

# EHang Holdings Limited

## Q3 2021 Earnings Highlights



December 2, 2021

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# eHANG

## CERTIFICATION PROCESS UPDATES FOR Q3 2021





## EHang 216 Type Certification Progresses Well

- EHang's certification work continued to make progress in the third quarter of 2021, as more expert meetings were held between the Civil Aviation Administration of China ("CAAC") and EHang.
- EHang's certification team worked diligently with the CAAC experts towards formulating relevant standards for the EHang 216 type certification.
- EHang has been working on the means of compliance for the EHang 216 and the required tests have been well planned and in the process of being conducted, including the FCU environmental test according to RTCA DO-160, the FCU & communication system switching test, the fuselage & critical parts static test, etc.
- EHang has also achieved **more than 20,000 autonomous trial flights** of the EHang 216 AAVs across **11 countries** by the end of November 2021, which is **unparalleled safe record**.
- EHang's certification preparation efforts since 2017 and practical operational experience accumulated under various conditions will be instrumental in accelerating the verification of compliance process.
- EHang and the CAAC have reached a consensus on a guiding principle that operational trial flights can gradually be carried out while advancing the certification process.



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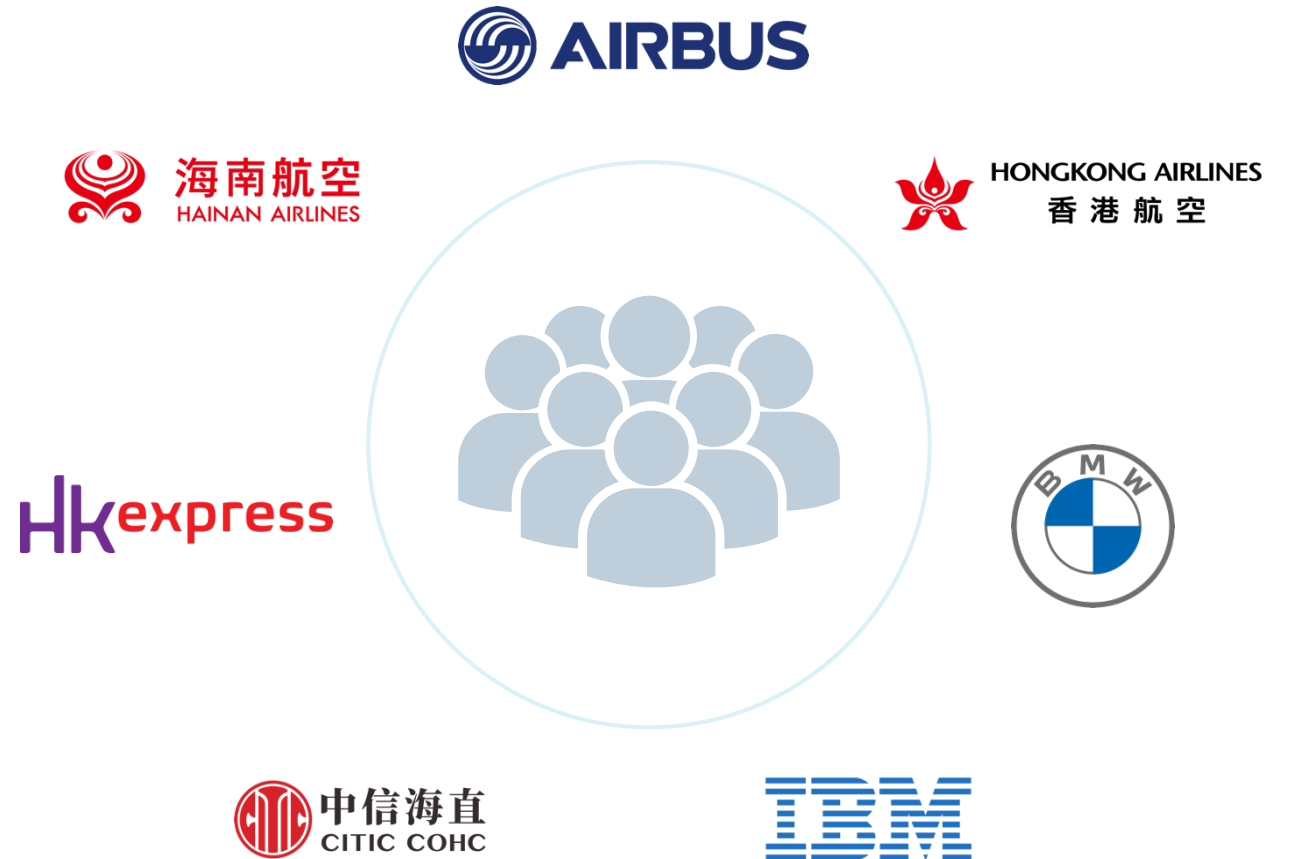
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## 100 AIR MOBILITY ROUTES INITIATIVE UPDATES FOR Q3 2021



