

# EHang Holdings Limited Company Presentation

June 2020



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# EHANG

## BUSINESS OVERVIEW





# Our Mission



*Enable **safe, autonomous** and eco-friendly  
**air mobility for everyone***

**US\$1.5Tn TAM by 2040\***

*If you're bullish on autonomous cars,  
it's time to start looking at autonomous aircraft*

- Autonomous Urban Air Mobility TAM from Morgan Stanley Research titled "Flying Cars: Investment Implications of Autonomous Urban Air Mobility" dated December 2, 2018.
- TAM represents Total Addressable Market.





Note: AAV represents Autonomous Aerial Vehicle.



# Our Technology Platform

## Autonomous Aerial Vehicles (AAVs)

Comprehensive portfolio of high-performing AAVs for a multitude of applications

### Passenger-grade AAVs



**EHang 216**  
(Two seats)



**EHang 116**  
(One seat)

### Non-passenger-grade AAVs



**Falcon B**



**GD 2.0X**



**V 100**



## AAV OPERATING PLATFORM

Operating systems and extended infrastructure that facilitate management and operations of AAVs at scale

AAV Operating Systems



Command-and-control Centers



Landing Pads and Charging Systems





# What is Passenger-grade AAV



**Safe and Reliable**



**Autonomous and Intelligent**



**Cluster Management Capable**



**Connected**



**Eco-friendly**



# First Mover in Commercialization of Passenger-grade AAVs

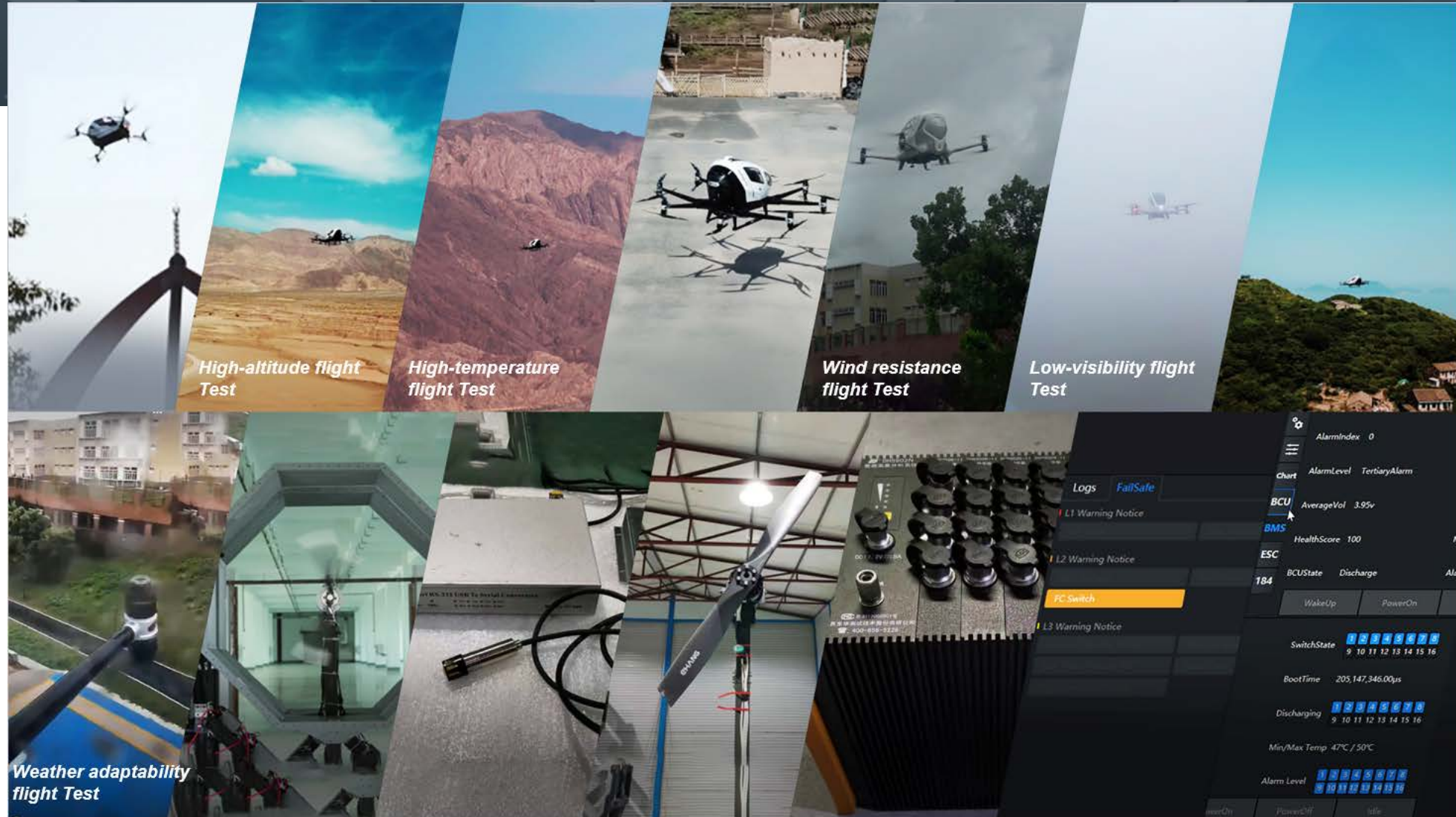
73 units of passenger-grade AAVs cumulatively delivered to our customers globally \*



