

TechCrunch

Joby Aviation takes flight into the public markets via a SPAC merger

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Joby Aviation, a startup that has spent a more than a decade developing an all-electric, vertical take-off and landing passenger aircraft, will become a public company through a merger with Reinvent Technology Partners, a special purpose acquisition company from well-known investor and LinkedIn co-founder Reid Hoffman and Zynga founder Mark Pincus.

The combined company, which will be listed on the New York Stock Exchange, will have a pro forma implied valuation of \$6.6 billion. Through the deal, Joby is capturing \$1.6 billion in cash proceeds — \$690 million of which will come from Reinvent's cash in trust and an \$835 million from private investors The Baupost Group, funds and accounts managed by BlackRock, Fidelity Management & Research LLC and Baillie Gifford. A \$75 million convertible note, from Uber, will also be converted into common stock at a \$10 per share value.

While blank-check mergers typically put in place terms to prevent investors from pulling out their money, this one places a five-year lock up on all major shareholders, including on the SPAC side, to ensure significant long-term alignment. The deal also includes an earnout structure with full vesting that cannot be realized until the share price reaches \$50 per share, which implies more than a \$30 billion market capitalization.

Joby plans to use the capital to fund the launch of passenger service, which is expected to begin in 2024. The company still must complete certification of its aircraft and develop manufacturing facilities, but it is already on its way to achieving both.

Joby has agreed to a "G-1" certification basis for its aircraft with the Federal Aviation Administration, which specifies the requirements that need to be met by the company's aircraft for it to be certified for commercial operations.

Joby is also planning to begin construction on a 450,000-square-foot manufacturing facility, designed in conjunction with Toyota, later this year.

Prior to its SPAC deal, Joby had gained attention and investors over the years as it developed its eVTOL. Toyota became an important backer and partner, leading a \$620 million Series C round of funding in January 2020. Nearly a year later, Joby acquired Uber's air taxi moonshot Elevate as part of a complex deal. Under the terms, Uber offloaded Elevate to Joby Aviation and invested \$75 million into the startup. The two companies also expanded an existing partnership.

The \$75 million investment was in addition to a previously undisclosed \$50 million investment made by Uber as part of Joby's Series C financing round. Uber has invested a total of \$125 million into the startup. Joby Aviation had raised \$820 million before its bid to become a publicly traded company.

IMPORTANT LEGAL INFORMATION

Forward Looking Statements

This document contains certain forward-looking statements within the meaning of the federal securities laws with respect to the proposed transaction between Reinvent Technology Partners ("RTP") and Joby Aero, Inc. ("Joby Aviation"). These forward-looking statements generally are identified by the words "believe," "project," "expect," "anticipate," "estimate," "intend," "strategy," "future," "opportunity," "plan," "may," "should," "will," "would," "will be," "will continue," "will likely result," and similar expressions. Forward-looking statements are predictions, projections and other statements about future events that are based on current expectations and assumptions and, as a result, are subject to risks and uncertainties. Many factors could cause actual future events to differ materially from

the forward-looking statements in this document, including but not limited to: (i) the risk that the transaction may not be completed in a timely manner or at all, which may adversely affect the price of RTP's securities, (ii) the risk that the transaction may not be completed by RTP's business combination deadline and the potential failure to obtain an extension of the business combination deadline if sought by RTP, (iii) the failure to satisfy the conditions to the consummation of the transaction, including the adoption of the Agreement and Plan of Merger, dated as of February 23, 2021 (the "Merger Agreement"), by and among RTP, Joby Aviation and RTP Merger Sub Inc., a Delaware corporation and a direct wholly owned subsidiary of RTP, by the shareholders of RTP, the satisfaction of the minimum trust account amount following redemptions by RTP's public shareholders and the receipt of certain governmental and regulatory approvals, (iv) the lack of a third party valuation in determining whether or not to pursue the transaction, (v) the inability to complete the PIPE investment in connection with the transaction, (vi) the occurrence of any event, change or other circumstance that could give rise to the termination of the Merger Agreement, (vii) the effect of the announcement or pendency of the transaction on Joby Aviation's business relationships, operating results and business generally, (viii) risks that the proposed transaction disrupts current plans and operations of Joby Aviation and potential difficulties in Joby Aviation employee retention as a result of the transaction, (ix) the outcome of any legal proceedings that may be instituted against Joby Aviation or against RTP related to the Merger Agreement or the transaction, (x) the ability to maintain the listing of RTP's securities on a national securities exchange, (xi) the price of RTP's securities may be volatile due to a variety of factors, including changes in the competitive and highly regulated industries in which RTP plans to operate or Joby Aviation operates, variations in operating performance across competitors, changes in laws and regulations affecting RTP's or Joby Aviation's business and changes in the combined capital structure, (xii) the ability to implement business plans, forecasts, and other expectations after the completion of the transaction, and identify and realize additional opportunities, and (xiii) the risk of downturns and a changing regulatory landscape in the highly competitive aviation industry. The foregoing list of factors is not exhaustive. You should carefully consider the foregoing factors and the other risks and uncertainties described in the "Risk Factors" section of RTP's registration on Form S-1 (File No. 333-248497), the registration statement on Form S-4 discussed above and other documents filed by RTP from time to time with the SEC. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Forward-looking statements speak only as of the date they are made. Readers are cautioned not to put undue reliance on forward-looking statements, and RTP and Joby Aviation assume no obligation and do not intend to update or revise these forward-looking statements, whether as a result of new information, future events, or otherwise. Neither RTP nor Joby Aviation gives any assurance that either RTP or Joby Aviation or the combined company will achieve its expectations.

Important Information for Investors and Stockholders

This document relates to a proposed transaction between RTP and Joby Aviation. This document does not constitute an offer to sell or exchange, or the solicitation of an offer to buy or exchange, any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, sale or exchange would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. RTP intends to file a registration statement on Form S-4 with the SEC, which will include a document that serves as a prospectus and proxy statement of RTP, referred to as a proxy statement/prospectus. A proxy statement/prospectus will be sent to all RTP shareholders. RTP also will file other documents regarding the proposed transaction with the SEC. Before making any voting decision, investors and security holders of RTP are urged to read the registration statement, the proxy statement/prospectus and all other relevant documents filed or that will be filed with the SEC in connection with the proposed transaction as they become available because they will contain important information about the proposed transaction.

Investors and security holders will be able to obtain free copies of the registration statement, the proxy statement/prospectus and all other relevant documents filed or that will be filed with the SEC by RTP through the website maintained by the SEC at www.sec.gov.

The documents filed by RTP with the SEC also may be obtained free of charge at RTP's website at <https://www.reinventtechnologypartners.com> or upon written request to 215 Park Avenue, Floor 11 New York, NY.

Participants in the Solicitation

RTP and Joby Aviation and their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from RTP's shareholders in connection with the proposed transaction. A list of the names of the directors and executive officers of RTP and information regarding their interests in the business combination will be contained in the proxy statement/prospectus when available. You may obtain free copies of these documents as described in the preceding paragraph.