

March 18, 2024



# Canoo's Oklahoma City Manufacturing Facility Approved as Foreign Trade Zone

**Approval supports American advanced manufacturing, jobs, and delivers up to \$70 million in estimated vehicle cost savings and duty deferrals in 2024 and 2025**

Justin, TX, March 18, 2024 (GLOBE NEWSWIRE) -- [Canoo Inc.](#) (NASDAQ: [GOEV](#)), a leading high-tech advanced mobility company, announced that the U.S. Department of Commerce has approved its Oklahoma City facility as a Foreign Trade Zone (FTZ). The approval marks a significant milestone that will accelerate Canoo's Made in America electric vehicle manufacturing strategy, improve unit profitability and enable a faster path to breakeven.

Canoo's Oklahoma City facility currently employs more than 100 workers and will support as many as 1,100 good-paying manufacturing jobs at full capacity. FTZ designation allows for the elimination of all customs duties on vehicles sold to customers overseas and for deferral of customs duties on imported parts used in vehicles sold domestically. The company proudly sources more than 90% of its parts from the U.S. and allied nations. Approximately 70% of parts come from North America, and the remaining from the rest of the world.

For international sales, the FTZ will significantly enhance profitability by lowering the vehicle cost by up to 5% on parts imported from the rest of the world. This cost reduction will occur when these Made-in-America vehicles are exported to international markets, which we plan to announce in the near future. For domestic sales, the FTZ designation improves working capital by millions of dollars by deferring customs, duties and tariffs related to imports from the time of port-of-entry of the parts until the vehicle is delivered to its customers. Furthermore, Canoo anticipates additional cost savings and benefits through a simplified customs process, a streamlined supply chain, and overall enhancements to its site security.

"We are proud to announce that we have achieved another important building block in our strategy by creating one of the largest Foreign Trade Zones in the State of Oklahoma. This FTZ will generate economic growth, American jobs, and have a long-term permanent financial benefit to working capital and cost of materials. We want to say a big thank you to the US Department of Commerce, the Port Authority of the Greater Oklahoma City Area, our team, and all our supporters and partners, for guiding us to this important accomplishment" said Tony Aquila, Investor, Executive Chairman, and CEO of Canoo. "We are committed to expanding our 125-acre manufacturing site as a preferred location to bring more of our supply partners closer to us in the state. This strategic expansion is in the heartland of America, directly on I-40 in Oklahoma City, one of the most important and efficient routes for transporting products across the country. This initiative helps bring back American

manufacturing by creating, restoring, growing and protecting 'Made-in-America' products and advanced manufacturing jobs."

The company continues to pursue approval for its remaining manufacturing facilities in Oklahoma and, if approved, the Canoo FTZ's are expected to be one of the largest in Oklahoma. Canoo's manufacturing footprint will create high-paying direct and indirect jobs and expand the advanced manufacturing sector in the heartland of America. Canoo's manufacturing strategy includes ownership of the supply chain where parts are purchased and delivered into Canoo's manufacturing facilities unlike some other companies that outsource their supply chain, logistics, and manufacturing to third parties.

## **About Canoo**

Canoo Inc.'s (NASDAQ: [GOEV](#)) mission is to bring EVs to Everyone. The company has developed breakthrough electric vehicles that are reinventing the automotive landscape with their pioneering technologies, unique design, and business model that spans multiple owners across the full lifecycle of the vehicle. Canoo designed a modular electric platform that is purpose-built to maximize the vehicle interior space and is customizable for all owners in the vehicle lifecycle, to support a wide range of business and consumer applications. Canoo has teams in California, Texas, Oklahoma, and Michigan. For more information, visit [www.canoo.com](http://www.canoo.com) and [investors.canoo.com](http://investors.canoo.com).

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## **Forward-Looking Statements**

The information in 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. Forward-looking statements may be identified by the use of words such as "estimate," "plan," "project," "forecast," "intend," "will," "expect," "anticipate," "believe," "seek," "target" or other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These forward-looking statements include, but are not limited to, statements about our plans, expectations and objectives with respect to the results and timing of the reverse stock split and the effect the reverse stock split will have on the Company's ability to regain compliance with the Nasdaq Listing standards. These statements are based on various assumptions, whether or not identified in this press release, and on the current expectations of Canoo's management and are not predictions of actual performance. These forward-looking statements are provided for illustrative purposes only and are not intended to serve as, and must not be relied on by any investor as, a guarantee, an assurance, a prediction or a definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. Many actual events and circumstances are beyond the control of Canoo. These forward-looking statements are subject to a number of risks and uncertainties, including changes in domestic and foreign business, market, financial, political and legal

conditions; Canoo's ability to access future capital, via debt or equity markets, or other sources; the rollout of Canoo's business and the timing of expected business milestones and commercial launch; future market adoption of Canoo's offerings; risks related to Canoo's go-to-market strategy and manufacturing strategy; the effects of competition on Canoo's future business, and those factors discussed under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Canoo's Annual Report on Form 10-K for the fiscal year ended December 31, 2022 filed with the U.S. Securities and Exchange Commission (the "SEC") on March 30, 2023, as well as its past and future Quarterly Reports on Form 10-Q and other filings with the SEC, copies of which may be obtained by visiting Canoo's Investors Relations website at [investors.canoo.com](https://investors.canoo.com) or the SEC's website at [www.sec.gov](http://www.sec.gov). If any of these risks materialize or our assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. There may be additional risks that Canoo does not presently know or that Canoo currently believes are immaterial that could also cause actual results to differ from those contained in the forward-looking statements. In addition, forward-looking statements reflect Canoo's expectations, plans or forecasts of future events and views as of the date of this press release. Canoo anticipates that subsequent events and developments will cause Canoo's assessments to change.

However, while Canoo may elect to update these forward-looking statements at some point in the future, Canoo specifically disclaims any obligation to do so. These forward-looking statements should not be relied upon as representing Canoo's assessments as of any date subsequent to the date of this press release. Accordingly, undue reliance should not be placed upon the forward-looking statements.



Source: Canoo Inc.