\* Update as of March 31, 2020



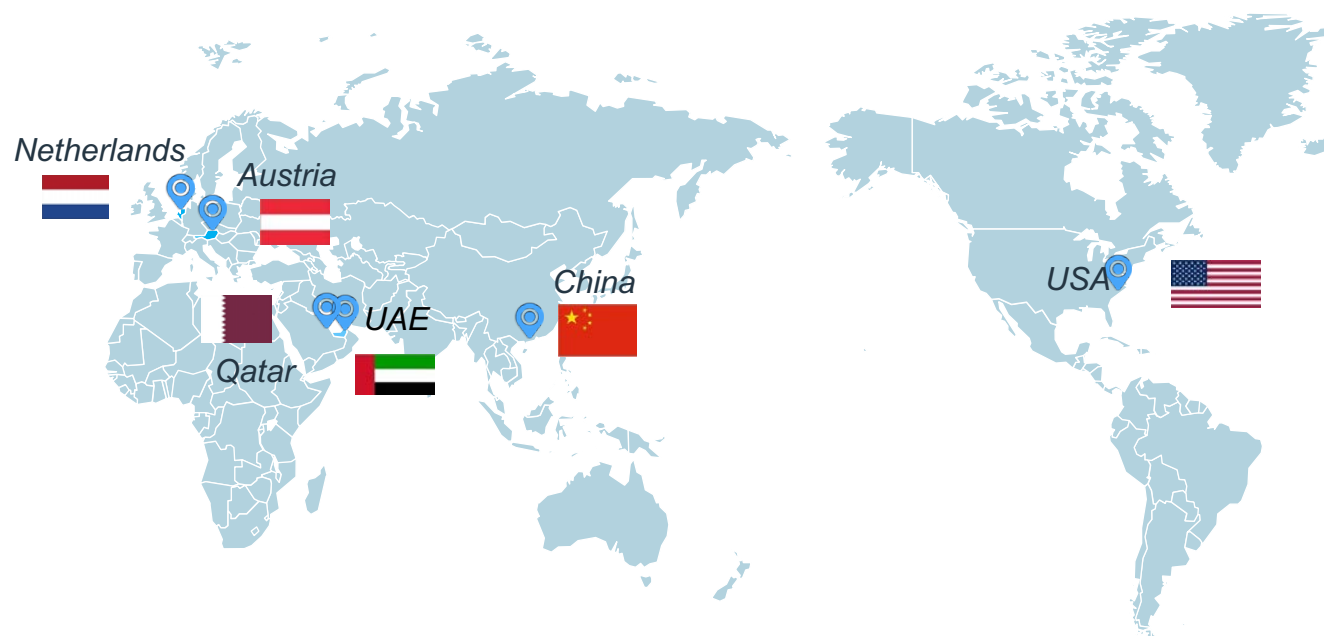
# Flight Tests of Passenger-grade AAVs





# World Flight Tour Footprint of Passenger-grade AAVs

6 countries in the world



16 cities in China



# EHang Global UAM Pilot City Initiative

Linz, Austria



Seville, Spain



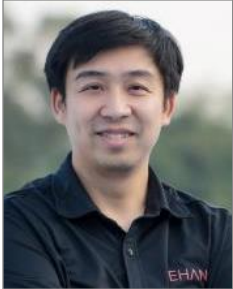
Llíria, Spain

Guangzhou, China





# Visionary, Entrepreneurial and Experienced Management Team



**Huazhi Hu**

Founder,  
Chairman & CEO

- A visionary in Urban Air Mobility
- Technology Innovation Award by the Living Legends of Aviation Awards Europe in 2019
- Over 20 years of experience in the general aviation industry in China
- Software engineer by training at Tsinghua University
- One of the key architects and lead developers behind large scale command-and-control systems for the 2008 Beijing Olympics, etc.



**Derrick Xiong**

Co-founder & CMO

- Serial entrepreneur
- Forbes China list of 30 under 30
- M.A., Duke



**Richard Liu**

CFO

- Former Group VP of Finance and CFO of new business group at 21Vianet Group (Nasdaq: VNET)
- Senior consultant of Arthur Andersen LLP in Shanghai
- M.B.A., UCLA; CPA



**Edward Xu**

CSO

- Former Executive Director focusing on transportation at Morgan Stanley Research
- M.B.A., University of Illinois at Urbana-Champaign
- CFA

Morgan Stanley



## Air Mobility

### Passenger Transportation



- Short- to medium-distance air transportation solutions and services employing passenger-grade AAVs

### Logistics



- Provision of logistics solutions and services, with a focus on urban air deliveries enabled by AAVs, both passenger-grade and non-passenger-grade

## Smart City Management



- Encompass traffic management, public safety, emergency response, disaster relief, and forest fire inspection using integrated AAV solutions on a centralized command-and-control platform

