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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 June 30, 2022

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.)
2155 Delaware Avenue, Suite #225 **Santa Cruz, CA**	**95060**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (831) 426-3733

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.

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 number of shares of registrant's Common Stock outstanding as of August 9, 2022 was 607,568,358

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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, 2021, filed with the SEC on March 28, 2022. 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)

	June 30, 2022	December 31, 2021
Assets		
Current assets:		
Cash and cash equivalents	$ 311,089	$ 955,563
Short-term investments	840,378	343,248
Total cash, cash equivalents and short-term investments	1,151,467	1,298,811
Restricted cash	3,204	—
Other receivables	4,240	2,315
Prepaid expenses and other current assets	18,653	17,416
Total current assets	1,177,564	1,318,542
Property and equipment, net	61,042	53,155
Restricted cash	762	762
Equity method investment	20,144	20,306
Intangible assets	15,896	14,512
Goodwill	13,717	10,757
Other non-current assets	67,220	70,321
Total assets	$ 1,356,345	$ 1,488,355
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable	$ 1,908	$ 3,637
Accrued and other current liabilities	28,102	10,211
Total current liabilities	30,010	13,848
Stock repurchase liability	524	711
Warrant liability	31,230	44,902
Earnout shares liability	64,005	109,844
Other non-current liabilities	1,914	2,291
Total liabilities	127,683	171,596
Commitments and contingencies (Note 7)		
Stockholders' equity:		
Preferred stock: $0.0001 par value - 100,000,000 shares authorized at June 30, 2022 and December 31, 2021. No shares issued and outstanding at June 30, 2022 and December 31, 2021.	—	—
Common stock: $0.0001 par value - 1,400,000,000 and 1,400,000,000 shares authorized, 607,188,444 and 604,174,329 shares issued and outstanding at June 30, 2022 and December 31, 2021, respectively.	60	60
Additional paid-in capital	1,822,235	1,793,431
Accumulated deficit	(588,503)	(476,610)
Accumulated other comprehensive loss	(5,130)	(122)
Total stockholders' equity	1,228,662	1,316,759
Total liabilities and stockholders' equity	$ 1,356,345	$ 1,488,355

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 June 30,		Six Months Ended June 30,	
	2022	**2021**	**2022**	**2021**
Operating expenses:				
Research and development (including related party purchases of $583 and $464 for the three months ended June 30, 2022 and 2021, respectively, $1,227 and $976 for the six months ended June 30, 2022 and 2021, respectively.	$ 74,205	$ 54,034	$ 146,276	$ 88,218
Selling, general and administrative (including related party purchases of $128 and $131 for the three months ended June 30, 2022 and 2021, respectively, $289 and 236 for the six months ended June 30, 2022 and 2021, respectively)	25,177	14,336	47,449	25,980
Total operating expenses	99,382	68,370	193,725	114,198
Loss from operations	(99,382)	(68,370)	(193,725)	(114,198)
Interest and other income, net	2,583	229	3,371	709
Interest expense	(29)	(1,041)	(60)	(1,904)
Income from equity method investment	4,581	4,181	19,039	8,891
Gain from change in fair value of warrants and earnout shares	42,698	—	59,512	—
Total other income, net	49,833	3,369	81,862	7,696
Loss before income taxes	(49,549)	(65,001)	(111,863)	(106,502)
Income tax expense	25	5	30	9
Net loss	$ (49,574)	$ (65,006)	$ (111,893)	$ (106,511)
Net loss per share, basic and diluted	$ (0.09)	$ (0.58)	$ (0.19)	$ (0.96)
Weighted-average common stock outstanding, basic and diluted	581,265,924	111,898,795	580,184,274	111,458,101

The accompanying notes are an integral part of these condensed consolidated financial statements.

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	**2021**	**2022**	**2021**
Net loss	$ (49,574)	$ (65,006)	$ (111,893)	$ (106,511)
Other comprehensive (loss) gain:				
Unrealized loss on available-for-sale securities	(2,290)	(23)	(4,886)	(323)
Foreign currency translation gain (loss)	(160)	53	(122)	52
Total other comprehensive loss	(2,450)	30	(5,008)	(271)
Comprehensive loss	$ (52,024)	$ (64,976)	$ (116,901)	$ (106,782)

The accompanying notes are an integral part of these condensed consolidated financial statements.

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

	Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Equity (Deficit)
	Shares	Amount	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

The accompanying notes are an integral part of these condensed consolidated financial statements.

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

	Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity (Deficit)
	Shares	Amount	Shares	Amount				
Balance at January 1, 2021	332,764,215	$ 768,312	122,058,940	$ 12	$ 12,579	$ (296,286)	$ 527	$ (283,168)
Net loss	—	—	—	—	—	(41,505)	—	(41,505)
Issuance of redeemable convertible preferred stock	8,924,010	77,619	—	—	—	—	—	—
Stock-based compensation	—	—	—	—	4,808	—	—	4,808
Other noncash compensation expense	—	—	—	—	1,741	—	—	1,741
Issuance of common stock upon exercise of stock options	—	—	746,830	—	303	—	—	303
Vesting of early exercised stock options	—	—	—	—	75	—	—	75
Other comprehensive loss	—	—	—	—	—	—	(309)	(309)
Balance at March 31, 2021	341,688,225	$ 845,931	122,805,770	$ 12	$ 19,506	$ (337,791)	$ 218	$ (318,055)
Net loss	—	—	—	—	—	(65,006)	—	(65,006)
Issuance of redeemable convertible preferred stock	2,677,200	—	—	—	—	—	—	—
Stock-based compensation	—	—	—	—	6,992	—	—	6,992
Other noncash compensation expense	—	—	—	—	2,006	—	—	2,006
Issuance of common stock upon exercise of stock options	—	—	592,948	—	217	—	—	217
Vesting of early exercised stock options			—		112			112
Other comprehensive loss	—	—	—	—	—	—	38	38
Balance at June 30, 2021	344,365,425 344,365,425	$ 845,931	123,398,718	$ 12	$ 28,833	$ (402,797)	$ 256	$ (373,696)

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)

	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021
Cash flows from operating activities		
Net loss	$ (111,893)	$ (106,511)
Reconciliation of net loss to net cash used in operating activities:		
Depreciation and amortization expense	11,073	7,295
Non-cash interest expense and amortization of debt costs	—	1,789
Stock-based compensation expense	38,862	11,800
Write-off of in-process research and development project	—	5,030
Other non-cash compensation expense	—	3,747
Gain from change in the fair value of warrants and earnout shares	(59,512)	—
Income from equity method investment	(19,039)	(2,107)
Net accretion and amortization of investments in marketable debt securities	86	2,530
Changes in operating assets and liabilities		
Other receivables and prepaid expenses and other current assets	512	(2,734)
Other non-current assets	22,336	(124)
Accounts payable and accrued and other liabilities	3,064	1,752
Net cash used in operating activities	(114,511)	(77,533)
Cash flows from investing activities		
Purchase of marketable securities	(867,257)	(289,092)
Proceeds from sales of marketable securities	45,227	40,227
Proceeds from maturities of marketable securities	319,928	239,415
Purchases of property and equipment	(19,032)	(14,509)
Acquisition, net of cash	(5,707)	(4,981)
Net cash used in investing activities	(526,841)	(28,940)
Cash flows from financing activities		
Taxes paid related to net share settlement of equity awards	(85)	—
Proceeds from issuance of convertible notes	—	74,972
Proceeds from the exercise of stock options and warrants issuance	744	672
Repayments of tenant improvement loan and capital lease obligation	(577)	(554)
Payments for deferred offering costs	—	(1,621)
Net cash provided by financing activities	82	73,469
Net change in cash, cash equivalents and restricted cash	(641,270)	(33,004)
Cash, cash equivalents and restricted cash, at the beginning of the period	956,325	78,030
Cash, cash equivalents and restricted cash, at the end of the period	$ 315,055	$ 45,026
Reconciliation of cash, cash equivalents and restricted cash to condensed consolidated balance sheets		
Cash and cash equivalents	$ 311,089	$ 44,264
Restricted cash	3,966	762
Cash, cash equivalents and restricted cash	$ 315,055	$ 45,026
Non-cash investing and financing activities		
Unpaid property and equipment purchases	$ 236	$ 1,011
Uber acquisition in exchange for Series C redeemable convertible preferred stock	$ —	$ 77,619
Property and equipment purchased through capital leases	$ 252	$ 926

