WORKHORSE

August 13, 2026

Dear Workhorse Shareholders,

Scott Griffith
CEO, Workhorse Group

As we complete the final stages of merger integration, Workhorse is transforming into a new kind of company. Our expanded vision is best described as an American industrial technology company built to serve critical commercial, government, defense, and infrastructure markets.

When hardware, software, connectivity, and artificial intelligence converge, it's possible for ordinary equipment to become high-value, highly engineered, massively connected, intelligent systems that perform the work of essential industries. That's Industrial Technology. That's the 'New Workhorse' we are building.

At the heart of this transformation is our foundational expertise in industrial design, electrical, mechanical and software engineering, testing, validation, global supply chain, and manufacturing. While traditionally we have applied this expertise to the commercial electric vehicle market, we now have an opportunity to leverage it for broader industrial applications, opening up access to new, high potential markets.

In this letter, I'll update you on the strong progress we are making on completing the integration, advancing our commercial vehicle business, optimizing the organization for growth and our plans to enter a new high-potential sector - the mobile data center market. I hope you will be as excited and optimistic about Workhorse as I am after reading this letter.

Delivering on Our Integration Plan and Optimizing the Organization for Growth

We continue to deliver on our stated integration plan. We have continued the process of integrating various enterprise technology systems and reducing redundancies across facilities and personnel. This is a complex process and I am pleased with the progress we have made. We believe we remain on track to exit 2026 at our previously communicated $20 million annualized cost synergy run rate and believe we are well prepared to execute on our industrial technology vison.

We believe our integration efforts will deliver longer term benefits that go well beyond cost-reduction and gains in operational efficiency. Our longer-term goal is to prepare the 'New Workhorse' for growth. By consolidating our teams, integrating various facilities into a smaller footprint, standardizing our enterprise planning and reporting tools, taking stock of our impressive core capabilities, setting clear priorities and having the Workhorse team focused on the highest and best uses of their time, we believe we have set ourselves up to win in the commercial trucking space while also enabling us to launch a new growth engine targeting the mobile data center segment.

Driving Down Our Bill of Materials Costs

Lowering our product costs by reducing our bill of materials ("BoM") costs is a key step to improving our margins while also driving the adoption of our electric trucks. Why are we so obsessed with BoM reduction? Because it will lead to pricing flexibility, which we expect will in turn lead to higher adoption and ultimately higher margins. We are making continued progress on our bill of materials BoM cost reduction program. Our engineering and design teams are working to reduce cost in two key ways:

- Supply Chain: We have begun discussions with new suppliers for key components that we expect will reduce the cost of our vehicles, and we are working with our existing suppliers to reduce costs as well.
- Design and System Architecture: We are consolidating various sub-systems, including thermal management and power electronics, into comprehensive, all-in-one systems. For example, we are consolidating previously distributed high voltage modules into a new smart power electronics hub (aptly named the SmartHub), reducing cost, weight and assembly complexity while also enabling us to utilize a single design across multiple truck classes.

We believe these efforts will result in substantial reduction in the overall BoM costs, which is critical to adoption, as China's recent history in commercial electric truck adoption shows. In China, as prices for commercial electric trucks trended towards parity with internal combustion (ICE) trucks, sales volumes of heavy-duty electric trucks grew from under 5% of units sold annually in 2021 to over 50% of new heavy-duty truck sales in the month of December 2025[1]. We believe the North American truck market is poised to reach a similar breakpoint and our BoM cost-down strategy and accompanying price strategy can be a catalyst to bend the EV truck adoption curve, similar to the adoption spike in China a few years ago.

Expanding Our Product Portfolio & Total Addressable Market

The 'New Workhorse' is also making exciting progress on our efforts to broaden our product portfolio with the development of a next-generation chassis and powertrain platform and the launch of our first Class 5/6 cab chassis vehicle.

