



## Faraday Future Announces its Second Brand, Faraday X (FX), and Two Planned New Products Expected to be Priced between \$20,000 and \$50,000, Signed Strategic Framework Agreements or MOUs with Four OEMs to Fully Promote Range Extended AIEV in the U.S.

Sep 20, 2024

- Company outlines its second brand, Faraday X (FX), and its launch plan for the first batch of planned products, innovative ways in creating AIEV (Artificial Intelligence Electric Vehicle) products with “twice the performance at half the price” for users, and its aspiration to become the Toyota of the AIEV era.
- The first new FX models, which we refer to as the FX 5 (expected price range of \$20,000-\$30,000) and FX 6 (expected price range of \$30,000-\$50,000), are expected to offer two types of powertrains: range-extended AIEV and battery-electric AIEV, and will target start of production by the end of 2025, subject to securing necessary funding.
- The Company has established relationships with four Chinese OEMs, having already entered into two strategic framework agreements and two memoranda of understanding, and is working toward finalizing definitive agreements with each.
- The Company will focus on five key initiatives: Open-Source and Open-Platform, User-Definition, Co-creation and Sharing; Creating the new category: RE-AIEV; Global Auto Industry Bridge Strategy; Leveraging FF’s Legacy to Empower FX; and the Light and Swift, Premium Quality. With this approach, we’re inviting our users to participate throughout the entire lifecycle of FX products.
- The Company’s recent “Everyone’s AIEV, You Decide” survey suggests there is high demand for high-performance, intelligent, cost-effective B-AIEV and RE-AIEV products for the U.S. market, which presents a historic opportunity for the U.S. AIEV industry.

LOS ANGELES--(BUSINESS WIRE)--Sep. 20, 2024-- Faraday Future Intelligent Electric Inc. (Nasdaq: FFIE) (“FF”, “Faraday Future”, or “Company”), a California-based global shared intelligent electric mobility ecosystem company, announced today that it will launch its second brand, Faraday X (or “FX” for short), which will be an integral part of FF’s overall growth strategy, and is part of the Company’s Global Automotive Industry Bridge Strategy.

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20240919543088/en/>



YT Jia, FF Founder and Chief Product and User Ecosystem Officer, outlines the Company’s second brand, Faraday X (FX), and its launch plan for the first batch of planned AIEV (Artificial Intelligence Electric Vehicle) products. (Photo: Business Wire)

The brand slogan for Faraday X is: Co-create, an AIEV for Everyone. Through FX’s five initiatives such as Open-Source, Open-Platform, User-Definition, Co-Creation, and Sharing, the Company will empower a \$30,000 FX model with core technologies used in the \$300,000 FF

91. Our goal is to develop hit AIEVs that make the Ultimate AI TechLuxury accessible, delivering products with Twice the Performance at Half the Price, and make them affordable for everyone, and aspire to become the Toyota of the AIEV era.

Additionally, FX expects to launch the first two planned products under the FX brand, the FX 5 and FX 6, through a user-defined co-creation process, with expected price ranges of \$20,000 to \$30,000 and \$30,000 to \$50,000, respectively.

This new brand approach by FF aims to integrate global automotive components and supply chains into the U.S., energizing the U.S. B-AIEV and RE-AIEV. While the existing FF 91 2.0 series products target the ultimate AI TechLuxury market, the second brand (FX) is aimed at the mass market. The Company has established relationships with four Chinese OEMs, having already entered into two strategic framework agreements and two memoranda of understanding, and is working toward finalizing definitive agreements with each to fully promote Range Extended AIEV in the U.S.

What’s more, FF and FX have the potential to mutually empower each other, creating a complete AIEV ecosystem covering both ultra luxury and mass markets. FF’s 6x4 product and technical architecture, domestic manufacturing experience, and brand strength are assets that the second brand can inherit. Meanwhile, the FX brand’s large-scale sales potential can feed back into FF, significantly enhancing FF’s technical, manufacturing, supply chain, and user ecosystem capabilities, and helping FF reduce costs and improve efficiency.

“The core logic of FF’s second brand and bridge strategy is to create an industrial bridge, fostering close collaboration within the global supply chain to develop high-performance, cost-effective B-AIEV and RE-AIEV products for the U.S. market,” said Matthias Aydt, Global CEO of FF. “Looking ahead, I am excited about our future. With our talented team, I am confident in our ability to achieve our upcoming goals.”

The Company also announced the results of the first phase of the online survey, “Everyone’s AIEV, You Decide,” which revealed strong demand in the U.S. market for high-performance, cost-effective B-AIEV and RE-AIEV vehicles. The Company will launch the second phase of the online survey while also organizing an FX logo design competition and releasing an online survey regarding whether to change the Company’s stock symbol from FFIE to FFAI.

