

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 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 July 31, 2025, the registrant had 56,327,698 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, together with any updates in the section titled “Risk Factors” in this Quarterly Report on Form 10-Q. 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)

	June 30, 2025	December 31, 2024
Assets		
Cash and cash equivalents	\$ 21,743	\$ 28,864
Marketable securities	28,106	83,143
Accounts receivable	3,896	1,187
Inventories	3,659	2,345
Other current assets	10,912	7,761
Total current assets	68,316	123,300
Operating lease right-of-use assets	1,996	3,826
Property, plant and equipment, net	12,753	10,332
Intangible assets, net	1,275	1,725
Other noncurrent assets	6,809	8,306
Total assets	\$ 91,149	\$ 147,489
Liabilities and stockholders' equity (deficit)		
Accounts payable	\$ 4,793	\$ 5,453
Accrued liabilities	5,809	5,710
Accrued employee costs	2,445	5,783
Lease liability, current portion	1,824	3,039
Share subscription liability	77,496	—
Other current liabilities	13,352	19,174
Total current liabilities	105,719	39,159
Lease liability, noncurrent portion	3	720
Warrant liability	102,136	8,258
Other non-current liability	1,472	—
Total liabilities	209,330	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; 55,430 and 54,140 shares issued and outstanding at June 30, 2025 and December 31, 2024, respectively	6	6
Additional paid-in capital	721,288	711,160
Accumulated other comprehensive gain (loss)	(5)	47
Accumulated deficit	(839,470)	(611,861)
Total stockholders' equity (deficit)	(118,181)	99,352
Total liabilities and stockholders' equity (deficit)	\$ 91,149	\$ 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 June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Revenue	\$ 5,511	\$ 2,012	\$ 8,879	\$ 4,119
Cost of revenue	8,231	2,860	11,289	6,359
Gross loss	<u>(2,720)</u>	<u>(848)</u>	<u>(2,410)</u>	<u>(2,240)</u>
Operating expenses:				
Research and development expenses	22,841	26,196	44,410	51,208
General and administrative expenses	7,969	8,663	15,186	17,074
Selling and marketing expenses	1,393	1,706	3,335	4,235
Litigation settlement, net	—	11,500	—	11,500
Total operating expenses	<u>32,203</u>	<u>48,065</u>	<u>62,931</u>	<u>84,017</u>
Operating loss	<u>(34,923)</u>	<u>(48,913)</u>	<u>(65,341)</u>	<u>(86,257)</u>
Interest income	619	2,099	1,626	4,557
Change in fair value of warrant liability	(88,478)	3,517	(93,878)	3,080
Fair value loss on share subscription liability	(69,996)	—	(69,996)	—
Other income (expense), net	106	27	107	24
Loss before income taxes	<u>(192,672)</u>	<u>(43,270)</u>	<u>(227,482)</u>	<u>(78,596)</u>
Income tax provision	70	123	127	123
Net loss	<u>\$ (192,742)</u>	<u>\$ (43,393)</u>	<u>\$ (227,609)</u>	<u>\$ (78,719)</u>
Unrealized gain (loss) on available-for-sale securities	2	12	(52)	(149)
Total comprehensive loss	<u>\$ (192,740)</u>	<u>\$ (43,381)</u>	<u>\$ (227,661)</u>	<u>\$ (78,868)</u>
Net loss per share, basic and diluted	<u>\$ (3.49)</u>	<u>\$ (0.82)</u>	<u>\$ (4.14)</u>	<u>\$ (1.49)</u>
Weighted-average shares used in computing net loss per share, basic and diluted	<u>55,161,124</u>	<u>52,995,093</u>	<u>54,956,722</u>	<u>52,868,909</u>

See accompanying notes to the unaudited condensed consolidated financial statements.

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

	Common stock		Additional paid-in capital	Accumulated other comprehensive loss	Accumulated deficit	Total stockholders' equity (deficit)
	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	<u>54,949,284</u>	<u>\$ 6</u>	<u>\$ 715,541</u>	<u>\$ (7)</u>	<u>\$ (646,728)</u>	<u>\$ 68,812</u>
Share-based compensation	—	—	6,024	—	—	6,024
Issuance of common stock upon exercise of stock options	50,388	—	118	—	—	118
Issuance of common stock upon release of restricted stock units	482,010	—	—	—	—	—
Shares withheld for the withholding tax on vesting of restricted stock units	(51,427)	—	(395)	—	—	(395)
Unrealized gain on available-for-sale securities	—	—	—	2	—	2
Net loss	—	—	—	—	(192,742)	(192,742)
Balance as of June 30, 2025	<u>55,430,255</u>	<u>\$ 6</u>	<u>\$ 721,288</u>	<u>\$ (5)</u>	<u>\$ (839,470)</u>	<u>\$ (118,181)</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, 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>
Share-based compensation	—	—	5,364	—	—	5,364
Issuance of common stock upon exercise of stock options	5,682	—	15	—	—	15
Issuance of common stock upon release of restricted stock units	411,670	—	—	—	—	—
Shares withheld for the withholding tax on vesting of restricted stock units	(56,463)	—	(238)	—	—	(238)
Unrealized gain on available-for-sale securities	—	—	—	12	—	12
Net loss	—	—	—	—	(43,393)	(43,393)
Balance as of June 30, 2024	<u>53,176,660</u>	<u>\$ 5</u>	<u>\$ 698,510</u>	<u>\$ (236)</u>	<u>\$ (538,319)</u>	<u>\$ 159,960</u>

See accompanying notes to the unaudited condensed consolidated financial statements.

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

	Six Months Ended June 30,	
	2025	2024
Cash flows from operating activities:		
Net loss	\$ (227,609)	\$ (78,719)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	2,716	2,741
Loss on joint development agreement	3,785	—
Impairment of inventories	134	559
Change in fair value of warrant liability	93,878	(3,080)
Fair value loss on share subscription liability	69,996	—
Stock-based compensation	10,588	10,625
Amortization of right-of-use assets	1,830	1,703
Amortization of premium and accretion of discount on available-for-sale securities, net	(795)	(2,096)
Other	—	118
Changes in operating assets and liabilities:		
Accounts receivable	(2,709)	(216)
Inventories	(1,448)	(1,184)
Other current assets	2,849	(3,156)
Other noncurrent assets	505	317
Accounts payable	(1,779)	199
Accrued liabilities	(2,940)	288
Accrued employee costs	(3,337)	(2,999)
Lease liability	(1,932)	(1,749)
Other current liabilities	(5,820)	16,522
Other noncurrent liability	1,472	—
Net cash used in operating activities	<u>(60,616)</u>	<u>(60,127)</u>
Cash flows from investing activities:		
Purchase of property, plant and equipment	(1,825)	(2,427)
Purchase of available-for-sale securities	(23,369)	(52,072)
Proceeds from maturities of available-for-sale securities	79,149	99,940
Net cash provided by investing activities	<u>53,955</u>	<u>45,441</u>
Cash flows from financing activities:		
Payments of taxes withheld on net settled vesting of restricted stock units	(578)	(293)
Proceeds from exercise of stock options	118	54
Net cash used in financing activities	<u>(460)</u>	<u>(239)</u>
Net decrease in cash and cash equivalents	(7,121)	(14,925)
Beginning cash and cash equivalents	28,864	38,547
Ending cash and cash equivalents	\$ 21,743	\$ 23,622
Supplemental disclosures of cash flow information:		
Cash paid for interest	\$ —	\$ —
Cash paid for income taxes	\$ 73	\$ 66
Supplemental disclosures of non-cash investing and financing activities:		
Joint development agreement receivable	\$ 7,500	\$ —
Share subscription liability	\$ 8,632	\$ —
Unpaid property, plant and equipment purchases	\$ 1,206	\$ 113

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 June 30, 2025, the Company’s existing sources of liquidity included cash and cash equivalents and marketable securities of \$49.8 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 \$839.5 million as of June 30, 2025. The Company expects to continue to incur operating losses due to the investments it intends to make in its business, including product development.