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, 2021.

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 as of June 30, 2022 and December 31, 2021 and results of operations for the three and six months ended June 30, 2022 and 2021 and cash flows for the six months ended June 30, 2022.

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, 2021, 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, 2021.

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, 2022, 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 an 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 June 30, 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 aerospace software engineering company in May 2022 (Note 4), (ii) a letter of credit associated with key equipment purchases of approximately $1.0 million, and (iii) a lease obligation of approximately $0.8 million. At December 31, 2021, restricted cash primarily related to collateral on a lease obligation of approximately $0.8 million.

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 43.4% as of June 30, 2022 and December 31, 2021.

In June 2022, SummerBio notified the Company of its decision to wind down testing operations and close the business. As a result, the Company recorded an impairment loss on the Company's investment of $6.8 million which is included within the income from equity method investment line on the condensed consolidated statement of operations and on the condensed consolidated statement of cash flow.

The Company recognized income of $4.6 million (net of impairment loss) and $4.2 million for the three months ended June 30, 2022 and 2021, respectively and income of $19.0 million (net of impairment loss) and $8.9 million for the six months ended June 30, 2022 and 2021, respectively, within income from equity method investment on the condensed consolidated statement of operations for its investment in SummerBio.

Recently Adopted Accounting Pronouncements

In January 2020, the FASB issued ASU 2020-01, *Investments - Equity Securities (Topic 321), Investments - Equity Method and Joint Ventures (Topic 323), and Derivatives and Hedging (Topic 815): Clarifying the Interactions Between Topic 321, Topic 323, and Topic 815 - a consensus of the FASB Emerging Issues Task Force*, which makes improvements related to the following two topics: (1) accounting for certain equity securities when the equity method of accounting is applied or discontinued, and (2) scope considerations related to forward contracts and purchased options on certain securities. The Company adopted this pronouncement in the first quarter of 2022 and the impact of the provisions of this standard on its Condensed Consolidated Financial Statements was immaterial.

New Accounting Pronouncements Not Yet Adopted

The Company is an "emerging growth company" as defined in the Jumpstart Our Business Startups Act of 2012. As such the Company is eligible for exemptions from various reporting requirements applicable to other public companies that are not emerging growth companies, including reduced reporting and extended transition periods to comply with new or revised accounting standards for public business entities. The Company has elected to avail itself of this exemption and, therefore, will not be subject to the timeline for adopting new or revised accounting standards for public business entities that are not emerging growth companies, and will follow the transition guidance applicable to private companies.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. In July 2018, the FASB issued ASU No. 2018-10, *Codification Improvements to Topic 842, Leases*, which provides clarification to ASU No. 2016-02. These ASUs require an entity to recognize a lease liability and a right-of-use asset in the balance sheets for leases with lease terms of more than 12 months. Lessor accounting is largely unchanged, while lessees will no longer be provided with a source of off-balance-sheet financing. This guidance is effective for fiscal years beginning after December 15, 2021, and for interim periods within fiscal years beginning after December 15, 2022. In July 2018, the FASB issued ASU No. 2018-11, *Leases (Topic 842): Targeted Improvements*, which allows entities to elect a modified retrospective transition method where entities may continue to apply the existing lease guidance during the comparative periods and apply the new lease requirements through a cumulative effect adjustment in the period of adoptions rather than in the earliest period presented. The Company is currently evaluating, but has not yet completed, the assessment of the quantitative impact that adopting these ASUs will have on its consolidated financial statements and assessing any changes to its processes and controls. The adoption of these ASUs will result in the recognition of right-of-use assets and the corresponding lease liabilities.

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which amends the impairment model by requiring entities to use a forward-looking approach based on expected losses to estimate credit losses on certain types of financial instruments, including trade receivables and available-for-sale debt securities. The guidance is effective for the Company beginning in the first quarter of 2023. The Company is evaluating the impact of adopting this guidance on its consolidated financial statements.

In December 2019, the FASB issued ASU No. 2019-12, *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes*, that simplifies the accounting for income taxes by eliminating certain exceptions related to the approach for intra-period tax allocation and modified the methodology for calculating income taxes in an interim period. It also clarifies and simplifies other aspects of the accounting for income taxes. The guidance is effective for the Company for fiscal years beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022 with early adoption permitted. The Company is evaluating the effect of this guidance on its consolidated financial statements.

In June, 2020, the FASB issued ASU No. 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. The guidance provides optional expedients and exceptions for applying generally accepted accounting principles to contract modifications and hedging relationships, subject to meeting certain criteria, that reference LIBOR or another reference rate expected to be discontinued. The guidance also establishes (1) a general contract modification principle that entities can apply in other areas that may be affected by reference rate reform and (2) certain elective hedge accounting expedients. The amendment is effective for all entities through December 31, 2022. The Company does not expect the adoption of this new standard to have a material impact on the Company's consolidated financial statements.

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 8) are classified as Level 1 because they are directly observable in the market. The Company classifies the Private Placement Warrants (as defined in Note 8) 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 the Earnout Shares Liability (as defined in Note 8) within Level 3. The Earnout Shares Liability is measured at fair value on a recurring basis. Changes in fair value of Level 3 liabilities are recorded in other income, 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 June 30, 2022 and December 31, 2021 (in thousands):

	June 30, 2022			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Money market funds	$ 291,003	$ —	$ —	$ 291,003
Cash equivalents	291,003	—	—	291,003
Term deposits	—	40,301	—	40,301
Asset backed securities	—	38,352	—	38,352
Government debt securities	—	344,485	—	344,485
Corporate debt securities	—	417,240	—	417,240
Available-for-sale investments	—	840,378	—	840,378
Total fair value of assets	$ 291,003	$ 840,378	$ —	$ 1,131,381
Liabilities measured at fair value				
Common stock warrant liabilities (Public)	$ 18,716	$ —	$ —	$ 18,716
Common stock warrant liabilities (Private Placement)	—	12,514	—	12,514
Earnout Shares Liability	—	—	64,005	64,005
Total fair value of liabilities	$ 18,716	$ 12,514	$ 64,005	$ 95,235

