



NASDAQ: EMBK
Q1 2022 Earnings
May 10, 2022



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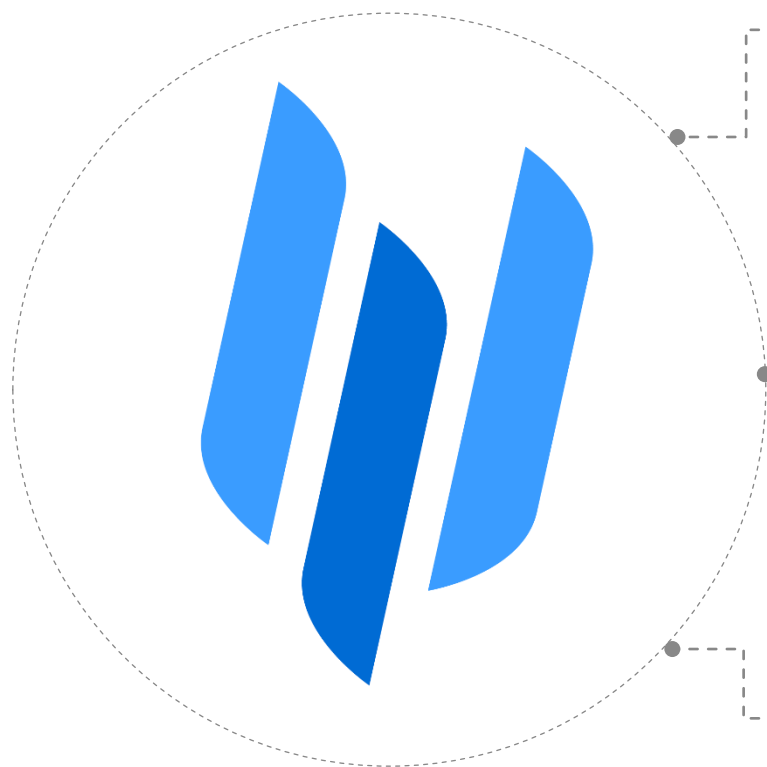
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Use of Non-GAAP Financial Metrics

This presentation includes certain non-GAAP financial measures (including on a forward-looking basis) such as Adjusted EBITDA and Free Cash Flow Spend. Embark defines Adjusted EBITDA as net loss, adjusted for interest income/expense, depreciation and amortization, stock-based compensation expense, change in fair value of warrant liabilities. Embark defines Free Cash Flow as net cash used in operating activities, adjusted for capital expenditures. These non-GAAP measures are an addition, and not a substitute for or superior to measures of financial performance prepared in accordance with GAAP and should not be considered as an alternative to net income, operating income, net cash used in operating activities or any other performance measures derived in accordance with GAAP. Reconciliations of non-GAAP measures to their most directly comparable GAAP counterparts are included in the Appendix to this presentation.

Embark believes that these non-GAAP measures of financial results (including on a forward-looking basis) provide useful supplemental information to investors about Embark. Embark's management uses forward looking non-GAAP measures to evaluate Embark's projected financial and operating performance. However, there are a number of limitations related to the use of these non-GAAP measures and their nearest GAAP equivalents. For example, other companies may calculate non-GAAP measures differently, or may use other measures to calculate their financial performance, and therefore Embark's non-GAAP measures may not be directly comparable to similarly titled measures of other companies.

AT A GLANCE



[Embark Company Website](#)

Technology – Learn more about Vision Map Fusion (VMF) and Embark Universal Interface (EUI)

Press – Stay up to date on Embark’s announcements and media coverage

ESG – Embark’s inaugural ESG report

[Investor Relations Website](#)

News & Events – Press releases, investor presentations and webcasts for key events

Quarterly Results – Earnings webcast, presentation, press release and transcripts

SEC Filings – All EMBK SEC filings

[Online Presence](#)

Embark Trucks Medium Blog – Selected blog posts from Embark employees

Embark Trucks YouTube Channel – Selected videos highlighting trucks in action

Instagram: [@embarktrucks](#) / LinkedIn: [Embark Trucks](#) / Twitter: [@embarktrucks](#)

Note: Click hyperlinks throughout page to access Embark information.

