

Risk Factors Comparison 2025-02-27 to 2024-02-27 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text **Moved Text** Section

In the course of conducting our business operations, we are exposed to a variety of risks. Any of the risk factors we describe below have affected or could materially adversely affect our business, financial condition, results of operations, and brand. The market price of shares of our common stock could decline, possibly significantly or permanently, if one or more of these risks and uncertainties occurs. Certain statements in “ Risk Factors ” are forward- looking statements. See “ Special Note Regarding Forward- Looking Statements. ” Risks Related to Our Business and Industry Certification & Regulatory We may be unable to obtain relevant regulatory approvals for the commercialization of our aircraft or operation of our mobility service, **either in the United States or in foreign markets**. The commercialization of new aircraft and the operation of an aerial mobility service requires certain regulatory authorizations and certifications, including Type Certification, Production Certification and an air carrier certificate issued by the FAA under Part 119 with Part 135 operations specifications. While we have received our Part 135 Air Carrier Certificate and anticipate being able to obtain the remaining required authorizations and certifications, we may be unable to do so on the timeline we project or at all. Circumstances outside of our control could delay the receipt of our required certifications. For example, FAA staffing depends, in large part, on the annual appropriations process and ~~their~~ **the agency’s** ability to retain and recruit sufficient resources with relevant experience **and expertise**. Failure to pass an annual appropriation bill has in the past resulted in temporary government shutdowns. A future shutdown, or a failure by Congress to pass an FAA reauthorization bill (or extension) could delay the rulemaking and certification process. **Additionally, recent focus on reducing the size of the federal workforce could negatively impact the availability of resources within the FAA which could delay our progress towards certification. We are also pursuing certification of our aircraft and approval to operate our services in other countries. While many of these countries have established processes for validating a type certificate issued by the FAA, others, such as the UAE, are developing new processes to leverage our work with the FAA and provide a path for approval of initial operations that could precede type certification in the United States. The regulatory agencies charged with granting approval for our aircraft and our services in other countries may be subject to many of the same funding and staffing risks that exist in the United States. Additionally, pursuing certification and operations outside the United States is subject to additional risks, including regulatory regimes that may be less familiar to us or may have less experience in certifying and approving new and novel aircraft**. If we fail to obtain any of the required authorizations or certificates, or do so in a timely manner, or any of these authorizations or certificates are modified, suspended or revoked after we obtain them, we may be unable to launch our commercial service or do so on the timelines we project and may have an adverse impact on our business, financial condition and results of operations. Regulatory authorities may disagree with our view that integrating our service into the National Airspace System is possible without changes to existing regulations and procedures. There are a number of existing laws, regulations and standards that apply to our aircraft and our service, including standards that were not originally intended to apply to ~~electric eVTOL aircraft~~ **or air taxi services**. While our aircraft and our service are designed, at launch, to operate within the existing U. S. regulatory framework, the FAA or other regulatory authorities within the markets in which we intend to operate may disagree with this view, which may prohibit, restrict, or delay our ability to launch in the relevant market. **In addition, any changes to the National Airspace System, as a result of privatization or otherwise, could increase the costs to operate our service. Finally, Regulatory regulatory** authorities have in the past and may in the future introduce changes specifically to address high- volume flights that could delay our ability to launch our service and have an adverse impact on our business, financial condition and results of operations. 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 in the airspace serving key markets, including around major airports, could create capacity limitations for our future operations and could have a material adverse effect on our business. Weaknesses in 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, 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 and could result in regulatory changes. Our inability to obtain sufficient access to the National Airspace System or to comply with any regulatory changes could increase our costs and pricing of our services, which could reduce demand and have an adverse impact on our business, financial condition and results of operations. Changes in government regulation could increase our operating costs or extend our certification timeline. Aerospace manufacturers and aircraft operators are subject to extensive regulatory and legal requirements that involve significant compliance costs. In May 2022, the FAA decided to certify eVTOLs under the “ powered lift ” classification, rather than existing Part 23 requirements for Normal Category Airplanes. ~~The In addition, the FAA finalized indicated that they do not expect~~ **the relevant operational regulations, or Special Federal Aviation Regulations (“ SFARs ”), for eVTOL aircraft in October to be finalized until late 2024. If the publication of the SFARs is further delayed, if the FAA requires further modification to our existing G- 1 certification basis, or if there are other regulatory changes or revisions to the SFARs or other regulations,** this could delay our ability to obtain type certification, and could delay our ability to launch our commercial passenger service. The DOT and the FAA could issue additional regulations relating to the operation of our aircraft or further revise existing requirements that could require significant expenditures, resulting in additional time to certification as well as increased costs for us and our passengers. Additional laws, regulations, taxes and airport rates and charges have been proposed from time to time that could significantly increase the cost of our operations or reduce the demand for air travel. If adopted,

these measures could have the effect of raising fares, reducing revenue and increasing costs, which could have an adverse impact on our business, financial condition and results of operations. To sell air transportation services in the United States, we will also need DOT authorization of the sale of any charter flights and by- the- seat ridesharing services. The DOT further prescribes standards for, among other things, advertising, ticket refunds, baggage liability, consumer disclosures, customer service commitments, customer complaints and the transportation of passengers with disabilities. In the future, the DOT may adopt additional regulations that increase the costs or otherwise adversely impact our business, financial condition and results of operations. We may be subject to security regulation that will increase our operating costs. The Transportation Security Administration (“ TSA ”) is responsible for certain civil aviation security matters, including the regulation of air carriers that operate under Part 135 of the Federal Aviation Regulations as well as passenger and baggage screening at U. S. airports. Because we are introducing an innovative service that operates from both airports and **skyports vertiports**, the security regulatory scheme that will apply is uncertain. If the TSA imposes burdensome security requirements on our services, it could reduce the convenience of our service for our customers, resulting in lower demand and higher cost and have an adverse impact on our business, financial condition and results of operations. We are subject to stringent U. S. export and import control laws and regulations, which may change. We may be unable to comply with these laws and regulations or U. S. government licensing policies, or to secure required authorizations in a timely manner. 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, and run our operations in the United States, in full compliance with such laws and regulations, which may include the Export Administration Regulations (“ EAR ”), the International Traffic in Arms Regulations (“ ITAR ”), and economic sanctions administered by the Treasury Department’ s Office of Foreign Assets Control (“ OFAC ”). Similar laws impact our business in other jurisdictions. These trade controls prohibit, restrict, or regulate our ability to, directly or indirectly, export or transfer certain hardware, technical data, technology, software, or services to certain countries and territories, entities, and individuals, and for certain end uses. If we are found to be in violation of these laws and regulations it could result in civil and criminal penalties, including 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. Pursuant to these 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 authorization to conduct our business. These requirements include the need to get permission to release controlled technology to foreign person employees and other foreign persons. Changes in U. S. 