	December 31, 2021			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Money market funds	$ 929,842	$ —	$ —	$ 929,842
Cash equivalents	929,842	—	—	929,842
Term deposits	—	40,069	—	40,069
Asset backed securities	—	69,496	—	69,496
Government debt securities	—	47,308	—	47,308
Corporate debt securities	—	186,376	—	186,376
Available-for-sale investments	—	343,249	—	343,249
Total fair value of assets	$ 929,842	$ 343,249	$ —	$ 1,273,091
Liabilities measured at fair value				
Common stock warrant liabilities (Public)	$ 26,910	$ —	$ —	$ 26,910
Common stock warrant liabilities (Private Placement)	—	17,992	—	17,992
Earnout Shares Liability	—	—	109,844	109,844
Total fair value of liabilities	$ 26,910	$ 17,992	$ 109,844	$ 154,746

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

	June 30, 2022			
	Adjusted Basis	Unrealized Gains	Unrealized Losses	Recorded Basis
Assets measured at fair value				
Term deposits	$ 40,301	$ —	$ —	$ 40,301
Asset backed securities	38,653	8	(309)	38,352
Government debt securities	346,460	—	(1,975)	344,485
Corporate debt securities	420,077	—	(2,837)	417,240
Total	$ 845,491	$ 8	$ (5,121)	$ 840,378

	December 31, 2021			
	Adjusted Basis	Unrealized Gains	Unrealized Losses	Recorded Basis
Assets measured at fair value				
Term deposits	$ 40,069	$ —	$ —	$ 40,069
Asset backed securities	69,579	—	(83)	69,496
Government debt securities	47,355	—	(47)	47,308
Corporate debt securities	186,471	—	(95)	186,376
Total	$ 343,474	$ —	$ (225)	$ 343,249

There were no transfers between Level 1, Level 2 or Level 3 financial instruments in the six months ended June 30, 2022 and 2021.

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

	Earnout Shares Liability
Fair value as of January 1, 2022	$ 109,844
Change in fair value	(45,839)
Fair value as of June 30, 2022	$ 64,005

The fair value of the Earnout Shares Liability (see Note 8) are based on significant unobservable inputs, which represent Level 3 measurements within the fair value hierarchy.

Note 4. Acquisitions

2021 Acquisitions

On January 11, 2021, the Company entered into certain agreements with Uber Technologies, Inc. ("Uber"), under which it acquired Uber Elevate, Inc. ("Uber Elevate"), a portion of Uber's business dedicated to development of aerial ridesharing. In connection with the acquisition, the Company issued Uber a Convertible Promissory Note ("Uber CPN") and entered into a collaboration agreement (the "Uber Agreement").

The purchase price allocation for Uber Elevate is as follows (in thousands):

Automation platform software technology	$	7,200
Multimodal software technology		4,900
Simulation software technology		4,600
Total acquired finite-lived intangible assets		16,700
Goodwill		10,757
Property and equipment		630
Deferred tax asset		6,129
Total purchase consideration	$	34,216

On April 6, 2021, the Company completed the acquisition of an entity engaged in the development of transportation technology with application in the aviation sector, whereby it acquired all the outstanding shares of the entity in exchange for a purchase consideration of $5.0 million in cash. The acquisition was accounted for as an asset acquisition because 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 $5.0 million of the acquired in-process research and development ("IPR&D") assets, $0.1 million of the acquired current liabilities and $0.1 million of acquired current assets.

In relation to the acquisition, the Company issued 2,677,200 restricted shares of Legacy Joby Series C Preferred Stock with the aggregate acquisition date value of $23.9 million. The Series C Preferred Stock was converted into an equivalent number of shares of Legacy Joby common stock on a one-to-one basis immediately prior to the closing of the Merger, and then into the restricted shares of the Company's common stock at the time of the Merger. The restricted shares vest contingent upon each employee's continued employment with the Company or its subsidiaries, and are recognized as stock-based compensation expense over the restricted shares vesting terms.

On December 21, 2021, the Company completed the acquisition of an entity engaged in the development of radar systems technology with application in the aviation and other sectors, whereby it acquired all the outstanding shares of the entity in exchange for a total consideration consisting of (i) $2.8 million in cash, and (ii) 340,000 restricted stock units representing the right to receive an equivalent number of shares of the Company's common stock upon vesting ("RSUs") with the aggregate acquisition date value of $2.4 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 $2.8 million was allocated to $1.7 million of the acquired intangible assets, primarily developed technology, $1.2 million of the acquired current assets, primarily cash and account receivables, and $0.1 million of the acquired current liabilities.

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 is payable to the seller, net of indemnification claims, at the one-year anniversary of the acquisition. As of June 30, 2022, this retained amount of $2.2 million is presented as restricted cash on the Company's condensed consolidated balance sheet, with a related corresponding amount in accrued and other liabilities, reflecting obligations to the seller.

In relation to the acquisition, the Company issued 790,592 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 $2.9 million of goodwill, primarily resulting from the combined workforce and expected increased regulatory efficiencies, $2.7 million of total intangible assets comprising of $2.6 million of acquired customer relationships intangible asset and $0.1 million of acquired developed technology intangible asset, $1.7 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.

Note 5. Balance Sheet Components

Property and Equipment, Net

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

	June 30, 2022	December 31, 2021
Equipment	$ 54,070	$ 45,501
Computer software	9,452	8,410
Leasehold improvements	11,135	9,364
Molds and tooling	9,342	8,052
Vehicles and aircraft	1,582	1,198
Buildings	4,464	—
Furniture and fixtures	358	319
Construction in-progress	4,214	6,394
Gross property and equipment	94,617	79,238
Accumulated depreciation and amortization	(33,575)	(26,083)
Property and equipment, net	$ 61,042	$ 53,155

Depreciation and amortization expense of property and equipment for the three and six months ended June 30, 2022 was $4.5 million and $8.6 million, respectively and $3.0 million and $5.4 million for the three and six months ended June 30, 2021, 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):

	June 30, 2022	December 31, 2021
Automation platform software	$ 7,200	$ 7,200
Multimodal software technology	4,900	4,900
System simulation software technology	4,600	4,600
Other intangibles	5,509	1,655
Gross intangible assets	22,209	18,355
Accumulated amortization	(6,313)	(3,843)
Intangible assets, net	$ 15,896	$ 14,512

Amortization expense related to intangible assets for the three and six months ended June 30, 2022 was $1.4 million and $2.5 million, respectively and $1.0 million and $1.9 million for the three and six months ended June 30, 2021, respectively. As of June 30, 2022 the weighted-average amortization period of intangible assets was 2.92 years.

