UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2023

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from __________ to ____________

Commission File Number: 001-39524

Joby Aviation, Inc.
(Exact Name of Registrant as Specified in its Charter)

Delaware	**98-1548118**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
333 Encinal Street, Santa Cruz, CA	**95060**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (831) 201-6700

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.0001	JOBY	New York Stock Exchange
Warrants to purchase common stock	JOBY WS	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.(Check one):

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The registrant had 696,319,445 shares of Common Stock outstanding as of October 31, 2023.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Statements contained in this Quarterly Report on Form 10-Q which are not historical facts are forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements include, without limitation, statements regarding the future financial position, business strategy and plans and objectives of management of Joby Aviation, Inc. (the “Company,” “Joby,” “we,” “us” or “our”). These statements constitute projections and forecasts and are not guarantees of performance. Such statements can be identified by the fact that they do not relate strictly to historical or current facts. When used in this Quarterly Report, words such as “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “might,” “plan,” “possible,” “potential,” “predict,” “project,” “should,” “strive,” “would” and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking.

These forward-looking statements are based on information available as of the date of this Quarterly Report and current expectations, forecasts and assumptions, and involve a number of judgments, risks and uncertainties. While we believe these expectations, forecasts, assumptions and judgments are reasonable, our forward-looking statements are only predictions and involve known and unknown risks and uncertainties, many of which are beyond our control. Our business, prospects, financial condition, operating results and the price of our common stock may be affected by a number of factors, whether currently known or unknown, including but not limited to those discussed in this Quarterly Report in Part I, Item 2 “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the section titled “Risk Factors” in our annual report on Form 10-K for the year ended December 31, 2022, filed with the SEC on March 1, 2023. Any one or more of these factors could, directly or indirectly, cause our actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied by these forward-looking statements. Accordingly, forward-looking statements should not be relied upon as representing our views as of any subsequent date, and we do not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date they were made, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

As a result of known and unknown risks and uncertainties, our actual results or performance may be materially different from those expressed or implied by these forward-looking statements. You should not place undue reliance on these forward-looking statements.

PART 1. FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements (Unaudited)

JOBY AVIATION, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited)
(In thousands, except share and per share amounts)

	September 30, 2023	December 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	$ 480,371	$ 146,101
Short-term investments	632,144	910,692
Total cash, cash equivalents and short-term investments	1,112,515	1,056,793
Restricted cash	—	3,204
Other receivables	6,935	4,021
Prepaid expenses and other current assets	18,733	20,160
Total current assets	1,138,183	1,084,178
Property and equipment, net	100,415	92,103
Operating lease right-of-use assets	27,683	25,149
Restricted cash	762	762
Intangible assets	7,992	12,581
Goodwill	14,011	14,011
Other non-current assets	60,560	64,200
Total assets	$ 1,349,606	$ 1,292,984
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable	$ 4,787	$ 7,710
Operating lease liabilities, current portion	4,026	3,710
Accrued and other current liabilities	41,154	18,783
Total current liabilities	49,967	30,203
Operating lease liabilities, net of current portion	25,965	23,613
Warrant liability	64,650	28,783
Earnout shares liability	94,602	44,055
Other non-current liabilities	5,088	1,589
Total liabilities	240,272	128,243
Commitments and contingencies (Note 6)		
Stockholders' equity:		
Preferred stock: $0.0001 par value - 100,000,000 shares authorized. No shares issued and outstanding.	—	—
Common stock: $0.0001 par value - 1,400,000,000 shares authorized; 694,692,591 and 622,602,815 shares issued and outstanding at September 30, 2023 and December 31, 2022, respectively.	69	61
Additional paid-in capital	2,244,617	1,908,179
Accumulated deficit	(1,132,600)	(734,653)
Accumulated other comprehensive loss	(2,752)	(8,846)
Total stockholders' equity	1,109,334	1,164,741
Total liabilities and stockholders' equity	$ 1,349,606	$ 1,292,984

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

JOBY AVIATION, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)
(In thousands, except share and per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	**2022**	**2023**	**2022**
Operating expenses:				
Research and development (including related party purchases of $421 and $243 for the three months ended September 30, 2023 and 2022, respectively, $1,335 and $1,470 for the nine months ended September 30, 2023 and 2022, respectively.)	$ 100,559	$ 73,870	$ 264,926	$ 220,146
Selling, general and administrative (including related party purchases of $69 and $46 for the three months ended September 30, 2023 and 2022, respectively, $232 and $335 for the nine months ended September 30, 2023 and 2022, respectively.)	27,608	23,251	78,926	70,700
Total operating expenses	128,167	97,121	343,852	290,846
Loss from operations	(128,167)	(97,121)	(343,852)	(290,846)
Interest and other income, net	13,611	5,360	32,694	8,671
Income from equity method investment	—	—	—	19,039
Gain (Loss) from change in fair value of warrants and earnout shares	116,109	12,560	(86,671)	72,072
Total other income (loss), net	129,720	17,920	(53,977)	99,782
Income (Loss) before income taxes	1,553	(79,201)	(397,829)	(191,064)
Income tax expense	28	5	118	35
Net income (loss)	$ 1,525	$ (79,206)	$ (397,947)	$ (191,099)
Net Income (loss) per share, basic and diluted	$ 0.00	$ (0.14)	$ (0.62)	$ (0.33)
Weighted-average common stock outstanding:				
Basic	672,559,810	583,970,409	638,388,011	581,458,391
Diluted	691,455,162	583,970,409	638,388,011	581,458,391

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

JOBY AVIATION, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(unaudited)
(In thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Net Income (loss)	$ 1,525	$ (79,206)	$ (397,947)	$ (191,099)
Other comprehensive income (loss):				
Unrealized gain (loss) on available-for-sale securities	1,799	(4,427)	6,447	(9,313)
Foreign currency translation gain (loss)	(112)	29	(353)	(93)
Total other comprehensive income (loss)	1,687	(4,398)	6,094	(9,406)
Comprehensive income (loss)	$ 3,212	$ (83,604)	$ (391,853)	$ (200,505)

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

JOBY AVIATION, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(unaudited)
(In thousands, except share data)

	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares	Amount				
Balance at January 1, 2023	622,602,815	$ 61	$ 1,908,179	$ (734,653)	$ (8,846)	$ 1,164,741
Net loss	—	—	—	(113,393)	—	(113,393)
Stock-based compensation	—	—	14,157	—	—	14,157
Issuance of common stock upon exercise of stock options	945,803	—	614	—	—	614
Issuance of common stock upon release of restricted stock units	5,836,813	—	—	—	—	—
Vesting of early exercised stock options and common stock issued in private placement	—	—	104	—	—	104
Issuance of common stock in private placement	137,174	—	—	—	—	—
Other comprehensive income	—	—	—	—	3,272	3,272
Balance at March 31, 2023	629,522,605	$ 61	$ 1,923,054	$ (848,046)	$ (5,574)	$ 1,069,495
Net loss	—	—	—	(286,079)	—	(286,079)
Stock-based compensation	—	—	15,232	—	—	15,232
Issuance of common stock upon exercise of stock options	914,077	—	679	—	—	679
Issuance of common stock upon release of restricted stock units	2,053,991	—	—	—	—	—
Issuance of common stock under the Employee Stock Purchase Plan	1,047,001	—	3,801	—	—	3,801
Issuance of common stock in private placement	59,023,275	6	280,190	—	—	280,196
Vesting of early exercised stock options and common stock issued in private placement	—	—	93	—	—	93
Other comprehensive income	—	—	—	—	1,135	1,135
Balance at June 30, 2023	692,560,949	$ 67	$ 2,223,049	$ (1,134,125)	$ (4,439)	$ 1,084,552
Net Income	—	—	—	1,525	—	1,525
Stock-based compensation	—	—	21,456	—	—	21,456
Issuance of common stock upon exercise of stock options	410,690	2	276	—	—	278
Issuance of common stock upon release of restricted stock units	1,720,952	—	—	—	—	—
Offering costs for issuance of common stock in private placement	—	—	(298)	—	—	(298)
Vesting of early exercised stock options and common stock issued in private placement	—	—	134	—	—	134
Other comprehensive income	—	—	—	—	1,687	1,687
Balance at September 30, 2023	694,692,591	$ 69	$ 2,244,617	$ (1,132,600)	$ (2,752)	$ 1,109,334

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

JOBY AVIATION, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (CONTINUED)
(unaudited)
(In thousands, except share data)

	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares	Amount				
Balance at January 1, 2022	604,174,329	$ 60	$ 1,793,431	$ (476,610)	$ (122)	$ 1,316,759
Net loss	—	—	—	(62,319)	—	(62,319)
Stock-based compensation	—	—	12,088	—	—	12,088
Issuance of common stock upon exercise of stock options	823,524	—	428	—	—	428
Issuance of common stock upon release of restricted stock units	851,557	—	—	—	—	—
Vesting of early exercised stock options	—	—	121	—	—	121
Shares withheld related to net share settlement	(13,041)		(85)			(85)
Other comprehensive loss	—	—	—	—	(2,558)	(2,558)
Balance at March 31, 2022	605,836,369	$ 60	$ 1,805,983	$ (538,929)	$ (2,680)	$ 1,264,434
Net loss	—	—	—	(49,574)	—	(49,574)
Stock-based compensation	—	—	15,869	—	—	15,869
Issuance of common stock upon exercise of stock options	559,552	—	318	—	—	318
Issuance of common stock upon release of restricted stock units	792,523	—	—	—	—	—
Vesting of early exercised stock options	—	—	65	—	—	65
Other comprehensive loss	—	—	—	—	(2,450)	(2,450)
Balance at June 30, 2022	607,188,444	$ 60	$ 1,822,235	$ (588,503)	$ (5,130)	$ 1,228,662
Net loss	—	—	—	(79,206)	—	(79,206)
Stock-based compensation	—	—	14,673	—	—	14,673
Issuance of common stock upon exercise of stock options	486,797	—	364	—	—	364
Issuance of common stock upon release of restricted stock units	1,891,138	—	—	—	—	—
Vesting of early exercised stock options	—	—	60	—	—	60
Other comprehensive loss	—	—	—	—	(4,398)	(4,398)
Balance at September 30, 2022	609,566,379	$ 60	$ 1,837,332	$ (667,709)	$ (9,528)	$ 1,160,155

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

JOBY AVIATION, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)
(In thousands)

