



# **CENNTRO**

**NASDAQ: CENN**

## **FIRST HALF 2022 EARNINGS PRESENTATION**

September 13, 2022

# Recent Developments and Business Highlights

## Key Accomplishments Include

- *Completed Development of Three New Vehicles*
- *Launched Lithium Battery Project*
- *Started Vehicle Assembly in U.S. and Europe*
- *Expanding Vehicle Distribution and Service Infrastructure*
- *Opened Order Book for Newly Released Vehicle Models*



## Key Statistics

Commercial Vehicles Sold*	337/+23%
Net Revenue*	\$5M/+105%
Cash on Hand**	\$183M
New Vehicle Models Launched	3
Manufacturing/Assembly Facilities	5
Distribution EV Centers	7

\* For the first half 2022

\*\* As of June 30, 2022

# New Vehicle Development



## Logistar 400 (LS400)

- **EPA Certification for LS400 is expected by end-September 2022**
- **Pilot Production has started**

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*The Logistar 400 ( the “LS 400”) is designed primarily for urban delivery and services to cover two significant markets that include last mile delivery and vocational fleets and upfitters. The Company has started it pilot production.*



## Logistar 260 (LS260)

- **Received EU Type Approval for LS 260**
- **Production has commenced**

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*The Logistar 260 (the “LS 260”) is a new addition to the Logistar series. This new vehicle is targeted towards a wide range of applications in the trades, couriers, express and parcel services, logistics solutions, and facility management segments, with initial deliveries to Europe scheduled in September.*



## Logistar 100 (LS100)

- **Received EU Type Approval for LS 100**
- **Production has started**

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*Cenntro’s first Logistar 100 (the “LS 100”) has rolled off the production line with deliveries to Europe scheduled in September with launches in the Asian, Caribbean, and South American markets to follow. The LS 100 is a versatile, compact light cargo van purpose-built to serve diverse commercial applications, especially in urban areas with high population density.*



# Lithium Battery Production



## Launch of Lithium Battery Project

- *The construction of battery factory building is completed, and internal renovation has been progressing*
- *Proprietary production machinery has already been tested and validated*
- *Filing for three patents*

*Given the backdrop of increased battery cost and global supply chain challenges, Cenntro set up its wholly-owned subsidiary, Cennatic Power Inc. to produce advanced lithium-ion batteries for its electric commercial vehicles (“ECV”) to secure and stabilize its battery supply. Bringing production of essential battery technologies and manufacturing process in house will enable the Company to expedite the development of ECVs, reduce supply chain dependency from China, and lower battery cell costs.*

*Internal renovation targeted to be completed by the end of the year*



*Production machinery has been tested and validated and will be shipped for installation*



# Vehicle Production and Assembly

## Established Our Own Production and Assembly Facilities

- *The European assembly factory in Germany is fully functional*
- *Pilot assembly scaled in the New Jersey facility*
- *Florida assembly capability will be ready soon*

*The additional vehicle assembly in the U.S. and Europe will boost the Company's total manufacturing or assembly plants to five. Assembly strategy and capacity is on track to serve growing demands for the Company's ECVs.*



Germany Assembly Facility



New Jersey Assembly Facility



Florida Assembly Facility



China Manufacturing Facility 1



China Manufacturing Facility 2



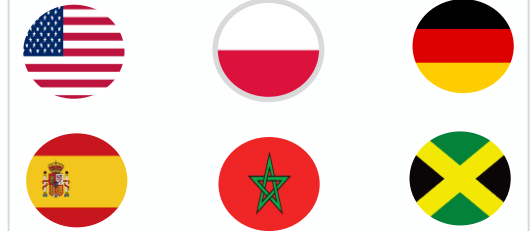
# Building EV Distribution and Service Infrastructure

- **Establishing EV centers with focus in U.S. and Europe**
- **Developing and setting up parts distribution warehouses**
- **Signing up distributors/dealers/value-added resellers**

Cenntro has established **EV centers** across the U.S., Poland, Germany, Spain, Morocco and Jamaica to align with its go-to-market strategy for new growth.

Cenntro has transitioned from private label distribution model to a direct B2B distribution model relying on its own global distribution/dealer/value-added reseller network as well as its own global supporting and service networks.

