ARCHER AIR TAXI

MAJOR NEW COLLABORATIONS EN ROUTE TO UNVEILING IN 2021, PRODUCTION IN 2023, FLYING IN 2024

The mission of Archer Aviation—based in Palo Alto, California and led by co-founders and co-CEOs Brett Adcock and Adam Goldstein—is to advance the benefits of sustainable air mobility, moving people throughout the world's cities in a quick, safe, sustainable and cost-effective manner. The company is designing and developing electric vertical takeoff and landing (eVTOL) aircraft for use in the Urban Air Mobility (UAM) sector—a market Morgan Stanley estimates will be worth $1.5 trillion by 2040. Archer has recently secured several new relationship,s to move forward.

URBAN AIR MOBILITY PARTNERSHIP

In December 2020, LA Mayor Eric Garcetti announced formation of the Urban Air Mobility Partnership, a first-of-its-kind initiative in the US to make Los Angeles the unmistakable leader on Urban Air Mobility.

A collaboration between the Mayor's Office, the LA Department of Transportation (LADOT) and Urban Movement Labs (UML), the program will develop strategies for the integration of UAM into existing transportation networks and land use policies, to prioritize equity of access, connections to transit, purpose-driven data sharing, and local workforce development.

UML and the City of Los Angeles plan to collaborate to develop the design and access of "vertiports," a new piece of LA's transportation network accommodating urban air mobility aircraft.

STELLANTIS

Archer and Stellantis (then still Fiat Chrysler prior to the FCA-PSA merger) announced a definitive agreement in January to enable Archer to benefit from access to Stellantis's low-cost supply chain, advanced composite material capabilities and engineering and design experience.

Archer will manufacture high-volume, composite, eVTOL) aircraft, with the intent of starting production in 2023. Stellantis, parent company of established vehicle brands including Chrysler, Dodge, Jeep and Ram, has already collaborated on cockpit design elements of Archer's first aircraft, is expected to be unveiled in 2021. The 100 percent electric aircraft will be capable of carrying passengers for distances of up to 60 miles at 150 mph. Through this announced collaboration, the companies will work together to significantly decrease the cost of production, enabling Archer to bring affordably priced service to customers via its ultra-quiet, high-performance eVTOL aircraft.

ATLAS CREST INVESTMENT CORP.

In early February, Archer and special purpose acquisition company Atlas Crest Investment Corp. (ACIC) announced a definitive agreement for a business combination that would result in Archer becoming a publicly listed company. It is anticipated that the post-closing company, Archer, will be listed on the NYSE with ticker symbol ACHR.

Archer originally launched with an initial investment from serial entrepreneur Marc Lore. Lore has remained a trusted advisor to the team and played a pivotal role leading up to this announcement.

The transaction values the combined company at an implied $3.8 billion pro forma equity value at the $10.00 per share PIPE price. The combined company is expected to receive approximately $1.1 billion of gross proceeds from a fully committed common stock PIPE offering of $600 million, along with approximately $500 million cash held in trust, assuming minimal redemptions of Atlas Crest's existing public stockholders.

UNITED AIRLINES

Also in early February, United Airlines announced an agreement to invest in Archer as part of the airline's broader effort to partner with leading technology companies to decarbonize air travel. Under the terms of the agreement, United has placed an order, subject to their business and operating requirements, for $1 billion of Archer's aircraft, with an additional $500 million option. In partnership with commuter operator Mesa Airlines, United could give customers a quick, economic and low-emission connection to its major hubs by 2024.

The agreement provides for close coordination between United and Archer in a commercialization approach emphasizing existing technology and elegant design to facilitate regulatory approvals and efficient manufacturing, for a luxury experience at a scaled, low delivered cost point. United estimates that using one of Archer's eVTOL aircraft could reduce CO2 emissions by up to 50 percent per passenger on a trip between Hollywood and Los Angeles International Airport (LAX), one of the first cities in which Archer plans to launch their fleet and one of United's largest hubs.

LOS ANGELES AND MIAMI NETWORKS

In late February and early March, Archer announced they will launch Urban Air Mobility (UAM) networks in Los Angeles and Miami by 2024. As a demonstration of its commitment, Archer is supporting efforts to educate the regions' residents about the new transportation technology, engaging and empowering them to shape their areas' future transportation. www.archer.com ■