KEY BUSINESS UPDATES



Commercial and Operations

Received first TTP Trucks purchased by



Began 24 hours per day testing in



Announced New PDP Partner **U.S. XPRESS**

Launched new customer analytics environment to support PDP partners



Embark Coverage Map

Continued advancement with partners Ryder and Alterra on building the backbone of the sunbelt coverage map



Leadership

Sarah Quick, Head of Ops Safety

Bill Ong, Head of Investor Relations

Emily Warren, Head of Public Policy [\(Blog\)](#)

Jean-Baptiste Passot, Head of Software [\(Blog\)](#)

Sam Loesche, Federal Policy [\(Blog\)](#)



Technology Roadmap

2022 milestone on delivering 2 of our remaining 5 capabilities on track:

Emergency Vehicle Interaction: Q2 2022

Evasive Maneuvers: 2H 2022



Community

Embark attended the FIRST Robotics Championship in Houston and sponsored four leading Canadian high-school robotics teams [\(Blog\)](#)

LEADERSHIP IN AV TRUCKING IN 2022



Deliver the First Trucks into the Fleets of Carrier Customers

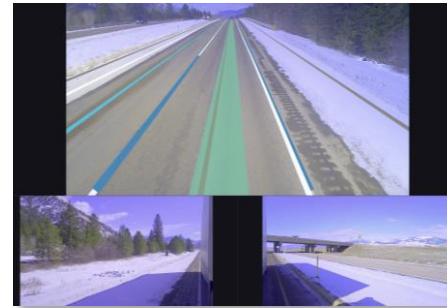
Accomplish Two of the Remaining Five Capabilities in our Technological Roadmap

Launch the Backbone of the Embark Coverage Map Across the Sunbelt Region

VISION MAP FUSION EXCELS IN SNOW TESTING



On-road Testing 60-Mile Round Trip Route



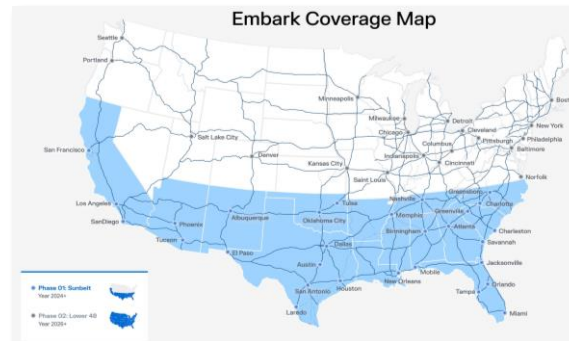
Proprietary Weather Model⁽¹⁾ 8 Billion Data Points Over 10 Years



On-road testing and weather analysis indicated that **VMF worked** within tolerance thresholds for **safe operation** in snowfall rates up to **one-sixth inch per hour** and with **snow accumulation of 1 inch on the road over 3 hours**

Adding Northern Lanes More Than Triples Total Servicable Market⁽²⁾

2026 Market Size: ~236 Billion+ Miles



Phase 2
~174 Billion+ Miles

Phase 1
~62B+ Miles

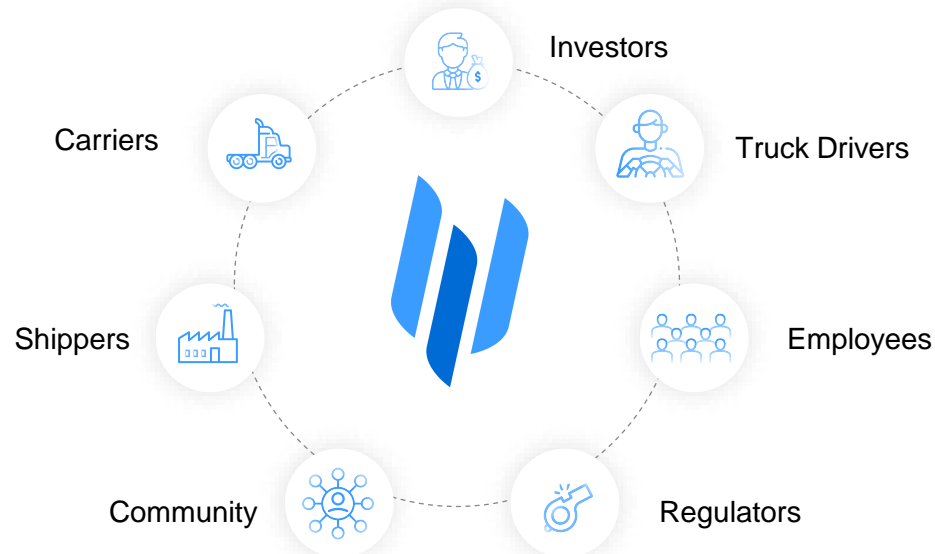
- (1) Embark developed a comprehensive weather model using over 8 billion historical weather data points dating back 10 years on all major US routes.
- (2) Analysis based on the Freight Analysis Framework, produced in partnership with the Bureau of Transportation Statistics and the Federal Highway Administration and additional data from the Bureau of Transportation Statistics Link: https://ops.fhwa.dot.gov/freight/freight_analysis/faf/