As of June 30, 2025, the Company had certain financial liabilities (i.e., warrant and share subscription liability) measured at fair value with changes in fair value recorded in the condensed consolidated financial statements (Note 10). Increases in the Company’s stock price during the quarter and as of June 30, 2025, resulted in significant increases in the value of these financial liabilities (Note 3) with offsetting losses resulting in a total stockholders’ deficit as of the quarter-end. The warrant and share subscription liability are expected to result in share settlement, with net cash settlement as a remote outcome. As a result, management does not expect these financial liabilities to have a material impact on existing sources of liquidity. As such 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 June 30, 2025, two customers accounted for 51%, and 25% of accounts receivable, respectively. As of December 31, 2024, five customers accounted for 18%, 16%, 13%, 11% and 10% of accounts receivable, respectively. As of June 30, 2025, two vendors accounted for 15% and 15% of the accounts payable, respectively. As of December 31, 2024, one vendor accounted for 40% of the accounts payable.

Warrants and Share Subscriptions

The Company accounts for warrants and other equity-linked contracts (i.e., share subscriptions) as equity or liability-classified instruments based on an assessment of the instrument's specific terms and applicable authoritative guidance in FASB ASC 480, Distinguishing Liabilities from Equity ("ASC 480"), and ASC 815-40, Derivatives and Hedging – Contract in Entity's Own Equity ("ASC 815-40").

The Company first assesses whether a freestanding equity-linked instrument should be classified as a liability pursuant to ASC 480. Under ASC 480, a freestanding financial instrument is classified as a liability if it is mandatorily redeemable, requires the issuer to settle the instrument or the underlying shares by transferring cash or other assets, or must be settled by issuing a variable number of shares where the monetary value of the obligation is based solely or predominantly on a fixed monetary amount, variations in something other than the fair value of the issuer's equity shares.

If an equity-linked instrument does not trigger liability classification under ASC 480, the Company assesses whether the instrument meets all requirements for equity classification under ASC 815-40, including whether the instrument is indexed to the Company's own common stock, among other conditions for equity classification. If not, the instrument is classified as a liability and is further analyzed to determine whether the instrument represents a derivative in its entirety. This assessment requires the use of professional judgment and requires reassessment of an instrument's classification at each reporting period while the instrument remains outstanding.

Equity-linked instruments that meet all equity classification conditions are recorded as a component of additional paid-in capital at issuance. Equity-linked instruments accounted for as liabilities are recognized and measured at fair value at inception and each reporting period the instrument remains outstanding. Any excess fair value over proceeds to be realized from the equity-linked instruments entered into at arm's length, along with any changes in fair value, as determined at each reporting period, are recorded as a component of fair value loss on share subscription liability on the consolidated statements of operations and comprehensive loss. Changes in fair value are reported on the consolidated statements of cash flows as a non-cash reconciling item between net loss and net cash flows from operating activities.

Provision for Anticipated Losses on Contracts

When estimated contract costs exceed expected consideration under contracts with a customer, the Company evaluates whether the nature of the contract is in the scope of Accounting Standards Codification ("ASC") 605-35, *Revenue Recognition - Construction-Type and Production-Type Contracts* ("ASC 605-35"). If ASC 605-35 applies, the Company recognizes a provision for the entire anticipated losses on contracts as soon as the loss becomes evident. In determining the anticipated losses, the Company considers the principles in ASC 606-10-32-2 through 32-27 (except for the guidance in paragraphs 606-10-32-11 through 32-13 on constraining estimates of variable consideration) to determine the transaction price, adjusted to reflect the effects of the customer's credit risk. The costs used in arriving at the estimated loss on a contract shall include all costs of the type allocable to contracts under paragraphs 340-40-25-5 through 25-8.

The provision for anticipated losses on contracts of \$2.3 million is classified as a current liability and \$1.5 million is classified as a noncurrent liability on the consolidated balance sheet and as a component of cost of revenue on the condensed consolidated statements of operations and comprehensive loss.

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 for annual periods beginning January 1, 2025, and 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, the Company 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 the Company’s 2027 annual period, and 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 June 30, 2025 and 2024, based on the disaggregation criteria described above were as follows (in thousands):

	Three Months Ended June 30,			
	2025		2024	
	Revenue	% of Revenue	Revenue	% of Revenue
Revenue by primary geographical market:				
North America	\$ 4,707	85%	\$ 1,951	97%
EMEA	\$ 489	9%	40	2%
APAC	\$ 315	6%	21	1%
Total	\$ 5,511	100%	\$ 2,012	100%
Revenue by timing of recognition:				
Recognized at a point in time	\$ 4,203	76%	\$ 1,394	69%
Recognized over time	1,308	24%	618	31%
Total	\$ 5,511	100%	\$ 2,012	100%

Total revenue for the six months ended June 30, 2025 and 2024, based on the disaggregation criteria described above were as follows (in thousands):

	Six Months Ended June 30,			
	2025		2024	
	Revenue	% of Revenue	Revenue	% of Revenue
Revenue by primary geographical market:				
North America	\$ 7,864	89%	\$ 3,625	88%
EMEA	541	6%	269	7%
APAC	474	5%	225	5%
Total	\$ 8,879	100%	\$ 4,119	100%
Revenue by timing of recognition:				
Recognized at a point in time	\$ 6,684	75%	\$ 3,108	75%
Recognized over time	2,195	25%	1,011	25%
Total	\$ 8,879	100%	\$ 4,119	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 June 30, 2025, three customers accounted for 36%, 16% and 14% of the Company’s revenue, respectively. For the three months ended June 30, 2024, two customers accounted for 46% and 43% of the Company’s revenue, respectively.

For the six months ended June 30, 2025, three customers accounted for 45%, 17% and 10% of the Company’s revenue, respectively. For the six months ended June 30, 2024, two customers accounted for 41% and 40% of the Company’s revenue, respectively.

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Contract Assets and Contract Liabilities

As of June 30, 2025 and December 31, 2024, the Company had contract assets of \$0.6 million and \$0.1 million, respectively, included in other current assets. As of December 31, 2024, the Company had contract assets of \$0.1 million included in other current assets. As of June 30, 2025, and December 31, 2024, the Company had contract liabilities of \$1.0 million and \$4.0 million, respectively, included in other current liabilities.

