

## Risk Factors Comparison 2024-03-08 to 2023-03-23 Form: 10-K

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An investment in our securities involves a high degree of risk. You should consider carefully all of the risks described below, together with the other information contained in this Annual Report, including our financial statements and related notes, before making a decision to invest in our securities. If any of the following events occur, our business, financial condition and operating results may be materially adversely affected. In that event, the trading price of our securities could decline, and you could lose all or part of your investment. The risks and uncertainties described below are not the only ones we face. Additional risks and uncertainties that we are unaware of, or that we currently believe are not material, may also become important factors that adversely affect our business, financial condition and operating results.

**Summary of Risk Factors** Our business is subject to numerous risks and uncertainties that represent challenges that we face in connection with the successful implementation of our strategy and the growth of our business. The occurrence of one or more of the events or circumstances described in the section titled “Risk Factors,” alone or in combination with other events or circumstances, may harm our business, financial condition and operating results. Such risks include, but are not limited to: The market for Urban Air Mobility (UAM) has not been established with precision, is still emerging and may not achieve the growth potential we expect, or may grow more slowly than expected. There may be reluctance by consumers to adopt this new form of mobility, or unwillingness to pay our projected prices. There may be rejection of eVTOL operation in certain localities due to a perceived risk of safety or burden on local communities from eVTOL operations. If current airspace regulations are not modified to increase air traffic capacity, our business could be subject to considerable capacity limitations. Urban Air Traffic Management (UATM) may not be able to provide adequate situational awareness and equitable airspace access to eVTOLs or may not allow industrial scalability. The regulatory environment for third- party service and technology providers (which UATM could be labeled as) may not be specific enough to support our UATM solution, or may delay its adoption. Our UATM solution may underperform if it has a defect or it is not delivered on the projected timeline. We may not be able to launch our eVTOL and related services on the timeline projected. We may be unable to secure third parties to provide aerial ridesharing services and to make the necessary changes to, and operate, vertiports using our aircrafts, or otherwise make the services sufficiently convenient to drive customer adoption. Our customers’ perception of us and our reputation may be impacted by the broader industry and customers may not differentiate our aircraft and services from our competitors. Our prospects and operations may be adversely affected by changes in consumer preferences, discretionary spending and other economic conditions that affect demand for UAM services ~~including changes resulting from the COVID-19 pandemic~~. Neither we nor ERJ have manufactured or delivered any eVTOL aircraft to customers, which makes evaluating our business and future prospects difficult and increases the risk of investment. Our eVTOL aircraft may not perform at the level we expect, and may have potential defects, such as higher than expected noise profile, lower payload than initially estimated, shorter range, higher unit cost, higher cost of operation, perceived discomfort during transition phase **of flight** and / or shorter useful lives than we anticipate. We may not be able to produce **eVTOL** aircraft in the volumes and on the timelines projected. Crashes, accidents or incidents of eVTOL aircraft or involving UATM solutions, **or** lithium batteries involving or our competitors could have a material adverse effect on ~~its~~ **our** business, financial condition, and results of operations. We currently rely and expect to continue to rely on ERJ to provide services, products, parts and components required to develop and certify our aircraft and to supply critical services, components and systems necessary for our operations, which exposes us to a number of risks and uncertainties outside our control. **Although we** EAH is a majority stockholder of the Company. ~~The concentration of ownership may affect the market demand for our shares. We currently do not have a fully defined strategy for the manufacturing of our aircraft following type certification, which we are~~ **exposed** us to Our agreements with our customers are non- binding and constitute the current orders for our aircraft. If we do not enter into definitive agreements with our customers, or the conditions to our customer’ s orders (if any) are not met, or if such orders (if any) are cancelled, or delayed, our prospects, results of operations, liquidity and cash flow will be harmed. We may be unable to obtain relevant regulatory approvals for the commercialization of our aircraft, including Type Certification, Production Certification, and Operating Certification approvals for permitting new infrastructure or accessing existing infrastructure or otherwise. Changes in government regulation imposing additional requirements and restrictions on our operations could increase our operating costs and result in service delays and disruptions. If **our relations with** ~~conflicts arise between us and~~ our strategic partners **were to deteriorate or terminate**, our business could be adversely or these parties may act in a manner adverse to us. The failure of certain advances in technology such as autonomy or battery density to mature at the rates we project may impact our ability to increase the volume of our service and / or drive down end- user pricing at the rates we project. We ~~have~~ **are an early- stage company with a history of losses, and we expect to** ~~incur~~ **incur** significant losses ~~for since inception, we expect to incur losses in the foreseeable future, and we may not be able to achieve or maintain profitability. We are subject to cybersecurity risks to our operational systems, security systems, infrastructure, integrated software in our aircraft and customer data processed by our third- party vendors. Our available capital resources may not be sufficient to meet the~~ **requirements of** our business plan and we may need to raise additional capital. Brazilian political and economic conditions have a direct impact on our business, and such conditions could adversely affect our business, financial **and results of operations**. Risks Related to our Business and Industry Market & Service The market for Urban Air Mobility (UAM) has not been established with precision, is still emerging and may not achieve the growth potential we expect, or may grow more slowly than expected. The UAM market is still emerging and has not been established with precision. It is uncertain to what extent market acceptance will grow, if at all. We intend to initially launch operations in a limited number of metropolitan areas. The

success of these markets and the opportunity for future growth in these markets may not be representative of the potential market for UAM in other metropolitan areas. Our success will depend to a substantial extent on regulatory approval and availability of eVTOL technology, investments and development of the ecosystem infrastructure, community acceptance, as well as the willingness of commuters and travelers to widely adopt air mobility as an alternative for ground transportation. If the public does not perceive UAM as beneficial, or chooses not to adopt UAM ~~because as a result~~ of concerns regarding safety, affordability, value proposition or for other reasons, then the market for our offerings may not develop, may develop more slowly than we expect or may not achieve the growth potential we expect. As a result, the number of potential fliers using our eVTOL cannot be predicted with any degree of certainty, and we cannot assure ~~you~~ that we will be able to operate in a profitable manner in any of our targeted markets. Any of the foregoing could materially adversely affect our business, financial condition, and results of operations. Growth of our business will require significant investments in the development of the UAM ecosystem, infrastructure, technology and marketing and sales efforts. Our current cash flow has not been sufficient to support these needs. If our business does not generate the level of available cash flow required to support these investments, our results of operations will be negatively affected. ~~Further~~ **Furthermore**, our ability to effectively manage growth and expansion of our operations will also require us to enhance our research and development, manufacturing, operational systems, internal controls and infrastructure, human resources policies, and reporting systems. These enhancements will require significant capital expenditures and allocation of valuable management and employee resources. There may be reluctance by consumers to adopt this new form of mobility, or unwillingness to pay our projected prices. Our growth is highly dependent upon the adoption by consumers of an entirely new form of mobility offered by eVTOL aircraft and the UAM market. If consumers do not adopt this new form of mobility or are not willing to pay the prices shared for aerial ridesharing services, our business may never materialize and our prospects, financial condition and operating results will be harmed. This market is new, rapidly evolving, and characterized by rapidly changing technologies, price competition, additional competitors, evolving government regulation and industry standards, new aircraft announcements and changing consumer demands and behaviors. Our success in **each a given** market will depend on the local infrastructure and regulations, on our partners' ability to develop a network of passengers and accurately assess and predict passenger demand and price sensitivity. Demand and price sensitivity may fluctuate based on a variety of factors, including macroeconomic factors, quality of service, negative publicity, safety incidents, corporate reporting related to safety, quality of customer support, perceived political or geopolitical affiliations, or dissatisfaction with our brand, products, and offerings in general. If our commercial partners fail to attract passengers or fail to accurately predict demand and price sensitivity, it ~~would~~ **will** harm our financial performance and our competitors' products may achieve greater market adoption and may grow at a faster rate than our business. ~~17~~ **We** expect that a large driver of passenger demand for aerial ridesharing services will be time savings when compared with alternative modes of transportation. Should we or our commercial partners be unable to deliver a sufficient level of time savings for our eVTOL passengers or if expected time savings are impacted by delays or cancellations, it could reduce demand for aerial ridesharing services. If we or our commercial partners are unable to generate demand or demand falls, our business, financial condition, and results of operations could be adversely affected. There may be rejection of eVTOL operation in certain localities due to a perceived risk of safety or burden on local communities from eVTOL operations. We are developing eVTOL to a level of safety that is higher than that of a light aircraft, a level that is perceived by us and the regulators to be adequate for the safe operation of eVTOLs in urban centers. However, the safety record of the fleet will also depend on factors external to the vehicle and the understanding of which is currently being constructed, such as the integration of eVTOL fleets with other aircraft operating in the same urban airspace. If the prediction of important characteristics of the system, such as route placement, vehicle separation and communication protocols, is not accurate, or if these considerations are not properly taken into account, the safety level of the fleet operation may be negatively affected. The approval of local authorities of the operation of the eVTOLs will be influenced by the public opinion about the burden imposed on that community by the vehicle operations. Local populations, being potential users of the eVTOL service or not, may perceive the external noise of the vehicles, visual pollution and changes in the neighborhood provoked by vertiport operations to be unreasonable with respect to the benefits brought by the vehicles in terms of traffic congestion reduction and decrease in travel times. If that is the case, the demand for the vehicles and its operations may be negatively affected. If current airspace regulations are not modified to increase air traffic capacity, our business could be subject to considerable capacity limitations. A failure to increase air traffic capacity at and in the airspace serving key markets, including around major airports, in the United States or overseas, could create capacity limitations for our future operations and could have a material adverse effect on our business, results of operations and financial condition. Weaknesses in airspace and air traffic control system worldwide, including the National Airspace System and the Air Traffic Control ("ATC") system, such as outdated procedures and technologies, could result in capacity constraints during peak travel periods or adverse weather conditions in certain markets, resulting in delays and disruptions to our service. While our aircraft is designed to operate in the National Airspace System under existing rules, our business at scale will likely require airspace allocation for UAM operations. Our inability to obtain sufficient access to the National Airspace System could increase our costs and reduce the attractiveness of our service. Urban Air Traffic Management (UATM) may not be able to provide adequate situational awareness and equitable airspace access to eVTOLs or may not allow industrial scalability. Urban Air Traffic Management (UATM) is a system that will enable UAM scalability and will mature over time to support market requirements. The UATM systems will provide traffic management services to the UAM ecosystem, including to vehicles, fleet operators, vertiports, pilots, fleet managers, network operating centers and air navigation service providers, with the objective of improving the efficiency and safety of UAM operations. The UATM systems are therefore perceived as an enabler to allow the safe scalability of the industry as the quantity of eVTOL operations increases over time. An accident or incident resulting from the low performance of one of the UATM systems or its inability to provide adequate safety levels may negatively affect public perception and the UAM industry as whole. ~~18~~ **Additionally**, if UATM systems do not target appropriate services, it may affect their ability to

support increased traffic volume and therefore impact the ability for industrial scalability. This may be the result of collecting the wrong data necessary to support future safety cases required for airspace authorities to approve new regulations and / or the inability to manage traffic equitably for all airspace users, including airspace access for eVTOLs. ~~There is a risk that the~~ **The is a risk that the** regulatory environment for third- party service and technology providers (which UATM could be labeled as) may not be specific enough to support our UATM solution, or may delay its adoption. Every country is on a different journey with a corresponding timetable towards establishing the regulatory environment that will support third- party technology and service providers to buttress the air traffic management industry. As more varied and unique aircraft, each with unique operating characteristics (for instance, drones as compared to general aviation aircraft), are all vying for access to dense, low altitude airspace, solutions like UATM seek to standardize the way in which such airspace can be safely managed. However, as technology development usually outpaces regulation, it is foreseeable that a certain degree of business risk or regulatory risk is inherent in the investment and deployment of this new technology. Therefore, a lack of necessary regulations to help the industry understand how it may commercialize such third- party offerings, such as UATM, may result in a poor business environment that may make it difficult to achieve the deployment of UATM based on each country' ~~s progress-~~ **progress** towards regulating similar service providers. Additionally, competing systems or solution providers may use the lack of regulation to their advantage, leading to an unsafe operating environment that would cause us and our UATM solution to consider suspending operations until such time when clarity and an appropriate safety case with the local regulator could be established. This may negatively impact the financial results of our UATM product, its ability to provide a return on its investment, and therefore damage the business model of our UATM solution. Our UATM solution may underperform if it has a defect or it is not delivered on the projected timeline. We are developing our own UATM solution. We currently plan for our UATM systems to include urban aeronautical information management, vertiport information management, flight planning and authorization, traffic flow management, weather management, and collaborative or common situation awareness and any other feature identified during the interaction with stakeholders. The underperformance of the UATM systems could result from improperly defining the system requirements and system architecture. The inability to accurately define the system requirements would result in an undesirable product by the target users and customers, including but not limited to the fleet operators, vertiport operators and air navigation service providers. By not providing the necessary services at the required time, UATM may negatively impact the ability of UAM to scale at the desired pace. Additionally, by not providing the right services, there is a heightened risk that competitors will capture additional market share. Failing to define and implement the right system architecture will make it more difficult for UATM systems to scale and evolve over time with new requirements and to integrate with other systems. There can be no assurance that we will be able to detect and fix all defects in the UATM system prior to its entry into service. Defects could occur as a result of incorrectly identifying the standards that the UATM software must be built towards. By failing to build towards the correct standards, the impacted UATM system will not be allowed to enter into service, resulting in significant re- work to meet the required qualifications, with the project incurring schedule delays, cost overrun or, ultimately, causing eVTOL accidents. Schedule delays of UATM systems may result in losing near- term market share to the competition. Competing service providers will begin generating hours of in- service experience earlier and become more established and desirable to the market, making it more difficult for us to become an established service provider in the future. Additionally, delays of UATM systems currently under development and systems to be developed in the future may impede the industrial scalability of UAM, impacting the volume of vehicle sales and service and support contracts. ~~We~~ **We** may not be able to launch our eVTOL and related services on the timeline projected. We will need to address significant regulatory, political, operational, logistical, and other challenges in order to launch our eVTOLs. We do not currently have infrastructure in place to operate the service and such infrastructure may not be available or may be occupied on an exclusive basis by competitors. We also have not yet received certifications from the FAA, the ANAC, the EASA or other certifications of our aircraft or other required airspace or operational authority and government approvals, which are essential for aircraft production and operation. In addition, our pre- certification operations may increase the likelihood of discovering issues with our aircraft, which could result in delays to the certification of our aircraft. Any delay in the financing, design, manufacture, **testing, certification,** and launch of our aircraft could materially damage our brand, business, prospects, financial condition and operating results. Aircraft manufacturers often experience delays in the design, manufacture, **testing, certification,** and commercial release of new aircraft. These delays may result in additional costs and adverse publicity for our business. If we are not able to overcome these challenges, our business, financial condition and result of operations will be negatively impacted and our ability to grow our business will be harmed. Our competitors may commercialize their technology before we do, either in general or in specific markets. We expect this industry to be increasingly competitive and it is possible that our competitors could get to market before we do, either generally or in specific markets. Even if we are first to market, we may not fully realize the benefits we anticipate, and we may not receive any competitive advantage or may be overcome by other competitors. If new companies or existing aerospace companies launch competing solutions in the markets in which we intend to operate and obtain large scale capital investment, we may face increased competition. Additionally, our competitors may benefit from our efforts in developing a UATM solution, making it easier for them to obtain the permits and authorizations required to manufacture or operate eVTOL aircrafts in the markets in which we intend to launch or in other markets. Many of our current and potential competitors are larger and have substantially greater resources than we have and expect to have in the future. They may also be able to devote greater resources to the development of their current and future technologies or the promotion and sale of their offerings, or offer lower prices. In particular, our competitors may be able to receive airworthiness certificates or production certificates for their aircraft prior to us receiving such certificates. Our current and potential competitors may also establish cooperative or strategic relationships amongst themselves or with third parties that may further enhance their resources and offerings. Further, it is possible that domestic or foreign companies or governments, some with greater experience in the aerospace industry or greater financial resources than we possess, will seek to provide products or services that compete directly

or indirectly with ours in the future. We may be unable to secure third parties to provide aerial ridesharing services and to make the necessary changes to, and operate, vertiports using our aircrafts, or otherwise make the services sufficiently convenient to drive customer adoption. Our business will heavily depend on third- party operators to develop and launch aerial ride sharing services and to make the necessary changes to vertiport infrastructure, including installation of necessary charging equipment, to enable adoption of our eVTOL aircraft. While we expect to be able to develop strategic partnerships with third- party fleet and vertiport operators to provide a comprehensive UAM passenger service, we cannot guarantee that we will be able to do so effectively, at prices that are favorable to us, or at all. While we do not intend to own or operate vertiports or aerial ride sharing services, our business will rely on such services. Our business and our brand will be affiliated with these third- party ground operators and we may experience harm to our reputation if our third- party ground operators suffer from poor service, negative publicity, accidents, or safety incidents. The foregoing risks could adversely affect our business, financial condition and results of operations. ~~20~~Our customers' perception of us and our reputation may be impacted by the broader industry and customers may not differentiate our aircraft and ~~our~~ services from our competitors. Customers and other stakeholders may not differentiate between us and the broader aviation industry or, more specifically, the UAM service industry. If our competitors or other participants in this market have issues in a wide range of areas, including safety, technology development, engagement with aircraft certification bodies or other regulators, engagement with communities, target demographics or other positioning in the market, security, data privacy, flight delays, or bad customer service, such problems could impact the public perception of the entire industry, including our business. We may fail to adequately differentiate our brand, our services and our aircraft from others in the market which could impact our ability to attract passengers or engage with other key stakeholders. The failure to differentiate ourselves and the impact of poor public perception of the industry could have an adverse impact on our business, financial condition, and results of operations. Our prospects and operations may be adversely affected by changes in consumer preferences, discretionary spending and other economic conditions that affect demand for UAM services ~~, including changes resulting from the COVID-19 pandemic~~. Our business will be primarily concentrated on commercializing our eVTOL aircraft, providing agnostic UAM capacity by operating a fleet of eVTOLs together with partners and providing a suite of services including maintenance, technical support and training to our and third parties' eVTOL aircrafts, which we expect may be vulnerable to changes in consumer preferences, discretionary spending and other market changes impacting discretionary purchases. The global economy has in the past, and will in the future, experience recessionary periods and periods of economic instability ~~, including the current business disruption and related financial impact resulting from the global COVID-19 health crisis~~. During such periods, eVTOL passengers may choose not to make discretionary purchases or may reduce overall spending on discretionary purchases. Such changes could result in reduced consumer demand for air transportation, including UAM services, or could shift demand from our UAM services to other methods of air or ground transportation for which we do not offer a competing service. If we are unable to generate demand or there is a future shift in consumer spending away from UAM services, our business, financial condition and results of operations could be adversely affected. Aircraft and Production Neither we nor ERJ have ~~yet~~ manufactured or delivered ~~to customers~~ any eVTOL aircraft **to customers**, which makes evaluating our business and future prospects difficult and increases **the risk of** investment ~~risk~~. The UAM Business was launched by ERJ in 2017 and ERJ has a limited operating history in the urban air mobility industry, which is continuously evolving. Our eVTOL aircraft is in the early development stage and we do not expect our first serial vehicle to be produced until **the latter half of** 2026, if at all. We have no experience in high volume manufacturing of the planned eVTOL aircraft. We cannot assure you that we or our partners will be able to develop efficient, automated, cost- efficient manufacturing capability and processes, and reliable sources of component supplies that will enable us to meet the quality, price, engineering, design and production standards, as well as the production volumes, required to successfully mass market our aircraft. You should consider our business and prospects in light of the risks and significant challenges we face as a new entrant into the UAM industry, including, among other things, with respect to our ability to: • design and produce safe, reliable and quality eVTOL aircraft on an ongoing basis; • obtain the necessary regulatory approvals in a timely manner, including receipt of governmental authority for manufacturing the equipment and, in turn, marketing, selling and operating our UAM services; ~~21-20~~ • develop a UATM solution; • build a well- recognized and respected brand; • establish and expand our customer base and strategic partners; • successfully market not just our eVTOL aircraft but also the other services we intend to provide, such as maintenance, materials, technical support and training services; • successfully service our eVTOL aircraft after sales and maintain a good flow of spare parts and customer goodwill; • improve and maintain our operational efficiency; • successfully execute our manufacturing and production model and maintain a reliable, secure, high- performance and scalable technology infrastructure; • predict our future revenues and appropriately budget for our expenses; • attract, retain and motivate talented employees; • anticipate trends that may emerge and affect our business; • anticipate and adapt to changing market conditions, including technological developments and changes in competitive landscape; and • navigate an evolving and complex regulatory environment. If we fail to adequately address any or all of these risks and challenges, our business may be harmed. Our eVTOL aircraft may not perform at the level we expect, and may have potential defects, such as higher than expected noise profile, lower payload than initially estimated, shorter range, higher unit cost, higher cost of operation, perceived discomfort during transition phase of flight and / or shorter useful lives than we anticipate. Our eVTOL aircraft may contain defects in design and manufacture that may cause them not to perform as expected or that may require repair. For example, our eVTOL aircraft may have a higher noise profile than we expect or carry a lower payload or have shorter maximum range than we estimate. Our eVTOL aircraft also uses a substantial amount of software code to operate. Software products are inherently complex and often contain defects and errors when first introduced. The ability of our eVTOL aircraft to perform as expected depends on the development of certain components, such as batteries, the technology of which is **either** currently under development **or existing technology never before used in an eVTOL aircraft** and therefore not yet proven in operation. While we have performed initial tests with flying vehicles and components in test rigs, in some instances we are still relying on projections and models to validate the projected