EMBARK ESG HIGHLIGHTS

Inaugural ESG report released on Earth Day

Environmental	<ul style="list-style-type: none">Working with fleet partners to help them comply with emissions standards like those announced in the EPA's Clean Trucks Plan
Social	<ul style="list-style-type: none">Mission to spearhead increased safety on public roadsEmbark-powered trucks have driven over one million real world miles without a Department of Transportation (DoT) reportable safety incident
Governance	<ul style="list-style-type: none">Re-emphasized commitment to diversity, equity, and inclusion (DEI), establishing a Company-level Objective & Key Result to prioritize DEI and promote diversity throughout the organization

Prioritizing ESG to Better Serve All Embark Constituents



ESG Report 2021

Embark Environmental, Social, and Governance Report



EMBARK COVERAGE MAP PROGRESS

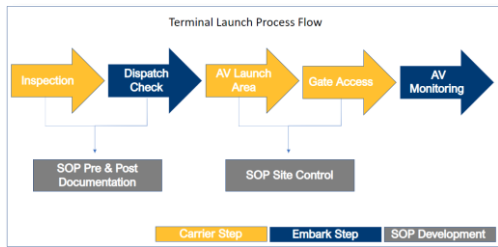
The Embark Coverage Map will be anchored by a set of Alterra-owned and Ryder-operated transfer points with high volume carrier and shipper facilities complementing these anchor sites in key markets to provide additional density and efficiency.

Anchor Transfer Points



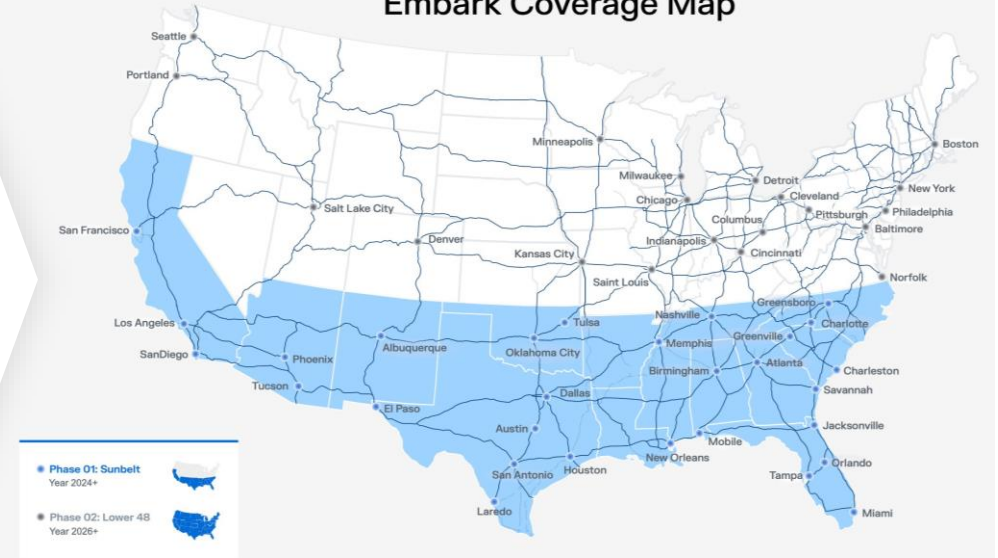
- Active search in multiple markets
- First Alterra acquisition underway
- Preliminary playbook developed
- First Ryder-operated site launching this week

Carrier and Shipper Facilities



- Preparing U.S. Xpress for efficient operation through use of terminals
- Terminal network analyzed and select set of markets prioritized
- Beginning SOP development process