Remaining Performance Obligations

As of June 30, 2025, the total amount of the transaction price allocated to unsatisfied performance obligations for contracts with an original duration greater than one year was \$44.7 million, of which approximately 23% 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:

	June 30, 2025				Cash and Cash Equivalent	Marketable Securities
	Adjusted Cost	Unrealized Gains	Unrealized Losses	Fair Value		
	(in thousands)					
Assets						
Cash	\$ 10,054	\$ —	\$ —	\$ 10,054	\$ 10,054	\$ —
Level 1						
Money market funds	11,689	—	—	11,689	11,689	—
Level 2						
U.S. Agency securities	5,991	—	(1)	5,990	—	5,990
U.S. Treasury securities	7,168	—	(1)	7,167	—	7,167
Commercial paper	11,852	—	(3)	11,849	—	11,849
Corporate bonds	3,100	—	—	3,100	—	3,100
Subtotal	28,111	—	(5)	28,106	—	28,106
Total assets	<u>\$ 49,854</u>	<u>\$ —</u>	<u>\$ (5)</u>	<u>\$ 49,849</u>	<u>\$ 21,743</u>	<u>\$ 28,106</u>
Liabilities						
Level 3						
Warrant liability	\$ —	\$ —	\$ —	\$ 102,136	\$ —	\$ —
Share subscription liability	—	—	—	77,496	—	—
Total liabilities	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 179,632</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	87,078	60	(13)	87,125	3,982	83,143
Total assets	\$ 111,960	\$ 60	\$ (13)	\$ 112,007	\$ 28,864	\$ 83,143

Liabilities						
Level 3						
Warrant liability	—	—	—	\$ 8,258	—	—
Total liabilities	\$ —	—	\$ —	\$ 8,258	\$ —	\$ —

The fair value of the private placement warrants, Series A warrants and share subscription liability are based on significant unobservable inputs, which represent Level 3 measurements within the fair value hierarchy. In determining the fair value of the warrant and share subscription liability, the Company used the Black-Scholes and Monte Carlo option-pricing model as applicable 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 Series A and private placement warrants (in thousands):

	June 30, 2025	December 31, 2024
Fair value, beginning balance	\$ 8,258	\$ 6,772
Change in the fair value of Series A warrants	93,270	1,500
Change in the fair value of private placement warrants	608	(14)
Fair value, closing balance	\$ 102,136	\$ 8,258

The following table presents a summary of the changes in the fair value of the share subscription liability (in thousands):

	June 30, 2025
Fair value, beginning balance	\$ —
Fair value loss at inception of share subscription agreement	8,632
Change in the fair value loss on share subscription liability	68,864
Fair value, closing balance	\$ 77,496

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

	June 30, 2025	December 31, 2024
Expected term (years)	0.7	1.2
Expected volatility	106.0%	90.0%
Risk-free interest rate	4.12%	4.21%
Dividend yield	0%	0%
Exercise Price	\$ 57.50	\$ 57.50

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

	June 30, 2025	December 31, 2024
Expected term (years)	2.5	3.0
Expected volatility	97.0%	90.0%
Risk-free interest rate	3.67%	4.23%
Dividend yield	0%	0%
Exercise Price	\$ 5.00	\$ 5.00

The key inputs into the Monte Carlo option pricing model for the share subscription liability were as follows for the relevant periods:

	June 30, 2025	May 13, 2025
Expected term (years)	0.04	0.17
Expected volatility	114.0%	104.0%
Risk-free interest rate	4.23%	4.35%
Dividend yield	0%	0%
Exercise Price	\$ 9.26	\$ 9.26

Note 4. Acquisition of Intangible Assets

As of June 30, 2025, expected amortization expense relating to purchased intangible assets was as follows (in thousands):

Remainder of 2025	\$	450
2026		825
Total future amortization	\$	1,275

The Company recorded amortization expense related to the acquired intangible assets of \$0.3 million and \$0.3 million each for the three months ended June 30, 2025 and June 30, 2024, respectively, and \$0.5 million each for the six months ended June 30, 2025, and June 30, 2024, respectively.

Note 5. Inventories

Inventories consisted of the following (in thousands):

	June 30, 2025	December 31, 2024
Raw materials	\$ 2,176	\$ 1,550
Work-in-progress	658	88
Finished goods	825	707
Total inventories	\$ 3,659	\$ 2,345

Note 6. Property, Plant and Equipment

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

	June 30, 2025	December 31, 2024
Computer equipment	\$ 3,152	\$ 3,121
Lab equipment	8,353	8,328
Leasehold improvements	3,413	3,374
Construction in progress	4,356	243
Testing equipment	2,143	1,847
Manufacturing equipment	5,805	5,597
Furniture, fixtures and other equipment	579	566
Total property, plant and equipment	\$ 27,801	\$ 23,076
Less: accumulated depreciation	(15,048)	(12,744)
Total property, plant and equipment, net	\$ 12,753	\$ 10,332

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Depreciation related to property, plant, and equipment was \$1.1 million and \$1.2 million for the three months ended June 30, 2025 and June 30, 2024, respectively, and \$2.3 million for each of the six months ended June 30, 2025, and June 30, 2024.

Note 7. Other current assets

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

	June 30, 2025	December 31, 2024
Prepaid expenses	\$ 2,227	\$ 2,287
Joint development agreement receivable	6,000	—
Vendor deposits	1,270	971
Contract assets	585	85
Other current assets	830	4,418
Total other current assets	<u>\$ 10,912</u>	<u>\$ 7,761</u>

Note 8. Other non-current assets

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

	June 30, 2025	December 31, 2024
Non marketable equity investments	\$ 5,000	\$ 5,000
Security deposit	309	815
Joint development agreement receivable	1,500	—
Other non-current assets	—	2,491
Total other non-current assets	<u>\$ 6,809</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 June 30, 2025, the Company did not identify any impairment or significant observable price changes for this non-marketable equity investment.

Note 9. Other current liabilities

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

	June 30, 2025	December 31, 2024
Litigation settlement	\$ 11,200	\$ 14,000
Deferred revenue	1,024	4,001
Other current liabilities	1,128	1,173
Total other current liabilities	<u>\$ 13,352</u>	<u>\$ 19,174</u>

Note 10. Financing transaction*Private Investment - Sylebra*

On November 8, 2023, the Company entered into Subscription Agreements (the "Sylebra 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 - Sylebra

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.

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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 \$38 at the time of the Advance request and other customary conditions. As of June 30, 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 June 30, 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 June 30, 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.

Share Subscription Agreement - LGIT

On May 13, 2025, the Company entered into a strategic collaboration with LG Innotek Co., Ltd. (“LGIT”). In connection with this partnership, the parties entered into a Share Subscription Agreement (the “LG Subscription Agreement”), and a Joint Development Agreement (“JDA”), (collectively referred to as the “LGIT Transaction”).

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Pursuant to the LG Subscription Agreement, LGIT agreed to make a strategic investment in the Company of \$32.5 million (the “Private Placement”) in exchange for the common shares. LGIT agreed to pay a fixed price per share of \$9.26 at closing (i.e., the “Long Forward”) or a price per share equal to the volume weighted average price (“VWAP”) if the VWAP for 10 days preceding the record date is less than \$7.41 per share (the “Barrier Put Option”). The closing date is defined as ten business days after all closing conditions under the LG Subscription Agreement have been satisfied. Notwithstanding the foregoing, LGIT’s share ownership is subject to an ownership limit of 9.9% such that the price per share paid at closing will be adjusted to ensure the share ownership limit is not exceeded. The record date represents the earlier of two months following contract inception or satisfaction of all closing conditions. As of the date of issuance of these financial statements, the record date has passed, and the Barrier Put Option was not triggered.

The Company analyzed the Share Subscription Agreement and determined the long forward and barrier put option should be classified as a share subscription liability because the instrument was not considered indexed to the Company’s common stock as total number of shares to be issued are not fixed. The instrument requires a gross share settlement. The Company recognized the share subscription liability at fair value at contract inception and at each of the reporting date.

Pursuant to the JDA, the Company agreed to provide non-recurring engineering services to LGIT in exchange for a total consideration of \$7.5 million. However, based on the contract analysis, JDA and LG Subscription Agreement were determined to be a combined contract in which all the proceeds were allocated to the LG Subscription Arrangement and no proceeds were allocated to JDA, accordingly no revenue shall be recognized for non-recurring engineering services to be provided under the JDA. As a result, during the quarter ended June 30, 2025, the Company accrued for the expected loss from the JDA amounting to \$3.8 million as cost of revenue in the condensed consolidated financial statements. Further the difference between the fair value of the share subscription liability of \$8.6 million and the total consideration of \$7.5 million assigned to share subscription liability is recognized as a component of fair value loss on share subscription liability on the consolidated statements of operations and comprehensive loss.