performance of our aircraft. To date, we have been unable to validate the performance of our eVTOL aircraft over the expected lifetime of the aircraft. There can be no assurance that we will be able to detect and fix any defects in the eVTOL aircraft prior to their use in our service. For example, a flight in an eVTOL aircraft will be unlike anything passengers have experienced before, and due to the aircraft characteristics (including a comparatively light weight, multiple rotors, vertical takeoff, and transition to forward flight) and operation characteristics (flying at low altitudes close to buildings, likely to frequently encounter turbulence), passengers may be susceptible to motion sickness during the transitioning phases. We expect to introduce new and additional features and capabilities to the aircraft and our service over time. For example, while our vehicles will begin its operation with a pilot onboard, we project that they will evolve to become ~~autonomous~~ **uncrewed** vehicles over time. If successful, this would reduce the cost of operation related to hiring the crew, although part of the cost reduction will be offset by the need to introduce additional equipment and sensors needed for autonomous flights. As with other areas of the vehicle, we expect to improve the autonomous capabilities of our aircraft through testing and simulations throughout the vehicle development process, since this technology and capability is currently not available for vehicles of this nature. However, we may be unable to develop or certify these upgrades in a timely manner, or at all, which could have a material adverse impact on our business, financial condition, and results of operations. ~~22We-21We~~ may not be able to produce **eVTOL** aircraft in the volumes and on the timelines projected. There are significant challenges associated with mass producing aircraft in the volumes that we are projecting. The aerospace industry has traditionally been characterized by significant barriers to entry, including large capital requirements, investment costs of designing and manufacturing aircraft, long lead times to bring aircraft to market from the concept and design stage, the need for specialized design and development expertise, extensive regulatory requirements, establishing a brand name and image and the need to establish maintenance and service locations. As a manufacturer of electric aircraft, we face a variety of added challenges to entry that a traditional aircraft manufacturer would not encounter including additional costs of developing and producing an electric powertrain, regulations associated with the transport of lithium-ion batteries and unproven high-volume customer demand for a fully electric aerial mobility service. Additionally, we are relying on ERJ to develop production lines for components and at volumes for which there is little precedent within the traditional aerospace industry. The ability to reach high vehicle production volumes also depends on the supply of components and systems reliably at adequate rates, and such components are not manufactured at scale at this moment. Additionally, there may be competition between markets for related products that may affect the ability of suppliers to provide equipment. These products include, for example, batteries, which are in high demand by the automotive industry. In addition, since our eVTOL aircraft cannot be delivered via long distance flights, it is pivotal that we have the ability, in factory, to disassemble aircraft produced in areas that are not close to customer operations immediately after unit production. Tests, transportation and assembly close to customer operations need to follow high standards of safety and efficiency in order to deliver the products to different geographic regions. If we are not able to overcome these barriers, our business, prospects, operating results and financial condition will be negatively impacted and our ability to grow our business will be harmed. Our business will initially rely on a single aircraft type. Our dependence on our aircraft makes us particularly vulnerable to any design defects or mechanical problems associated with our aircraft or its component parts. Any product defects or any other failure of our aircraft to perform as expected could harm our reputation and result in adverse publicity, delays in or inability to obtain certification, lost revenue, delivery delays, product recalls, product liability claims, harm to our brand and reputation, and significant warranty and other expenses, and could have a material adverse impact on our business, financial condition, operating results and prospects. We are relying on the ERJ entities to manufacture and assemble our eVTOL aircraft, **conforming prototypes, and certification devices that will be used for certification purposes,** pursuant to our ~~MSA with~~ **MSA with** ERJ and Atech. The initial terms of the ~~MSAs with~~ **MSAs with** Atech and ERJ are expected to end on the 10th and 15th anniversaries of May 9, 2022 (the "Closing Date"), respectively. If ERJ or Atech terminates or fails to renew or to comply with the terms of the respective MSAs, we may not be able to engage other manufacturers and suppliers in a timely manner, at an acceptable price or in the necessary quantities. In addition, our eVTOL will be subject to regulation in Brazil, the U. S., the European Union and in each jurisdiction where our customers are located. ANAC, as well as Civil Aviation Authorities (CAA) in other countries in which our potential customers are located, most notably the FAA and the EASA, must certify or validate the design (Type Certificate) of our eVTOL before we can start delivering it to any customers. As a result, we will also need to do extensive testing to ensure that the aircraft is in compliance with applicable local civil aviation regulation (e. g., ANAC, FAA, EASA), safety regulations and other relevant regulations prior to entry into service. In addition to certification of the aircraft (Type Certificate), we will be required to obtain approval from the ANAC, or from local Civil Aviation Authorities where the manufacturing facilities will be located to produce the aircraft according to the approved type design. Our plan involves manufacturing the vehicle in Brazil (under ANAC's ~~s regulations-~~ **regulations**) and, according to the evolution of market demand, other production facilities shall be implemented, which may be located in other countries outside Brazil, such as the U. S. or Europe. Production approval involves local authority manufacturing approval and extensive ongoing oversight of mass-produced aircraft. If we are unable to obtain production approval for the aircraft, or the ANAC, the FAA, the EASA or local Civil Aviation Authority imposes unanticipated restrictions as a condition of approval, our projected costs of production could increase substantially. ~~23The-22The~~ timing of our production ramp is dependent upon finalizing certain aspects of the design, engineering, component procurement, testing, build out, and manufacturing plans in a timely manner and upon our ability to execute these plans within the current timeline. It is also dependent on being able to timely obtain Production Certification from the respective local Civil Aviation Authority. Crashes, accidents or incidents of eVTOL aircraft or involving UATM solutions, or lithium batteries involving us or our competitors could have a material adverse effect on our business, financial condition, and results of operations. Test flying prototype aircraft is inherently risky, and crashes, accidents or incidents involving our aircraft are possible. Any such occurrence would negatively impact our development, testing and certification efforts, and could result in re-design, certification delay and / or postponements or delays to our commercial

service launch. The operation of aircraft is subject to various risks, and we expect demand for our eVTOL aircraft and our UAM services to be impacted by accidents or other safety issues regardless of whether such accidents or issues involve our aircraft. Such accidents or incidents could also have a material impact on our ability to obtain ANAC, FAA and EASA certifications for our aircraft, or to obtain such certifications in a timely manner. Such events could impact confidence in a particular aircraft type or the air transportation services industry as a whole, particularly if such accidents or disasters were due to a safety fault. We believe that the regulators and the general public are still forming their opinions about the safety and utility of aircraft that are highly reliant on lithium ion batteries, and / or advanced flight control software capabilities. An accident or incident involving either our aircraft or a competitor's aircraft during these early stages of opinion formation could have a disproportionate impact on the longer-term view of the emerging UAM market. We are at risk of adverse publicity stemming from any public incident involving our company, our controlling stockholder, our people, our brand or other companies in our industry. Such an incident could involve the actual or alleged behavior of any of our employees or third-party contractors, including ERJ and its other subsidiaries, or the employees or contractors of our competitors. Further, if our personnel, our aircraft, or other types of aircraft, including ERJ's aircraft and the aircraft of our competitors, are involved in a public incident, accident, catastrophe or regulatory enforcement action, we could be exposed to significant reputational harm and potential legal liability. The insurance we carry may be inapplicable or inadequate to cover any such incident, accident, catastrophe or action. In the event that our insurance is inapplicable or inadequate, we may be forced to bear substantial losses from an incident or accident. In addition, any such incident, accident, catastrophe or action involving our employees, our aircraft, the aircraft of our competitors or other types of aircraft could create an adverse public perception, which could harm our reputation, result in passengers being reluctant to use our services, and adversely impact our business, financial condition, and results of operations. Unsatisfactory safety performance of our aircraft could have a material adverse effect on our business, financial condition, and results of operations. While we are building operational processes designed to ensure that the design, testing, manufacture, performance, operation and servicing of our aircraft meet rigorous quality standards, there can be no assurance that we will not experience operational or process failures and other problems, including through flight test accidents or incidents, manufacturing or design defects, pilot error, cyber-attacks or other intentional acts, that could result in potential safety risks. Any actual or perceived safety issues may result in significant reputational harm to our businesses, in addition to tort liability, maintenance, increased safety infrastructure and other costs that may arise. Such issues could result in delaying or cancelling planned flights, increased regulation or other systemic consequences. Our inability to meet our safety standards or adverse publicity affecting our reputation as a result of accidents, mechanical or operational failures, or other safety incidents could have a material adverse effect on our business, financial condition and results of operations. In addition, our aircraft may be grounded by regulatory authorities due to safety concerns that could have a material adverse impact on our business, financial condition, and results of operations. We currently rely and will expect to continue to rely on ERJ to provide services, products, parts and components required to develop and certify our aircraft and to supply critical services, components and systems necessary for our operations, which exposes us to a number of risks and uncertainties outside our control. While we will have our own engineering capabilities, we will be substantially reliant on ERJ, our controlling stockholder, to provide us with development, certification and other services and supply our aircrafts, at least initially, pursuant to the MSAs. Additionally, ERJ will rely on its suppliers and service providers for the parts and components in our aircraft. ERJ is currently our sole supplier of aircraft development and certain other services. We or ERJ are also, in some cases, subject to sole source suppliers for certain parts and other components for which we rely on, or may be reliant on, to achieve our projected type certification. While we believe that we may be able to establish alternate supply relationships and can obtain replacement components, we may be unable to do so in the short term at prices that are favorable to us or at all. These disruptions in our supply chain could lead to delays in aircraft development, type certification and production, which could materially adversely affect our business, financial condition, and results of operations. Although we currently do not have a defined strategy for the manufacturing of our aircraft following type certification, which we are exposed to a number of risks and uncertainties outside our control. We have entered into supply agreements with, and expect to not decided on a strategy for the manufacturing of our aircraft following type certification. We may rely on ERJ to provide certain services, products, parts and components required to manufacture our aircraft to sell to final customers. Depending on our defined manufacturing strategy, and we also may be subject to sole source suppliers for certain parts and other components for which we may be reliant on to achieve our projected high-volume production numbers. This supply chain may expose us to multiple potential sources of delivery failure or component shortages for our aircraft. While we believe that we may be able to establish alternate supply relationships and can obtain replacement components, we may be unable to do so in the short term or at all at prices that are favorable to us, or at all. If any of our suppliers or service partners were to experience delays, disruptions, capacity constraints or quality control problems in its manufacturing operations, or if they choose to not do business with us, we would have significant difficulty in procuring, producing and delivering our aircraft, and our business prospects would be significantly harmed. These disruptions in our supply chains may cause delays in our production process for both prototype and commercial production aircraft which would negatively impact our revenues, competitive position and reputation. Outside the markets where the manufacturing takes place, we will rely on third parties to transport and reassemble the aircraft close to customer operations. In addition, our suppliers or service partners may rely on certain state tax incentives that may be subject to change or elimination in the future, which could result in additional costs and delays in production if a manufacturing site must be obtained. Further, if we are unable to successfully manage our relationship with our suppliers or service partners, the quality and availability of our aircraft may be harmed. Our suppliers or service partners could, under some circumstances, decline to accept new purchase orders from or otherwise reduce their business with us. If our suppliers or service partners stop or reduce manufacturing our aircraft components for any reason, we may be unable to replace the lost manufacturing capacity on a timely and comparatively cost-effective basis, which would adversely impact its operations. The manufacturing facilities of our suppliers or service partners

and the equipment used to manufacture our aircraft would be costly and could require substantial lead time to replace and qualify for use. The manufacturing facilities of our suppliers or service partners may be harmed or rendered inoperable by natural or human-made disasters, including earthquakes, flooding, fire and power outages, or by health epidemics, ~~such as the recent COVID-19 pandemic,~~ which may render it difficult or impossible for us to manufacture our aircraft for some period of time. The inability to manufacture our aircraft, our aircraft components or the backlog that could develop if the manufacturing facilities of our suppliers or service partners are inoperable for even a short period of time may result in the loss of customers or harm our reputation. ~~24~~~~We~~~~25~~~~We~~ do not control ERJ or our other suppliers or service partners or such parties' labor and other legal compliance practices, including their environmental, health and safety practices. If ERJ or our other current suppliers or service partners, or any other suppliers or service partners which we may use in the future, violates U. S. or foreign laws or regulations, we may be subjected to extra duties, significant monetary penalties, adverse publicity, the seizure and forfeiture of products that we are attempting to import or the loss of our import privileges. The effects of these factors could render the conduct of our business in a particular country undesirable or impractical and have a negative impact business, financial condition, and results of operations. Furthermore, if we experience significant increased demand, or need to replace our existing suppliers, there can be no assurance that additional supplies of aircraft manufacturing or other services or products, parts or other components will be available when required on terms that are acceptable to us, or at all, or that any supplier would allocate sufficient supplies to us in order to meet our requirements or fill our orders in a timely manner. These disruptions in our supply chain could lead to delays in aircraft development and production, which could materially adversely affect our business, financial condition, and results of operations. Our agreements with our customers ~~and strategic partners~~ are non-binding and constitute all of the current orders for our aircraft. If we do not enter into definitive agreements with our customers, or the conditions to our customer's ~~s orders-~~ **orders** (if any) are not met, or if such orders (if any) are cancelled, modified or delayed, our prospects, results of operations, liquidity and cash flow will be harmed. Our agreements with potential customers ~~and strategic partners~~ for our eVTOL aircraft are non-binding and constitute all of the current orders for our aircraft. Such orders and agreements are subject to conditions, including the parties reaching mutual agreement on certain material terms, such as aircraft specifications, warranties, usage and transfer of the aircraft, performance guarantees, delivery periods and other matters, and entering into definitive agreements. The obligations of such potential customers and strategic partners to consummate any order will arise only after all of such material terms are agreed in the discretion of each party and we enter into definitive agreements with such potential customers. Further, such definitive agreements (if any) will likely be subject to several conditions, including, for example, certification of our aircraft by the ANAC, FAA, EASA or other aviation authorities, and will likely be subject to termination rights. If we do not enter into definitive agreements with our potential customers ~~and strategic partners~~ or, if after entering into definitive agreements, we do not meet any of the agreed conditions or any orders for our aircraft are cancelled, modified or delayed, or otherwise not consummated, or we are otherwise unable to convert our strategic relationships or collaborations into sales revenue, our business, financial condition, and results of operations will be adversely affected. Our business may be adversely affected by union activities. Most of our employees are located in Brazil. It is common throughout the aerospace and airline industries generally and in Brazil for many employees to belong to a union, which can result in higher employee costs and increased risk of work stoppages. Our Brazilian employees are currently represented by one or more labor unions. As we expand our business there can be no assurances that more of our employees will not join or form a labor union or that we will not be required to become a union signatory. We are also directly or indirectly dependent upon companies with unionized work forces, such as ERJ and parts suppliers. Work stoppages or strikes organized by such unions could have a material adverse impact on our business, financial condition or operating results. If a work stoppage occurs, it could delay the manufacture and sale of our eVTOL aircraft and have a material adverse effect on our business, financial condition, and results of operations. ~~26~~~~Regulatory~~~~-25~~~~Regulatory~~ & Airspace We may be unable to obtain relevant regulatory approvals for the commercialization of our aircraft ~~(, including Type Certification, Production Certification, and Operating Certification ),~~ approvals for permitting new infrastructure or ~~access~~ **accessing** existing infrastructure or otherwise. The commercialization of new aircraft requires certain regulatory authorizations and certifications, including Type Certification issued by the FAA under **the special class validation process** ~~14 CFR Part 23 (ANAC RBAC 23, EASA SC-VTOL) with 14 CFR Part 135 (ANAC RBAC 135) operations specifications~~. While we anticipate being able to meet the requirements of any required authorizations and certificates, we may be unable to obtain such authorizations and certifications on our anticipated timeline, if at all. Should we fail to obtain any of the required authorizations or certificates in a timely manner, or if any such required authorizations or certificates are modified, suspended or revoked after we obtain them, we may be unable to launch our eVTOL and related services on our anticipated timeline, if at all, which would have **material** adverse effects on our business, financial condition, and results of operations. Changes in government regulation imposing additional requirements and restrictions on our operations could increase our operating costs and result in service delays and disruptions. Aerospace manufacturers are subject to extensive regulatory and legal requirements that involve significant compliance costs. The ANAC, FAA, EASA and other regulators may issue regulations relating to the operation of eVTOL aircraft that could require significant expenditures. Implementation of the requirements created by such regulations may result in increased costs for our customers and us **and may delay the launch of our eVTOL and related services on our anticipated timeline, which would have a material adverse effect on our business, financial condition, and results of operations**. Additional laws, regulations, taxes and airport rates and charges have been proposed from time to time that could significantly increase the cost of UAM operations or reduce the demand for air travel. If adopted, these measures could have the effect of raising fares and reducing demand. We cannot assure you that these and other laws or regulations enacted in the future will not harm our business. The UAM Business is subject to stringent U. S. export and import control laws and regulations. Unfavorable changes in these laws and regulations or U. S. government licensing policies, our failure to secure timely U. S. government authorizations under these laws and regulations, or our failure to comply with these laws and regulations could have a material adverse effect on our business,