Our new modular chassis and powertrain are designed around a scalable, shared modular architecture that we believe will fundamentally transform how our commercial electric trucks are engineered, manufactured, and deployed. The next-gen Workhorse chassis will build upon the proven foundation and operational learnings of the Motiv Gen6 and Workhorse W56 platforms and be guided by our priority to reduce costs across the board. This next-generation architecture will incorporate highly flexible wheelbase configurations, advanced battery and axle technologies, next-generation software capabilities, and an integrated smart power electronics hub. We'll also be introducing a new braking system that will be compatible with the latest ADAS features and prepare us for an autonomous vehicle future.

Our modular chassis will be integrated with our step van products, and we'll also be paring it with a technically advanced, low-cost Class 5/6 cab to create a lightweight, high-performance cab chassis platform optimized for efficient upfitting by body builders. We believe our entry into the cab-chassis segment will enable Workhorse to compete for a much larger percentage of the $23 billion medium-duty truck market[2]. Many of our existing customers are also cab chassis buyers, so we expect to see some cross-over adoption as well as developing new customer relationships with enterprise fleets that have not previously done business with Workhorse or Motiv.

The resulting products are expected to deliver increased payload capacity, accelerated time-to-market for vocational applications, and perhaps most important - a significantly more competitive price point compared to gas/diesel for fleet customers across a wide range of use cases.

We are expecting to build initial development prototypes of the modular chassis for the W56 in Q4 2026, enabling testing and validation activities to begin shortly thereafter for a planned start of production for the new chassis platform in the second half of 2027. We'll be providing ongoing updates to our product plans and timelines as we progress through development and testing.

Production Ramp & Demand Outlook

Third, we are optimizing for a rapid production ramp through year end 2026 and into 2027. We increased production in the second quarter and continued to build efficiencies across our supply chain and manufacturing processes in preparation for significantly higher volumes in the third and fourth quarters. To put that in perspective, to fulfill existing firm orders in our backlog, we expect to produce more fully electrified chassis and trucks over the next five months than in any prior five-month period in the company's history.

Our refreshed sales approach, including the recent launch of a new enterprise sales team, armed with more competitive pricing on the W56 step van and an expanding dealer network, is seeing increased demand from both existing and new fleet customers for deliveries in late 2026 and 2027.

We believe the combination of our new pricing, the BoM cost-down efforts, and the changes in our sales organization are increasing interest from electric fleets, which sets us up well as we progress through the remaining two quarters of this year and into 2027.

Building a World-Class Team to Deliver Winning Outcomes

In July, we welcomed Jody Davis as our Chief Financial Officer, succeeding the retiring Bob Ginnan. Jody brings many years of experience in finance leadership across manufacturing, energy storage, aerospace, and technology companies, with a track record of closing large capital rounds and guiding development-stage businesses into full production; precisely the stage Workhorse is in today.

Entering the Mobile AI Data Center Market

Earlier in July, we announced our intent to enter the mobile data center category with plans to develop a turnkey, compute-ready, mobile AI data center designed for the localized infrastructure needs of distributed AI deployments.

We believe this is a substantial long-term growth opportunity for Workhorse for three key reasons.

1. It's projected to be a high-growth market, still in the early stages of development;
2. We have a head start. We believe the capabilities we already have and assets we already own are competitive advantages for us;
3. Our go-to-market strategy reduces execution risk. We intend to serve as an engineering, product development and manufacturing partner to strategic partners who are experts in high-speed computing, AI software and mobile data center applications. Our plan is for partners to lead all end-market development, sales and support with the ultimate end customer, allowing us to stay laser focused on leveraging many of our existing capabilities.

Third-party research estimates the mobile data center market could reach $41 billion by 2031[3], driven by demand for rapid speed of deployment, site flexibility, edge and AI workloads, disaster recovery, and reducing latency, and increasing energy efficiency, among many others[4].

Our customers will leverage their expertise in compute technology, use cases and applications, deployment environment to develop localized operations across a global market, and build relationships with end-users. It is our intention that Workhorse, through key strategic partnerships, will be offering its expertise in the design, testing, validation, and manufacturing of ruggedized mobile platforms at commercial scale. We believe that this approach will offer us a capital efficient path to commercialization and keeps our team focused on existing sources of operating leverage like our engineering and development capabilities and our plant in Union City.

