

August 8, 2023



# Eve Holding, Inc. Reports Second Quarter 2023 Results

MELBOURNE, Fla., Aug. 8, 2023 /PRNewswire/ -- Eve Holding, Inc. ("Eve") (NYSE: EVEX and EVEXW) reports its second quarter 2023 earnings results.

## Financial highlights

Eve is a pre-operational company dedicated to the development of an eVTOL (electric Vertical Takeoff and Landing) aircraft and the Urban Air Mobility (UAM) ecosystem that includes the aircraft development, air traffic management systems as well as a Services & Support solutions. Eve is not yet producing revenue; we do not expect meaningful revenues during the development phase of our aircraft, and financial results should be mostly related to costs associated with the program development.

Eve reported a net loss of \$31.4 million in 2Q23 versus \$107.2 million in 2Q22. Setting aside non-recurring warrant-related expenses connected to Eve's PIPE investments and the merger with Zanite (SPAC transaction) of \$87.4 million incurred in 2Q22, net loss was then \$19.9 million. The higher recurring net losses in 2Q23 compared to the same period of 2022 were mostly driven by higher Research & Development (R&D) expenses, which are costs and activities necessary to advance the eVTOL design, including the Master Service Agreement (MSA) with Embraer, as well as higher recurring Selling, General & Administrative (SG&A) expenses. Higher R&D and recurring SG&A expenses during the quarter were partly offset by financial investment income and FX gains of \$4.1 million in the 2Q23 versus a gain of \$0.6 million in the 2Q22, on benefits from higher interest rates and cash position on Eve's financial investments.

R&D expenses were \$21.8 million in 2Q23, compared with \$10.4 million in 2Q22. Our R&D efforts are primarily driven by the MSA with Embraer that performs several developmental activities for Eve. These efforts continue to intensify as the design of Eve's eVTOL matures, including internal design, engineering, and program development and testing infrastructure.

SG&A expenses in 2Q22 were \$15.7 million but included IPO and other non-recurring expenses. When excluding one-off items, which totaled approximately \$9.6 million, SG&A expenses increased from approximately \$6.1 million in the 2Q22 to \$6.6 million in the 2Q23, reflecting mainly the higher number of direct employees at Eve – who perform critical corporate and administrative functions including, strategy, sales, legal, supply chain and finance activities. Lastly, R&D and SG&A labor expenses were also helped by the c.5% devaluation of the U.S. dollar versus the Brazilian Real as most of our costs were incurred in Brazil.

R&D expenses in the 1H2023 reached \$43.3 million or more than double the amount spent in the 1H2022 of \$19.5 million while SG&A expenses increased from \$7.5 million in the

1H2022 (excluding non-recurring expenses) to \$12.8 million in the 1H2023. Similar to the quarterly numbers, higher net losses in the 1H2023 compared to the same period of 2022 are driven by higher R&D activities necessary to progress the eVTOL design, including the MSA, and an increase on SG&A expenses.

Including employees contracted through the MSA with Embraer and its subsidiaries, Eve now has a headcount of approximately 630 people engaged in the development of its eVTOL and other elements of the UAM ecosystem, versus approximately 380 in 2Q22.

During the second quarter of 2023, Eve's total cash consumption was \$27.8 million, versus \$20.0 million in 2Q22. R&D associated with Eve's aircraft development and SG&A expenses mentioned above were the main contributors to the higher cash consumption during the quarter.

At the end of 2Q23, Eve's liquidity position was \$269.0 million – including cash, cash equivalents, financial investments, and related-party loan with Embraer, versus \$294.6 million at the end of 1Q23. As of 2Q23, Eve did not have any debt on its balance sheet. The proceeds from the business combination with Zanite Acquisition Corp., and strategic PIPE investors raised in 2022, combined with potential advances from customers and current and future finance lines are the main sources of capital to fund Eve's development and certification of its eVTOL.

Eve's 2Q23 total liquidity – including still-undrawn BNDES credit lines of \$101.7 million (to be disbursed throughout 2023 and 2024), was \$370.7 million.

For additional information, please access the full 2Q23 Earnings release, available in the Investor Relations website at [ir.eveairmobility.com](http://ir.eveairmobility.com)

### **Webcast details**

Management will discuss the results on a conference call on August 8, 2023 at 9:00 a.m. (Eastern Time). The webcast will be publicly available in the Upcoming Events section of the company website ([www.eveairmobility.com](http://www.eveairmobility.com)).