### FX Product Strategy and Initial Models

Through the recent user survey FF conducted, the Company confirmed a few key pain points for U.S. users when purchasing electric vehicles:

*High vehicle costs:* EVs today are priced significantly higher than traditional vehicles, making them less accessible to the broader market.

*Range anxiety:* Users worry about limited driving ranges, especially with the current lack of fast-charging infrastructure.

*Smart cabin experience:* Current market offerings don't meet users' expectations for personalized, AI-driven cabins.

*Limited choice of autonomous driving solutions:* Most brands are behind in providing a reliable, consistent self-driving experience.

The FX brand is committed to addressing these challenges with innovative solutions that make AI-EVs accessible to the mass market. To address range anxiety, FX plans to create a RE-AIEV – a range-extended electric vehicle that combines an electric drive system with a range extender, giving users the confidence to travel longer distances. FX vehicles will offer a 3rd aiSpace, an AI-powered, personalized smart cabin that transforms the in-car experience, integrating users' digital lives into their driving.

FX plans to launch two models in the first phase, including the FX 5, a large-space sporty AIEV priced between \$20,000 and \$30,000, targeting the mainstream market. The product slogan for the FX 5 is Co-create Your AIEV with Extreme Price-Experience Ratio, aimed at becoming the first AIEV for every hardworking person, helping them balance both work and life.

And the second vehicle is FX 6, priced between \$30,000 and \$50,000—an extra-large, Luxury AIEV for Family. The product slogan for the FX 6 is Co-create Your AI Home on the Road, designed to be the top choice for families seeking a mobile AI space, offering the perfect blend of personal and family needs.

The FX 5 and FX 6 models are anticipated to offer two types of powertrains: range-extended AIEV and battery-electric AIEV. Subject to securing necessary funding, FX is targeting the end of 2025 for the first vehicle to roll off the line, and together with potential partners, the Company will work tirelessly to achieve this goal.

FX intends to introduce an innovative approach with light assets, light marketing, light sales and co-creation. This includes building a fully online direct sales ecosystem that includes user acquisition and user management. FX's goal is to transform product hits into sales successes.

"At FX, we are committed to providing affordable, high-performance electric vehicles that meet the evolving demands of today's users. With cutting-edge technology, intelligent cabin experience, and a strong execution strategy, we're poised to lead the way in the AI EV market," said YT Jia, FF Founder and Chief Product and User Ecosystem Officer. "We believe that the FX brand and its products will deliver immense value to a new demographic of users for our brand."

### **Five Key FX Initiatives and Survey Results**

The FX product definition anchors on five key initiatives: (1) Open-Source and Open-Platform, User-Definition, Co-creation and Sharing; (2) Global Automotive Industry Bridge Strategy; (3) Creating a new automobile category: RE-AIEV; (4) Leveraging FF's Legacy to Empower FX; and (5) the Light and Swift, Premium Quality.

With this approach, FF is inviting users to participate throughout the entire lifecycle of Faraday X products. Together, it will create a product that belongs to everyone, defined and owned by everyone. We hope to co-create an AIEV with an exceptional price-performance ratio through light capital, light assets, light sales, and light marketing, with fast decision-making, rapid execution, quick mass production, and swift iteration, sharing the fruits of the Faraday X brand and product value.

FF also recently launched a pre-event survey for the second brand, titled "Everyone's AIEV, You Decide," with the first phase already successfully concluded and received nearly 10,000 responses. User feedback suggests that the U.S. EV industry is lagging in several areas, including extremely low market penetration for new energy vehicles, slow development of supporting infrastructure like charging stations, a lack of a complete domestic supply chain, limited product variety, high prices, insufficient market competition, and inadequate government support.

From an industry opportunity perspective, the U.S. AIEV mass market is a vast blue ocean, meaning there is ample opportunity for the right products and the RE-AIEV (Range Extended AIEV) market is almost untapped. Although the U.S. is the birthplace of the global EV industry, its new energy vehicles' penetration rate is only around 18%, compared to China's 53% showing that there is plenty of opportunity for Faraday X to break into the market.

### **FX Brand Interpretation**

The brand slogan for Faraday X is: Co-create, an AIEV for Everyone. The inspiration for the FX brand is deeply rooted in FF's unique genes, and it also perfectly reflects the logic of the math function,  $y = f(x)$ , where  $x$  is the independent variable,  $f$  represents the corresponding rules, and  $y$  represents the final outcome.

