \$0.7 million, a decrease of \$0.5 million in marketing expenses, a decrease in IT related expenses of \$0.5 million and lower corporate insurance of \$0.5 million, partially offset by an increases in rent expenses and depreciation and amortization expense.

Research and development (“R&D”) expenses during the three months ended March 31, 2025, and 2024 were \$1.5 million and \$3.5 million, respectively. The decrease in R&D expenses of \$2.0 million was primarily driven by a \$1.3 million decrease in employee compensation and related expenses due to lower headcount and a \$0.4 million decrease in consulting expenses.

Balance Sheet Highlights

Q1 2025 Unaudited Results

Cash Balance (as of 3/31/25)

- \$30.6 million of cash and cash equivalents, including restricted cash

Q1 2025 Capital Spending

- \$118,000

Financing

- Continued to access financing under March 2024 agreement

WORKHORSE™

	(Unaudited) March 31, 2025	December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 2,644,825	\$ 4,119,938
Restricted cash	27,946,513	525,000
Accounts receivable, less allowance for credit losses of \$0.3 million and \$0.3 million as of March 31, 2025 and December 31, 2024, respectively	27,297	537,536
Other receivables, net	139,487	544,436
Inventory, net	41,308,930	41,839,020
Prepaid expenses and other current assets	5,476,539	5,865,890
Total current assets	77,543,591	53,431,820
Property, plant and equipment, net	31,011,965	32,976,581
Operating lease right-of-use assets, net	6,512,085	3,247,548
Finance lease right-of-use assets, net	—	4,008,510
Other assets	416,310	176,311
Total Assets	\$ 115,483,951	\$ 93,840,770
Liabilities		
Current liabilities:		
Accounts payable	\$ 11,091,912	\$ 11,509,150
Accrued liabilities and other current liabilities	10,009,790	8,731,915
Deferred revenue	6,350,581	6,350,581
Warranty liability	881,556	861,409
Operating lease liability - current portion	1,748,349	984,407
Finance lease liability - current portion	—	528,023
Warrant liability at fair value	5,061,700	5,778,660
Convertible notes at fair value	45,244,210	10,491,792
Total current liabilities	80,388,098	45,235,937
Operating lease liability-long-term	3,703,756	4,295,743
Financing lease liability-long-term	—	21,165
Total Liabilities	84,091,854	49,552,845
Commitments and contingencies		
Stockholders' Equity:		
Common stock, par value \$0.001 per share, 36,000,000 shares authorized, 5,757,591 shares issued and outstanding as of March 31, 2025 and 3,843,341 shares issued and outstanding as of December 31, 2024 (presented on a reverse stock split-adjusted basis)*	5,757	3,843
Additional paid-in capital *	905,389,017	897,642,626
Accumulated deficit	(874,002,677)	(853,358,544)
Total stockholders' equity	31,392,097	44,287,925
Total Liabilities and Stockholders' Equity	\$ 115,483,951	\$ 93,840,770

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Protecting Our Financial Runway

Continued Actions to Preserve Cash and Extend Financial Runway

- Focused on converting finished goods inventory to cash, aim to ship more trucks in Q2 2025 than in all of 2024
- Reduced cash burn rate to \$2.8 million per month by year end 2024
- Cost savings through significant reduction in workforce and other measures
- Paused W56 cab chassis program
- Working closely with supply base to maintain long-term relationships and supply continuity



Near-Term Priorities



Grow Backlog & Advance Product Roadmaps

- Build & ship key customer orders in Q2
- Win FedEx 2025 PO #2 in Q3 2025
- Continue product demos and earn POs with key fleets
- Support dealer efforts with private and gov't fleets
- Select participation in 'green' trade shows
- Ramp up production in-line with new orders
- Complete W56 140 kWh testing in Q2 2025
- Assess and select NA-based battery supplier



Strengthen Financial Position

- Maintain lower operating cost environment until the transition to EVs begins to "ramp up"
- Maintain supplier relationships and capability
- Convert inventory to cash through truck sales
- Secure additional funding





Questions?