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. licensing policy, such as those necessary to implement U. S. commitments to multilateral control regimes, may restrict our operations. Given the great discretion the government has in issuing or denying such authorizations, there can be no assurance we will be successful in our future efforts to secure and maintain necessary licenses, registrations, or other regulatory approvals which may have an adverse impact on our business, financial condition and results of operations. **In addition, the global economy has recently seen a rise in tariffs and threats of tariffs. While tariffs have not had a material impact on our business, financial condition or results of operations to date, new tariffs could increase the costs of raw materials and other goods, both for us and our suppliers, which could impact our business, particularly as we begin to scale our manufacturing** operations. We will be subject to rapidly changing and increasingly restrictive laws, regulations and other obligations relating to privacy, data protection, and data security, which may be costly and difficult to comply with. We will be collecting, using, and disclosing personal information of passengers and others in the course of operating our business. These activities are or may become regulated by a variety of domestic and foreign laws and regulations relating to privacy, data protection, and data security, which are complex, rapidly evolving, and increasingly restrictive. Several states and foreign countries have granted residents expanded rights related to their personal information, including the right to request deletion of their personal information and receive detailed reports of how their personal information is used and shared. Such laws and any laws adopted in the future could have potentially conflicting requirements that would make compliance challenging. Despite our best efforts, we may not be successful in complying with the rapidly evolving privacy, data protection, and data security requirements. Any actual or perceived non- compliance could result in litigation and proceedings against us by governmental entities, passengers, or others, which could result in 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, which could have a material adverse effect on our business, financial condition or results of operations. Market & Service The market for 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. This market is new, rapidly evolving, characterized by rapidly changing technologies, price competition, additional competitors, evolving government regulation and industry standards, new aircraft and unknown consumer demands and behaviors. 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, as well as the willingness of commuters and travelers to widely adopt air mobility as an alternative to ground transportation. If the public does not perceive UAM as beneficial, or chooses not to adopt UAM 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 passengers using our services 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. 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 consumer adoption 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 we project for our services, our business may never materialize. Our success in a given market will depend on our ability to develop a service network that provides passengers significant time savings when compared with alternative modes of transportation and accurately assess and predict passenger demand and price sensitivity, which may fluctuate based on a variety of factors, including general economic conditions, quality of service, negative publicity, safety incidents, perceived political or geopolitical affiliations, or general dissatisfaction with our services. If we fail to attract passengers, deliver sufficient value to our passengers, or accurately predict demand and price sensitivity, it would harm our financial performance and our competitors' products may achieve greater market adoption and may grow at a faster rate than our service. We may **face delays in not be able to launch launching our commercial aerial ridesharing service beginning in 2025, as currently projected.** We will need to address significant regulatory, political, operational, logistical, and other challenges in order to launch our **commercial aerial ridesharing service.** 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 FAA certification of our aircraft or other required airspace or operational authority and approvals, which are essential to operate our service, and for aircraft production and operation. Our pre- certification operations may also reveal issues with our aircraft, which could result in certification delays. For example, in February 2022, one of our remotely piloted, experimental prototype aircraft was involved in an accident during flight testing. **Although the accident did At this time, we do not expect the accident to have a significant impact on our business operations or certification timing , any similar event occurring closer in time to the launch of our commercial service could result in significant delays.** Any delay in the financing, design, manufacture and commercial release of our aircraft, which are often experienced by aircraft manufacturers, could materially damage our brand, business, prospects, financial condition and operating results. If we are not able to overcome these challenges, our business, prospects, operating results and financial condition will be negatively impacted and our ability to grow our business will be harmed. We may be unable to effectively build a customer- facing business or app. The application through which users will book trips is still under development. We may experience difficulty in developing the applications necessary to operate the business, including the customer- facing application. The software underlying the application will be complex and may contain undetected errors or vulnerabilities, some of which may only be discovered after the code has been released. The third- party software that we incorporate into our platform may also be subject to errors or vulnerabilities. Any errors or vulnerabilities, whether in our proprietary code or any third- party software on which we rely, could result in negative publicity, a loss of users or revenue, access or other performance issues, security incidents, or other liabilities. Such vulnerabilities could also prevent passengers from booking flights, which would adversely affect our passenger utilization rates, or disrupt communications within the Company (e. g., flight schedules or passenger manifests), which could affect our performance. We may need to expend significant financial and development resources to address any errors or vulnerabilities. Any failure to timely and effectively resolve any such errors or vulnerabilities could adversely affect our business, financial condition and results of operations as well as negatively impact our reputation or brand. We may be unable to reduce end- user pricing at rates sufficient to drive expected growth for our service. We may not be able to reduce end- user pricing over time to increase demand, address new market segments and develop a significantly broader customer base. We expect that our initial end- user pricing may be most attractive to relatively affluent consumers, and we will need to address new markets and expand our customer base in order to further grow our business. In particular, we intend for our aerial ridesharing service to be economically accessible to a broad segment of the population and appeal to the customers of ground- based ridesharing services, taxis, and other methods of transportation. Reducing end- user pricing is dependent on accurately estimating the unit economics of our aircraft and the corresponding service. Our estimates rely, in part, on future technology advancements, such as aerial and ground- based autonomy. If our estimates are inaccurate regarding factors such as production volumes, utilization rates, demand elasticity, operating conditions, deployment volumes, production costs, indirect cost of goods sold, landing fees, charging fees, electricity availability and / or other operating expenses, or if technology such as aerial and ground- based autonomy fails to develop, mature or be commercially available within the periods we expect, we may be unable to offer our service at pricing that is sufficiently compelling to bring about the local network effects that we are predicting and may have an adverse impact on our business, financial condition and results of operations. Our competitors may commercialize their technology before us, or we may not be able to fully capture the first mover advantage that we anticipate. While