

**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 **March 31, 2025**

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: **001-39204**

AEVA TECHNOLOGIES, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or other jurisdiction of
incorporation or organization)
555 Ellis Street
Mountain View, CA
(Address of principal executive offices)

84-3080757
(I.R.S. Employer
Identification No.)

94043
(Zip Code)

Registrant's telephone number, including area code: (650) 481-7070

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, \$0.0001 par value per share | AEVA | The Nasdaq Stock Market LLC |
| Warrants to purchase common stock | AEVAW | The Nasdaq Stock Market LLC |

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 (§232.405 of this chapter) 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, 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 | <input type="checkbox"/> | Accelerated filer | <input type="checkbox"/> |
| Non-accelerated filer | <input checked="" type="checkbox"/> | Smaller reporting company | <input checked="" type="checkbox"/> |
| Emerging growth company | <input type="checkbox"/> | | |

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

As of May 1, 2025, the registrant had 55,022,644 shares of common stock, \$0.0001 par value per share, outstanding.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) regarding future events and our future results that are subject to the safe harbors created under the Securities Act and the Exchange Act. All statements contained in this report other than statements of historical fact, including statements regarding our future results of operations and financial position, our business strategy and plans, and our objectives for future operations, are forward-looking statements. The words “believe,” “may,” “will,” “estimate,” “continue,” “anticipate,” “goal,” “plan,” “intend,” “expect,” “seek”, and similar expressions are intended to identify forward-looking statements. We have based these forward-looking statements largely on our current expectations and projections about future events and trends. These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including those described in Part I, Item 1A of the Company’s Annual Report on Form 10-K for the year ended December 31, 2024 under the heading “Risk Factors.” Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, the future events and trends discussed in this report may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements.

You should not rely upon forward-looking statements as predictions of future events. The events and circumstances reflected in the forward-looking statements may not be achieved or occur. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance, or achievements. We are under no duty to update any of these forward-looking statements after the date of this report or to conform these statements to actual results or revised expectations.

As used in this report, the terms “Aeva,” “we,” “us,” “our,” and “the Company” mean Aeva Technologies, Inc. and its subsidiaries unless the context indicates otherwise.

PART I—FINANCIAL INFORMATION**Item 1. Financial Statements.**

AEVA TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS, EXCEPT PAR VALUE)
(UNAUDITED)

| | March 31, 2025 | December 31, 2024 |
|---|-----------------------|--------------------------|
| Assets | | |
| Cash and cash equivalents | \$ 21,211 | \$ 28,864 |
| Marketable securities | 59,785 | 83,143 |
| Accounts receivable | 775 | 1,187 |
| Inventories | 3,882 | 2,345 |
| Other current assets | 6,127 | 7,761 |
| Total current assets | 91,780 | 123,300 |
| Operating lease right-of-use assets | 2,924 | 3,826 |
| Property, plant and equipment, net | 12,339 | 10,332 |
| Intangible assets, net | 1,500 | 1,725 |
| Other noncurrent assets | 6,006 | 8,306 |
| Total assets | \$ 114,549 | \$ 147,489 |
| Liabilities and stockholders' equity | | |
| Accounts payable | \$ 3,965 | \$ 5,453 |
| Accrued liabilities | 4,585 | 5,710 |
| Accrued employee costs | 4,712 | 5,783 |
| Lease liability, current portion | 2,634 | 3,039 |
| Other current liabilities | 16,008 | 19,174 |
| Total current liabilities | 31,904 | 39,159 |
| Lease liability, noncurrent portion | 175 | 720 |
| Warrant liability | 13,658 | 8,258 |
| Total liabilities | 45,737 | 48,137 |
| Commitments and contingencies (Note 15) | | |
| Convertible preferred stock \$0.0001 par value; 10,000 shares authorized; no shares issued and outstanding | — | — |
| Common stock \$0.0001 par value; 422,000 shares authorized; 54,949 and 54,140 shares issued and outstanding at March 31, 2025 and December 31, 2024, respectively | 6 | 6 |
| Additional paid-in capital | 715,541 | 711,160 |
| Accumulated other comprehensive income (loss) | (7) | 47 |
| Accumulated deficit | (646,728) | (611,861) |
| Total stockholders' equity | 68,812 | 99,352 |
| Total liabilities and stockholders' equity | \$ 114,549 | \$ 147,489 |

See accompanying notes to the unaudited condensed consolidated financial statements.

AEVA TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA)
(UNAUDITED)

| | Three Months Ended March 31, | |
|---|-------------------------------------|--------------------|
| | 2025 | 2024 |
| Revenue | \$ 3,368 | \$ 2,107 |
| Cost of revenue | 3,058 | 3,499 |
| Gross profit (loss) | <u>310</u> | <u>(1,392)</u> |
| Operating expenses: | | |
| Research and development expenses | 21,569 | 25,012 |
| General and administrative expenses | 7,217 | 8,411 |
| Selling and marketing expenses | 1,942 | 2,529 |
| Total operating expenses | <u>30,728</u> | <u>35,952</u> |
| Operating loss | (30,418) | (37,344) |
| Interest income | 1,007 | 2,457 |
| Other income (expense), net | (5,399) | (439) |
| Loss before income taxes | (34,810) | (35,326) |
| Income tax provision | 57 | — |
| Net loss | <u>\$ (34,867)</u> | <u>\$ (35,326)</u> |
| Unrealized loss on available-for-sale securities, net of tax | (54) | (161) |
| Total comprehensive loss | <u>\$ (34,921)</u> | <u>\$ (35,487)</u> |
| Net loss per share, basic and diluted | <u>\$ (0.64)</u> | <u>\$ (0.67)</u> |
| Weighted-average shares used in computing net loss per share, basic and diluted | <u>54,750,088</u> | <u>52,742,725</u> |

See accompanying notes to the unaudited condensed consolidated financial statements.

AEVA TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(IN THOUSANDS, EXCEPT SHARE DATA)
(UNAUDITED)

| | Common stock | | Additional paid-in capital | Accumulated Other Comprehensive loss | Accumulated deficit | Total stockholders' equity |
|--|--------------|--------|----------------------------------|---|------------------------|-------------------------------|
| | Shares | Amount | | | | |
| Balance at December 31, 2024 | 54,139,560 | \$ 6 | \$ 711,160 | \$ 47 | \$ (611,861) | \$ 99,352 |
| Share-based compensation | — | — | 4,564 | — | — | 4,564 |
| Issuance of common stock upon exercise of stock options | 273 | — | — | — | — | — |
| Issuance of common stock upon release of restricted stock units | 857,209 | — | — | — | — | — |
| Shares withheld for the withholding tax on vesting of restricted stock units | (47,758) | — | (183) | — | — | (183) |
| Unrealized loss on available-for-sale securities | — | — | — | (54) | — | (54) |
| Net loss | — | — | — | — | (34,867) | (34,867) |
| Balance as of March 31, 2025 | 54,949,284 | \$ 6 | \$ 715,541 | \$ (7) | \$ (646,728) | \$ 68,812 |

See accompanying notes to the unaudited condensed consolidated financial statements.

AEVA TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(IN THOUSANDS, EXCEPT SHARE DATA)
(UNAUDITED)

| | Common stock | | Additional paid-in capital | Accumulated Other Comprehensive loss | Accumulated deficit | Total stockholders' equity |
|--|-------------------|-------------|----------------------------------|---|------------------------|-------------------------------|
| | Shares | Amount | | | | |
| Balance at December 31, 2023 | 52,388,961 | \$ 5 | \$ 688,124 | \$ (87) | \$ (459,600) | \$ 228,442 |
| Share-based compensation | — | — | 5,261 | — | — | 5,261 |
| Issuance of common stock upon exercise of stock options | 28,227 | — | 39 | — | — | 39 |
| Issuance of common stock upon release of restricted stock units | 423,869 | — | — | — | — | — |
| Shares withheld for the withholding tax on vesting of restricted stock units | (25,286) | — | (55) | — | — | (55) |
| Unrealized loss on available-for-sale securities | — | — | — | (161) | — | (161) |
| Net loss | — | — | — | — | (35,326) | (35,326) |
| Balance as of March 31, 2024 | <u>52,815,771</u> | <u>\$ 5</u> | <u>\$ 693,369</u> | <u>\$ (248)</u> | <u>\$ (494,926)</u> | <u>\$ 198,200</u> |

See accompanying notes to the unaudited condensed consolidated financial statements.