financial condition and results of operation. Our business is subject to stringent U. S. import and export control laws and regulations as well as economic sanctions laws and regulations. We are required to import and export our products, software, technology and services, as well as run our operations in the United States, in full compliance with such laws and regulations, which may include the EAR, the International Traffic in Arms Regulations (“~~ITA~~ ~~R~~”), and economic sanctions administered by the Department of State and the Treasury Department’s ~~Office~~ ~~Office~~ of Foreign Assets Control (OFAC). Similar laws that impact our business exist in other jurisdictions. These foreign trade controls prohibit, restrict, or regulate our ability to, directly or indirectly, export, deemed export, re- export, deemed re- export or transfer certain hardware, technical data, technology, software, or services to certain countries, territories, entities, individuals and end users. If we are found to be in violation of these laws and regulations, it could result in civil and criminal, monetary and non- monetary penalties, the loss of export or import privileges, debarment and reputational harm. While none of our current technologies require us to maintain a registration under ITAR, we may become subject to ITAR in the future, which could have a material adverse effect on our business, financial condition and results of operations. ~~27 Pursuant~~ ~~26 Pursuant~~ to these international trade control laws and regulations, we are required, among other things, to (i) determine the proper licensing jurisdiction and export classification of products, software, and technology, and (ii) obtain licenses or other forms of U. S. government authorization to engage in the conduct of our business. The authorization requirements may include the need to get permission to release controlled technology to certain foreign person employees and other foreign persons. The authorization requirements further include the need to ensure compliance with trade controls as they apply to the cross- border release of products, software, and technology among our personnel located in the U. S. and abroad. Changes in U. S. foreign trade control laws and regulations, or reclassifications of our products or technologies, may restrict our operations. The inability to secure and maintain necessary licenses and other authorizations could negatively impact our ability to compete successfully or to operate our business as planned. Any changes in the export control regulations or U. S. government licensing policy, such as those necessary to implement U. S. government commitments to multilateral control regimes, may restrict our operations. Given the great discretion the government has in issuing or denying such authorizations to advance U. S. national security and foreign policy interests, there can be no assurance we will be successful in our future efforts to secure and maintain necessary licenses, registrations, or other U. S. government regulatory approvals. We will be subject to rapidly changing and increasingly stringent laws, regulations, industry standards, and other obligations relating to privacy, data protection, and data security. The restrictions and costs imposed by these requirements, or our actual or perceived failure to comply with them, could harm our business. We are subject to or are affected by a number of federal, state and local laws and regulations, as well as contractual obligations and industry standards, that impose certain obligations and restrictions with respect to data privacy and security, and govern our collection, storage, retention, protection, use, processing, transmission, sharing and disclosure of personal information including that of our employees, customers and others. Most jurisdictions have enacted laws requiring companies to notify individuals, regulatory authorities and others of security breaches involving certain types of data. Such laws may be inconsistent or may change or additional laws may be adopted. In addition, our agreements with certain customers may require us to notify them in the event of a security breach. Such mandatory disclosures are costly, could lead to negative publicity, result in penalties or fines, result in litigation, may cause our customers to lose confidence in the effectiveness of our security measures and require us to expend significant capital and other resources to respond to and / or alleviate problems caused by the actual or perceived security breach. The global data protection landscape is rapidly evolving, and implementation standards and enforcement practices are likely to remain uncertain for the foreseeable future. Privacy, data protection and consumer protection laws may change or develop over time through judicial decisions or as new guidance or interpretations are provided by regulatory and governing bodies and such changes or developments may be contrary to our existing practices. In addition, we may not be able to monitor and react to all developments in a timely manner. For example, the California Consumer Privacy Act of 2018, which took effect on January 1, 2020, gives California residents expanded rights related to their personal information, including the right to access and delete their personal information, and receive detailed information about how their personal information is used and shared. Other laws relating to privacy, data protection, and data security have been passed or been proposed in other states and at the federal level, reflecting a trend toward more stringent privacy legislation in the United States. Compliance with any applicable privacy and data security laws and regulations is a rigorous and time- intensive process, and we may be required to put in place additional mechanisms to comply with such laws and regulations. In addition, the enactment of such laws could impose conflicting requirements that would make compliance challenging. ~~28 Despite~~ ~~27 Despite~~ our efforts, we may not be successful in complying with the rapidly evolving privacy, data protection, and data security requirements discussed above. Any actual or perceived non- compliance with such requirements could result in litigation and proceedings against us by governmental entities, passengers, or others, fines, civil or criminal penalties, limited ability or inability to operate our business, offer services, or market our platform in certain jurisdictions, negative publicity and harm to our brand and reputation. We could be required to expend significant capital and other resources to address any such actual or perceived non- compliance which may not be covered or fully covered by our insurance. Such actual or perceived non- compliance could have a material adverse effect on our business, financial condition or results of operations. Macroeconomic The eVTOL aircraft industry may not continue to develop, eVTOL aircraft may not be adopted by the market or our independent third- party aircraft operators, eVTOL aircraft may not be certified by transportation authorities or eVTOL aircraft may not deliver the expected reduction in operating costs, any of which could adversely affect our prospects, business, financial condition, and results of operations. eVTOL aircraft involve a complex set of technologies, which we must continue to further develop and rely on our independent third- party aircraft operators to adopt. However, before eVTOL aircraft can fly passengers, we must receive requisite approvals from federal transportation authorities. No eVTOL aircraft are currently certified by the FAA for commercial operations in the United States, by ANAC for commercial operations in Brazil or by the EASA for commercial operations in the European Union, and there is no assurance that our research and development will result in government- certified aircraft that are market- viable or commercially



successful in a timely manner or at all. ~~To In order to~~ gain government certification, the performance, reliability and safety of eVTOL aircraft must be proven, none of which can be assured. Even if eVTOL aircraft are certified, individual operators must conform eVTOL aircraft to their licenses, which requires FAA approval in the U. S., ANAC approval in Brazil and EASA approval in the European Union, and individual pilots also must be licensed and approved by the FAA, ANAC and EASA to fly eVTOL aircraft in the U. S., Brazil and Europe, respectively, which could contribute to delays in any widespread use of eVTOL aircraft and potentially limit the number of eVTOL aircraft operators available to partner with us. Additional challenges to the adoption of eVTOL aircraft, all of which are outside of our control, include: • market acceptance of eVTOL aircraft; • state, federal or municipal licensing requirements and other regulatory measures; • third- party operators to develop and launch aerial ride sharing services; • urban air traffic management system availability; • necessary changes to vertiport infrastructure to enable adoption, including installation of necessary charging equipment; and • public perception regarding the noise and safety of eVTOL aircraft. There are ~~several a number of~~ existing laws, regulations and standards that may apply to eVTOL aircraft, including standards that were not originally intended to apply to electric aircraft. Regulatory changes that address eVTOL aircraft more specifically could delay our ability to receive type certification by transportation authorities and thus delay our independent third- party aircraft operators' ability to utilize eVTOL aircraft for their flights. In addition, there can be no assurance that the market will accept eVTOL aircraft, that we will be able to execute on our business strategy, or that our offerings utilizing eVTOL aircraft will obtain the necessary government operating authority or be successful in the market. There may be heightened public skepticism to this nascent technology and its adopters. ~~In particular, there~~ **There** could be negative public perception surrounding eVTOL aircraft, including the overall safety and the potential for injuries or death occurring as a result of accidents involving eVTOL aircraft, regardless of whether any such safety incidents occur involving us. Any of the foregoing risks and challenges could adversely affect ~~our our business~~ **business**, financial condition, and results of operations. **29-28Intellectual property violations may adversely affect us. We rely on patent, copyright, trademark and trade secret laws, and agreements with our employees, customers, suppliers and other parties, to establish and maintain our intellectual property rights in technology and products used in our operations. Despite these efforts to protect our intellectual property rights, any of our direct or indirect intellectual property rights could be challenged, invalidated or circumvented. In addition, although we believe that we lawfully comply with the intellectual property rights granted to others, we may be accused of infringement or misappropriation on occasion and could have claims asserted against us in the future. These claims could harm our reputation, lead to fines and penalties and prevent us from offering certain products or services. Any claims or litigation in this area, whether we ultimately win or lose, could be time- consuming and costly, hurt our reputation and / or require us to enter into licensing arrangements. We may not be able to enter into these licensing arrangements on acceptable terms. If any infringement brought against us is successful, an injunction may also be ordered against us to stop infringing, or otherwise violating, the alleged rights, which could adversely affect us, our research and / or production.** We may be unable to protect our intellectual property rights from unauthorized use by third parties. Failure to adequately protect our intellectual property rights could result in our competitors offering similar products or services, potentially resulting in the loss of some of our competitive advantage and a decrease in our revenue, which could adversely affect our business, prospects, financial condition and operating results. Our success depends, in part, on our ability to protect our proprietary intellectual property rights, including certain technologies deployed in our aircraft or that we utilize in arranging air transportation. To date, we have relied primarily on patents and trade secrets (including know- how), employee and third- party non- disclosure agreements, copyrights, trademarks, intellectual property licenses and other contractual rights to establish and protect our proprietary technology. Our software may also be subject to certain protection under copyright law, though we have chosen not to register any of our copyrights in our software. We routinely enter into non- disclosure agreements with our employees, consultants, volunteers in usability tests or collaborative sessions, third parties and other relevant persons and take other measures to protect our intellectual property rights, such as limiting access to our trade secrets and other confidential information. We intend to continue to rely on these and other means, including patent protection, in the future. The protection of our intellectual property rights will be important to our future business opportunities. However, the steps we take to protect our intellectual property from unauthorized use by others may not be effective for various reasons, including the following: • as noted below, any patent applications we submit may not result in the issuance of patents (and some utility patents have not yet been issued to us based on our pending applications); • the scope of our utility patents that may subsequently be issued may not be broad enough to protect our proprietary rights; • any of our patents that have been issued or may be issued may be challenged or invalidated by third parties; • our employees, volunteers or business partners may breach their confidentiality, non- disclosure and non- use obligations to us; • third parties may independently develop technologies that are the same or similar to ours; • unauthorized parties may attempt to copy aspects of our intellectual property or obtain and use information that we regard as proprietary; • intellectual property, trade secrets or other proprietary or competitively sensitive information may be improperly obtained through a cyber- attack or other breach of our systems or our vendor' s systems; • our non- disclosure agreements do not prevent our competitors from independently developing technologies that are substantially equivalent or superior to ours, and there can be no assurance that our competitors or third parties will comply with the terms of these agreements, or that we will be able to successfully enforce such agreements or obtain sufficient remedies if they are breached; • the costs associated with enforcing patents, confidentiality and invention agreements or other intellectual property rights may make enforcement impracticable; and • current and future competitors may challenge or circumvent or otherwise design around our patents. ~~30Further~~ **29Further**, obtaining and maintaining patent, copyright, and trademark protection can be costly, and we may choose not to, or may fail to, pursue or maintain such forms of protection for our technology in the United States, Brazil or other foreign jurisdictions, which could harm our ability to maintain our competitive advantage in such jurisdictions. It is also possible that we will fail to identify patentable aspects of our technology before it is too late to obtain patent protection, that we will be unable to devote the resources to file and prosecute all patent applications for such technology,

or that we will inadvertently lose protection for failing to comply with all procedural, documentary, payment, and similar obligations during the patent prosecution process. The laws of some countries do not protect proprietary rights to the same extent as the laws of the United States, and mechanisms for enforcement of intellectual property rights in some foreign countries may be inadequate to prevent other parties from infringing our proprietary technology. To the extent we expand our international activities, our exposure to unauthorized use of our technologies and proprietary information may increase. We may also fail to detect unauthorized use of our intellectual property, or be required to expand significant resources to monitor and protect our intellectual property rights, including engaging in litigation, which may be costly, time-consuming, and divert the attention of management and resources, and may not ultimately be successful. Also, while we have registered and applied for trademarks in an effort to protect our investment in our brand and goodwill with customers, competitors may challenge the validity of those trademarks and other brand names in which we have invested. Such challenges can be expensive and may adversely affect our ability to maintain the goodwill gained in connection with a particular trademark. If we fail to meaningfully establish, maintain, protect and enforce our intellectual property rights, our business, financial condition and results of operations could be adversely affected. We may need to defend ourselves against intellectual property infringement claims or misappropriation claims, which may be time-consuming and expensive and, if adversely determined, could limit our ability to commercialize our aircraft. Companies, organizations or individuals, including our competitors, may own or obtain patents, trademarks or other proprietary rights that could prevent or limit our ability to make, use, develop or deploy our aircraft and UAM services, which could make it more difficult for us to operate our business. We may receive inquiries from patent, copyright or trademark owners inquiring whether we infringe upon their proprietary rights. We may also be the subject of more formal allegations that we have misappropriated such parties' trade secrets or other proprietary rights. Companies owning patents or other intellectual property rights relating to battery packs, electric motors, aircraft configurations, fly-by-wire flight control software or electronic power management systems may allege infringement or misappropriation of such rights. In response to a determination that we have infringed upon or misappropriated a third-party's intellectual property rights, we may be required to do one or more of the following: • cease development, sales or use of its products that incorporate the asserted intellectual property; • pay substantial damages; • obtain a license from the owner of the asserted intellectual property right, which license may not be available on reasonable terms or available at all; or • re-design one or more aspects or systems of our aircraft or other offerings. A successful claim of infringement or misappropriation against us could harm our business, financial condition, and results of operations. Even if we are successful in defending against these claims, litigation could result in substantial costs and demand on management resources. ~~31~~**We** ~~30~~**We** may not be able to secure adequate insurance policies, or secure insurance policies at reasonable prices. Through ERJ, we maintain general liability insurance, aviation flight testing insurance, aircraft liability coverage, directors and officers insurance and other insurance policies and we believe our level of coverage is customary in the industry and adequate to protect against claims. However, there can be no assurances that it will be sufficient to cover potential claims, that present levels of coverage will be available in the future at reasonable cost or that we will continue to be able to maintain insurance coverage through ERJ. Further, we expect our insurance needs and costs to increase as we manufacture aircraft, establish commercial operations and expand into new markets, and it is too early to determine what impact, if any, the commercial operation of eVTOLs will have on our insurance costs. If our relations with our strategic partners were to deteriorate or terminate, our business could be adversely affected or ~~these~~ **such third parties could** ~~may~~ **act** in a manner adverse to ~~us~~ **our business**. If our relations with our strategic partners were to deteriorate or terminate, the other party may act in a manner adverse to us and could limit our ability to implement our strategies. Our collaborators or strategic partners may develop, either alone or with others, products in related fields that are competitive with our products. Specifically, conflicts with ERJ may adversely impact our ability to ~~manufacture aircraft or scale production~~ **develop and certify the eVTOL**, while conflicts with Atech may adversely impact our ability to successfully provide UAM services. While ERJ has agreed in the ~~BCA~~ **not** ~~BCA~~ **not** to compete with the Company with respect to certain actions related to the UAM market following the business combination, such non-compete only applies for three years **from the Closing Date** with respect to activities in the European Union and five years **from the Closing Date** with respect to activities elsewhere in the world, and ERJ may still pursue certain investment opportunities related to the UAM Business under the terms of the BCA. Such conflicts with our strategic partners may result in adverse effects on our business, financial condition and results of operations. The failure of certain advances in technology such as autonomy or battery density to mature at the rates we project may impact our ability to increase the volume of our service and / or drive down end-user pricing at the rates we project. Our projections rely in part on future advancement of technology, such as aerial and ground-based autonomy and an increase in energy density in batteries. Should these technologies fail to develop, mature or be commercially available within the periods that we project, we may underperform our financial projections, which would materially and adversely affect our business, financial condition, and results of operations. We are an early-stage company with a history of losses, and we expect to incur significant losses for the foreseeable future, and we may not be able to achieve or maintain profitability. We have incurred significant losses since inception. We incurred net losses of \$ ~~127.7 million, \$ 174.03 million, and \$ 18.326 million, and \$ 9.62 million~~ for the years ended December 31, ~~2023, 2022, and 2021, and 2020~~ **2023, 2022, and 2021** respectively. We have not yet started commercial operations, and it is difficult for us to predict our future operating results. We believe that we will continue to incur operating and net losses each quarter until at least the time we begin ~~significant~~ **significant** deliveries of our eVTOL aircraft, which are not expected to begin until ~~the late latter half of~~ **the late latter half of** 2026 and may occur later or not at all. Even if we are able to successfully develop and sell our aircraft, there can be no assurance that they will be financially successful. Our potential profitability is dependent upon the successful development and successful commercial introduction and acceptance of our aircraft, which may not occur. As a result, our losses may be larger than anticipated, and we may not achieve profitability when expected, or at all, and even if we do, we may not be able to maintain or increase profitability. ~~32~~**We** ~~31~~**We** expect our operating expenses to increase over the next several years as we: • continue to design, develop, manufacture and move towards marketing our aircraft; • expand our