For the FX brand,  $X$  represents our users, partners, the industry, and all the more limitless possibilities.  $F$  not only stands for FF, but also for the mutually empowering, open-source collaboration between FF and the " $X$ " as we co-create value. This synergy between  $F$  and  $X$  will bring out phenomenal products, generating rewards that everyone can share.

FX's target audience is born for those that work hard, value their time and love their life. FX hopes to make it possible for everyone to own an AIEV with an extreme price-experience ratio, achieving AI equality and time equality. In this way, FX helps ensure that everyone, when travelling from point A to point B, can enjoy the same luxurious AI experience. At the same time, FX helps users balance family and personal life, as well as work and leisure.

The investor presentation and a replay of the webcast related to the FX brand will be posted on our website at <https://investors.ff.com/events-and-presentations> and the replay of the webcast will be available until September 18, 2025.

### **ABOUT FARADAY FUTURE**

Faraday Future is the pioneer of the Ultimate AI TechLuxury ultra spire market in the intelligent EV era, and the disruptor of the traditional ultra-luxury

car civilization epitomized by Ferrari and Maybach. FF is not just an EV Company, but also a software-driven intelligent internet Company. Ultimately FF aims to become a User Company by offering a shared intelligent mobility ecosystem. FF remains dedicated to advancing electric vehicle technology to meet the evolving needs and preferences of users worldwide, driven by a pursuit of intelligent and AI-driven mobility.

## **FORWARD LOOKING STATEMENTS**

This press release includes “forward looking statements” within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. When used in this press release, the words “estimates,” “projected,” “expects,” “anticipates,” “forecasts,” “plans,” “intends,” “believes,” “seeks,” “may,” “will,” “should,” “future,” “propose” and variations of these words or similar expressions (or the negative versions of such words or expressions) are intended to identify forward-looking statements. These forward-looking statements, which include statements regarding a second brand (FX), are not guarantees of future performance, conditions or results, and involve a number of known and unknown risks, uncertainties, assumptions and other important factors, many of which are outside the Company’s control, that could cause actual results or outcomes to differ materially from those discussed in the forward-looking statements.

Important factors, among others, that may affect actual results or outcomes include, among others: the Company’s ability to secure the necessary funding to execute on the FX strategy, which will be substantial; the Company’s Global Automotive Industry Bridge Strategy, which is subject to numerous risks and uncertainties; the Company’s ability to continue as a going concern and improve its liquidity and financial position; the Company’s ability to pay its outstanding obligations; the Company’s ability to remediate its material weaknesses in internal control over financial reporting and the risks related to the restatement of previously issued consolidated financial statements; the Company’s limited operating history and the significant barriers to growth it faces; the Company’s history of losses and expectation of continued losses; the success of the Company’s payroll expense reduction plan; the Company’s ability to execute on its plans to develop and market its vehicles and the timing of these development programs; the Company’s estimates of the size of the markets for its vehicles and cost to bring those vehicles to market; the rate and degree of market acceptance of the Company’s vehicles; the Company’s ability to cover future warranty claims; the success of other competing manufacturers; the performance and security of the Company’s vehicles; current and potential litigation involving the Company; the Company’s ability to receive funds from, satisfy the conditions precedent of and close on the various financings described elsewhere by the Company; the result of future financing efforts, the failure of any of which could result in the Company seeking protection under the Bankruptcy Code; the Company’s indebtedness; the Company’s ability to cover future warranty claims; the Company’s ability to use its “at-the-market” program; insurance coverage; general economic and market conditions impacting demand for the Company’s products; potential negative impacts of a reverse stock split; potential cost, headcount and salary reduction actions may not be sufficient or may not achieve their expected results; circumstances outside of the Company’s control, such as natural disasters, climate change, health epidemics and pandemics, terrorist attacks, and civil unrest; risks related to the Company’s operations in China; the success of the Company’s remedial measures taken in response to the Special Committee findings; the Company’s dependence on its suppliers and contract manufacturer; the Company’s ability to develop and protect its technologies; the Company’s ability to protect against cybersecurity risks; and the ability of the Company to attract and retain employees, any adverse developments in existing legal proceedings or the initiation of new legal proceedings, and volatility of the Company’s stock price. You should carefully consider the foregoing factors and the other risks and uncertainties described in the “Risk Factors” section of the Company’s Form 10-K filed with the SEC on May 28, 2024, as amended on May 30, 2024, and June 24, 2024, as updated by the “Risk Factors” section of the Company’s first quarter 2024 Form 10-Q filed with the SEC on July 30, 2024, and other documents filed by the Company from time to time with the SEC.

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