The following table presents the estimated future amortization expense of acquired amortizable intangible assets as of June 30, 2022 (in thousands):

Fiscal Year		Amount
2022 (remainder)		3,129
2023		6,197
2024		4,404
2025		2,166
	$	15,896

Prepaid Expenses and Other Current Assets

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

		June 30, 2022		December 31, 2021
Prepaid equipment	$	5,297	$	2,923
Prepaid software		3,770		4,494
Prepaid taxes		2,076		1,332
Prepaid insurance		6,430		8,031
Other		1,080		636
Total	$	18,653	$	17,416

Other non-current assets

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

		June 30, 2022		December 31, 2021
Contractual agreement asset	$	59,611	$	59,611
Long term prepaid insurance		6,591		10,511
Other non-current assets		1,018		199
Total	$	67,220	$	70,321

Accrued and other current liabilities

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

		June 30, 2022		December 31, 2021
2022 Bonus Plan accrual (Note 9)	$	10,905		—
Vendor related accruals	$	8,299	$	4,220
Payroll accruals	$	3,633	$	4,026
Acquisition-related obligation accrual	$	2,167		—
Other accruals and current liabilities	$	3,098	$	1,965
Total	**$**	**28,102**	**$**	**10,211**

Note 6. Leases

Operating Leases

The Company leases various office and research and development facilities under operating lease agreements that expire at various dates through October 2050. Under the terms of the agreements, the Company is responsible for certain insurance, property taxes and maintenance expenses. The Company recognizes rent expense on a straight-line basis over the term of the operating leases. Any difference between cash payments required and rent expense is recorded as deferred rent. Rent expense for the three and six months ended June 30, 2022 was $1.4 million and $2.8 million, respectively and $1.3 million and $2.6 million for the three and six months ended June 30, 2021, respectively.

Aggregate future minimum lease payments required under the operating leases at June 30, 2022 are as follows (in thousands):

As of June 30, 2022	Amount
2022 (remaining six months)	2,938
2023	4,632
2024	3,705
2025	791
2026	729
2027 and thereafter	3,174
Total minimum future lease payments, operating leases	$ 15,969

Capital Leases

The Company purchased equipment with total gross book value of $4.5 million under capital lease agreements, of which $0.3 million and $0.9 million was purchased during the six months ended June 30, 2022 and during the year ended December 31, 2021, respectively. Interest rates for the capital leases have ranged from 3.95% to 15.0% per annum. Accumulated depreciation for equipment acquired under the capital leases was $1.4 million and $1.1 million as of June 30, 2022 and December 31, 2021, respectively.

Aggregate future minimum principal lease payments under the capital leases at June 30, 2022 are as follows (in thousands):

As of June 30, 2022	Amount
2022 (remaining six months)	365
2023	294
2024	231
2025	159
2026	150
2027 and thereafter	50
Total payments	1,249
Less current portion	(583)
Noncurrent portion	$ 666

Note 7. Commitments and Contingencies

Contingencies

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 June 30, 2022, and December 31, 2021, 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 June 30, 2022 and December 31, 2021.

Note 8. 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 months ended June 30, 2022, 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 six months ended June 30, 2022, the Private Placement Warrant liability was remeasured to fair value as of June 30, 2022, resulting in a gain of $6.5 million and $5.5 million , respectively, which is included within the gain from change in the fair value of warrants and earnout shares in the condensed consolidated statements of operations.

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 six months ended June 30, 2022, the public warrant liability was remeasured to fair value based upon the market price as of June 30, 2022, resulting in a gain of $9.7 million and $8.2 million, respectively, classified within the gain from change in the fair value of warrants and earnout shares in the condensed consolidated statements of operations.

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 other income (expense), 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 June 30, 2022.

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 six months ended June 30, 2022, the Company recognized a gain related to the change in the fair value of the Earnout Shares Liability of $26.4 million and $45.8 million, respectively, included within the gain from change in fair value of warrants and earnout shares in the condensed consolidated statement of operations.

Assumptions used in the valuation are as follows:

	June 30, 2022	December 31, 2021
Expected volatility	63.90 %	72.10 %
Risk-free interest rate	3.00 %	1.51 %
Dividend rate	0.00 %	0.00 %
Expected term (years)	9.11	9.61

Note 9. Stock-based Compensation

2016 and 2021 Stock Plans

In November 2016, the Company's Board of Directors adopted the 2016 Stock Option and Grant Plan (the "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.

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, 2022, the number of shares available for issuance under 2021 plan increased by 24,167,201 shares.

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, 2022, the number of shares available for issuance under 2021 ESPP increased by 3,020,900 shares. As of June 30, 2022, the Company has not yet implemented the 2021 ESPP and no shares have been issued under the 2021 ESPP.

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, 2021	10,032,871	$ 8.60	$ 73,240
Granted	15,936,403	$ 5.60	
Vested	(1,632,019)	$ 8.02	
Forfeited	(856,394)	$ 7.54	
Balances—June 30, 2022	23,480,861	$ 6.64	$ 115,291

On December 16, 2021, the Company's Board of Directors approved a performance-based bonus program under which RSUs will be awarded in connection with the achievement of specified goals to be achieved in 2022 ("2022 Bonus Plan"). The RSU awards will be granted when the achievement of each goal is approved by the Company's Board of Directors or Compensation Committee, and the RSUs will vest on January 1, 2023 provided the employee or consultant continues to be a service provider on that date. The target bonus opportunity is equal to 30% of the employee's base salary as of the applicable grant date unless otherwise established by the Company's Compensation Committee, with stretch bonus goals that are one-third higher than the target amounts.

The Company recorded stock-based compensation expense of $7.5 million and $14.8 million during the three and six months ended June 30, 2022, respectively, in relation to 2022 Bonus Plan. The Company will consider the probability of achieving of each of the performance goals at the end of each reporting period and will recognize expense over the requisite period when achievement of the goal is determined to be probable, and will adjust the expense if the probability of achieving the goal later changes. In accordance with ASC 718 *Compensation - Stock Compensation*, awards under 2022 Bonus Plan are classified as a liability until such time that the respective milestones have been 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.

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 June 30, 2022 and December 31, 2021,5,381,017 and 6,918,483 shares, respectively, were subject to repurchase at a weighted average price of $0.10 per share and $0.10 per share, respectively, and $0.5 million and $0.7 million, respectively, was recorded within the stock repurchase liability in early exercised stock option 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 June 30, 2022, the number of such shares that were subject to repurchase was 2,231,000.

Stock-based Compensation Expense

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Research and development expenses	$ 13,387	$ 4,820	$ 28,110	$ 7,939
Selling, general and administrative expenses	6,046	2,172	10,752	3,861
Total stock-based compensation expense	$ 19,433	$ 6,992	$ 38,862	$ 11,800

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 $0.2 million and $0.4 million during the three and six months ended June 30, 2022, respectively and $0.4 million and $0.7 million during the three and six months ended June 30, 2021, respectively. The Company owed these vendors nil and $0.1 million as of June 30, 2022 and December 31, 2021, respectively.

In addition, the Company entered into certain transactions with SummerBio. These transactions included purchases of COVID-19 testing services for the Company's employees for a total amount of $0.5 million and $1.1 million during the three and six months ended June 30, 2022, respectively and $0.2 million and $0.6 million during the three and six months ended June 30, 2021, respectively. Total amount due to SummerBio was $0.2 million and $0.1 million at June 30, 2022 and December 31, 2021, respectively.

Note 11. Net Loss per Share Attributable to Common Stockholders

Basic net loss per share is computed by dividing the net loss by the weighted-average number of common shares outstanding for the period. Because the Company reported a net loss for the three and six months ended June 30, 2022 and 2021, the number of shares used to calculate diluted net loss per common share is the same as the number of shares used to calculate basic net loss per common share for those periods presented because the potentially dilutive shares would have been antidilutive if included in the calculation.

