



Lilium releases Q1 2023 Shareholder Letter

May 24, 2023

MUNICH, Germany, May 24, 2023 (GLOBE NEWSWIRE) -- Lilium N.V. (Nasdaq: LILM) ("Lilium" or the "Company"), developer of the first all-electric vertical take-off and landing ("eVTOL") jet, has released its Q1 2023 Shareholder Letter. The Shareholder Letter, which discusses Lilium's progress towards important milestones in the development of its revolutionary Lilium Jet, can be accessed on the Lilium investor relations [website](#).

Recent Accomplishments

- Secured funding for up to \$250 million, extending cash runway towards first manned flight of type-conforming aircraft.
- Progressed type-certification, with 78% of the Lilium Jet's Means of Compliance (MoCs) agreed, driven by EASA's acceptance of MoCs in areas of propulsion and energy system.
- Continued type-conforming aircraft development at full pace with wind tunnel testing underway of complete aircraft model with powered engines and actuators, successful testing of battery packs, and fan test launched on full-size engine.
- Secured intellectual property rights in key eVTOL technologies, with new patents granted in battery management, electrical power distribution, and actuation of ducted fans.
- Executed on go-to-market-strategy with commercial agreements including pre-delivery payments with Air-Dynamic and ASL Group; potential order pipeline grew to 645 aircraft.
- Contracted a state-of-the-art Lilium Jet cockpit simulator to support certification and pilot training.
- Q1 adjusted cash spend on target (€62 million), while Lilium continues to meet timelines on aircraft development plan.

Management Commentary

Lilium CEO Klaus Roewe commented:

"We are thrilled at the progress we are making in our Lilium Jet program. Our latest capital raise will enable us to continue to advance at speed towards our key milestones – start of final assembly of the type-conforming aircraft this year, first manned flight in the second half of 2024 and type certification in late 2025.

We look forward to continuing to keep you updated on these and our progress on all fronts in the coming months including securing the next stage of financing, coming to agreement with EASA on Full Certification Plan and signing further binding customer agreements."

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About Lilium

Lilium (NASDAQ: LILM) is creating a sustainable and accessible mode of high-speed, regional transportation for people and goods. Using the Lilium Jet, an all-electric vertical take-off and landing jet, offering leading capacity, low noise and high performance with zero operating emissions, Lilium is accelerating the decarbonization of air travel. Working with aerospace, technology and infrastructure leaders, and with planned launch networks announced in Germany, the United States and Brazil, Lilium's 800+ strong team includes approximately 450 aerospace engineers and a leadership team responsible for delivering some of the most successful aircraft in aviation history. Founded in 2015, Lilium's headquarters and manufacturing facilities are in Munich, Germany, with teams based across Europe and the U.S. To learn more, visit www.lilium.com.

FORWARD-LOOKING STATEMENTS

This press release contains certain forward-looking statements within the meaning of the federal securities laws, including, but not limited to, statements regarding Lilium N.V.'s and its subsidiaries (collectively, the "Lilium Group") proposed business and business model, the markets and industry in which the Lilium Group operates or intend to operate, the anticipated timing of the commercialization and launch of the Lilium Group's business in phases, our capital raising expectations, our ability to successfully patent our intellectual property and the future performance of our innovations and the expected results of the Lilium Group's business and business model, including when launched in phases. These forward-looking statements generally are identified by the words "believe," "project," "expect," "anticipate," "estimate," "intend," "strategy," "future," "opportunity," "plan," "may," "should," "will," "would," "will be," "will continue," "will likely result," and similar expressions. Such statements are based on management's belief or interpretation of information currently available. Forward-looking statements are predictions, projections and other statements about future events