	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022
Cash flows from operating activities		
Net loss	$ (397,947)	$ (191,099)
Reconciliation of net loss to net cash used in operating activities:		
Depreciation and amortization expense	22,352	17,422
Stock-based compensation expense	69,747	51,905
Loss (Gain) from change in the fair value of warrants and earnout shares	86,671	(72,072)
Income from equity method investment	—	(19,039)
Net accretion of investments in marketable debt securities	(14,438)	(874)
Changes in operating assets and liabilities		
Other receivables and prepaid expenses and other current assets	(2,240)	(2,924)
Other non-current assets	901	31,852
Accounts payable and accrued and other liabilities	2,114	2,011
Non-current liabilities	2,352	—
Net cash used in operating activities	(230,488)	(182,818)
Cash flows from investing activities		
Purchases of marketable securities	(434,129)	(1,221,114)
Proceeds from sales and maturities of marketable securities	733,562	675,261
Purchases of property and equipment	(22,730)	(24,412)
Acquisitions, net of cash	—	(5,707)
Net cash provided by (used in) investing activities	276,703	(575,972)
Cash flows from financing activities		
Proceeds from issuance of common stock in private placement, net	280,023	—
Proceeds from the issuance of common stock under the Employee Stock Purchase Plan	3,801	—
Proceeds from the exercise of stock options and warrants issuance	1,717	1,081
Repayments of tenant improvement loan and obligations under finance lease	(690)	(806)
Net cash provided by financing activities	284,851	275
Net change in cash, cash equivalents and restricted cash	331,066	(758,515)
Cash, cash equivalents and restricted cash, at the beginning of the period	150,067	956,325
Cash, cash equivalents and restricted cash, at the end of the period	$ 481,133	$ 197,810
Reconciliation of cash, cash equivalents and restricted cash to balance sheets		
Cash and cash equivalents	$ 480,371	$ 193,844
Restricted cash	762	3,966
Cash, cash equivalents and restricted cash	$ 481,133	$ 197,810
Non-cash investing and financing activities		
Unpaid property and equipment purchases	$ 1,211	$ 1,484
Property and equipment purchased through finance leases	$ 4,900	$ 252

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

JOBY AVIATION, INC. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

Note 1. Company and Nature of Business

Description of Business

Joby Aviation, Inc. ("Joby Aviation" or the "Company") is a vertically integrated air mobility company that is building a clean, quiet, fully-electric vertical takeoff and landing ("eVTOL") aircraft to be used by the Company to deliver air transportation as a service. The Company is headquartered in Santa Cruz, California.

Merger with RTP

On August 10, 2021 (the "Closing Date"), Reinvent Technology Partners, a Cayman Islands exempted company and special purpose acquisition company ("RTP"), completed the transactions contemplated by that certain Agreement and Plan of Merger (the "Merger Agreement"), dated as of February 23, 2021, by and among RTP, RTP Merger Sub Inc., a Delaware corporation and wholly-owned subsidiary of RTP ("RTP Merger Sub"), and Joby Aero, Inc., a Delaware corporation ("Legacy Joby"). On the Closing Date, RTP was domesticated as a Delaware corporation, Merger Sub merged with and into Legacy Joby and the separate corporate existence of Merger Sub ceased (the "Merger"), and Legacy Joby survived as a wholly-owned subsidiary of RTP, which changed its name to Joby Aviation, Inc.

In connection with the execution of the Merger Agreement, RTP entered into separate subscription agreements (each a "Subscription Agreement") with a number of investors (each a "PIPE Investor"), pursuant to which the PIPE Investors agreed to purchase, and RTP agreed to sell to the PIPE Investors, shares of Common Stock ("PIPE Shares"), in a private placement ("PIPE Financing"). The PIPE Financing closed substantially concurrently with the consummation of the Merger.

The Merger, together with the other transactions described in the Merger Agreement and the PIPE Financing, are referred to herein as the ("Reverse Recapitalization"). The number of Legacy Joby common shares and redeemable convertible preferred shares for all periods prior to the Closing Date have been retrospectively increased using the exchange ratio that was established in accordance with the Merger Agreement. Please refer to Note 3, "Reverse Recapitalization," in the Company's annual report on Form 10-K for the year ended December 31, 2022.

Note 2. Summary of Significant Accounting Policies

Basis of Presentation

The Condensed Consolidated Financial Statements are unaudited and have been prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") and include all adjustments necessary for the fair presentation of the Company's financial position, results of operations and cash flows for the periods presented.

The Condensed Consolidated Financial Statements include accounts of the Company and its wholly-owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

There have been no changes to the Company's significant accounting policies described in Note 2 "Summary of Significant Accounting Policies" to the audited Consolidated Financial Statements in the Company's annual report on Form 10-K for the year ended December 31, 2022, that have had a material impact on the Condensed Consolidated Financial Statements and related notes.

Certain information and footnote disclosures normally included in the Company's annual audited Consolidated Financial Statements and accompanying notes have been condensed or omitted in these accompanying interim Condensed Consolidated Financial Statements and footnotes. Accordingly, the accompanying interim Condensed Consolidated Financial Statements included herein should be read in conjunction with the audited Consolidated Financial Statements and accompanying notes included in the Company's annual report on Form 10-K for the year ended December 31, 2022.

The results of operations presented in this quarterly report on Form 10-Q are not necessarily indicative of the results of operations to be expected for the year ending December 31, 2023, any other interim periods, or any future year or period. In the opinion of management, these unaudited Condensed Consolidated Financial Statements include all adjustments and accruals, consisting only of normal, recurring adjustments that are necessary for a fair statement of the results of all interim periods reported herein.

Cash, Cash Equivalents, and Restricted Cash

The Company considers all highly liquid investments with remaining original maturity of three months or less from the date of purchase to be cash and cash equivalents. The recorded carrying amount of cash and cash equivalents approximates their fair value. At September 30, 2023 restricted cash primarily related to a security deposit for a lease obligation of approximately $0.8 million. At December 31, 2022, restricted cash primarily related to (i) approximately $2.2 million of cash temporarily retained by the Company to satisfy the Company's post-closing indemnification claims, if any, against the seller, in connection with the acquisition of an aerospace software engineering company in May 2022 (Note 4) which was settled during the three months ended June 30, 2023, (ii) a security deposit for a lease obligation of approximately $0.8 million and (iii) collateral on a letter of credit associated with key equipment purchases of approximately $1.0 million which was settled during the three months ended March 31, 2023.

Investment in SummerBio, LLC

Following the outbreak of the COVID-19 pandemic, the Company's management determined that certain previously developed technology that was accessible to the Company could be repurposed and applied in providing high-volume rapid COVID-19 testing through its investment in SummerBio, LLC ("SummerBio"), a related party. The Company has determined that it is not the primary beneficiary of SummerBio. Therefore, it accounts for its investment in SummerBio under the equity method of accounting with an ownership interest of approximately 44.5% as of September 30, 2023 and December 31, 2022. In June 2022, SummerBio notified the Company of its decision to wind down testing operations and close the business, which SummerBio substantially completed by the end of December 2022.

The Company recognized income of nil for the three months ended September 30, 2023 and 2022 and income ofnil and $19.0 million (net of impairment loss) for the nine months ended September 30, 2023 and 2022, respectively, within income from equity method investment on the condensed consolidated statement of operations for its investment in SummerBio.

New Accounting Pronouncements Not Yet Adopted

There are no recent accounting pronouncements applicable to the Company pending adoption that the Company expects will have a material impact on our condensed consolidated financial condition, results of operations, or cash flows.

Note 3. Fair Value Measurements

Assets and liabilities recorded at fair value on a recurring basis in the condensed consolidated balance sheets are categorized based upon the level of judgment associated with the inputs used to measure their fair values. Fair value represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. The authoritative guidance on fair value measurements establishes a three-tier fair value hierarchy for disclosure of fair value measurements as follows:

- Level 1 - Inputs are unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date;
- Level 2 - Inputs are observable, unadjusted quoted prices in active markets for similar assets or liabilities, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the related assets or liabilities; and
- Level 3 - Unobservable inputs that are significant to the measurement of the fair value of the assets or liabilities that are supported by little or no market data.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires management to make judgments and consider factors specific to the asset or liability.

The Company's financial assets consist of Level 1 and 2 assets. The Company classifies its cash equivalents and marketable debt securities within Level 1 or Level 2 because they are valued using either quoted market prices or inputs other than quoted prices which are directly or indirectly observable in the market, including readily-available pricing sources for the identical underlying security which may not be actively traded. The Company's fixed income available-for-sale securities consist of high quality, investment grade securities from diverse issuers. The valuation techniques used to measure the fair value of the Company's marketable debt securities were derived from non-binding market consensus prices that are corroborated by observable market data and quoted market prices for similar instruments.

The Company's financial liabilities measured at fair value on a recurring basis consist of Level 1, Level 2 and Level 3 liabilities. The Company's Public Warrants (as defined in Note 7) are classified as Level 1 because they are directly observable in the market. The Company classifies the Private Placement Warrants (as defined in Note 7) within Level 2, because they were valued using inputs other than quoted prices which are directly observable in the market, including readily available pricing for the Company's Public Warrants. The Company classifies Delta Warrant and Earnout Shares Liability (as defined in Note 7) within Level 3, because they were valued using unobservable inputs that are significant to the fair value measurement. The Delta Warrant and Earnout Shares Liability are measured at fair value on a recurring basis. Changes in fair value of Level 3 liabilities are recorded in total other income (loss), net, in the condensed consolidated statements of operations.

The following tables set forth the fair value of the Company's financial assets and liabilities measured on a recurring basis by level within the fair value hierarchy as of September 30, 2023 and December 31, 2022 (in thousands):

	September 30, 2023			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Money market funds	$ 474,605	$ —	$ —	$ 474,605
Cash equivalents	$ 474,605	$ —	$ —	$ 474,605
Term deposits	$ —	$ 42,000	$ —	$ 42,000
Asset backed securities	—	21,994	—	21,994
Government debt securities	—	185,110	—	185,110
Corporate debt securities	—	383,040	—	383,040
Available-for-sale investments	—	632,144	—	632,144
Total fair value of assets	$ 474,605	$ 632,144	$ —	$ 1,106,749
Liabilities measured at fair value				
Common stock warrant liabilities (Public)	$ 21,390	$ —	$ —	$ 21,390
Common stock warrant liabilities (Private Placement)	—	14,301	—	14,301
Common stock warrant liabilities (Delta)	—	—	28,959	28,959
Warrant liabilities	21,390	14,301	28,959	64,650
Earnout Shares Liability	—	—	94,602	94,602
Total fair value of liabilities	$ 21,390	$ 14,301	$ 123,561	$ 159,252

	December 31, 2022			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Money market funds	$ 108,119	$ —	$ —	$ 108,119
Cash equivalents	$ 108,119	$ —	$ —	$ 108,119
Term deposits	$ —	$ 40,709	$ —	$ 40,709
Asset backed securities	—	54,707	—	54,707
Government debt securities	—	362,851	—	362,851
Corporate debt securities	—	452,425	—	452,425
Available-for-sale investments	—	910,692	—	910,692
Total fair value of assets	$ 108,119	$ 910,692	$ —	$ 1,018,811
Liabilities measured at fair value				
Common stock warrant liabilities (Public)	$ 8,318	$ —	$ —	$ 8,318
Common stock warrant liabilities (Private Placement)	—	5,561	—	5,561
Common stock warrant liabilities (Delta)	—	—	14,903	14,903
Warrant liabilities	8,318	5,561	14,903	28,783
Earnout Shares Liability	—	—	44,055	44,055
Total fair value of liabilities	$ 8,318	$ 5,561	$ 58,958	$ 72,838

The following is a summary of the Company's available-for-sale securities (in thousands):

	September 30, 2023				
	Cost or Amortized Cost	Unrealized Gains	Unrealized Losses	Allowance for credit losses	Fair value
Assets measured at fair value					
Term deposits	$ 42,000	$ —	$ —	$ —	$ 42,000
Asset backed securities	22,054	—	(60)	—	21,994
Government debt securities	185,469	1	(360)	—	185,110
Corporate debt securities	384,385	20	(1,365)	—	383,040
Total	$ 633,908	$ 21	$ (1,785)	$ —	$ 632,144

	December 31, 2022				
	Cost or Amortized Cost	Unrealized Gains	Unrealized Losses	Allowance for credit losses	Fair value
Assets measured at fair value					
Term deposits	$ 40,709	$ —	$ —	$ —	$ 40,709
Asset backed securities	55,016	—	(309)	—	54,707
Government debt securities	367,324	—	(4,473)	—	362,851
Corporate debt securities	455,854	—	(3,429)	—	452,425
Total	$ 918,903	$ —	$ (8,211)	$ —	$ 910,692

There were no transfers between Level 1, Level 2 or Level 3 financial instruments in the nine months ended September 30, 2023 and 2022.