production capabilities through ERJ, including costs associated with outsourcing the manufacturing of our aircraft; • build up inventories of parts and components for our aircraft; • manufacture an inventory of our aircraft; • expand our design, development and servicing capabilities; • develop commercial and strategic partnerships for fleet operations for a fleet of our eVTOL and / or third parties; • continue to develop our air traffic management system; • hire more employees; • continue research and development efforts relating to new products and technologies; • increase our sales and marketing activities and develop our distribution infrastructure; and • increase our general and administrative functions to support our growing operations and to operate as a public company. Because we will incur the costs and expenses from these efforts before we receive any revenue with respect thereto, our losses in future periods will be significant. In addition, these efforts may be costlier than we expect and may not result in any revenue or growth in our business. Any failure to generate revenue sufficiently to keep pace with our investments and other expenses could prevent us from achieving or maintaining profitability or positive cash flow. Furthermore, if our future growth and operating performance fail to meet investor or analyst expectations, or if we have future negative cash flow or losses resulting from our investment in acquiring customers or expanding our operations, this could have a material adverse effect on our business, financial condition and results of operations. We may in the future invest significant resources in developing new offerings and exploring the application of our proprietary technologies for other uses and those opportunities may never materialize. While our primary focus is on the design, manufacture and operation of our eVTOL aircraft and related UAM services, we may invest significant resources in developing new technologies, services, products and offerings. However, we may not realize the expected benefits of these investments. Relatedly, if such technologies become viable offerings in the future, we may be subject to competition from our competitors within the aviation industry or other industries, some of which may have substantially greater monetary and knowledge resources than we have and expect to have in the future to devote to the development of these technologies. Such competition or any limitations on our ability to take advantage of such technologies could impact our market share, which could have a material adverse effect on our business, financial condition and results of operations. Such research and development initiatives may also have a high degree of risk and involve unproven business strategies and technologies with which we have limited operating or development experience. They may involve claims and liabilities, expenses, regulatory challenges and other risks that we may not be able to anticipate. There can be no assurance that consumer demand for such initiatives will exist or be sustained at the levels that we anticipate, or that any of these initiatives will gain sufficient traction or market acceptance to generate sufficient revenue to offset any new expenses or liabilities associated with these new investments. Further, any such research and development efforts could distract management from current operations and would divert capital and other resources from our more established technologies. Even if we were to be successful in developing new products, services, offerings or technologies, regulatory authorities may subject us to new rules or restrictions in response to our innovations that may increase our expenses or prevent us from successfully commercializing new products, services, offerings or technologies. ~~33We~~**32We** may be unable to make certain advances in **technology, such as uncrewed flying technologies, or such technologies may not mature or be commercially available at the rates projected, which could adversely affect our business, financial condition and results of operations. Our projections rely in part on future advancement of** technology, such as autonomous flying technologies, ~~or such technologies may not mature or be commercially available at the rates projected, which could adversely affect our business, financial condition and results of operations. Our projections rely in part on future advancement of technology, such as autonomous flying technologies~~. Should these technologies fail to develop, mature or be commercially available within the periods that we project, we may underperform our financial projections, which would materially and adversely affect our business, financial condition and results of operations. We are subject to cybersecurity risks to our operational systems, security systems, infrastructure, integrated software in ~~its~~**our** aircraft and customer data processed by our ~~or~~ third- party vendors. We are at risk for interruptions, outages and breaches of our: (a) operational systems, including business, financial, accounting, product development, data processing or production processes, owned by us or our third- party vendors or suppliers; (b) facility security systems, owned by us or our third- party vendors or suppliers; (c) aircraft technology including powertrain and avionics and flight control software, owned by us or our third- party vendors or suppliers; (d) integrated software in our aircraft; or (e) customer data that we process or our third- party vendors or suppliers process on our behalf. Such incidents could: disrupt our operational systems; result in loss of intellectual property, trade secrets or other proprietary or competitively sensitive information; result in a loss of competitive advantage over others in our industry; compromise certain information of customers, employees, suppliers, or others; jeopardize the security of our facilities; or affect the performance of in- product technology and the integrated software in our aircraft. We plan to include avionics and flight control software services and functionality that utilize data connectivity to monitor aircraft performance and to enhance safety and enable cost- saving preventative maintenance. The availability and effectiveness of our services depend on the continued operation of information technology and communications systems. Our systems will be vulnerable to damage or interruption from, among others, physical theft, fire, terrorist attacks, natural disasters, power loss, war, telecommunications failures, viruses, denial or degradation of service attacks, ransomware, social engineering schemes, insider theft or misuse or other attempts to harm our systems. We intend to use our avionics and flight control software and functionality to log information about each aircraft' ~~s~~**use** ~~use~~ in order to aid us in aircraft diagnostics and servicing. Our customers may object to the use of this data, which may increase our vehicle maintenance costs and harm our business prospects. Our aircraft contains complex information technology systems and built- in data connectivity to share aircraft data with ground operations infrastructure. We plan to design, implement and test security measures intended to prevent unauthorized access to our information technology networks, our aircraft and related systems. However, hackers may attempt to gain unauthorized access to modify, alter and use such networks, aircraft and systems to gain control of or to change our aircraft' ~~s~~**functionality** ~~functionality~~, performance characteristics, or to gain access to data stored in or generated by the aircraft. A significant breach of our third- party service providers' or vendors' or our own network security and systems could have serious negative consequences for our business and future prospects, including possible fines,

penalties and damages, reduced customer demand for our aircraft or urban aerial ride sharing services and harm to our reputation and brand. Moreover, there are inherent risks associated with developing, improving, expanding and updating our current systems, such as the disruption of our data management, procurement, production execution, finance, supply chain and sales and service processes. These risks may affect our ability to manage our data and inventory, procure parts or supplies or manufacture, deploy, deliver and service our aircraft, adequately protect our intellectual property or achieve and maintain compliance with, or realize available benefits under, applicable laws, regulations and contracts. We cannot be sure that these systems upon which we rely, including those of our third- party vendors or suppliers, will be effectively implemented, maintained or expanded as planned. If we do not successfully implement, maintain or expand these systems as planned, our operations may be disrupted and our ability to accurately and timely report our financial results could be impaired. Moreover, our proprietary information or intellectual property could be compromised or misappropriated, and our reputation may be adversely affected. If these systems do not operate as we expect them to, we may be required to expend significant resources to make corrections or find alternative sources for performing these functions. ~~33~~~~We~~ ~~34~~~~We~~ are dependent on our senior management team and other highly skilled personnel, and if we are not successful in attracting ~~or~~, **engaging and** retaining highly qualified personnel, we may not be able to successfully implement our business strategy. **From time to time, there is significant competition within the aviation industry for skilled personnel in general and engineers in particular. To the extent this competition re-emerges, we may be unable to recruit, and retain the necessary number of highly skilled engineers and other personnel we require. Failure to coordinate our resources in a timely manner or to attract and retain skilled personnel could slow down our development efforts and cause delays in production and deliveries of our products and services, which would adversely affect us.** Our success depends, in significant part, on the continued services of our senior management team and on our ability to attract, motivate, develop and retain a sufficient number of other highly skilled ~~personnel, including technology, finance, marketing, sales, aftermarket, and support~~ personnel. The loss of any one or more members of our senior management team, for any reason, including resignation or retirement, could impair our ability to execute our business strategy and harm our business, financial condition and results of operations. Additionally, our business, financial condition and results of operations may be adversely affected if we are unable to attract and retain skilled employees to support our operations and growth. If we or our third- party service providers experience a security breach, or if unauthorized parties otherwise obtain access to our customers' data, our reputation may be harmed, demand for services may be reduced, and we may incur significant liabilities. Our services involve the storage, processing and transmission of data, including certain confidential and sensitive information. Any security breach, including those resulting from a cybersecurity attack, a phishing attack, an unauthorized access, an unauthorized usage, a virus or a similar breach or disruption, could result in: (i) the loss or destruction of, or unauthorized access to, or use, alteration, disclosure, or acquisition of, data, (ii) damage to our reputation, (iii) litigation, (iv) regulatory investigations, or (v) other liabilities. These attacks may come from individual hackers, criminal groups, and state- sponsored organizations. If our security measures are breached as a result of third- party action, employee error, a defect or bug in our products or those of our third- party service providers, malfeasance or otherwise and, as a result, someone obtains unauthorized access to our data, including our confidential, sensitive, or other information about individuals, or any of these types of information is lost, destroyed, or used, altered, disclosed, or acquired without authorization, our reputation may be damaged, our business may suffer, and we could incur significant liability. Even the perception of inadequate security may damage our reputation and negatively impact our ability to win new customers and retain and receive timely payments from existing customers. Further, we could be required to expend significant capital and other resources to address any data security incident or breach, which may not be covered or fully covered by our insurance and which may involve payments for investigations, forensic analyses, legal advice, public relations advice, system repair or replacement, or other services. We engage third- party vendors and service providers to store and otherwise process some of our data, including confidential, sensitive, and other information about individuals. Our vendors and service providers may also be the targets of cyberattacks, malicious software, phishing schemes, and fraud. Our ability to monitor our vendors and service providers' data security is limited, and, in any event, third parties may be able to circumvent those data security measures, resulting in unauthorized access to our data, or misuse, acquisition, disclosure, loss, alteration, or destruction of our data, including confidential or sensitive information, such as intellectual property and trade secrets, and personal information. Techniques used to sabotage or obtain unauthorized access to systems or networks are constantly evolving and, in some instances, are not identified until after they have been launched against a target. We and our service providers may be unable to anticipate these techniques, react in a timely manner, or implement adequate preventative and mitigating measures. If we are unable to efficiently and effectively maintain and upgrade our system safeguards, we may incur unexpected costs and certain of our systems may become more vulnerable to unauthorized access or disruption. ~~34~~~~We~~ ~~35~~~~We~~ may be unable to manage our future growth effectively, which could make it difficult to execute our business strategy. If our operations grow as planned, for which there can be no assurance, we will need to expand our sales, marketing, operations, and the number of partners with whom we do business. Our continued growth could increase the strain on our resources, and we could experience operating difficulties, including difficulties in hiring, training and managing an increasing number of employees. These difficulties may result in the erosion of our brand image, divert the attention of management and key employees and impact financial and operational results. The continued expansion of our business may also require additional space for administrative support. If we are unable to drive commensurate growth, these costs, which include lease commitments, marketing costs and headcount, could result in decreased margins, which could have an adverse effect on our business, financial condition and results of operations. ~~We have been, and may in the future be, adversely affected by health epidemics and pandemics, including the ongoing global COVID-19 pandemic, the duration and economic, governmental and social impact of which is difficult to predict, which may significantly harm our business, financial condition and results of operations. We face various risks related to public health issues, including epidemics, pandemics and other outbreaks, including the recent pandemic of respiratory illness caused by a novel coronavirus known as COVID-19. The impact of COVID-19, including changes in consumer and business~~

behavior, pandemic fears and market downturns and restrictions on business and individual activities, has created significant volatility in the global economy and led to reduced economic activity. The spread of COVID-19 has also created a disruption in the manufacturing, delivery and overall supply chain of aircraft manufacturers and suppliers and has led to a global decrease in aircraft sales and usage in markets around the world. The duration and long-term impact of COVID-19 on our business is currently unknown. Government authorities have in the past implemented, and may in the future implement, numerous measures to try to contain the virus, such as travel bans and restrictions, quarantines, stay-at-home or shelter-in-place orders, and business shutdowns. These measures, if implemented, may adversely impact our employees and operations and the operations of our suppliers, vendors and business partners, and may negatively impact our sales and marketing activities and the production schedule of our aircraft. In addition, various aspects of our business cannot be conducted remotely, including the testing and manufacturing of our aircraft. These measures by government authorities, if implemented, may remain in place for a significant period of time and have in the past adversely affected our testing, manufacturing plans, sales and marketing activities, business and results of operations. The spread of COVID-19 previously caused us and many of our contractors and service providers to modify our business practices, and we and our contractors and service providers may be required to take further actions as may be required by government authorities or that we determine are in the best interests of our employees, customers, suppliers, vendors and business partners. There is no certainty that such actions will be sufficient to mitigate the risks posed by the virus or otherwise be satisfactory to government authorities. If significant portions of our workforce or contractors and service providers are unable to work effectively, including due to illness, quarantines, social distancing, government actions or other restrictions in connection with the COVID-19 pandemic, our operations will be impacted. The extent to which health epidemics, including the COVID-19 pandemic, impact our business, prospects and results of operations will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to, the duration and spread of the COVID-19 pandemic, its severity, the actions to contain the virus or treat its impact and how quickly and to what extent normal economic and operating activities can resume. The COVID-19 pandemic could limit the ability of our customers, suppliers, vendors and business partners to perform, including third-party suppliers' ability to provide components and materials used in our aircraft. We may also experience an increase in the cost of raw materials used in the commercial production of our aircraft. Even after the COVID-19 pandemic has subsided, we may continue to experience an adverse impact to our business as a result of COVID-19's global economic impact, including any recession that has occurred or may occur in the future. <sup>36</sup>There are no comparable recent events which may provide guidance as to the effect of the spread of COVID-19 and a pandemic, and, as a result, the ultimate impact of the COVID-19 pandemic or a similar health epidemic is highly uncertain and subject to change. We do not yet know the full extent of COVID-19's impact on our business, operations, or the global economy as a whole. However, the effects could have a material impact on our results of operations, and we will continue to monitor the situation closely. We are incurring increased costs as a result of operating as a public company, and our management is devoting substantial time to new compliance initiatives. As a public company, we are incurring significant legal, accounting and other expenses that we did not incur as a private company prior to the business combination, and these expenses may increase even more after we are no longer an emerging growth company, as defined in Section 2 (a) (19) of the Securities Act of 1933 ("Securities Act"). As a public company, we are also subject to the reporting requirements of the Securities Exchange Act of 1934 ("Exchange Act"), the Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act, as well as rules adopted, and to be adopted, by the SEC and the NYSE. Our management and other personnel are devoting a substantial amount of time to these compliance initiatives. Moreover, we expect these rules and regulations to substantially increase our legal and financial compliance costs and may make other activities more time-consuming and costly, which may increase our net loss. For example, we expect these rules and regulations may make it more difficult and more expensive for us to obtain director and officer liability insurance and we may be forced to accept reduced policy limits or incur substantially higher costs to maintain the same or similar coverage. We cannot predict or estimate the amount or timing of additional costs we may incur to respond to these requirements. The impact of these requirements could also make it more difficult for us to attract and retain qualified persons to serve on our board of directors, our board committees or as executive officers. We are subject to risks associated with strategic alliances or acquisitions and may not be able to identify adequate strategic relationship opportunities, or form strategic relationships, in the future. We have entered into strategic alliances and may in the future enter into additional strategic alliances, joint ventures or minority equity investments, in each case with various third parties for the production of our aircraft, development of an Urban Air Traffic Management solution, development of agnostic fleet operations and provision of aftermarket services. We may collaborate with other strategic parties with capabilities in the areas of data and analytics, industrial design and manufacture, user experience and engineering. These alliances subject us to a number of risks, including risks associated with sharing proprietary information, non-performance by the third-party and increased expenses in establishing new strategic alliances, any of which may adversely affect our business. We may have limited ability to monitor or control the actions of these third parties and, to the extent any of these strategic third parties suffer negative publicity or harm to their reputation from events relating to their business, we may also suffer negative publicity or harm to our reputation by virtue of our association with any such third party. Strategic business relationships will be an important factor in the growth and success of our business. However, there are no assurances that we will be able to continue to identify or secure suitable business relationship opportunities in the future or our competitors may capitalize on such opportunities before we do. Moreover, identifying such opportunities could require substantial management time and resources, and negotiating and financing relationships involves significant costs and uncertainties. If we are unable to successfully source and execute on strategic relationship opportunities in the future, our overall growth could be impaired, and our business, financial condition and results of operations could be adversely affected. <sup>37</sup>When <sup>35</sup>When appropriate opportunities arise, we may acquire additional assets, products, technologies or businesses that are complementary to our existing business. In addition to possible stockholder approval, we may need approvals and licenses from relevant government authorities for the acquisitions and to comply with any

applicable laws and regulations, which could result in increased delay and costs, and may disrupt our business strategy if we fail to do so. Furthermore, acquisitions and the subsequent integration of new assets and businesses into our own require significant attention from our management and could result in a diversion of resources from our existing business, which in turn could have an adverse effect on our operations. Acquired assets or businesses may not generate the financial results we expect. Acquisitions could result in the use of substantial amounts of cash, potentially dilutive issuances of equity securities, the occurrence of significant goodwill impairment charges, amortization expenses for other intangible assets and exposure to potential unknown liabilities of the acquired business. Moreover, the costs of identifying and consummating acquisitions may be significant. If we or ERJ experience harm to our or its reputation and brand, our business, financial condition and results of operations could be adversely affected. Continuing to increase the strength of our reputation and brand for high- performing, sustainable, safe and cost- effective urban air mobility is critical to our ability to attract and retain customers and partners. Because ERJ is our controlling stockholder and we are highly reliant on ERJ to provide us with certain services and products, parts and other components for our eVTOL under the MSA, the strength of the “ ERJ ” brand is also critical to our ability to attract and retain customers. In addition, our growth strategy includes plans for international expansion through joint ventures, minority investments or other partnerships with local companies, as well as event activations and cross- marketing with other established brands, all of which benefit from our reputation and brand recognition. The successful development of our reputation and brand and the maintenance of ERJ’ s ~~s reputation~~ **reputation** and brand will depend on a number of factors, many of which are outside its control. Negative perception of our platform or company or of our controlling stockholder and key supplier may harm our reputation and brand, including as a result of: • complaints or negative publicity or reviews about us, ERJ, independent third- ~~party partyaircraft~~ **aircraft** operators, fliers, our air mobility services or other brands or events we associate with, even if factually incorrect or based on isolated incidents; • changes to our operations, safety and security, privacy or other policies that users or others perceive as overly restrictive, unclear or inconsistent with our values; • illegal, negligent, reckless or otherwise inappropriate behavior by ERJ, fliers, independent or other third parties involved in the operation of our business or by our management team or other employees; • actual or perceived disruptions or defects in our flight control software, such as data security incidents, platform outages, payment processing disruptions or other incidents that impact the availability, reliability or security of our offerings; • litigation over, or investigations by regulators into, our operations or those of ERJ or our independent third- ~~party partyaircraft~~ **aircraft** operators; • a failure to operate our business in a way that is consistent with our values; • negative responses by independent third- ~~party partyaircraft~~ **aircraft** operators or fliers to new mobility offerings; • perception of our treatment of employees, contractors or independent third- ~~party partyaircraft~~ **aircraft** operators and our response to their sentiment related to political or social causes or actions of management; or • any of the foregoing with respect to our competitors, to the extent such resulting negative perception affects the public’ s perception of us or our industry as a whole. ~~38In~~ **36In** addition, changes we may make to enhance and improve our offerings and balance the needs and interests of our independent third- party aircraft operators and fliers may be viewed positively from one group’ s perspective (such as fliers) but negatively from another’ s ~~s perspective~~ **perspective** (such as independent third- party aircraft operators), or may not be viewed positively by either independent third- party aircraft operators or fliers. If we fail to balance the interests of independent third- party aircraft operators and fliers or make changes that they view negatively, independent third- party aircraft operators and fliers may stop purchasing our aircraft or stop using our platform or take fewer flights, any of which could adversely affect our reputation, brand, business, financial condition and results of operations. Operations and Infrastructure There is a shortage of pilots and mechanics which could increase our operating costs and reduce our ability to deploy our service at scale. There is a shortage of pilots that is expected to exacerbate over time as more pilots in the industry approach mandatory retirement age. Similarly, trained and qualified aircraft mechanics are also in short supply. This will affect the aviation industry, including UAM services and more specifically, our business. Our business is dependent on our operating partners’ ability to recruit and retain pilots qualified to operate our aircraft and mechanics qualified to perform the requisite maintenance activities, either or both of which may be difficult due to the corresponding personnel shortages. If our partners who will operate our fleet of eVTOLs are unable to hire, train, and retain qualified pilots and qualified mechanics, our business could be harmed, and we may be unable to implement our growth plans. This risk would be exacerbated if certifying authorities alter prevailing operating assumptions to require two pilots per aircraft. This would increase operating expenses of eVTOLs, possibly reducing addressable market, while also potentially delaying (or even cancelling) our ambitions for autonomous flights. We may not have enough qualified employees. Periodically, there is strong competition in the aerospace sector for qualified employees, especially engineers. Whenever this demand occurs, we may not be able to recruit and retain the necessary number of engineers and other qualified employees. If we are unable to timely coordinate our resources or attract and retain qualified employees, our development efforts could slow down and cause aircraft production and delivery delays, which may adversely affect us. Our aircraft utilization may be lower than expected and our aircraft may be limited in its performance during certain weather conditions. Our aircraft may not be able to fly safely in poor weather conditions, including snowstorms, thunderstorms, lightning, hail, known icing conditions and / or fog. Our inability to operate in these conditions will reduce our aircraft utilization and cause delays and disruptions in our services. We intend to maintain a high daily aircraft utilization rate which is the amount of time our aircraft spend in the air carrying passengers. High daily aircraft utilization is achieved in part by reducing turnaround times at vertiports so we can fly more hours on average in a day. Aircraft utilization is reduced by delays and cancellations from various factors, many of which are beyond our control, including adverse weather conditions, security requirements, air traffic congestion and unscheduled maintenance events. The success of our business is dependent, in part, on the utilization rate of our aircraft and reductions in utilization will adversely impact our financial performance as well as cause passenger dissatisfaction. Our aircraft may require maintenance at frequencies or at costs which are unexpected and could adversely impact our business and operations. Our aircraft are highly technical products that require maintenance and support. We are still developing our understanding of the long- term maintenance profile of the aircraft, and if useful lifetimes are shorter