AEVA TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(IN THOUSANDS)
(UNAUDITED)

| | Three Months Ended March 31, | |
|---|-------------------------------------|------------------|
| | 2025 | 2024 |
| Cash flows from operating activities: | | |
| Net loss | \$ (34,867) | \$ (35,326) |
| Adjustments to reconcile net loss to net cash used in operating activities: | | |
| Depreciation and amortization | 1,388 | 1,345 |
| Impairment of inventories | 33 | 465 |
| Change in fair value of warrant liabilities | 5,400 | 437 |
| Stock-based compensation | 4,564 | 5,261 |
| Amortization of right-of-use assets | 902 | 845 |
| Amortization of premium and accretion of discount on available-for-sale securities, net | (477) | (1,087) |
| Changes in operating assets and liabilities: | | |
| Accounts receivable | 412 | (350) |
| Inventories | (1,570) | (251) |
| Other current assets | 1,634 | 312 |
| Other noncurrent assets | (192) | 70 |
| Accounts payable | (2,454) | (89) |
| Accrued liabilities | (378) | (10) |
| Accrued employee costs | (1,071) | (3,600) |
| Lease liability | (950) | (866) |
| Other current liabilities | (3,166) | 1,882 |
| Net cash used in operating activities | <u>(30,792)</u> | <u>(30,962)</u> |
| Cash flows from investing activities: | | |
| Purchase of property, plant and equipment | (459) | (1,648) |
| Purchase of available-for-sale securities | (15,969) | (38,881) |
| Proceeds from maturities of available-for-sale securities | 39,750 | 62,565 |
| Net cash provided by investing activities | <u>23,322</u> | <u>22,036</u> |
| Cash flows from financing activities: | | |
| Payments of taxes withheld on net settled vesting of restricted stock units | (183) | (55) |
| Proceeds from exercise of stock options | — | 39 |
| Net cash provided by (used in) financing activities | <u>(183)</u> | <u>(16)</u> |
| Net decrease in cash and cash equivalents | (7,653) | (8,942) |
| Beginning cash and cash equivalents | 28,864 | 38,547 |
| Ending cash and cash equivalents | \$ 21,211 | \$ 29,605 |
| Supplemental disclosures of cash flow information: | | |
| Cash paid for interest | \$ — | \$ — |
| Cash paid for income taxes | \$ 35 | \$ — |
| Supplemental disclosures of non-cash investing and financing activities: | | |
| Unpaid property, plant and equipment purchases | \$ 1,055 | \$ — |

See accompanying notes to the unaudited condensed consolidated financial statements.

AEVA TECHNOLOGIES, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

Note 1. Description of Business and Summary of Significant Accounting Policies

Description of Business

Aeva Technologies, Inc. (the "Company"), through its Frequency Modulated Continuous Wave ("FMCW") sensing technology, designs a 4D LiDAR-on-chip that, along with its proprietary software applications, has the potential to enable the adoption of LiDAR across broad applications from automated driving to consumer electronics, consumer health, industrial automation and security application.

The Company's common stock and warrants are listed on the Nasdaq Global Select Market under the symbols "AEVA" and "AEVAW", respectively.

Basis of Presentation and Unaudited Interim Financial Statements

The condensed consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The condensed consolidated financial statements include the accounts of the Company's wholly-owned subsidiaries. All intercompany transactions and balances have been eliminated upon consolidation.

The accompanying condensed consolidated financial statements are unaudited and have been prepared on the same basis as the annual consolidated financial statements and, in the opinion of management, reflect all adjustments, which include only normal recurring adjustments, necessary to present fairly the Company's financial position, results of operations, comprehensive loss and cash flows for the periods presented, but are not necessarily indicative of the results of operations to be anticipated for any future annual or interim period.

These condensed consolidated financial statements and other information presented in this Form 10-Q should be read in conjunction with the consolidated financial statements and the related notes included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2024 filed with the SEC.

On March 18, 2024, the Company filed a Certificate of Amendment to its Amended and Restated Certificate of Incorporation (the "Amendment") with the Secretary of State of the State of Delaware to effect a 1-for-5 reverse stock split (the "Reverse Stock Split") of the Company's shares of common stock, \$0.0001 par value (the "common stock"). Pursuant to the Reverse Stock Split, every five (5) shares of issued and outstanding shares of common stock were combined into one (1) share of common stock. Accordingly, unless indicated otherwise, all the current period and historical per share data, number of shares issued and outstanding, stock awards, and other common stock equivalents for the periods presented in this Interim Report on Form 10-Q have been adjusted retroactively, where applicable, to reflect the Reverse Stock Split. There was no change to the shares authorized or in the par value per share of common stock of \$0.0001.

The Reverse Stock Split affected all stockholders uniformly and did not alter any stockholder's percentage interest in the Company's equity. The Company did not issue fractional shares in connection with the Reverse Stock Split. Stockholders who were otherwise entitled to fractional shares of common stock were instead entitled to receive a proportional cash payment. The number of shares of common stock issuable under the Company's equity incentive plans and exercisable under the outstanding warrants were also proportionately adjusted.

Principles of Consolidation and Liquidity

The condensed consolidated financial statements are prepared in accordance with U.S. GAAP. The condensed consolidated financial statements include the accounts of the Company's wholly-owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

The Company has funded its operations primarily through the business combination with InterPrivate Acquisition Corp. (the Company's predecessor, which was originally incorporated in Delaware as a special purpose acquisition company ("IPV")), on March 12, 2021 (the "Business Combination") and issuances of stock. As of March 31, 2025, the Company's existing sources of liquidity included cash and cash equivalents and marketable securities of \$81.0 million. The Company has a limited history of operations and has incurred negative cash flows from operating activities and losses from operations in the past as reflected in the accumulated deficit of \$646.7 million as of March 31, 2025. The Company expects to continue to incur operating losses due to the investments it intends to make in its business, including product development. Management believes that existing cash and cash equivalents, marketable securities, and the Standby Equity Purchase Agreement (the "Facility Agreement," Note 10) will be sufficient to fund operating and capital expenditure requirements through at least 12 months from the date of issuance of these condensed consolidated financial statements.

Significant Risks and Uncertainties

The Company is subject to those risks common in the technology industry and also those risks common to early stage companies, including, but not limited to, the possibility of not being able to successfully develop or market its products, technological obsolescence, competition, dependence on key personnel and key external alliances, the successful protection of its proprietary technologies, compliance with government regulations, and the possibility of not being able to obtain additional financing when needed.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist primarily of cash, cash equivalents, marketable securities, and trade receivables. The Company maintains the majority of its cash and cash equivalents in accounts with large financial institutions. At times, balances in these accounts may exceed federally insured limits; however, to date, the Company has not incurred any losses on its deposits of cash and cash equivalents and believes the exposure to risk of loss is not material. Risks associated with the Company’s marketable securities is mitigated by investing in investment-grade rated securities when purchased.

The Company’s accounts receivable are derived from customers located in North America, Asia, and Europe. The Company mitigates its credit risks by performing ongoing credit evaluations of its customers’ financial conditions and requires customer advance payments in certain circumstances. The Company generally does not require collateral.

As of March 31, 2025, four customers accounted for 31%, 19%, 16%, and 10% of accounts receivable, respectively. As of December 31, 2024, five customers accounted 18%, 16%, 13%, 11% and 10% of accounts receivable, respectively. As of March 31, 2025, two vendors accounted for 28% and 11% of the accounts payable, respectively. As of December 31, 2024, one vendor accounted for 40% of the accounts payable.

Recent Accounting Pronouncements

In December 2023, the FASB issued ASU 2023-09 “Income Taxes (Topics 740): Improvements to Income Tax Disclosures” to expand the disclosure requirements for income taxes, specifically related to the rate reconciliation and income taxes paid. Upon adoption the Company will be required to disclose additional specified categories in the rate reconciliation in both percentage and dollar amounts. The Company will also be required to disclose the amount of income taxes paid disaggregated by jurisdiction, among other disclosure requirements. The standard is effective annual periods beginning January 1, 2025, the Company is currently assessing the effect that the updated standard will have on the condensed consolidated financial statements and related disclosures.

In November 2024, the FASB issued ASU 2024-03 “Income Statement: Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40)” to improve the disclosures about an entity’s expenses. Upon adoption, we will be required to disclose in the notes to the financial statements a disaggregation of certain expense categories included within the expense captions on the face of the income statement. The standard is effective for our 2027 annual period, and our interim periods beginning in 2028, with early adoption permitted. The standard can be applied either prospectively or retrospectively. The Company is currently evaluating the potential effect that the updated standard will have on the condensed consolidated financial statements and related disclosures.

Note 2. Revenue

Disaggregation of Revenues

The Company disaggregates its revenue from contracts with customers by geographic region based on the primary billing address of the customer and timing of transfer of goods or services to customers (point-in-time or over time), as it believes it best depicts how the nature, amount, timing and uncertainty of its revenue and cash flows are affected by economic factors. Total revenue for the three months ended March 31, 2025 and 2024, based on the disaggregation criteria described above were as follows (in thousands):

| | Three Months Ended March 31, | | | |
|--|-------------------------------------|---------------------|-----------------|---------------------|
| | 2025 | | 2024 | |
| | Revenue | % of Revenue | Revenue | % of Revenue |
| Revenue by primary geographical market: | | | | |
| North America | \$ 3,157 | 94% | \$ 1,674 | 79% |
| EMEA | 52 | 2% | 229 | 11% |
| Asia | 159 | 5% | 204 | 10% |
| Total | \$ 3,368 | 100% | \$ 2,107 | 100% |
| Revenue by timing of recognition: | | | | |
| Recognized at a point in time | \$ 2,481 | 74% | \$ 1,714 | 81% |
| Recognized over time | 887 | 26% | 393 | 19% |
| Total | \$ 3,368 | 100% | \$ 2,107 | 100% |

The revenue recognized at a point in time was related to product revenue and revenue recognized over time was from non-recurring engineering services.

