



BEAR MOTORS

Investor Presentation III 2019

V02

A man with a beard, glasses, and a cap stands in a factory, smiling and giving a thumbs up. He is surrounded by rows of orange CNC machines on white tables. The machines are arranged in long rows, extending into the background. The lighting is bright, and the overall atmosphere is industrial and modern.

**The 21st century has brought new technologies that will
redefine American manufacturing, distribution & retail.
Digital manufacturing combines CNC machining with 3D
printer farms + digital supply chains.**

No manufacturer has fully leveraged it... yet.

WHAT IF

there were an electric motorcycle company, built from the ground up to take advantage of this new manufacturing technology and drive industry change?



THE OPPORTUNITY IS MASSIVE

The current market is stagnant as existing manufacturers are seemingly resistant to electric motorcycles, even though that is what a younger demographic desires. The stage is set for massive disruption by the right company with the right brand image to engage the mass market.

\$10.8_b

U.S. MOTORCYCLE MARKET
FORECAST FOR 2025 ¹

60.4%

U.S. SHARE OF THE GLOBAL
CUSTOM MOTORCYCLE MARKET ²

41,420

NUMBER OF NEW MOTORCYCLES
SOLD IN TEXAS ALONE - 2018 ³

ESTABLISHED PLAYERS HAVE NOT LISTENED TO THE MARKET.

For decades, existing manufacturers such as Harley-Davidson (who control 24% of the global motorcycle market) have focused on brute, fossil fuel power targeted to older white males with disposable incomes. Their products moved into the premium and luxury markets with an unsophisticated and crude brand platform. Almost zero attention has been paid to what customers actually want.

50

THE AVERAGE AGE OF
HARLEY-DAVIDSON CUSTOMERS ²

\$21,349

ENTRY PRICE OF A NEW HARLEY-DAVIDSON
FXDR MOTORCYCLE (MID RANGE MODEL) ³

-16%

HARLEY-DAVIDSON'S SALES
2017 - PRESENT ¹

BEAR MOTORS

will be focused on what customers actually want today. Retro inspired, custom electric motorcycles for daily use, **NOT** luxury toys for old people.



BEAR RACER 1

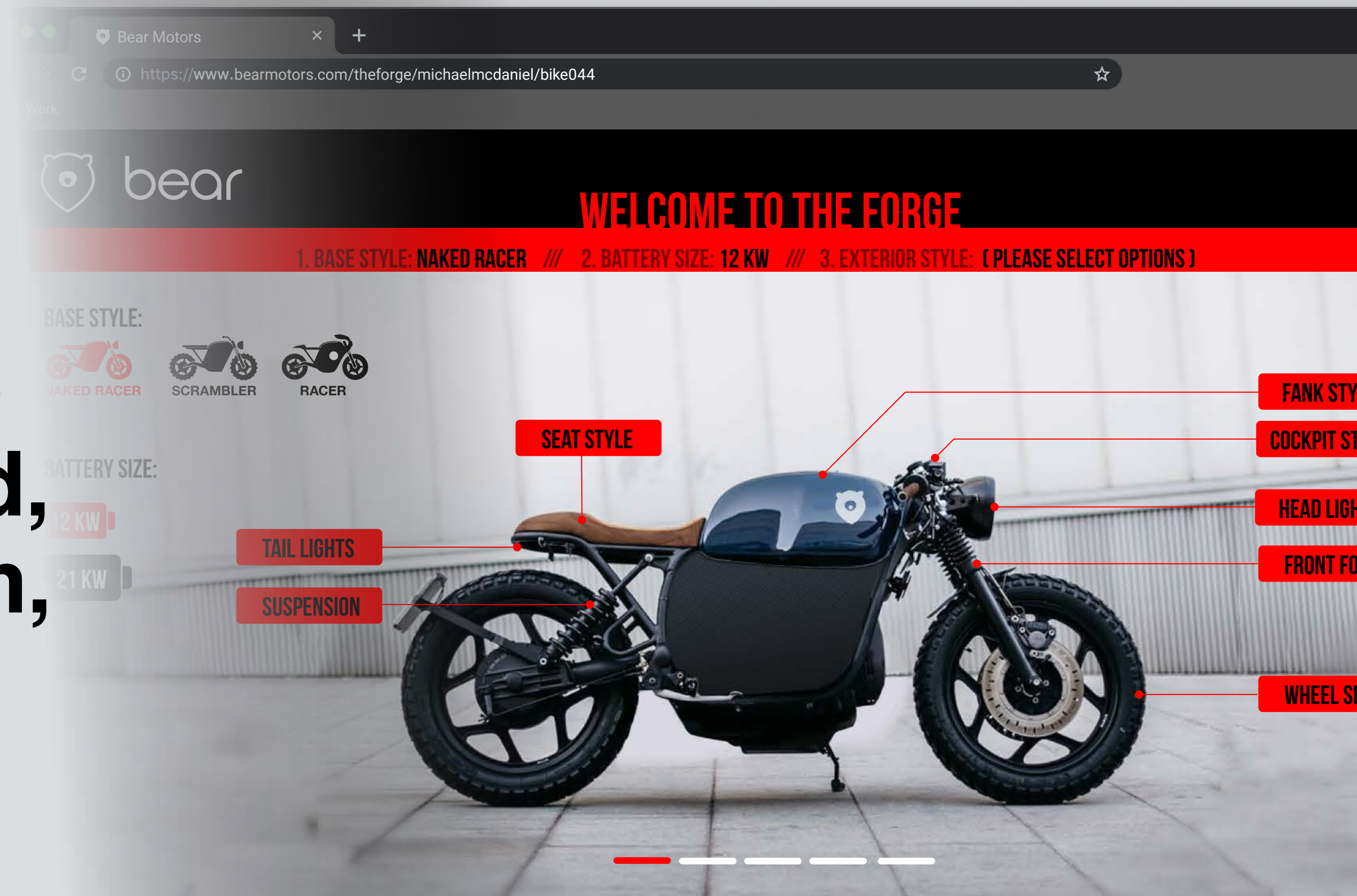
will bring safety features, rider experience, massive customization, and an owner community to an entirely new level.