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 June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Numerator:				
Net loss attributable to common stockholders	$ (49,574)	$ (65,006)	$ (111,893)	$ (106,511)
Denominator:				
Weighted-average shares outstanding	581,265,924	111,898,795	580,184,274	111,458,101
Net loss per share attributable to common stockholders, basic and diluted	$ (0.09)	$ (0.58)	$ (0.19)	$ (0.96)

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

	June 30, 2022	June 30, 2021
Common stock warrants	28,783,333	758,516
Unvested restricted stock units	23,480,861	10,255,455
Unvested early exercised common stock options	5,381,017	8,556,236
Options to purchase common stock and unvested restricted stock awards	21,626,741	25,916,254
Earnout Shares	17,130,000	—
Redeemable convertible preferred stock	—	344,365,425
Redeemable convertible preferred stock warrants	—	68,650
Total	96,401,952	389,920,536

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 maximum range of 150 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 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, with a goal to begin service in 2024. 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.

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 June 30, 2022, we had an accumulated deficit of $588.5 million. We have funded our operations primarily with proceeds from the issuance of redeemable convertible preferred stock 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 U.S. Securities and Exchange Commission ("SEC") and NYSE-listed company, we have 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, 2021.

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 are targeting service beginning in 2024, 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 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 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 fully realize the benefits we anticipate, and 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 and obtain large-scale capital investment, we may face increased competition. Additionally, our competitors may benefit from our efforts in developing consumer and community acceptance for eVTOL aircraft and aerial ridesharing, making it easier for them to obtain the permits and authorizations required to operate an aerial ridesharing service in the markets in which we intend to launch or in other markets. In the event 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 the Company's annual report on Form 10-K for the year ended December 31, 2021.

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. The FAA indicated that they did not expect this change to affect current certification timelines. Based on the FAA's revised certification requirements, we re-signed an updated stage 4 "G-1" certification basis in July 2022.

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 U.S. Air Force 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, have a potential value of more than $75 million through 2025. 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 and 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, has 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, has also created disruptions in the manufacturing, delivery and overall supply chain for manufacturers and suppliers, and has led to a decrease in the need for transportation services around the world.

As a result of the COVID-19 pandemic, we have modified our business practices and implemented additional safety protocols for essential workers. We may take further actions, or modify our 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. While the ultimate duration and extent of the COVID-19 pandemic depends on future developments that cannot be accurately predicted, such as the extent and effectiveness of containment actions, the emergence of variants, and vaccine efficacy and uptake, it has already had an adverse effect on the global economy, and the ultimate societal and economic impact of the COVID-19 pandemic, as well as the ultimate impact on our business, remains unknown.

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 numerous 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.

The success of our business also is dependent, in part, on the utilization rate of our aircraft and reductions in utilization will adversely impact our financial performance. We intend to maintain a high daily aircraft utilization rate which is the amount of time our aircraft spend in the air carrying passengers. High daily aircraft utilization is achieved in part by reducing turnaround times at 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 safely in poor weather conditions, including snowstorms, thunderstorms, high winds, lightning, hail, known icing conditions and/or fog. Our inability to operate safely 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 prototypes, 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 commercialization efforts and comply with the applicable provisions of 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. To enable the development and deployment of this technology, in May 2020, SummerBio, LLC ("SummerBio") was established. SummerBio was 100% beneficially owned by us, and a fully consolidated subsidiary until August 24, 2020.

On August 24, 2020, SummerBio raised additional financing through issuing equity instruments to other investors and changed the structure of its board of directors, as a result of which we concluded that on August 24, 2020 we no longer had a controlling interest in SummerBio. We concluded that our retained interest in SummerBio should be accounted for under the equity method. Accordingly, we deconsolidated SummerBio, recognized our remaining investment in SummerBio as an equity investment at a fair value of $5.2 million, derecognized net liabilities of SummerBio of $1.7 million and recognized a gain on deconsolidation of $6.9 million, which is included in other income on the condensed consolidated statement of operations for the year ended December 31, 2020. In December 2021, we recorded a $1.0 million reduction to our investment in SummerBio due to increase in SummerBio employees' stock based awards, which diluted our equity interest in SummerBio.

In June 2022, SummerBio notified us of its decision to wind down testing operations and close the business. As a result, we recorded an impairment loss on our investment of $6.8 million which is included within the income from equity method investment line on the condensed consolidated statement of operations.

We recognized our share of earnings of SummerBio as income from equity method investment on the condensed consolidated statement of operations for the total amount of $19.0 million (net of impairment loss) and $8.9 million for the six months ended June 30, 2022 and 2021, respectively.

Gain from changes in fair value of Warrants and Earnout Shares Liabilities

Publicly-traded warrants ("Public Warrants"), and private placement warrants issued to Sponsor ("Private Placement 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.

2021 Acquisitions

On January 11, 2021, we entered into certain agreements with Uber Technologies, Inc. ("Uber"), under which we acquired Uber Elevate, Inc. ("Uber Elevate"), a portion of Uber's business dedicated to development of aerial ridesharing. In connection with the acquisition, the Company issued Uber a Convertible Promissory Note ("Uber CPN") and entered into a collaboration agreement (the "Uber Agreement").

The purchase price allocation for Uber Elevate is as follows (in thousands):

Automation platform software technology		7,200
Multimodal software technology		4,900
Simulation software technology		4,600
Total acquired finite-lived intangible assets		16,700
Goodwill		10,757
Property and equipment		630
Deferred tax asset		6,129
Total purchase consideration	$	34,216

On April 6, 2021, we completed the acquisition of an entity engaged in the development of transportation technology with application in the aviation sector, whereby we acquired all the outstanding shares of the entity in exchange for a purchase consideration of $5.0 million in cash. The acquisition was accounted for as an asset acquisition because 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 $5.0 million of the acquired in-process research and development ("IPR&D") assets, $0.1 million of the acquired current liabilities and $0.1 million of acquired current assets.

In relation to the acquisition, we issued 2,677,200 restricted shares of Legacy Joby Series C Preferred Stock with the aggregate acquisition date value of $23.9 million. The Series C Preferred Stock was converted into an equivalent number of shares of Legacy Joby common stock on a one-to-one basis immediately prior to the closing of the Merger, and then into the restricted shares of the Company's common stock at the time of the Merger. The restricted shares vest contingent upon each employee's continued employment with the Company or its subsidiaries, and are recognized as stock-based compensation expense over the restricted shares vesting terms.

On December 21, 2021, we completed the acquisition of an entity engaged in the development of radar systems technology with application in the aviation and other sectors, whereby we acquired all the outstanding shares of the entity in exchange for a total consideration consisting of (i) $2.8 million in cash, and (ii) 340,000 restricted stock units representing the right to receive an equivalent number of shares of the Company's common stock upon vesting ("RSUs") with the aggregate acquisition date value of $2.4 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 $2.8 million was allocated to $1.7 million of the acquired intangible assets, primarily developed technology, $1.2 million of the acquired current assets, primarily cash and account receivables, and $0.1 million of the acquired current liabilities.

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 is payable to the seller, net of indemnification claims, at the one-year anniversary of the acquisition. As of June 30, 2022, this retained amount of $2.2 million is presented as restricted cash on the Company's condensed consolidated balance sheet, with a related corresponding amount in accrued and other liabilities, reflecting obligations to the seller.