Embark Coverage Map



EMBARK BY THE NUMBERS

Cash

2022E
Guidance

Employees

Q1 '22

\$244.5M

Q1 Cash Balance

\$125 – 140M

2022E Free Cash Flow
Spend⁽¹⁾

312

Employees⁽²⁾

\$18.4M

Q1 Net Operating Loss

\$19.9M

Q1 Free Cash
Flow Spend⁽¹⁾

\$70 - \$75M

2022E Stock-Based
Compensation Expense

246

R&D Employees⁽²⁾

\$23.1M

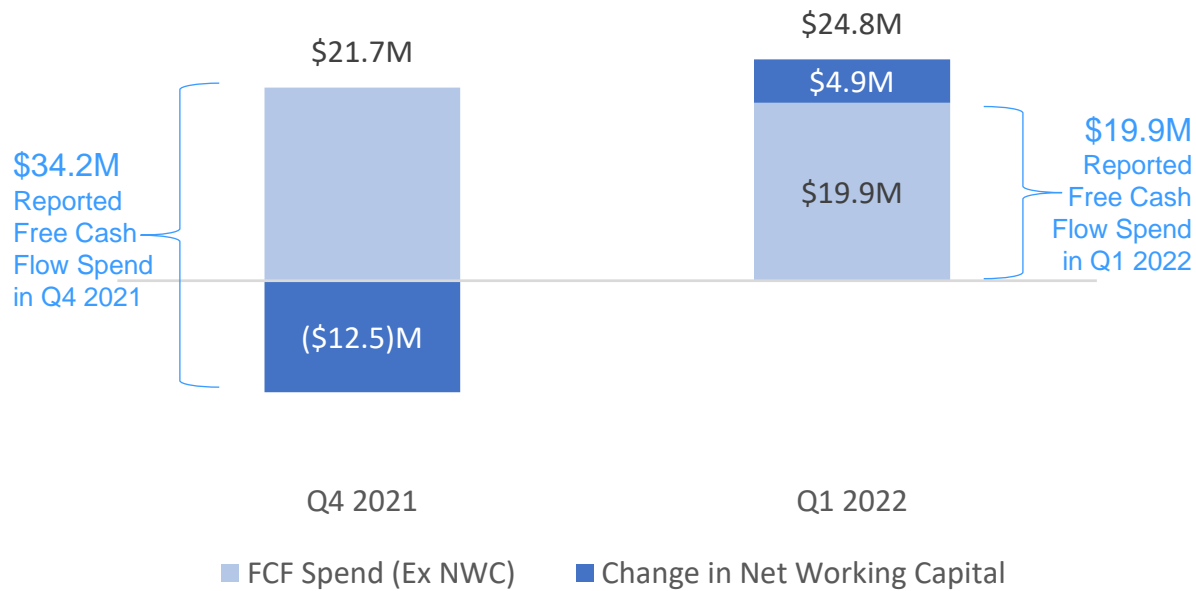
Q1 Adjusted EBITDA Loss

1) As defined in non-GAAP reconciliations on slide 15.

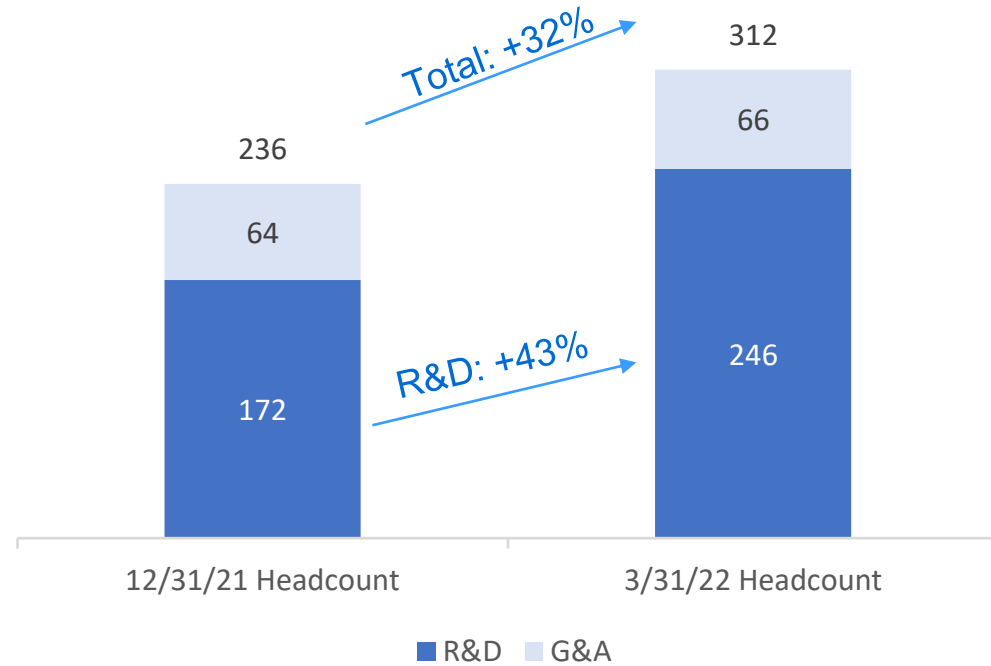
2) Employee count includes 8 contractors, 4 in R&D and 4 in G&A.