## EV Centers



Dusseldorf EV Center



Barcelona EV Center



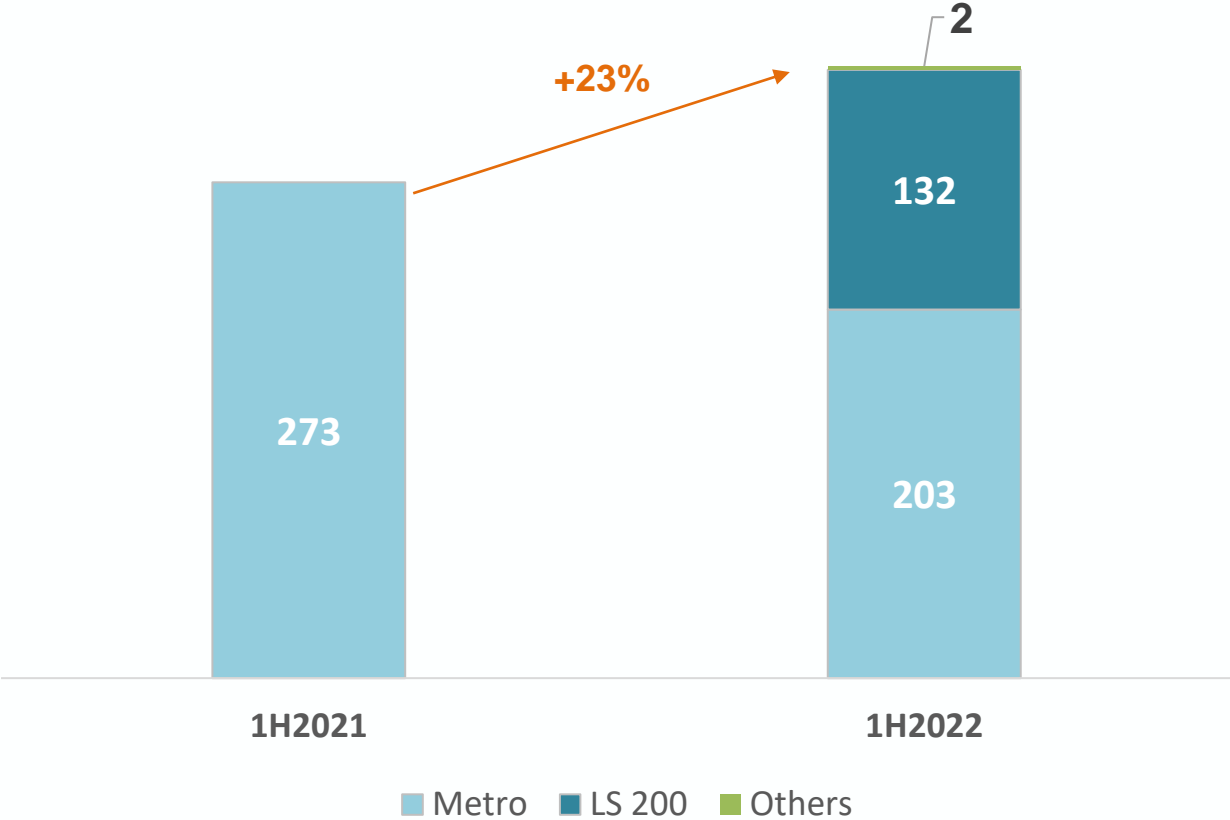
Casablanca EV Center



Florida EV Center

# 1H 2022 Financial Highlights – Units Shipment

**1H 2022 total unit shipments increased by 23% to 337 units vs 273 units