For the three months ended March 31, 2025, two customers accounted for 59% and 19% of the Company’s revenue, respectively. For the three months ended March 31, 2024, two customers accounted for 39% and 36% of the Company’s revenue, respectively.

Contract Assets and Contract Liabilities

As of March 31, 2025 and December 31, 2024, the Company had contract assets of \$0.1 million recognized in other current assets. As of March 31, 2025, and December 31, 2024, the Company had contract liabilities of \$1.1 million and \$4.0 million, respectively, included in other current liabilities.

Remaining Performance Obligations

As of March 31, 2025, the total amount of the transaction price allocated to unsatisfied performance obligations for contracts with an original duration greater than one year was \$47.3 million, of which approximately 15% is expected to be recognized as revenue over the next 12 months, and the remainder thereafter. Total revenue estimates are based on negotiated contract prices and demand quantities, and could be influenced by risks and uncertainties, including manufacturing or supply chain constraints, modifications to customer agreements, and regulatory changes, among other factors. Accordingly, the actual revenue recognized for the remaining performance obligation in future periods may significantly fluctuate from these estimates.

Note 3. Financial Instruments

The following tables summarize the Company's financial assets and liabilities measured at fair value by level within the fair value hierarchy:

| | March 31, 2025 | | | | | |
|--------------------------|------------------|---------------------|----------------------|------------------|--------------------------------|--------------------------|
| | Adjusted Cost | Unrealized Gains | Unrealized Losses | Fair Value | Cash and Cash Equivalent | Marketable Securities |
| | (in thousands) | | | | | |
| Assets | | | | | | |
| Cash | \$ 12,311 | \$ — | \$ — | \$ 12,311 | \$ 12,311 | \$ — |
| Level 1 | | | | | | |
| Money market funds | 5,404 | — | — | 5,404 | 5,404 | — |
| Level 2 | | | | | | |
| U.S. Agency securities | 17,618 | 2 | (3) | 17,617 | — | 17,617 |
| U.S. Treasury securities | 4,149 | — | (1) | 4,148 | — | 4,148 |
| Commercial paper | 19,741 | 3 | (4) | 19,740 | 3,496 | 16,244 |
| Corporate bonds | 21,780 | 5 | (9) | 21,776 | — | 21,776 |
| Subtotal | 63,288 | 10 | (17) | 63,281 | 3,496 | 59,785 |
| Total assets | <u>\$ 81,003</u> | <u>\$ 10</u> | <u>\$ (17)</u> | <u>\$ 80,996</u> | <u>\$ 21,211</u> | <u>\$ 59,785</u> |
| Liabilities | | | | | | |
| Level 3 | | | | | | |
| Warrant liabilities | — | — | — | 13,658 | — | — |
| Total liabilities | <u>\$ —</u> | <u>\$ —</u> | <u>\$ —</u> | <u>\$ 13,658</u> | <u>\$ —</u> | <u>\$ —</u> |

| | December 31, 2024 | | | | | |
|----------------------------|-------------------|--------------------|----------------------|-------------------|--------------------------------|--------------------------|
| | Adjusted Cost | Unrealized Gain | Unrealized Losses | Fair Value | Cash and Cash Equivalent | Marketable Securities |
| | (in thousands) | | | | | |
| Assets | | | | | | |
| Cash | \$ 14,237 | \$ — | \$ — | \$ 14,237 | \$ 14,237 | \$ — |
| Level 1 | | | | | | |
| Money market funds | 10,645 | — | — | 10,645 | 10,645 | — |
| Level 2 | | | | | | |
| U.S. Government securities | 17,492 | 14 | (2) | 17,504 | — | 17,504 |
| U.S. Treasury securities | 10,957 | 6 | — | 10,963 | 2,000 | 8,963 |
| Commercial paper | 12,711 | 9 | (4) | 12,716 | 1,982 | 10,734 |
| Corporate bonds | 45,918 | 31 | (7) | 45,942 | — | 45,942 |
| Subtotal | <u>87,078</u> | <u>60</u> | <u>(13)</u> | <u>87,125</u> | <u>3,982</u> | <u>83,143</u> |
| Total assets | <u>\$ 111,960</u> | <u>\$ 60</u> | <u>\$ (13)</u> | <u>\$ 112,007</u> | <u>\$ 28,864</u> | <u>\$ 83,143</u> |
| Liabilities | | | | | | |
| Level 3 | | | | | | |
| Warrant liabilities | — | — | — | 8,528 | — | — |
| Total liabilities | <u>\$ —</u> | <u>\$ —</u> | <u>\$ —</u> | <u>\$ 8,528</u> | <u>\$ —</u> | <u>\$ —</u> |

The fair value of the private placement warrants and Series A warrant liabilities is based on significant unobservable inputs, which represent Level 3 measurements within the fair value hierarchy. In determining the fair value of the warrant liabilities, the Company used the Black-Scholes option-pricing model to estimate the fair value using unobservable inputs including the expected term, expected volatility, risk-free interest rate, and dividend yield.

The following table presents a summary of the changes in the fair value of the Company's Level 3 financial instruments (in thousands):

| | March 31, 2025 | December 31, 2024 |
|--|------------------|-------------------|
| Fair value, beginning balance | \$ 8,258 | \$ 6,772 |
| Change in the fair value of Series A warrants included in other income (expense), net | 5,400 | 1,500 |
| Change in the fair value of private placement warrants included in other income (expense), net | — | (14) |
| Fair value, closing balance | <u>\$ 13,658</u> | <u>\$ 8,258</u> |

The key inputs into the Black-Scholes option pricing model for the private placement warrants were as follows for the relevant periods:

| | March 31, 2025 | December 31, 2024 |
|-------------------------|----------------|-------------------|
| Expected term (years) | 1.0 | 1.2 |
| Expected volatility | 92.5% | 90.0% |
| Risk-free interest rate | 3.87% | 4.21% |
| Dividend yield | 0% | 0% |
| Exercise Price | \$ 57.50 | \$ 57.50 |

The key inputs into the Black-Scholes option pricing model for the Series A warrants were as follows for the relevant periods:

| | March 31, 2025 | December 31, 2024 |
|-------------------------|----------------|-------------------|
| Expected term (years) | 2.7 | 3.0 |
| Expected volatility | 92.5% | 90.0% |
| Risk-free interest rate | 3.89% | 4.23% |
| Dividend yield | 0% | 0% |
| Exercise Price | \$ 5.00 | \$ 5.00 |

Note 4. Acquisition of Intangible Assets

As of March 31, 2025, expected amortization expense relating to purchased intangible assets was as follows (in thousands):

| | | |
|---------------------------|----|--------------|
| Remainder of 2025 | \$ | 675 |
| 2026 | | 825 |
| Total future amortization | \$ | <u>1,500</u> |

The Company recorded amortization expense related to the acquired intangible assets of \$0.2 million for each of the three months ended March 31, 2025 and 2024.

Note 5. Inventories

Inventories consisted of the following (in thousands):

| | March 31, 2025 | December 31, 2024 |
|-------------------|-------------------|----------------------|
| Raw materials | \$ 1,753 | \$ 1,550 |
| Work-in-progress | 716 | 88 |
| Finished goods | 1,413 | 707 |
| Total inventories | <u>\$ 3,882</u> | <u>\$ 2,345</u> |

Note 6. Property, Plant and Equipment

Property, plant and equipment consisted of the following (in thousands):

| | March 31, 2025 | December 31, 2024 |
|--|-------------------|----------------------|
| Computer equipment | \$ 3,127 | \$ 3,121 |
| Lab equipment | 8,345 | 8,328 |
| Leasehold improvements | 3,380 | 3,374 |
| Construction in progress | 3,419 | 243 |
| Testing equipment | 1,662 | 1,847 |
| Manufacturing equipment | 5,742 | 5,597 |
| Furniture, fixtures and other equipment | 571 | 566 |
| Total property, plant and equipment | <u>\$ 26,246</u> | <u>\$ 23,076</u> |
| Less: accumulated depreciation | <u>(13,907)</u> | <u>(12,744)</u> |
| Total property, plant and equipment, net | <u>\$ 12,339</u> | <u>\$ 10,332</u> |

Depreciation related to property, plant, and equipment was \$1.2 million and \$1.1 million for the three months ended March 31, 2025 and 2024, respectively.

Note 7. Other current assets

Other current assets consisted of the following (in thousands):

| | March 31, 2025 | December 31, 2024 |
|----------------------------|-------------------|----------------------|
| Prepaid expenses | \$ 2,108 | \$ 2,287 |
| Contract assets | 85 | 85 |
| Vendor deposits | 557 | 971 |
| Other current assets | 3,377 | 4,418 |
| Total other current assets | <u>\$ 6,127</u> | <u>\$ 7,761</u> |

Note 8. Other non-current assets

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

| | March 31, 2025 | December 31, 2024 |
|-----------------------------------|-------------------|----------------------|
| Non marketable equity investments | \$ 5,000 | \$ 5,000 |
| Security deposit | 815 | 815 |
| Other non-current assets | 191 | 2,491 |
| Total other non-current assets | <u>\$ 6,006</u> | <u>\$ 8,306</u> |

In November 2023, the Company made an investment in 700,440 shares of preferred stock of a private company for a cash consideration of \$5.0 million, which is classified as non-marketable equity investment. The Company's investment in the private company represents less than 1% of total capitalization. The Company neither has significant influence over the private company nor does the investment amount to a controlling financial interest in the private company. The Company elected to apply the measurement alternative, and as such, records the investment at cost minus impairment, if any, plus or minus changes resulting from qualifying observable price changes in orderly transactions. During the period ended March 31, 2025, the Company did not identify any impairment or observable price changes for this non-marketable equity investment.