EMBARC HAS GROWN WHILE CONTINUING TO MANAGE FREE CASH FLOW SPEND

Free Cash Flow Spend Growth



Headcount Growth



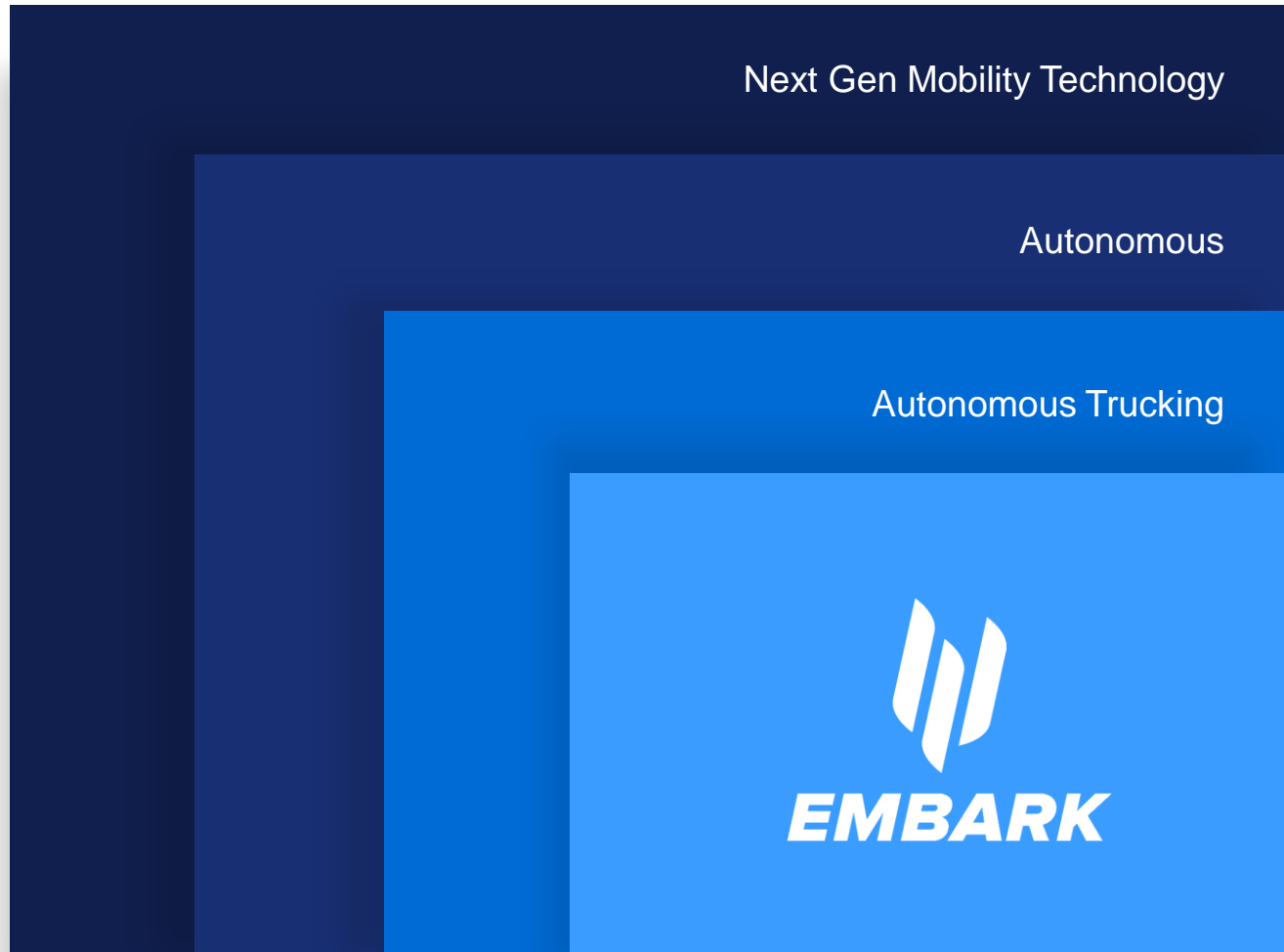
ANNOUNCING EMBARK DAY 2022

SEPTEMBER 20-21, 2022

LOCATION: SAN FRANCISCO, CA
AT OUR NEW, 50,000+ SQ FOOT
STATE-OF-THE-ART HEADQUARTERS




CONCLUDING REMARKS



Clear and Present
Market Opportunity
Today

Limited Players
Focused on Trucking

Attractive Financial
Profile

 **EMBARK** is an industry leader and
the longest running self-driving truck program

EMBARK

Appendix



NON-GAAP RECONCILIATION: ADJUSTED EBITDA

Embark Technology, Inc.
Reconciliation of Adjusted EBITDA
(in thousands)
(unaudited)

	Three Months Ended March 31,	
	2022	2021
Net loss	\$ (18,447)	\$ (8,482)
Interest income and expense, net	(8)	30
Depreciation and amortization	871	222
EBITDA	(17,584)	(8,230)
Stock-based compensation expense	16,602	562
Change in fair value of warrant liabilities	(22,156)	-
Adjusted EBITDA	\$ (23,138)	\$ (7,668)

NON-GAAP RECONCILIATION: FREE CASH FLOW SPEND

Embark Technology, Inc.
Free Cash Flow
(in thousands)
(unaudited)

	Three Months Ended	
	3/31/2022	12/31/2021
Net cash used in operating activities (GAAP)	\$ (18,225)	\$ (33,191)
Capital expenditures	(1,717)	(973)
Free cash flow (Non GAAP)	\$ (19,942)	\$ (34,164)

NON-GAAP RECONCILIATION: STOCK-BASED COMPENSATION

Embark Technology, Inc.
Stock-Based Compensation
(in thousands)
(unaudited)

	Three Months Ended	
	3/31/2022	12/31/2021
Reported stock-based compensation expense (GAAP)	\$ (16,602)	\$ (44,171)