in 1H 2021**

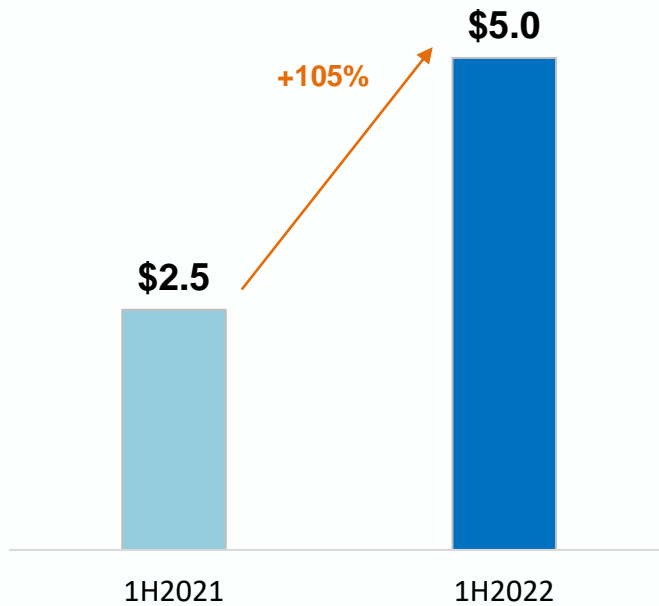


# 1H 2022 Financial Highlights

USD in Million

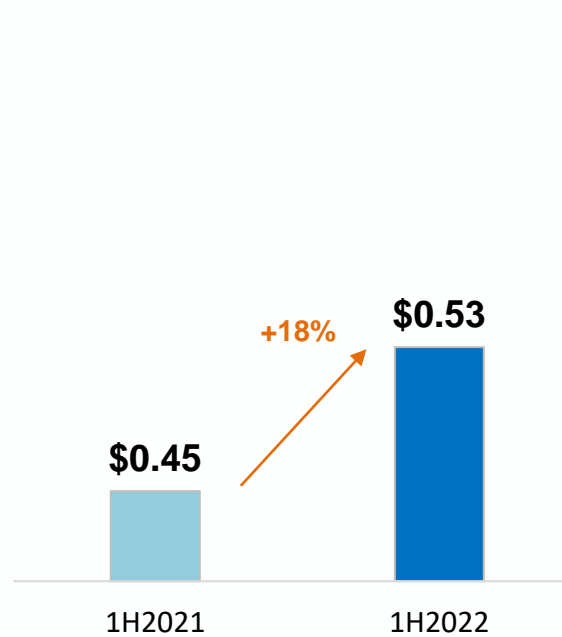
## Revenue

- Revenue increased by 105% to \$5 million



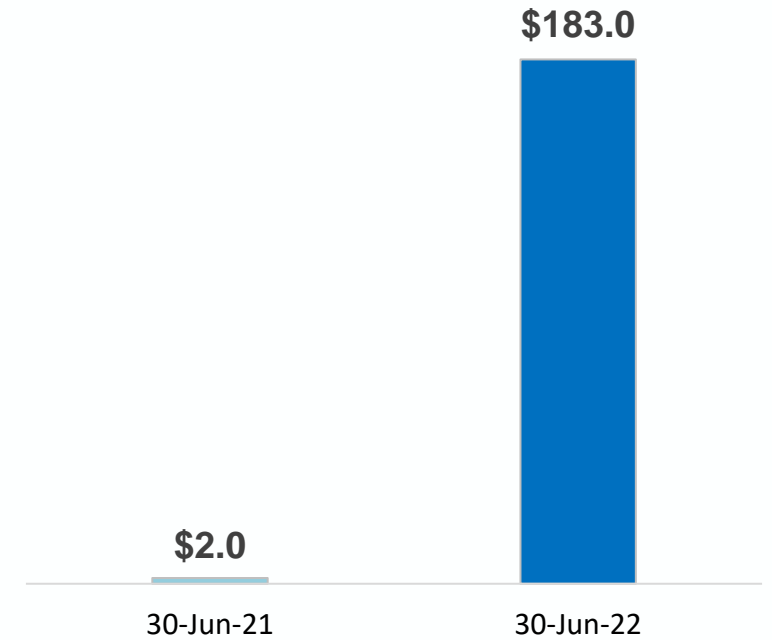