## Aerial Media



- Manage and choreograph a fleet of small AAVs into a series of moving images



# Global and China Target Market Sizes

## Commercial UAV

2023E market size: US\$103.7bn  
2018-2023E CAGR: 94.5%

### Urban air mobility



Passenger transportation



Logistics



Smart city management



Aerial media



Other applications

2023E Market size:	US\$3.0bn	US\$46.1bn	US\$27.7bn	US\$0.3bn	US\$26.6bn
China share of global market:	33%	45%	61%	68%	41%
2018-2023E Overall CAGR:	531%	740%	90%	79%	59%

Source: Frost & Sullivan

# Air Mobility – Use Cases

## Passenger Transportation

1



### Customer

- A PRC AAV distributor in the tourism industry
- CAAC-issued first commercial pilot operation approval of passenger-grade AAVs for air logistics uses

### Use Cases

- Air tourism / aerial sightseeing
- Air logistics

2



### Guangzhou, China

- Announced first urban air mobility pilot city program in partnership with Guangzhou Government
- Showcased first in-city demo flight for sightseeing operation of flying taxis

### Use Case

- Aerial sightseeing
- Air taxi

3



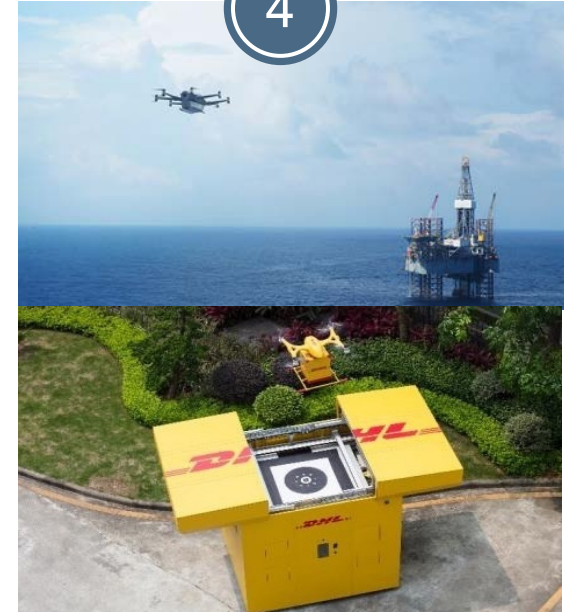
### Customer

- A Nasdaq-listed U.S. biotechnology company and pioneer in organ transplant biotechnology

### Use Case

- Medical emergency transport

4



### Customers

- A Norwegian electric vehicle and electric aerial vehicle distributor
- DHL-Sinotrans, DHL China JV operations

### Use Cases

- Logistics support to offshore oil platforms
- Urban air delivery



# Air Tourism - Use Cases

EHang is to build the **world's first AAV E-port** in Hezhou, China. 20 units of EHang 216 will be deployed for aerial sightseeing.



The E-port terminal building

- 2,500 square meters
- three floors (reception hall, passenger waiting area, departure/arrival zone)
- Four AAV landing pads located on the roof-top
- to be completed and operational by around the end of 2020

EHang joins hands with LN Holdings to build the **world's first "UAM" theme hotel** at LN Garden Hotel in Guangzhou, China.



The pilot program will promote the innovative integration of

- aerial sightseeing
- traveler transportation
- air logistics
- aerial media light shows
- intelligent exhibitions
- education

# Emerging Air Mobility Use Cases for Medical Emergency Response From COVID-19 Outbreak

## Use Cases

1



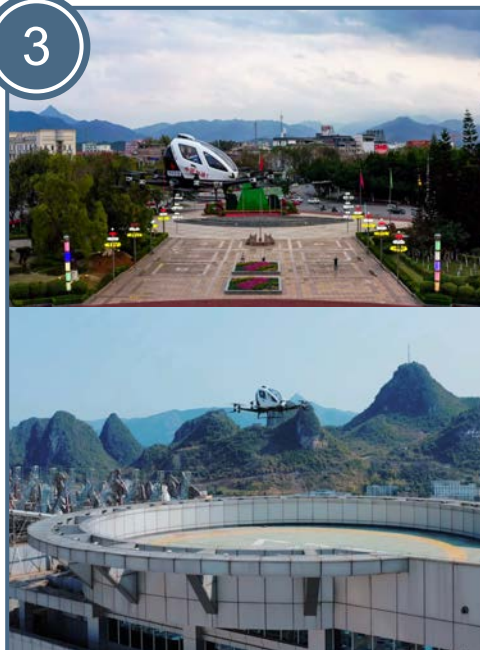
Falcon B assisted local governments with **air inspection and broadcast of instructions above populated areas** in Hezhou and Shaoguan, China.

2



Falcon B **delivered medical supplies to the hospital** in Guangzhou, China.

3



EHang 216 **transported medical supplies and personnel to the hospital** in Hezhou, China.