than expected, this may lead to greater maintenance costs than previously anticipated. If our aircraft and related equipment require maintenance more frequently than we plan for or at costs that exceed our estimates, that would disrupt the operation of our service and have a material adverse effect on our business, financial condition, and results of operations. ~~39~~**We**~~37~~**We** are subject to risks associated with climate change, including the potential increased impacts of severe weather events on our operations and infrastructure. The potential physical effects of climate change, such as increased frequency and severity of storms, floods, fires, fog, mist, freezing conditions, sea-level rise and other climate-related events, could affect our operations, infrastructure and financial results. We could incur significant costs to improve the climate resiliency of our infrastructure and otherwise prepare for, respond to, and mitigate such physical effects of climate change. We are not able to accurately predict the materiality of any potential losses or costs associated with the physical effects of climate change. We are subject to many hazards and operational risks that can disrupt our business, including interruptions or disruptions in service at our facilities, which could have a material adverse effect on our business, financial condition and results of operations. Our operations are subject to many hazards and operational risks inherent to our business, including general business risks, product liability and damage to third parties, our infrastructure or properties that may be caused by fires, floods and other natural disasters, power losses, telecommunications failures, terrorist attacks (including hijacking, use of the aircraft as a weapon, or use of the aircraft to disperse a chemical or biological agent), catastrophic loss due to security related incidents, human errors and similar events. Additionally, our manufacturing operations are hazardous at times and may expose us to safety risks, including environmental risks and health and safety hazards to our employees or third parties. Financial Risks We have broad discretion in how we use the net proceeds from the business combination, and we may not use them effectively. We cannot specify with any certainty the particular uses of the net proceeds that we received from the business combination. Our management has broad discretion in applying the net proceeds we received upon consummation of the business combination. We may use the net proceeds for general corporate purposes, including working capital, operating expenses, and capital expenditures, and we may use a portion of the net proceeds to acquire complementary businesses, products, offerings, or technologies. We may also spend or invest these proceeds in a way with which our stockholders disagree. If our management fails to use these funds effectively, our business could be seriously harmed. If securities or industry analysts either do not publish research about us, or publish inaccurate or unfavorable research about us, our business, or our market, or, if such analysts change their recommendations regarding our common stock adversely, the trading price or trading volume of our common stock could decline. The trading market for our common stock is influenced in part by the research and reports that securities or industry analysts publish about us, our business, our market, or our competitors. If one or more of the analysts initiate research with an unfavorable rating or downgrade our common stock, provide more favorable recommendations about our competitors, or publish inaccurate or unfavorable research about our business, our common stock price would likely decline. If any analyst who may cover us were to cease coverage of us or fail to regularly publish reports on us, we could lose visibility in the financial markets, which in turn could cause the trading price or trading volume of our common stock to decline. Our available capital resources may not be sufficient to meet the requirements ~~for of our business plan and we may need to raise~~ additional capital. Prior to the consummation of the business combination, our operations and capital expenditures were financed primarily with ERJ's ~~s available-~~ **available** cash. On January 23, 2023, EVE Soluções de Mobilidade Aérea Urbana, Ltda. ("Eve Brazil"), a Brazilian limited liability company and a wholly owned subsidiary of the Company, entered into a loan agreement with Banco Nacional de Desenvolvimento Econômico e Social – BNDES, Brazilian Development Bank ("BNDES"), pursuant to which, subject to the conditions set forth therein, BNDES agreed to grant two lines of credit to Eve Brazil, with an aggregate amount of R \$ 490 ~~-00~~ million (approximately ~~U. S. \$ 95-101~~ **25-2** million), to support the first phase of the development of the Company's eVTOL project. **Eve Brazil has started to withdraw from these two lines of credit from BNDES in September 2023 to pay for the development services provided by Embraer under the Master Services Agreement with Eve. Eve Brazil expects to continue to access those lines during 2024.** In the future, we could be required to raise capital through public or private financing or other arrangements. Such financing may not be available on acceptable terms, or at all, and our failure to raise capital when needed could harm our business. ~~For example~~ **In addition**, ~~any the COVID-19 pandemic and related financial impact has resulted in, and may continue to result in,~~ significant disruption and volatility of global financial markets ~~that~~ could adversely impact our ability to access capital. We may sell equity securities or debt securities in one or more transactions at prices and in a manner as we may determine from time to time. If we sell any such securities in subsequent transactions, our current investors may be materially diluted. Any debt financing, if available, may involve restrictive covenants and could reduce our operational flexibility or profitability. If we cannot raise funds on acceptable terms, we may not be able to grow our business or respond to competitive pressures. ~~40EAH-38EAH~~ **EAH** is a majority stockholder of the Company. The concentration of ownership may affect the market demand for Eve Holding shares. EAH holds a significant majority of the Company's ~~s shares-~~ **shares** of common stock. While EAH maintains such holding, and as a consequence of such holding, EAH will have substantial influence over ~~Eve Holding the Company~~'s business, including decisions regarding mergers, consolidations, the sale of all or substantially all of its assets, election of directors, declaration of dividends and other significant corporate actions. As the controlling stockholder, EAH may take actions that are not in the best interests of the Company's ~~s sother-~~ **s** ~~other-~~ **other** stockholders. These actions may be taken in many cases even if they are opposed by the Company's ~~s sother-~~ **s** ~~other-~~ **other** stockholders. In addition, this concentration of ownership may discourage, delay or prevent a change in control which could deprive stockholders of an opportunity to receive a premium to the trading price for the shares as part of a sale of the Company. Risks Related to our Ties to Brazil Developments and the perception of risk in Brazil and other countries, especially other emerging markets, may adversely affect our business, financial condition and results of operations. While we are a Delaware corporation, ERJ, our indirect controlling stockholder and main supplier, as well as one of our operating subsidiaries, are both Brazilian companies. As a result, the market value of our securities may be affected by economic and market conditions in Brazil and other countries, including European Union and Latin American countries and other emerging market countries.

Although economic conditions in those countries may differ significantly from economic conditions in the U. S., investors' reactions to developments in other countries may have an adverse effect on the market value of our securities. Crises elsewhere may diminish investor interest in securities of companies with strong ties to Brazil, like us. This could adversely affect the trading price of our securities and could also make it more difficult for us to access the capital markets and finance our operations in the future on acceptable terms, or at all. To the extent the conditions of the global markets or economy deteriorate, our business may be adversely affected. The weakness in the global economy has been marked by, among other adverse factors, lower levels of consumer and corporate confidence, decreased business investment and consumer spending, increased unemployment, reduced income and asset values in many areas, currency volatility and limited availability of credit and access to capital. Developments or economic conditions in other emerging countries have at times significantly affected the availability of credit to companies with significant operations in Brazil and resulted in considerable outflows of funds from Brazil, decreasing the amount of foreign investments in Brazil and impacting overall growth expectations for the Brazilian economy. Crises and political instability in other emerging market countries, as well as the United States, Europe or other countries, including increased international trade tensions and protectionist policies, could decrease investor demand for securities offered by companies with significant operations in Brazil, such as ours. Additionally, growing economic uncertainty and news of a potentially recessive economy in the United States may also create uncertainty in the Brazilian economy. These developments, as well as potential crises and other forms of political instability arising therefrom or any other unforeseen development, may adversely affect the United States and the global economy and capital markets, which may, in turn, materially adversely affect our business, financial condition and results of operations. ~~41Brazilian~~ ~~39Brazilian~~ political and economic conditions have a direct impact on ~~us~~ ~~our business~~, and ~~may~~ ~~such conditions could~~ adversely affect our business, financial condition and results of operations. The Brazilian federal government has frequently intervened in the Brazilian economy and occasionally has made significant changes to policy and regulations, including its monetary, fiscal, credit and tariff policies and rules. The Brazilian government's ~~s actions~~ ~~actions~~ to control inflation and other policies and regulations have often involved, among other measures, increases or decreases in interest rates, changes in tax policies, wage and price controls, blocking access to bank accounts, foreign exchange rate controls, currency exchange and remittance controls, devaluations, capital controls and import and export restrictions. We have no control over and cannot predict what measures or policies the Brazilian government may take in the future and how these could impact us and our business. Our business, financial condition and results of operations may be adversely affected by changes in policy and regulations at the federal, state or municipal level involving factors such as:

- expansion or contraction of the Brazilian economy, as measured by gross domestic product, or GDP, rates;
- interest rates;
- exchange rates;
- currency fluctuations;
- monetary policies;
- inflation;
- liquidity of capital and lending markets;
- import and export controls;
- exchange control and restrictions on remittances abroad;
- modifications to laws and regulations according to political, social and economic interests;
- economic, political and social instability, including general strikes and mass demonstrations;
- the regulatory framework governing the aeronautical sector;
- commodity prices;
- public health, including as a result of epidemics and pandemics, ~~such as the COVID-19 pandemic~~;
- fiscal policies and changes in tax laws;
- labor and social security regulations;
- energy and water shortages and rationing; and
- other political, diplomatic, social and economic developments in or affecting Brazil.

Uncertainty over whether the Brazilian government would implement changes in policy, regulation or legislation affecting the above mentioned factors and others creates instability in the Brazilian economy, increasing the volatility of the Brazilian market. These uncertainties and other future developments in the Brazilian economy may adversely affect our activities, and consequently our operating results. We cannot predict which policies the Brazilian government will adopt or whether these newly adopted policies or changes in current policies may have an adverse effect on us or the Brazilian economy. These factors are compounded as Brazil emerges from a prolonged recession after a period of a slow recovery. ~~Brazil's GDP has fluctuated over the past decade. Brazil's GDP is expected to have grew 3.0% in 2022 and had a growth rate of 5.0% in 2021, a contraction rate of 3.3% in 2020, driven by the COVID-19 pandemic, growth rates of 1.1% in 2019 and 2018, 1.3% in 2017, contraction rates of 3.3% in 2016 and 3.5% in 2015, and growth rates of 0.5% in 2014, 3.0% in 2013, 1.9% in 2012, 4.0% in 2011 and 7.5% in 2010. According to the Focus bulletin dated January 27, 2023, the consensus of Brazilian economists was for expectations of Brazilian GDP to increase 0.8% in 2023.~~ ~~42Our~~ ~~40Our~~ results of operations and financial condition have been, and will continue to be, affected by the growth rate of the Brazilian GDP. Developments in the Brazilian economy may affect Brazil's ~~s growth~~ ~~growth~~ rates and, consequently, the use of our products and services. Further, Brazil's ~~s political~~ ~~political~~ environment has historically influenced, and continues to influence, the performance of the country's ~~s economy~~ ~~economy~~. The recent economic instability in Brazil has contributed to a decline in market confidence in the Brazilian economy as well as to a deteriorating political environment. As has been true in the past, the current political and economic environment in Brazil has affected and is continuing to affect the confidence of investors and the general public, which has historically resulted in economic deceleration and heightened volatility in the securities offered by companies with significant operations in Brazil, which may adversely affect the price of our common stock. Political instability, including as a result of ongoing corruption investigations, may adversely affect our business, financial condition and results of operations. Brazil's ~~s political~~ ~~political~~ environment has historically influenced, and continues to influence, the performance of the country's ~~s economy~~ ~~economy~~. Political crises have affected, and continue to affect, the confidence of investors and that of the public in general, resulting in economic downturn and heightened volatility of securities issued by Brazilian companies, like ERJ. Brazilian markets have experienced heightened volatility due to uncertainties derived from ongoing investigations into money laundering and corruption conducted by the Brazilian Federal Police and the Federal Prosecutor's ~~s Office~~ ~~Office~~, and the impact of these investigations on the Brazilian economy and political environment. The ultimate outcome of these investigations is uncertain, but they had an adverse impact on the image and reputation of the implicated companies, and on the general market perception of the Brazilian economy. We cannot predict the effects of further political developments on the Brazilian economy, including the policies that the Brazilian government may adopt or the outcome and development of any of



these investigations, which has affected and may continue to adversely affect the Brazilian economy and may adversely affect our business and results of operations. In addition, during the month of April 2020, the former President of Brazil became involved in political discussions that culminated in the dismissal of the then Minister of Health, Luiz Henrique Mandetta, and the request for exoneration of the then Minister of Justice, Sergio Moro. These former Ministers were considered reliable individuals of the current Brazilian government and, therefore, the cabinet changes caused further instability in the Brazilian economy and capital markets. As of the date of this report, the Brazilian President Jair Bolsonaro is also under investigation by the Brazilian Supreme Court for alleged improprieties based on accusations made by former Justice Minister Sergio Moro. According to the former minister, the president tried to unduly influence the appointment of Brazilian federal police officers. If the president is found to have committed such acts, then any ensuing consequences, including a potential impeachment, may have adverse effects on the political and economic environment in Brazil, as well as businesses operating in Brazil, including us. Furthermore, Brazil's former President Jair Bolsonaro's COVID-19 responses were have been strongly criticized in Brazil and abroad. COVID-19 had disruptive effects have that enhanced political uncertainty in Brazil, especially considering political discussions that culminated in the dismissal or resignation of Brazilian Federal Ministers, as well as the corruption accusations against former President Jair Bolsonaro. 43 On 41 On April 14th 14, 2021, the Brazilian Senate established a parliamentary commission (Comissão Parlamentar de Inquérito, or CPI), to investigate the alleged mishandling of public funds assigned to combat COVID-19 effects in Brazil. Endorsed by the Brazilian Supreme Court Minister, Luis Roberto Barroso, CPI's purpose is to investigate actions and omissions by the Brazilian federal government while fighting the pandemic, as well as the healthcare system collapse in the State of Amazonas in early 2021. In addition, the Brazilian Supreme Court has recently annulled the criminal convictions against then-former Brazilian President Luiz Inácio Lula da Silva, and subsequently reinstated his political rights, which enabled him to run for presidency in the October 2022 election. Mr. Luiz Inácio Lula da Silva was victorious in the election and took office as President on January 1, 2023. There can be no assurance that other political events will not cause further instability in the Brazilian economy, in capital markets and in the trading price of securities issued by us. We cannot guarantee that, as these events unfold, they will not have additional adverse impacts on the economic and political situation in Brazil. The recent economic instability in Brazil, especially as impacted by the COVID-19 outbreak, has contributed to a decline in market confidence as well as a deterioration in the political environment. The current administration promised during the electoral campaign to be committed to a strong anticorruption agenda and a liberal economic view. However, due to the fragmented legislation and different views within the administration, there are uncertainties in the market regarding the future of these two branches of the government, which can lead to increases in volatility and risks to the economy. A failure by the Brazilian government to implement necessary economic and structural reforms may result in diminished confidence in the Brazilian government's budgetary condition and fiscal standing, which could result in a downgrade of Brazil's sovereign foreign credit rating by credit rating agencies, negatively impact Brazil's economy, and lead to further depreciation of the currency and an increase in inflation and interest rates, which could adversely affect our business, financial condition and results of operations. Inflation and government efforts to combat inflation may adversely affect the Brazilian economy and lead to heightened volatility in the Brazilian capital markets and, consequently, may adversely affect our business, financial condition and results of operations. Historically, Brazil has experienced high inflation rates. Inflation and certain actions taken by the Central Bank to curb it have had significant negative effects on the Brazilian economy. According to the National Consumer Price Index (Índice Nacional de Preços ao Consumidor Amplo), or IPCA, which is published by The Brazilian Institute of Geography and Statistics (Instituto Brasileiro de Geografia e Estatística) ("IBGE"), Brazilian inflation rates were 5.90%, 10.06%, 4.52% and 4.3% in 2022, 2021, 2020 and 2019, respectively. Brazil may experience high levels of inflation in the future and inflationary pressures may lead to the Brazilian government intervening in the economy and introducing policies that could harm our business and the price of our common stock. In the past, the Brazilian government's interventions included the maintenance of a restrictive monetary policy with high interest rates that restricted credit availability and reduced economic growth, causing volatility in interest rates. For example, the official interest rate in Brazil oscillated from 7.00% as of December 31, 2017, to 2.00% as of December 31, 2020, as established by the Monetary Policy Committee (Comitê de Política Monetária do Banco Central do Brasil — COPOM) in a meeting on August 5th, 2020. In May 2021, these rates increased again to 3.5%. As of January 8, 2023, the official Brazilian interest rate was 13.75%. Conversely, more lenient government and Central Bank policies and interest rate decreases have triggered and may continue to trigger increases in inflation, and, consequently, growth volatility and the need for sudden and significant interest rate increases, which could negatively affect us and increase our indebtedness. We Given that up to 10% of our future revenues are expected to be in reais, we are particularly affected by increased inflation in Brazil, and we may not be able to increase the amount charged to our customers at the same rate as the increase in inflation. Therefore, inflation and the Brazilian government's measures to combat inflation have had, and may continue to have, significant effects on the Brazilian economy and on our business. Strict monetary policies, with high interest rates and high requirements for compulsory deposits, can restrict Brazil's growth and the availability of credit. On the other hand, softer government and central bank policies and declining interest rates may trigger increases in inflation and, consequently, the volatility of economic growth and the need for sudden and significant increases in interest rates. 44 Inflationary 42 Inflationary pressures may result in government intervention in the economy, including policies that may adversely affect the overall performance of the Brazilian economy, which could, in turn, adversely affect our operations and the price of our common stock. Inflation, measures to contain inflation and speculation about potential measures can also contribute to significant uncertainty in relation to the Brazilian economy and weaken investor confidence, which can affect our ability to access finance, including access to equity of international capital markets. Future measures by the Brazilian government, including reductions in interest rates, intervention in the foreign exchange market and actions to adjust or fix the value of the real, may trigger increases in inflation, adversely affecting the overall performance of the Brazilian economy. Inflation can also increase our costs and expenses, and we may not

be able to transfer such costs to customers, reducing our profit and net profit margins. In addition, high inflation rates generally increase Brazilian interest rates and, therefore, the debt service of the portion of our debt that is in reais, which is indexed to floating rates, may also increase. Due to this, net profit may decrease. Inflation and its effects related to Brazilian interest rates could, in addition, reduce liquidity in the Brazilian capital and financial markets, which would affect the ability to refinance our indebtedness in those markets. Exchange rate volatility may have adverse effects on the Brazilian economy, our business, financial condition and results of operations. The Brazilian currency (Brazilian real) has, during the last decades, experienced frequent and substantial variations in relation to the U. S. dollar and other foreign currencies. In 2018, the real depreciated against the U. S. dollar in comparison to December 31, 2017, reaching R \$ 3. 8748 per U. S. \$ 1. 00 as of December 31, 2018. In 2019, the real depreciated against the U. S. dollar in comparison to December 31, 2018, reaching R \$ 4. 0307 per U. S. \$ 1. 00 as of December 31, 2019. In 2020, the real depreciated against the U. S. dollar in comparison to December 31, 2019, reaching R \$ 5. 1967 per U. S. \$ 1. 00 as of December 31, 2020. In 2021, the real had further depreciated against the U. S. Dollar, reaching R \$ 5. 5799 per U. S. \$ 1. 00, and in 2022 the real appreciated against the U. S. dollar, reaching R \$ 5. 2780 per U. S. \$ 1. 00.