## Gross Profit

- Gross Profit increased by 18% to \$0.53 million



## Cash & Cash Equivalents

- Cash and cash equivalents were \$183 million as of June 30, 2022

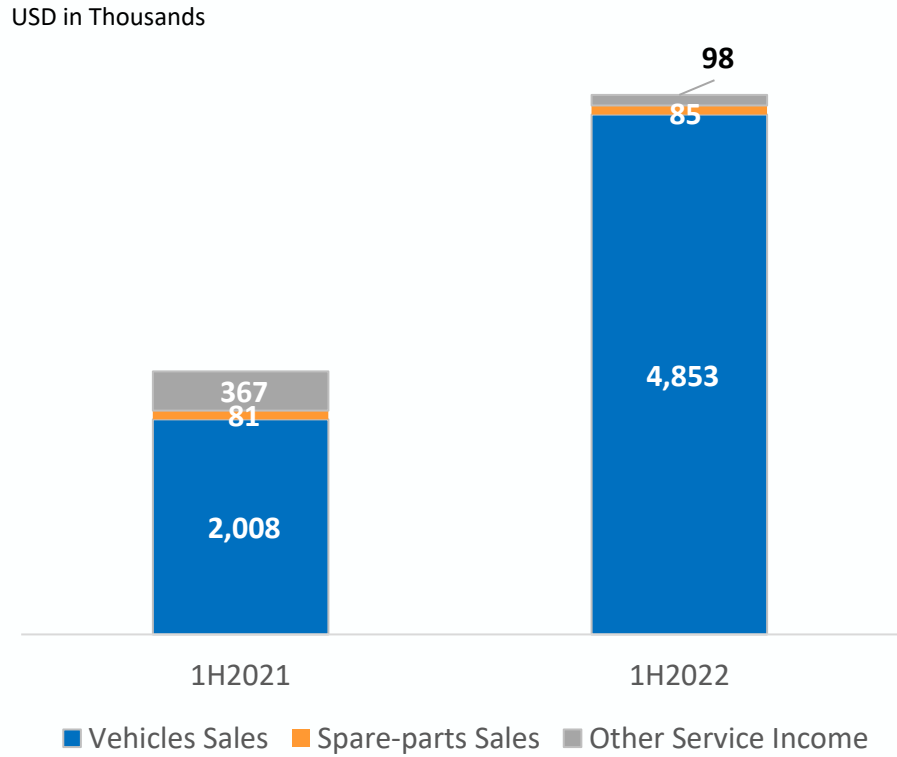




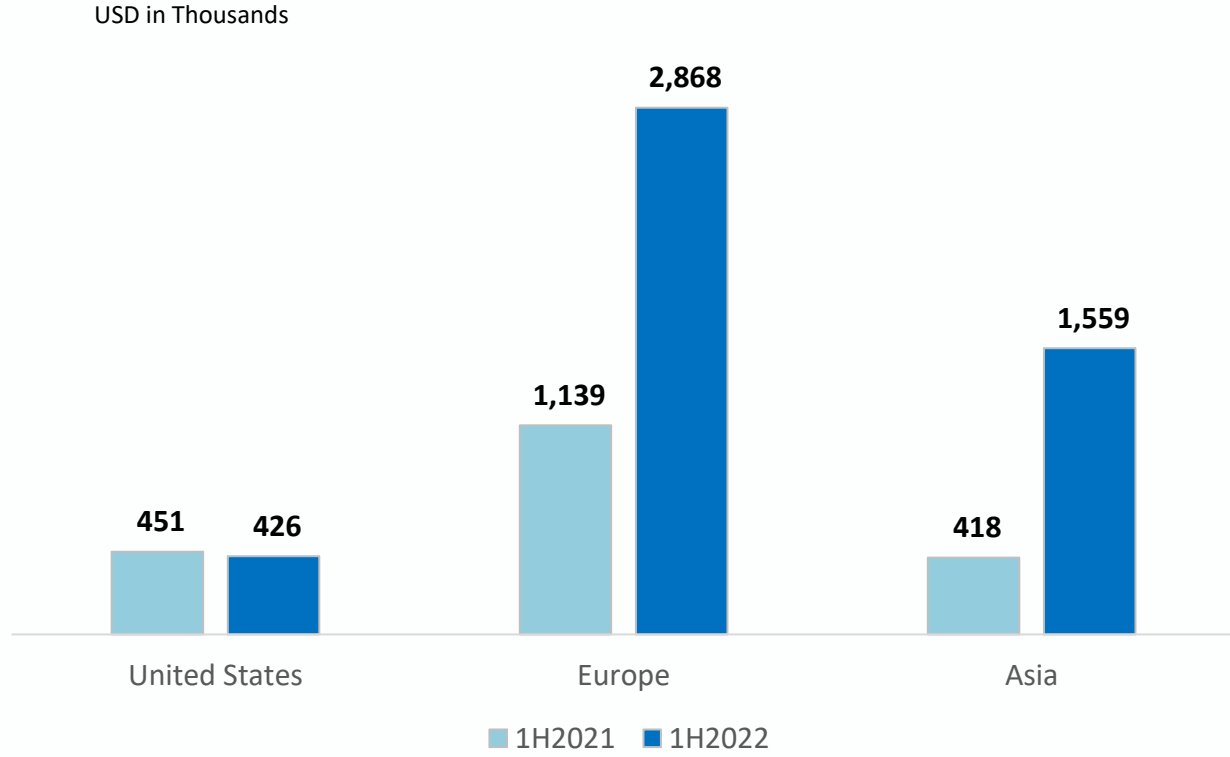
# 1H 2022 Financial Highlights – Revenue