## Advantages of Air Mobility Solutions

Efficient response

Autonomous flight without pilot

Centralized monitoring and management

Point-to-point fast transport

No restrictions by quarantined areas

Non-contact delivery

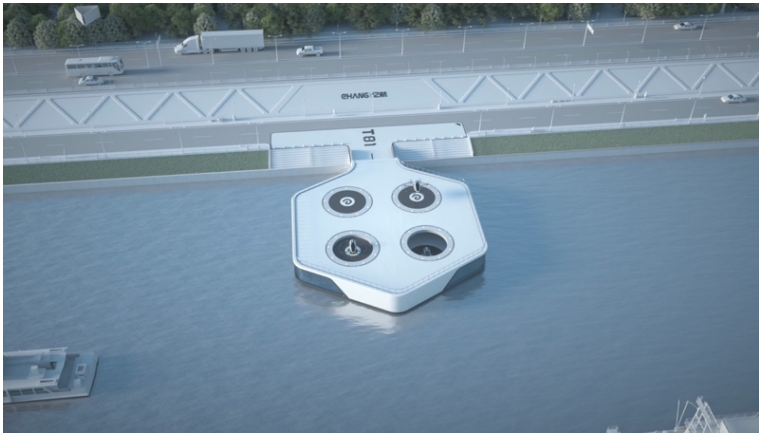
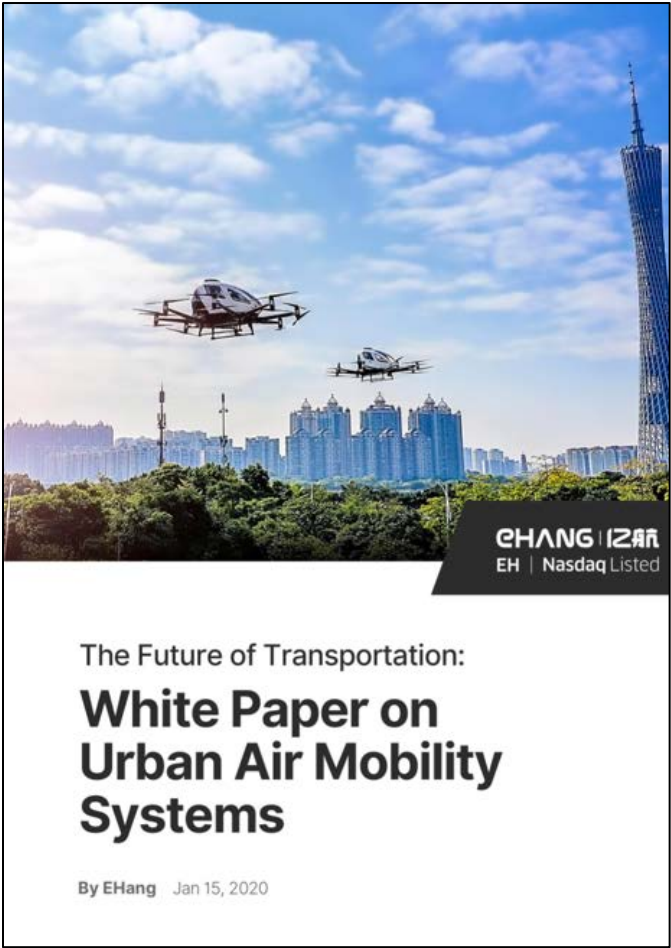


# Industry-Leading Regulatory Breakthroughs

- The first company approved for the passenger-grade AAV airworthiness certification pilot program by the the Civil Aviation Administration of China (CAAC)
- The world's first commercial pilot operation approval of passenger-grade AAVs for air logistics uses
- The first AAV company to achieve Certificate of Unmanned Aircraft System (UAS) Safety Level II
- A member of the CAAC Special Expert Taskforce
- EHang 216 obtained the European first operational permit for flight testing of the passenger-grade AAVs from the Civil Aviation Authority of Norway, laying a solid foundation for future UAM operations in other European countries.
- EHang achieved the first-ever flight in the U.S. of the passenger-grade AAVs in the state of North Carolina, which is known in aviation history for the Wright Brothers initial flight there a century ago.
- It was underpinned by permit and other support from the North Carolina Department of Transportation (NCDOT) and the U.S. Federal Aviation Administration (FAA).



# White Paper to Bolster Industry Leadership



\* E-port designs



# Smart City Management

## Our Command-and-Control Center Network in China

We are the **first** company to successfully build integrated command-and-control centers that centralize and coordinate a wide range of AAV applications simultaneously



## Use Cases

- Traffic management
- Public safety
- Emergency response
- Disaster relief
- Forest fire inspection
- Other industrial applications, i.e. aerial mapping, news reporting, etc.

## Smart City Management Use Cases



Shaoguan Command-and-control Center



Lianyungang Command-and-control Center



Power Inspection



Emergency Response



Environmental Inspection



Traffic Management



In October 2019, we also entered into an agreement to establish a command-and-control center in the **international airport of Baku, the capital of Azerbaijan.**

AAV formations, synchronized movement and accurate display of two-dimensional and three-dimensional configurations, brand logos or messages

## Reinventing the Aerial Landscape

Large-scale outdoor aerial formations choreographed into light-based images against the backdrop of the night sky

### Global Leading Technology

Simultaneous control of more than 1,000 of AAVs by a command-and-control system with highly precise positioning powered by real-time kinematic satellite-based navigation technology