we believe we are well positioned to be first to market with an eVTOL piloted aerial ridesharing service, we expect this industry to be increasingly competitive and our competitors could get to market before or at the same time as us, 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 or existing 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 consumer and community acceptance for eVTOL aircraft and aerial ridesharing, making it easier for them to obtain the permits and authorizations required to operate an aerial ridesharing service. Many of our current and potential competitors are larger and have substantially greater resources or are affiliated with larger companies that may allocate greater resources than we have and expect to have in the future, which may allow them to devote greater resources to the development, certification and marketing of their products and services or to offer lower prices. Our competitors may also establish strategic relationships amongst themselves or with third parties that may further enhance their resources and offerings. Some have more experience in the aerospace industry than we have, and foreign competitors could benefit from subsidies or other protective measures offered by their home countries. If our competitors commercialize their technology before us, or if we do not capture the first mover advantage that we anticipate, it may harm our business, financial condition, operating results and

prospects. If we are unable to integrate our service with ground transportation services it may limit customer adoption and harm our business. Our service will depend, in part, on third- party ground operators to take customers from their origin to their departure **skyport-vertiport** and from their arrival **skyport-vertiport** to their ultimate destination. While we expect to be able to integrate these third- party ground operators into our service, we cannot guarantee that we will be able to do so effectively, at prices that are favorable to us, or at all. We do not intend to own or operate the ground portion of our multimodal service. Our business and our brand will be affiliated with these third- party ground operators, and we may experience harm to our reputation if they suffer from financial instability, poor service, negative publicity, accidents, or safety incidents which could have an adverse impact on our business, financial condition and results of operations. Our reputation may be harmed by the broader industry, and customers may not differentiate our services from our competitors. Passengers and other stakeholders may not differentiate between us and the broader aviation industry or, more specifically, the UAM service industry. If other participants in this market have problems **related to matters** such as safety, technology development, engagement with certification authorities or other regulators, community engagement, security, data privacy, flight delays, or 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 and have an adverse impact on our business, financial condition and results of operations. Our prospects may be adversely affected by changes in consumer preferences, discretionary spending and other economic conditions that affect demand for our services, including changes resulting from the COVID- 19 pandemic. Our business is primarily concentrated on UAM services, which we expect may be vulnerable to changes in consumer preferences, discretionary spending and other market changes. The global economy has in the past, and will in the future, experience periods of economic instability, inflation and recession, such as the financial impact of the global COVID- 19 pandemic. During such periods, passengers may reduce overall spending on discretionary purchases. Such changes could result in reduced consumer demand for our services, which could adversely impact our business, financial condition and results of operations. If we are unable to obtain and maintain adequate facilities and infrastructure, including access to key infrastructure such as airports, we may be unable to offer our service in a way that is useful to passengers. To operate and expand our proposed aerial ridesharing service, we must secure or otherwise develop adequate landing, charging and maintenance infrastructure in desirable locations in metropolitan areas for our aircraft. We may not be able to ensure that our plans for new service can be implemented in a commercially viable manner given present landing fee structures and infrastructure constraints, including those imposed by inadequate facilities at desirable locations and increasingly congested airports and heliports. Access to these facilities may be prohibitively expensive, unavailable, or may be inconsistent with our projections. Additionally, our industry has not aligned around a single charging standard. While we have developed a charging system designed to support all types of electric aircraft, if **skyport-vertiport** operators select a different charging system it could result in longer charge times and increase our operating costs. There is also a complex patchwork of federal, regional and municipal regulatory considerations applicable to asset management and property development in general, and aviation assets and infrastructure in particular. Applicable regulations can vary widely by locality. Local community groups, some of which may be opposed to property development in general, and new aviation infrastructure in particular, can impact the application of these regulations or the development of new regulations. Additionally, we may not be able to obtain necessary permits and approvals and to make necessary infrastructure changes to enable adoption of our aircraft, such as installation of charging equipment. If we are unable to acquire or maintain space for passenger terminal or maintenance operations in desirable locations, this could prevent our service from being practical for our customers and have a material adverse effect on our business, results of operations and financial condition. Our aircraft utilization may be lower than expected due to weather and other factors. Our aircraft may not be able to fly **safely** in poor weather conditions, including snowstorms, thunderstorms, high winds, 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. This is achieved, in part, by reducing turnaround times at **skyports-vertiports**. 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, cause passenger dissatisfaction and may have an adverse impact on our business, financial condition and results of operations. Aircraft and Production Our aircraft may fail to achieve performance expectations. Our aircraft may fail to achieve our performance expectations. For example, our aircraft may have a higher noise profile, carry a lower payload or have shorter maximum range than we estimate. Our aircraft also use a substantial amount of software code to operate. Software is inherently complex and often contains defects and errors when first introduced. While we have performed extensive testing, in some instances we are still relying on projections and models to validate the expected performance of our aircraft. To date, we have been unable to validate the performance of our aircraft over the expected lifetime of the aircraft. We may incur significant costs to address any performance issues, or if not detected or addressed, such issues could negatively impact our business, financial condition, operating results and prospects. We expect to introduce new and additional features and capabilities to the aircraft and our service over time. For example, we **may plan to** initially operate under VFR only, and then add the ability to operate under IFR pursuant to block upgrade to the aircraft. We may be unable to develop or certify these upgrades in a timely manner or at all which may have an adverse impact on our business, financial condition and results of operations. We may not be able to produce aircraft in the volumes and on the timelines we project. There are significant challenges associated with producing aircraft in the volumes that we are projecting. Our manufacturing facility and processes remain in the prototype stage. 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, the need for specialized design and development expertise,