Note 11. Capital Structure

As of June 30, 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 June 30, 2025 and December 31, 2024, no shares of preferred stock were issued and outstanding.

Warrants

As of June 30, 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 warrants 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 June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Numerator:				
Net loss attributable to common stockholders	\$ (192,742)	\$ (43,393)	(227,609)	(78,719)
Denominator:				
Weighted average shares of common stock outstanding — Basic	55,161,124	52,995,093	54,956,722	52,868,909
Dilutive effect of potential common stock	—	—	—	—
Weighted average shares of common stock outstanding — Diluted	55,161,124	52,995,093	54,956,722	52,868,909
Net loss per share attributable to common stockholders — Basic and Diluted	\$ (3.49)	\$ (0.82)	\$ (4.14)	\$ (1.49)

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:

	Six Months Ended June 30,	
	2025	2024
Common stock options issued and outstanding	2,320,011	2,380,423
Restricted stock units	8,671,167	6,998,973
Performance-based restricted stock units	1,911,765	1,911,765
Share subscription liability	3,509,719	—
Common stock warrants	2,491,776	2,491,776
Series A warrants	3,000,000	3,000,000
Total	21,904,438	16,782,937

Note 13. Stock-based Compensation

Stock Options

Aeva, Inc. adopted the 2016 Stock Incentive Plan in 2016 (the “2016 Plan”). Under the 2016 Plan, the board of directors of Aeva, Inc. granted awards, including incentive stock options, non-qualified stock options and restricted stock units (“RSUs”), to employees. In connection with the Business Combination, the Company assumed the 2016 Plan and all awards outstanding under the 2016 Plan, and adopted the 2021 Incentive Award Plan (the “2021 Plan” and together with the 2016 Plan, the “Stock Plans”) under which incentive stock options, non-qualified stock options and RSU may be granted to employees. Under the Stock Plans, the Company had 331,439 shares available for issuance as of June 30, 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 six months ended June 30, 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
Exercised	(50,661)	2.34	—	—
Forfeited	—	—	—	—
Outstanding as of June 30, 2025	2,320,011	\$ 2.82	4.27	\$ 81,138
Vested and exercisable as of June 30, 2025	2,298,577	\$ 2.71	4.24	\$ 80,642
Vested and expected to vest as of June 30, 2025	2,320,011	\$ 2.82	4.27	\$ 81,138

There were no options granted during the six months ended June 30, 2025. Additionally, there were no more awards available for grant under the 2016 Plan, since the 2016 Plan was replaced by the 2021 Plan. As of June 30, 2025, the Company had \$0.1 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 0.4 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 the 2016 Plan and 2021 Plan. RSUs typically vest 25 percent upon the one-year anniversary date from the initial vesting date, with 12.5% vesting on each six-month 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 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 June 30, 2025, the total unrecognized

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compensation expense related to the performance-based PBRsUs was \$1.1 million, which is expected to be amortized over a weighted-average period of 0.5 years.

In May 2023, the Company also granted a total of 735,294 market-based PBRsUs pursuant to the 2021 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:

	June 30, 2025
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 June 30, 2025, the total unrecognized compensation expense related to the market-based PBRsUs was \$0.4 million, which is expected to be amortized over a weighted-average period of 2.3 years.

The following table summarizes the Company's RSU activity (excluding PBRsUs) for the six months ended June 30, 2025:

	Shares	Weighted Average Grant Date Fair Value per Share
Outstanding as of December 31, 2024	6,549,869	\$ 5.48
Granted	4,478,199	7.58
Released	(1,339,219)	6.67
Forfeited	(1,017,682)	5.80
Outstanding as of June 30, 2025	<u>8,671,167</u>	<u>\$ 6.35</u>

As of June 30, 2025, the Company had \$47.8 million of unrecognized stock-based compensation expense related to the RSUs. This cost is expected to be recognized over a weighted-average period of 2.9 years.

Compensation expense

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Cost of revenue	\$ 32	\$ 64	\$ 63	\$ 166
Research and development expenses	3,434	4,189	6,411	8,178
General and administrative expenses	2,349	913	3,725	1,820
Selling and marketing expenses	209	198	389	461
Total	<u>\$ 6,024</u>	<u>\$ 5,364</u>	<u>\$ 10,588</u>	<u>\$ 10,625</u>

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 six months ended June 30, 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 0.9 year and 1.2 years as of June 30, 2025 and December 31, 2024, respectively. The weighted-average discount rate was 6.04% as of June 30, 2025 and December 31, 2024, respectively. Operating lease cost for the three months ended June 30, 2025, and 2024, was \$1.1 million and \$1.1 million, respectively. Operating lease cost for the six months ended June 30, 2025, and 2024, was \$2.1 million and \$2.1 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 June 30, 2025 (in thousands):

	Operating Leases
Remainder of 2025	\$ 1,147
2026	729
Total minimum lease payments	1,876
Less: imputed interest	(49)
Total lease liability	\$ 1,827

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 was further amended on April 28, 2025 for submission to the Delaware Court of Chancery, and 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. The settlement is being paid pursuant to the Company's indemnification obligations and from available director and officer insurance policies.

As of June 30, 2025, the Company has paid an amount of \$2.8 million and has accrued a contingent liability of \$11.2 million in other current liabilities on the accompanying condensed consolidated balance sheets in connection with the settlement of the Delaware Stockholder Litigation. The Company has also recovered \$2.5 million from an insurance carrier. 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

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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 and comprehensive loss. 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 condensed consolidated 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 June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Revenue	\$ 5,511	\$ 2,012	\$ 8,879	\$ 4,119
Less:				
Stock-based compensation expense (1)	6,024	5,364	10,588	10,625
Loss on joint development agreement (2)	3,785	—	3,785	—
Cost of revenue (excluding 1 and 2)	4,414	2,796	7,441	6,193
Research and development expenses (excluding 1)	19,407	22,007	37,999	43,030
General and administrative expenses (excluding 1)	5,620	7,750	11,461	15,254
Selling and marketing expenses (excluding 1)	1,184	1,508	2,946	3,774
Legal settlement, net	—	11,500	—	11,500
Loss from Operations	(34,923)	(48,913)	(65,341)	(86,257)
Change in fair value of warrant liability (3)	(88,478)	3,517	(93,878)	3,080
Fair value loss on share subscription liability (4)	(69,996)	—	(69,996)	—
Interest income	619	2,099	1,626	4,557
Other income (expense), net (excluding 3 and 4)	106	27	107	24
Income tax provision	(70)	(123)	(127)	(123)
Net loss	\$ (192,742)	\$ (43,393)	\$ (227,609)	\$ (78,719)

Revenues from External Customers

Revenue from customers outside the United States were 15% and 3% of total revenues for the three months ended June 30, 2025 and June 30, 2024 respectively. Revenue from customers outside the United States were 11% and 12% of total revenues for the six months ended June 30, 2025 and June 30, 2024 respectively.

Long-Lived Assets

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

	June 30, 2025	December 31, 2024
North America	\$ 9,665	\$ 6,645
Asia	3,088	3,687
Total	\$ 12,753	\$ 10,332

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 primarily 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. Our 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. The protracted development cycle required for customers to reach the commercialization phase, as well as any delays of our current and future customers' programs could result in us being unable to achieve our revenue targets and profitability in the time frame we anticipate. This 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.

Change in fair value of warrant liability

The change in fair value of the warrant liability consists of increases or decreases in the fair value of the Series A warrants issued in connection with the Facility Agreement (as defined in Note 10 to our condensed consolidated financial statements), as well as the private placement warrants.