The following table sets forth a summary of the change in the fair value, which is recognized as a component of total other income (loss), net within the condensed consolidated statement of operations, of the Company's Level 3 financial liabilities (in thousands):

	Earnout Shares Liability	Common stock warrant liabilities (Delta)
Fair value as of January 1, 2023	$ 44,055	$ 14,903
Change in fair value	50,547	14,056
Fair value as of September 30, 2023	$ 94,602	$ 28,959

The fair value of the Earnout Shares Liability and Common stock warrant liabilities (Delta) (see Note 7) are based on significant unobservable inputs, which represent Level 3 measurements within the fair value hierarchy.

Note 4. Acquisitions

2022 Acquisitions

On March 9, 2022, the Company completed the acquisition of an aerospace composite manufacturing company, whereby it acquired all the purchased assets and assumed selected liabilities in exchange for a total consideration consisting of (i) $1.5 million in cash, and (ii) RSUs with the aggregate acquisition date value of $0.1 million. The acquisition was accounted for as a business combination as the assets acquired and liabilities assumed constituted a business in accordance with ASC 805 *Business Combinations*. The purchase consideration of $1.5 million was allocated to the following: a $1.1 million in favorable lease assets, $0.4 million of acquired machinery and equipment, $0.1 million of acquired current assets, and $0.1 million of acquired current liabilities.

On May 17, 2022, the Company completed the acquisition of an aerospace software engineering company that specializes in full-lifecycle software and firmware development and verification to aviation regulatory standards, in exchange for total cash consideration of $7.2 million. The acquisition was accounted for as a business combination as the assets acquired and liabilities assumed constituted a business in accordance with ASC 805 *Business Combinations.* Part of the cash consideration in an amount of $2.2 million was temporarily retained by the Company to satisfy the Company's post-closing indemnification claims, if any, against the seller. This retained amount of $2.2 million was released and paid to the seller during the three month ended June 30, 2023.

In relation to the acquisition, the Company issued 790,529 RSUs with an aggregate acquisition date value of approximately $4.5 million. The Company also paid $0.5 million to the employees of the acquired company, and settled accounts payable to the acquired company of $0.2 million. The RSUs vest contingent upon each employee's continued employment with the Company or its subsidiaries, and are recognized as stock-based compensation expense over the RSUs' vesting terms, commencing on the acquisition date.

The purchase consideration of $7.2 million was, preliminarily, allocated to $3.3 million of goodwill, primarily resulting from the combined workforce and expected increased regulatory efficiencies, $2.5 million of total intangible assets comprising of $2.4 million of acquired customer relationships intangible asset and $0.1 million of acquired developed technology intangible asset, $1.5 million of acquired current assets, primarily consisting of cash and accounts receivable, $0.3 million of acquired fixed assets, and $0.4 million of acquired current liabilities. Amounts recognized as of the acquisition date are provisional and subject to change within the measurement period as the Company's fair value assessments are finalized. In September 2022, the Company made certain measurement period adjustments, which included a working capital adjustment with the seller in accordance with the agreement terms, resulting in an increase to the purchase consideration of $0.1 million which was paid during the three months ended December 31, 2022. No other adjustments were made through the end of the measurement period which ended on May 16, 2023.

On November 30, 2022, the Company completed the purchase of certain real property, improvements and other assets ("Property") from Frederick Electronics Corporation, a Maryland corporation and Plantronics, Inc., a Delaware corporation ("Sellers") for a cash purchase price of $25.5 million. The Property consists of approximately 162,000 square feet across five buildings located at 333 Encinal Street, Santa Cruz, California and will be used as the Company's corporate headquarters. The acquisition was accounted for as an asset acquisition as substantially all of the fair value of the gross assets acquired was represented by a group of similar assets. The purchase consideration was allocated to $6.3 million of land, $17.7 million of buildings and site improvements and $1.5 million of equipment, fixtures and furniture.

Note 5. Balance Sheet Components

Property and Equipment, Net

Property and equipment, net consists of the following (in thousands):

	September 30, 2023	December 31, 2022
Equipment	$ 82,266	$ 63,656
Buildings	21,384	21,384
Leasehold improvements	16,954	14,319
Computer software	14,100	10,920
Molds and tooling	11,835	10,298
Land	6,270	6,270
Vehicles and aircraft	1,617	1,582
Furniture and fixtures	684	682
Construction in-progress	5,479	6,094
Gross property and equipment	160,589	135,205
Accumulated depreciation and amortization	(60,174)	(43,102)
Property and equipment, net	$ 100,415	$ 92,103

Depreciation and amortization expense of property and equipment for the three and nine months ended September 30, 2023 was $6.2 million and $17.7 million, respectively and $4.8 million and $13.4 million for the three and nine months ended September 30, 2022, respectively. Vehicles and aircraft includes utility automobiles used at the Company’s various facilities and purchased aircraft to support the Company’s air operations and training.

Intangible Assets, Net

The intangible assets consist of the following (in thousands):

	September 30, 2023	December 31, 2022
Automation platform software	$ 7,200	$ 7,200
Multimodal software technology	4,900	4,900
System simulation software technology	4,600	4,600
Other intangibles	5,328	5,328
Gross intangible assets	22,028	22,028
Accumulated amortization	(14,036)	(9,447)
Intangible assets, net	$ 7,992	$ 12,581

Amortization expense related to intangible assets for the three and nine months ended September 30, 2023 was $1.5 million and $4.6 million, respectively and $1.5 million and $4.0 million for the three and nine months ended September 30, 2022, respectively. As of September 30, 2023 the weighted-average amortization period of intangible assets was 1.7 years.

The following table presents the estimated future amortization expense of acquired amortizable intangible assets as of September 30, 2023 (in thousands):

Fiscal Year	Amount
2023 (remainder)	$ 1,514
2024	4,376
2025	2,102
	$ 7,992

Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consist of the following (in thousands):

	September 30, 2023	December 31, 2022
Prepaid equipment	$ 4,090	$ 4,525
Prepaid software	3,694	5,522
Prepaid taxes	327	1,273
Prepaid insurance	6,746	7,702
Other	3,876	1,138
Total	$ 18,733	$ 20,160

Other non-current assets

Other non-current assets consist of the following (in thousands):

	September 30, 2023	December 31, 2022
Contractual agreement asset	$ 59,611	$ 59,611
Long term prepaid insurance	453	3,770
Other non-current assets	496	819
Total	$ 60,560	$ 64,200

Accrued and other current liabilities

Accrued and other current liabilities consist of the following (in thousands):

	September 30, 2023	December 31, 2022
Vendor related accruals	$ 8,229	$ 7,508
Payroll accruals including performance related stock based compensation	24,708	5,992
Acquisition-related obligation accrual	—	2,167
Other accruals and current liabilities	8,217	3,116
Total	$ 41,154	$ 18,783

Note 6. Commitments and Contingencies

Contingencies

As of September 30, 2023, the Company had $13 million of unconditional purchase obligations with remaining terms in excess of one year. These obligations primarily relate to the Company’s purchase agreements for certain aircraft parts through 2028.

The Company is subject to claims and assessments from time to time in the ordinary course of business. Accruals for litigation and contingencies are reflected in the Condensed Consolidated Financial Statements based on management’s assessment, including the advice of legal counsel, of the expected outcome of litigation or other dispute resolution proceedings and/or the expected resolution of contingencies. Liabilities for estimated losses are accrued if the potential losses from any claims or legal proceedings are considered probable and the amounts can be reasonably estimated. Significant judgment is required in both the determination of probability of loss and the determination as to whether the amount can be reasonably estimated. Accruals are based only on information available at the time of the assessment due to the uncertain nature of such matters. As additional information becomes available, management reassesses potential liabilities related to pending claims and litigation and may revise its previous estimates, which could materially affect the Company’s condensed consolidated results of operations in a given period. As of September 30, 2023, and December 31, 2022, the Company was not involved in any material legal proceedings.

Indemnifications

In the normal course of business, the Company enters into contracts and agreements that contain a variety of representations and warranties and provide for general indemnifications. The Company's exposure under these agreements is unknown because it involves claims that may be made against the Company in the future, but that have not yet been made. To date, the Company has not paid any claims or been required to defend any action related to its indemnification obligations. However, the Company may record charges in the future as a result of these indemnification obligations.

The Company has indemnified its Board of Directors and officers, to the extent legally permissible, against all liabilities reasonably incurred in connection with any action in which such individual may be involved by reason of such individual being or having been a director or officer, other than liabilities arising from willful misconduct of the individual. The Company currently has directors' and officers' insurance. The Company believes the estimated fair value of these obligations is minimal. The Company did not record any liabilities in connection with these possible obligations as of September 30, 2023 and December 31, 2022.

Note 7. Stock Warrants and Earnout Shares

Private Placement and Public Warrants

In connection with the Merger, each of the 17,250,000 publicly-traded warrants ("Public Warrants") and 11,533,333 private placement warrants ("Private Placement Warrants" and, together with the Public Warrants, the "Common Stock Warrants") issued to Reinvent Sponsor, LLC (the "Sponsor") in connection with RTP's initial public offering and subsequent overallotment were converted into an equal number of warrants that entitle the holder to purchase one share of the Company's Common stock, par value $0.0001 ("Common Stock") at an exercise price of $11.50 per share, subject to adjustments, and will expire five years after the completion of the Merger or earlier upon redemption or the Company's liquidation. Once the Common Stock Warrants become exercisable, the Company may redeem the outstanding Common Stock Warrants subject to certain Common Stock price and other conditions as defined in the Warrant Agreement between RTP and Continental Stock Transfer & Trust Company ("Warrant Agreement") and the Sponsor Agreement by and among the Company, Sponsor and RTP ("Sponsor Agreement"). During the three and nine months ended September 30, 2023, no Common Stock Warrants were exercised.