extensive regulatory requirements, and the need to establish maintenance and service locations. As a manufacturer of electric aircraft, we face a variety of added barriers to entry including additional costs of developing and producing an electric powertrain, regulations associated with the transport of lithium-ion batteries and unproven customer demand for a fully electric aerial mobility service. Additionally, we are developing production lines for components and at volumes for which there is little precedent within the traditional aerospace industry. We have not yet constructed a high-volume production facility in which to manufacture and assemble our aircraft. Final designs for the build out of the planned manufacturing facility are still in process, and various aspects of the component procurement and manufacturing plans have not yet been determined. We are currently evaluating, qualifying and selecting our suppliers for the planned production aircraft, and we have engaged suppliers for certain necessary components. However, we may not be able to engage suppliers for the remaining components in a timely manner, at an acceptable price, in the necessary quantities or at all. We will need to do extensive testing to ensure that the aircraft is in compliance with all applicable regulations prior to beginning **mass-scaled** production. In addition to certification of the aircraft, we will be required to obtain approval from the FAA to manufacture completed aircraft pursuant to an FAA-approved type design (e.g., type certificate). Production approval involves initial FAA manufacturing approval and extensive ongoing oversight of **mass-produced** aircraft **production**. If we are unable to obtain production approval for the aircraft, or the FAA imposes unanticipated restrictions as a condition of approval, our projected costs of production could increase substantially. The 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 also depends on being able to obtain timely Production Certification from the FAA and sufficient staffing to support production objectives. We intend to fund the build out of our manufacturing facility using existing cash and future financing opportunities. If we are unable to obtain the funds required on the timeline that we anticipate, our plans for building our manufacturing plants could be delayed. If any of the foregoing risks occurs, it could adversely affect our business, financial condition, operating results and prospects. Crashes, accidents or incidents of eVTOL **and other** aircraft ~~or involving lithium-ion 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. In February 2022, one **of** our remotely piloted, experimental prototype aircraft was involved in an accident during flight testing. **Although the accident did** ~~At this time, we do not expect the accident to~~ have a significant impact on our business operations or certification timing ~~. This, or any other such occurrence may~~ **in the future could** 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. Operating aircraft is subject to various risks, and we expect demand for our aerial ridesharing 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 or maintain FAA certification for our aircraft and could impact confidence in our aircraft type or the eVTOL industry as a whole, particularly if such accidents were due to a safety issue. We believe that 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 advanced flight control software capabilities and that operate in and around urban areas. An accident or incident involving either our aircraft or a competitor's aircraft while these opinions are being formed could have a disproportionate impact on the longer-term view of the emerging UAM market. Additionally, adverse publicity stemming from actual or alleged behavior of any of our employees or third-party contractors could expose us to significant reputational harm and potential legal liability. The insurance we carry may be inapplicable or inadequate to cover any such matter, in which case we may be forced to bear substantial losses. Any such incident, even if unrelated to the safety of our aircraft or our services, could result in passengers being reluctant to use our services, which could adversely impact our business, results of operations, financial conditions and prospects. We will initially rely on a single type of aircraft to support our commercial UAM business, which makes us vulnerable to design defects or mechanical problems. Our service will initially rely on a single aircraft type. Our dependence on our aircraft makes us particularly vulnerable to any design defects, performance shortfalls or mechanical problems associated with our aircraft or its component parts. Any actual or perceived safety issues may result in significant reputational harm to our businesses, in addition to legal liability, increased maintenance, safety infrastructure and other costs. Such issues could result in delaying or cancelling planned flights, increased regulation, grounding of aircraft or other systemic consequences, which could have a material adverse impact on our business, financial condition, operating results and prospects. We depend on suppliers and service partners for raw materials, parts and components. Despite our high degree of vertical integration, we still rely on purchased parts and materials for aircraft production and manufacturing equipment which we source from suppliers globally, some of whom are currently single source suppliers. Many of the components used in our aircraft must be custom made for us. This exposes us to multiple potential sources of production constraints, disruption, delivery failure, or component shortages. 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. While we have not experienced material supply chain disruptions to date, we may in the future, which could cause delays in our production process for both prototype and commercial production aircraft. Furthermore, if we experience significant increased demand, or need to replace our existing suppliers, there can be no assurance that additional supplies will be available when required on terms that are acceptable to us, or at all. The disruption in the supply of components from suppliers could lead to delays in aircraft production, which could adversely affect our business, financial condition, operating results and prospects. Our aircraft may require maintenance at frequencies or at costs which are unexpected. Our aircraft **will** ~~are highly technical vehicles that~~ require regular maintenance and support. We are still developing our understanding of the long-term maintenance profile of the aircraft. If useful lifetimes are shorter than expected this may lead to greater maintenance costs than we anticipate. 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 result in higher operating **cost**

costs, which could have a material adverse effect on our business, financial condition and results of operations. U. S. Government Contracts and Pre- Certification Operations The U. S. government may modify or terminate one or more of our existing contracts. The U. S. government may modify or terminate its contracts with us, without prior notice and at its convenience. **We believe that the Department of Defense is potentially shifting its priorities under the Agility Prime program towards hybrid aircraft and autonomous flight technology and, as a result, our existing contracts may be reduced or modified.** In addition, funding may be reduced or withheld as part of the annual U. S. Congressional appropriations process due to fiscal constraints, changing priorities or other reasons. Any loss or reduction of expected funding and / or modification or termination of one or more of our U. S. government contracts could have a material adverse effect on our access to government testing facilities and / or our ability to secure pre- certification operating experience and / or revenues, which could have an adverse impact on our business, financial condition and results of operations. We may be unable to grow our relationship with the U. S. government and the Department of Defense, ~~which will limit our ability to operate prior to receiving an FAA certification of airworthiness.~~ We **may** ~~are projecting that we will~~ enter into additional contracts with the U. S. government which would enable us to operate our aircraft as a service provider for the Department of Defense or other U. S. government agencies both prior to receiving an airworthiness certificate from the FAA and after. **While we believe we are uniquely qualified to participate in future initiatives, particularly those related to autonomous flight and hybrid aircraft, there can be no guarantees of our ability to negotiate and secure additional contracts in these areas.** Failure to obtain these contracts ~~would could~~ limit our ability to gain **additional** operational learnings about our aircraft and secure meaningful revenue, which could have a material adverse effect on our business, financial condition and results of operations. We conduct a portion of our business pursuant to U. S. government contracts, which are subject to unique risks. Contracts with the U. S. government are subject to extensive regulations. New regulations, or changes to existing regulations, could result in increased compliance costs, and we could be subject to withheld payments and / or reduced future business if we fail to comply with new or existing requirements in the future. Compliance costs attributable to current or future regulations such as these could negatively impact our financial condition and operating results. Contracts with the U. S. government are also subject to a variety of other requirements and risks including government reviews, audits, investigations, False Claims Act cases, suspension and debarment as well as other legal actions and proceedings that generally do not apply to purely commercial contracts. In addition, transactions involving government contractors may be subject to government review and approvals. Failure to comply with these requirements or secure necessary approvals could negatively impact our business, financial condition and operating results.