that are based on management's current expectations with respect to future events and are based on assumptions and subject to significant risk and uncertainties and subject to change at any time. The Liliium Group operates and will continue to operate in a rapidly changing emerging industry. New risks emerge daily. Given these risks and uncertainties, you should not rely on or place undue reliance on these forward-looking statements, including any statements regarding when or whether any strategic collaboration between the Liliium Group and the respective collaborator will be effected, the number, price or timing of any Liliium Jets to be sold (or if any such Liliium Jets will be sold at all), the price to be paid therefor and the timing of launch or manner in which any proposed eVTOL network or anticipated commercial activities will operate, the Liliium Group's business and product development strategies or certification program, or the Liliium Group's funding requirements. Actual events or results may differ materially from those contained in the projections or forward-looking statements. Many factors could cause actual future events to differ materially from the forward-looking statements in this press release, including, but not limited to, the following risks: (i) the Liliium Group's future funding requirements and any inability to raise necessary capital on favorable terms (if at all); (ii) the eVTOL market may not continue to develop, or eVTOL aircraft may not be adopted by the transportation market; (iii) the Liliium Jet may not be certified by transportation and aviation authorities, including EASA or the FAA; (iv) the Liliium Jet may not deliver the expected reduction in operating costs or time savings that the Liliium Group anticipates; (v) adverse developments regarding the perceived safety and positive perception of the Liliium Jets, the convenience of expected future Vertiports and the Liliium Group's ability to effectively market and sell regional air mobility services and aircraft; (vi) challenges in developing, certifying, manufacturing and launching the Liliium Group's services in a new industry (urban and regional air transportation services); (vii) a delay in or failure to launch commercial services as anticipated; (viii) the RAM market for eVTOL passenger and goods transport does not exist, whether and how it develops is based on assumptions, and the RAM market may not achieve the growth potential the Liliium Group's management expects or may grow more slowly than expected; (ix) if the Liliium Group is unable to adequately control the costs associated with pre-launch operations and/or its costs when operations are commenced (if ever); (x) difficulties in managing growth and commercializing operations; (xi) failure to commercialize the Liliium Group's strategic plans; (xii) any delay in completing testing and certification, and any design changes that may be required to be implemented in order to receive type certification for the Liliium Jet; (xiii) any delays in the development, certification, manufacture and commercialization of the Liliium Jets and related technology, such as battery technology or electric motors; (xiv) any failure of the Liliium Jets to perform as expected or an inability to market and sell the Liliium Jets; (xv) any failure to manage coordination with vendors and suppliers to achieve serial production of complex software, battery technology and other technology systems still in development; (xvi) reliance on third-party suppliers for the provision and development of key emerging technologies, components and materials used in the Liliium Jet, such as the lithium-ion batteries that will power the jets, a significant number of which may be single or limited source suppliers, and the related risk that any of these prospective suppliers or strategic partners may choose to not do business with the Liliium Group at all, or may insist on terms that are commercially disadvantageous, and as a result the Liliium Group may have significant difficulty procuring and producing the jets; (xvii) if any of the Liliium Group's suppliers become financially distressed or go bankrupt, the Liliium Group may be required to provide substantial financial support or take other measures to ensure supplies of components or materials, which could increase costs, adversely affect liquidity and/or cause production disruptions; (xviii) third-party air carriers are expected to operate Liliium network services in the U.S., Europe, the Kingdom of Saudi Arabia, the United Kingdom and Brazil, among other countries, using the Liliium Jets, and these third parties, as well as the Liliium Group, are subject to substantial regulation and complex laws, and unfavorable changes to, or the third-party air carriers' or the Liliium Group's failure to comply with, these regulations and/or laws could substantially harm the Liliium Group's business and operating results; (xix) any inability to operate the Liliium network services after commercial launch at the anticipated flight rate, on the anticipated routes or with the anticipated Vertiports could adversely impact the Liliium Group's business, financial condition and results of operations; (xx) potential customers may not generally accept the RAM industry or the Liliium Group's passenger or goods transport services; (xxi) any adverse publicity stemming from any incident involving the Liliium Group or its competitors, or an incident involving any air travel service or unmanned flight based on autonomous technology; (xxii) if competitors obtain certification and commercialize their eVTOL vehicles before the Liliium Group; (xxiii) business disruptions and other risks arising from the COVID-19 pandemic and geopolitical events, including the war in Ukraine, and including related inflationary pressures, may impact the Liliium Group's ability to successfully contract with its supply chain and have adverse impacts on its anticipated costs and commercialization timeline; and/or (xxiv) the Liliium Group's inability to deliver Liliium Jets with the specifications and on the timelines anticipated in any non-binding memorandums of understanding or binding contractual agreements with customers or suppliers the Liliium Group has entered into or may enter into in the future. The foregoing list of factors is not exhaustive. Forward-looking statements speak only as of the date they are made. You are cautioned not to put undue reliance on forward-looking statements, and the Liliium Group assumes no obligation to, and does not intend to, update or revise these forward-looking statements, whether as a result of new information, future events or otherwise. The Liliium Group is not giving you any assurance that it will achieve its expectations. A further list and description of risks, uncertainties and other matters can be found in the section titled "Risk Factors" in our filings with the U.S. Securities and Exchange Commission ("SEC"), including our Annual Report on Form 20-F for the year ended December 31, 2022 (the "2022 Form 20-F") filed with the SEC, all of which are available at www.sec.gov. These forward-looking statements should be evaluated together with additional information about the Liliium Group's business, markets, conditions and other uncertainties addressed in our filings with the SEC, including the 2022 Form 20-F. All forward-looking statements attributable to the Liliium Group or any person acting on its behalf are expressly qualified in their entirety by this cautionary statement.