We have custom developed our own cockpit controls and computer systems for the Bear Racer 1. The onboard systems monitor the entire motorcycle and provide advanced safety features such as blind spot detection, proximity alerts, haptic feedback and security. Owners can customize their bikes with themes. Our central computer system allows the community to expand the bike's capabilities and share their software and hardware with other Bear owners. The bike's built in WiFi link connects to the iOS app for keyless start, automatic arm/disarm of security system, and ride data recordings. The computer system and its OS will be the foundation of hot rodding in the 21st century.

THE BEAR EXPERIENCE

will be entirely new way to shop for a custom, electric motorcycles. With our online bike builder + our on demand, digital manufacturing system, we can build products like no other.

Our digital manufacturing process allows for Bear bikes to offer massive customization options with no increase in costs to the manufacturing operations. We only stock raw materials that are consumed on demand for all bike builds. There is no standing inventory or minimum volumes needed to keep massive, capital intensive factory running. Digital manufacturing allows us to completely change the manufacturing game to our own extreme advantage over competitors and rapidly scale as needed.



NO 3RD PARTY DEALERSHIPS.

With our on demand, digital manufacturing system, we ship product directly to customers. With wheels detached in the crate, our bikes are sold as “kits” avoiding state dealership requirements for OEMs.

With no 3rd party dealerships to act as a middle man, Bear Motors can own and control the relationship with the customer. This is the exact model that Tesla and every major auto manufacturer has been striving towards for years. Direct sales to customers allow us to get direct feedback and rapidly respond to customer needs without sinking millions of dollars into fixed manufacturing facilities.



BEAR RACER 1



BEAR RACER 1

\$9,777

STANDARD 12KW CONFIGURATION

312 FT LBS TORQUE
96 MPH TOP SPEED
100 MILE RANGE

BEAR RACER 1XL

\$14,777

PERFORMANCE 21KW CONFIGURATION

312 FT LBS TORQUE
118 MPH TOP SPEED
190 MILE RANGE

50.9%

PROFIT MARGIN

BASED ON BEAR RACER 1 UNOPTIMIZED
BOM OF \$4800 PER BIKE FOR STANDARD
12 KW CONFIGURATION.

THE COMPETITIVE LANDSCAPE



**BEAR MOTORS
BEAR RACER 1**

\$9,777

12 KW BATTERY PACK
312 FT LBS TORQUE
98 MPH TOP SPEED
90 MILE RANGE

**HARLEY-DAVIDSON
LIVEWIRE**

\$29,799

(BATTERY PACK SIZE UNKNOWN)
140 FT LBS TORQUE
95 MPH TOP SPEED
140 MILE RANGE

**ZERO MOTORS
ZERO SR/F**

\$18,995

12.6 KW BATTERY PACK
140 FT LBS TORQUE
124 MPH TOP SPEED
161 MILE RANGE

**ZERO MOTORS
ZERO FX**

\$8,495

7.2 KW BATTERY PACK
78 FT LBS TORQUE
85 MPH TOP SPEED
54 MILE RANGE

**ALTA MOTORS
REDSHIFT**

\$12,495

5.8 KW BATTERY PACK
42 FT LBS TORQUE
124 MPH TOP SPEED
50 MILE RANGE

NOT SMOKE AND MIRRORS.