Note 9. Other current liabilities

Other current liabilities consisted of the following (in thousands):

| | March 31, 2025 | December 31, 2024 |
|---------------------------------|-------------------|----------------------|
| Litigation settlement | \$ 14,000 | \$ 14,000 |
| Deferred revenue | 1,114 | 4,001 |
| Other current liabilities | 894 | 1,173 |
| Total other current liabilities | <u>\$ 16,008</u> | <u>\$ 19,174</u> |

Note 10. Financing transaction*Private Investment*

On November 8, 2023, the Company entered into Subscription Agreements (the "Subscription Agreements") with entities affiliated with Sylebra Capital Limited ("Sylebra") and Adage Capital Management, providing for the purchase of an aggregate of 7,360,460 shares of the Company's common stock, \$0.0001 par value per share (the "PIPE Shares"), at a price of \$2.90 per PIPE Share for an aggregate purchase price of approximately \$21.4 million (the "Private Placement"). The PIPE Shares are recorded as outstanding common stock.

Standby Equity Purchase Agreement

On November 8, 2023, the Company also entered into a Standby Equity Purchase Agreement (as amended from time to time, the "Facility Agreement") with entities affiliated with Sylebra, pursuant to which the Company will have the right, but not the obligation to sell to Sylebra up to \$125 million of its shares of convertible redeemable non-voting preferred stock, subject to satisfaction of certain conditions, by November 8, 2026. Each sale the Company requests under the Facility Agreement (each, an "Advance" and collectively, the "Advances") may be for a number of shares of preferred stock with an aggregate value of at least \$25.0 million but not more than \$50.0 million (except with Sylebra's consent).

When and if issued, the preferred stock will be issued at a price per share of \$10,000. Holders of the preferred stock will be entitled to a quarterly dividend at the rate of 7.0% per annum payable in cash or in kind at the option of the Company. The preferred stock will have an initial liquidation preference of \$12,000 per share, plus accrued dividends. The preferred stock will have no voting rights as a class or series except in such instances as required by Delaware law or certain matters enumerated in the Facility Agreement related to the protection of the preferred stock.

The preferred stock will be convertible at the option of the holders into the number of shares of common stock equal to \$10,000 divided by the then-applicable conversion price. At any time after the two year anniversary of any issuance of any series of preferred stock, the Company will have the option to convert all (but not less than all) of any series of then-outstanding preferred stock by paying a make-whole payment, in either stock or cash, equal to three years of dividends, provided that the closing price of the common stock exceeds 250% of the then-applicable conversion price for at least 20 out of 30 consecutive trading days prior to the date of conversion. To the extent, if any, a conversion would result in the holder thereof becoming the beneficial owner of more than 19.9% of the Company's outstanding common stock, the Company will issue to such holder a pre-funded warrant in the form attached to the Facility Agreement. The preferred stock will be subject to customary pre-emptive rights.

The Company's right to request Advances is conditioned upon the Company achieving a minimum of one new passenger auto-original equipment manufacturer ("OEM") or commercial OEM program award with at least a 50,000 unit volume, the trading price of the common stock being below \$15 at the time of the Advance request and other customary conditions. As of March 31, 2025, all conditions to request an Advance under the Facility Agreement were met.

Any preferred stock issued in connection with the Facility Agreement will rank senior to common stock upon the Company's liquidation, dissolution or winding up. Any such preferred stock will be entitled to priority cumulative dividends which shall accrue daily from and after the original issue date of such preferred stock and shall compound on a quarterly basis on each dividend payment date. The accrued dividends shall in all cases be payable upon liquidation.

The Company shall pay dividends on each share of preferred stock in cash or in kind through issuance of shares of common stock with an aggregate value equal to the amount of the dividend to have been paid divided by the dividend conversion price. The board of directors of the Company may at its sole discretion elect to pay the dividends in cash in lieu of shares of common stock. The preferred stock has no voting rights unless it is converted into shares of common stock. Additionally, upon the occurrence of a change of control, the holders of preferred stock shall be entitled to receive in full a liquidating purchase in cash and in the amount per share of the preferred stock equal to the sum of (i) the liquidation preference plus (ii) accrued dividends with respect to such shares of preferred stock.

In connection with this financing, the Company also paid the entities affiliated with Sylebra, (a) a facility fee in the amount of \$2.5 million, (b) an origination fee in the amount of \$0.6 million, (c) an administrative fee in the amount of \$0.3 million and (d) fees and expenses of Sylebra and its counsel, of approximately \$0.4 million. The issuance costs related to the Facility Agreement were expensed as incurred as it failed to meet the equity classification guidance under ASC 815-40, and were deemed to be a derivative asset. The fair value of the derivative asset was not material as of and for the period ended March 31, 2025.

In addition, upon receipt of stockholder approval in December 2023, the Company issued to Sylebra 3,000,000 Series A Warrants to purchase shares of common stock at an exercise price of \$5.00. The Company analyzed the Series A Warrants and determined that they are freestanding and do not exhibit any of the characteristics within ASC 480, and as such do not meet the characteristics of a liability under ASC 480. However, Series A Warrants do not meet all requirements for equity classification under ASC 815, and therefore are classified as a liability on the Company's condensed consolidated balance sheets.

As of March 31, 2025, the Company had 3,000,000 Series A Warrants outstanding. The Series A Warrants were issued as consideration for entering into the Facility Agreement as discussed above. Each Series A Warrant is currently exercisable and expires in December 2027. Holders shall not have the right to exercise the Series A Warrants to the extent such person would beneficially own in excess of 19.9% of the Company's outstanding common stock immediately after giving effect to such exercise.

The exercise price and number of shares of common stock issuable upon exercise of the Series A Warrants may be adjusted in certain circumstances including in the event of a stock dividend or split, subsequent rights offerings, pro rata purchases, merger, reorganization, recapitalization, or spin-off. However, the Series A Warrants will not be adjusted for issuances of shares of common stock at a price below their respective exercise prices. The Series A Warrants do not entitle the holders to any voting rights, dividends or other rights as a stockholder of the Company prior to being exercised for common stock.

Note 11. Capital Structure

As of March 31, 2025, the Company was authorized to issue up to 422,000,000 shares of common stock, each with a par value of \$0.0001 per share.

Preferred Stock

The Company is authorized to issue up to 10,000,000 shares of preferred stock, each with a par value of \$0.0001 per share. As of March 31, 2025 and December 31, 2024, no shares of preferred stock were issued and outstanding.

Warrants

As of March 31, 2025, the Company had 12,074,876 public warrants and 384,000 private warrants outstanding, exercisable for 2,491,776 shares of common stock. Every five public and private warrant entitles the registered holder to purchase one share of common stock at a price of \$57.50 per share. Additionally, the Company also issued 3,000,000 Series A Warrants in connection with the Facility Agreement. Each Series A Warrant entitles the registered holder to purchase one share of common stock at an exercise price of \$5.00 per share.

Note 12. Loss Per Share

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

| | Three Months Ended March 31, | |
|--|-------------------------------------|-------------|
| | 2025 | 2024 |
| Numerator: | | |
| Net loss attributable to common stockholders | \$ (34,867) | \$ (35,326) |
| Denominator: | | |
| Weighted average shares of common stock outstanding — Basic and Diluted | 54,750,088 | 52,742,725 |
| Net loss per share attributable to common stockholders — Basic and Diluted | \$ (0.64) | \$ (0.67) |

The following table presents the potential common shares outstanding that were excluded from the computation of diluted net loss per share of common stock as of the periods presented because including them would have been anti-dilutive:

| | Three Months Ended March 31, | |
|---|-------------------------------------|-------------|
| | 2025 | 2024 |
| Common stock options issued and outstanding | 2,370,399 | 2,386,503 |
| Restricted stock units | 5,404,916 | 5,484,398 |
| Performance-based restricted stock units | 1,911,765 | 1,911,765 |
| Common stock warrants | 2,491,776 | 2,491,776 |
| Series A warrants | 3,000,000 | 3,000,000 |
| Total | 15,178,856 | 15,274,442 |

Note 13. Stock-based Compensation
Stock Options

The Company maintains the 2016 Stock Incentive Plan and the 2021 Incentive Award Plan (the “Stock Plans”) under which incentive stock options, non-qualified stock options and restricted stock units (“RSU”) may be granted to employees. Under the Stock Plans, the Company has 4,076,200 shares available for issuance as of March 31, 2025.

Under the terms of the Stock Plans, incentive stock options must have an exercise price at or above the fair market value of the stock on the date of the grant, while non-qualified stock options are permitted to be granted below fair market value of the stock on the date of grant. The majority of stock options granted have service-based vesting conditions only. The service-based vesting conditions vary; however, typically stock options vest over four years with 25% of stock options vesting on the first anniversary of the grant and the remaining 75% vesting monthly over the remaining 36 months. Option holders have a ten-year period to exercise the options before they expire.