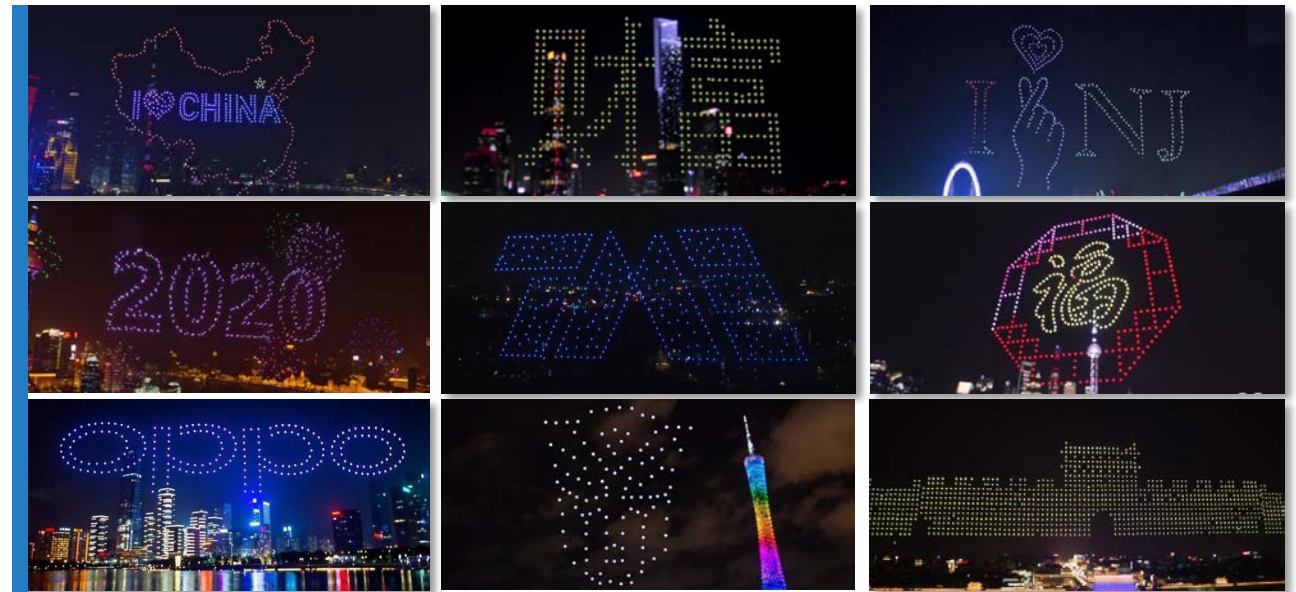
### World Record Breaking

Guinness World Record in April 2018 for the most AAVs in a drone performance show with over 1,300 AAVs

### Entertaining and Viral

Unique means of advertising and entertainment that is highly dynamic, impactful and eco-friendly

### Aerial Media Customer Cases





# EHANG

## FINANCIAL OVERVIEW



# Financial Highlights

(RMB '000)	2019	2018	YoY	Q1 2020	Q1 2019	YoY
<b>Total revenues</b>	<b>121,814</b>	<b>66,487</b>	<b>83.2%</b>	<b>18,818</b>	<b>10,439</b>	<b>80.3%</b>
<b>Gross profit</b>	<b>71,218</b>	<b>33,747</b>	<b>111.0%</b>	<b>11,154</b>	<b>6,106</b>	<b>82.7%</b>
<b>Gross margin</b>	<b>58.5%</b>	<b>50.8%</b>	<b>+7.7pp</b>	<b>59.3%</b>	<b>58.5%</b>	<b>+0.8pp</b>
<b>Adjusted operating expenses</b>	<b>106,588</b>	<b>94,796</b>	<b>12.4%</b>	<b>31,108</b>	<b>23,414</b>	<b>32.9%</b>
<b>Adjusted operating loss</b>	<b>(31,598)</b>	<b>(52,049)</b>	<b>-39.3%</b>	<b>(19,185)</b>	<b>(16,150)</b>	<b>18.8%</b>
<b>Adjusted net loss</b>	<b>(31,863)</b>	<b>(58,163)</b>	<b>-45.2%</b>	<b>(18,470)</b>	<b>(16,284)</b>	<b>13.4%</b>

Notes:

