

NEWS RELEASE

Archer Closes Previously-Announced Financing and Development Agreements to Complete World's Highest-Volume eVTOL Aircraft Manufacturing Facility

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- Archer remains on track with manufacturing facility construction, which began in March, by closing previously announced financing
- Archer's strategy of leveraging top tier aerospace suppliers for a majority of Archer's aircraft components streamlines the manufacturing processes enabling a capital efficient facility that is set to achieve high volumes of output
- Archer was first eVTOL company to break ground on a high volume manufacturing facility
- Phase one of Archer's facility is designed to produce up to 650 aircraft annually, making it the largest manufacturing facility by volume in the eVTOL Industry

SANTA CLARA, Calif.--(BUSINESS WIRE)-- Archer Aviation Inc. (NYSE: ACHR), a leader in electric vertical takeoff and landing (eVTOL) aircraft, today announced that it has closed agreements with Synovus Bank and Evans General Contractors, LLC for the financing and development of its high-volume manufacturing facility in Covington, Georgia. Construction is already underway on the first phase of the Covington facility build out of approximately 350,000 square feet to support production of up to 650 aircraft per year, which would make it the world's largest eVTOL aircraft manufacturing facility by volume.

Rendering of Covington Facility (Photo: Business Wire)

Archer expects to produce the highest volume of eVTOL aircraft while bearing a dramatically lower manufacturing capital cost than projects announced by competitors in the industry. Today's announcement secures at least \$65 million in financing which represents a substantial majority of the cost of construction for the first phase of Archer's eVTOL manufacturing facility. In conjunction with previously announced incentives from the state of Georgia and

Archer's partnership with Stellantis, today's announcement advances the company's strategy of creating the most capital efficient path to scaled manufacturing. This is also possible due to Archer's business strategy of partnering with top tier aerospace suppliers, like Honeywell and Safran, for a majority of Midnight's components, streamlining the manufacturing and assembly process dramatically while allowing for a facility that is set to achieve high volumes of output.

Phase one of Archer's high-volume manufacturing facility is on target to be completed in 2024 ahead of Midnight's planned entry into service in 2025. Phase two of the facility provides the capability to expand the operation to approximately 900,000 square feet to support long-term production targets of over 2,000 aircraft per year.

"The ability to manufacture eVTOL aircraft at scale is critical to building a successful business in this industry and Archer continues to maintain a significant lead on this front. Today, we're taking another major step forward on our manufacturing buildout by securing a design-build agreement and financing agreement for the world's first, and largest by volume, eVTOL manufacturing facility," said Adam Goldstein, Archer's Founder and CEO. "Consistent with our capital efficient strategy of getting to commercialization, we've achieved attractive terms on the project. These agreements, along with our already strong partnership with Stellantis, give us the flexibility to ramp up our capacity and become the leading scale manufacturer of eVTOL aircraft in the world."

Archer has selected Synovus Bank and Evans General Contractors, LLC, respectively, as its financing and development partners. In selecting its partners for the Covington project, Archer considered a range of companies with expertise in high-volume manufacturing facilities in the southeast United States. Goldstein added, "We are committed long-term partners to the community in Covington, Georgia, and we are thrilled to be working with companies who share our vision of having the world's leading, state-of-the-art eVTOL manufacturing facility right here in the United States."

Archer's goal is to transform urban travel, replacing 60-90 minute commutes by car, with estimated 10-20 minute electric aircraft flights that are safe, sustainable, low noise and cost competitive with ground transportation. Archer's Midnight is a piloted, four passenger aircraft designed to perform rapid back-to-back flights with minimal charge time in between flights. Archer's Midnight aircraft will be manufactured at the company's high-volume manufacturing facility in Covington, GA before being deployed to different customers and markets in the U.S. and abroad.

About Archer

Archer is designing and developing electric vertical takeoff and landing aircraft for use in urban air mobility networks. Archer's mission is to unlock the skies, freeing everyone to reimagine how they move and spend time. Archer's team is based in Santa Clara, CA.

To learn more, visit www.archer.com.

Forward-Looking Statements

This press release contains forward looking statements regarding Archer's future business plans and expectations, including statements regarding our estimates for the cost and timing of the completion of our manufacturing facility, capital efficiency, planned aircraft production volume, aircraft performance, and timing of Archer's development, commercialization, and certification of its eVTOL aircraft. These forward looking statements are only predictions and may differ materially from actual results due to a variety of factors. The risks and uncertainties that could cause actual results to differ from the results predicted are more fully detailed in Archer's filings with the Securities and Exchange Commission, including its most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q, which are available on our investor relations website at investors.archer.com and on the SEC website at www.sec.gov. In addition, please note that any forward looking statements contained herein are based on assumptions that we believe to be reasonable as of the date of this press release. Archer undertakes no obligation to update these statements as a result of new information or future events.

Source: Archer

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Source: Archer Aviation

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Rendering of Covington Facility (Photo: Business Wire)

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Initial Construction at Site for Archer eVTOL Manufacturing Facility (Photo: Business Wire)

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