To listen by phone, please dial 1-877-704-4453 or 1-201-389-0920. A replay of the call will be available until August 22, 2023, by dialing 1-844-512-2921 or 1-412-317-6671 and entering passcode 13739495.

### **About Eve Holding, Inc.**

Eve is dedicated to accelerating the Urban Air Mobility ecosystem. Benefitting from a start-up mindset, backed by Embraer S.A.'s more than 50-year history of aerospace expertise, and with a singular focus, Eve is taking a holistic approach to progressing the UAM ecosystem, with an advanced eVTOL project, comprehensive global services and support network and a unique air traffic management solution. Since May 10, 2022, Eve is listed on the New York Stock Exchange, where its shares of common stock and public warrants trade under the tickers "EVEX" and "EVEXW".

For more information, please visit [www.eveairmobility.com](http://www.eveairmobility.com)

### **Forward Looking Statements**

Certain statements in this press release include "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as "estimate," "plan," "project," "forecast," "intend," "will," "expect," "anticipate," "believe," "seek," "target", "may", "intend", "predict", "should", "would", "predict", "potential", "seem", "future", "outlook" or other similar expressions (or negative versions of such words or expressions) that predict or indicate future events or trends or that are not statements of historical matters. All statements other than statements of historical facts are forward-looking statements and include, but are not limited to, statements regarding the Company's expectations with respect to future performance and anticipated financial impacts of the business combination. These statements are based on various assumptions, whether or not identified herein, and on the current expectations of the Company's management and are not predictions of actual performance. These forward-looking statements are provided for illustrative purposes only and are not intended to serve as, and must not be relied on by any investor as, a guarantee, an assurance, a prediction or a definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and may differ from assumptions, and such differences may be material. Many actual events and circumstances are beyond the control of the Company.

These forward-looking statements are subject to a number of risks and uncertainties, including: (i) changes in domestic and foreign business, market, financial, political and legal conditions; (ii) failure to realize the anticipated benefits of the business combination with Zanite Acquisition Corp.; (iii) risks relating to the uncertainty of the projected financial information with respect to the Company; (iv) the outcome of any legal proceedings that may be instituted against the Company related to the completion of the business combination; (v) future global, regional or local economic and market conditions, including the growth and development of the urban air mobility market; (vi) the development, effects and enforcement of laws and regulations; (vii) the Company's ability to grow and manage future growth, maintain relationships with customers and suppliers and retain its key employees; (viii) the Company's ability to develop new products and solutions, bring them to market in a timely manner, and make enhancements to its platform; (ix) the Company's ability to successfully develop, obtain certification for and commercialize its aircraft, (x) the effects of competition on the Company's future business; (xi) the outcome of any potential litigation, government and regulatory proceedings, investigations and inquiries; (xi) the impact of the global COVID-19 pandemic and (xii) those factors discussed under the heading "Risk Factors" in the Company's Registration Statement on Form S-1/A filed on July 29, 2022, and subsequent filings with the Securities and Exchange Commission (SEC). If any of these risks materialize or our assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. There may be additional risks that the Company does not presently know or that the Company currently believes are immaterial that could also cause actual results to differ from those contained in the forward-looking statements. In addition, forward-looking statements reflect the Company's expectations, plans or forecasts of future events and views as of the date of this press release. The Company anticipates that subsequent events and developments will cause the Company's assessments to change. However, while the Company may elect to update these forward-looking statements at some point in the future, the Company specifically disclaims any obligation to do so. These forward-looking statements should not be relied upon as representing the Company's assessments as of any date subsequent to the date of this press release and undue reliance should not be placed upon the forward-looking

statements.

**Investor Relations**

Lucio Aldworth

Caio Pinez

[investors@eveairmobility.com](mailto:investors@eveairmobility.com)

<https://ir.eveairmobility.com/>

Media:

[media@eveairmobility.com](mailto:media@eveairmobility.com)

 View original content:<https://www.prnewswire.com/news-releases/eve-holding-inc-reports-second-quarter-2023-results-301894953.html>

SOURCE Eve Holding, Inc.