The Private Placement Warrants were initially recognized as a liability on August 10, 2021, at a fair value of $21.9 million. For the three and nine months ended September 30, 2023, the Private Placement Warrants liability was remeasured to fair value as of September 30, 2023, resulting in a gain of $16.3 million and a loss of $8.7 million, respectively, which is included within the gain (loss) from change in the fair value of warrants and earnout shares in the condensed consolidated statements of operations. For the three and nine months ended September 30, 2022, the gain from change in the fair value of private warrants was $2.8 million and $8.3 million, respectively.

The Public Warrants were initially recognized as a liability on August 10, 2021 at a fair value of $32.8 million. For the three and nine months ended September 30, 2023, the Public Warrants liability was remeasured to fair value based upon the market price as of September 30, 2023, resulting in a gain of $24.3 million and a loss of $13.1 million, respectively, classified within the gain (loss) from change in the fair value of warrants and earnout shares in the condensed consolidated statements of operations. For the three and nine months ended September 30, 2022, the gain from change in the fair value of public warrants was $4.2 million and $12.4 million, respectively.

Earnout Shares Liability

In connection with the Reverse Recapitalization and pursuant to the Sponsor Agreement, Sponsor agreed to certain terms of vesting, lock-up and transfer with respect to the 17,130,000 common shares held by it ("Earnout Shares"). The terms of the Sponsor Agreement specify that the Earnout Shares will vest upon achieving certain specified release events. In accordance with ASC 815 *Derivatives and Hedging*, the Earnout Shares are not indexed to the Common Stock and therefore are accounted for as a liability ("Earnout Shares Liability") as of the Closing Date and subsequently remeasured at each reporting date with changes in fair value recorded as a component of total other income (loss), net in the condensed consolidated statements of operations.

Under the vesting schedule, 20% of the Earnout Shares vest in tranches when the volume-weighted average price of the Company's common stock quoted on the NYSE is greater than $12.00, $18.00, $24.00, $32.00 and $50.00 for any 20 trading days within a period of 30 trading days (each such occurrence a "Triggering Event"). After ten years following the consummation of the Merger (the "Earnout Period"), any Earnout Shares which have not yet vested are forfeited. No Earnout Shares vested as of September 30, 2023.

Earnout Shares Liability at the closing of the Merger on August 10, 2021, was $149.9 million based on a Monte Carlo simulation valuation model using a distribution of potential outcomes on a monthly basis over the Earnout Period using the most reliable information available.

During the three and nine months ended September 30, 2023, the Company recognized, related to the change in the fair value of the Earnout Shares Liability, a gain of $6.6 million and a loss of $50.6 million, respectively, included within the gain (loss) from change in fair value of warrants and earnout shares in the condensed consolidated statement of operations. During the three and nine months ended September 30, 2022, the Company recognized a gain related to the change in the fair value of the Earnout Shares Liability of $5.5 million and $51.3 million, respectively.

Assumptions used in the valuation are as follows:

	September 30, 2023	December 31, 2022
Expected volatility	76.50 %	73.70 %
Risk-free interest rate	4.60 %	3.92 %
Dividend rate	0.00 %	0.00 %
Expected term (in years)	7.86	8.61

Delta Warrant

In connection with the umbrella agreement that the Company entered with Delta Air Lines, Inc. ("Delta") on October 7, 2022, the Company sold and issued to Delta, in private placement, 11,044,232 shares of the Company's Common Stock, at the per-share purchase price of $5.4327, for an aggregate cash consideration of $60.0 million. In addition, the Company issued a warrant for Delta to purchase up to 12,833,333 shares of the Company's common stock in two tranches, subject to certain milestone achievement conditions ("Delta Warrant").

The first and the second tranches of the warrant permit Delta to purchase up to 7,000,000 and 5,833,333 shares of Common Stock at exercise prices of $10 and $12, respectively, starting from the date the applicable milestones are satisfied and ending on the ten year anniversary of the warrant issuance date. The number of shares and exercise price for both tranches is subject to value cap adjustment if the 30 day volume weighted average price per share of the Company's stock exceeds 150% of each respective tranche's exercise price, but disregarding any price increases occurring within 10 business days after a public announcement of the achievement of an applicable milestone, if any.

The Company concluded that no assets or liabilities were transferred by either party beyond the Company's issuance of common stock and warrants in exchange for the total cash consideration from Delta, that the umbrella agreement does not constitute a funded research and development agreement in the scope of ASC 730 "*Research and Development*" or a collaborative agreement in the scope of ASC 808 *"Collaborative Agreements*", and that the Delta Warrant is a freestanding financial instrument not indexed to the Company's own stock. Accordingly, the Company recognized the issuance of Common Stock as equity in additional paid-in capital on condensed consolidated balance sheets and the Delta Warrant as liability on the condensed consolidated balance sheets at fair value.

The Delta Warrant issuance was initially recognized as a liability on October 7, 2022, at a fair value of $16.1 million based on a Monte Carlo simulation valuation model using the most reliable information available. During the three and nine months ended September 30, 2023, the Delta Warrant's liability was remeasured to fair value as of September 30, 2023, resulting in a gain and a loss of $8.5 million and $14.1 million, respectively, which is included within the gain (loss) from change in the fair value of warrants and earnout shares in the condensed consolidated statements of operations.

Assumptions used in the valuation of Delta Warrants are as follows:

	September 30, 2023	December 31, 2022
Expected volatility	76.80 %	75.10 %
Risk-free interest rate	4.60 %	3.89 %
Dividend rate	— %	— %
Expected term (in years)	9.0	9.8

Note 8. Stockholders' Equity

On May 5, 2023, the Company issued 43,985,681 shares of common stock at a price of $4.10 per share in a registered direct offering to certain institutional investors for net proceeds of $180.2 million, after deducting offering expenses payable by the Company of $0.2 million.

On June 29, 2023, the Company issued 15,037,594 shares of common stock at a price of $6.65 per share in a private placement to SK Telecom, Co., Ltd., a corporation organized under the laws of the Republic of Korea ("SKT") for net proceeds of $99.9 million, after deducting offering expenses payable by the Company of $0.1 million. In connection with the investment, the Company entered into an agreement with SKT (the "Registration Rights Agreement") with respect to the issued shares (the "Registrable Securities") under which, subject to certain requirements and customary conditions, SKT may require the Company to register the Registrable Securities as described in the Registration Rights Agreement. The Registration Rights Agreement contains additional customary covenants between the Company and SKT and certain restrictions on transfer of the Registrable Securities. The registration rights will terminate at such time as Rule 144 is available for the sale of all of the Registrable Securities without limitation during a three-month period without registration and in certain events related to a change of control.

Note 9. Stock-based Compensation

Equity Compensation Plans

In November 2016, the Company's Board of Directors adopted the 2016 Stock Option and Grant Plan ("2016 Plan") under which officers, employees, directors, consultants and other key persons of the Company or its affiliates may be granted incentive stock options, nonstatutory stock options, stock appreciation rights, restricted stock and restricted stock units. On August 10, 2021, the Company's Board of Directors amended the 2016 Plan to provide that no new awards could be granted under the 2016 Plan.

Under the 2016 Plan, stock options are generally granted with an exercise price equal to the estimated fair value of the Company's common stock, as determined by the Company's Board of Directors on the date of grant. Options generally have contractual terms of ten years. Incentive stock options (ISO) may only be granted to employees, whereas all other stock awards may be granted to employees, directors, consultants and other key persons.

Outstanding options generally vest over six years, contain a one year cliff, are exercisable immediately and, upon early exercise, are subject to repurchase by the Company at the original exercise price. If an ISO is granted to an optionee who, at the time of grant, owns more than 10% of the voting power of all classes of capital stock, the term of the ISO is five years. Options issued under the 2016 Plan must be priced at no less than the fair value of the shares on the date of the grant provided, however, that the exercise price of an option granted to a 10% stockholder is not less than 110% of the fair value of the shares on the date of grant. The Board of Directors determines the exercisability provisions of a stock option agreement at its sole discretion.

On August 10, 2021, the Company adopted the 2021 Equity Incentive Plan ("2021 Plan"). Under the 2021 Plan, the Company can grant incentive stock options, nonstatutory stock options, stock appreciation rights, restricted stock, restricted stock units and performance awards to employees, directors and consultants. The number of shares available for issuance under the 2021 Plan will be increased on the first day of each fiscal year, beginning on January 1, 2022, in an amount equal to the lesser of (i) a number of shares equal to four percent (4%) of the total number of shares of all classes of common stock of the Company outstanding on the last day of the immediately preceding fiscal year, or (ii) such number of shares determined by the Company's Board of Directors. On January 1, 2023, the number of shares available for issuance under 2021 plan increased by 24,904,113 shares.

Restricted Stock Units

The summary of RSU activity is as follows (in thousands, except per share data):

	Number of Units	Weighted-Average Grant Date Fair Value Per Share	Aggregate Intrinsic Value (in thousands)
Balances—December 31, 2022	28,537,127	$ 5.75	$ 95,599
Granted	12,180,784	$ 6.52	
Vested	(9,614,245)	$ 5.02	
Forfeited	(1,761,105)	$ 6.08	
Balances—September 30, 2023	29,342,561	$ 6.28	$ 189,260

On December 16, 2021, the Company's Board of Directors approved a performance-based bonus program under which RSUs were awarded in connection with the achievement of specified goals to be achieved in 2022 ("2022 Bonus Plan"). The RSUs awarded under 2022 Bonus Plan vested on January 1, 2023 and are included in Restricted Stock Units activity for the nine months ended September 30, 2023.

On February 27, 2023, the Company's Compensation Committee of the Board of Directors ("Compensation Committee") approved a performance-based bonus program under which RSUs will be awarded in connection with the achievement of specified goals in 2023 ("2023 Bonus Plan"). The RSU awards will be granted when the achievement of each goal is approved by the Compensation Committee in 2023, and the RSUs will vest in equal installments in each of January, February, March and April 2024 provided the employee or consultant continues to be a service provider through the relevant vesting dates. The target bonus opportunity is equal to 30% of the employee's base salary as of the applicable grant date, with stretch bonus goals that are one-third higher than the target amounts unless otherwise established by the Compensation Committee. In accordance with ASC 718 *Compensation - Stock Compensation*, awards under 2023 Bonus Plan and 2022 Bonus Plan are classified as a liability until such time that the respective milestones are met, at which point the liability is reclassified to equity. If it is determined that the milestone cannot be met, the liability will be reversed.