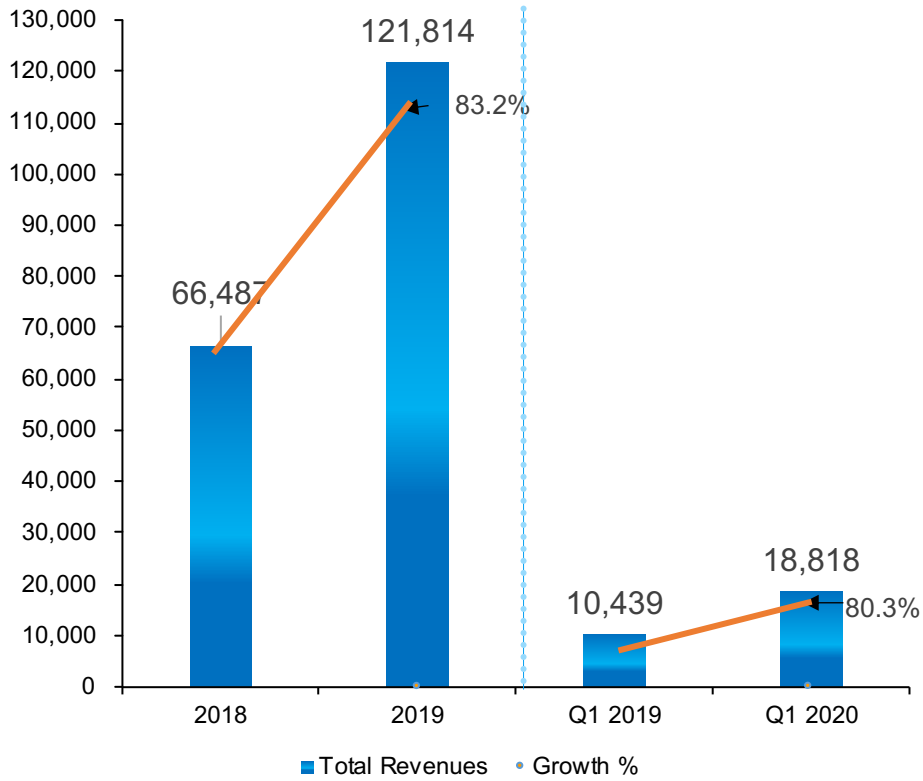
- 1) Adjusted operating expenses is defined as operating expenses excluding share-based compensation expenses..
- 2) Adjusted operating loss is defined as operating loss excluding share-based compensation expenses.
- 3) Adjusted net loss is defined as net loss excluding share-based compensation expenses.
- 4) Pp represents percentage points.



