

Project Alpha Phase II

Project Update – June 2024



Agenda

- Technical Update
- Go-To-Market Update
- Programme Timeline



Technical Update

- Finalising order for motors
- Tesla packaging envelope scanned
- Detailed design ongoing including package assessment
- Analysis of vehicle-level test data started
- Tesla communication network assessment planned



Go-to-Market Update

This month has been about laying the foundations of the Go-To-Market Strategy:

- ✓ Onboarded EV industry experts to help lead the go-to-market work packages; bringing full vehicle and powertrain Tier 1 experience across passenger and commercial (i.e. delivery & cargo) vehicles
- ✓ In-depth Go-To-Market strategy developed – planning for success
- ✓ Technical simulation enhancements identified (especially commercial vehicles), clarity of goals for technical workstreams and alignment to Go-To-Market workstreams
- ✓ Potential routes to monetisation identified for further study
- ✓ Customer journey planned
- ✓ Deeper understanding of complementary & challenger technologies



The Opportunity

Alpha Technology enables electric transport to be more efficient. Efficiency creates benefit in many ways:



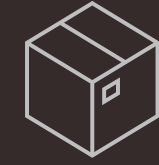
Travel further



Use less electricity



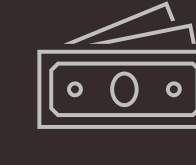
Less time charging



Reduced driver downtime & more deliveries



More paid journeys



Save money



Energy source agnostic

- ✓ With changing attitudes and regulatory pressure, Electric Vehicle adoption is growing at a fast pace towards all vehicles being electric over time (e.g EU 100% zero emission by 2035, California 2035 Zero Emission targets)
- ✓ By 2035, projections suggest that Electric Vehicles will make up greater than 70% of new vehicle registrations at around 30m electric vehicles (estimated 15% CAGR)
- ✓ City cycle (modified delivery cycle) shows significant promise across passenger (cars & trucks) and commercial (delivery & cargo) vehicles
- ✓ Commercial vehicles present an ideal opportunity for Alpha and merit further study; commercial vehicles have higher continuous utilization than passenger vehicles, so operating with maximum uptime is of serious concern to customers -> for example UPS drivers make ~\$145K/year, so a 1 hour/day labor savings translate to ~\$18,000 annual savings
- ✓ Currently there are 32m commercial vehicles on the road in North America alone that could all benefit from Alpha Technology when transitioning to electric – a multi \$bn opportunity



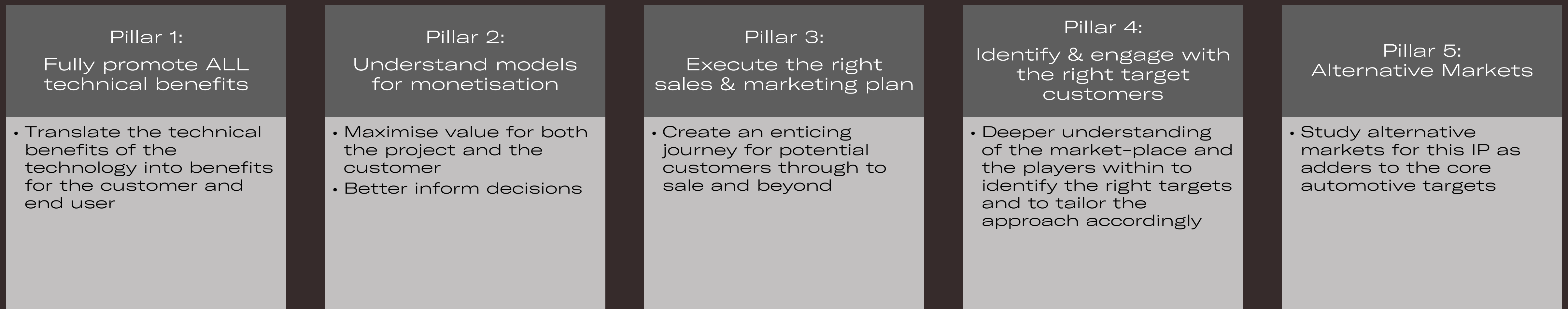
Go-To-Market Mission

Our mission is to licence the Alpha intellectual property;
Maximising the financial return by executing an optimal
monetisation strategy, prioritising the right customer(s),
and fully promoting the technical benefits