In relation to the acquisition, we issued 790,592 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 $2.9 million of goodwill, primarily resulting from the combined workforce and expected increased regulatory efficiencies, $2.7 million of total intangible assets comprising of $2.6 million of acquired customer relationships intangible asset and $0.1 million of acquired developed technology intangible asset, $1.7 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.

Interest and Other Income

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

Interest Expense

Interest expense consists primarily of the interest on our convertible notes, equipment finance leases and tenant improvement loans. Interest on convertible notes relates to Legacy Joby Series C redeemable convertible preferred notes issued to Uber in January 2021. Upon closing of the Merger, the unpaid principal amount of $75.0 million plus accrued and unpaid interest in the amount of $2.2 million was converted into 7,716,780 shares of common stock of Joby Aviation.

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 June 30, 2022 to the Three Months Ended June 30, 2021

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

	Three Months Ended June 30,		Change	
	2022	**2021**	**($)**	**(%)**
Operating expenses				
Research and development	$ 74,205	$ 54,034	20,171	37 %
Selling, general and administrative	25,177	14,336	10,841	76 %
Total operating expenses	99,382	68,370	31,012	45 %
Loss from operations	(99,382)	(68,370)	(31,012)	45 %
Interest and other income, net	2,583	229	2,354	n.m.
Interest expense	(29)	(1,041)	1,012	(97)%
Income from equity method investment	4,581	4,181	400	10 %
Gain from change in fair value of warrants and earnouts shares	42,698	—	42,698	100 %
Total other income, net	49,833	3,369	46,464	n.m.
Loss before income taxes	(49,549)	(65,001)	15,452	(24)%
Income tax expenses	25	5	20	400 %
Net loss	(49,574)	(65,006)	15,432	(24)%

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

Research and Development Expenses

Research and development increased by $20.2 million, or 37%, to $74.2 million during the three months ended June 30, 2022 from $54.0 million during the three months ended June 30, 2021. 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 $10.8 million, or 76%, to $25.2 million during the three months ended June 30, 2022 from $14.3 million during the three months ended June 30, 2021. 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 $46.5 million, to $49.8 million during the three months ended June 30, 2022 from $3.4 million during the three months ended June 30, 2021. The increase was primarily driven by a $42.7 million gain from changes in fair value of warrants and earnout shares, and a $2.4 million increase in interest and other income due to increased interest rates on higher invested funds.

Comparison of the Six Months Ended June 30, 2022 to the Six Months Ended June 30, 2021

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

	Six Months Ended June 30,		Change	
	2022	**2021**	**($)**	**(%)**
Operating expenses				
Research and development	$ 146,276	$ 88,218	58,058	66 %
Selling, general and administrative	47,449	25,980	21,469	83 %
Total operating expenses	193,725	114,198	79,527	70 %
Loss from operations	(193,725)	(114,198)	(79,527)	70 %
Interest and other income, net	3,371	709	2,662	375 %
Interest expense	(60)	(1,904)	1,844	(97)%
Income from equity method investment	19,039	8,891	10,148	114 %
Gain from change in fair value of warrants and earnout shares	59,512	—	59,512	100 %
Total other income, net	81,862	7,696	74,166	964 %
Loss before income taxes	(111,863)	(106,502)	(5,361)	5 %
Income tax expenses	30	9	21	233 %
Net loss	$ (111,893)	$ (106,511)	(5,382)	5 %

Research and Development Expenses

Research and development increased by $58.1 million, or 66%, to $146.3 million during the six months ended June 30, 2022 from $88.2 million during the six months ended June 30, 2021. 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 $21.5 million, or 83%, to $47.4 million during the six months ended June 30, 2022 from $26.0 million during the six months ended June 30, 2021. 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 $74.2 million, or 964%, to $81.9 million during the six months ended June 30, 2022 from $7.7 million during the six months ended June 30, 2021. The increase was primarily driven by a $59.5 million gain from changes in fair value of warrants and earnout shares, a $10.1 million increase in income from equity method investment in SummerBio, a $2.7 million increase in interest and other income due to increased interest rates on higher invested funds and a $1.8 million decrease in interest expense.

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 redeemable convertible preferred stock and convertible notes. From inception through June 30, 2022, we raised net proceeds of $1,067.9 million from the Merger and $843.3 million from the issuances of Legacy Joby's redeemable convertible preferred stock and convertible notes. As of June 30, 2022, we had cash, cash equivalents and restricted cash of $315.1 million and short-term investment in marketable securities of $840.4 million. Restricted cash, totaling $4.0 million, reflects cash temporarily retained by us to satisfy our post-closing indemnification claims, if any, against the seller, in connection with the acquisition of aerospace software engineering company in May 2022, security deposit on leased facilities and a letter of credit for a new vendor. We believe that our cash on hand 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 to initial service operations. 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. In the event that 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):

	Six Months Ended June 30,		Change	
	2022	2021	($)	(%)
Net cash (used in) provided by:				
Operating activities	$ (114,511)	$ (77,533)	(36,978)	48 %
Investing activities	(526,841)	(28,940)	(497,901)	n.m.
Financing activities	82	73,469	(73,387)	(100)%
Net (decrease) increase in cash, cash equivalents, and restricted cash	$ (641,270)	$ (33,004)	(608,266)	n.m.

*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 six months ended June 30, 2022 was $114.5 million, consisting primarily of a net loss of $111.9 million, adjusted for non-cash items and statement of operations impact from investing and financing activities which includes $38.9 million stock-based compensation expense, $11.1 million depreciation and amortization expense, $0.1 million net accretion and amortization of our investments in marketable securities and a net decrease in our net working capital of $25.9 million, primarily related to distributions from equity method investment, partially offset by a $59.5 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 used in operating activities for the six months ended June 30, 2021 was $77.5 million, consisting primarily of a net loss of $106.5 million, which included $11.8 million stock-based compensation expense, a $7.3 million depreciation and amortization expense, $5.0 million write-off of acquired in-process research and development assets, $3.7 million other noncash compensation expense, $2.5 million net accretion and amortization of our investments in marketable securities,$2.1 million income from equity method investment, $1.8 million non-cash interest expense, and an increase in our net working capital of $1.2 million, reflecting primarily lower receivables.

Net Cash Used in Investing Activities

Net cash used in investing activities for the six months ended June 30, 2022 was $526.8 million, primarily due to purchases of marketable securities of $867.3 million, purchases of property and equipment of $19.0 million and acquisition of businesses of $5.7 million, partially offset by proceeds from the sales of marketable securities of $45.2 million and proceeds from maturities of marketable securities of $319.9 million.

Net cash used in investing activities for the six months ended June 30, 2021 was $28.9 million , primarily due to purchases of marketable securities of $289.1 million and purchases of property and equipment of $14.5 million and acquisition of $5.0 million, offset by proceeds from the sales of marketable securities of $40.2 million and proceeds from maturities of marketable securities of $239.4 million.

Net Cash Provided by Financing Activities

Net cash provided by financing activities for the six months ended June 30, 2022 was $0.1 million, primarily due to proceeds from exercise of stock options and issuance common stock warrants of $0.7 million, partially offset by repayment of tenant improvement loan and capital lease obligation of $0.6 million.

Net cash provided by financing activities for the six months ended June 30, 2021 was $73.5 million, primarily due to proceeds from issuance of the convertible note to Uber for a net amount of $75.0 million, $0.6 million from exercise of stock options and stock purchase rights, and $0.1 million from issuance preferred stock warrants, partially offset with payments for deferred offering costs of $1.6 million, $0.4 million capital lease obligations and repayment of tenant improvement loan of $0.1 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, 2021.