## Specialized Operating Team With Abundant Aviation Operational Experience

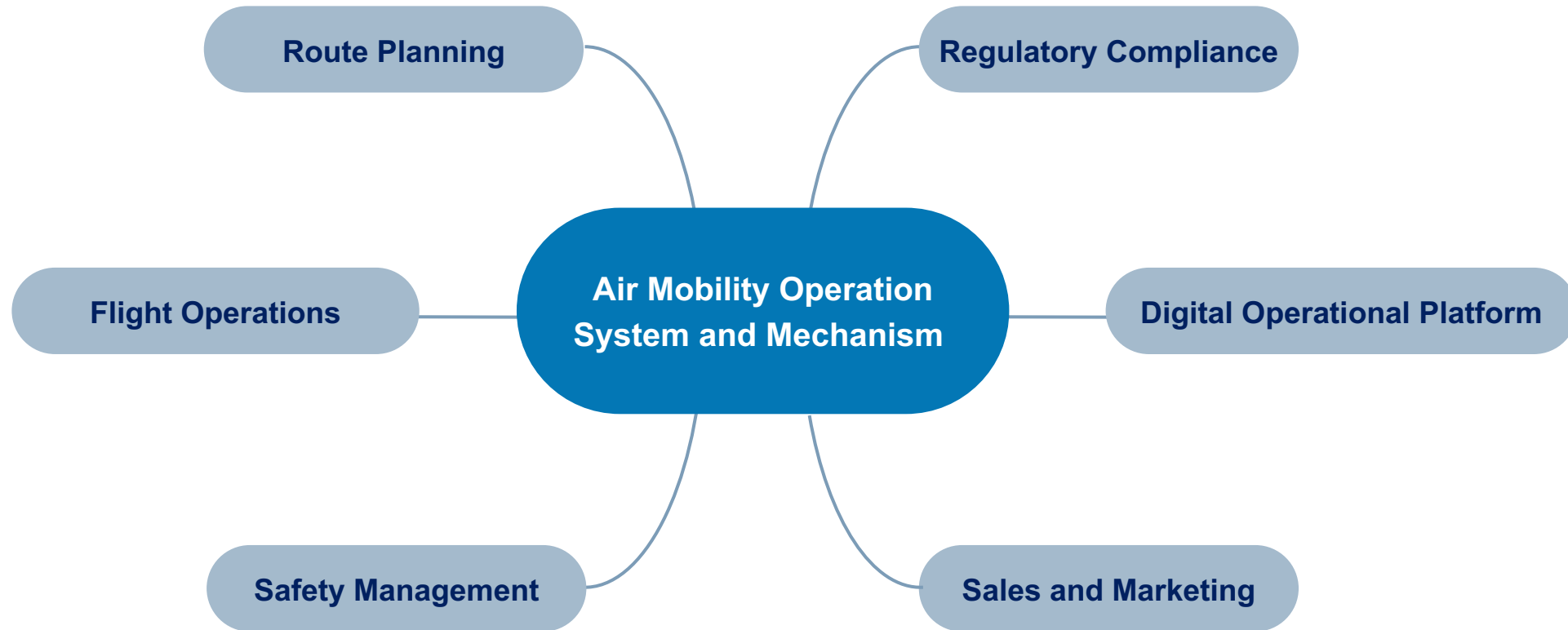
- EHang has set up a specialized **operating team** consisting of about **50 members**, which will continue to expand.
- Key members have previous operational experience at world-renowned or regionally leading **aviation, airline, mobility or tech companies** such as Airbus, Hainan Airlines, Hong Kong Airlines, Hong Kong Express, BMW, CITIC COHC and IBM.