A summary of the Company’s stock option activity, for the three months ended March 31, 2025, was as follows:

| | Number of Options | Weighted- Average Exercise Price | Weighted- Average Remaining Contractual Life (Years) | Aggregate Intrinsic Value (in thousands) |
|--|------------------------------|---|---|---|
| Outstanding as of December 31, 2024 | 2,370,672 | \$ 2.81 | 4.75 | \$ 6,055 |
| Granted | — | — | — | — |
| Exercised | (273) | 2.73 | — | — |
| Forfeited | — | — | — | — |
| Outstanding as of March 31, 2025 | 2,370,399 | \$ 2.81 | 4.51 | \$ 11,058 |
| Vested and exercisable as of March 31, 2025 | 2,339,779 | \$ 2.65 | 4.47 | \$ 11,058 |
| Vested and expected to vest as of March 31, 2025 | 2,370,399 | \$ 2.81 | 4.51 | \$ 11,058 |

There were no options granted during the three months ended March 31, 2025. As of March 31, 2025, the Company had \$0.2 million of unrecognized stock-based compensation expense related to the stock options. This cost is expected to be recognized over a weighted-average period of 0.7 years.

Restricted Stock Units and Performance-based Restricted Stock Units (“PBRsUs”)

Beginning November 2020, the Company granted RSUs and PBRsUs to certain employees and consultants pursuant to its 2016 and 2020 Stock Plans. RSUs typically vest 25 percent upon the one-year anniversary date from the initial vesting date, with 12.5% vesting on each six-month

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anniversary date over the following three years. The RSUs are subject to time-based vesting conditions. PBRsUs are subject to a time-based vesting condition and a performance condition or market condition.

In May 2023, the Company granted a total of 1,176,471 PBRsUs pursuant to the 2021 Incentive Award Plan to certain executives that vest on achieving certain operational milestones as defined in the individual grant agreements subject to continued employment through 2025. Stock-based compensation expense is recognized over the expected performance achievement period of individual performance milestones when the achievement of each individual performance milestone becomes probable. If satisfaction of the performance condition is not probable, stock-based compensation cost recognition is deferred until it becomes probable. The Company reassesses the probability as to whether satisfaction of the performance condition is probable on a quarterly basis, and stock-based compensation cost is adjusted based on the portion of the requisite service provided. These PBRsUs neither carry rights to dividends nor voting rights until the shares are issued or transferred to the recipient. Awards are forfeited if an employee leaves the Company before the PBRsUs vest or the performance period lapses. The weighted-average grant date PBRsU fair value of \$5.10 per share is determined based upon the market closing price of the Company's common stock on the date of grant. As of March 31, 2025, the total unrecognized compensation expense related to the performance-based PBRsUs was \$1.7 million, which is expected to be amortized over a weighted-average period of 0.7 years.

In May 2023, the Company also granted a total of 735,294 market-based PBRsUs pursuant to the 2021 Incentive Award Plan to certain executives that vest over a multi-year period, upon continued service and when the volume-weighted average price per share ("VWAP Average") of the Company's common stock for the preceding 30 consecutive trading days equals or exceeds the target stock price for the indicated year. The Company recognizes stock-based compensation based upon the grant date fair value on an accelerated attribution basis over the requisite service period of the award. Provided that the requisite service is rendered, the total fair value of the market-based PBRsUs at the date of grant is recognized as compensation expense even if the market condition is not achieved. However, the number of shares that ultimately vest can vary significantly with the achievement of the specified market criteria. These PBRsUs neither carry rights to dividends nor voting rights until the shares are issued or transferred to the recipient. Awards are forfeited if an employee leaves the Company before the PBRsUs vest. The weighted-average grant date fair value of the market-based PBRsUs was \$1.40 per share. The Company estimated the fair value of the market-based PBRsUs award on the grant date using the Monte Carlo simulation model with the following assumptions:

| | | |
|-------------------------|----|-----------|
| Expected term (years) | | 0.5 - 4.7 |
| Expected volatility | | 70.9% |
| Risk-free interest rate | | 3.29% |
| Dividend yield | | 0% |
| Share price | \$ | 5.10 |

As of March 31, 2025, the total unrecognized compensation expense related to the market-based PBRsUs was \$0.5 million, which is expected to be amortized over a weighted-average period of 2.2 years.

The following table summarizes the Company's RSU activity (excluding PBRsUs) for the three months ended March 31, 2025:

| | Shares | Weighted Average Grant Date Fair Value per Share |
|-------------------------------------|-----------|---|
| Outstanding as of December 31, 2024 | 6,549,869 | \$ 5.48 |
| Granted | 271,682 | 6.38 |
| Released | (860,709) | 6.98 |
| Forfeited | (555,926) | 5.14 |
| Outstanding as of March 31, 2025 | 5,404,916 | \$ 5.32 |

As of March 31, 2025, the Company had \$24.0 million of unrecognized stock-based compensation expense related to the RSUs. This cost is expected to be recognized over a weighted-average period of 2.4 years.

Compensation expense

Total stock-based compensation expense by function was as follows (in thousands):

| | Three Months Ended March 31, | |
|-------------------------------------|------------------------------|----------|
| | 2025 | 2024 |
| Cost of revenue | \$ 31 | \$ 102 |
| Research and development expenses | 2,977 | 3,989 |
| General and administrative expenses | 1,376 | 907 |
| Sales and marketing expenses | 180 | 263 |
| Total | \$ 4,564 | \$ 5,261 |

Note 14. Income Taxes

There is no federal or state provision for income taxes because the Company has historically incurred operating losses and maintains a full valuation allowance against its net deferred tax assets. For the three months ended March 31, 2025, the Company recognized a \$0.1 million provision for income taxes related to foreign operations.

The federal and state net operating loss carryforwards may be subject to significant limitations under Section 382 and Section 383 of the Internal Revenue Code of 1986, as amended, and similar provisions under state law. The Tax Reform Act of 1986 contains provisions that limit the federal net operating loss carryforwards that may be used in any given year in the event of special occurrences, including significant ownership changes. The Company has completed an analysis as of December 31, 2024 and does not expect any net operating loss carryforwards or tax credit carryforwards to expire due to a limitation.

Note 15. Commitments and Contingencies**Leases**

The weighted-average remaining lease terms were 1.0 year and 1.2 years as of March 31, 2025 and December 31, 2024, respectively. The weighted-average discount rate was 6.04% as of March 31, 2025 and December 31, 2024, respectively. Operating lease cost for the three months ended March 31, 2025, and 2024, was \$1.0 million and \$1.0 million, respectively.

The following is a maturity analysis of the annual undiscounted cash flows reconciled to the carrying value of the operating lease liabilities as of March 31, 2025 (in thousands):

| | Operating Leases |
|------------------------------|-------------------------|
| Remainder of 2025 | \$ 2,153 |
| 2026 | 729 |
| Total minimum lease payments | 2,882 |
| Less: imputed interest | (73) |
| Total lease liability | \$ 2,809 |

Litigation

From time to time, the Company is involved in actions, claims, suits, and other proceedings in the ordinary course of business, including assertions by third parties relating to intellectual property infringement, breaches of contract or warranties, or employment-related matters. When it is both probable that a liability has been incurred and the amount of the loss can be reasonably estimated, the Company records a liability for such loss contingencies. The Company's estimates regarding potential losses and materiality are based on the Company's judgment and assessment of the claims utilizing currently available information. Although the Company will continue to reassess its reserves and estimates based on future developments, the Company's objective assessment of the legal merits of such claims may not always be predictive of the outcome and actual results may vary from the Company's current estimates.

Litigation – other matters

On March 7, 2024, a putative class action lawsuit was filed in the Court of Chancery of the State of Delaware against InterPrivate Acquisition Management LLC, InterPrivate LLC, and former directors and officers of IPV. The lawsuit was captioned *Louis Smith v. Ahmed M. Fattouh, et al.*, No. 2024-0221 (Del. Ch.), and later as No. 1:24-cv-00484 (D. Del.) following its removal to federal court. On June 3, 2024, a second putative class action lawsuit was filed in the Court of Chancery of the State of Delaware against IPV and Soroush Salehian and Mina Rezk (collectively, the "Delaware Stockholder Litigation"). The lawsuit is captioned *Todd Katz v. Ahmed M. Fattouh et al.*, No. 2024-0598 (Del. Ch.). Among other remedies, the complaints seek damages and attorneys' fees and costs. In connection with the Business Combination, the Company agreed to assume certain indemnification obligations to IPV's former directors and officers.

On July 2, 2024, the Company and the parties to the Delaware Stockholder Litigation entered into a term sheet, and on December 6, 2024 entered into a formal settlement agreement, which will be subject to court approval, to fully and finally resolve the Delaware Stockholder Litigation. In connection with the settlement, the Company has agreed to pay a total settlement cost of \$14.0 million in exchange for a release of all claims related to the business combination and expects to recover \$2.5 million from an insurance carrier. The settlement is being paid pursuant to the Company's indemnification obligations and from available director and officer insurance policies.