Risks Related to Our Finances and Operations We have incurred significant losses since inception, we expect to incur losses in the future, and we may not be able to achieve or maintain profitability. We have incurred significant losses since inception. We incurred net losses of **\$ 608. 0 million, \$ 513. 1 million, and \$ 258. 0 million and \$ 180. 3 million** for the years ended December 31, **2024, 2023, and 2022 and 2021**, respectively. We have not yet started commercial operations, and it is difficult for us to predict our future operating results. 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. We expect our operating expenses to increase over the next several years as we move towards commercial launch, expand our manufacturing operations, increase our flight cadence, hire more employees and continue research and development efforts relating to new products and technologies. These efforts may be more costly than we expect and may not result in increased revenue or growth in our business. Any failure to generate revenue sufficient 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 will need additional capital in the future, including to build high- volume manufacturing, and to develop a ~~skyport-vertiport~~ network to support a high- volume service. Our proposed operations contemplate significant manufacturing capacity, aircraft fleet and infrastructure development, including additional ~~skyports~~ **vertiports** where our aircraft can land, both within the United States and internationally. Construction of manufacturing facilities, ~~skyports-vertiports~~ or other operating facilities will require significant capital expenditures, as will future expansion of and improvements to our operations. **Although we intend to partner with third- party owners and operators for some of these facilities, we cannot be assured that such partnership opportunities will be available on commercially reasonable terms, or at all.** In addition, as our facilities and aircraft mature, our business will require capital expenditures for the maintenance, renovation and improvement of such locations to remain competitive. This creates an ongoing need for capital, and, to the extent we cannot fund capital expenditures from cash flows from operations, we will need to borrow or otherwise obtain funds. ~~Prior to the consummation of the Merger, we financed our operations and capital expenditures primarily through private financing rounds.~~ In the future, we may need 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, the global COVID- 19 health crisis and related financial impact resulted in significant disruption and volatility of global financial markets. Similar pandemics or other disruptions to global markets could adversely impact our ability to access capital. In addition, increased interest rates in 2022 and 2023 led to a widespread slowdown in investment and funding opportunities, especially for pre- revenue companies, ~~that is expected to continue in the near- term.~~ We may sell equity securities or debt securities in one or more transactions at prices and in a manner that may materially dilute our current investors. **For example, in 2024 we sold 46, 000, 000 shares of our common stock at a price per share of \$ 5. 05 in an underwritten public offering and entered into a Stock Purchase Agreement to issue and sell up to an aggregate of 99, 403, 579 shares of our common stock to Toyota. We also entered into an Equity Distribution Agreement for the sale of up to an additional \$ 300, 000, 000 of our common stock in an “ at the market ” offering.** Any debt financing, if available, may involve restrictive covenants that could reduce our operational flexibility or profitability. Debt financing, if available, may result in a significant

financial burden if interest rates remain high for a prolonged period or increase in the future. If we cannot raise funds on acceptable terms, we may not be able to grow our business or respond to competitive pressures which may have an adverse impact on our business, financial condition and results of operations. **The Toyota Investment is subject to closing conditions, including conditions beyond our control, and no assurance can be given that closing will take place on the timeline currently anticipated or at all. Any failure to close one or both of the tranches of the Toyota Investment could adversely impact our future liquidity and our financial condition. On October 1, 2024, we entered into the Stock Purchase Agreement with Toyota providing for the potential issuance and sale of up to an aggregate of 99,403,579 shares of our common stock to Toyota (the “Toyota Investment”). The Toyota Investment is structured in two equal tranches of \$250.0 million each. The closing of each tranche is subject to the satisfaction of certain closing conditions set forth in the Stock Purchase Agreement. The first tranche is subject to conditions including, but not limited to: (i) the satisfaction of certain regulatory approvals or clearances, including with respect to the Committee on Foreign Investment in the United States and under the United States Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder; (ii) the adoption of certain changes to the provisions of our amended and restated bylaws; (iii) the authorization by our board of directors of an amendment to certain provisions of our Certificate of Incorporation (the “Charter Amendment”), subject to approval by our stockholders at our annual meeting in 2025; (iv) the execution of an amendment and restatement of the Amended and Restated Collaboration Agreement, dated August 30, 2019, between us and Toyota; (v) the execution of a services agreement by us and Toyota; and (vi) certain other customary closing conditions. The second tranche is subject to conditions including, but not limited to: (i) the execution of a strategic alliance agreement relating to, among other things, manufacturing arrangements, by us and Toyota; (ii) the approval of the Charter Amendment by our stockholders at our annual meeting in 2025; and (iii) certain other customary closing conditions. The agreements to be entered into in connection with such conditions are subject to the receipt of regulatory approvals, the parties negotiating and entering into definitive agreements and the conditions included within the applicable definitive documents. As of the date of this Annual Report, no closings have occurred under the Stock Purchase Agreement. We may experience delays and difficulties in satisfying the conditions for closing on either or both of the tranches of the Toyota Investment, and no assurance can be given that closing will take place on the timeline currently anticipated or at all. Some of the conditions to closing are outside of our control and it is possible that not all of the closing conditions to the Toyota Investment will be satisfied or that we will not receive the entire amount of expected proceeds on the timeline currently anticipated or at all. For example, the second tranche of the Toyota Investment is subject to, among others, the approval of the Charter Amendment by our stockholders at our annual meeting in 2025. In addition, certain closing conditions require us and Toyota to successfully negotiate and enter into definitive agreements. The final terms of such definitive agreements are not yet established and the negotiation and execution of such agreements may take longer than expected or may not be possible to accomplish on terms acceptable to us, or at all. No assurance can be given that any agreement we may reach will achieve our goals or be on terms that prove to be economically or strategically beneficial to us. Such adverse developments, including any failure to close one or both of the tranches of the Toyota Investment, could adversely impact our business, financial condition, results of operations and liquidity.** We have broad discretion in how we use our assets, and we may not use them effectively. Our management has broad discretion in the use of our assets, including capital raised. We may use capital for general corporate purposes, including working capital, operating expenses, and capital expenditures, and we may acquire complementary businesses, products, offerings, or technologies. We may also spend or invest in a way with which our stockholders disagree. If our management fails to use our capital effectively, our business could be seriously harmed. Our ability to use our net operating loss carryforwards and certain other tax attributes may be limited. As of December 31, ~~2023~~**2024**, Joby had approximately \$ ~~608-817.6~~ million and \$ ~~82-156.0~~ million of federal and state net operating loss carryforwards (“NOLs”) and \$ ~~44-101.9~~ million and \$ ~~36-66.4~~ million federal and state research and development tax credits. Under the Tax Cuts and Jobs Act, federal NOLs generated by the Company in tax years through December 31, 2017 may be carried forward for 20 years and may fully offset taxable income in the year utilized and federal NOLs generated by the Company in tax years beginning after December 31, 2017 may be carried forward indefinitely but may only be used to offset 80% of our taxable income annually. Under Sections 382 and 383 of the Code, if a corporation undergoes