We believe this product line can provide new, and significant sources of revenue and cash flow; increase the utilization and operating leverage of our existing manufacturing, test, and validation assets, and help fund continued progress on vehicle cost reduction and new model development.

We already have active partnership conversations with a number of potential strategic partners and we will continue to keep you updated as those conversations mature.

Where We Stand

In summary, the 'New Workhorse' is pursuing an exciting new Industrial Technology vision. We believe we are making tremendous strides in our plan to lead in the medium-duty commercial trucking segment. Our integration efforts are succeeding in reducing costs and optimizing the company for growth. Our engineering and design teams are finding ways to reduce costs today, while unlocking future growth through lower-cost and more flexible platforms that also expand our addressable target market in the commercial truck segment. We're pursuing an exciting new line of business in the mobile data center category where we can leverage current capabilities and assets to offer a compelling value proposition to a high-growth market. And we've strengthened the executive team, set clear priorities and structured the overall organization to deliver our promises to customers and to shareholders.

I'm looking forward to a strong finish to 2026 and an even stronger 2027. I appreciate your continued support and look forward to updating you on our progress in the months ahead.

Sincerely,

Scott Griffith
Chief Executive Officer, Workhorse Group, Inc.

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1. Electrive - "Year-end surge: electric trucks outsell diesel for the first time in China," 23 Jan 2026; Sina Auto - NEV heavy-truck penetration and economics, 14 Jul 2026; ICCT, Race to Zero: China 2023, Aug 2024; Soochow Securities (Sep 2024, heavy-truck series — context; Daily Economic News, heavy-truck price-war report, 14 Aug 2024

2. Represents annual forecast of vehicle registrations as of Q1 2026 Forecast per S&P Global Mobility for NTEA US Commercial Vehicle Market Report, multiplied by an assumed $100,000 value per ICE truck and $250,000 for electric truck.

3. Grand View Research, "Global Containerized Data Center Market Size & Outlook" https://www.grandviewresearch.com/horizon/outlook/containerized-data-center-market-size/global

4. Fortune Business Insights, "Containerized Data Center Market Size, Share & Industry Analysis, 2026–2034," fortunebusinessinsights.com/containerized-data-center-market-108571

Global Growth Insights, "Containerized and Modular Data Center Market Size, Share & Forecast to 2035," globalgrowthinsights.com/market-reports/containerized-and-modular-data-center-market-105065

Global Market Insights (GMI), "Edge Data Center Market Size, Share & Growth Report, 2026–2035," gminsights.com/industry-analysis/edge-data-center-market

Intel Market Research, "Modular Edge Data Centers Market, 2026–2034," intelmarketresearch.com/modular-edge-data-centers-market-28018

BIS Research, "Prefabricated and Modular Data Centers Market — A Global and Regional Analysis, 2024–2034," bisresearch.com/industry-report/prefabricated-and-modular-data-centers-market.html

Forward-Looking Statements

This communication 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 communication 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 capital to fund operations and fulfill orders, Workhorse's expected delivery of contracted vehicle orders, Workhorse's product development plans, including chassis and powertrain and Class 5/6 cab development, access to capital or operating results; Workhorse's new product line, the market for containerized data centers and edge computing, the Company's go-to-market approach, the expected date for initial production and delivery of the new product line, the Company's ability to leverage existing capabilities in developing the new product line, the potential for revenue from the new product line to enable the Company to continue its cost reduction efforts for its electric trucks and other statements regarding the Company'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, Workhorse's ability to design and develop the new product line; additional costs that may be incurred in connection with the development of the product line; Workhorse's ability to reach a commercial partnership for the development and sale of the new product line; the potential for distraction resulting from Workhorse's efforts to develop the new product line; risks related to the development of the mobile AI computing market; our ability to raise capital to fund its 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; our ability to further develop and bring to market new products as planned, including chassis and powertrain and Class 5/6 cab development; 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.