**For 2023 the real appreciated again against the U. S. dollar, reaching R \$ 4. 8525 per U. S. \$ 1. 00.** There can be no assurance that the real will not appreciate or depreciate further against the U. S. dollar or other currencies. Depreciation of the real against the U. S. dollar creates inflationary pressures in Brazil and causes increases in interest rates, which negatively affects the growth of the Brazilian economy as a whole, curtails access to foreign financial markets and may prompt government intervention, including recessionary governmental policies. Depreciation of the real against the U. S. dollar has also, including in the context of an economic slowdown, led to decreased consumer spending, deflationary pressures and reduced growth of the economy as a whole. On the other hand, appreciation of the real relative to the U. S. dollar and other foreign currencies could lead to a deterioration of the Brazilian foreign exchange current accounts, as well as dampen export- driven growth. Depending on the circumstances, either depreciation or appreciation of the real may materially and adversely affect us. Depreciation of the real relative to the prevailing rate of inflation, may adversely affect us, mainly due to the fact that we have a **good-substantial** amount of our labor and engineering development costs in Brazil linked to the real and fluctuations of the real relative to inflation, could result in different than expected engineering and selling, general and administrative (SG & A) expenses. Depreciations of the real relative to the U. S. dollar could also adversely affect us, mainly due to the fact that we will maintain the majority of our cash denominated in U. S. dollars at the same time that a significant portion of our development costs are linked to the Brazilian real currency. A significant fluctuation of the Brazilian real versus the U. S. dollar may result in different than expected development expenses in dollar terms. ~~450n~~ **430n** On the other hand, an appreciation of the real relative to the U. S. dollar and other foreign currencies may deteriorate the Brazilian foreign exchange current accounts. We and certain of our suppliers purchase goods and services from countries outside Brazil, and thus changes in the value of the U. S. dollar compared to other currencies may affect the costs of goods and services that we purchase. Depending on the circumstances, either devaluation or appreciation of the real relative to the U. S. dollar and other foreign currencies could restrict the growth of the Brazilian economy, as well as our business, results of operations and profitability. As a result, we may be materially and adversely affected by exchange rate variations. Infrastructure and workforce deficiency in Brazil may impact economic growth and have a material adverse effect on our business, financial condition and results of operations. Our performance is affected by the overall health and growth of the global economy, specifically in Brazil. In Brazil, GDP growth has fluctuated over the past few years, with contractions of 3. 5 % and 3. 3 % in 2015 and 2016, respectively, followed by growth of 1. 1 % in both 2017 and 2018. In 2019, Brazilian GDP grew by 1. 0 %, and in 2020, it contracted 4. 1 %. In 2021, Brazilian GDP grew by 5. 0 % and in 2022 **the growth was 2. 9 %**. **For 2023**, it is expected that GDP ~~grew~~ **grows** 3. 0 %. Growth is limited by inadequate infrastructure, including potential energy shortages and deficient transportation, logistics and telecommunication sectors, general strikes, the lack of a qualified labor force (particularly in information technology sectors), and the lack of private and public investments in these areas, which limit productivity and efficiency. Additionally, despite the business continuity and crisis management policies currently in place, travel restrictions or potential impacts on personnel due to ~~the COVID-19 pandemic~~ **pandemics** may disrupt our business and the markets in which we operate. Any of these factors could lead to labor market volatility and generally impact income, purchasing power and consumption levels, which could limit growth and ultimately have a material adverse effect on us. Any further downgrading of Brazil's ~~credit~~ **credit** rating could adversely affect the market price of our common stock and debt instruments. Given the current significance of our Brazil operations to our results of operations as a whole, we may be harmed by investors' perceptions of risks related to Brazil's ~~sovereign~~ **sovereign** debt credit rating. Rating agencies regularly evaluate Brazil and its sovereign credit ratings, which are based on a number of factors including macroeconomic trends, fiscal and budgetary conditions, indebtedness metrics and the perspective of changes in any of these factors. The rating agencies began to review Brazil's ~~sovereign~~ **sovereign** credit rating in September 2015. Subsequently, the three major rating agencies downgraded Brazil's ~~investment~~ **investment** grade status: • In January 2018, Standard & Poor's ~~downgraded~~ **downgraded** Brazil's ~~sovereign~~ **sovereign** debt credit rating from BB to BB- minus with a stable outlook in light of doubts regarding the presidential election and social security reform efforts. In February 2019, Standard & Poor's ~~affirmed~~ **affirmed** Brazil's ~~sovereign~~ **sovereign** credit rating at BB- minus with a stable outlook. In December 2019, Standard & Poor's ~~affirmed~~ **affirmed** Brazil's ~~sovereign~~ **sovereign** credit rating at BB- minus with a positive outlook. In April 2020, Standard & Poor's ~~maintained~~ **maintained** Brazil's ~~sovereign~~ **sovereign** credit rating at BB- minus and revised the outlook on this rating to stable, which were reaffirmed in November 2021. **In December 2023, S & P upgraded Brazil's long- term ratings to "BB" from "BB- minus"**. • In April 2018, Moody's maintained Brazil's sovereign debt credit rating at Ba2, but changed its prospect from negative to stable, maintaining it in September 2018, citing the expected new government spending cuts. In May 2019, Moody's affirmed Brazil's sovereign credit rating at Ba2 and changed the outlook to stable. In May 2020, Moody's reaffirmed Brazil's sovereign credit rating at Ba2 with a stable outlook, **and in April 2022, Moody's reaffirmed the same rating and outlook**. ~~46~~ **44** • In February 2018, Fitch downgraded Brazil's

sovereign credit rating again to BB- negative, citing, among other reasons, fiscal deficits, the increasing burden of public debt and an inability to implement reforms that would structurally improve Brazil's public finances. In November 2019, Fitch maintained Brazil's sovereign credit rating at BB- minus, citing the risk of tax and economic reforms and political instability. In May 2020, Fitch changed its outlook to negative in the context of developments relating to the COVID-19 pandemic, which was reaffirmed in May and in December 2021, and in December 2022. **In December 2023, Fitch has affirmed Brazil's Long-Term Foreign-Currency Issuer Default Rating ("IDR") at 'BB' with a stable outlook.** As of December 31, 2022-2023, Brazil's sovereign credit ratings were BB- with a stable outlook, Ba2 with a stable outlook and BB- with a ~~negative stable~~ outlook by S & P, Moody's and Fitch, respectively, which is below investment grade. Any further downgrading in Brazil's sovereign credit ratings or our rating may increase the perception of risk of investors and, as a result, increase the future cost of debt issuances, adversely affecting us. Additionally, a downgrade of the sovereign credit rating of Brazil may affect our own credit rating, hindering our ability to secure loans at competitive rates compared to our competitors, which may impact our ability to grow our business and consequently, affect the price of our common shares. Any decrease in Brazilian government-sponsored customer financing, or increases in government-sponsored financing that benefits our competitors, may decrease the competitiveness of our aircraft. Traditionally, aircraft original equipment manufacturers ("OEMs"), have received support from governments through governmental export credit agencies, or ECAs, in order to offer competitive financing conditions to their customers, especially in periods of credit tightening from the traditional lending market. Government support may constitute unofficial subsidies causing market distortions, which may rise to disputes among governments at the World Trade Organization, or WTO. Since 2007, an agreement known as the Aircraft Sector Understanding, or ASU, developed by the Organization for Economic Co-operation and Development, or OECD, has provided guidelines for the predictable, consistent and transparent use of government-supported export financing for the sale or lease of civil aircraft, in order to establish a "level-playing field." ECAs from signatory countries are required to offer terms and conditions no more favorable than those contained in the ASU's base financial agreement when financing sales of aircraft that compete with those produced by the OEMs of their respective countries. The effect of the agreement is to encourage aircraft purchasers to focus on the price and quality of aircraft products offered by OEMs rather than on the financial packages offered by their respective governments. The Brazilian ECA, BNDES, together with the Brazilian National Treasury Export Guarantee Fund, offer financing and export credit insurance to our customers under terms and conditions required by the ASU. On January 23, 2023, Eve Brazil entered into a loan agreement with BNDES, pursuant to which BNDES agreed, subject to the conditions set forth therein, to grant two lines of credit to Eve Brazil, with an aggregate amount of R \$ 490 -00 million (approximately ~~U.S.~~ \$ **95-101.25-2** million), to support the first phase development of the Company's eVTOL project. Any future reduction or restriction to the Brazilian export financing program, and any increase in our customers' financing costs for participation in this program, above those provided in the ASU's base financial agreement, may cause the cost-competitiveness of our aircraft to decline. Other external factors may also impact our competitiveness in the market, including, but not limited to, aircraft OEMs from countries which are not signatories to the ASU agreement offering attractive financing packages, or any new government subsidies supporting any of our major competitors. Risks Related to the Business Combination Warrants will become exercisable for the Company's ~~common-~~ **common** stock, which would increase the number of shares eligible for future resale in the public market and result in dilution to our stockholders. There are 11, ~~500-499,000-879~~ **500-499,000-879** outstanding public warrants to purchase 11, ~~500-499,000-879~~ **500-499,000-879** shares of common stock at an exercise price of \$ 11.50 per share, which warrants became exercisable on June 8, 2022. In addition, there are 14,250,000 private placement warrants outstanding exercisable for 14,250,000 shares of common stock at an exercise price of \$ 11.50 per share, **which warrants became exercisable on June 8, 2022**. Moreover, ~~there are~~ **the are** ~~outstanding-~~ **Company has issued or has agreed to issue** new warrants, that are or will be, as applicable, exercisable for (i) ~~23-24,295-095,072~~ **23-24,295-095,072** shares of common stock at an exercise price of \$ 0.01 per share ("**Penny Warrants**"), **either without contingencies or** contingent on the achievement of certain milestones, (ii) 12,000,000 shares of common stock at an exercise price of \$ 15.00 per share without ~~further contingency-~~ **contingencies** and (iii) 5,000,000 shares of common stock at an exercise price of \$ 11.50 per share without ~~further contingency-~~ **contingencies**. **Since the Business Combination, 3,672,536 Penny Warrants have been exercised**. To the extent such warrants are exercised, additional shares of common stock will be issued, which will result in dilution to the holders of the Company's common stock and increase the number of shares eligible for resale in the public market. Sales of substantial numbers of such shares in the public market could adversely affect the market price of our common stock, the impact of which is increased as the value of our stock price increases. ~~45We 47We~~ We may redeem unexpired public warrants and certain other warrants prior to their exercise at a time that is disadvantageous to you, thereby making your warrants worthless. We have the ability to redeem outstanding public warrants and certain other warrants at any time after they become exercisable and prior to their expiration, at a price of \$ 0.01 per warrant, provided that the closing price of the common stock equals or exceeds \$ 18.00 per share (as adjusted for stock splits, stock capitalizations, reorganizations, recapitalizations and the like) for any 20 trading days within a 30-trading day period ending on the third trading day prior to proper notice of such redemption provided that on the date we give notice of redemption. We will not redeem the warrants unless an effective registration statement under the Securities Act covering the shares of common stock issuable upon exercise of the warrants is effective and a current prospectus relating to those shares of common stock is available throughout the 30-day redemption period, except if the warrants may be exercised on a cashless basis and such cashless exercise is exempt from registration under the Securities Act. If and when the warrants become redeemable by us, we may exercise our redemption right even if we are unable to register or qualify the underlying securities for sale under all applicable state securities laws. Redemption of the outstanding warrants could force you to (i) exercise your warrants and pay the exercise price therefor at a time when it may be disadvantageous for you to do so, (ii) sell your warrants at the then-current market price when you might otherwise wish to hold your warrants or (iii) accept the nominal redemption price which, at the time the outstanding warrants are called for redemption, is likely to be substantially less than the market value of your warrants. None of

the private placement warrants will be redeemable by us for cash so long as they are held by their initial purchasers or their permitted transferees. Historical trading closing prices for our shares of common stock have varied between a low of approximately \$ 5.30-45 per share on June 29-28, 2022, to a high of approximately \$ 13-12.34-38 per share on September 22-21, 2022, but have not approached the \$ 18.00 per share threshold for redemption (which, as described above, would be required for 20 trading days within a 30 trading-day period after they become exercisable and prior to their expiration, at which point the public warrants would become redeemable). In the event that the Company elects to redeem all of the redeemable warrants as described above, the Company will fix a date for the redemption. Notice of redemption will be mailed by first class mail, postage prepaid, by us not less than 30 days prior to the redemption date to the registered holders of the public warrants to be redeemed at their last addresses as they appear on the registration books. Any notice mailed in the manner provided in the applicable warrant agreement shall be conclusively presumed to have been duly given whether or not the registered holder received such notice. In addition, beneficial owners of the redeemable warrants will be notified of such redemption by our posting of the redemption notice to DTC-Depository Trust Company. There can be no assurance that our public warrants, private placement or certain other warrants will be in the money at the time they become exercisable, and they may expire worthless. The exercise price for the outstanding public warrants and private placement warrants is \$ 11.50 per share of common stock. In addition, the exercise prices for certain new warrants are \$ 11.50 per share of common stock and \$ 15.00 per share of common stock. There can be no assurance that such warrants will be in the money following the time they become exercisable and prior to their expiration, and as such, the warrants may expire worthless. We may amend the terms of the public warrants in a manner that may be adverse to holders of public warrants with the approval by the holders of at least 50% of the then-outstanding public warrants. As a result, the exercise price of your warrants could be increased, the exercise period could be shortened and the number of shares of our common stock purchasable upon exercise of a public warrant could be decreased, all without the approval of public warrant holders. Our public warrants have been issued in registered form under the Warrant Agreement. The Warrant Agreement provides that the terms of the warrants may be amended without the consent of any holder to cure any ambiguity or correct any defective provision, but requires the approval by the holders of at least 50% of the then-outstanding public warrants to make any change that adversely affects the interests of the registered holders of public warrants. Accordingly, we may amend the terms of the public warrants in a manner adverse to a holder if holders of at least 50% of the then-outstanding public warrants approve of such amendment. Although our ability to amend the terms of the public warrants with the consent of at least 50% of the then-outstanding public warrants is unlimited, examples of such amendments could be amendments to, among other things, increase the exercise price of the warrants, convert the warrants into cash or stock (at a ratio different than initially provided), shorten the exercise period or decrease the number of shares of common stock purchasable upon exercise of a warrant. We may face litigation and other risks as a result of the prior material weaknesses in our internal control over financial reporting. Following the issuance of the Staff Statement on Accounting and Reporting Considerations for Warrants Issued by Special Purpose Acquisition Companies on April 12, 2021, our management and our audit committee concluded that it was appropriate to restate our previously issued audited financial statements as of December 31, 2020. We identified material weaknesses in our internal control over financial reporting related to the accounting for certain financial instruments issued in connection with the Zanite's initial public offering ("IPO") in November 2020. In addition, in September 2022, the Company reviewed its accounting for certain warrants to acquire an aggregate of 24,200,000 shares of common stock that were issued and became exercisable at the closing on May 9, 2022, of the transactions contemplated by the BCA. The Company also reviewed the accounting for certain warrants to acquire an aggregate of 200,000 shares of common stock that are issuable and exercisable pursuant certain future milestones. On September 23, 2022, the Audit Committee of the Board of Directors of the Company (the "Audit Committee"), after considering the recommendations of management regarding the accounting treatment for the warrants described above, concluded that the Company's consolidated financial statements as of and for the year ended December 31, 2021, and condensed consolidated financial statements as of and for the three months ended March 31, 2022, and as of and for the three and six months ended June 30, 2022, should be restated and should no longer be relied upon. As a result of such prior material weaknesses, the restatement of our financial statements, the change in accounting for the warrants, the forward contract to issue additional warrants, and the common stock, and other matters raised or that may in the future be raised by the SEC, we face potential for litigation or other disputes which may include, among others, claims invoking the federal and state securities laws, contractual claims or other claims arising from the restatement and material weaknesses in our internal control over financial reporting and the preparation of our financial statements. As of December 31, 2022-2023, we have no knowledge of any such litigation or dispute. However, we can provide no assurance that such litigation or dispute will not arise in the future. Any such litigation or dispute, whether successful or not, could have a material adverse effect on our business financial condition, and results of operations. The market price and trading volume of our securities may be volatile and could decline significantly. The stock markets, including the NYSE on which we list our securities, from time-to-time experience significant price and volume fluctuations. Even if an active, liquid and orderly trading market develops and is sustained for our securities, the market price of our securities may be volatile and could decline significantly. In addition, the trading volume in our securities may fluctuate and cause significant price variations to occur. If the market price of our securities declines significantly, you may be unable to resell your securities at an attractive price (or at all). Factors affecting the trading price of our securities may include: • the realization of any of the risk factors presented in this Annual Report on Form 10-K; • actual or anticipated fluctuations in our financial results or the financial results of companies perceived to be similar to us; 49-47 • actual or anticipated differences in our estimates, or in the estimates of analysts, for our revenues, adjusted EBITDA, results of operations, level of indebtedness, liquidity or financial condition; • changes in -- changes in the market --- market expectations about our operating results -- s expectations about our operating results; • failure to comply with the requirements of NYSE; • failure to comply with the Sarbanes-Oxley Act or other laws or regulations; • the public's reaction -- reaction to our press releases, its other public announcements and its filings with the SEC; • broad

