UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K/A
(Amendment No. 1)

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

Date of Report (Date of earliest event reported): December 7, 2022 (May 9, 2022)

EVE HOLDING, INC.

(Exact name of registrant as specified in its charter)

Delaware	**001-39704**	**85-2549808**
(State or other jurisdiction of incorporation)	**(Commission File Number)**	**(I.R.S. Employer Identification No.)**

1400 General Aviation Drive **Melbourne, FL**	**32935**
(Address of principal executive offices)	**(Zip Code)**

(321) 751-5050
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.001 per share	**EVEX**	**The New York Stock Exchange**
Warrants, each whole warrant exercisable for one share of Common Stock	**EVEXW**	**The New York Stock Exchange**

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☒

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

EXPLANATORY NOTE

Eve Holding, Inc. (the "Company") is filing this Amendment No. 1 on Form 8-K/A (this "Amendment No. 1") to amend the Company's Current Report on Form 8-K filed with the U.S. Securities and Exchange Commission (the "SEC") on May 13, 2022 (the "Original Form 8-K") to restate (i) the Audited Combined Financial Statements of the Urban Air Mobility Business of Embraer S.A as of December 31, 2021 and 2020 and for each of three years in the period ended December 31, 2021, (ii) the Unaudited Condensed Consolidated Financial Statements of EVE UAM, LLC as of March 31, 2022, and for the three months ended March 31, 2022 and 2021, (iii) the unaudited pro forma condensed consolidated financial information and (iv) management's discussion and analysis of financial condition and results of operations filed therewith. Please see Item 4.02 of the Company's Current Report on Form 8-K/A filed with the SEC on November 14, 2022 for additional information regarding the restatements. Except as set forth in this Amendment No. 1, the Original Form 8-K is unchanged.

Item 9.01 Financial Statements and Exhibits.

(a) Financial statements of businesses acquired

The audited combined financial statements of the Urban Air Mobility Business of Embraer S.A. as of and for the periods ended December 31, 2021 and December 31, 2020 and the related notes thereto, as restated, are attached as Exhibit 99.2 and are incorporated herein by reference.

The unaudited condensed combined financial statements of EVE UAM, LLC as of March 31, 2022, and for the three months ended March 31, 2022 and 2021 and the related notes thereto, as restated, are attached as Exhibit 99.4 and are incorporated herein by reference.

(b) Pro forma financial information.

Certain pro forma financial information of the Company, as restated, is attached as Exhibit 99.5 and is incorporated herein by reference.

(c) Exhibits.

Exhibit Number	Description
99.1	Explanatory Note to Exhibit 99.2.
99.2	Audited Combined Financial Statements of the Urban Air Mobility Business of Embraer S.A. as of and for the periods ended December 31, 2021 and 2020, as restated.
99.3	Explanatory Note to Exhibit 99.4.
99.4	Unaudited Condensed Consolidated Financial Statements of EVE UAM, LLC as of March 31, 2022, and for the three months ended March 31, 2022 and 2021, as restated.
99.5	Unaudited Pro Forma Consolidated Financial Information as of March 31, 2022, and for the twelve months ended December 31, 2021 and for the three months ended March 31, 2022, as restated.
99.6	Eve's Management's Discussion and Analysis of Financial Condition and Results of Operations as of and for the twelve months ended December 31, 2021, as restated.
99.7	Eve's Management's Discussion and Analysis of Financial Condition and Results of Operations as of March 31, 2022 and for the three months ended March 31, 2022 and 2021, as restated.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this Current Report on Form 8-K/A to be signed on its behalf by the undersigned hereunto duly authorized.

	EVE HOLDING, INC.
Date: December 7, 2022	By: /s/ Gerard J. DeMuro
	Name: Gerard J. DeMuro
	Title: Co-Chief Executive Officer
	EVE HOLDING, INC.
Date: December 7, 2022	By: /s/ André Duarte Stein
	Name: André Duarte Stein
	Title: Co-Chief Executive Officer

EXPLANATORY NOTE TO EXHIBIT 99.2

Eve Holding, Inc. (the "Company") is filing this Amendment No. 1 on Form 8-K/A (this "Amendment No. 1") to amend the Company's Current Report on Form 8-K filed with the U.S. Securities and Exchange Commission (the "SEC") on May 13, 2022 (the "Original Form 8-K") to restate (i) the Audited Combined Financial Statements of the Urban Air Mobility Business of Embraer S.A as of December 31, 2021 and 2020 and for each of three years in the period ended December 31, 2021 (2021 financial statements), (ii) the Unaudited Condensed Consolidated Financial Statements of EVE UAM, LLC as of March 31, 2022, and for the three months ended March 31, 2022 and 2021, (iii) the unaudited pro forma condensed consolidated financial information and (iv) management's discussion and analysis of financial condition and results of operations filed therewith. Please see Item 4.02 of the Company's Current Report on Form 8-K/A filed with the SEC on November 14, 2022 for additional information regarding the restatements. Except as set forth in this Amendment No. 1, the Original Form 8-K is unchanged.

In November 2022 Eve Holding, Inc. reviewed its accounting for costs incurred (Transaction Costs) in connection with the Business Combination (as defined in Note 1 of the 2021 financial statements), which include, among other things, fees for financial, accounting and legal advisors. These costs were paid by Embraer S.A. and Embraer Aircraft Holding, Inc. and recognized as expenses by these entities. The Company concluded that the transaction costs that were directly related to EVE UAM, LLC's ("Eve") business should follow the guidance in SEC Staff Accounting Bulletin Topic 5.T being pushed down to Eve's financial results in 2021.