As of March 31, 2025, the Company has accrued a contingent liability of \$14.0 million in other current liabilities on the accompanying condensed consolidated balance sheets in connection with the settlement of the Delaware Stockholder Litigation, and a \$2.5 million insurance recovery in other current assets on the accompanying condensed consolidated balance sheets. The Company has also incurred legal expenses in connection with the Delaware Stockholder Litigation, which have been expensed as incurred and are included in general and administrative expenses in the accompanying condensed consolidated statements of operations and comprehensive loss.

Indemnifications

In the ordinary course of business, the Company is not subject to potential obligations under guarantees that fall within the scope of FASB ASC *Guarantees (Topic 460)*, except for standard indemnification provisions that are contained within many of the Company's customer agreements and give rise only to disclosure requirements prescribed by Topic 460. Indemnification provisions contained within the Company's customer agreements are generally consistent with those prevalent in the Company's industry. The Company has not incurred any obligations under customer indemnification provisions and does not expect to incur significant obligations in the future. Accordingly, the Company does not maintain accruals for potential customer indemnification obligations.

Note 16. Segment Information

The Company operates as one operating segment. Operating segments are defined as components of an enterprise for which separate financial information is evaluated regularly by the chief operating decision-maker ("CODM"), consisting of the Company's chief executive officer and the Company's chief technology officer as a group, in deciding how to allocate resources and assess the Company's financial and operational performance. In addition, the Company's CODM evaluates the Company's financial information and resources and assesses the performance of these resources on a consolidated basis. As a result, the Company has determined that the Company's business operates in a single operating segment. The CODM uses net loss as the measure of profit and loss to allocate resources and assess performance. The CODM regularly reviews net loss as reported on the Company's condensed consolidated statements of operations. Financial forecasts and budget to actual results used by the CODM to assess performance and allocate resources, as well as those used for strategic decisions related to headcount and capital expenditures are also reviewed on a consolidated basis. The CODM considers the impact of the significant segment expenses in the table below on net loss.

The measure of segment assets is reported on the balance sheet as total assets. The CODM does not review segment assets at a level other than as presented in the Company's condensed consolidated balance sheets.

The table below presents the Company's consolidated operating results including segment expenses (in thousands):

| | Three Months Ended March 31, | |
|---|-------------------------------------|-------------|
| | 2025 | 2024 |
| Net revenues | \$ 3,368 | \$ 2,107 |
| Less: | | |
| Stock-based compensation expense (1) | 4,564 | 5,261 |
| Cost of revenue (excluding 1) | 3,027 | 3,397 |
| Research and development expenses (excluding 1) | 18,592 | 21,023 |
| General and administrative expenses (excluding 1) | 5,841 | 7,504 |
| Selling and marketing expenses (excluding 1) | 1,762 | 2,266 |
| Loss from Operations | (30,418) | (37,344) |
| Change in fair value of warrant liabilities (2) | (5,400) | (437) |
| Interest income | 1,007 | 2,457 |
| Other income (expense), net (excluding 2) | 1 | (2) |
| Income tax provision | (57) | — |
| Net loss | \$ (34,867) | \$ (35,326) |

Revenues from External Customers

Revenues from customers outside the United States were 7% and 21% of total revenues for the three months ended March 31, 2025 and March 31, 2024 respectively.

Long-Lived Assets

The following table sets forth the Company's property, plant, and equipment, net by geographic region (in thousands):

| | March 31, 2025 | December 31, 2024 |
|---------------|---------------------------|------------------------------|
| North America | \$ 8,920 | \$ 6,645 |
| Asia | 3,419 | 3,687 |
| Total | \$ 12,339 | \$ 10,332 |

Note 17. Subsequent Event

On May 13, 2025, the Company entered into a subscription agreement (the “Subscription Agreement”) with a certain accredited investor (the “Investor”) pursuant to which the Company agreed to sell and issue to the Investor in a private placement (the “Offering”) an aggregate of 3,509,719 shares of common stock of the Company, par value \$0.0001 at a price of \$9.26 per share, for aggregate gross proceeds of approximately \$32.5 million. The purchase price is approximately equal to the volume weighted average price (the “VWAP”) of the common stock for the seven trading days ended May 9, 2025. However, in the event that the VWAP calculated for ten (10) days immediately preceding the Record Date is less than \$7.41, the price per share shall be equal to such VWAP calculated for ten (10) days immediately preceding the Record Date; provided, further that the price per share shall be no less than such amount that would render the Investor as holder of more than 9.9% of the Company stock. The “Record Date” shall mean the earlier of (a) two months after the signing of the Subscription Agreement, or (b) the date the closing conditions have been completed. The Offering is expected to close upon completion of customary closing conditions, including regulatory approval.

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

The following discussion of Aeva’s results of operations and financial condition should be read in conjunction with the information set forth in the condensed consolidated financial statements and the notes thereto included elsewhere in this Quarterly Report on Form 10-Q. This discussion may contain forward-looking statements based upon Aeva’s current expectations, estimates, and projections that involve risks and uncertainties. Actual results could differ materially from those anticipated in these forward-looking statements due to, among other considerations, the matters discussed in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2024 (the “2024 Form 10-K”) under the heading “Risk Factors” and “Special Note Regarding Forward-Looking Statements.” Unless the context otherwise requires, all references in this section to “we,” “our,” “us” “the Company” or “Aeva” refer to the business of Aeva Technologies, Inc., a Delaware corporation, and its subsidiaries.

On March 18, 2024, we filed a Certificate of Amendment to our Amended and Restated Certificate of Incorporation (the “Amendment”) with the Secretary of State of the State of Delaware to effect a 1-for-5 reverse stock split (the “Reverse Stock Split”) of shares of common stock, \$0.0001 par value (the “common stock”). Pursuant to the Reverse Stock Split, every five (5) shares of issued and outstanding shares of common stock were combined into one (1) share of common stock. All share and per share amounts presented herein have been retroactively adjusted to reflect the Reverse Stock Split. There was no change to the shares authorized or in the par value per share of common stock of \$0.0001.

The Reverse Stock Split affected all stockholders uniformly and did not alter any stockholder’s percentage interest in the Company’s equity. The Company did not issue fractional shares in connection with the Reverse Stock Split. Stockholders who were otherwise entitled to fractional shares of common stock were instead entitled to receive a proportional cash payment. The number of shares of common stock issuable under our equity incentive plans and exercisable under the outstanding warrants were also proportionately adjusted.

Overview

Our vision is to bring perception to broad applications. Through our Frequency Modulated Continuous Wave (“FMCW”) sensing technology, we believe we are introducing the world’s first 4D LiDAR-on-chip that, along with our proprietary software applications, has the potential to enable the adoption of LIDAR across broad applications.

Founded in 2017 by former Apple engineers Soroush Salehian and Mina Rezk and led by a multidisciplinary team of engineers and operators experienced in the field of sensing and perception, Aeva’s mission is to bring the next wave of perception technology to broad applications from automated driving to industrial automation, consumer device applications, and security. Our 4D LiDAR-on-chip combines silicon photonics technology that is proven in the telecom industry with precise instant velocity measurements and long-range performance for commercialization.

As a development stage company, we work closely with our customers on the development and commercialization of their programs and the utilization of our products in such programs. Thus far, our customers have purchased prototype products and engineering services from us for use in their research and development programs. We are expanding our manufacturing capacity through third-party manufacturers to meet our customers’ anticipated demand for the production of our products.

Unlike legacy 3D LiDAR, which relies on Time-of-Flight (“ToF”) technology and measures only depth and reflectivity, Aeva’s solution leverages a proprietary FMCW technology to measure velocity in addition to depth, reflectivity and inertial motion. We believe the ability of Aeva’s solution to measure instant velocity for every pixel is a significant advantage over ToF-based sensing solutions. Furthermore, Aeva’s technology is free from interference from other LiDAR and sunlight, and our core innovations within FMCW are intended to enable autonomous vehicles to see at significantly higher distances of up to 500 meters.

We believe Aeva is uniquely positioned to provide a superior solution with the potential to enable higher level of automation for vehicles. Furthermore, we believe the advantages of our 4D LiDAR-on-chip allow us to provide the first LiDAR solution that is fully integrated onto a chip with superior performance at scale, with the potential to drive new categories of perception across industrial automation, consumer devices, and security markets.

Key Factors Affecting Aeva’s Operating Results

We believe that Aeva’s future performance and success depends to a substantial extent on our ability to capitalize opportunities, which in turn is subject to significant risks and challenges, including those discussed in Part I, Item 1A of the 2024 Form 10-K under the heading “Risk Factors.”

Pricing, Product Cost and Margins. Our pricing and margins will depend on the volumes and the features, as well as specific market applications of the solutions we provide to our customers. We have customers with technologies in various stages of development across different market segments. We anticipate that our prices will vary by market and application due to market-specific product and commercial requirements, supply and demand dynamics and product lifecycles.

Aeva’s future performance will depend on our ability to deliver on economies of scale. Our customers will require that our perception solutions be manufactured and sold at per-unit prices that are competitive. Our ability to compete in key markets will depend on the success of our efforts to efficiently and reliably produce cost-effective perception solutions that are competitively priced and affordable for our commercial-stage customers.