disruptions in the financial markets, including sudden disruptions in the credit markets; • speculation in the press or investment community; • success of competitors; • operating results failing to meet the expectations of securities analysts or investors in a particular period; • changes in financial estimates and recommendations by securities analysts concerning us or the industry in which we operate in general; • operating and stock price performance of other companies that investors deem comparable to us; • ability to market new and enhanced products and services on a timely basis; • changes in laws and regulations affecting our business; • changes in accounting principles, policies and guidelines; • changes in our capital structure, such as future issuances of securities or the incurrence of debt; • the volume of shares of our common stock available for public sale; • any major change in our board or management; • future issuances, sales, resales or repurchases or anticipated issuances, sales, resales or repurchases, of our securities; • sales of substantial amounts of our common stock by our directors, executive officers or significant stockholders or the perception that such sales could occur; and • general economic and political conditions such as recessions, interest rates, fuel prices, international currency fluctuations; and • other events or factors, including those resulting from infectious diseases, health epidemics and pandemics (including the ongoing COVID-19 public health emergency), natural disasters, acts of war or terrorism or responses to these events. Broad market and industry factors may materially harm the market price of our securities irrespective of our operating performance. The stock market in general has experienced extreme volatility that has often been unrelated to the operating performance of particular companies. As a result of this volatility, you may not be able to sell your securities at or above the price at which they were acquired. A loss of investor confidence in the market for the stocks of other companies which investors perceive to be similar to us could depress our stock price regardless of our business, financial condition, and results of operations. A decline in the market price of our securities could also adversely affect our ability to issue additional securities and our ability to obtain additional financing in the future. 50 There 48 There can be no assurance that we will be able to maintain compliance with the listing standards of the NYSE. Our common stock and public warrants are listed on the NYSE. However, although we currently meet the minimum initial listing standards required by the NYSE, there can be no assurance that our securities will continue to be listed on the NYSE in the future. In order to continue listing our securities on the NYSE, we must maintain certain financial, distribution and share price levels, and a minimum number of holders of our securities. If the NYSE delists any of our securities from trading on its exchange and we are not able to list our securities on another national securities exchange, we expect our securities could be quoted on an over-the-counter market. If this were to occur, we could face significant material adverse consequences, including: • a limited availability of market quotations for our securities; • reduced liquidity for our securities; • a determination that our common stock is a “ penny stock, ” which will require brokers trading in our common stock to adhere to more stringent rules and possibly result in a reduced level of trading activity in the secondary trading market for our securities; • a limited amount of news and analyst coverage; and • decreased ability to issue additional securities or obtain additional financing in the future. The National Securities Markets Improvement Act of 1996, which is a federal statute, prevents or preempts the states from regulating the sale of certain securities, which are referred to as “ covered securities. ” Because our common stock and public warrants are listed on the NYSE, they are covered securities under the statute. Although the states are preempted from regulating the sale of our securities, the federal statute does allow the states to investigate companies if there is a suspicion of fraud, and, if there is a finding of fraudulent activity, then the states can regulate or bar the sale of covered securities in a particular case. State securities regulators may use these powers, or threaten to use these powers, to hinder the sale of our securities in their states. Further, if in the future our securities are no longer listed on the NYSE, then such securities would not be covered securities and we would be subject to regulation in each state in which we offer our securities. Delaware law and provisions in the Charter and Bylaws could make a takeover proposal more difficult. Our organizational documents are governed by Delaware law. Certain provisions of Delaware law and of the Charter and Bylaws could discourage, delay, defer or prevent a merger, tender offer, proxy contest or other change of control transaction that a stockholder might consider in its best interest, including those attempts that might result in a premium over the market price for the shares of common stock held by our stockholders. These provisions provide for, among other things: • the ability of our board of directors to issue one or more series of preferred stock; • certain limitations on convening special stockholder meetings; and • advance notice for nominations of directors by stockholders and for stockholders to include matters to be considered at our annual meetings. These anti- takeover provisions as well as certain provisions of Delaware law could make it more difficult for a third party to acquire us, even if the third party’ s offer offer may be considered beneficial by many of our stockholders. As a result, our stockholders may be limited in their ability to obtain a premium for their shares. If prospective takeovers are not consummated for any reason, we may experience negative reactions from the financial markets, including negative impacts on the price of our common stock. These provisions could also discourage proxy contests and make it more difficult for our stockholders to elect directors of their choosing and to cause us to take other corporate actions that our stockholders desire. See “ Description of Securities ”. 51 Our 49 Our ability to operate our business effectively depends in large part on certain administrative and other support functions provided to us by ERJ pursuant to the Services Agreements. Following the expiration or termination of the Services Agreements, our ability to operate our business effectively may suffer if it is unable to cost- effectively establish its own administrative and other support functions in order to operate as a stand- alone company. We will rely on certain administrative and other resources of ERJ, including information technology, financial reporting, tax, treasury, human resources, procurement, insurance and risk management and legal services, to operate our business. In connection with the Pre- Closing Restructuring, Eve entered into three MSAs, including one by and between Eve and ERJ and another by and between Eve and Atech. Pursuant to such MSAs, ERJ and its subsidiaries (other than Eve and its subsidiaries) will supply products and perform certain services, relating to the development, certification, manufacturing and support of eVTOLs. The initial term of the Atech MSAs- MSA is expected to end on the 10th anniversary of the effective date of such agreement, in the case of the MSA with Atech, and on the 15th anniversary of the effective date of such agreement for, in the case of the MSA with ERJ. Eve also entered into a MSA with MSA with the Brazilian Subsidiary pursuant to which the Brazilian Subsidiary will develop and facilitate the execution of a commercial

business plan for the strategic development of the UAM Business on behalf of Eve. In addition, Eve and the Brazilian Subsidiary entered into a ~~SSA with~~ **SSA with** ERJ and EAH pursuant to which the ERJ entities (other than Eve and its Subsidiaries) will provide certain corporate and administrative services to Eve and the Brazilian Subsidiary. The initial term of the SSA with ~~ERJ is~~ **ERJ is** expected to end on the 15th anniversary of the effective date of such agreement. These services may not be sufficient to meet Eve's ~~needs~~ **needs** and may not be provided at the same level as when the entities comprising Eve were part of ERJ. We and ERJ will each rely on the other to perform our respective obligations under the Services Agreements. If ERJ is unable to satisfy its material obligations under the agreement, or if the agreement is terminated as to any services or entirely, we may not be able to obtain such services at all or obtain the services on terms as favorable as those in the Services Agreements and could, as a result, suffer operational difficulties or significant losses. In addition, prior to the date on which the Services Agreements were entered into, Eve and its Subsidiaries received informal support from ERJ as wholly owned subsidiaries of ERJ, and the level of this informal support may diminish now that we are a separate, independent company. Any failure or significant interruption of our own administrative systems or in ERJ's ~~administrative~~ **administrative** systems during the term of the Services Agreements could result in unexpected costs, impact our results or prevent us from paying our suppliers or employees and performing other administrative services on a timely basis. Eve may have been able to obtain better terms from unaffiliated third parties than the terms it received pursuant to the Services Agreements with ERJ. The terms of the Services Agreements were negotiated while Eve was a wholly owned subsidiary of ERJ. Accordingly, Eve did not have an independent board of directors or a management team that was independent of ERJ during the period in which the Services Agreements were prepared. As a result, the terms of the Services Agreements may not reflect terms that would have resulted from arms-length negotiations between unaffiliated third parties and any such arms-length negotiations with an unaffiliated third party may have resulted in more favorable terms to Eve. We have a short history as a separate public company. In the past, Eve's ~~operations~~ **operations** were a part of ERJ and ERJ provided Eve with certain financial, operational and managerial resources for conducting its business. While ERJ continues to provide a number of these resources to us under the Services Agreements, we must also perform certain of our own financial, operational and managerial functions. There are no assurances that we will be able to successfully implement the financial, operational and managerial resources necessary to perform these functions. The UAM Business' historical financial results and Combined Financial Statements may not be representative of Eve's ~~results~~ **results** as a separate company. The UAM Business' historical financial information included in this Annual Report on Form 10-K has been derived on a carve-out basis from the consolidated financial statements and accounting records of ERJ and does not necessarily reflect what Eve's ~~financial~~ **financial** position, results of operations or cash flows would have been had it been a separate company during the periods presented. The historical costs and expenses reflected in the Combined Financial Statements include an allocation for certain corporate functions historically provided by ERJ, most of which will continue to be provided pursuant to the Services Agreements. These allocations were based on what management considered to be reasonable reflections of the historical utilization levels of these services required in support of Eve's ~~business~~ **business**. The historical information does not necessarily reflect what the cost of these functions will be to Eve or the Company, as applicable, in the future, pursuant to the Services Agreements or otherwise. For additional information in relation to materially significant related party transactions during the years ended December 31, **2023**, 2022, and 2021, see Note ~~4 to 2 and 5 of the Combined consolidated Financial financial Statements statements~~ **4 to 2 and 5 of the Combined consolidated Financial financial Statements statements** as of and for the fiscal years ended December 31, 2022, and 2021 included elsewhere in this Annual Report on Form 10-K. ~~Any further related party transactions during the fiscal years ended December 31, 2022, and 2021 were both immaterial and no more than incidental in nature.~~ **52 Our** ~~50 Our~~ Warrant Agreement designates the courts of the State of New York or the United States District Court for the Southern District of New York as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by holders of our public or private placement warrants, which could limit the ability of public or private placement warrant holders to obtain a favorable judicial forum for disputes with our company. Our Warrant Agreement dated as of November 16, 2020, by and between Zanite and Continental Stock Transfer & Trust Company, as warrant agent (the "Warrant Agreement"), provides that, subject to applicable law, (i) any action, proceeding or claim against us arising out of or relating in any way to our Warrant Agreement, including under the Securities Act, will be brought and enforced in the courts of the State of New York or the United States District Court for the Southern District of New York, and (ii) that we irrevocably submit to such jurisdiction, which jurisdiction shall be the exclusive forum for any such action, proceeding or claim. We will waive any objection to such exclusive jurisdiction and that such courts represent an inconvenient forum. Notwithstanding the foregoing, these provisions of our Warrant Agreement will not apply to suits brought to enforce any liability or duty created by the Exchange Act or any other claim for which the federal district courts of the United States of America are the sole and exclusive forum. Any person or entity purchasing or otherwise acquiring any interest in any of our public or private placement warrants shall be deemed to have notice of, and to have consented to, the forum provisions in our Warrant Agreement. If any action, the subject matter of which is within the scope of the forum provisions of our Warrant Agreement, is filed in a court other than a court of the State of New York or the United States District Court for the Southern District of New York (a "foreign action") in the name of any holder of our public or private placement warrants, such holder of our public or private placement warrants shall be deemed to have consented to (x) the personal jurisdiction of the state and federal courts located in the State of New York in connection with any action brought in any such court to enforce the forum provisions (an "enforcement action"), and (y) having service of process made upon such holder of our public or private placement warrants in any such enforcement action by service upon such holder's ~~counsel~~ **counsel** in the foreign action as agent for such holder of our public or private placement warrants. This choice-of-forum provision may limit the ability of a holder of our public or private placement warrants to bring a claim in a judicial forum that it finds favorable for disputes with us, which may discourage such lawsuits. Alternatively, if a court were to find this provision of our Warrant Agreement inapplicable or unenforceable with respect to one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving

such matters in other jurisdictions, which could materially and adversely affect our business, financial condition and results of operations and result in a diversion of the time and resources of our management and board of directors. You may only be able to exercise your public warrants on a “ cashless basis ” under certain circumstances, and if you do so, you will receive fewer shares of common stock from such exercise than if you were to exercise such warrants for cash. The Warrant Agreement provides that in the following circumstances holders of warrants who seek to exercise their warrants will not be permitted to do so for cash and will, instead, be required to do so on a cashless basis in accordance with Section 3 (a) (9) of the Securities Act: (i) if the shares of common stock issuable upon exercise of the warrants are not registered under the Securities Act in accordance with the terms of the Warrant Agreement; (ii) if we have so elected and the shares of common stock is at the time of any exercise of a warrant not listed on a national securities exchange such that they satisfy the definition of “ covered securities ” under Section 18 (b) (1) of the Securities Act; and (iii) if we have so elected and we call the public warrants for redemption. If you exercise your public warrants on a cashless basis, you would pay the warrant exercise price by surrendering the warrants for that number of shares of common stock equal to the quotient obtained by dividing (x) the product of the number of shares of common stock underlying the warrants, multiplied by the excess of the “ fair market value ” of our shares of common stock (as defined in the next sentence) over the exercise price of the warrants by (y) the fair market value. The “ fair market value ” is the average reported closing price of the shares of common stock for the 10 trading days ending on the third trading day prior to the date on which the notice of exercise is received by the warrant agent or on which the notice of redemption is sent to the holders of warrants, as applicable. As a result, you would receive fewer shares of common stock from such exercise than if you were to exercise such warrants for cash. The only principal asset of the Company is its interest in Eve and accordingly, it depends on distributions from Eve to pay taxes and expenses. We are a holding company with no material assets other than our interests in Eve. We are not expected to have independent means of generating revenue or cash flow, and our ability to pay taxes and operating expenses, as well as dividends in the future, if any, will be dependent upon the financial results and cash flows of Eve. There can be no assurance that Eve will generate sufficient cash flow to distribute funds to us, or that applicable law and contractual restrictions, including negative covenants under any debt instruments, if applicable, will permit such distributions. If Eve does not distribute sufficient funds to us to pay our taxes or other liabilities, we may default on contractual obligations or have to borrow additional funds. In the event that we are required to borrow funds, it could adversely affect our liquidity and subject it to additional restrictions imposed by lenders. Pursuant to the Tax Receivable Agreement (the “ TRA ”), the Company will in certain circumstances be required to pay to EAH 75 % of the net income tax savings that the Company realizes as a result of increases in tax basis in the assets of the Company or certain of its subsidiaries resulting from the Pre-Closing Restructuring and tax benefits related to entering into the TRA, including tax benefits attributable to payments under the TRA, for periods when the Company is not a member of EAH’ s U. S. federal consolidated group, and those payments may be substantial. The Pre- Closing Restructuring resulted in increases in the Company’ s tax basis of its tangible and intangible assets. These increases in tax basis may increase (for income tax purposes) depreciation and amortization deductions and therefore reduce the amount of income or franchise tax that the Company would otherwise be required to pay in the future had such tax basis increase never occurred. In connection with the business combination, the Company and EAH entered into the TRA, which generally provides for the payment by the Company of 75 % of certain net tax benefits, if any, that the Company realizes (or in certain cases is deemed to realize) as a result of these increases in tax basis and tax benefits related to entering into the TRA, including tax benefits attributable to payments under the TRA. The timing of any payments under the TRA will vary depending upon a number of factors, including the amount and timing of the recognition of the Company’ s income. Moreover, the timing of any payments under the TRA is uncertain because the Company is a member of a consolidated, combined, affiliated or other group filing a joint return for U. S. federal or state income tax purposes of which EAH or an affiliate of EAH is the common parent (the “ EAH Consolidated Group ”). As a result, the income, operations, and any depreciation and amortization deductions of the Company will generally be reflected on the joint return of EAH as parent of the EAH Consolidated Group, rather than on a separate tax return of the Company. During the period during which the Company is a member of the EAH Consolidated Group, the sharing of tax benefits between EAH and the Company will be governed by the Tax Sharing Agreement (the “ TSA ”) entered into by the Company and EAH at the closing of the business combination, rather than the TRA. In general, pursuant to the TSA, for periods in which the Company has taxable income that contributes to and increases the overall tax liability of the EAH Consolidated Group, the TSA requires the Company to make payments to EAH equal to the tax liability the Company would be required to pay if it had not been a member of the EAH Consolidated Group but had filed a separate return. For periods in which the Company’ s inclusion in the EAH Consolidated Group decreases the tax liability of the EAH Consolidated Group, tax benefits generated by the Company that are realized by EAH will be recorded in an off- book register and will apply to offset future payments, if any, due from the Company to EAH under the TSA. When the Company is no longer a member of the EAH Consolidated Group, any tax benefits generated by the Company that have not been applied to offset payments under the TSA at the time the Company ceases to be a member of the EAH Consolidated Group will offset any amounts payable by the Company to EAH under the TRA. For purposes of determining the amount of payments required to be made by the Company pursuant to the foregoing, and for determining the extent to which tax benefits generated by the Company that are realized by the EAH Consolidated Group may offset future payments under the TSA or the TRA, the TSA will generally disregard 75 % of the tax benefit arising from the tax basis in the assets of the company created in the Pre-Closing Restructuring, consistent with the agreed sharing percentages for such tax savings under the TRA. Payments the Company will make under the TRA may be substantial and could have a material adverse effect on the Company’ s financial condition. Any payments made by the Company under the TRA will generally reduce the amount of overall cash flow that might have otherwise been available to the Company. To the extent that the Company is unable to make timely payments under the TRA for any reason, the unpaid amounts will be deferred and will accrue interest until paid; however, nonpayment for a specified period and / or under certain circumstances may constitute a material breach of a material obligation under the TRA

and therefore accelerate payments due under the TRA, as further described below. Furthermore, the Company's future obligation to make payments under the TRA could make it a less attractive target for an acquisition, particularly in the case of an acquirer that cannot use some or all of the tax benefits that may be deemed realized under the TRA. In certain cases, payments under the TRA may exceed the actual tax benefits the Company realizes or be accelerated. Payments under the TRA will be based on the tax reporting positions that the Company determines, and the IRS or another taxing authority may challenge all or any part of the tax basis increases, as well as other tax positions that the Company takes, and a court may sustain such a challenge. In the event that any tax benefits initially claimed by the Company are disallowed, EAH will not be required to reimburse the Company for any excess payments that may previously have been made under the TRA, for example, due to adjustments resulting from examinations by taxing authorities. Rather, excess payments made to EAH will be applied against and reduce any future cash payments otherwise required to be made by the Company, if any, after the determination of such excess. However, a challenge to any tax benefits initially claimed by the Company may not arise for a number of years following the initial time of such payment and, even if challenged earlier, such excess cash payment may be greater than the amount of future cash payments that the Company might otherwise be required to make under the terms of the TRA and, as a result, there might not be future cash payments against which such excess can be applied. As a result, in certain circumstances the Company could make payments under the TRA in excess of the Company's actual income or franchise tax savings, which could materially impair the Company's business, financial condition, and results of operations. Moreover, the TRA provides that, in the event that (i) the Company exercises its early termination rights under the TRA, or (ii) the Company in certain circumstances, materially breaches any of its material obligations under the TRA, whether as a result of failure to make any payment when due (except for all or a portion of such payment that is being validly disputed in good faith under this Agreement, and then only with respect to the amount in dispute) or failure to honor any other material obligation required hereunder to the extent not cured within 30 calendar days following receipt by the Company of written notice of such failure from EAH or by operation of law as a result of the rejection of this Agreement in a case commenced under the U. S. Bankruptcy Code or otherwise, unless with respect to clauses (ii) certain liquidity exceptions apply, the Company's payment obligations will accelerate and the Company will be required to make a lump- sum cash payment to EAH equal to the present value of all forecasted future payments that would have otherwise been made under the TRA based on certain assumptions (including those relating to the Company's future taxable income). Additionally, in the case of actions or transactions constituting a change of control or a divestiture of certain assets, the payments due under the TRA would be determined using certain valuation assumptions, including that the Company will generate sufficient taxable income to fully utilize the applicable tax assets and attributes covered under the TRA and TRA as a result the Company may be required to make payments under the TRA prior to the time when the Company actually realizes cash tax savings. Such lump- sum payment and other advance payments could be substantial and could exceed the actual tax benefits that the Company realizes subsequent to such payment because such payment would be calculated assuming, among other things, that the Company would have certain assumed tax benefits available to it and that the Company would be able to use the assumed and potential tax benefits in future years. There may be a material negative effect on the Company's liquidity if the payments under the TRA exceed the actual income or franchise tax savings that the Company and its direct or indirect subsidiaries realize. Furthermore, the Company's obligations to make payments under the TRA could also have the effect of delaying, deferring or preventing certain mergers, asset sales, other forms of business combinations or other changes of control. We are an emerging growth company within the meaning of the Securities Act, and if we take advantage of certain exemptions from disclosure requirements available to emerging growth companies, this could make our securities less attractive to investors and may make it more difficult to compare our performance with other public companies. We are an "emerging growth company" within the meaning of the Securities Act, as modified by the JOBS Act, and we may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 (b) of the Sarbanes- Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. As a result, our stockholders may not have access to certain information they may deem important. We could be an emerging growth company for up to five years from Zanite's IPO, although circumstances could cause us to lose that status earlier, including if the market value of our common stock held by non-affiliates exceeds \$ 700 million as of June 30th of the prior year, in which case we would no longer be an emerging growth company as of the following December 31st. We cannot predict whether investors will find our securities less attractive because we will rely on these exemptions. If some investors find our securities less attractive as a result of our reliance on these exemptions, the trading prices of our securities may be lower than they otherwise would be, there may be a less active trading market for our securities and the trading prices of our securities may be more volatile. Further, Section 102 (b) (1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a Securities Act registration statement declared effective or do not have a class of securities registered under the Exchange Act) are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non- emerging growth companies but any such an election to opt out is irrevocable. We have elected not to opt out of such extended transition period which means that when a standard is issued or revised and it has different application dates for public or private companies, we, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard. This may make comparison of our financial statements with other public companies difficult or impossible because of the potential differences in accounting standards used. Additionally, until June 30,