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.

Emerging Growth Company Accounting Election

Section 102(b)(1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a registration statement declared effective under the Securities Act of 1933, as amended (the "Securities Act") or do not have a class of securities registered under the Securities Exchange Act of 1934, as amended, (the "Exchange Act")) are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies but any such election to opt out is irrevocable. RTP was an "emerging growth company" as defined in Section 2(a) of the Securities Act and had elected to take advantage of the benefits of this extended transition period,

We plan to use this extended transition period for complying with new or revised accounting standards that have different effective dates for public business entities and non-public business entities until the earlier of the date we (a) are no longer an emerging growth company and (b) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. This may make it difficult or impossible to compare our financial results with the financial results of another public company that is either not an emerging growth company or is an emerging growth company that has chosen not to take advantage of the extended transition period exemptions because of the potential differences in accounting standards used.

In addition, we intend to rely on the other exemptions and reduced reporting requirements provided by the JOBS Act. Subject to certain conditions set forth in the JOBS Act, if, as an emerging growth company, we intend to rely on such exemptions, we are not required to, among other things: (a) provide an auditor's attestation report on our system of internal control over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act: (b) provide all of the compensation disclosure that may be required of non-emerging growth public companies under the Dodd-Frank Wall Street Reform and Consumer Protection Act; (c) comply with any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the condensed consolidated financial statements (auditor discussion and analysis); and (d) disclose certain executive compensation-related items such as the correlation between executive compensation and performance and comparisons of the Chief Executive Officer's compensation to median employee compensation.

We will remain an emerging growth company until the earlier of: (1) the last day of the fiscal year (a) following the fifth anniversary of the closing of our initial public offering, (b) in which we have total annual gross revenue of at least $1.07 billion or (c) in which we are deemed to be a large accelerated filer, which means the market value of our common equity that is held by non-affiliates exceeds $700 million as of the end of the prior fiscal year's second fiscal quarter and (2) the date on which we have issued more than $1.00 billion in non-convertible debt securities during the prior three-year period.

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 $1,155.4 million as of June 30, 2022. 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 its 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.

In connection with the audit of our consolidated financial statements for the year ended December 31, 2020, we identified a material weakness in our internal control over financial reporting. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. The material weakness relates to the lack of a sufficient full-time accounting personnel with deep technical accounting knowledge to execute, review and approve all aspects of the financial statement close and reporting process.

We have implemented and are in the process of implementing additional measures designed to improve our internal control over financial reporting to remediate this material weakness. Specifically, we implemented additional review procedures and hired additional staff within our accounting and finance department, and, as appropriate, we are engaging external accounting experts to supplement our internal resources. However, we cannot assure you the measures we have taken to date, and are continuing to implement, will be sufficient to remediate the material weakness we have identified or avoid potential future material weaknesses. While we believe that our efforts have improved our internal control over financial reporting, remediation of the material weakness will require further validation and testing of the design and operating effectiveness of internal controls over a sustained period of financial reporting cycles. This material weakness may not allow for us to have proper segregation of duties and the ability to close our books and records and report our results, including required disclosures, on a timely basis, until it is fully remediated.

Our management, 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. Notwithstanding the identified material weakness, management, including our principal executive officer and principal financial and accounting officer, believe that the condensed 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.

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 not currently a party to any material legal proceedings.

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, 2021, filed with the SEC on March 28, 2022. 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.

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

On May 27, 2022, Paul Sciarra, our Executive Chairman and JoeBen Bevirt, our Chief Executive Officer, each purchased (i) 37,500 shares of the Company's common stock from Bonny Simi, the Company's Head of Air Operations and People and (ii) 17,637 shares of the Company's common stock from Greg Bowles, the Company's Head of Government Affairs, at a price of $5.67 per share in private sales. These purchases were disclosed in filings with the SEC on Form 4 made by each of Mr. Sciarra, Mr. Bevirt, Mr. Bowles and Ms. Simi on June 1, 2022.

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.	S-4	3.3	7/6/2021	
10.1	2022 Performance Award Program				X
10.2	Letter Agreement, dated July 6, 2022, by and between Joby Aero, Inc. and Matt Field				X
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: August 12, 2022	By:	/s/ JoeBen Bevirt
		JoeBen Bevirt
		Chief Executive Officer, Chief Architect and Director
Date: August 12, 2022	By:	/s/ Matthew Field
		Matthew Field
		Chief Financial Officer and Treasurer

Certain confidential information contained in this document, marked by brackets, has been omitted because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

JOBY AVIATION, INC.

2022 PERFORMANCE AWARD PROGRAM

(updated June 24, 2022)

This Performance Award Program (this "***Program***") has been adopted by the Board of Directors (the "***Board***") of Joby Aviation, Inc. (together with its subsidiaries, the "***Company***") under the Company's 2021 Incentive Award Plan (the "***Plan***") effective as of December 16, 2021 (the "***Effective Date***"). Capitalized terms not otherwise defined herein shall have the meaning ascribed in the Plan.

Purpose and Participants

The purpose of the Program is to provide an incentive to the Company's employees to achieve certain business and operational goals for calendar year 2022, as set forth on Exhibit A attached hereto.

"***Participants***" in the Program include all permanent employees of the Company's subsidiaries listed on Exhibit B (the "***Participating Subsidiaries***"), whether full-time or part-time, including employees hired by the Participating Subsidiaries following the Effective Date of this Program. Any employee hired after the Effective Date must be employed by a Participating Subsidiary as a permanent full-time or part-time employee for at least 30 days prior to achievement of a given goal to be eligible to receive an Award for that goal.[1] Any Participant who terminates employment with a Participating Subsidiary or transitions to a role other than permanent full-time or part-time employee shall be ineligible to participate in the Program. Other employees or consultants may be granted Awards under the Program on the same terms as Participants in the sole discretion of the Administrator, in which case any reference to a "Participant" herein shall also be deemed to refer to such individuals.

Interns, contractors, seasonal workers and other temporary employees are not eligible Participants.

Certain Definitions

As used in this Program, the following terms have the following meanings:

- "***Achievement Date***" for a Goal means the date the Goal was achieved, as determined by the Administrator.
- "***Administrator***" means the Compensation Committee of the Board, unless otherwise designated by the Board.
- "***Award***" means an award of Restricted Stock Units ("***RSUs***") that is granted under this Program.
- "***Determination Date***" means the date that the Administrator determines that a Goal has been achieved resulting in an Earned Amount for Participants.
- "***Discretionary Leave of Absence***" means a leave of absence other than a leave mandated by applicable law or specifically provided for under the Company's Employee Leave Policy, as in effect at the time of the leave.

[1] For example, if a Goal is achieved April 15, 2022, team members who started after the Effective Date must have started their employment with Joby on or before March 15, 2022, to be eligible for an Award for that Goal.