# Air Mobility Operation System and Mechanism

- EHang has been developing an air mobility operation system and mechanism covering route planning, flight operations, safety management, regulatory compliance, digital operational platform, sales and marketing, etc.



# About 2,800 Operational Trial Flights Conducted under “100 Air Mobility Routes Initiative”



**~2,800 operational trial flights**



**7 established operation spots**

such as Guangzhou, Hezhou, Shenzhen, Zhaoqing and Sanya

Since EHang started to implement the “100 Air Mobility Routes Initiative”, EHang, together with its partners, have established air mobility trial operations for aerial sightseeing or short-distance air mobility at **7 developed operation spots** in cities of China, and **about 2,800 operational trial flights** of the EHang 216 AAVs have been conducted to date at these operation spots under the relevant compliance framework.





# A Sample Regular Air Mobility Operation Model Eastablished in Shenzhen, China

- Under the 100 Air Mobility Routes Initiative
- A sample regular air mobility operation model for aerial sightseeing
- **Partnership with HELI-EASTERN**, a major low-altitude general aviation carrier and helicopter service provider in the Guangdong-Hong Kong-Macao Greater Bay
- **Operation spot:** Maluan Hill Base in Shenzhen, China
- **Daily flight frequency:** initially 6 operational trial flights per AAV, to be further increased
- **Expected operational capacity:** over 30,000 flight seats on an annual basis at the Maluan Hill Base once operations ramp up



## Digital Operational Platform

- EHang has been developing a digital operational platform covering online booking, scheduling, payment, vehicle monitoring, route management, ATM (air traffic management) synchronizing and integration, etc. to digitize the operational processes.



Online Booking



Scheduling



Payment



Vehicle Monitoring



Route Management



ATM Synchronizing &  
Integration





## BUSINESS HIGHLIGHTS FOR Q3 2021 AND RECENT DEVELOPMENTS





# EHang 216F Participated in Urban Fire Rescue Drills upon Completion of Technical Examination

- In July, EHang completed a comprehensive 10-month technical examination on the EHang 216F, the firefighting model, and 52 different types of tests by the China National Fire-Fighting Equipment Quality Supervision Testing Center, which is under the Ministry of Emergency Management of China.
- Afterwards, the EHang 216F AAVs participated in multiple urban fire rescue drills organized by local emergency and/or fire departments in cities such as Guangzhou, Qingdao, Hezhou, Qingyuan in China. These have laid a solid foundation for the commercialization of the EHang 216F AAVs.





## Partnership with HELI-EASTERN to Initiate UAM Operations in Shenzhen, China

- As a milestone of the 100 Air Mobility Routes Initiative, in September, EHang established a partnership with Shenzhen East General Aviation (“HELI-EASTERN”), a leading general aviation carrier and helicopter service provider in the Guangdong-Hong Kong-Macao Greater Bay Area (“GBA”), China.
- Both parties are jointly implementing UAM operations in the designated integrated airspace for helicopters and AAVs in Shenzhen, China.



## Partnership with Shenzhen Expressway to Jointly Develop Smart City Transportation Network

- In October, EHang and Shenzhen Expressway, listed on Shanghai and Hong Kong stock exchanges, announced the deployment and a live demonstration of the first AAV command-and-control platform for expressway network management, emergency rescue and safe operations in Shenzhen, China.
- Moreover, both parties will explore the innovative integration of AAV air mobility and expressway networks for smart city transportation, as another important partnership for the 100 Air Mobility Routes Initiative in GBA.





## Partnership with Globalvia to Co-Develop UAM in Iberian Peninsula and Latin America

- In July, EHang entered into a partnership with Globalvia, a world leader in the management of transport infrastructure concessions, which operates 27 highways and railways projects servicing over 250 million users a year across seven countries.
- Both parties will promote, develop and implement UAM operations of AAVs through advancing flight tests and demonstrations, training and maintenance, regulatory certification and business development in Iberian Peninsula and Latin America regions.



# EHang 216 and Falcon AAVs Trial Flights for Airport Transport and Parcel Delivery in Estonia

- In September, the EHang 216 and Falcon AAVs performed Beyond Visual Line of Sight (“BVLOS”) trial flights for airport transport and parcel delivery in Estonia under the European Union’s GOF 2.0 Integrated Urban Airspace Validation project.