Accrued bonus to be settled in stock	(1,186)	—
Transaction related stock-based expense	—	27,692
Adjusted stock-based compensation expense	\$ (17,788)	\$ (16,479)

EMBARK SHARE DETAIL

Share Type	Amount	Description
Class A ⁽¹⁾	362,832,724	Common stock – 1 vote per share
Class B	87,078,981	Common stock – 10 votes per share
Basic Shares Outstanding	449,911,705	
<u>Other Securities</u>		
Exercised / Vested, Not Issued Class A	4,060,340	Class A shares exercised or vested, but not yet issued as of 3/31/22
Private Warrants ⁽²⁾	8,686,667	Exercisable at \$11.50 per share for Class A shares
Public Warrants ⁽³⁾	14,466,599	Exercisable at \$11.50 per share for Class A shares
Options Outstanding ⁽⁴⁾	21,479,632	Weighted average exercise price of \$0.21
RSU Outstanding	9,317,225	Vests over four years
Performance Stock Units Outstanding	44,715,756	Performance based RSUs which begin to vest with EMBK trading at greater than \$20 per share ⁽⁵⁾
Common Stock Units Outstanding	1,347,848	Related to exercised warrants
Total Shares	553,985,772	

Note: All data as of 3/31/22 unless otherwise noted.

(1) As of May 4, 2022.

(2) Includes 2,000,000 Issuance of warrants upon conversion of convertible note.

(3) Includes 666,663 forward purchase agreements warrants.

(4) Of this amount, 15.3 million are vested and exercisable at \$0.13 as of 3/31/22.

(5) PSUs do not begin to vest until Embark's share price is at least \$20.00, with a vesting schedule comprised of six price-based increments up to \$100 per share.

 **EMBARK**
Thank You

