WORKHORSE

*November 16, 2026*

# Dear Workhorse Shareholders,



**Scott Griffith**
CEO, Workhorse Group

Eleven months after our merger closed, the 'New Workhorse' is delivering on the plans we announced at the time. Our commercial vehicle business is ending the year on a strong note with record truck deliveries expected in Q4. Our merger integration is substantially complete, and we have landed our first strategic partner for our new modular data center product line called TerraPod™.

As we progress from early 2026 to the last part of the year, we are transitioning from a period focused on post-merger integration and longer-term strategy development to one that we believe will be defined by operational excellence, growth and strategic partnership development.

Our ambition is to become an American industrial technology company and as we do that, we believe we are positioned to play important roles in the transformation of two major industries, transportation and AI infrastructure. The foundational expertise we have built in industrial design, software, electrical, and mechanical engineering, testing, validation, global supply chain and manufacturing applies to both.

In this letter, I'll update you on merger integration, our production ramp and demand outlook, our plans to grow market share in 2027, and our entry into the modular AI infrastructure segment through a partnership with RHAELM. I hope you will be as excited and optimistic about Workhorse as I am after reading it.

**Delivering on Our Integration Plan and Moving to Growth Mode**

Our merger integration is on track and nearly complete across all priorities, including governance and reporting, enterprise systems, office locations, talent, strategy development, and management structure. In a very short time period, the integrated Workhorse team has handled the logistical and technical challenges while increasing deliveries every quarter and setting the stage to launch an entirely new product line. All of this progress has put us on track to exit 2026 at or above our previously communicated $20 million annualized cost synergy run rate.

The benefits go beyond cost. By consolidating teams and facilities and standardizing our enterprise systems, we have aligned the company with our New Workhorse strategy and prepared the company for growth.

**Production Ramp & Demand Outlook**

The medium-duty commercial truck market remains an important beachhead for vehicle electrification. Electric trucks make the most sense in depot-based, mid- to last-mile delivery, select municipal uses like people movers, and port and yard applications. Electric powertrains work well in these applications because they are typically defined by fixed routes, usually under 150 miles a day, where vehicles return to base each night for cost-effective overnight charging. Our own experience as a fleet manager bears this out. Using full 2025 actual data, our Stables by Workhorse delivery business saved 43 cents per mile by using electric trucks, based on fuel savings alone. At today's prices that advantage grows to 56 cents per mile.[1]

That economic advantage of electric trucks is showing up in demand. This year we announced a follow-on order from Purolator, a leading Canadian integrated freight, package, and logistics solutions provider, their fourth overall order from us. We also announced a follow-on order from Gateway Fleets, which delivers commercial fleet electrification as one end-to-end system, combining vehicles, charging, and infrastructure to simplify deployment and keep operations running. In October, we announced a partnership with our first Canadian dealership, Tristan Fleet Management.

We're seeing this trend toward the adoption of commercial electric trucks more broadly. Amazon is operating electric last-mile vans at scale with Rivian, FedEx just ordered 2,000 electric trucks and they are rolling out charging infrastructure expansion as they execute their 'FedEx Network 2.0' vision, and Tesla is producing and selling electric Semis to fleets like Pepsi, Microsoft, IMC Logistics and others. We remain bullish on the market for electric commercial vehicles and on our ability to capture a meaningful share of it in North America.

In the third quarter we delivered 39 vehicles and we expect deliveries to increase meaningfully again in the fourth quarter, including a Company-record number of W56 electric step vans, as we continue to ramp production at Union City. That ramp supports our FedEx ISP, Purolator and Gateway orders, with deployments under Gateway's new 200-unit order expected to begin in the second half of 2027.

**Expanding Our Product Portfolio & Growing Share in 2027**

We're making progress, however, there is still more to do to accelerate large-scale adoption of commercial electric trucks. We need to keep improving our purchase prices relative to gas and diesel trucks; work with partners to ease the complexity of adoption and reduce the CapEx

needed to install and expand depot charging; and expand financing alternatives as large commercial operators move from smaller scale test fleets to fully integrated electric vehicle operations. Our partnership with Gateway shows progress on the last two points, offering zero up-front vehicle cost and a single all-inclusive lease that covers both the vehicle and charging.

We compete for market share mainly among trucks manufactured to replace the annual turnover of aging ICE trucks in large commercial fleets. With electric operating costs – often referred to as Total Cost of Ownership or TCO - increasingly proven to be a fraction of the cost of operating ICE-powered trucks, we believe the most effective way to gain share is to reduce the cost of building electric trucks and pass the savings on to fleet buyers who are ready to make the transition. That is why reducing our bill of materials ("BOM") costs is central to our plans.