# Financial Performance - 2019 & Q1 2020

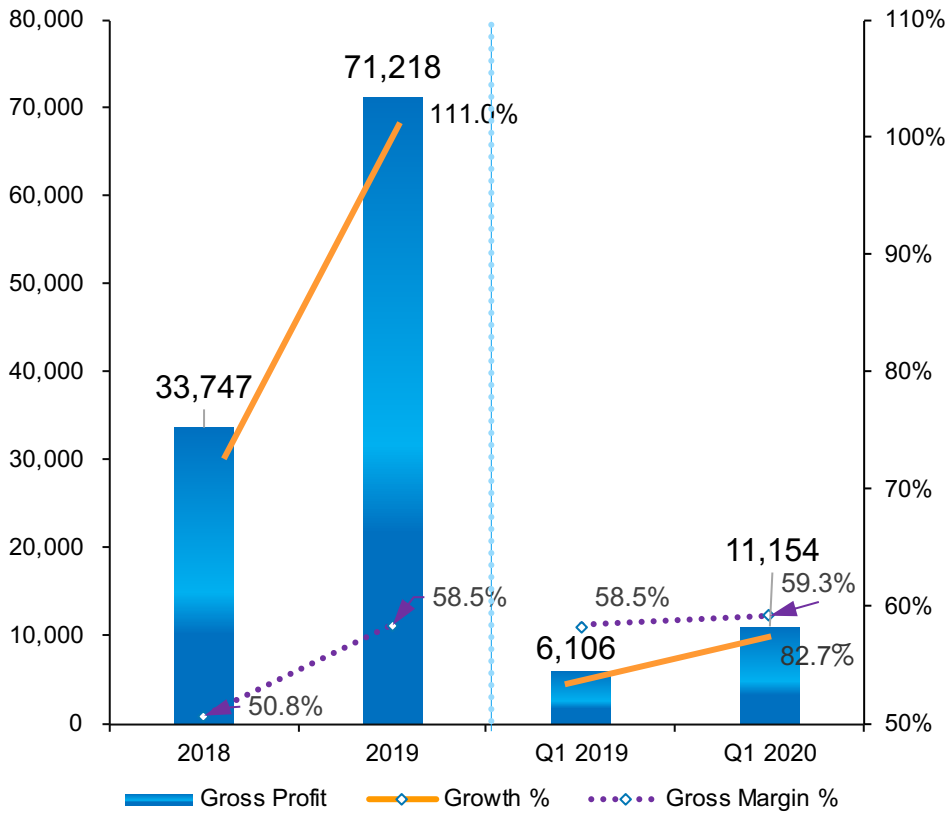
## Total Revenues

RMB'000



## Gross Profit

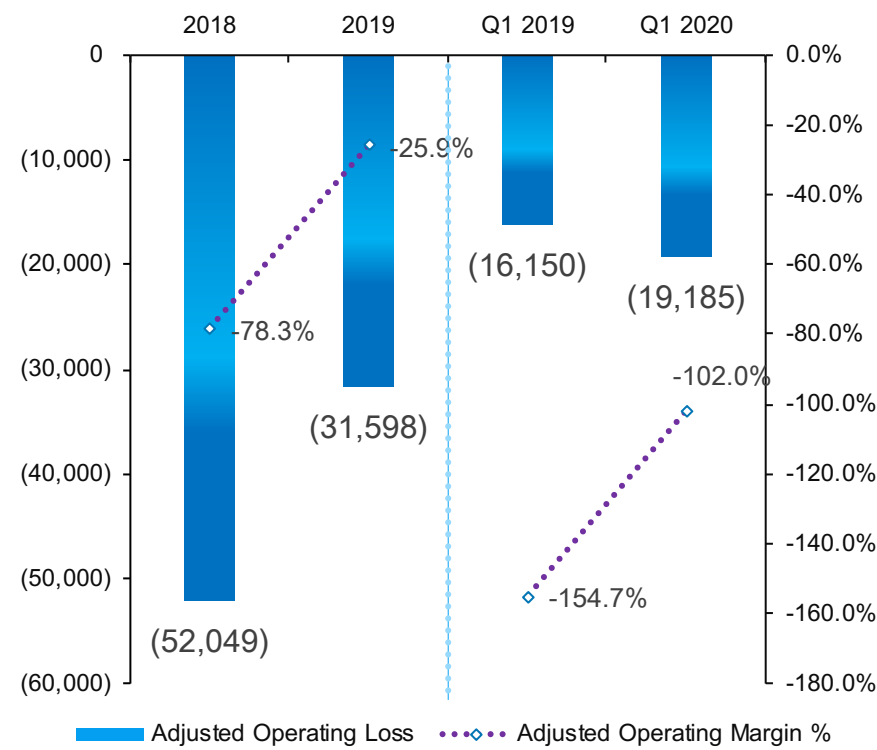
RMB'000



# Financial Performance - 2019 & Q1 2020

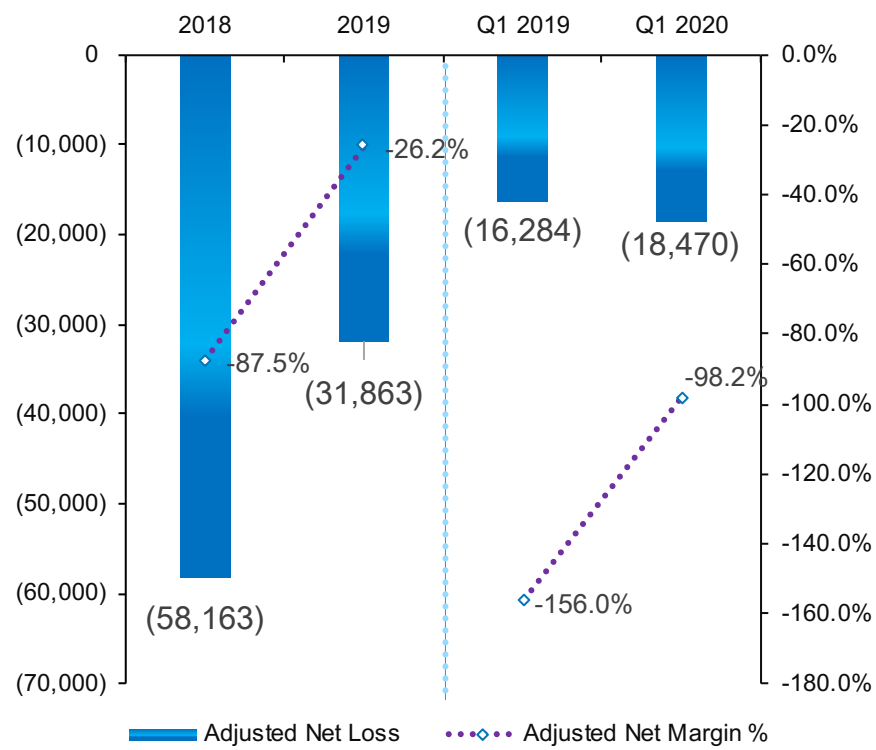
## Adjusted Operating Loss

RMB'000



## Adjusted Net Loss

RMB'000

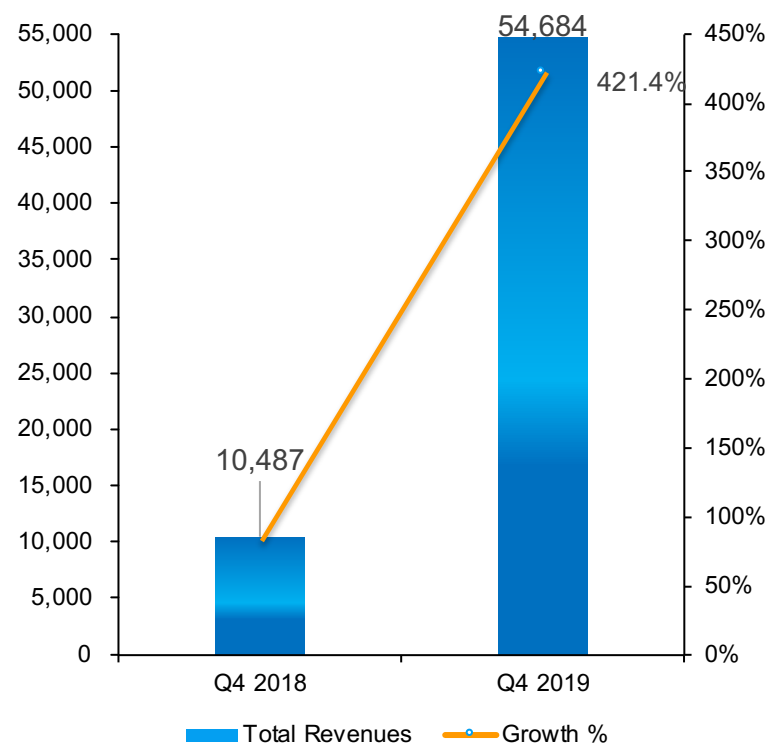




# Financial Performance - Q4 2019

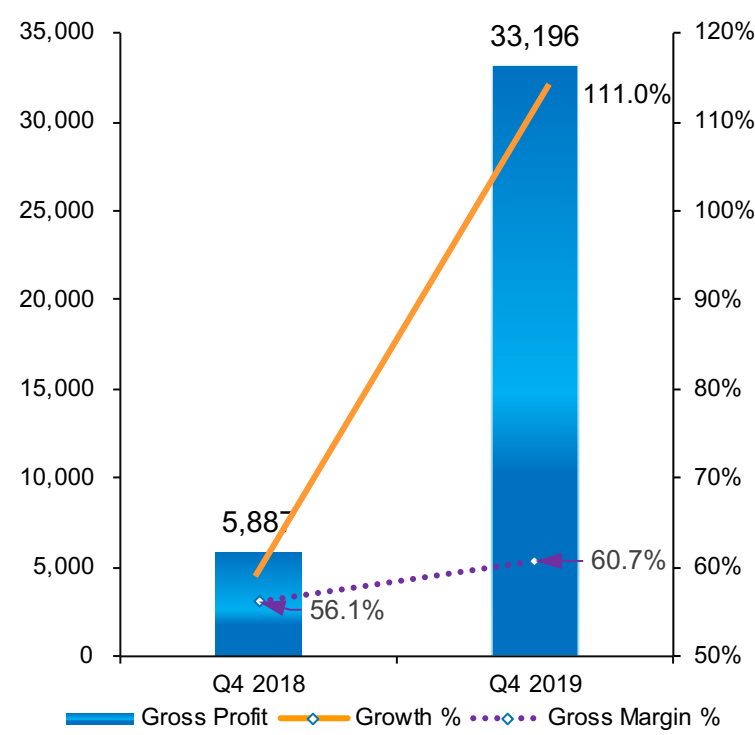
## Total Revenues

RMB'000



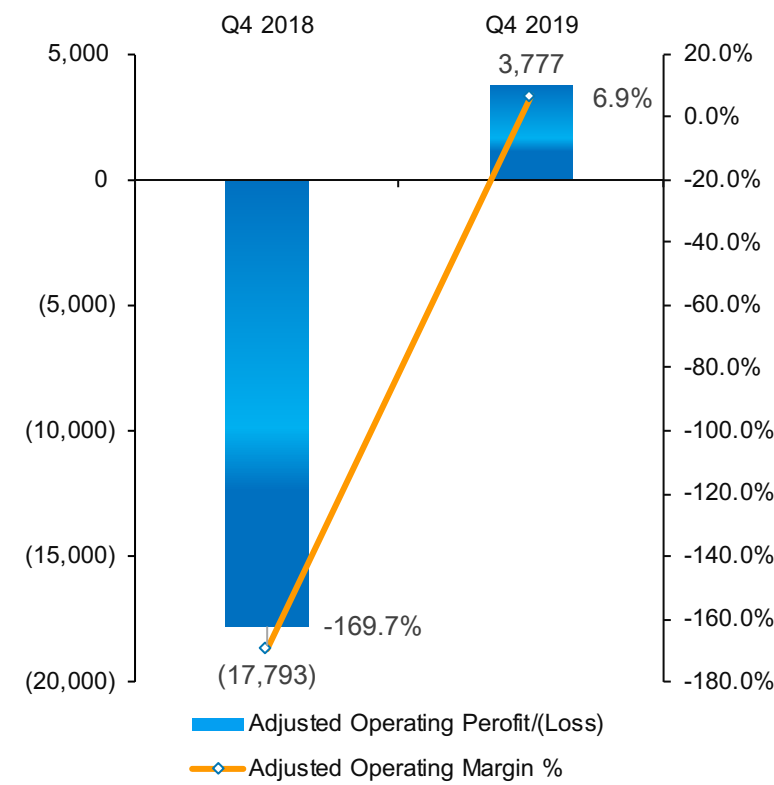
## Gross Profit

RMB'000



## Adjusted Operating Profit/(Loss)

RMB'000



# EHang Investment Highlights

- 1 *World's First and Only Publicly Traded Urban Air Mobility Company*
- 2 *Massive, Fast-growing Target Market Ready for True Disruption*
- 3 *Global Market Leader and First Mover of Commercialization Ahead of Competition*
- 4 *World's Leading Scalable Urban Air Mobility Platform with Integrated Product Suite*
- 5 *Continuous, Industry-disruptive Regulatory Breakthroughs*
- 6 *Compelling High Growth and Margin Business Model*
- 7 *Ecosystem Enabler with Global Partnership Network*
- 8 *Experienced, Entrepreneurial Management Team*



**EHANG 亿航**



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*Thank You*

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