an “ownership change,” the corporation’s ability to use its pre-change federal NOLs and other tax attributes (such as research and development tax credits) to offset its post-change income and taxes may be limited. In general, an “ownership change” occurs if there is a greater than 50 percentage point change (by value) in a corporation’s equity ownership by certain stockholders over a rolling three-year period. We may have experienced ownership changes in the past and may experience ownership changes in the future as a result of subsequent shifts in our stock ownership (some of which shifts are outside our control). As a result, our ability to use our pre-change federal NOLs and other tax attributes to offset future taxable income and taxes could be subject to limitations. Similar provisions of state tax law may also apply. For these reasons, even if we achieve profitability, we may be unable to use a material portion of our NOLs and other tax attributes which may have an adverse impact on our business, financial condition and results of operations. If we fail to maintain an effective system of disclosure controls and internal control over financial reporting, investors may lose confidence in the accuracy and completeness of our financial reports and our ability to comply with applicable regulations could be impaired. As a public company we are required, pursuant to Section 404 of the Sarbanes-Oxley Act, to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting for each annual report on Form 10-K to be filed with the SEC. This assessment needs to include disclosure of any material weaknesses identified by our management in our internal control over financial reporting. Additionally, our independent registered public accounting firm is required to attest to the effectiveness of our internal control over financial reporting. An adverse report may be issued if our auditor is not satisfied with the level at which our controls are documented, designed, or

operating. In connection with the audit of our consolidated financial statements as of and for the year ended December 31, 2022, we identified a material weakness in our internal control over financial reporting which was fully remediated as of the year ended December 31, 2023. If we fail to implement and maintain effective internal control over financial reporting could result in errors in our financial statements that may lead to a restatement of our financial statements or cause us to fail to meet our reporting obligations. In addition, our internal control over financial reporting will not prevent or detect all errors and fraud. Because of the inherent limitations in all control systems, no evaluation can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud will be detected. In order to maintain and improve the effectiveness of our internal control over financial reporting, we have expended, and anticipate that we will continue to expend, significant resources, including accounting- related costs and significant management oversight. If any of these new or improved controls and systems, or the existing systems and third- party software applications that we rely on for financial reporting, do not perform as expected, we may experience further deficiencies in our controls and we may not be able to meet our financial reporting obligations. If there are material weaknesses or failures in our ability to meet any of the requirements related to the maintenance and reporting of our internal control, investors may lose confidence in the accuracy and completeness of our financial reports and that could cause the price of our common stock to decline. In addition, we could become subject to investigations by the SEC, the New York Stock Exchange (“ NYSE ”) or other regulatory authorities, which could require additional management attention and which could adversely affect our business. We may be unable to protect our intellectual property rights from unauthorized use by third parties. Our success depends, in part, on our ability to protect our proprietary intellectual property rights, including technologies deployed in our current or future aircraft or utilized in arranging air transportation. To date, we have relied primarily on patents and trade secrets to protect our proprietary technology. Our software is also subject to certain protection under copyright law, though we have chosen not to register any of our copyrights to date. We routinely enter into non- disclosure agreements with our employees, consultants, third parties and others 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. However, the steps we take to protect our intellectual property may be inadequate, and unauthorized parties may attempt to copy aspects of our intellectual property or obtain and use information that we regard as proprietary. If successful, these attempts may harm our ability to compete, accelerate the development of our competitors’ programs, and / or harm our competitive position in the market. Moreover, our non- disclosure agreements do not prevent our competitors from independently developing technologies that are substantially equivalent or superior to ours. Our competitors or third parties may not comply with the terms of these agreements, and we may not be able to successfully enforce such agreements or obtain sufficient remedies if they are breached. In addition, we accept government funding for the development of some intellectual property which may result in the government obtaining some rights in our intellectual property. The intellectual property rights we own or license may not provide competitive advantages and could be challenged or circumvented by our competitors. Further, obtaining and maintaining patent, copyright, and trademark protection can be costly. We may choose not to, or may fail to, pursue or maintain such forms of protection for our technology in the United States or 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 lose protection for failing to comply with all procedural, documentary, payment, and other 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. We may also fail to detect unauthorized use of our intellectual property, or be required to expend 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. 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. If conflicts arise between us and our strategic partners, our business could be adversely affected, or these parties may act in a manner adverse to us. If conflicts arise between our collaborators or strategic partners and us, the other party may act in a manner adverse to us which 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 Toyota Motor Corporation may adversely impact our ability to manufacture aircraft or scale production, while conflicts with Uber Technologies, Inc. and Delta Air Lines may adversely impact our ability to successfully launch and maintain our consumer-facing UAM services. Conflicts with foreign partners may adversely impact our ability to scale operations outside the U. S. effectively. If such conflicts arise it may adversely affect our business, financial condition and results of operations. We may 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 the related aerial mobility service, we may invest significant resources in developing new technologies, services, products and offerings. However, we may not realize the expected benefits of these investments. 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. We may not be able to predict whether consumer demand for such initiatives will exist or be sustained at the levels that we anticipate, or whether any of these initiatives will generate sufficient revenue to offset any expenses or liabilities associated with these investments. For example, our subsidiary, H2FLY, is working on the development of an optimized fuel cell system for hydrogen- electric aircraft. **Additionally, in 2024 we acquired the assets of the autonomy division of Xwing Inc.** 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 are 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 and have an adverse impact on our business, financial condition and results of operations. Any material disruption in our information systems could adversely affect our business. Our systems, or those of third- parties upon which we rely, may experience service interruptions, outages, or degradation because of hardware and software defects or malfunctions, human error or intentional bad acts by third parties or our employees, contractors, or service providers, natural disasters, power losses, disruptions in telecommunications services, fraud, military or political conflicts, terrorist attacks, cyberattacks or other events. Our insurance may not be sufficient, and we may not have sufficient remedies available to us from our third- party service providers, to cover all of our losses that may result from such issues which may have an adverse impact on our business, financial condition and results of operations. 