The first Bear Racer prototype is currently evaluating stock components + 3D printed designs at McDaniel Labs. This functional prototype has already proven the 72v main drive system, 12v power system, 5v power system, plus digital manufacturing methods. Final body design + road trials have already started.



BEAR WILL START WITH LIMITED SERIES PRODUCTION RUNS.

Our plan is simple. Start with a limited series production run using pre-orders generated online once Bear emerges from stealth mode. This limited series will establish 1 basic cell of manufacturing, prove out customer demand, establish supply chains, and turn existing prototypes into mass production ready designs. With digital manufacturing + distribution, we can quickly scale up to meet market demands.

100

INITIAL PRODUCTION RUN
OF BEAR RACER 1

\$1.2m

TOTAL GROSS REVENUE FOR FIRST 100
PRODUCTION BIKES ASSUMING AVERAGE
SALES PRICE OF \$12,277 EACH AT SUSTAINED
50.9% MARGINS. COGS TO BE FACTORED
FROM INITIAL PRODUCTION RUN.

\$550k

CAPX INVESTMENT REQUIRED FOR
INITIAL PRODUCTION RUN.
INCREASED VOLUMES WILL LOWER
RAW MATERIAL COSTS GOING
FORWARD BY AN ESTIMATED 20-25%.

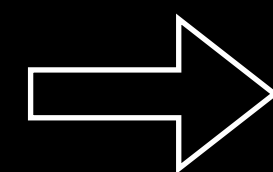
FROM LIMITED > NATIONAL > INTERNATIONAL PRODUCTION

The limited production runs at first allow us to test markets and features with limited capital exposure. By leveraging our unique digital manufacturing processes + digital distribution model, we can rapidly scale up production with minimal growth capital. Further growth & expansion is fueled by our unique retail/factory hybrid facilities given the small footprint required by our digital factory + digital supply chain.



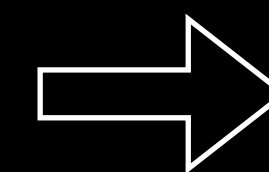
Initial digital factory site in Austin, Texas.

A single 3D printing farm + CNC routers + existing motorcycle suppliers allow us to stand up a basic factory for minimal costs for limited production runs.



Expanded digital factory in Austin, Texas.

A cellular factory design allows us to quickly & cheaply expand factory capacity to meet demand by adding digital manufacturing cells to the factory. 10x the throughput = \$100k.



Regionalized retail / factories for expansion

Without 3rd party dealerships, Bear can open retail locations that also double as digital factories for regionalized production. This is a completely unique expansion strategy that provides agility.

THE BEAR TEAM

We are designers & inventors with a passion for creating exponential change. We have advised the largest companies in the world, led our own companies, built multidisciplinary teams, invented new products, and pushed technology to the limits for a more human experience. We have a century of combined professional experience working in the most demanding product development environments in the world. Now, Bear Motors is our opportunity to unleash our collective talents and experience on products that do good and move the soul.