In June 2023, the Compensation Committee approved long-term incentive performance-based RSU awards ("LTI Awards") to certain employees of the Company. The LTI Awards vest in a single installment on June 21, 2026, provided that (i) certain performance conditions are met on or prior to that date and (ii) the employee continues to be a service provider through the vesting date.

The Company considers the probability of achieving each of the performance goals at the end of each reporting period and recognizes expense over the requisite service period when achievement of the goal is determined to be probable, and adjusts the expense if the probability of achieving the goal later changes.

The Company recorded stock-based compensation expense of $10.6 million and $25.1 million during the three and nine months ended September 30, 2023, respectively, in relation to 2023 Bonus Plan and LTI awards. The Company recorded stock-based compensation expense of $0.3 million and $15.1 million during the three and nine months ended September 30, 2022, respectively, in relation to the 2022 Bonus Plan.

Employee Stock Purchase Plan

On August 10, 2021, the Company adopted the 2021 Employee Stock Purchase Plan ("2021 ESPP"). Under the 2021 ESPP, participating employees may be offered the option to purchase shares of the Company's Common Stock at a purchase price which equals 85% of the fair market value of the Company's common stock on the enrollment date or on the exercise date, whichever is lower. The number of shares of common stock available for issuance under the 2021 ESPP will be increased on the first day of each fiscal year beginning on January 1, 2022, in an amount equal to the lesser of (i) a number of shares of common stock equal to half percent (0.5%) of the total number of shares of all classes of common stock of the Company on the last day of the immediately preceding fiscal year, or (ii) such number of shares determined by the Company's Board of Directors. On January 1, 2023, the number of shares available for issuance under 2021 ESPP increased by 3,113,014 shares. The 2021 ESPP's first offering and purchase periods began in November 2022 and the first purchase period ended in May 2023. As of September 30, 2023, the Company has issued 1,047,001 shares under the 2021 ESPP. The stock-based compensation expense recognized for the 2021 ESPP was $0.9 million and $2.6 million for the three and nine months ended September 30, 2023, respectively.

Stock-based Compensation Expense

The following sets forth the total stock-based compensation expense for the Company's stock awards included in the Company's condensed consolidated statements of operations (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Research and development expenses	$ 21,455	$ 9,409	$ 54,657	$ 37,519
Selling, general and administrative expenses	5,812	3,634	15,090	14,386
Total stock-based compensation expense	$ 27,267	$ 13,043	$ 69,747	$ 51,905

Shares subject to repurchase

The Company allows certain option holders to exercise unvested options to purchase shares of common stock. Common shares received from such early exercises are subject to a right of repurchase at the original issuance price. The Company's repurchase right with respect to these shares lapses as the shares vest. These awards are typically subject to a vesting period of six years. As of September 30, 2023 and December 31, 2022,2,285,856 and 3,923,509 shares, respectively, were subject to repurchase at a weighted average price of $0.10 per share and $0.10 per share, respectively, and $0.2 million and $0.4 million, respectively, was recorded within the other non-current liabilities on the Company's condensed consolidated balance sheets.

In addition, upon completion of the Reverse Recapitalization2,677,200 Series C Preferred shares which were subject to time-based vesting conditions were converted to restricted common shares. As of September 30, 2023 and December 31, 2022, the number of such shares that were subject to repurchase was 1,674,014 and 2,007,595, respectively.

Note 10. Related Party Transactions

The Company's Chief Executive Officer and founder has ownership interests in certain vendors providing services to the Company. The services purchased from these vendors include rent of office space and certain utilities and maintenance services related to the property on which the rented premises are located. Expenses and related payments to these vendors totaled $0.1 million and $0.5 million during the three and nine months ended September 30, 2023, respectively and $0.2 million and $0.6 million during the three and nine months ended September 30, 2022, respectively.

In addition, the Company entered into certain transactions with SummerBio in the year ended December 31, 2022. These transactions included purchases of COVID-19 testing services for the Company's employees and certain assets for a total amount of nil during the three and nine months ended September 30, 2023 and $0.2 million and $1.3 million during the three and nine months ended September 30, 2022, respectively.

Toyota Motor Corporation ("Toyota") is a beneficial owner of more than10% of the voting interests of the Company and has the right to designate a director for election to the Company's Board of Directors. Toyota is developing prototypes and supplying parts and materials for some of the Company's manufactured subassembly components. The Company made payments to Toyota for these parts and materials totaling $0.3 million and $1.1 million during the three and nine months ended September 30, 2023, respectively and nil during each of the three and nine months ended September 30, 2022. Additionally, the Company identified an embedded finance lease within the Company's purchase and sale agreement with Toyota for subassembly components in the amount of $3.6 million and nil as of September 30, 2023 and December 31, 2022, respectively.

Note 11. Net Income (Loss) per Share Attributable to Common Stockholders

We compute net income (loss) per share using the two-class method. Basic net income (loss) per share is computed using the weighted-average number of shares outstanding during the period. Diluted net income per share is computed using the weighted-average number of shares and the effect of potentially dilutive securities outstanding during the period. Potentially dilutive securities consist of restricted stock units, stock options and employee stock purchase plan rights. The dilutive effect of these shares is reflected in diluted earnings per share by application of the treasury stock method.

The following table sets forth the computation of basic and diluted net loss per share attributable to common stockholders (in thousands, except share and per share data):

	Three Months Ended September 30,		Nine Months Ended September 30,	
Basic net income (loss) per share:	2023	2022	2023	2022
Numerator:				
Net Income (loss) attributable to common stockholders	$ 1,525	$ (79,206)	$ (397,947)	$ (191,099)
Denominator:				
Basic weighted-average shares outstanding	672,559,810	583,970,409	638,388,011	581,458,391
Basic net income (loss) per share attributable to common stockholders	$ 0.00	$ (0.14)	$ (0.62)	$ (0.33)
Diluted net income (loss) per share:				
Numerator				
Net Income (loss) attributable to common stockholders	$ 1,525	$ (79,206)	$ (397,947)	$ (191,099)
Less:				
Income attributable to participating securities[(1)]	$ (46)	—	—	—
Diluted net income (loss) attributable to common stockholders	1,479	(79,206)	(397,947)	(191,099)
Denominator:				
Number of shares used in basic net income (loss) per share computation	672,559,810 —	583,970,409 —	638,388,011 —	581,458,391
Weighted-average dilutive securities	18,895,352	—	— —	—
Diluted weighted-average common stock outstanding	691,455,162	583,970,409	638,388,011	581,458,391
Diluted net income (loss) per share attributable to common stockholders	$ 0.00	$ (0.14)	$ (0.62)	$ (0.33)

(1) Participating securities include Earnout shares, unvested early exercised options and unvested restricted stock awards.

The following outstanding shares of potentially dilutive securities were excluded from the computation of diluted net income (loss) per share attributable to common stockholders for the periods presented because including them would have been antidilutive:

	Three Months Ended September 30,	Nine Months Ended September 30,
	2023	2023
Common stock warrants	28,783,333	28,783,333
Unvested restricted stock units	3,596,979	29,342,561
Options to purchase common stock and unvested restricted stock awards	3,959,867	18,216,147
ESPP	—	1,042,062
Total	36,340,179	77,384,103

	Three and Nine Months Ended September 30, 2022
Common stock warrants	28,783,333
Unvested restricted stock units	23,201,266
Options to purchase common stock and unvested restricted stock awards	25,145,381
Earnout Shares	17,130,000
Total	94,259,980

Note 12. Subsequent Events

The Company evaluated subsequent events and transactions that occurred up to the date financial statements were issued. The Company did not identify any subsequent events or transactions that would have required adjustment or disclosure in the financial statements.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis provides information that our management believes is relevant to an assessment and understanding of our condensed consolidated results of operations and financial condition. The discussion should be read together with our Condensed Consolidated Financial Statements and related notes appearing elsewhere in this Quarterly Report on Form 10-Q. This discussion and analysis includes forward looking statements that involve risks and uncertainties. Please see the section of this Quarterly Report on Form 10-Q titled "Special Note Regarding Forward-Looking Statements."

Overview

We have spent more than a decade designing and testing a piloted all-electric aircraft that can take off and land vertically, while cruising like a traditional airplane. The aircraft is quiet when taking off, near silent when flying overhead and is designed to transport a pilot and four passengers at speeds of up to 200 mph, with a range optimized for urban markets of 100 miles on a single charge. The low noise enabled by the all-electric powertrain will allow the aircraft to operate around dense, urban areas while blending into the background noise of cities. With more than 1,000 successful test flights already completed, and as the first eVTOL aircraft developer to receive a signed, stage 4 G-1 certification basis, we believe we are well positioned to be the first eVTOL manufacturer to earn airworthiness certification from the Federal Aviation Administration ("FAA").

We do not currently intend to sell these aircraft to third parties or individual consumers. Instead, we plan to manufacture, own and operate our aircraft, building a vertically integrated transportation company that will deliver transportation services to our customers, including the U.S. Air Force through contracted operations, and to individual end-users through a convenient app-based aerial ridesharing platform. We delivered our first aircraft for initial service operations with the Department of Defense in the third quarter of 2023, and our goal is to begin commercial passenger operations in 2025. We believe this business model will generate the greatest economic returns, while providing us with end-to-end control over the customer experience to optimize for customer safety, comfort and value. There may be circumstances in which it is either required (for example, due to operating restrictions on foreign ownership in other countries) or otherwise desirable to sell aircraft in the future. While we do not expect this would change our core focus on building a vertically integrated transportation company, we may choose to sell aircraft in circumstances where we believe there is a compelling business reason to do so.

Since our inception in 2009, we have been primarily engaged in research and development of eVTOL aircraft. We have incurred net operating losses and negative cash flows from operations in every year since our inception. As of September 30, 2023, we had an accumulated deficit of $1.1 billion. We have funded our operations primarily with proceeds from the issuance of stock, convertible notes and the proceeds from the merger described below.

The Merger

We entered into an Agreement and Plan of Merger (the "Merger Agreement") on February 23, 2021, with Reinvent Technology Partners, a special purpose acquisition company ("RTP"). Pursuant to the Merger Agreement, on August 10, 2021 (the "Closing Date"), Joby Aero, Inc. ("Legacy Joby") was merged with and into a wholly-owned subsidiary of RTP (the "Merger"). Legacy Joby survived as a wholly-owned subsidiary of RTP, which was renamed Joby Aviation, Inc. ("Joby Aviation").

The Merger is accounted for as a reverse capitalization in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Under this method of accounting, RTP is treated as the "acquired" company for financial reporting purposes. Accordingly, for accounting purposes, the financial statements of Joby Aviation represent a continuation of the financial statements of Legacy Joby, with the Merger being treated as the equivalent of Joby Aviation issuing stock for the net assets of RTP, accompanied by a recapitalization. Legacy Joby operations prior to the Merger are presented as those of Joby Aviation. The Merger, which raised $1,067.9 million, has significantly impacted our capital structure and operating results, supporting our product development, manufacturing and commercialization efforts.