## Cooperation with Spanish National Police in Emergency and Security Missions

- In October, EHang reached a cooperation with the Spanish National Police to explore potential use cases for AAVs in emergency and security missions, such as firefighting, accessing contaminated areas with nuclear, radiological, bacteriological or chemical risks, landing in confined areas, transporting supplies, and other police services that may require agile mobility.



## EHang 216 Debut Autonomous Flight Demo in Indonesia

- In November, the EHang 216 completed a debut autonomous flight demonstration for aerial sightseeing in the world-famous tourism spot – Bali, Indonesia, with a Special Certificate of Airworthiness issued by the Directorate General of Civil Aviation of the Republic of Indonesia.





# eHANG

## FINANCIAL HIGHLIGHTS FOR Q3 2021





## Q3 2021 Financial Highlights

- *Continued with Over 60% High Gross Margin*

(RMB '000)	Q3 2021	Q2 2021	QoQ
Total revenues	12,965	12,164	6.6%
Gross profit	8,010	8,267	-3.1%
Gross margin	61.8%	68.0%	-6.2Pp <sup>2)</sup>
Adjusted gross profit <sup>1)</sup>	8,010	8,267	-3.1%
Adjusted gross margin <sup>1)</sup>	61.8%	68.0%	-6.2Pp <sup>2)</sup>
Adjusted operating expenses <sup>1)</sup>	(61,833)	(59,851)	3.3%
Adjusted operating loss <sup>1)</sup>	(48,878)	(49,421)	-1.1%
Adjusted net loss <sup>1)</sup>	(47,800)	(49,104)	-2.7%

Notes:

<sup>1)</sup> The Company uses Non-GAAP Financial Measures in evaluating its operating results and for financial and operational decision-making purpose. Please refer to the press release for more details.

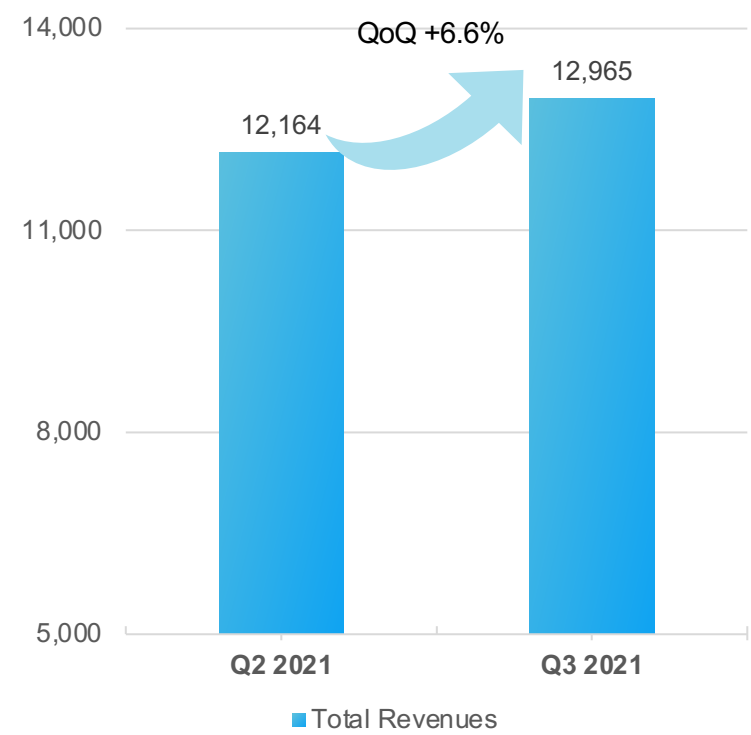
<sup>2)</sup> Pp represents percentage points.



