

REE AUTOMOTIVE LTD.

Condensed Consolidated Statements of Operations

U.S. dollars in thousands (except share and per share data)

(Unaudited)

	Three Months Ended			Six Months Ended	
	June 30, 2022	March 31, 2022 ⁽²⁾	June 30, 2021	June 30, 2022	June 30, 2021
Revenues	—	—	—	—	6
Cost of sales	9	538	4	547	15
Gross loss	(9)	(538)	(4)	(547)	(9)
Operating expenses:					
Research and development expenses, net	18,080	20,843	9,545	38,923	16,694
Selling, general and administrative expenses	11,330	15,288	21,590	26,618	27,038
Total operating expenses	29,410	36,131	31,135	65,541	43,732
Operating loss	(29,419)	(36,669)	(31,139)	(66,088)	(43,741)
(Income) loss from warrants remeasurement	(2,417)	(15,330)	—	(17,747)	—
Financial income, net	(2,373)	(472)	(8)	(2,845)	(12)
Net loss before income tax	(24,629)	(20,867)	(31,131)	(45,496)	(43,729)
Income tax expense	619	594	45	1,213	45
Net loss	(25,248)	(21,461)	(31,176)	(46,709)	(43,774)
Net comprehensive loss	(25,248)	(21,461)	(31,176)	(46,709)	(43,774)
Basic and diluted net loss per Class A ordinary share	(0.09)	(0.07)	(0.16)	(0.16)	(0.22)
Weighted average number of ordinary shares and preferred shares used in computing basic and diluted net loss per share ⁽¹⁾	292,189,047	289,747,646	198,999,979	290,975,091	196,367,365

(1) Prior period results have been retroactively adjusted to reflect the 1:26.7017 stock split and the changes in par value from 0.01 NIS to no par value effected on July 22, 2021.

(2) Prior period results in our Statement of comprehensive loss for the three month period ended March 31, 2022 related to "research and development expenses, net", have been reduced by approximately \$1.5 million. This adjustment was to correct our accrual for non-recurring engineering projects.