As a result of becoming a reporting company with the SEC and NYSE-listed company, we have hired and will continue to hire additional personnel and implement procedures and processes to address public company regulatory requirements and customary practices. We expect to incur additional annual expenses as a public company for, among other things, directors' and officers' liability insurance, director fees, and additional internal and external accounting, legal and administrative resources.

All shares and per share amounts of Legacy Joby for all presented periods have been retrospectively adjusted using the exchange ratio that was established in accordance with the Merger Agreement (the "Exchange Ratio").

Key Factors Affecting Operating Results

For a more comprehensive discussion of the risks and uncertainties that could impact the Company's business, please see the section entitled "Risk Factors" in the Company's annual report on Form 10-K for the year ended December 31, 2022.

Development of the Urban Air Mobility ("UAM") market

Our revenue will be directly tied to the continued development of short distance aerial transportation. While we believe the market for UAM will be large, it remains undeveloped and there is no guarantee of future demand. We delivered our first aircraft for initial service operations with the Department of Defense in the third quarter of 2023, and our goal is to begin commercial passenger operations in 2025, and our business will require significant investment leading up to launching these services, including, but not limited to, final engineering designs, prototyping and testing, manufacturing, software development, certification, pilot training, infrastructure and commercialization.

We believe one of the primary drivers for adoption of our aerial ridesharing service is the value proposition and time savings offered by aerial mobility relative to traditional ground-based transportation. Additional factors impacting the pace of adoption of our aerial ridesharing service may include but are not limited to: perceptions about eVTOL quality, safety, performance and cost; perceptions about the limited range over which eVTOL may be flown on a single battery charge; volatility in the cost of oil and gasoline; availability of competing forms of transportation, such as ground, air taxi or ride-hailing services; the development of adequate infrastructure; consumers' perception about the safety, convenience and cost of transportation using eVTOL relative to ground-based alternatives; and increases in fuel efficiency, autonomy, or electrification of cars. In addition, macroeconomic factors could impact demand for UAM services, particularly if end-user pricing is at a premium to ground-based transportation alternatives or more permanent work-from-home behaviors persist following the COVID-19 pandemic. We anticipate initial operations with our U.S. government customers to be followed by operations in selected high-density metropolitan areas where traffic congestion is particularly acute and operating conditions are suitable for early eVTOL operations. If the market for UAM does not develop as expected, this would impact our ability to generate revenue or grow our business.

Competition

We believe that the primary sources of competition for our service are ground-based mobility solutions, other eVTOL developers/operators and local/regional incumbent aircraft charter services. While we expect to be first to market with an eVTOL facilitated aerial ridesharing service, we expect this industry to be dynamic and increasingly competitive; and our competitors could get to market before us, either generally or in specific markets. Even if we are first to market, we may not receive any competitive advantage or may be overtaken by other competitors. If new or existing aerospace companies launch competing solutions in the markets in which we intend to operate or 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 in the markets in which we intend to launch or in other markets. If we do not capture the first mover advantage that we anticipate, it may harm our business, financial condition, operating results and prospects. For a more comprehensive discussion, please see the section entitled "Risk Factors" in our annual report on Form 10-K for the year ended December 31, 2022.

Government Certification

We agreed to a signed, stage 4 "G-1" certification basis for our aircraft with the FAA in 2020. This agreement lays out the specific requirements that need to be met by our aircraft for it to be certified for commercial operations. Reaching this milestone marks a key step on the way towards certifying any new aircraft in the U.S. Our aircraft was originally intended to be certified in line with the FAA's existing Part 23 requirements for Normal Category Airplanes, with special conditions introduced to address requirements specific to our unique aircraft. In May 2022, the FAA indicated that they were revisiting the decision to certify all eVTOLs under Part 23 and would, instead, require certification under the "powered lift" classification. Based on the FAA's revised certification requirements, we re-signed an updated stage 4 "G-1" certification basis in July 2022 and it was published in the federal register in November 2022.

In 2022, we received our Part 135 operating certificate, which is required for us to operate an on-demand air service. While that currently allows us to operate the service with conventional aircraft, the FAA will need to publish operational regulations related to eVTOLs before we add our aircraft to our Part 135 operating certificate. The FAA has indicated that they do not expect the relevant operational regulations, or Special Federal Aviation Regulations ("SFARs"), for eVTOL aircraft to be finalized until late 2024. If the publication of the SFARs is further delayed, if the FAA requires further modifications to our existing G-1 certification basis, or if there are other regulatory changes or revisions, this could delay our ability to obtain type certification, and could delay our ability to launch our commercial passenger service.

In addition to certifying our aircraft, we will also need to obtain authorizations and certifications related to the production of our aircraft and the deployment of our aerial ridesharing service. While we anticipate being able to meet the requirements of such authorizations and certifications, we may be unable to obtain such authorizations and certifications, or to do so on the timeline we project. If we fail to obtain any of the required authorizations or certifications, or do so in a timely manner, or if any of these authorizations or certifications 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, which would have adverse effects on our business, prospects, financial condition and/or results of operations.

Agility Prime

In December 2020, we became, to the best of our knowledge, the first company to receive airworthiness approval for an eVTOL aircraft from the U.S. Air Force, and in the first quarter of 2021, we officially began on-base operations under contract pursuant to the U.S. Air Force's Agility Prime program. Our multi-year relationship with the Department of Defense and other U.S. government agencies provides us with a compelling opportunity to more thoroughly understand the operational capabilities and maintenance profiles of our aircraft in advance of commercial launch. In addition to the operational learnings and advanced research support, our contracts, which we expanded in July 2022 and again in April 2023, have a total potential value of more than $131 million through 2026. We are actively pursuing additional contracts and relationships that would further secure these on-base operations going forward. Our U.S. government contracting party may modify, curtail or terminate its contracts with us without prior notice, either at its convenience or for default based on performance, or may decline to accept performance or exercise subsequent option years. We may also be unable to secure additional contracts or continue to grow our relationship with the U.S. government and/or Department of Defense.

Impact of COVID-19

The impact of COVID-19, including changes in consumer and business behavior, pandemic fears and market downturns, and restrictions on business and individual activities, created significant volatility in the global economy and led to reduced economic activity. The spread of COVID-19, as well as the emergence of variants, also created disruptions in the manufacturing, delivery and overall supply chain for manufacturers and suppliers, and led to a decrease in the need for transportation services around the world.

As a result of the COVID-19 pandemic, we modified our business practices and implemented additional safety protocols for our on-site employees and contractors which we periodically update in an effort to respond to the latest public health guidance and to reduce the risk of exposure to COVID-19 or other seasonal illnesses. Although many governmental and other restrictions have been relaxed or eliminated, the emergence of additional variants may cause us to take further actions, or modify our current COVID-19 related business practices, as may be required by government authorities or that we determine are in the best interests of our employees, customers, suppliers, vendors and business partners.

Fully-Integrated Business Model

Our business model is to serve as a fully-integrated eVTOL transportation service provider. Present projections indicate that payback periods on aircraft will result in a viable business model over the long-term as production volumes scale and unit economics improve to support sufficient market adoption. As with any new industry and business model, numerous risks and uncertainties exist. Our projections are dependent on certifying and delivering aircraft on time and at a cost that will allow us to offer our service at prices that a sufficient number of customers will be willing to pay for the time and efficiency savings they receive from utilizing our eVTOL services. Our aircraft include parts and manufacturing processes unique to eVTOL aircraft, in general, and our product design, in particular. We have used our best efforts to estimate costs in our planning projections; however, the variable cost associated with assembling our aircraft at scale remains uncertain at this stage of development. Our fully-integrated business model also relies, in part, on developing and certifying component parts rather than sourcing already certified parts from third-party suppliers. While we believe this model will ultimately result in a more performant aircraft and better operating economics, the increased time and effort required to develop and certify these components may result in delays compared to alternative approaches. Our fully-integrated approach is also dependent on recruiting, developing and retaining the right talent at the right time to support engineering, certification, manufacturing, and go-to-market operations. As we progress through the certification process, we will have an increasing need to accelerate hiring in selected areas. If we are unable to add sufficient headcount it could impact our ability to meet our expected timelines for certification and entry into service.

The success of our business is also dependent, in part, on the utilization rate of our aircraft, which is the amount of time our aircraft spend in the air carrying passengers. We intend to maintain a high daily aircraft utilization rate, and reductions in utilization will adversely impact our financial performance. High daily aircraft utilization is achieved in part by reducing turnaround times at skyports. 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. Our aircraft may not be able to fly 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.

Components of Results of Operations

Research and Development Expenses

Research and development expenses consist primarily of personnel expenses, including salaries, benefits, and stock-based compensation, costs of consulting, equipment and materials, depreciation and amortization and allocations of overhead, including rent, information technology costs and utilities. Research and development expenses are partially offset by payments we received in the form of government grants, including those received under the Agility Prime program.

We expect our research and development expenses to increase as we increase staffing to support aircraft engineering and software development, build aircraft, and continue to explore and develop next generation aircraft and technologies.

Selling, General and Administrative Expenses

Selling, general and administrative expenses consist of personnel expenses, including salaries, benefits, and stock-based compensation, related to executive management, finance, legal, and human resource functions. Other costs include business development, contractor and professional services fees, audit and compliance expenses, insurance costs and general corporate expenses, including allocated depreciation, rent, information technology costs and utilities.

We expect our selling, general and administrative expenses to increase as we hire additional personnel and consultants to support our operations and comply with applicable regulations, including the Sarbanes-Oxley Act (“SOX”) and other SEC rules and regulations.

Investment in SummerBio, LLC

Following the outbreak of the COVID-19 pandemic, our management determined that certain previously developed technology that was accessible to us could be repurposed and applied to providing high-volume, rapid COVID-19 diagnostic testing. through its investment in, SummerBio, LLC (“SummerBio”), a related party. The Company accounts for its investment in SummerBio under the equity method of accounting with an ownership interest of approximately 44.5% as of September 30, 2023 and December 31, 2022. In June 2022, SummerBio notified us of its decision to wind down testing operations and close the business which SummerBio substantially executed by the end of December 2022.

The Company recognized income of nil and 19.0 million for the nine months ended September 30, 2023 and 2022, respectively.

Gain (Loss) from changes in Fair Value of Warrants and Earnout Shares Liabilities

Publicly-traded warrants (“Public Warrants”), private placement warrants issued to Sponsor (“Private Placement Warrants”) and warrants issued to Delta Air Lines, Inc. (“Delta Warrants”) and Earnout Shares are recorded as liabilities and subject to remeasurement to fair value at each balance sheet date. We expect to incur an incremental income (expense) in the condensed consolidated statements of operations for the fair value adjustments for these outstanding liabilities at the end of each reporting period.