2022, we qualified as a “smaller reporting company” as defined in Item 10 (f) (1) of Regulation S- K and took advantage of certain reduced disclosure obligations until the following December 31st. Taking advantage of such reduced disclosure obligations may make comparisons of our financial statements with other public companies difficult or impossible. Risks Related to Ownership of Common Stock and Warrants Our management has limited experience in operating a public company. Our executive officers have limited experience in the management of a publicly traded company. Our management team may not successfully or effectively manage our transition to a public company that will be subject to significant regulatory oversight and reporting obligations under federal securities laws. Their limited experience in dealing with the increasingly complex laws pertaining to public companies could be a significant disadvantage in that it is likely that an increasing amount of their time may be devoted to these activities which will result in less time being devoted to the management and growth of the Company. We may not have adequate personnel with the appropriate level of knowledge, experience, and training in the accounting policies, practices or internal ~~controls~~ **control** over financial reporting required of public companies in the United States. The development and implementation of the standards and controls necessary for the Company to achieve the level of accounting standards required of a public company in the United States may require costs greater than expected. It is possible that we will be required to expand our employee base and hire additional employees to support our operations as a public company which will increase our operating costs in future periods. Failure to timely and effectively build our accounting systems to effectively implement controls and procedures required by Section 404 (a) of the Sarbanes- Oxley Act could have a material adverse effect on our business. The standards required for a public company under Section 404 (a) of the Sarbanes- Oxley Act are significantly more stringent than those required of a private company. Management may not be able to effectively and timely implement controls and procedures that adequately respond to the increased regulatory compliance and reporting requirements. **If we are** Pursuant to SEC staff guidance, our Annual Report on Form 10- K does not include a report **able to implement the requirements of management’s Section 404 (a) in a timely manner or with adequate compliance, we may not be able to adequately assess** ~~assessment~~ **assess regarding whether our** internal control over financial reporting **is**. ~~If we are not able to implement the additional requirements of Section 404 (a) in a timely manner or with adequate compliance, we may not be able to adequately assess whether our internal control over financial reporting is ineffective~~ **effective**, which may subject us to adverse regulatory consequences and could negatively impact ~~investor confidence~~ **investor confidence** and the market price of our securities. To manage the expected growth of our operations and increasing complexity, ~~and to address the previously disclosed material weaknesses in our internal control over financial reporting~~, we will need to improve our operational and financial systems, procedures, and controls and continue to increase systems automation to reduce reliance on manual operations. Any inability to do so will affect our reporting. Our current and planned systems, procedures and controls may not be adequate to support our complex arrangements and the rules governing revenue and expense recognition for our future operations and expected growth. Delays or problems associated with any improvement or expansion of our operational and financial systems and controls could adversely affect our relationships with our partners, cause harm to our reputation and brand and could also result in errors in our financial and other reporting. Our Certificate of Incorporation designates a state or federal court located within the State of Delaware and the federal district courts of the United States as the exclusive forum for substantially all disputes between us and our stockholders, which could limit our stockholders’ ability to choose the judicial forum for disputes with us or our directors, officers or employees. Our Certificate of Incorporation (“Charter”) provides that unless we consent in writing to the selection of an alternative forum, to the fullest extent permitted by law, the sole and exclusive forum for (i) any derivative action, suit or proceeding brought on behalf of the Company, (ii) any action, suit or proceeding asserting a claim of breach of a fiduciary duty owed by any current or former director, officer, other employee, agent or stockholder of the Company to the Company or to the Company’s ~~stockholders~~ **stockholders**, (iii) any action, suit or proceeding asserting a claim against the Company or any current or former director, officer, other employee, agent or stockholder arising pursuant to any provision of the DGCL or our Bylaws or our Charter (as either may be amended from time to time), (iv) any action, suit or proceeding as to which the DGCL confers jurisdiction on the Chancery Court of the State of Delaware, or (v) any action, suit or proceeding asserting a claim against the Company or any current or former director, officer, other employee, agent or stockholder governed by the internal affairs doctrine. Our Charter further provides that, to the fullest extent permitted by law, the federal district courts of the United States of America shall be the sole and exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act of 1933, as amended. ~~56Any~~ **54Any** person or entity purchasing or otherwise acquiring any interest in any of our securities shall be deemed to have notice of and consented to these provisions. This exclusive forum provision may limit a stockholder’s ability to bring a claim in a judicial forum of its choosing for disputes with us or our directors, officers or other employees, which may discourage lawsuits against us and our directors, officers and other employees. This exclusive forum provision will not apply to any causes of action arising under the Exchange Act or any other claim for which the federal courts of the United States have exclusive jurisdiction. Further, the enforceability of similar choice of forum provisions in other companies’ charter documents has been challenged in legal proceedings, and it is possible that a court could find these types of provisions to be inapplicable or unenforceable. For example, the Court of Chancery of the State of Delaware recently determined that a provision stating that U. S. federal district courts are the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act is not enforceable. However, this decision may be reviewed and ultimately overturned by the Delaware Supreme Court. If a court were to find either exclusive forum provision in our Charter to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving the dispute in other jurisdictions, which could harm our results of operations. Claims for indemnification by our directors and officers may reduce our available funds to satisfy successful third- party claims against us and may reduce the amount of money available to us. Our Charter and Bylaws provide that we will indemnify our directors and officers, in each case to the fullest extent permitted by Delaware law. In addition, as permitted by Section 145 of the DGCL, our Bylaws and our indemnification agreements that we entered into with our directors and officers provide that: • We will

indemnify our directors and officers for serving in those capacities or for serving other business enterprises at our request, to the fullest extent permitted by Delaware law. Delaware law provides that a corporation may indemnify such person if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the registrant and, with respect to any criminal proceeding, had no reasonable cause to believe such person's conduct was unlawful; • We may, in our discretion, indemnify employees and agents in those circumstances where indemnification is permitted by applicable law; • We are required to advance expenses, as incurred, to our directors and officers in connection with defending a proceeding, except that such directors or officers shall undertake to repay such advances if it is ultimately determined that such person is not entitled to indemnification; • We are not obligated pursuant to our Bylaws to indemnify a person with respect to proceedings initiated by that person against us or our other indemnitees, except with respect to proceedings authorized by our board of directors or brought to enforce a right to indemnification; • ~~the~~ **The** rights conferred in our Bylaws are not exclusive, and we are authorized to enter into indemnification agreements with our directors, officers, employees and agents and to obtain insurance to indemnify such persons; and • We may not retroactively amend our Charter or Bylaws to reduce our indemnification obligations to directors, officers, employees and agents existing at the time of such amendment with respect to any acts or omissions occurring prior to such amendment. ~~57We~~ **55We** do not intend to pay dividends for the foreseeable future. We have never declared or paid any cash dividends on our capital stock and do not intend to pay any cash dividends in the foreseeable future. We expect to retain future earnings, if any, to fund the development and growth of our business. Any future determination to pay dividends on our capital stock will be at the discretion of our Board. Accordingly, investors must rely on sales of our common stock after price appreciation, which may never occur, as the only way to realize any future gains on their investments. We may be subject to securities litigation, which is expensive and could divert management attention. The market price of our common stock may be volatile and, in the past, companies that have experienced volatility in the market price of their stock have been subject to securities class action litigation. We may be the target of this type of litigation in the future. Securities litigation against us could result in substantial costs and divert management's ~~s~~ **attention- attention** from other business concerns, which could seriously harm its business. Future sales or resales or the perception of future sales or resales of common stock by us or our existing securityholders may cause the market price of our securities to drop significantly, even if our business is doing well. The sale or resale of substantial amounts of shares of common stock or warrants in the public market, or the perception that such sales or resales could occur, could harm the prevailing market price of shares of common stock and warrants. These sales or resales, or the possibility that these sales or resales may occur, also might make it more difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate. We believe the likelihood that warrant holders will exercise their warrants, and therefore the amount of cash proceeds that we would receive is, among other things, dependent upon the market price of common stock. If the market price for shares of common stock is less than the exercise price of a holder's warrant, such holder may be less likely to exercise their warrants as they would be selling at a loss if they exercised their warrants and then sold their common stock. The issuance and exercise of the new warrants are also subject to the UAM Business milestones and lock-up periods described in our prospectus, dated January 18, 2023, filed on January 20, 2023, pursuant to Rule 424 (b) under the Securities Act, relating to the Registration Statement on Form S- 1, as amended (File No. 333- 265337). On December 21, 2021, December 24, 2021, March 9, 2022, March 16, 2022 and April 4, 2022, in connection with the business combination, Zanite entered into subscription agreements or amendments thereto (as amended from time to time, the "Subscription Agreements") with certain investors, including certain strategic investors and / or investors with existing relationships with ERJ (the "Strategic Investors"), Zanite Sponsor LLC, a Delaware limited liability company (the "Sponsor"), and EAH (collectively, the "PIPE Investors"), pursuant to which, and on the terms and subject to the conditions of which, Zanite agreed to issue and sell to the PIPE Investors in private placements to close immediately prior to the Closing, an aggregate of 35, 730, 000 shares of Class A common stock at a purchase price of \$ 10. 00 per share, for an aggregate purchase price of \$ 357, 300, 000, which included the commitment of the Sponsor to purchase 2, 500, 000 shares of Class A common stock for a purchase price of \$ 25, 000, 000 and the commitment of EAH to purchase 18, 500, 000 shares of Class A common stock for a purchase price of \$ 185, 000, 000 (the "PIPE Investment"). The PIPE Investment was consummated substantially concurrently with the closing of the business combination. The Sponsor and EAH are contractually restricted from selling or transferring any of their shares of common stock (not including the shares of our common stock issued to the Sponsor and EAH in the PIPE Investment pursuant to the terms of the Subscription Agreements or purchased in the public market) (the "Lock-up Shares") for certain periods of time. Under the amended and restated registration rights agreement, dated as of May 9, 2022, by and among the Sponsor, Zanite, EAH and certain other parties thereto (the "Amended and Restated Registration Rights Agreement"), such lock-up restrictions applicable to the Lock-up Parties' (as defined in the Amended and Restated Registration Rights Agreement) Lock-up Shares (as defined in the Amended and Restated Registration Rights Agreement) begin at the closing of the business combination and end on the date that is three years after the closing of the business combination. Other PIPE Investors, however, are not restricted from selling any of their shares of common stock, other than by applicable securities laws. As such, sales of a substantial number of shares of our common stock in the public market could occur at any time. These sales, or the perception in the market that the holders of a large number of shares intend to sell shares, could reduce the market price of our stock. As restrictions on resale end and registration statements are available for use, the sale or possibility of sale of these shares could have the effect of increasing the volatility in our share price. Additionally, the market price of our stock could decline if the holders of currently restricted shares sell them or are perceived by the market as intending to sell them. ~~58Item~~ **Item 1B** ~~1-B~~. Unresolved Staff Comments ~~None~~ **Item 1C. Cybersecurity Risk**

**Management and Strategy We are subject to a broad range of cybersecurity threats, with varying levels of sophistication. These cyber threats are related to the confidentiality, availability and integrity of our systems and data. 56As an indirect subsidiary of ERJ, the Company falls within ERJ's IT ecosystem and has adopted ERJ's processes and mechanisms for the assessment, identification and management of risks arising from cybersecurity threats. These processes and**

mechanisms are based on best practices (such as NIST 800 Special Publication and ISO 27001 / 2) and undergo periodic reviews to enhance their ability to spot, control, and respond to potential cybersecurity threats. In addition, as part of ERJ's IT ecosystem, the Company has access to third-party cybersecurity firms and independent auditors to assist in assessing its cybersecurity controls and procedures. The Company conducts security assessments, vulnerability management, penetration testing, security audits, and ongoing risk assessments, and maintains incident response plans to be utilized in the event that an incident is detected. Certain of our business partners, such as our suppliers, have access to limited confidential and other sensitive information of ours. The Company follows a third-party cybersecurity risk management process, developed by ERJ, which is designed to help oversee and identify risks from cybersecurity threats associated with the use of third-party service providers. To date, we are not aware of any risks from cybersecurity threats, including as a result of any previous known cybersecurity incidents, that have materially affected us or are reasonably likely to materially affect us, including our business strategy, results of operations, or financial condition. Despite our efforts to ensure the integrity of our computer systems, software, networks, and other technology assets, we may not be able to anticipate, detect, or recognize threats to our systems and assets, or to implement effective preventive measures against all cyber threats, especially because the techniques used are increasingly sophisticated, change frequently, are complex, and are often not recognized until launched. For additional information on cybersecurity risks, see the risk factors "We are subject to cybersecurity risks to our operational systems, security systems, infrastructure, integrated software in our aircraft and customer data processed by our third-party vendors" and "If we or our third-party service providers experience a security breach, or if unauthorized parties otherwise obtain access to our customers' data, our reputation may be harmed, demand for services may be reduced, and we may incur significant liabilities" in Part I, Item 1A of this Form 10-K.

**Governance** We have developed and continue to enhance our cybersecurity governance program to help identify and assess material risks from cybersecurity threats. Our management team, with involvement and input from our Board of Directors and the Audit Committee, performs enterprise risk assessments annually, or as needed, to help identify and manage key existing and emerging enterprise risks for the Company. Our enterprise risk assessment process seeks to identify both the potential impacts to Eve of a particular risk, and its probability to materialize. Our management team has the overall responsibility for, and oversight of, our Enterprise Risk Management ("ERM") process, monitoring and managing each of the identified risks, and cybersecurity is among the risks identified and presented to the management team in connection with ERM risk assessments. ERJ's Chief Information Security Officer ("CISO") is primarily responsible for the assessment and management of cybersecurity risks. ERJ'S CISO has several years of experience in information security and possesses the requisite education, skills and competence expected of an individual assigned to these duties. Our Audit Committee is responsible for overseeing our policies, practices, and assessments with respect to risks, such as cybersecurity. Following an ERM risk assessment, any risks identified, including cybersecurity, are presented to the Audit Committee by the management team, with the strategic guidance of the CISO. The Audit Committee makes recommendations to the Board of Directors for cybersecurity risks identified. The Board of Directors and the Audit Committee receive updates throughout the year on enterprise risks, including cybersecurity matters.

**Item 2. Properties** -We operate primarily out of facilities located in Eugenio de Melo, Brazil, and, in the United States, Melbourne, Florida. We have a leased facility in Gavião Peixoto, Brazil that has not yet commenced and Melbourne, Florida, United States. All of our facilities are located on land that is either owned or leased by ERJ. We As part of the Pre-Closing Restructuring, we have entered into the Lease lease Agreements agreements with ERJ with respect to each of these facilities.

**Item 3. Legal Proceedings** -We are, from time to time, subject to various claims, lawsuits and other legal and administrative proceedings arising in the ordinary course of business. We are not currently a party to any such claims, lawsuits or proceedings, the outcome of which, if determined adversely to us, we believe would, individually or in the aggregate, be material to our business or result in a material adverse effect on our future operating results, financial condition or cash flows.

**Item 4. Mine Safety Disclosures** **Not applicable.** None.

**PART 57PART II** -Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities -

**Market Information** Our common stock trades on the New York Stock Exchange under the symbol "EVEX". Zanite's units, shares of common stock and rights were traded on the Nasdaq Stock Market under the symbols "ZNTU", "ZNTE" and "ZNTEW," respectively, prior to the consummation of the Business Combination. Holders As of March 3 December 31, 2023, there were was approximately sixty holders - threeholders of record of our common shares. Dividends We have never declared or paid any cash dividends on our capital stock, and we do not anticipate paying any cash dividends in the foreseeable future. The payment of cash dividends in the future will be dependent upon our revenues and earnings, if any, capital requirements and general financial condition. The payment of any cash dividends will be within the discretion of our board of directors. Our ability to declare dividends may be limited by the terms of financing or other agreements entered into by us or our subsidiaries from time to time.

**Performance Graph** The following graph shows the performance total stockholder return of an investment of \$ 100 cash on May 10, 2022 -(the date our common stock began trading on the NYSE after the Business Combination) , through December 31, 2022-2023 , for (1) our common stock, (2) the average performance of the common stock of our peers listed in the NYSE (detailed below-- below) , (3) Russell 2000 Index and (4) NYSE Arca Airline Index. All values assume reinvestment of the full amount of all dividends , if applicable . As of December 31, 2022-2023 , the comparable companies used are comprised of the following companies: Archer Aviation Inc. (NYSE: ACHR), Joby Aviation, Inc. (NYSE: JOBY), Vertical Aerospace Ltd. (NYSE: EVTL), Lilium N. V. (Nasdaq: LILM) and EHang Holdings Ltd. (Nasdaq: EH). 60Recent--

**Recent** Sales of Unregistered Securities; Use of Proceeds from Registered Offerings Unregistered Sales None. Use of Proceeds None.

**Item 6. [ Reserved ] -58**