- "***Earned Amount***" has the meaning set forth on <u>Exhibit A</u> attached hereto.
- "***Goal***" has the meaning set forth on <u>Exhibit A</u> attached hereto.
- "***Grant Date***" means the date that an Award is granted under this Program.
- "***Performance Period***" means calendar year 2022.
- "***Proration Multiplier***" means:
  - *for any Participant who commenced employment with a Participating Subsidiary after January 1, 2022*: the ratio of (i) the number of calendar months the Participant will have been employed by the Participating Subsidiary as of December 31, 2022 (assuming the Participant continues to be employed through December 31, 2022), over (ii) 12.[2]
  - *for any Participant who was employed by a Participating Subsidiary on January 1, 2022*: 1.0.
  - *impact of leaves of absence*: Participants who are on a Discretionary Leave of Absence for a portion of the year will have their performance multiplier reduced by 1/12 for every 30 days (whether or not consecutive) that they are on Discretionary Leave. Discretionary Leaves of Absence totaling less than 30 days will have no impact on the Proration Multiplier.
- "***Target Amount***" for a Participant means the target amount established by the Administrator for such Participant or, if no target amount has been established by the Administrator for such Participant, 30% of the Participant's annualized base salary or base wages (excluding overtime pay, double-time pay, and/or bonus pay) effective as of each particular Achievement Date. For part-time employees, a Participant's annualized salary shall be calculated based upon the expected number of hours worked per week as reflected in the Participant's offer letter, compensation change letter, employment status change letter or other employment agreement. If the expected number of hours is expressed as a range (i.e. 20-25 hours), the annualized salary shall be calculated based upon the upper end of the stated range.

[2] For example, if an employee is hired on March 15, 2022, the Proration Multiplier will be 10/12.

Awards

On each Determination Date, the Administrator shall determine the Goal(s) that have been achieved since the last Determination Date and approve the Goal(s) and the Achievement Date(s). Subject to Administrator approval, each Participant in the Program as of the Determination Date shall be granted an Award under the Plan with respect to the Goal(s) achieved, with the number of RSUs subject to the Award calculated by dividing:

(i) the product of the Participant's Earned Amount for the Goal(s) multiplied by the Proration Multiplier, by

(ii) the volume weighted average trading price of the Common Stock over the 20 consecutive trading days ending with the applicable Achievement Date (or the immediately preceding trading day if the Achievement Date falls on a day when the markets are closed).

Each Award that is granted hereunder will fully vest on January 1, 2023, subject to the Participant's continued employment with the Participating Subsidiary through such date. Consistent with the terms of the Plan, vested Awards will generally be deposited in a Participant's account within 30 days after the vesting date.

Miscellaneous

The other provisions of the Plan shall apply to the RSUs granted under this Program, except to the extent such other provisions are inconsistent with this Program. All applicable terms of the Plan apply to this Program as if fully set forth herein, and all grants of RSUs hereby are subject in all respects to the terms of the Plan. The grant of RSUs under this Program shall be made solely by and subject to the terms set forth in an Award Agreement in a form approved by the Board and duly executed by an executive officer of the Company.

* * * * *

EXHIBIT A

2022 Performance Goals

The table below sets forth the performance goals under this Program (each, a "***Goal***") for the Performance Period, and the corresponding potential amounts (expressed as a percentage of a Participant's annualized base salary or wages on the Achievement Date) that may be earned for each Goal. If the Administrator determines that a particular Goal has not been achieved during the Performance Period, then no amount shall be paid under this Program in respect of that Goal. The Administrator has sole discretion to amend, modify, remove or replace any Goal prior to its achievement.

If the Administrator determines that a particular Goal has been achieved during the Performance Period, then for each Participant the "***Earned Amount***" for that Goal shall be determined by multiplying the Participant's annualized base salary or wages on the Achievement Date by the corresponding percentages set forth in the table below.

Solely as an example: Assume a Participant has an annualized base salary of $100,000 and the Administrator determines that Goals [*****] have all been achieved. The Participant's Earned Amount for the achievement of those Goals would be $12,000 (i.e., $100,000 multiplied by 12%).

For each Participant, the maximum possible aggregate Earned Amount is 133.33% of the Participant's Target Amount. For any Participant for whom the Administrator has established a Target Amount that is other than 30% of such Participant's base salary or wages, the amounts below shall be proportionately adjusted so that each Goal shall represent the same proportion of such Participant's Target Amount as reflected in the table below.[3]

#	Goal Description	Achievement Percentage (Target)	Achievement Percentage (Stretch)[4]
[*****]	[*****]	[*****]%	[*****]

[*****] = Certain confidential information contained in this document, marked by brackets, has been omitted because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

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[3] For example, if a Participant's Target Amount represents 60% of such Participant's base salary or wages, the target percentage for each of Goals [*****] would be 4%.

[4] Stretch percentages are in lieu of target percentages.

EXHIBIT B

Participating Subsidiaries

Joby Aero, Inc.
Joby Germany GmbH
Joby Austria GmbH
Joby U.K. Limited
Joby Elevate, Inc.

July 6, 2022

Matthew Field

Re: Relocation Assistance

Dear Matt:

As you know, on June 29, 2022, Compensation Committee (the " **Committee**") of the Board of Directors of Joby Aviation, Inc. (the " **Company**") approved a relocation assistance package to incentivize you to permanently relocate to a location within 50 miles of the Company's Santa Cruz, San Carlos or Marina, California office locations (a "**Qualifying Residence**"). The relocation assistance consists of two separate components. First, the Company will advance you $200,000 to be used for the down-payment on a Qualifying Residence (the "**Down Payment Assistance**"). The Down Payment Assistance shall be payable to you upon acceptance by the seller of your offer to purchase a Qualifying Residence and shall be subject to all applicable taxes and withholdings. If the purchase is not completed, you agree to repay the Down Payment Assistance to the Company within 30 days of the purchase contract being cancelled or rescinded. In addition, the Down Payment Assistance will be subject to pro rata repayment obligation if you voluntarily resign or are terminated for Cause (as defined in the Company's 2021 Equity Incentive Plan) within 3 years from the date you receive the Down Payment Assistance.

In addition, effective as of the Company's July 8, 2022 payroll, you will receive an additional $100,000 per annum in cash compensation (the "**Geographic Differential Compensation**"), subject to all applicable taxes and withholdings. The Geographic Differential Compensation will terminate if you cease to rent or own a Qualifying Residence. Additionally, the Geographic Differential Compensation will be annually reviewed by the Committee and may be terminated by the Committee at any time in its sole discretion. For the avoidance of doubt, the Geographic Differential Compensation shall not be considered as part of your base salary for the purpose of calculating bonus, equity or other compensation.

This letter agreement is not a promise of continued employment and your employment relationship with the Company continues to be "at will" meaning that either you or the Company may terminate your employment at any time and for any reason.

Sincerely,

Joby Aero, Inc.

/s/ Kate DeHoff
Kate DeHoff
General Counsel and Secretary

Agreed and accepted,

/s/ Matthew Field
Matthew Field

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 June 30, 2022 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)) 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. [Paragraph intentionally omitted in accordance with SEC Release Nos. 34-47986 and 34-54942];

   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 controls over financial reporting.

Date: August 12, 2022

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 June 30, 2022 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)) 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. [Paragraph intentionally omitted in accordance with SEC Release Nos. 34-47986 and 34-54942];

   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 controls over financial reporting.

Date: August 12, 2022

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 June 30, 2022, 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: August 12, 2022

/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 June 30, 2022, 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: August 12, 2022

/s/ Matthew Field

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