Additionally, the macroeconomic conditions in the industry, the growing emergence of competition in advanced assisted driving sensing and software technologies globally can negatively impact pricing, margins and market share. Our business is impacted by various macroeconomic factors, including inflation, interest rates, levels of consumer confidence and consumer debt, fuel and energy costs, and other economic conditions. In addition, we are susceptible to supply chain disruptions, which may be exacerbated by changes to tariffs and trade policies. Given the nature of these macroeconomic factors, we cannot predict whether or for how long certain trends will continue, nor can we predict to what degree these trends will impact us in the future. If we do not generate the margins we expect upon commercialization of our perception solutions, we may be required to raise additional debt or equity capital, which may not be available or may only be available on terms that are onerous to Aeva’s stockholders.

Commercialization of LiDAR-based Applications. We expect that our results of operations, including revenue and gross margins, will fluctuate on a quarterly basis for the foreseeable future as our customers continue on research and development projects and begin to commercialize advanced driver assist, autonomous and industrial automation solutions that rely on LiDAR technology. The development cycles of our products with new customers varies widely depending on the application, market, customer and the complexity of the product, and can vary from several months to seven or more years depending on the industry. These development cycles result in us investing our resources prior to realizing any revenue from the commercialization or obtaining any firm commitments of pricing, volume or timing of purchases of our products by our customers. As customers reach the commercialization phase and as the market for LiDAR solutions matures, these fluctuations in our operating results may become less pronounced.

Sales Volume. Each product program will have an expected range of sales volumes, depending on the end market demand for our customers' products as well as market application. This can depend on several factors, including market penetration, product capabilities, size of the end market that the product addresses and our end customers' ability to sell their products. In addition to end market demand, sales volumes also depend on whether our customer is in the development or production phase. In certain cases, we may provide volume discounts or strategic customer pricing on sales of our solutions, which may or may not be offset by lower manufacturing costs related to higher volumes which in turn could adversely impact our gross margins. Aeva's ability to ultimately achieve profitability is dependent upon progression of existing relationships to production and our ability to meet required volumes and required cost targets and gross margins. Delays of our current and future customers' programs could result in Aeva being unable to achieve our revenue targets and profitability in the time frame we anticipate. Such delays could result in Aeva requiring to raise additional debt or equity capital, which may not be available or may only be available on terms that are onerous or highly dilutive to our stockholders.

Basis of Presentation

Our condensed consolidated financial statements include the accounts of our wholly owned subsidiaries. We have eliminated intercompany accounts and transactions.

Components of Results of Operations

Revenue

Revenue consists of sales of perception solutions or sensing systems and non-recurring engineering services.

Aeva is engaged in design, manufacturing and sale of LiDAR sensing systems and related perception and autonomy-enabling software solutions serving customers in automotive, industrial, and other markets. Under our customer agreements, Aeva delivers a specified number of sensing systems at a fixed price under customary terms and conditions. The sensing system units sold under these agreements are typically prototypes that are used by the customer for its research, development, evaluation, pilot, or testing purposes. We also enter into non-recurring engineering service arrangements with certain of our customers to customize Aeva's perception solution to meet customer specific requirements.

Cost of revenue and gross profit

Cost of revenue principally includes direct material, direct labor and allocation of overhead associated with manufacturing operations, including inbound freight charges and depreciation expense. Cost of revenue also includes the direct cost and appropriate allocation of overhead involved in execution of non-recurring engineering services. Aeva's gross profit equals total revenue less total cost of revenue.

Operating expenses

Research and development expenses

Aeva's research and development efforts are focused on enhancing and developing additional functionality for our existing products and on new product development. Research and development expenses consist primarily of:

- Personnel-related expenses, including salaries, benefits, and stock-based compensation expense, for personnel in Aeva's research and engineering functions; and
- Expenses related to materials, software licenses, supplies, and third-party services.

Aeva recognizes research and development expenses as incurred.

General and administrative expenses

General and administrative expenses consist of personnel and personnel-related expenses, including salaries, benefits, and stock-based compensation expense of Aeva's executive, finance, information systems, human resources, and legal teams, as well as legal and accounting fees for professional and contract services.

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Selling and marketing expenses

Selling and marketing expenses consist of personnel and personnel-related expenses, including salaries, benefits, and stock-based compensation expense of Aeva's business development team as well as advertising and marketing expenses. These include the cost of trade shows, promotional materials, and public relations.

Interest income and interest expense

Interest income consists primarily of income earned on Aeva's cash equivalents and investments in marketable securities. Interest income varies based on Aeva's cash equivalents and marketable securities balance and changes in the interest rates.

Other income and expense

Other income and expense primarily consist of changes in the fair value of Series A warrants, fair value of private placement warrants and foreign currency transaction gains and losses, as well as realized gains and losses on marketable securities.

Results of Operations

The results of operations presented below should be reviewed in conjunction with the condensed consolidated financial statements and notes included elsewhere in this Quarterly Report on Form 10-Q.

Comparison of the Three Months Ended March 31, 2025, and 2024

The following table sets forth Aeva's results of operations data for the periods presented:

| | Three Months Ended March 31, | | Change \$ | Change % |
|-------------------------------------|---|-------------|----------------------|---------------------|
| | 2025 | 2024 | | |
| | (in thousands, except percentages) | | | |
| Revenue | \$ 3,368 | \$ 2,107 | \$ 1,261 | 60% |
| Cost of revenue | 3,058 | 3,499 | (441) | (13)% |
| Gross profit (loss) | 310 | (1,392) | 1,702 | (122)% |
| Operating expenses: | | | | |
| Research and development expenses | 21,569 | 25,012 | (3,443) | (14)% |
| General and administrative expenses | 7,217 | 8,411 | (1,194) | (14)% |
| Selling and marketing expenses | 1,942 | 2,529 | (587) | (23)% |
| Total operating expenses | 30,728 | 35,952 | (5,224) | (15)% |
| Loss from operations | (30,418) | (37,344) | 6,926 | (19)% |
| Interest income | 1,007 | 2,457 | (1,450) | (59)% |
| Other income (expense), net | (5,399) | (439) | (4,960) | 1130% |
| Net loss before taxes | (34,810) | (35,326) | 516 | (1)% |
| Income tax provision | 57 | — | 57 | 100% |
| Net loss | \$ (34,867) | \$ (35,326) | \$ 459 | (1)% |

Revenue

Revenue increased by \$1.3 million or 60% during the three months ended March 31, 2025 as compared to the three months ended March 31, 2024. The increase was primarily due to an increase in the total number of units sold and an increase in non-recurring engineering revenue recognized during the current period, which is dependent upon the timing of the work performed for our customers.

Cost of revenue

Cost of revenue decreased by \$0.4 million or 13%, during the three months ended March 31, 2025, from the three months ended March 31, 2024. The decrease was primarily due to a decrease in the production cost related to units sold during the current period as compared to the prior period.

Operating expenses

Research and development expenses

Research and development expenses decreased by \$3.4 million, or 14%, to \$21.6 million for the three months ended March 31, 2025, from \$25.0 million for the three months ended March 31, 2024. Research and development expenses decreased primarily due to a \$2.2 million decrease in payroll related expense, a \$1.0 million decrease in stock based compensation expense, a \$0.2 million decrease in research and development material expense, a \$0.3 million decrease in consulting expense, and a \$0.1 million decrease in travel expense, partially offset by a \$0.4 million increase in software license expense.

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General and administrative expenses

General and administrative expenses decreased by \$1.2 million, or 14%, to \$7.2 million for the three months ended March 31, 2025, from \$8.4 million for the three months ended March 31, 2024. General and administrative expenses decreased primarily due to a \$0.5 million decrease in payroll related expense, a \$0.6 million decrease in professional fee expense, a \$0.2 million decrease in insurance expense, a \$0.2 million decrease in other employee related expense and a \$0.2 million decrease in legal fees, partially offset by a \$0.5 million increase in stock based compensation expense.

Selling and marketing expenses

Selling and marketing expenses decreased by \$0.6 million, or 23%, to \$1.9 million for the three months ended March 31, 2025, from \$2.5 million for the three months ended March 31, 2024. The decrease was primarily due to a decrease in marketing expense by \$0.4 million and payroll related expense by \$0.2 million.

Interest income

Interest income decreased by \$1.5 million, or 59%, during the three months ended March 31, 2025, as compared to the three months ended March 31, 2024. The decrease was due to a decrease in the overall balance of interest-bearing cash equivalents and marketable securities for the three months ended March 31, 2025 as compared to the three months ended March 31, 2024.

Other income (expense), net

Other income (expense), net changed by \$5.0 million for the three months ended March 31, 2025 primarily due to an increase in the fair value of Series A warrants.

Liquidity and Capital Resources

Sources of Liquidity

Aeva's capital requirements will depend on many factors, including production capacity and sales volume, the timing and spending to support research and development efforts, investments in information technology, the expansion of sales and marketing activities, and market adoption of new and enhanced products and features.

On November 8, 2023, we entered into subscription agreements providing for the purchase of common stock resulting in net proceeds of \$20.6 million. Also on November 8, 2023, we entered into a Standby Equity Purchase Agreement (as amended from time to time, the "Facility Agreement") with entities affiliated with Sylebra. Pursuant to the Facility Agreement, we have the right, but not the obligation, to sell to Sylebra up to \$125.0 million of shares of preferred stock, at our request until November 8, 2026, subject to the terms of the Facility Agreement and the satisfaction of certain conditions as described in Note 10 to our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q. Each sale we request under the Facility Agreement may be for a number of shares of preferred stock with an aggregate value of at least \$25.0 million but not more than \$50.0 million (except with Sylebra's consent). We paid Sylebra a facility fee of \$2.5 million, an origination fee of \$0.6 million, and an administrative fee of \$0.3 million and reimbursed \$0.4 million to Sylebra for its fees and expenses. In addition, we issued to Sylebra Series A warrants to purchase 3,000,000 shares of common stock at an exercise price of \$5.00.