Fair value loss on share subscription liability

Fair value loss on share subscription liability consist of increase or decrease in the fair value of the instrument under the LG Subscription Agreement (as defined in Note 10 to our condensed consolidated financial statements), which is classified as a liability because the instrument was not considered indexed to our common stock as the total number of shares to be issued is not fixed.

Other income and expense

Other income and expense primarily consist of 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 June 30, 2025, and 2024

The following table sets forth our results of operations data for the periods presented:

	Three Months Ended June 30,		Change \$	Change %
	2025	2024		
	(in thousands, except percentages)			
Revenue	\$ 5,511	\$ 2,012	3,499	174%
Cost of revenue	8,231	2,860	5,371	188%
Gross loss	<u>(2,720)</u>	<u>(848)</u>	<u>(1,872)</u>	221%
Operating expenses:				
Research and development expenses	22,841	26,196	(3,355)	(13)%
General and administrative expenses	7,969	8,663	(694)	(8)%
Selling and marketing expenses	1,393	1,706	(313)	(18)%
Litigation settlement, net	—	11,500	(11,500)	100%
Total operating expenses	<u>32,203</u>	<u>48,065</u>	<u>(15,862)</u>	(33)%
Loss from operations	(34,923)	(48,913)	13,990	(29)%
Interest income	619	2,099	(1,480)	(71)%
Change in fair value of warrant liability	(88,478)	3,517	(91,995)	(2616)%
Fair value loss on share subscription liability	(69,996)	—	(69,996)	100%
Other income (expense), net	106	27	79	293%
Net loss before taxes	(192,672)	(43,270)	(149,402)	345%
Income tax provision	70	123	(53)	(43)%
Net loss	<u>\$ (192,742)</u>	<u>\$ (43,393)</u>	<u>(149,349)</u>	344%

Revenue

Revenue increased by \$3.5 million, or 174% during the three months ended June 30, 2025 as compared to the three months ended June 30, 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 increased by \$5.4 million, or 188%, during the three months ended June 30, 2025, from the three months ended June 30, 2024. The increase was primarily due to a \$3.8 million loss recognized on a joint development agreement and also due to an increase 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 13%, to \$22.8 million for the three months ended June 30, 2025, from \$26.2 million for the three months ended June 30, 2024. The decrease was primarily due to a \$2.4 million decrease in payroll related expense, a \$1.4 million decrease in research and development material expense, a \$0.8 million decrease in stock based compensation expense, a \$0.3 million decrease in consulting expense, a \$0.4 million decrease in software license expense and a \$0.3 million decrease in facility expense, partially offset by a \$2.2 million increase in research and development services.

General and administrative expenses

General and administrative expenses decreased by \$0.7 million, or 8%, to \$8.0 million for the three months ended June 30, 2025, from \$8.7 million for the three months ended June 30, 2024. The decrease was primarily due to a \$1.3 million decrease in legal fees, a \$0.3 million decrease in payroll related expense, a \$0.5 million decrease in professional fee expense, a \$0.2 million decrease in other employee related expense and a \$0.1 million decrease in travel expense, partially offset by a \$1.4 million increase in stock based compensation expense, a \$0.2 million increase in software license expense and a \$0.1 increase in recruiting expense.

Selling and marketing expenses

Selling and marketing expenses decreased by \$0.3 million, or 18%, to \$1.4 million for the three months ended June 30, 2025, from \$1.7 million for the three months ended June 30, 2024. The decrease was primarily due to a \$0.3 million decrease in payroll related expense.

Interest income

Interest income decreased by \$1.5 million, or 71%, during the three months ended June 30, 2025, as compared to the three months ended June 30, 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 June 30, 2025 as compared to the three months ended June 30, 2024.

Change in fair value of warrant liability

The change during the three months ended June 30, 2025, as compared to the three months ended June 30, 2024, is due to a \$91.3 million increase in the fair value of the Series A warrants issued in connection with the Facility Agreement and a \$0.6 million increase in fair value to private placement warrants.

Fair value loss on share subscription liability

The fair value loss on share subscription liability of \$70.0 million during the three months ended June 30, 2025 was a non cash charge due to change in fair value of common stock to be issued under the LG Subscription Agreement.

Comparison of the Six Months Ended June 30, 2025, and 2024

The following table sets forth our results of operations data for the periods presented:

	Six Months Ended June 30,		Change \$	Change %
	2025	2024		
	(in thousands, except percentages)			
Revenue	\$ 8,879	\$ 4,119	4,760	116%
Cost of revenue	11,289	6,359	4,930	78%
Gross loss	<u>(2,410)</u>	<u>(2,240)</u>	<u>(170)</u>	8%
Operating expenses:				
Research and development expenses	44,410	51,208	(6,798)	(13)%
General and administrative expenses	15,186	17,074	(1,888)	(11)%
Selling and marketing expenses	3,335	4,235	(900)	(21)%
Litigation settlement, net	—	11,500	(11,500)	100%
Total operating expenses	<u>62,931</u>	<u>84,017</u>	<u>(21,086)</u>	(25)%
Loss from operations	(65,341)	(86,257)	20,916	(24)%
Interest income	1,626	4,557	(2,931)	(64)%
Change in fair value of warrant liability	(93,878)	3,080	(96,958)	(3,148)%
Fair value loss on share subscription liability	(69,996)	—	(69,996)	100%
Other income (expense), net	107	24	83	346%
Net loss before taxes	<u>(227,482)</u>	<u>(78,596)</u>	<u>(148,886)</u>	189%
Income tax provision	127	123	4	3%
Net loss	<u>\$ (227,609)</u>	<u>\$ (78,719)</u>	<u>\$ (148,890)</u>	189%

Revenue

Revenue increased by \$4.8 million, or 116% during the six months ended June 30, 2025 as compared to the six months ended June 30, 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 increased by \$4.9 million, or 78%, during the six months ended June 30, 2025, from the six months ended June 30, 2024. The increase was primarily due to a \$3.8 million loss recognized on a joint development agreement and also due to an increase 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 \$6.8 million, or 13%, to \$44.4 million for the six months ended June 30, 2025, from \$51.2 million for the six months ended June 30, 2024. The decrease was primarily due to a \$4.5 million decrease in payroll related expense, a \$1.8 million decrease in research and development material expense, a \$1.8 million decrease in stock based compensation expense, a \$0.6 million decrease in consulting expense, a \$0.3 million decrease in facility expense and a \$0.2 million decrease in depreciation expense, partially offset by a \$2.4 million increase in research and development services expense.

General and administrative expenses

General and administrative expenses decreased by \$1.9 million, or 11%, to \$15.2 million for the six months ended June 30, 2025, from \$17.1 million for the six months ended June 30, 2024. The decrease was primarily due to a \$1.3 million decrease in legal fees, a \$0.9 million decrease in payroll related expense, a \$1.0 million decrease in professional fee expense, a \$0.3 million decrease in insurance expense, a \$0.3 million decrease in other employee related expense and a \$0.1 million decrease in travel expense, partially offset by a \$1.91 million increase in stock based compensation expense and a \$0.1 increase in facility expense.

Selling and marketing expenses

Selling and marketing expenses decreased by \$0.9 million, or 21%, to \$3.3 million for the six months ended June 30, 2025, from \$4.2 million for the six months ended June 30, 2024. The decrease was primarily due to a \$0.4 million decrease in payroll related expense by and a \$0.5 million decrease in marketing expense.

Interest income

Interest income decreased by \$2.9 million, or 64%, during the six months ended June 30, 2025, as compared to the six months ended June 30, 2024. The decrease was due to a decrease in the overall balance of interest-bearing cash equivalents and marketable securities for the six months ended June 30, 2025 as compared to the six months ended June 30, 2024.