# Q3 2021 Financial Performance

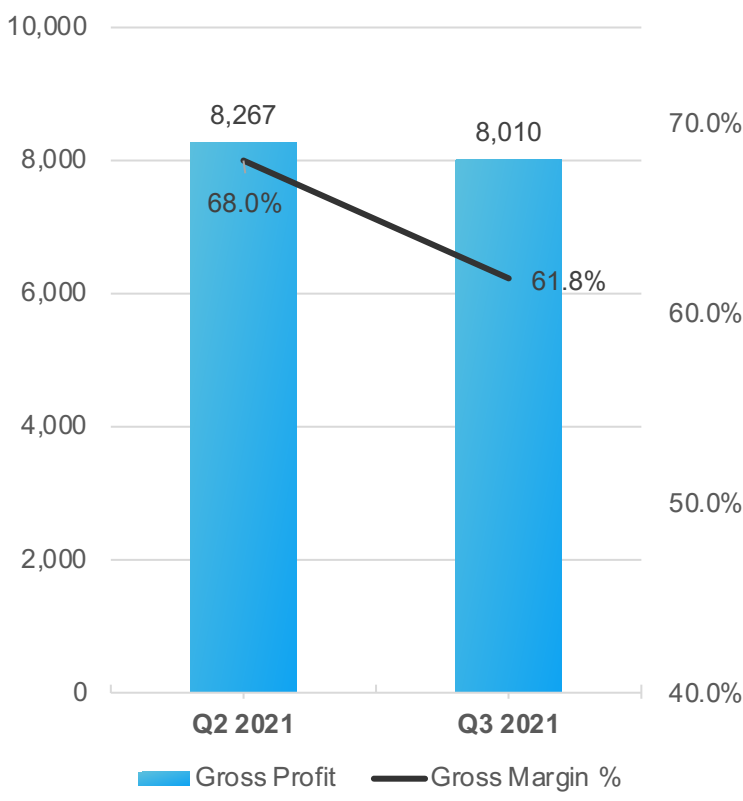
## Total Revenues

RMB '000



## Gross Profit

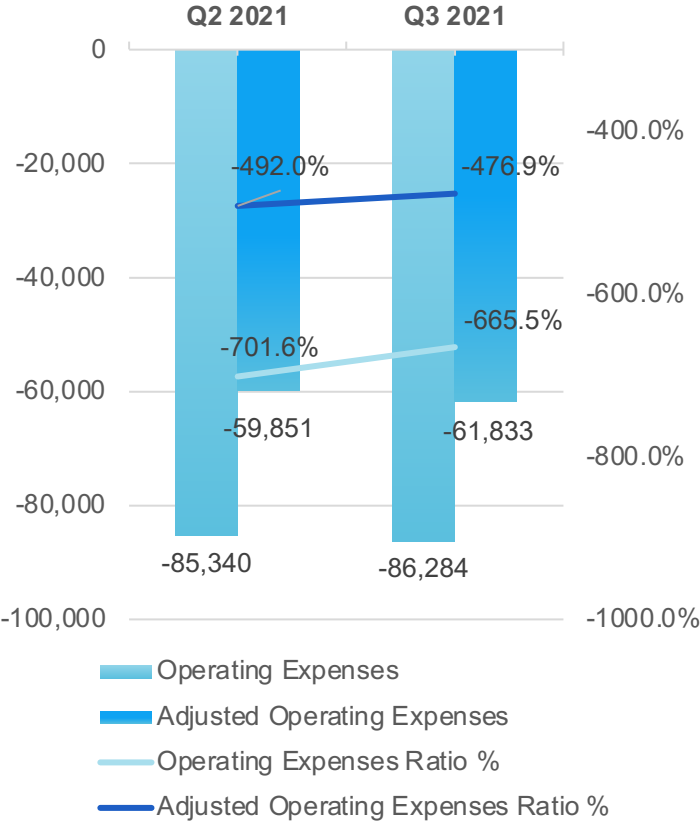
RMB '000



# Q3 2021 Financial Performance

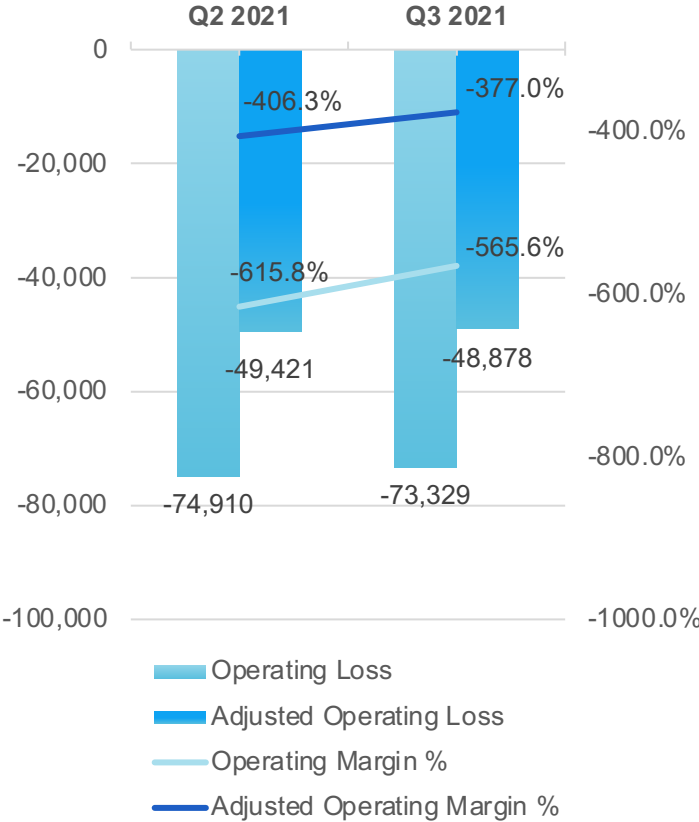
## (Adjusted) Operating Expenses

RMB '000



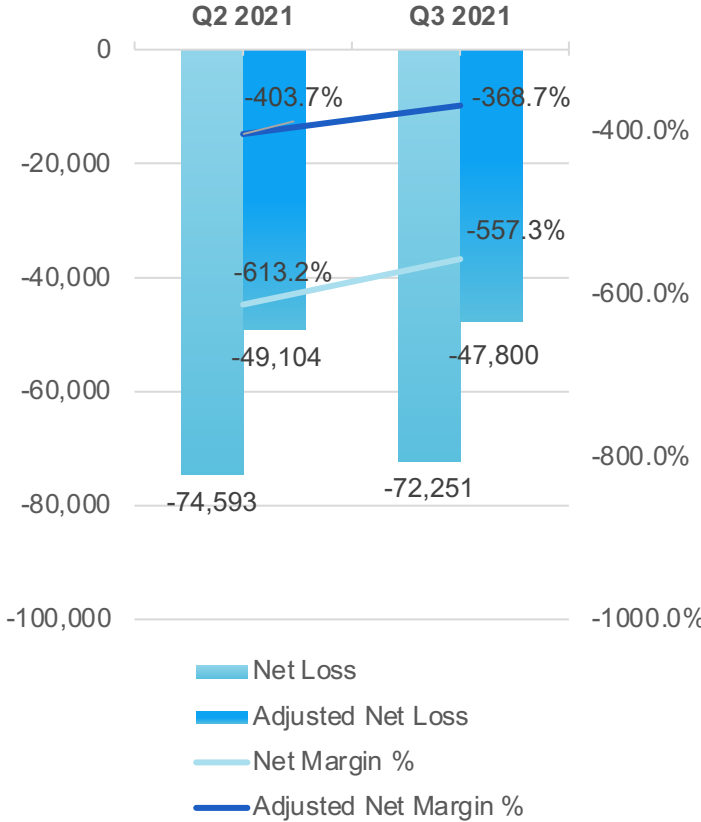
## (Adjusted) Operating Loss

RMB '000



## (Adjusted) Net Loss

RMB '000





# Unaudited Condensed Consolidated Balance Sheets

(RMB '000)

As of December 31, 2020

As of September 30, 2021

## Current assets:

Cash and cash equivalents	137,840	284,391
Restricted cash	2,333	-
Short-term investments	49,271	72,634
Accounts receivable	163,146	95,056
Cost and estimated earnings in excess of billings	717	717
Inventories, net	47,094	66,064
Prepayments and other current assets	21,421	34,418
Others, net	2,639	-

<b>Total current assets</b>	<b>424,461</b>	<b>553,280</b>
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## Non-current assets:

Property and equipment, net	20,869	35,440
Long term loans receivable	14,934	13,253
Long-term investments	2,919	3,619
Others, net	21,366	3,188

<b>Total non-current assets</b>	<b>60,088</b>	<b>55,500</b>
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<b>Total assets</b>	<b>484,549</b>	<b>608,780</b>
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## Current liabilities:

Short-term bank loans	15,000	10,000
Accounts payable	53,147	44,637
Contract liabilities	7,492	9,859
Accrued expenses and other liabilities	81,578	52,201
Others, net	830	1,878

<b>Total current liabilities</b>	<b>158,047</b>	<b>118,575</b>
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## Non-current liabilities:

Long-term bank loans	-	20,000
Mandatorily redeemable non-controlling interests	40,000	40,000
Others, net	8,802	8,166

<b>Total non-current liabilities</b>	<b>48,802</b>	<b>68,166</b>
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<b>Total liabilities</b>	<b>206,849</b>	<b>186,741</b>
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<b>Total shareholders' equity</b>	<b>277,700</b>	<b>422,039</b>
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<b>Total liabilities and shareholders' equity</b>	<b>484,549</b>	<b>608,780</b>
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# Unaudited Condensed Consolidated Statements of Comprehensive Loss

(RMB '000)	2020 Q3	2021 Q2	2021 Q3	2020 Q1-Q3	2021 Q1-Q3
<b>Total revenues</b>	<b>70,980</b>	<b>12,164</b>	<b>12,965</b>	<b>125,498</b>	<b>48,106</b>
Costs of revenues	(28,958)	(3,897)	(4,955)	(51,769)	(17,303)
<b>Gross profit</b>	<b>42,022</b>	<b>8,267</b>	<b>8,010</b>	<b>73,729</b>	<b>30,803</b>
<b>Operating expenses:</b>					
Sales and marketing expenses	(8,344)	(10,762)	(10,740)	(23,338)	(30,988)
General and administrative expenses	(16,044)	(42,809)	(36,845)	(43,000)	(125,713)
Research and development expenses	(19,777)	(31,769)	(38,699)	(54,307)	(98,322)
<b>Total operating expenses</b>	<b>(44,165)</b>	<b>(85,340)</b>	<b>(86,284)</b>	<b>(120,645)</b>	<b>(255,023)</b>
Other operating income	333	2,163	4,945	4,826	9,775
<b>Operating loss</b>	<b>(1,810)</b>	<b>(74,910)</b>	<b>(73,329)</b>	<b>(42,090)</b>	<b>(214,445)</b>
<b>Other income/(expense):</b>					
Interest and investment income	738	561	1,427	3,124	3,945
Interest expenses	(669)	(474)	(474)	(1,645)	(1,342)
Foreign exchange (loss)/gain	(233)	38	(162)	(226)	(430)
Other income/(expense)	622	192	299	(742)	3,032
<b>Total other income/(expense)</b>	<b>458</b>	<b>317</b>	<b>1,090</b>	<b>511</b>	<b>5,205</b>
<b>Loss before income tax and gain from equity method investment</b>	<b>(1,352)</b>	<b>(74,593)</b>	<b>(72,239)</b>	<b>(41,579)</b>	<b>(209,240)</b>
Income tax (expenses) /benefits	-	-	(12)	145	(129)
<b>Loss before gain from equity method investment</b>	<b>(1,352)</b>	<b>(74,593)</b>	<b>(72,251)</b>	<b>(41,434)</b>	<b>(209,369)</b>
Gain from equity method investment	288	-	-	236	-
<b>Net loss</b>	<b>(1,064)</b>	<b>(74,593)</b>	<b>(72,251)</b>	<b>(41,198)</b>	<b>(209,369)</b>
Net loss attributable to non-controlling interests	798	197	276	2,765	834
<b>Net loss attributable to ordinary shareholders</b>	<b>(266)</b>	<b>(74,396)</b>	<b>(71,975)</b>	<b>(38,433)</b>	<b>(208,535)</b>



# Investment Highlights

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1. World's First Publicly Traded Urban Air Mobility Company

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2. Massive, Fast-growing Target Market Ready for True Disruption

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3. Global Market Leader and First Mover of Commercialization Ahead of Competition

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4. World's Leading Scalable Urban Air Mobility Platform with Integrated Product Suite

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5. Continuous, Industry-disruptive Regulatory Breakthroughs

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6. Compelling High Growth and Margin Business Model

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7. Ecosystem Enabler with Global Partnership Network

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8. Experienced, Entrepreneurial Management Team

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# *Thank You*

[www.ehang.com](http://www.ehang.com)

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