On July 2, 2024, Aeva and the parties to the Delaware Stockholder Litigation entered into a term sheet, and on December 6, 2024 entered into a formal settlement agreement, which will be subject to court approval, to fully and finally resolve the Delaware Stockholder Litigation. In connection with the settlement, we have agreed to pay a total settlement cost of \$14.0 million in exchange for a release of all claims related to the business combination and expect to recover \$2.5 million from insurance carrier. The settlement is being paid pursuant to our indemnification obligations and from available director and officer insurance policies. As of December 31, 2024, we have accrued a contingent liability of \$14.0 million connection with the settlement of the Delaware Stockholder Litigation, and a \$2.5 million insurance recovery. See Note 15 to our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for more information about the Delaware Stockholder Litigation.

To date, we have incurred negative cash flows from operating activities and incurred losses from operations as reflected in our accumulated deficit of \$646.7 million as of March 31, 2025. We expect to continue to incur operating losses due to continued investments that we intend to make in our business, including development of products. As of March 31, 2025, we had cash and cash equivalents and marketable securities totaling \$81.0 million. We also have the ability to draw on the Facility Agreement up to \$125.0 million through November 8, 2026 in exchange for the issuance of preferred shares, and we intend to draw down on the Facility Agreement if and as required by our capital needs. As of March 31, 2025, all conditions to draw under the Facility Agreement were met. We believe that our liquidity, including financing available to us through the Facility Agreement, will be sufficient to fund our operating and capital expenditure for at least 12 months from the date of issuance of the condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q.

[Table of Contents](#)**Cash Flow Summary**

The following table summarizes our cash flows for the periods presented:

| | Three Months Ended March 31, | |
|---|-------------------------------------|-------------------|
| | 2025 | 2024 |
| | (in thousands) | |
| Cash used in operating activities | \$ (30,792) | \$ (30,962) |
| Cash provided by investing activities | 23,322 | 22,036 |
| Cash provided by (used in) financing activities | (183) | (16) |
| Net decrease in cash and cash equivalents | <u>\$ (7,653)</u> | <u>\$ (8,942)</u> |

Operating Activities

For the three months ended March 31, 2025, net cash used in operating activities was \$30.8 million, attributable to a net loss of \$34.9 million and a net change in net operating assets and liabilities of \$7.7 million, partially offset by non-cash charges of \$11.8 million. Non-cash charges primarily consisted of \$4.6 million in stock-based compensation, \$1.4 million in depreciation and amortization expense, \$0.9 million in amortization of right of use assets and \$5.4 million change in the fair value of warrant liability, partially offset by a \$0.5 million in accretion of discount on available for sale securities. The change in net operating assets and liabilities was primarily due to a \$3.2 million decrease in other current liabilities, a \$2.5 million decrease in accounts payable, a \$1.6 million increase in inventories, a \$1.1 million decrease in accrued employee costs, a \$1.0 million decrease in lease liability, a \$0.4 million decrease in accrued liabilities, and \$0.2 million increase in other non-current assets, partially offset by a \$1.6 million decrease in other current assets and a \$0.4 million decrease in accounts receivable.

Investing Activities

For the three months ended March 31, 2025, net cash provided by investing activities was \$23.3 million, attributable to maturity of available-for-sale investments of \$40.0 million, partially offset by purchase of investments of \$16.0 million and purchase of property, plant and equipment of \$0.5 million.

Financing Activities

For the three months ended March 31, 2025, net cash used in financing activities was attributable to payment of taxes withheld on net settled vesting of restricted stock units.

Off-Balance Sheet Arrangements

As of March 31, 2025, Aeva has not engaged in any off-balance sheet arrangements, as defined in the rules and regulations of the SEC.

Critical Accounting Estimates

We prepare our financial statements in accordance with U.S. GAAP. The preparation of these financial statements requires us to make estimates, assumptions and judgments that can significantly impact the amounts Aeva reports as assets, liabilities, revenue, costs and expenses and the related disclosures. We base our estimates on historical experience and other assumptions that we believe are reasonable under the circumstances. Aeva's actual results could differ significantly from these estimates under different assumptions and conditions. We believe that the accounting policies discussed below are critical to understanding our historical and future performance as these policies involve a greater degree of judgment and complexity.

For the three months ended March 31, 2025 there were no significant changes to our critical accounting policies and estimates. For a more detailed discussion of our critical accounting policies and estimates, please refer to our 2024 Form 10-K and Note 1 to our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q.

Recent Accounting Pronouncements

See Note 1 to our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for recently adopted accounting pronouncements and recently issued accounting pronouncements not yet adopted as of the date of this Quarterly Report on Form 10-Q.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Aeva is exposed to market risk in the ordinary course of our business. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk exposure is primarily a result of fluctuations in interest rates. There has been no material change in our exposure to market risks from that discussed in Part II, Item 7A, “Quantitative and Qualitative Disclosures About Market Risk” of the 2024 Form 10-K.

Item 4. Controls and Procedures.

Evaluation of disclosure controls and procedures

Our management, with the participation of our Chief Executive Officer and our Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of March 31, 2025. The term “disclosure controls and procedures,” as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company’s management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure. Based on the evaluation of our disclosure controls and procedures as of March 31, 2025, our Chief Executive Officer and Chief Financial Officer concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in internal control over financial reporting

There was no change in our internal control over financial reporting identified in connection with the evaluation required by Rule 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the period covered by this Quarterly Report on Form 10-Q that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Inherent limitation on the effectiveness of internal control

Our management, including our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls or our internal control over financial reporting will prevent all errors and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by management override of the controls. The design of any system of controls is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, controls may become inadequate because of changes in conditions, or the degree of compliance with policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings.

From time to time, the Company may be involved in actions, claims, suits and other proceedings in the ordinary course of business, including assertions by third parties relating to intellectual property infringement, breaches of contract or warranties or employment-related matters. Information regarding legal proceedings is provided in this Quarterly Report on Form 10-Q in “Notes to Condensed Consolidated Financial Statements, Note 15 - *Commitments and Contingencies*.”

Item 1A. Risk Factors.

Our business, reputation, results of operations and financial condition, as well as the price of our common stock, can be affected by a number of factors, whether currently known or unknown, including those described in Part I, Item 1A of the 2024 Form 10-K under the heading “Risk Factors.” When any one or more of these risks materialize from time to time, our business, reputation, results of operations and financial condition, as well as the price of our common stock, can be materially and adversely affected. There have been no material changes to our risk factors since the 2024 Form 10-K.

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

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

10b5-1 Trading Plans

During the fiscal quarter ended March 31, 2025, no Section 16 director or officer adopted, modified, or terminated a “Rule 10b5-1 trading arrangement” (as defined in Item 408 of Regulation S-K of the Exchange Act).

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Item 6. Exhibits.

| Exhibit Number | Description |
|-----------------------|--|
| 3.1 | Second Amended and Restated Certificate of Incorporation of Aeva Technologies, Inc. (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K filed by the Registrant on March 18, 2021). |
| 3.2 | Certificate of Amendment to Amended and Restated Certificate of Incorporation of Aeva Technologies, Inc. (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K filed by the Registrant on March 18, 2024). |
| 3.3 | Amended and Restated By-laws of Aeva Technologies, Inc. (incorporated by reference to Exhibit 3.2 to the Current Report on Form 8-K filed by the Registrant on March 18, 2021). |
| 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. |
| 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. |
| 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. |
| 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. |
| 101.INS | Inline XBRL Instance Document-the instance document does not appear in the Interactive Data File as its XBRL tags are embedded within the Inline XBRL document |
| 101.SCH | Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents |
| 104 | Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101) |

* Filed herewith.

** Furnished herewith.

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.

AEVA TECHNOLOGIES, INC.

Date: May 14, 2025

By: _____
/s/Soroush Salehian Dardashti
Soroush Salehian Dardashti
Chief Executive Officer

Date: May 14, 2025

By: _____
/s/ Saurabh Sinha
Saurabh Sinha
Chief Financial Officer

**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, Saurabh Sinha, certify that:

1. I have reviewed this Quarterly Report of Aeva Technologies, 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 officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 14, 2025

By: _____ /s/ Saurabh Sinha
Saurabh Sinha
Chief Financial Officer
(Principal Financial and Accounting Officer)

**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 Aeva Technologies, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 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 result of operations of the Company.

Date: May 14, 2025

By: _____ /s/ Soroush Salehian Dardashti
Soroush Salehian Dardashti
Chief Executive Officer and Director
(Principal Executive Officer)

**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 Aeva Technologies, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 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 result of operations of the Company.

Date: May 14, 2025

By: _____
/s/ Saurabh Sinha
Saurabh Sinha
Chief Financial Officer
(Principal Financial and Accounting Officer)