Change in fair value of warrant liability

The change during the six months ended June 30, 2025, as compared to the six months ended June 30, 2024, is due to a \$96.3 million increase in the fair value of the Series A warrants issued in connection with the Facility Agreement and a \$0.6 million increase in fair value to private placement warrants issued.

Fair value loss on share subscription liability

The fair value loss on share subscription liability of \$70.0 million during the six months ended June 30, 2025 was a non cash charge due to change in fair value of common stock to be issued under the LG Subscription Agreement.

Liquidity and Capital Resources

Sources of Liquidity

Our 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. The settlement is being paid pursuant to our indemnification obligations and from available director and officer insurance policies. As of June 30, 2025, we have paid an amount of \$2.8 million and accrued a contingent liability of \$11.2 million in other current liabilities on the condensed consolidated balance sheets in connection with the settlement of the Delaware Stockholder Litigation. We have also recovered \$2.5 million from an insurance carrier. 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.

On May 13, 2025, we entered into a subscription agreement with LGIT, a company organized under the laws of the Republic of Korea, pursuant to which we agreed to sell and issue to LGIT in a private placement an aggregate of 3,509,719 shares of common stock for aggregate gross proceeds of approximately \$32.5 million. This private placement is expected to close in August 2025. In connection with the Private Placement, we entered into a joint development agreement with LGIT, and intend to form a strategic partnership with LGIT to bring Aeva's 4D LiDAR into new industrial and consumer markets.

To date, we have incurred negative cash flows from operating activities and incurred losses from operations as reflected in our accumulated deficit of \$839.5 million as of June 30, 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 June 30, 2025, we had cash and cash equivalents and marketable securities totaling \$49.8 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 June 30, 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:

	Six Months Ended June 30,	
	2025	2024
	(in thousands)	
Cash used in operating activities	\$ (60,616)	\$ (60,127)
Cash provided by investing activities	53,955	45,441
Net cash (used in) provided by financing activities	(460)	(239)
Net decrease in cash and cash equivalents	<u>\$ (7,121)</u>	<u>\$ (14,925)</u>

Operating Activities

For the six months ended June 30, 2025, net cash used in operating activities was \$60.6 million, attributable to a net loss of \$227.6 million and a net change in net operating assets and liabilities of \$15.1 million, partially offset by non-cash charges of \$182.1 million. Non-cash charges primarily consisted of \$93.9 million change in the fair value of warrant liability, \$70.0 million change in the fair value loss on share subscription liability, \$10.6 million in stock-based compensation, \$3.8 million of loss on joint development agreement, \$2.7 million in depreciation and amortization expense, and \$1.8 million in amortization of right of use assets, partially offset by a \$0.8 million in accretion of discount on available for sale securities. The change in net operating assets and liabilities was primarily due to a \$5.8 million decrease in other current liabilities, a \$1.8 million decrease in accounts payable, a \$1.4 million increase in inventories, a \$3.3 million decrease in accrued employee costs, a \$1.9 million decrease in lease liability, a \$2.9 million decrease in accrued liabilities, and \$2.7 million increase in accounts receivable, partially offset by a \$2.8 million decrease in other current assets, a \$1.5 million increase in other noncurrent liabilities and a \$0.5 million decrease in other non-current assets.

Investing Activities

For the six months ended June 30, 2025, net cash provided by investing activities was \$54.0 million, attributable to proceeds from maturities of available-for-sale investments of \$79.1 million, partially offset by purchase of investments of \$23.4 million and purchase of property, plant and equipment of \$1.8 million.

Financing Activities

For the six months ended June 30, 2025, net cash used in financing activities was attributable to payment of taxes withheld on net settlement of restricted stock units, partially offset by proceeds from option exercises.

Off-Balance Sheet Arrangements

As of June 30, 2025, we have 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 six months ended June 30, 2025 there were no significant changes to our critical accounting estimates except for as described below. 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.

Warrants and Share Subscriptions

The Company accounts for warrants and other equity-linked contracts (i.e., share subscriptions) as equity or liability-classified instruments based on an assessment of the instrument's specific terms and applicable authoritative guidance in FASB ASC 480, *Distinguishing Liabilities from Equity* ("ASC 480"), and ASC 815-40, *Derivatives and Hedging – Contract in Entity's Own Equity* ("ASC 815-40").

The Company first assesses whether a freestanding equity-linked instrument should be classified as a liability pursuant to ASC 480 when the instrument is mandatorily redeemable, obligates the issuer to settle an instrument or the underlying shares by paying cash or other assets, or must or may require settlement by issuing variable number of shares and such settlement scenario is predominantly likely to occur.

If an equity-linked instrument does not trigger liability classification under ASC 480, the Company assesses whether the instrument meets all requirements for equity classification under ASC 815-40, including whether the instrument is indexed to the Company's own common stock, among other conditions for equity classification. If not, the instrument is classified as a liability and is further analyzed to determine whether the instrument represents a derivative in its entirety. This assessment requires the use of professional judgment and requires reassessment of an instrument's classification at each reporting period while the instrument remains outstanding.

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Equity-linked instruments that meet all equity classification conditions are recorded as a component of additional paid-in capital at issuance. Equity-linked instruments accounted for as liabilities are recognized and measured at fair value at inception and each reporting period the instrument remains outstanding. Any excess fair value over proceeds to be realized from the equity-linked instruments entered into at arm's length, along with any changes in fair value, as determined at each reporting period, are recorded as a component of fair value loss on share subscription liability on the consolidated statements of operations and comprehensive loss. Changes in fair value are reported on the consolidated statements of cash flows as a non-cash reconciling item between net loss and net cash flows from operating activities.

Provision for Anticipated Losses on Contracts

When estimated contract costs exceed expected consideration under contracts with a customer, the Company evaluates whether the nature of the contract is in the scope of Accounting Standards Codification ("ASC") 605-35, *Revenue Recognition - Construction-Type and Production-Type Contracts* ("ASC 605-35"). If ASC 605-35 applies, the Company recognizes a provision for the entire anticipated losses on contracts as soon as the loss becomes evident. In determining the anticipated losses, the Company considers the principles in ASC 606-10-32-2 through 32-27 (except for the guidance in paragraphs 606-10-32-11 through 32-13 on constraining estimates of variable consideration) to determine the transaction price, adjusted to reflect the effects of the customer's credit risk. The costs used in arriving at the estimated loss on a contract shall include all costs of the type allocable to contracts under paragraphs 340-40-25-5 through 25-8.

The provision for anticipated losses on contracts of \$2.3 million is classified as a current liability and \$1.5 million is classified as a noncurrent liability on the consolidated balance sheet and as a component of cost of revenue on the condensed consolidated statements of operations and comprehensive loss.

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 June 30, 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 June 30, 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, other than the following:

Our growth depends in part on the success of our strategic partnerships with third parties.

From time to time, we enter into strategic partnerships with third parties to enhance and extend our capabilities in the ordinary course of our business. Identifying partners, and negotiating and documenting relationships with them, requires significant time and resources.

For example, in May 2025, we entered into a share subscription agreement with LG Innotek Co., Ltd. for aggregate gross proceeds of approximately \$32.5 million. This private placement is expected to close in August 2025. In connection with the Private Placement, we entered into a joint development agreement with LGIT, with the goal of establishing a strategic partnership to bring Aeva’s 4D LiDAR into new industrial and consumer markets. We may never achieve or realize the anticipated financial and other benefits of the strategic partnership with LGIT.

If we are unsuccessful in establishing or maintaining strategic partnerships, or if our strategic partnerships fail to perform as expected, our ability to compete or to grow our revenue could be impaired, which could adversely affect our business, financial condition, and results of operations. Even if we are successful, we cannot assure you that these relationships will result in increased production of our products, development of new products, or increased revenue.