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. We rely on information technology networks and systems to operate and manage our business and store our confidential and proprietary information. Our services will also involve the storage, processing and transmission of our customers' data, including personal and financial information. We also ~~engage and plan to~~ engage third- party service providers to store and process this data. While we believe we and our service providers take reasonable steps to secure these networks and systems, our information technology infrastructure may be vulnerable to computer viruses or physical or electronic intrusions that our security measures may not detect. Any such security incident, including those resulting from cybersecurity attacks, phishing attacks, unauthorized access or usage, virus or similar breach or disruption could result in the loss, destruction, alteration or disclosure of this data, which could damage our reputation and lead to litigation, regulatory investigations, or other liabilities. These attacks may come from individual hackers, corporations, criminal groups, and state- sponsored organizations. Even the perception of inadequate security may damage our reputation and negatively impact our ability to win new customers and retain 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 fully covered by our insurance or at all, and which may involve payments for investigations, forensic analyses, legal advice, public relations advice, system repair or replacement, or other services. Any actual or alleged security breaches or alleged violations of federal, state, or foreign laws or regulations relating to privacy and data security could result in mandated user notifications, litigation, government investigations, significant fines, and expenditures; divert management' s attention from operations; deter customers from using our services; damage our brand and reputation; force us to cease operations for some length of time; and materially adversely affect our business, results of operations, and financial condition. 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. Our intended initial operations are concentrated in a small number of metropolitan areas and airports which makes our business particularly susceptible to natural disasters, outbreaks and pandemics, growth constraints, economic, social, weather, and regulatory conditions or other circumstances affecting these metropolitan areas. We intend to initially service larger metropolitan areas that will be the source of the majority of our revenue. As a result, our business and financial results are particularly susceptible to natural disasters, outbreaks and pandemics, growth constraints, economic, social, weather, and regulatory conditions or other circumstances applicable to these metropolitan areas. Because we will initially have a limited number of locations, a significant interruption or disruption in service at an individual ~~skyport~~ **vertiport** or metropolitan area where we have a significant volume of flights could have a severe impact on our business, results of operations and financial condition. Our concentration in large metropolitan areas and heavily trafficked airports also makes our business susceptible to an outbreak of a contagious disease, such as COVID-19, both due to the high volume of travelers flying into and out of such airports and the ease at which contagious diseases can spread through densely populated areas. Disruption of operations at ~~skyports~~ **vertiports**, whether caused by labor relations, utility or communications issues, power outages, or changes in federal, state and local regulatory requirements could harm our business. Certain airports may regulate our flight operations, including limiting the number of landings ~~per year~~, banning our operations or introducing new permitting requirements, which could significantly disrupt our operations. In addition, demand for our ~~advanced air mobility~~ services could be impacted if drop- offs or pick- ups of passengers become inconvenient because of airport rules or regulations, or more expensive because of airport- imposed fees, which would adversely affect our business, financial condition and operating results. We currently have subsidiaries located outside of the United States and plans for international operations in the future, which could subject us to political, operational and regulatory challenges. While our primary operations are in the United States, we have established relationships with subsidiaries, suppliers and potential partners in select international markets. In addition, we currently have subsidiaries engaged in limited test manufacturing, R & D and other activities in foreign countries. We have also begun working with regulators in other countries, including the United Kingdom, Japan, South Korea, **Australia** and the UAE to pursue commercialization opportunities in those markets and have signed contracts with potential partners in each of these markets under which we make various commitments related to early operations. While foreign certification in many countries leverages our work with the FAA and in some cases, such as the UAE, ~~it~~ may also provide a path to commercial operations prior to receiving certification in the United States, applicable regulations outside the U. S. may differ from or be more stringent than analogous U. S. regulations. International operations are subject to a number of additional risks, including local political or economic instability, cross- border political tensions, **global tariffs**, challenges in effectively managing employees in foreign jurisdictions, including local labor laws that may be stricter or more costly to comply with than in the U. S., and exposure to

potential liabilities under anti-corruption or anti-bribery laws, including the U. S. Foreign Corrupt Practices Act, the UK Bribery Act and similar laws and regulations. If any of these risks materialize it could adversely impact our business, financial condition and results of operations. We are subject to risks arising from natural disasters and severe weather conditions and risks associated with climate change, including the potential increased impacts of severe weather events on our operations and infrastructure. Natural disasters, including wildfires, tornados, hurricanes, tsunamis, floods and earthquakes, and severe weather conditions, may damage our manufacturing plants, facilities or aircraft or disrupt our operating routes. Our ~~Bonny Doon Santa Cruz testing~~ facilities, in particular, are located in an area that is at high risk due to wildfire. ~~These Our Bonny Doon~~ facilities are also subject to a risk of closure due to zoning and permitting issues. Destruction or our inability to use any of our facilities for a prolonged period of time could materially impact our ability to meet our projected timelines. The potential effects of climate change, such as increased frequency and severity of storms, floods, fires, 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 effects. We cannot accurately predict the materiality of any potential losses or costs associated with the 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, for which we may not be able to secure adequate insurance policies, or secure insurance policies at reasonable prices. Our operations are subject to many hazards and operational risks, including general business risks, product liability, and ~~damage-damages~~ to third parties, our infrastructure or properties that may be caused by 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), security related incidents or human errors. 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. Furthermore, there is an increasing focus on environmental disclosure and regulation at the local, state and federal levels. Additional laws in these areas, if enacted, could be difficult or costly to comply with. We maintain general liability insurance, aviation flight testing insurance, aircraft liability coverage, directors and officers (“D & O”) 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 assurance that our insurance will be sufficient to cover all potential claims or that present levels of coverage will be available in the future at reasonable cost or at all. Further, we expect our insurance needs and costs to increase as we build production facilities, manufacture aircraft, establish commercial operations, add routes, increase flight and passenger volumes and expand into new markets. It is too early to determine what impact, if any, the commercial operation of eVTOLs will have on our insurance costs which may have an adverse impact on our business, financial condition and result of operations. We are dependent on our senior management team and other highly skilled personnel, including pilots and mechanics, and we may not be successful in attracting or retaining these personnel. 