**1H 2022 revenue increased by 105% to \$5M vs \$2.5M in 1H 2021**

## Product Line



## Geography



# 1H 2022 Financial Highlights – EBITDA (US GAAP)

(Amounts in U.S. Dollars)

## **EBITDA (GAAP)**

	<b>Six Months Ended June 30th</b>	
	<b>2021</b>	<b>2022</b>
Net Profit/(Loss)	(\$4,546,831)	(\$23,054,289)
Income Tax Benefit	-	(48,861)
Interest (Income)/Expense, Net	417,826	(286,873)
Depreciation & Amortization	395,776	484,937
<b>EBITDA (GAAP)</b>	<b>(\$3,733,229)</b>	<b>(\$22,905,086)</b>

# 1H 2022 Financial Highlights – Adjusted EBITDA

(Amounts in U.S. Dollars)

	<b>Six Months Ended June 30th</b>	
	<b>2021</b>	<b>2022</b>
<b>ADJ EBITDA (NON-GAAP)</b>		
<b>Profit/(Loss) from Operations</b>	<b>(\$4,546,831)</b>	<b>(\$23,054,289)</b>
<b>Income Tax Benefit</b>	-	<b>(48,861)</b>
<b>Interest (Income)/Expense, Net</b>	<b>417,826</b>	<b>(286,873)</b>
<b>Depreciation &amp; Amortization</b>	<b>395,776</b>	<b>484,937</b>
<b>Shared Based Compensation</b>	<b>719,490</b>	<b>1,309,856</b>
<b>Expenses related to TME shares and loan purchasing</b>	-	<b>348,987</b>
<b>Expenses related to one-off payment inherited from the original Naked Brand Group</b>		
Compensation to certain directors for their past services to the company		6,500,907
Compensation in 2022 related to FOH divestiture		1,798,271
<b>Expenses related to one-off payment inherited from the original Naked Brand Group</b>	-	<b>8,299,178</b>
<b>ADJ EBITDA (NON-GAAP)</b>	<b>(\$3,013, 739)</b>	<b>(\$12,947,065)</b>



# Consolidated Statements of Operations and Comprehensive Income

(Amounts in U.S. Dollar)	Six Months Ended June 30	
	2021	2022
<b>Net Revenue</b>	\$ 2,455,726	\$ 5,035,322
<b>Costs of Sales</b>	(2,005,426)	(4,503,840)
<b>Gross Profit/(Loss)</b>	\$ 450,300	\$ 531,482
<b>Gross Margin %</b>	18.3%	10.6%
<b>Operating Expenses</b>		
Selling and Marketing Expenses	(262,372)	(2,626,568)
General and Administrative Expenses	(4,082,199)	(20,226,284)
Research & Development Expenses	(637,067)	(1,814,512)
<b>Total Operating Expenses</b>	\$ (4,981,638)	\$ (24,667,364)
<b>Profit/(Loss) from Operations</b>	\$ (4,531,338)	\$ (24,135,882)
<b>Other Income/(Expenses)</b>		
Interest Expenses, Net	(417,826)	286,873
Income/(Loss) from impairment on equity method investments	-	10,878
Other Income, Net	402,333	734,981
<b>Profit/(Loss) before Income Taxes</b>	\$ (4,546,831)	\$ (23,103,150)
<b>Income Taxes</b>	-	48,861
<b>Net Income/(Loss)</b>	\$ (4,546,831)	\$ (23,054,289)
<b>Less: Net Income/(Loss) attributable to non-controlling interests</b>	(4,264)	(670,641)
<b>Net Income/(Loss) Attributable to Shareholders</b>	\$ (4,542,567)	\$ (22,383,648)

Note: For more details of accompanying notes to the consolidated financial statements, please refer to the Company's semi-annual report on Form 6-K filed with Securities and Exchange Commission (the "SEC") on September 13<sup>th</sup>, 2022.

