

PRESS STATEMENT

Most important strategic decision in Sono Motor's history: Community to decide about the future of the Sion, the solar-electric passenger car.

MUNICH, Germany, 8 December 2022 – Jona Christians and Laurin Hahn, CEOs and co-founders of Sono Motors, make statement regarding the #saveSion campaign.

Sono Motors has achieved important operational and commercial milestones throughout the year. These include signing promising partnerships in our solar business and presenting our first Sion series-validation vehicles. At the same time, financial markets have experienced a negative downturn, with many tech companies losing up to 90+% of their respective market cap, and shares in mobility tech companies have been hit particularly hard. As a result, financing our Sion program through equity has become increasingly challenging and dilutive. Raising money takes much longer than expected, since we failed to explain to investors why the Sion has the potential to become the world's first affordable solar-electric vehicle and that there is a huge demand for it.

One view in the investment community is that we should focus on our capital-light, revenue-generating solar business and abandon the Sion program. We understand the market situation and we could streamline our business for the long-term prosperity of our company.

But before making any decision to stop the Sion program, we want to give our Community – who amount to over 21,000 Sion reservation holders – a chance to keep the Sion program alive and partly solve our funding hurdle. We believe this is absolutely worthwhile, since 21,000 private reservations are the equivalent of approx. 465 million euro in potential revenue. Adding our roughly 22,000 B2B pre-orders worth almost 600 million euro in potential revenue, brings us to a potential order backlog of more than 1 billion euro as of today, assuming that all reservations and pre-orders result in sales.

You might well ask, 'if there is such a strong demand, why wouldn't you translate it into funding?' You're right, and that's exactly what we plan to do now!

So, we are starting a 50-day Sion reservation campaign for 3,500 Sion – called #saveSion. Early participants will receive a discount of up to 3,000 euro on their vehicle's final price, and payments must only be made in the event the campaign is successful. On top of that, campaign supporters can receive a fixed vehicle waiting list number.

This would not be the first time that our Community plays an integral role in moving the Sion along on its path to production. But back in late 2019 when we did a crowdfunding campaign, the situation was completely different. The Sion was at a much earlier stage, the Sono Motors brand was significantly less established, and we had not yet built the solar B2B business pillar. That being said, we still collected more than 50 million euro in payment commitments in just 50 days from our Community across the globe.

Today, 23 companies worldwide are already piloting Sono Motors' integrated solar technology on a variety of fleet vehicles such as buses, trailers, and electric transporters. And we have made so much other progress since our 2019 campaign: the Sion is in its final production design, vehicles from the series-validation fleet are up and running and undergoing testing, solar-charging can already deliver some of the calculated energy yield, the first bidirectional functions have been tested successfully, our sharing app is live in the app stores, the expected retail price has remained low at 25,000 euro net, and we have achieved an incomparably higher brand awareness. We are confident that we can do it again.

Because we received hardly any governmental support, we have to focus on our Community and the capital markets for funding. We raised over 400 million euro gross, split between funded and committed capital since 2016, and only 0.25% of that came from the state.

To put that in perspective, it took us 5 years from the first concept car to prepare for pre-series – a timeframe similar to what established OEMs need to develop a new car. However, developing a car usually costs up to 1 billion euro. We've come close to pre-series with spending less than half of that money.

#saveSion is our non-dilutive solution for funding the majority of the Sion program and the first part of a broader funding strategy for the next 12 months, which includes of course the capital markets. We believe we will be able to continue to acquire more funding and continue to pay the remaining machinery, tooling, and production setup to achieve the planned pre-series production in 2023 and make it to SOP in the first quarter of 2024.

If we cannot complete the campaign, we intend to focus on our attractive solar B2B business, which is significantly less capital intensive. We believe our current and expected liquidity of \$55 million and the resources we have on hand would enable us to successfully pivot to 'solar only'. So this time it's not about Sono Motors' future, it's about the future of the Sion. It's about proving to the world that change is both needed and wanted.

#saveSion is about a movement. A strong Community that has a common belief. A belief that even a small group of people can change the status quo and immediately fight the climate crisis and prepare for the energy crises. There are pioneers out there who crave innovation – so let's do it. Let's take matters into our own hands and show politicians, investors, policymakers, and corporations what true action looks like. For a world without burning fossil fuels.

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NOTE

Reservations can only be made by persons located in 27 European jurisdictions. We do not accept reservations from persons located in any other country. We also do not accept reservations from U.S. persons. This document is for information purposes only.

ABOUT SONO MOTORS

Sono Motors (NASDAQ: SEV) is on a pioneering mission to accelerate the revolution of mobility by making every vehicle solar. Sono Motors' disruptive solar technology has been engineered to be seamlessly integrated into a variety of vehicle architectures – including buses, trucks, trailers, and more – to extend range and reduce fuel costs as well as the impact of CO2 emissions, paving the way for climate-friendly mobility.

The Company's trailblazing vehicle, the Sion, has the potential to become the world's first affordable solar electric vehicle (SEV) for the masses. Empowered by a strong global community, Sono Motors has approx. 21,000 reservations with advance down payments for the Sion as of 30 November 2022.

FORWARD-LOOKING STATEMENTS

This press release includes forward-looking statements. The words "expect", "anticipate", "intend", "plan", "estimate", "aim", "forecast", "project", "target", "will" and similar expressions (or their negative) identify certain of these forward-looking statements. These forward-looking statements are statements regarding the Company's intentions, beliefs, or current expectations. Forward-looking statements involve inherent known and unknown risks, uncertainties, and contingencies because they relate to events and depend on circumstances that may or may not occur in the future and may cause the actual results, performance, or achievements of the Company to be materially different from those expressed or implied by such forward looking statements. These risks, uncertainties and assumptions include, but are not limited to (i) the impact of the global COVID-19 pandemic on the global economy, our industry and markets as well as our business, (ii) risks related to our limited operating history, the rollout of our business and the timing of expected business milestones including our ability to complete the engineering of our vehicles and start of production on time and budget and risks related to future results of operation, (iii) risks related to our unproven ability to develop and produce vehicles and with expected or advertised specifications including range, and risks relating to required funding, (iv) risks related to our ability to monetize our solar technology, (v) risks relating to the uncertainty of the projected financial information with respect to our business including the conversion of reservations into binding orders, (vi) effects of competition and the pace and depth of electric vehicle adoption generally and our vehicles in particular on our future business and (vii) changes in regulatory requirements, governmental incentives and fuel and energy prices. For additional information concerning some of the risks, uncertainties and assumptions that could affect our forward-looking statements, please refer to the Company's filings with the U.S. Securities and Exchange Commission ("SEC"), which are accessible on the SEC's website at www.sec.gov and on our website at ir.sonomotors.com. Many of these risks and uncertainties relate to factors that are beyond the Company's ability to control or estimate precisely, such as the actions of regulators and other factors. Readers should therefore not place undue reliance on these statements, particularly not in connection with any contract or investment decision. Except as required by law, the company assumes no obligation to update any such forward-looking statements.