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. While our efforts to hire key personnel have generally been successful overall, ~~hiring in the~~ **markets in which we operate** ~~are generally characterized by~~ **of software development and verification has progressed more slowly than initially expected, due to high levels of competition for skilled employees. We have in the past, and may in the future, experience delays in filling certain positions. In addition, in December 2024, our Chief Financial Officer notified us of his resignation, effective December 13, 2024, for personal reasons. While we search for a new Chief Financial Officer, the these markets in which we operate** **duties are being carried out by other individuals within the management team**. In addition, there is a shortage of pilots that is expected to exacerbate over time as more pilots in the industry approach mandatory retirement age. Trained and qualified aircraft mechanics are also in short supply. Our service is dependent on recruiting and retaining qualified pilots and mechanics, either or both of which may be difficult due to the corresponding personnel shortages. We compete against airlines and other air mobility and transportation services for pilots and other skilled labor, some of which will offer wages or benefit packages exceeding ours. The loss of any of the members of our senior management team or other highly skilled personnel, or our inability to hire, train, and retain qualified pilots and mechanics could harm our business and prevent us from implementing our growth plans. Our business may be adversely affected by union activities. Although none of our employees are currently represented by a labor union, it is common throughout the aerospace and airline industries for employees to belong to a union, which can result in higher employee costs and an increased risk of work stoppages. As we expand our business our employees could join or form a labor union and we could be required to become a union signatory. We are also directly or indirectly dependent upon companies with unionized work forces, such as parts suppliers, and work stoppages or strikes organized by such unions could delay the manufacture of our aircraft or disrupt our operations, which could have a material adverse impact on our business, financial condition or operating results. Additional Risks Related to Ownership of Our Common Stock The price of our common stock has been and may continue to be volatile. The price of our common stock has been volatile and will likely continue to fluctuate due to a variety of factors. The stock market in general, and the market for pre-revenue technology companies in particular, has had and may continue to have significant price and volume fluctuations. The market for our common stock may continue to be influenced by events or occurrences including: changes to the regulations that impact our business or adverse decisions by regulators; our ability to develop the market we expect for UAM services, whether due to competition, market acceptance, performance, pricing or other factors; manufacturing and operational challenges; our failure to meet financial projections or manage our cash; actions by shareholders, including the sale of a large volume of shares or campaigns by activist investors or short-sellers; actions taken by our competitors; and public perception of our business and our industry as a whole. These factors, along with the occurrence of any of the risk factors described in this Annual Report, many of which are not within our control, could cause the price of our common stock to decline materially, regardless of our operating performance. We do not intend to pay cash dividends for the foreseeable future. We currently intend to retain our future earnings, if any, to finance the further development and expansion of our business and do not intend to pay

cash dividends in the foreseeable future. Any future decision to pay dividends will be at the discretion of our board of directors and will depend on our financial condition, results of operations, capital requirements, restrictions contained in future agreements and financing instruments, business prospects and such other factors. If analysts do not publish research about our business or if they publish inaccurate or unfavorable research, our stock price and trading volume could decline. The market for our common stock will depend in part on the research and reports that securities or industry analysts publish about us, our business, our market and our competitors. If one or more of the analysts who cover us downgrade our common stock, provide more favorable recommendations about our competitors or publish inaccurate or unfavorable research about our business, the price of our common stock would likely decline. If few analysts cover us, or if analysts who cover us cease coverage or fail to publish regular reports, demand for our common stock could decrease and our common stock price and trading volume may decline. We may be subject to securities litigation, activist investors and short- selling campaigns, which are expensive and could divert management attention. The market price of our common stock has been and may continue to be volatile. Companies that have experienced volatility in the market price of their stock have, in the past, been subject to securities class action litigation, activist investor campaigns and short- selling. We may be the target of these types of activities in the future, any for which could result in substantial costs and divert management' s attention from other business concerns, which could seriously harm our business. Future resales of common stock may cause the market price of our securities to drop significantly. Certain Joby stockholders are contractually restricted from selling or transferring shares of common stock (the " Lock- up Shares ") for an agreed- upon period of time. For example, certain significant stockholders have agreed to a five- year lockup, with 20 % of the Lock- up Shares being released on each anniversary of the closing of the Merger, subject to provisions that allow for a complete release of the Lock- Up Shares if the Company undergoes a change of control (the " Major Company Equityholders Lock- Up Agreement "). Under the Sponsor Agreement (the " Sponsor Agreement "), by and among the Company, Reinvent Sponsor, LLC (" Sponsor ") and RTP, the Sponsor' s Lock- up Shares are subject to the same releases agreed to in the Major Company Equityholders' Lock- Up Agreement in addition to vesting conditions. Following the expiration of each lockup tranche, the applicable stockholders will no longer be restricted from selling shares of our common stock held by them, 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 their shares, could reduce the market price of our common stock. As of February 15, 2024-2025, there were approximately 227,151, 835-890, 867-585 shares subject to the Major Company Equityholders Lock- Up Agreement. As restrictions on resale end, the sale or possibility of sale of these shares could have the effect of increasing the volatility in our share price or the market price of our common stock could decline if the holders of currently restricted shares sell them or are perceived by the market as intending to sell them. **If we are deemed to be an investment company under the Investment Company Act of 1940, our results of operations could be harmed. Under the Investment Company Act of 1940, as amended (the " Investment Company Act "), absent an applicable exemption, a company generally will be deemed to be an " investment company " if (a) it is in the business of investing, reinvesting, owning, holding, or trading in securities and (b) it owns or proposes to acquire " investment securities " having a value exceeding 40 % of its total assets (other than U. S. government securities and cash items) on an unconsolidated basis (such second prong, the " 40 % Test "). We do not believe that we or any of our subsidiaries are an " investment company " for purposes of the Investment Company Act, including in part, because neither we nor any of our subsidiaries are in the business of investing, reinvesting, owning, holding, or trading in securities, as required under Section 3 (a) (1) (C) of the Investment Company Act, and because we qualify for the safe harbor from " investment company " status provided in Rule 3a- 8 under the Investment Company Act. We are engaged primarily in developing an all- electric, vertical take- off and landing air taxi, and our historical development, public representations of policy, the activity of our officers and directors, the nature of our present assets, the sources of our present income, and the public perception of the nature of our business all support the conclusion that we are an operating company and not an investment company. Further, we and certain of our subsidiaries qualify for the nonexclusive safe harbor from the definition of " investment company " provided in Rule 3a- 8 under the Investment Company Act, which applies to certain research and development companies. We currently conduct, and intend to continue to conduct, our operations so that neither we, nor any of our subsidiaries, is required to register as an " investment company " under the Investment Company Act. If we were obligated to register as an " investment company, " we would have to comply with a variety of substantive requirements under the Investment Company Act that impose, among other things, limitations on capital structure, restrictions on specified investments, prohibitions on transactions with affiliates, and compliance with reporting, record keeping, voting, proxy disclosure and other rules and regulations that would increase our operating and compliance costs, could make it impractical for us to continue our business as contemplated, and could have a material adverse effect on our business.**