Go-To-Market Strategy

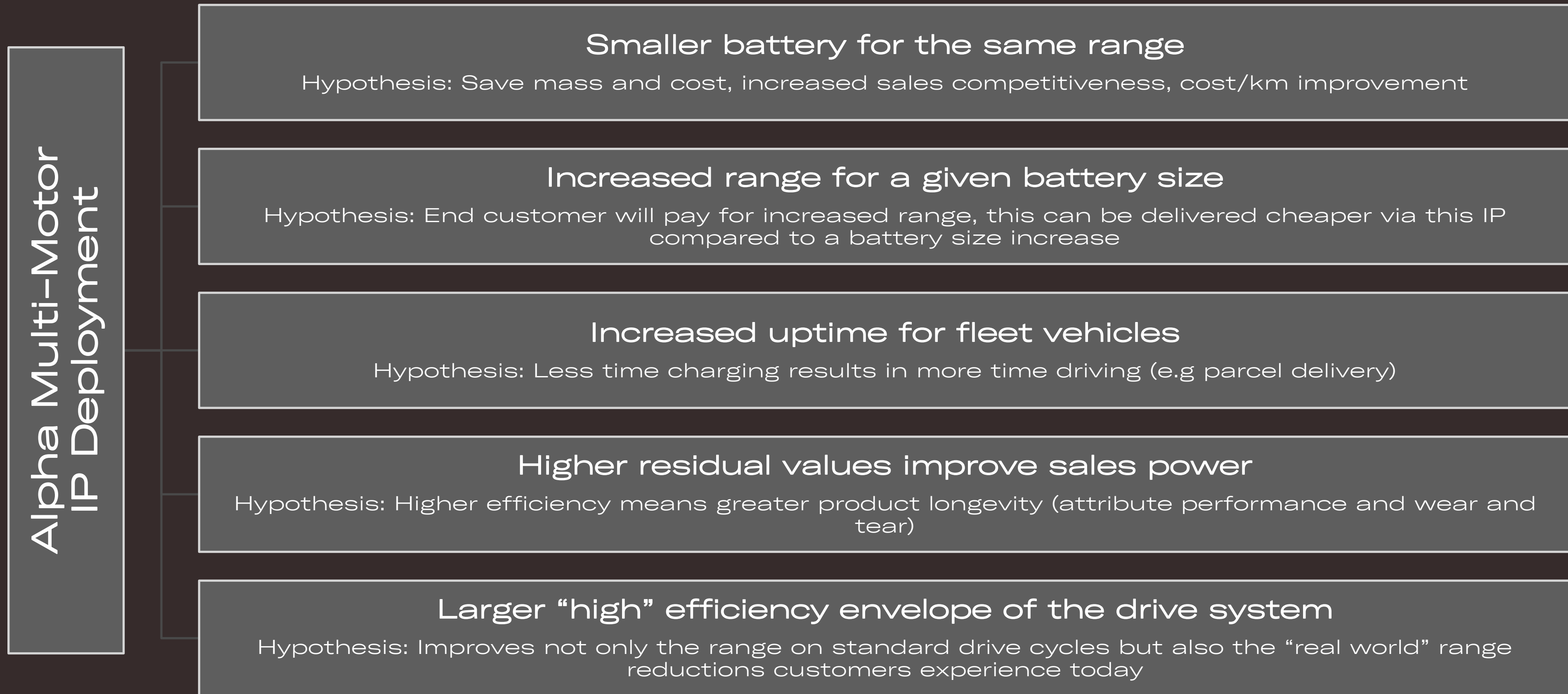
A five-pillar strategy to guide the journey to market:





Generating Value for Customers Through this IP

The Alpha IP improves powertrain efficiency, which leads to multiple hypotheses for how value could be delivered for customers





Customer Selection

The Effective study of potential customer targets will inform which targets to focus on and yield improved results when we talk to them

- It's important to understand potential customers to focus efforts and develop an approach and materials that will resonate with them
- Due to the diverse vertical integration strategies employed by OEMs, anticipating both OEMS and Tier 1 suppliers to maximise the reach of the technology
- We shall apply a logical approach to analysing the market such that we prioritise targets
- Early confidence in the commercial segment

What is the potential customer's technical roadmap and where would this IP fit?

Is there a competitive reason why this technology would benefit a particular target customer?

How challenging would it be to integrate this tech into their current products?

What is their market share / total volume of product?



Commercial Vehicle Value Proposition

Alpha Technology lends itself to commercial vehicle segment use cases. The opportunity could be significant due to continuous usage of such vehicles and high sales growth.

- Simulation indicates that Alpha has significant merit in the commercial vehicle segment
- Sales of electric light commercial vehicles doubled from 2022-2023 (300k global registrations in '23, projected to increase to 2m by 2030).
- To maximise the opportunity and strengthen the business case for Alpha, we plan to expand simulations to representative drive cycles for various specific types of commercial vehicles
- From this we will derive a value proposition of Alpha technology within the segment

	SEGMENT	ROUTE TYPE	DESCRIPTION	VARIABLES (COMMON)
1	3-3.5T DELIVERY VAN	A	DISTRIBUTION DEPOT -> LOCAL NETWORK -> DISTRIBUTION DEPOT	<u>CLIMATE</u> TEMPERATURE, HUMIDITY, PRECIPITATION <u>ROUTE</u> ELEVATION, VARIATION <u>STOP TYPE</u> PICKUP & DROPOFF VS. PICKUP ONLY <u>PACKAGE TYPE</u> LARGE (E.G. WASHING MACHINES, DRINKS) VS. SMALL (E.G. PACKAGES / LETTERS)
2	3.5T BOX VAN	B		
3	7.5T	C	DISTRIBUTION DEPOT -> LOCAL NETWORK -> DISTRIBUTION DEPOT	
4	12T	D		
5	16T - 18T	E		
6	26-27T	F	RECYCLING CENTRE -> CITY NETWORK -> RECYCLING CENTRE	
7	40-44T	G	DISTRIBUTION CENTRE -> DISTRIBUTION CENTRE HIGH CAPACITY DELIVERY DROPS	



Go-To-Market Plan – Next Steps

Activities for next phase as we build towards customer conversations



Pillar 1:

Fully promote ALL technical benefits

- ❑ Expand and work towards validating technical benefits
- ❑ Develop the simulation model for commercial vehicle

Pillar 2:

Understand models for monetisation

- ❑ Create an enhanced business model
- ❑ Further research into size of market / opportunity

Pillar 3:

Execute the right sales & marketing plan

- ❑ Create sales pack structure – review and agree a first version that will be used to build excitement

Pillar 4:

Identify & engage with the right target customers

- ❑ Create customer prioritisation tool and begin research and population of this to prioritise targets
- ❑ Propose timeline for engagement with potential customers, identify key contacts

Pillar 5: Alternative Markets

- ❑ Stay hyper-focused on motor vehicles in the short term (cars, vans, trucks)



Programme Timeline