If we fail to maintain an effective system of internal controls, our ability to produce timely and accurate financial statements or comply with applicable regulations could be adversely affected.

We are subject to the reporting requirements of the Exchange Act, the Sarbanes-Oxley Act and the rules and regulations of the NASDAQ Stock Market (“NASDAQ”). We expect that the requirements of these rules and regulations will continue to increase our legal, accounting and financial compliance costs, make some activities more difficult, time-consuming and costly, and place significant strain on our personnel, systems and resources. The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting, and to furnish a report by management on the effectiveness of our internal control over financial reporting pursuant to Section 404 of The Sarbanes-Oxley Act (“Section 404”). As a result of no longer qualifying as an “emerging growth company” and becoming a large accelerated filer, we are also required to comply with, among other requirements, the auditor attestation requirements of Section 404 as of December 31, 2025.

In order to maintain and improve the effectiveness of our controls and procedures we have expended, and expect that we will continue to expend, significant resources, including accounting-related costs, and provide significant management oversight, as we continue to refine our controls and procedures to comply with the demands placed upon us as a public company, including the requirements of Section 404. Our current controls and any new controls that we develop may be inadequate. Further, weaknesses or deficiencies in our internal controls have been identified in the past and may be discovered in the future. Any failure to develop or maintain effective controls, or any difficulties encountered in their implementation or improvement, could adversely affect our operating results or cause us to fail to meet reporting obligations and may result in a restatement of our financial statements. Ineffective controls and procedures could also result in loss of investor confidence in the accuracy and completeness of our financial reports and a decline in our stock price, and we could be subject to sanctions or investigations by the SEC or other regulatory authorities.

Ownership of Aeva is concentrated in our management.

As of the date of this Quarterly Report on Form 10-Q, our officers and directors, as well as entities they are affiliated with or control, beneficially own or control approximately 49.4% of our outstanding shares of common stock. This ownership does not reflect convertible securities underlying shares of common stock. The change from prior periods reflects the fact that certain shares owned by Mr. Rezk were pledged as collateral for a loan and this pledge is now the subject of a dispute. Based on the information provided to Mr. Rezk, we and Mr. Rezk believe that the pledged shares may have been sold prior to June 2025. Neither we nor Mr. Rezk makes any assertion as to the outcome of that dispute.

This concentrated ownership and control by our management could adversely affect the status and perception of our common stock and/or warrants. In addition, any material sales of common stock of our management, or even the perception that such sales will occur, could cause a material decline in the trading price of our common stock and/or warrants. Due to this ownership concentration, our management has significant influence on all matters requiring stockholder approval, including the election of directors, the approval of mergers or acquisitions, and other significant corporate transactions. Any person acquiring our common stock most likely will have no effective voice in the management of our

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company. This ownership concentration also could delay or prevent a change of control of the company, which could deprive our stockholders from receiving a premium for their common shares.

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 June 30, 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), except as follows:

On May 18, 2025, Saurabh Sinha, our Chief Financial Officer, adopted a Rule 10b5-1 Trading Plan, Mr. Sinha's Rule 10b5-1 Trading Plan provides for the sale of up to 268,086 shares of our Common Stock from August 17, 2025, until May 30, 2026, or earlier if all transactions under the Rule 10b5-1 Trading Plan are completed.

There were no “non-Rule 10b5-1 trading arrangements” (as defined in Item 408 of Regulation S-K of the Exchange Act) adopted, modified or terminated during the fiscal quarter ended June 30, 2025 by our directors and Section 16 officers.

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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).
10.1*	Second Amendment to Standby Equity Purchase Agreement, dated May 15, 2025, by and among the Company and investment entities affiliated with Sylebra Capital Limited.
10.2*	Third Amendment to Standby Equity Purchase Agreement, dated June 30, 2025, by and among the Company and investment entities affiliated with Sylebra Capital Limited.
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: August 5, 2025

By: _____
Soroush Salehian Dardashti
Chief Executive Officer

Date: August 5, 2025

By: _____
Saurabh Sinha
Chief Financial Officer

**SECOND AMENDMENT TO
STANDBY EQUITY PURCHASE AGREEMENT**

THIS **SECOND AMENDMENT TO STANDBY EQUITY PURCHASE AGREEMENT** (this “**Amendment**”), dated as of May 15, 2025, is made by and among Sylebra Capital Partners Master Fund Ltd, a Cayman Islands entity (“**Bell**”), Sylebra Capital Parc Master Fund, a Cayman Islands entity (“**Parc**”), Sylebra Capital Menlo Master Fund, a Cayman Islands entity (“**Menlo**”), Blackwell Partners LLC – Series A, a Delaware limited liability company (“**Blackwell**” and, together with Menlo, Parc and Bell, the “**Investors**”), and Aeva Technologies, Inc., a Delaware corporation (“**Company**”). The Investors and Company shall be referred to herein, jointly, as the “**Parties**” and, individually, as a “**Party**.”

RECITALS

WHEREAS, the Company and each of the Investors entered into that certain Standby Equity Purchase Agreement, dated as of November 8, 2023, as first amended on September 5, 2024 (as may be amended, restated, supplemented and otherwise modified from time to time, the “**SEPA**”);

WHEREAS, pursuant to Section 12.02 of the SEPA, a written instrument executed by the Company and each of the Investors is required to amend the SEPA; and

WHEREAS, the Company and each of the Investors desires and hereby agrees to amend the SEPA.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties hereby agree as follows:

AGREEMENT

1. Definitions; Interpretation.

Capitalized terms used but not defined herein have the same meanings as in the SEPA.

2. Consent.

The Company and each of the Investors hereby consents to the amendments to the SEPA contemplated herein.

3. Amendments to the SEPA.

As of May 15, 2025 (the “**Effective Date**”), the SEPA shall be amended as follows.

(a) Section 6.06(c) is hereby amended and restated in its entirety to read as follows:

(c) acquire, offer or propose to acquire, or agree to acquire, directly or indirectly, whether by purchase, tender or exchange offer, through the acquisition of control of another person, by joining a partnership, limited partnership, syndicate or other group (including any group of persons that would be treated as a single “person” under Section 13(d) of the Exchange Act), through swap or hedging transactions or otherwise, any securities of the Company or any rights decoupled from the underlying securities that would result in the Investor (together with its Affiliates), owning more than 16,428,553 shares of the Company’s Common Stock (as adjusted

for any stock split, stock dividend, combination, or other recapitalization or reclassification effected after the Effective Date). For purposes of this Section, no securities Beneficially Owned by a portfolio company of the Investor or its Affiliates will be deemed to be Beneficially Owned by the Investor or any of its Affiliates only so long as (x) such portfolio company is not an Affiliate of the Investor for purposes of this Agreement, (y) neither the Investor nor any of its Affiliates has encouraged, instructed, directed, supported, assisted or advised, or coordinated with, such portfolio company with respect to the acquisition, voting or disposition of securities of the Company by the portfolio company and (z) neither the Investor or any of its Affiliates is a member of a group (as such term is defined in Section 13(d)(3) of the Exchange Act) with that portfolio company with respect to any securities of the Company;

(b) Section 2.01(c)(ii) is hereby amended and restated in its entirety to read as follows:

(ii) Common Stock Price. Notwithstanding anything to the contrary contained in this Agreement, the Investor shall have no obligation to purchase shares of Preferred Stock if the Common Stock Price as of the date of the applicable Closing is \$18.00 or more.