Our planned new modular chassis and next-generation powertrain are the core of that effort. The architecture will incorporate highly flexible wheelbase configurations, advanced battery and axle technologies, next-generation software and an integrated smart power electronics hub. This chassis will be combined with our step van body and also paired with a low-cost Class 5/6 cab to create a lightweight cab chassis platform optimized for efficient upfitting by body builders. This is an important development for us. According to S&P Global data, about 94% of the Class 5-6 Medium Duty Market is made up of Cab Chassis configurations and valued at approximately $14.5 billion.[2]

We expect the resulting products to deliver more payload capacity, faster time to market for vocational applications and, most importantly, a significantly more competitive price compared with gas and diesel across a wide range of use cases. We believe this positions Workhorse to capture a much larger share of the $23 billion medium-duty market.[3]

We expect our engineering, manufacturing and supply chain efficiency strategies to begin delivering BOM savings in 2027. We believe the design, engineering and manufacturing changes for our next generation modular chassis platform will further reduce BOM costs, and we anticipate bringing this new, and even lower cost, chassis to market in our 2028 model year.

**Entering the Modular AI Infrastructure Market with RHAELM**

Launching a new line of business was not among the priorities we announced at the merger close. However, with TerraPod, our modular data center platform, we are seizing what we believe is a historic opportunity to drive new and profitable growth by filling a growing need in AI infrastructure that draws on both our engineering capabilities and our manufacturing operations. Demand for AI compute is growing faster than traditional data centers can be built, and the rapid growth of the modular and edge infrastructure ecosystem, and the actions of our own customer RHAELM, point to what we believe will be a period of major growth.

We believe the industry is moving toward modular for four reasons:

- Proximity to power: Power availability is a defining constraint on how fast AI plans can become operational, and a smaller footprint can adopt a range of power sources, like solar, wind, and natural gas, helps close that gap.
- Location flexibility and security: Units can sit closer to where compute is needed, and smaller, distributed sites are easier to secure.
- Standardization: NVIDIA's DSX POD reference design for Vera Rubin AI factories built in modular containers is meant to make construction faster and more uniform.
- Speed: Smaller sites can address permitting issues related to large developments. Sites can begin computing with modular units as they are installed, even while the rest of the site is still being built.

TerraPod is being designed to align with industry reference designs. Workhorse develops and manufactures the integrated containerized platform, while our partners lead the compute stack, site development and customer deployment. Systems will be built on a production line rather than a construction site, so we believe they can likely be put into commercial use far faster than conventional facilities, and we believe the modular approach can help address community concerns about size, electricity rates and water use.

On October 29, we announced a foundational partnership with RHAELM, a UK-based developer of vertically integrated AI infrastructure, to jointly commercialize TerraPod. It pairs our U.S. engineering and manufacturing capabilities with RHAELM's global energy partnerships and AI customer relationships, and we have structured it in three phases. In phase one, under a Manufacturing Spec Unit Purchase Agreement, RHAELM will pay us $10 million to build a full-scale TerraPod manufacturing spec unit at Union City.

In phase two, we are targeting execution of a definitive Supply Agreement by December 31, 2026. Under the contemplated framework, the Supply Agreement would allow for expanded joint engineering efforts, a structure for milestone-based prepayments toward a first order, and a U.S. right of first refusal giving us the opportunity to supply modular data center units for all future RHAELM projects in the United States.

In phase three, once the Supply Agreement is signed and RHAELM accepts the co-developed platform, RHAELM would place an initial order for production of 150 TerraPod systems, subject to definitive documentation and required internal approvals. We believe TerraPod production can begin in 2028.

**Where We Stand**

In summary, the 'New Workhorse' is delivering. Our integration is substantially complete, our commercial

vehicle business has grown deliveries every quarter and has a company-record number of electric step vans to build, and in modular data centers we have a signed agreement for a spec unit and are working to execute a supply agreement with a defined path to a first order. We believe Workhorse is approaching an inflection point. Our Union City plant can build more than 5,000 trucks a year on a single shift, well above today's volumes, and it is the site from which we plan to launch initial TerraPod production.

We believe we are ready for growth because we have the right pieces in place:

- An experienced senior leadership team
- Momentum in our commercial vehicle business
- A foundational go-to-market partner in our modular AI infrastructure business, with a $10 million Manufacturing Spec Unit agreement in place
- Engineering, manufacturing and supply chain efficiency strategies that are showing initial results, with initial impact expected in 2027
- A manufacturing facility already in place and capable of meeting near- and long-term demand

I'm looking forward to a strong finish to 2026, and to sharing our 2027 developments and milestones with you on our next call. I appreciate your continued support and look forward to updating you on our progress in the months ahead.

**You can always count on a Workhorse.**

Sincerely,

Scott Griffith
Chief Executive Officer, Workhorse Group, Inc.