Michael McDaniel

FOUNDER & CEO

MCKINSEY & COMPANY
WHITE HOUSE, OBAMA ADMINISTRATION
FROG DESIGN
REACTION



Adam Leonards

DIRECTOR, INDUSTRIAL DESIGN

FROG DESIGN
MATTER DESIGN
CARNIVAL CRUISE LINES



Carl Sieber

DIRECTOR, DIGITAL EXPERIENCE

FROG DESIGN
ADOBE
SAPIENT
RAZORFISH

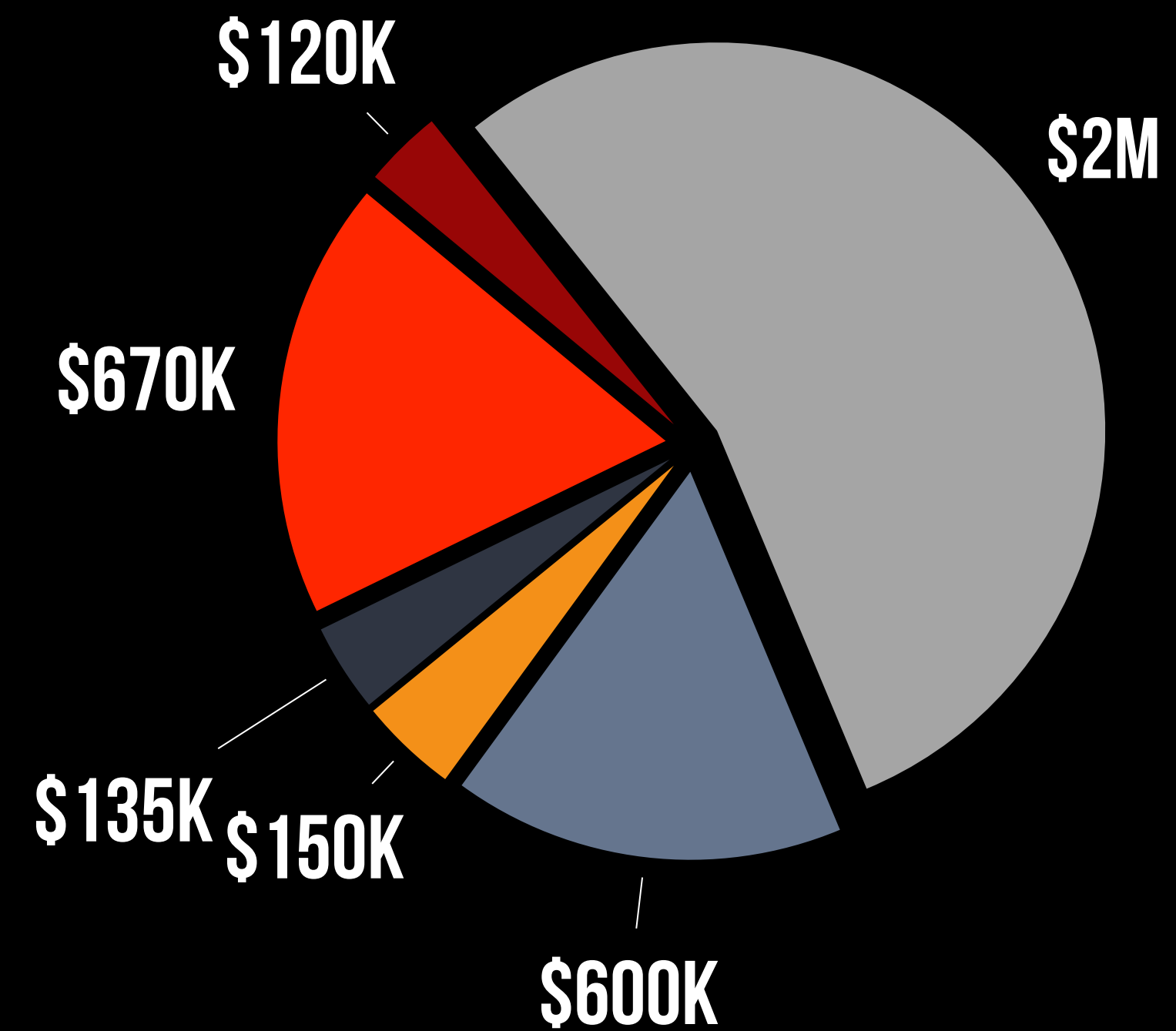
USE OF FUNDS.

Bear Motors will be lean & mean, using initial SEED capital to stand up the company and deliver initial production runs.

Startup costs cover the establishment of the first digital factory, securing the extremely talented team, development of the ordering & manufacturing management system, development of the Bear OS, regulatory fees plus other miscellaneous startup costs. The funding requests covers a 24 month runway which includes the limited initial production run of 100 units.

\$3.5M TOTAL 2 YEAR BURN

- DIGITAL FACTORY
- PRODUCT DEV
- OPERATIONS
- MATERIALS
- LEGAL
- FACILITIES

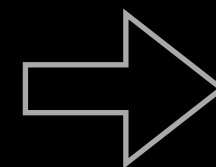


WE HAVE A MASTER PLAN.

We have a masterplan and robust product ecosystem planned that stretches us far past just electric motorcycles. Realistically, we will be focused on bringing our initial product to market and creating disruption there before looking into tangent markets. We have planned expansions into the ATV market, wearables geared towards riders, self driving drone bikes, and eBikes. These long term moves will begin development once the core motorcycle business is stabilized and future funding rounds secured.

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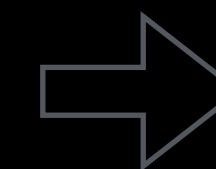
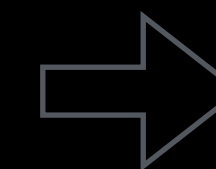
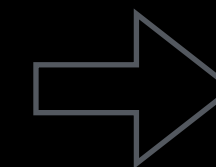
**Amazing Electric
Motorcycles**



2

**Electric Cyclekarts
(ATVs)**

**eBikes /
eScooters**



3

**Smart
Wearables**

**Drone Cargo
Bikes**

**Manufacturing
Software**



bear

WWW.RIDEWERID.COM

BEAR MOTORS COMPANY ||| AUSTIN, TEXAS