# Consolidated Balance Sheet as of June 30, 2022

## Unaudited Condensed Combined Balance Sheets

(Amounts in U.S. Dollar)

	As of June 30,	
	2021	2022
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	\$ 1,965,143	\$ 182,965,993
Restricted Cash	-	573,597
Accounts Receivables, Net	1,613,627	2,516,106
Inventories	2,858,559	20,920,414
Prepayment and other current assets, net	2,291,949	15,173,984
Receivables from disposal of land use rights and properties	1,611,279	
Accounts due from related parties	407,559	582,561
<b>Total Current Assets</b>	<b>\$ 10,748,116</b>	<b>\$ 222,732,655</b>
<b>Non-Current Assets</b>		
Long-term Investments		428,435
Properties and Equipment, Net	925,691	1,545,238
Goodwill		10,874,027
Intangible Assets, Net	24,415	2,775,298
Right-of-Use Assets, Net	3,062,734	8,650,035
Amount due from related parties - non-current		4,471,660
Non-current Accounts receivable		1,173,268
Other Non-Current Assets	2,484,846	11,098,419
<b>Total Non-Current Assets</b>	<b>\$ 6,497,686</b>	<b>\$ 41,016,380</b>
<b>Total Assets</b>	<b>\$ 17,245,802</b>	<b>\$ 263,749,035</b>

Note: For more details of accompanying notes to the consolidated financial statements, please refer to the Company's semi-annual report on Form 6-K filed with Securities and Exchange Commission (the "SEC") on September 13<sup>th</sup>, 2022.

# Consolidated Balance Sheet as of June 30, 2022 (Cont.)

## Unaudited Condensed Combined Balance Sheets (continued)

(Amounts in U.S. Dollar)

	As of June 30	
	2021	2022
<b><u>LIABILITIES AND EQUITY</u></b>		
<b><u>Liabilities</u></b>		
<b>Current Liabilities</b>		
Accounts and Note Payables	\$ 1,496,582	\$ 2,739,551
Accrued Expenses and Other Current Liabilities	5,862,173	4,172,864
Contractual Liabilities	1,527,401	2,731,428
Operating Lease Liabilities, Current	449,368	1,426,428
Amounts Due To Related Parties	1,963,680	4,908,209
<b>Total Current Liabilities</b>	<b>\$ 11,299,204</b>	<b>\$ 15,978,480</b>
<b>Non-Current Liabilities</b>		
Long-term payable	-	100,000
Deferred Tax Liabilities	-	832,589
Operating Lease Liabilities, Non-Current	2,260,763	7,078,860
<b>Total Non-Current Liabilities</b>	<b>\$ 2,260,763</b>	<b>\$ 8,011,449</b>
<b>Total Liabilities</b>	<b>\$ 13,559,967</b>	<b>\$ 23,989,929</b>
<b><u>Equity</u></b>		
Ordinary shares and additional paid in Capital	103,273,072	376,211,795
Accumulated Deficit	(97,856,695)	(132,119,583)
Accumulated other comprehensive loss	(1,696,215)	(5,347,621)
<b>Total Equity Attributable to Shareholders</b>	<b>\$ 3,720,162</b>	<b>\$ 238,744,591</b>
Minority interest - BS	(34,327)	1,014,515
<b>Total Equity</b>	<b>\$ 3,685,835</b>	<b>\$ 239,759,106</b>
<b>Total Liabilities and Equity</b>	<b>\$ 17,245,802</b>	<b>\$ 263,749,035</b>

Note: For more details of accompanying notes to the consolidated financial statements, please refer to the Company's semi-annual report on Form 6-K filed with Securities and Exchange Commission (the "SEC") on September 13<sup>th</sup>, 2022.



# Cash Flow Statement

## Unaudited Consolidated And Combined Statements Of Cash Flow

Six Months Ended June 30

(Amounts in U.S. Dollar)

2021

2022

<b>Cash and cash equivalents, and restricted cash at the beginning of the period</b>	<b>\$ 4,549,034</b>	<b>\$ 261,664,962</b>
<b>Net cash used in operating activities</b>	<b>(6,416,398)</b>	<b>(29,071,262)</b>
<b>Net cash provided by investing activities</b>	<b>5,594,878</b>	<b>(17,112,002)</b>
<b>Net cash (used in) provided by financing activities</b>	<b>(1,799,064)</b>	<b>(30,960,641)</b>
<b>Effect of exchange rate changes on cash</b>	<b>36,693</b>	<b>(981,467)</b>
<b>Net increase (decrease) in cash and cash equivalents, and restricted cash</b>	<b>\$ (2,583,891)</b>	<b>\$ (78,125,372)</b>
<b>Cash and cash equivalents, and restricted cash at the end of the period</b>	<b>\$ 1,965,143</b>	<b>\$ 183,539,590</b>



*Thank you*