1. Using average fuel prices in Ohio as of November 6, 2026
2. S&P Global Mobility for the NTEA US Commercial Vehicle Market Report
3. Represents annual forecast of vehicle registrations as of Q1 2026 per S&P Global Mobility for the NTEA US Commercial Vehicle Market Report, multiplied by an assumed $100,000 value per ICE truck and $250,000 per electric truck

**Forward-Looking Statements**
This letter contains "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. All statements contained in this press release that are not historical facts, including statements regarding future events, plans and anticipated results of operations, business strategies, the anticipated benefits of the Motiv/Workhorse merger, the anticipated impact of the Workhorse/Motiv merger on the combined company's business and future financial and operating results, the expected amount and timing of synergies from the Workhorse/Motiv merger, Workhorse's ability to achieve profitability, Workhorse's sales integration and pipeline, Workhorse's access to new and additional capital to fund operations and product development and fulfill orders, including its capital formation efforts, Workhorse's expected delivery of contracted vehicle orders and pipeline growth, Workhorse's product development plans, including chassis development and the new modular chassis and next-generation powertrain, Workhorse's BOM reduction efforts, Workhorse's increased truck production ramp, Workhorse's new TerraPod product line, Workhorse's partnership with RHAELM, including the milestones under the manufacturing spec agreement, the companies' planned entry into a supply agreement and RHAELM's contemplated initial order, the market for modular data centers and edge computing, Workhorse's go-to-market approach for TerraPod', the expected date for initial production and delivery of TerraPod's, Workhorse's ability to leverage existing capabilities in developing the TerraPod product line, the potential for revenue from the new product line to enable Workhorse to continue its cost reduction efforts for its electric trucks and other statements regarding Workhorse's achievement of its priorities and its other plans, objectives, expectations, business strategies, future operations, financial performance, prospects, and other future events or developments and other statements regarding the Company's anticipated or planned operations, are forward-looking statements. Some of these statements may be identified by the use of the words "plans", "expects" or "does not expect", "estimated", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", "targets", "projects", "contemplates", "predicts", "potential", "continue", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "should", "might", "will" or "will be taken", "occur" or "be achieved".

Forward-looking statements are based on management's current expectations, assumptions, and estimates as of the date of this press release and are subject to numerous known and unknown risks, uncertainties, and other factors that could cause actual results, performance or achievements to differ materially from those expressed or implied by such statements. Factors that could cause actual results to differ include, among others, our ability to raise capital to fund our operations and to maintain access to our current debt facilities; our ability to achieve the expected synergies and/or efficiencies from our operations and as a result of the Motiv/Workhorse merger; our ability to reduce the cost to build our vehicles; our ability to deliver vehicles as contracted and to ramp production; our ability to further develop and bring to market new products as planned, including the TerraPod platform, chassis and cab development, including the new modular chassis and next-generation powertrain; risks related to our commercial partnership with RHAELM, including risks related to the manufacturing spec agreement and to the negotiation, execution and timing of a definitive supply agreement and the contemplated conditional initial purchase order thereunder; additional costs that may be incurred in connection with the development of the TerraPod product line; the potential for distraction resulting from our efforts to develop the new TerraPod product line; risks related to the modular AI computing market and the AI and data center markets general; the risk that the price of our securities may be volatile due to a variety of factors; changes in laws, regulations, technologies, the global supply chain, and macro-economic and social environments affecting our business, including demand for electric trucks and our cost of production; our status as a controlled company; and our ability to maintain compliance with Nasdaq rules and otherwise maintain our listing of securities on Nasdaq.

Additional information on these and other factors that may cause actual results and Workhorse's performance to differ materially is included in Workhorse's periodic reports filed with the SEC, including, but not limited to, Workhorse's Annual Report on Form 10-K for the year ended December 31, 2025, including those factors described under the heading "Risk Factors" therein, and Workhorse's subsequent periodic reports. Copies of Workhorse's filings with the SEC are available publicly on the SEC's website at www.sec.gov or may be obtained by contacting Workhorse. Should one or more of these risks or uncertainties materialize, or should any of our assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. Readers are cautioned not to place undue reliance upon any forward-looking statements, which speak only as of the date made. These forward-looking statements are made only as of the date hereof, and Workhorse undertakes no obligations to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

* Note on Financial Statement Presentation

On December 15, 2025, we completed our merger with Motiv. While the legal acquirer in the merger was Workhorse, for financial accounting and reporting purposes under U.S. GAAP, Motiv was the accounting acquirer, and the Merger was accounted for as a reverse acquisition. Accordingly, the consolidated assets, liabilities and results of operations of Motiv became the historical consolidated financial statements of the consolidated company, and Workhorse's assets, liabilities and results of operations were consolidated with those of Motiv beginning on December 15, 2025. As a result, comparative third quarter and nine-month 2025 financial information reflects only Motiv and is not directly comparable to the combined company results for the third quarter and nine months of 2026.