2022 Acquisitions

On March 9, 2022, we completed the acquisition of an aerospace composite manufacturing company, whereby we acquired all the purchased assets and assumed selected liabilities in exchange for a total consideration consisting of (i) $1.5 million in cash, and (ii) RSUs with the aggregate acquisition date value of $0.1 million. The acquisition was accounted for as a business combination as the assets acquired and liabilities assumed constituted a business in accordance with ASC 805 *Business Combinations*. The purchase consideration of $1.5 million was allocated to the following: a $1.1 million in favorable lease assets, $0.4 million of acquired machinery and equipment, $0.1 million of acquired current assets, and $0.1 million of acquired current liabilities.

On May 17, 2022, we completed the acquisition of an aerospace software engineering company that specializes in full-lifecycle software and firmware development and verification to aviation regulatory standards, in exchange for total cash consideration of $7.2 million. The acquisition was accounted for as a business combination as the assets acquired and liabilities assumed constituted a business in accordance with ASC 805 *Business Combinations*. Part of the cash consideration in an amount of $2.2 million was temporarily retained by us to satisfy our post-closing indemnification claims, if any, against the seller. This retained amount of $2.2 million was released and paid to the seller during the three month ended June 30, 2023.

In relation to the acquisition, we issued 790,529 RSUs with an aggregate acquisition date value of approximately $4.5 million. We also paid $0.5 million to the employees of the acquired company, and settled accounts payable to the acquired company of $0.2 million. The RSUs vest contingent upon each employee's continued employment with the Company or its subsidiaries, and are recognized as stock-based compensation expense over the RSUs' vesting terms, commencing on the acquisition date.

The purchase consideration of $7.2 million was, preliminary, allocated to $3.3 million of goodwill, primarily resulting from the combined workforce and expected increased regulatory efficiencies, $2.5 million of total intangible assets comprising of $2.4 million of acquired customer relationships intangible asset and $0.1 million of acquired developed technology intangible asset, $1.5 million of acquired current assets, primarily cash and accounts receivable, $0.3 million of acquired fixed assets, and $0.4 million of acquired current liabilities. Amounts recognized as of the acquisition date are provisional and subject to change within the measurement period as the Company's fair value assessments are finalized. In September 2022, the company made certain measurement period adjustments, which included a working capital adjustment with the seller in accordance with the agreement terms, resulting in an increase to the purchase consideration of $0.1 million which was paid during the three months ended December 31, 2022. No other adjustments were made through the end of the measurement period which ended on May 16, 2023.

On November 30, 2022, the Company completed the purchase of certain real property, improvements and other assets ("Property") from Frederick Electronics Corporation, a Maryland corporation and Plantronics, Inc., a Delaware corporation ("Sellers") for a cash purchase price of $25.5 million. The Property consists of approximately 162,000 square feet across five buildings located at 333 Encinal Street, Santa Cruz, California and will be used as the Company's corporate headquarters. The acquisition was accounted for as an asset acquisition as substantially all of the fair value of the gross assets acquired was represented by a group of similar assets. The purchase consideration was allocated to $6.3 million of land, $17.7 million of buildings and site improvements and $1.5 million of equipment, fixtures and furniture.

Interest and Other Income, Net

Interest income consists primarily of interest earned on our cash and cash equivalents and investments in marketable securities.

Provision for Income Taxes

Our provision for income taxes consists of an estimate of federal, state, and foreign income taxes based on enacted federal, state, and foreign tax rates, as adjusted for allowable credits, deductions, uncertain tax positions, changes in deferred tax assets and liabilities, and changes in tax law. Due to the level of historical losses, we maintain a valuation allowance against U.S. federal and state deferred tax assets as it has been concluded it is more likely than not that these deferred tax assets will not be realized.

Results of Operations

Comparison of the Three Months Ended September 30, 2023 to the Three Months Ended September 30, 2022

The following table summarizes our historical results of operations for the periods indicated (in thousands, except percentage):

	Three Months Ended September 30,		Change	
	2023	2022	($)	(%)
Operating expenses				
Research and development	$ 100,559	$ 73,870	26,688	36 %
Selling, general and administrative	27,608	23,251	4,357	19 %
Total operating expenses	128,167	97,121	31,046	32 %
Loss from operations	(128,167)	(97,121)	(31,046)	32 %
Interest and other income, net	13,611	5,360	8,251	154 %
Gain (Loss) from change in fair value of warrants and earnout shares	116,109	12,560	103,549	824 %
Total other income, net	129,720	17,920	111,800	624 %
Income (Loss) before income taxes	1,553	(79,201)	80,754	(102)%
Income tax expenses	28	5	23	456 %
Net income (loss)	$ 1,525	$ (79,206)	80,731	(102)%

*n.m. marks changes that are not meaningful for further discussion

Research and Development Expenses

Research and development expenses increased by $26.7 million, or 36%, to $100.6 million during the three months ended September 30, 2023 from $73.9 million during the three months ended September 30, 2022. The increase was primarily attributable to increases in personnel to support aircraft engineering, software development, manufacturing process development, and certification, as well as increased quantity of materials used in prototype development and testing. These costs were partially offset by government research and development grants earned through operations as part of our Department of Defense contracts.

Selling, General and Administrative Expenses

Selling, general and administrative expenses increased by $4.4 million, or 19%, to $27.6 million during the three months ended September 30, 2023 from $23.3 million during the three months ended September 30, 2022. The increase was primarily attributable to increased headcount to support operations growth, including IT, legal, facilities, HR, and finance, as well as an increase in insurance cost and professional services cost related to legal, accounting and recruiting support.

Total Other Income, Net

Total other income, net increased by $111.8 million, to $129.7 million during the three months ended September 30, 2023 from income of $17.9 million during the three months ended September 30, 2022. The increase was primarily driven by a $103.5 million change in the fair value of warrants and earnout shares from a gain of $12.6 million during the three months ended September 30, 2022 to a gain of $116.1 million during the three months ended September 30, 2023. Additionally, total other income, net was increased by a $8.3 million increase in interest and other income due to increased interest rates on invested funds.

Comparison of the Nine Months Ended September 30, 2023 to the Nine Months Ended September 30, 2022

The following table summarizes our historical results of operations for the periods indicated (in thousands, except percentage):

	Nine Months Ended September 30,		Change	
	2023	2022	($)	(%)
Operating expenses				
Research and development	$ 264,926	$ 220,146	44,780	20 %
Selling, general and administrative	78,926	70,700	8,227	12 %
Total operating expenses	343,852	290,846	53,006	18 %
Loss from operations	(343,852)	(290,846)	(53,006)	18 %
Interest and other income, net	32,694	8,671	24,023	277 %
Income from equity method investment	—	19,039	(19,039)	(100)%
Gain (loss) from change in fair value of warrants and earnout shares	(86,671)	72,072	(158,743)	(220)%
Total other income (loss), net	(53,977)	99,782	(153,759)	(154)%
Loss before income taxes	(397,829)	(191,064)	(206,765)	108 %
Income tax expenses	118	35	83	238 %
Net loss	$ (397,947)	$ (191,099)	(206,848)	108 %

Research and Development Expenses

Research and development expenses increased by $44.8 million, or 20%, to $264.9 million during the nine months ended September 30, 2023 from $220.1 million during the nine months ended September 30, 2022. The increase was primarily attributable to increases in personnel to support aircraft engineering, software development, manufacturing process development, and certification, as well as increased quantity of materials used in prototype development and testing. These costs were partially offset by government research and development grants earned through operations as part of our Department of Defense contracts.

Selling, General and Administrative Expenses

Selling, general and administrative expenses increased by $8.2 million, or 12%, to $78.9 million during the nine months ended September 30, 2023 from $70.7 million during the nine months ended September 30, 2022. The increase was primarily attributable to increased headcount to support operations growth, including IT, legal, facilities, HR, and finance, as well as an increase in insurance cost and professional services cost related to legal, accounting and recruiting support.

Total Other Income (Loss), Net

Total other income (loss), net decreased by $153.8 million, or 154%, to a loss of $54.0 million during the nine months ended September 30, 2023 from income of $99.8 million during the nine months ended September 30, 2022. The decrease was primarily driven by a $158.7 million change in the fair value of warrants and earnout shares from a gain of $72.1 million during the nine months ended September 30, 2022 to a loss of $86.7 million during the nine months ended September 30, 2023 and a $19.0 million decrease in income from equity method investment in SummerBio due to the closure of the SummerBio business. These losses were partially offset by a $24.0 million increase in interest and other income due to increased interest rates on invested funds.

Liquidity and Capital Resources

Sources of Liquidity

We have incurred net losses and negative operating cash flows from operations since inception, and we expect to continue to incur losses and negative operating cash flows for the foreseeable future until we successfully commence sustainable commercial operations. To date, we have funded our operations primarily with proceeds from the Merger and issuance of stock and convertible notes. From inception through September 30, 2023, we raised net proceeds of $1,067.9 million from the Merger, $843.3 million from the issuances of Legacy Joby's redeemable convertible preferred stock and convertible notes,$60.0 million from issuance of shares and warrants to Delta Air Lines, Inc., $180.2 million in net proceeds from our registered direct offering to certain institutional investors and net proceeds of $99.9 million from our issuance of shares to SKT. As of September 30, 2023, we had cash, cash equivalents and restricted cash of $481.1 million and short-term investment in marketable securities of $632.1 million. Restricted cash, totaling $0.8 million, reflects cash temporarily retained for security deposit on leased facilities. We believe that our cash, cash equivalent and short-term investments will satisfy our working capital and capital requirements for at least the next twelve months.

Long-Term Liquidity Requirements

We expect our cash and cash equivalents on hand together with the cash we expect to generate from future operations will provide sufficient funding to support us through the expansion of our initial service operations in 2024. Until we generate sufficient operating cash flow to fully cover our operating expenses, working capital needs and planned capital expenditures, or if circumstances evolve differently than anticipated, we expect to utilize a combination of equity and debt financing to fund any future remaining capital needs. If we raise funds by issuing equity securities, dilution to stockholders may result. Any equity securities issued may also provide for rights, preferences, or privileges senior to those of holders of common stock. If we raise funds by issuing debt securities, these debt securities would have rights, preferences, and privileges senior to those of preferred and common stockholders. The terms of debt securities or borrowings could impose significant restrictions on our operations. The capital markets have in the past, and may in the future, experience periods of upheaval that could impact the availability and cost of equity and debt financing.

Our principal uses of cash in recent periods were to fund our research and development activities, personnel cost and support services. Near-term cash requirements will also include spending on manufacturing facilities, ramping up production and supporting production certification, scaled manufacturing operations for commercialization, infrastructure and skyport development, pilot training facilities, software development and production of aircraft. We do not have material cash requirements related to current contractual obligations. As such, our cash requirements are highly dependent upon management's decisions about the pace and focus of both our short and long-term spending.