4. Miscellaneous.

- (a) THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.
- (b) Other than as expressly modified pursuant to this Amendment, all provisions of the Transaction Documents (in each case as previously amended, restated or otherwise modified pursuant to the terms thereof) remain unmodified and in full force and effect.
- (c) If any term or other provision of this Amendment is invalid, illegal or incapable of being enforced by any rule of Applicable Law or public policy, all other conditions and provisions of this Amendment shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated herein are not affected in any manner materially adverse to any Party.
- (d) The headings of various sections of this Amendment are for convenience of reference only, do not constitute a part hereof and shall not affect the meaning or construction of any provision hereof.
- (e) Article IX (Choice of Law/Jurisdiction), Article XI (Notices), and Section 12.02 (Entire Agreement; Amendments) of the SEPA are incorporated by reference as if fully set forth in this Amendment *mutatis mutandis*.
- (f) This Amendment may be executed by one or more of the Parties to this Amendment on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed signature page of this Amendment in Portable Document Format (PDF) shall be effective as delivery of a manually executed counterpart hereof.

[Remainder of page left intentionally blank. Signature pages to follow.]

IN WITNESS WHEREOF, each Party has caused this Amendment to be signed on its behalf as of the Effective Date:

COMPANY:

AEVA TECHNOLOGIES, INC.,

a Delaware corporation

By: /s/Soroush Salehian Dardashti

Name: Soroush Salehian Dardashti

Title: Chief Executive Officer

Signature Page to Second SEPA Amendment

IN WITNESS WHEREOF, each Party has caused this Amendment to be signed on its behalf as of the Effective Date:

INVESTOR:

Sylebra Capital Partners Master Fund Ltd,

a Cayman Islands entity

By: /s/Matthew Whitehead

Name: Matthew Whitehead

Title: Director

Signature Page to Second SEPA Amendment

IN WITNESS WHEREOF, each Party has caused this Amendment to be signed on its behalf as of the Effective Date:

INVESTOR:

Sylebra Capital Parc Master Fund,

a Cayman Islands entity

By: /s/Matthew Whitehead

Name: Matthew Whitehead

Title: Director

Signature Page to Second SEPA Amendment

IN WITNESS WHEREOF, each Party has caused this Amendment to be signed on its behalf as of the Effective Date:

INVESTOR:

Sylebra Capital Menlo Master Fund,

a Cayman Islands entity

By: /s/Matthew Whitehead

Name: Matthew Whitehead

Title: Director

Signature Page to Second SEPA Amendment

IN WITNESS WHEREOF, each Party has caused this Amendment to be signed on its behalf as of the Effective Date:

INVESTOR:

Blackwell Partners LLC – Series A,

a Delaware limited liability company

By: /s/Matthew Whitehead

Name: Matthew Whitehead

Title: Authorized Signatory of appointed Manager

Signature Page to Second SEPA Amendment

**THIRD AMENDMENT TO
STANDBY EQUITY PURCHASE AGREEMENT**

THIS **THIRD AMENDMENT TO STANDBY EQUITY PURCHASE AGREEMENT** (this “**Amendment**”), dated as of June 30, 2025, is made by and among Sylebra Capital Partners Master Fund Ltd, a Cayman Islands entity (“**Bell**”), Sylebra Capital Parc Master Fund, a Cayman Islands entity (“**Parc**”), Sylebra Capital Menlo Master Fund, a Cayman Islands entity (“**Menlo**”), Blackwell Partners LLC – Series A, a Delaware limited liability company (“**Blackwell**” and, together with Menlo, Parc and Bell, the “**Investors**”), and Aeva Technologies, Inc., a Delaware corporation (“**Company**”). The Investors and Company shall be referred to herein, jointly, as the “**Parties**” and, individually, as a “**Party**.”

RECITALS

WHEREAS, the Company and each of the Investors entered into that certain Standby Equity Purchase Agreement, dated as of November 8, 2023, as first amended on September 5, 2024, as further amended on May 14, 2025 (as may be amended, restated, supplemented and otherwise modified from time to time, the “**SEPA**”);

WHEREAS, pursuant to Section 12.02 of the SEPA, a written instrument executed by the Company and each of the Investors is required to amend the SEPA; and

WHEREAS, the Company and each of the Investors desires and hereby agrees to amend the SEPA.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties hereby agree as follows:

AGREEMENT

1. Definitions; Interpretation.

Capitalized terms used but not defined herein have the same meanings as in the SEPA.

2. Consent.

The Company and each of the Investors hereby consents to the amendments to the SEPA contemplated herein.

3. Amendments to the SEPA.

As of June 30, 2025 (the “**Effective Date**”), the SEPA shall be amended as follows.

(a) Section 2.01(c)(ii) is hereby amended and restated in its entirety to read as follows:

(ii) Common Stock Price. Notwithstanding anything to the contrary contained in this Agreement, the Investor shall have no obligation to purchase shares of Preferred Stock if the Common Stock Price as of the date of the applicable Closing is \$38.00 or more.

4. Miscellaneous.

- (a) THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.
- (b) Other than as expressly modified pursuant to this Amendment, all provisions of the Transaction Documents (in each case as previously amended, restated or otherwise modified pursuant to the terms thereof) remain unmodified and in full force and effect.
- (c) If any term or other provision of this Amendment is invalid, illegal or incapable of being enforced by any rule of Applicable Law or public policy, all other conditions and provisions of this Amendment shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated herein are not affected in any manner materially adverse to any Party.
- (d) The headings of various sections of this Amendment are for convenience of reference only, do not constitute a part hereof and shall not affect the meaning or construction of any provision hereof.
- (e) Article IX (Choice of Law/Jurisdiction), Article XI (Notices), and Section 12.02 (Entire Agreement; Amendments) of the SEPA are incorporated by reference as if fully set forth in this Amendment *mutatis mutandis*.
- (f) This Amendment may be executed by one or more of the Parties to this Amendment on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed signature page of this Amendment in Portable Document Format (PDF) shall be effective as delivery of a manually executed counterpart hereof.

[Remainder of page left intentionally blank. Signature pages to follow.]

IN WITNESS WHEREOF, each Party has caused this Amendment to be signed on its behalf as of the Effective Date:

COMPANY:

AEVA TECHNOLOGIES, INC.,

a Delaware corporation

By: /s/Saurabh Sinha

Name: Saurabh Sinha

Title: Chief Financial Officer

Signature Page to Third SEPA Amendment

IN WITNESS WHEREOF, each Party has caused this Amendment to be signed on its behalf as of the Effective Date:

INVESTOR:

Sylebra Capital Partners Master Fund Ltd,

a Cayman Islands entity

By: /s/Matthew Whitehead

Name: Matthew Whitehead

Title: Director

Signature Page to Third SEPA Amendment

IN WITNESS WHEREOF, each Party has caused this Amendment to be signed on its behalf as of the Effective Date:

INVESTOR:

Sylebra Capital Parc Master Fund,

a Cayman Islands entity

By: /s/Matthew Whitehead

Name: Matthew Whitehead

Title: Director

Signature Page to Third SEPA Amendment

IN WITNESS WHEREOF, each Party has caused this Amendment to be signed on its behalf as of the Effective Date:

INVESTOR:

Sylebra Capital Menlo Master Fund,

a Cayman Islands entity

By: /s/Matthew Whitehead

Name: Matthew Whitehead

Title: Director

Signature Page to Third SEPA Amendment

IN WITNESS WHEREOF, each Party has caused this Amendment to be signed on its behalf as of the Effective Date:

INVESTOR:

Blackwell Partners LLC – Series A,

a Delaware limited liability company

By: /s/Matthew Whitehead

Name: Matthew Whitehead

Title: Authorized Signatory of appointed Manager

Signature Page to Third SEPA Amendment

**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: August 5, 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 June 30, 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: August 5, 2025

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