Cash requirements can fluctuate based on business decisions that could accelerate or defer spending, including the timing or pace of investments, infrastructure and production of aircraft. Our future capital requirements will depend on many factors, including our revenue growth rate, the timing and the amount of cash received from our customers, the expansion of sales and marketing activities and the timing and extent of spending to support development efforts. In the future, we may enter into arrangements to acquire or invest in complementary businesses, products, and technologies, which could require us to seek additional equity or debt financing. If we require additional financing we may not be able to raise such financing on acceptable terms or at all. If we are unable to raise additional capital or generate cash flows necessary to continue our research and development and invest in continued innovation, we may not be able to compete successfully, which would harm our business, results of operations, and financial condition. If adequate funds are not available, we may need to reconsider our investments in production operations, the pace of our production ramp-up, infrastructure investments in skyports, expansion plans or limit our research and development activities, which could have a material adverse impact on our business prospects and results of operations.

Cash Flows

The following tables set forth a summary of our cash flows for the periods indicated (in thousands, except percentage):

	Nine Months Ended September 30,		Change	
	2023	**2022**	**($)**	**(%)**
Net cash (used in) provided by:				
Operating activities	$ (230,488)	$ (182,818)	(47,670)	26 %
Investing activities	276,703	(575,972)	852,675	(148)%
Financing activities	284,851	275	284,576	n.m.
Net increase (decrease) in cash, cash equivalents, and restricted cash	$ 331,066	$ (758,515)	1,089,581	(144)%

*n.m. marks changes that are not meaningful for further discussion

Net Cash Used in Operating Activities

Net cash used in operating activities for the nine months ended September 30, 2023 was $230.5 million, consisting primarily of a net loss of $397.9 million, adjusted for non-cash items and statement of operations impact from investing and financing activities which includes a $86.7 million loss from change in the fair value of warrants and earnout shares, $69.7 million stock-based compensation expense and $22.4 million depreciation and amortization expense, partially offset by a $14.4 million net accretion of our investments in marketable securities.

Net cash used in operating activities for the nine months ended September 30, 2022 was 182.8 million, consisting primarily of a net loss of $191.1 million, adjusted for non-cash items and statement of operations impact from investing and financing activities which includes $51.9 million stock-based compensation expense, $17.4 million depreciation and amortization expense and a net decrease in our net working capital of $30.9 million, primarily related to distributions from equity method investment, partially offset by a $72.1 million gain from change in the fair value of warrants and earnout shares and $19.0 million in income from equity method investment.

Net Cash Provided by (Used in) Investing Activities

Net cash provided by investing activities for the nine months ended September 30, 2023 was $276.7 million, primarily due to proceeds from sales and maturities of marketable securities of $733.6 million, partially offset by purchases of marketable securities of $434.1 million and purchases of property and equipment of $22.7 million.

Net cash used in investing activities for the nine months ended September 30, 2022 was $576.0 million, primarily due to purchases of marketable securities of $1,221.1 million, purchases of property and equipment of $24.4 million and acquisition of businesses of $5.7 million, partially offset by proceeds from the sales and maturities of marketable securities of $675.3 million.

Net Cash Provided by Financing Activities

Net cash provided by financing activities for the nine months ended September 30, 2023 was $284.9 million, primarily due to net proceeds of $180.2 million from our registered direct offering to certain institutional investors and net proceeds of $99.9 from our issuance of common shares to SKT, proceeds from the issuance of common stock under the 2021 ESPP of $3.8 million and $1.7 million proceeds from exercise of stock options and issuance of common stock warrants.

Net cash provided by financing activities for the nine months ended September 30, 2022 was $0.3 million, primarily due to proceeds from exercise of stock options and issuance common stock warrants of $1.2 million, partially offset by repayment of tenant improvement loan and capital lease obligation of $0.8 million.

Critical Accounting Policies and Estimates

Management's discussion and analysis of our financial condition and results of operations is based on our Condensed Consolidated Financial Statements, which have been prepared in accordance with U.S. GAAP. The preparation of these Condensed Consolidated Financial Statements requires us to make estimates and assumptions for the reported amounts of assets, liabilities, revenue, expenses and related disclosures. Our estimates are based on our historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions and any such differences may be material.

The accounting policies of the Company are the same as those set forth in Management's Discussion and Analysis of Financial Condition and Results of Operations section of the audited Consolidated Financial Statements contained in the Company's annual report on Form 10-K for the year ended December 31, 2022.

Recent Accounting Pronouncements

See Note 2 of our Condensed Consolidated Financial Statements included elsewhere in this Quarterly Report on Form 10-Q for more information regarding recently issued accounting pronouncements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Interest Rate Risk

We are exposed to market risk for changes in interest rates applicable to our short-term investments. We had cash, cash equivalents, restricted cash and investments in short-term marketable securities totaling $1,113.3 million as of September 30, 2023. Cash equivalents and short-term investments were invested primarily in money market funds, U.S. treasury bills and government and corporate bonds. Our investment policy is focused on the preservation of capital and supporting our liquidity needs. Under the policy, we invest in highly rated securities, issued by the U.S. government and corporations or liquid money market funds. We do not invest in financial instruments for trading or speculative purposes, nor do we use leveraged financial instruments. We utilize external investment managers who adhere to the guidelines of their investment policies. A hypothetical 10% change in interest rates would not have a material impact on the value of our cash, cash equivalents or short-term investments or our interest income.

Foreign Currency Risk

We are not exposed to significant foreign currency risks related to our operating expenses as our foreign operations are not material to our Condensed Consolidated Financial Statements.

Item 4. Controls and Procedures.

Management's Evaluation of Disclosure Controls and Procedures

We maintain "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act that are designed to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act is (1) recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms and (2) accumulated and communicated to our management, including our principal executive and principal financial officer, as appropriate to allow timely decisions regarding required disclosure. Our management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and our management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Our disclosure controls and procedures are designed to provide reasonable assurance of achieving their control objectives.

Our management, under the supervision and with the participation of our principal executive officer and principal financial and accounting officer, evaluated the effectiveness of our disclosure controls and procedures at the end of the period covered by this Quarterly Report. Based upon this evaluation, our principal executive officer and principal financial officer concluded that, as of the end of the period covered by this Quarterly Report, the design and operation of our disclosure controls and procedures were not effective because of our previously reported material weakness that was disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022.

Notwithstanding the identified material weakness, management, including our principal executive officer and principal financial and accounting officer, believe that the condensed consolidated financial statements contained in this Quarterly Report fairly present, in all material respects, our financial condition, results of operations and cash flows for the fiscal period presented in conformity with GAAP.

Ongoing Remediation of Material Weakness

While significant progress has been made to improve our internal control over financial reporting, not all aspects of our past material weakness have been sufficiently remediated. The remaining aspect of the material weakness, as of December 31, 2022, relates to the lack of sufficient accounting resources with deep technical accounting knowledge to identify and resolve complex accounting issues in a timely manner. Our management, with the oversight of the Audit Committee of our Board of Directors, continue to design and implement measures to remediate the remaining aspect of the material weakness. Remediation of the material weakness will require further validation and testing of the operating effectiveness of the applicable remedial controls over a sustained period of financial reporting cycles.

Changes in Internal Control over Financial Reporting

During the most recently completed fiscal quarter, other than the continuing implementation of remediation measures described above, there has been no change in our internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings.

We are subject to a variety of claims that arise from time to time in the ordinary course of our business. While management currently believes that resolving claims against us, individually or in aggregate, will not have a material adverse impact on our financial position, results of operations or statement of cash flows, these matters are subject to inherent uncertainties and management's view of these matters may change in the future. If an unfavorable final outcome were to occur, it may have a material adverse impact on our financial position, results of operations or cash flows for the period in which the effect becomes reasonably estimable.

Item 1A. Risk Factors.

Our business, prospects, financial condition, operating results and the price of our common stock may be affected by a number of factors, whether currently known or unknown, including but not limited to those described as risk factors, any one or more of which could, directly or indirectly, cause our actual operating results and financial condition to vary materially from past, or anticipated future, operating results and financial condition. For a more comprehensive discussion of the risks and uncertainties that could impact the Company's business, please see the section entitled "Risk Factors" in the Company's annual report on Form 10-K for the year ended December 31, 2022, filed with the SEC on March 1, 2023. Any of these factors, in whole or in part, as well as other risks not currently known to us or that we currently consider material, could materially and adversely affect our business, prospects, financial condition, operating results and the price of our common stock.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

None.

Item 6. Exhibits.

The following exhibits are filed or furnished as a part of, or incorporated by reference into, this Quarterly Report on Form 10-Q.

Exhibit Number	Description	Form	Exhibit	Filing Date	Filed Herewith
3.1	Amended and Restated Certificate of Incorporation of Joby Aviation, Inc.	S-4	3.2	7/6/2021	
3.2	Bylaws of Joby Aviation, Inc.	8-K	3.1	9/21/2023	
31.1	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				X
31.2	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				X
32.1*	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				X
32.2*	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				X
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.				
101.SCH	Inline XBRL Taxonomy Extension Schema Document				
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document				
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document				
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document				
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document				
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)				

* These certifications are furnished to the SEC pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and are deemed not filed for purposes of Section 18 of the Exchange Act, nor shall they be deemed incorporated by reference in any filing under the Securities Act of 1933, except as shall be expressly set forth by specific reference in such filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

		Joby Aviation, Inc.
Date: November 3, 2023	By:	/s/ JoeBen Bevirt
		JoeBen Bevirt
		Chief Executive Officer, Chief Architect and Director
Date: November 3, 2023	By:	/s/ Matthew Field
		Matthew Field
		Chief Financial Officer and Treasurer

EXHIBIT 31.1

CERTIFICATION
PURSUANT TO RULES 13a-14(a) AND 15d-14(a)
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, JoeBen Bevirt, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2023 of Joby Aviation, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a–15(f) and 15d–15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant’s other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: November 3, 2023

By: /s/ JoeBen Bevirt
JoeBen Bevirt
Chief Executive Officer and Chief Architect
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION
PURSUANT TO RULES 13a-14(a) AND 15d-14(a)
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Matthew Field, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2023 of Joby Aviation, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a–15(f) and 15d–15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: November 3, 2023

By: /s/ Matthew Field
Matthew Field
Chief Financial Officer and Treasurer
(Principal Financial Officer)

EXHIBIT 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Joby Aviation, Inc. (the "Company") on Form 10-Q for the quarterly period ended September 30, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, JoeBen Bevirt, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 3, 2023

/s/ JoeBen Bevirt

Name:	JoeBen Bevirt
Title:	Chief Executive Officer and Chief Architect (Principal Executive Officer)

EXHIBIT 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Joby Aviation, Inc. (the "Company") on Form 10-Q for the quarterly period ended September 30, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Matthew Field, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 3, 2023

/s/ Matthew Field

Name:	Matthew Field
Title:	Chief Financial Officer and Treasurer (Principal Financial Officer)