On November 10, 2022, the Audit Committee of the Board of Directors of Eve Holding, Inc., after considering the recommendations of management regarding the accounting treatment for Transaction Costs described above, concluded that the Audited Combined Financial Statement of the Urban Air Mobility Business of Embraer S.A as of and for the periods ended December 31, 2021, Unaudited Condensed Consolidated Financial Statement of EVE UAM, LLC as of March 31, 2022, and for the three months ended March 31, 2022 and 2021 Condensed Combined, included in the Original Form 8-K should no longer be relied upon and should be restated to recognize the expenses associated with the Transaction Costs . The adjustments had the effect of increasing net loss by approximately $2.4 million, for the year ended December 31, 2021. See Note 2 of the 2021 financial statements for additional information about the restated amounts.

The Company's management is responsible for maintaining disclosure controls and procedures that are designed to provide reasonable assurance that the information required to be disclosed in our reports that we file or submit under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officers and principal financial officer, to allow timely decisions regarding required financial disclosure. Because of the inherent limitations, disclosure controls and procedures, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the objectives of disclosure controls and procedures are met.

After re-evaluation, Eve Holding, Inc.'s management has concluded that in light of the misstatement described above, material weaknesses existed in Eve Holding, Inc.'s internal control over financial reporting during the year ended December 31, 2021, and that the Eve Holding, Inc.'s disclosure controls and procedures were not effective as of December 31, 2021.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

The Company did not design and maintain effective controls to analyze, account for and disclose non-routine, unusual or complex transactions. Specifically, it did not design and maintain controls to timely analyze and account for complex financial instruments, share-based payments, and transaction costs. The deficiencies were largely caused by a lack of personnel with qualifications and experience within the Company's control environment to address such matters, which created deficiencies in the Company's risk assessment and information and communication related to non-routine, unusual and complex transactions.

Exhibit 99.2

Report of Independent Registered Public Accounting Firm

To the Board of Directors of Embraer Aircraft Holdings, Inc and Shareholder of The Urban Air Mobility Business of Embraer S.A.

Opinion on the Financial Statements

We have audited the accompanying combined balance sheets of The Urban Air Mobility Business of Embraer S.A. (the "Company") as of December 31, 2021 and 2020, and the related combined statements of operations, of comprehensive loss, of changes in net parent equity and of cash flows for each of the three years in the period ended December 31, 2021, including the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2021 in conformity with accounting principles generally accepted in the United States of America.

Restatement of Previously Issued Financial Statements

As discussed in Note 2 to the combined financial statements, the Company has restated its 2021 financial statements to correct an error.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these financial statements in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Hallandale Beach, Florida
March 18, 2022, except for the effects of the restatement discussed in Note 2 to the combined financial statements, as to which the date is December 7, 2022

We served as the Company's auditor from 2021 to 2022.

The UAM Business of Embraer S.A.
Combined Balance Sheets
(In US Dollars)

	As of December 31, 2021 As Restated	As of December 31, 2020
Assets		
Current:		
Cash and equivalents	$ 14,376,523	$ -
Related party receivable	220,000	-
Derivative financial instruments	-	45,438
Other current assets	6,274,397	4,110
Total current assets	**20,870,920**	**49,548**
Capitalized software, net	699,753	23,443
Total assets	**$ 21,570,673**	**$ 72,991**
Liabilities and Net Parent Equity		
Current:		
Accounts payable	$ 877,641	$ 846,988
Related party payable	8,642,340	-
Derivative financial instruments	32,226	-
Other payables	616,156	199,278
Total current liabilities	**10,168,363**	**1,046,266**
Other noncurrent payables	702,921	40,578
Total liabilities	**10,871,284**	**1,086,844**
Net parent equity		
Net parent investment	10,731,615	(1,059,291)
Accumulated other comprehensive income/ (loss)	(32,226)	45,438
Total net parent equity	**10,699,389**	**(1,013,853)**
Total liabilities and net parent equity	**$ 21,570,673**	**$ 72,991**

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

The UAM Business of Embraer S.A.
Combined Statements of Operations
(In US Dollars)

	Year Ended December 31,		
	2021 As Restated	**2020**	**2019**
Operating expenses			
Research and development	$ (13,279,780)	$ (8,358,043)	$ (5,947,294)
General and administrative	(4,898,942)	(1,233,876)	(1,739,815)
Operating loss	**(18,178,722)**	**(9,591,919)**	**(7,687,109)**
Financial and foreign exchange gain, net	(77,147)	(34,023)	1,590
Loss before income taxes	**(18,255,869)**	**(9,625,942)**	**(7,685,519)**
Income tax benefit (expense)	-	-	-
Net loss	**$ (18,255,869)**	**$ (9,625,942)**	**$ (7,685,519)**

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

The UAM Business of Embraer S.A.
Combined Statements of Comprehensive Loss
(In US Dollars)

	Year Ended December 31,		
	2021	**2020**	**2019**
	As Restated		
Net loss	**$ (18,255,869)**	**$ (9,625,942)**	**$ (7,685,519)**
Derivative financial instruments - cash flow hedge	(77,664)	46,012	(574)
Total comprehensive loss	**$ (18,333,533)**	**$ (9,579,930)**	**$ (7,686,093)**

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

The UAM Business of Embraer S.A.
Combined Statements of Changes in Net Parent Equity
(In US Dollars)

	Net parent investment	Accumulated other comprehensive income (loss)	Total
Balance as of December 31, 2018	**$ (321,207)**	**$ -**	**$ (321,207)**
Net loss	(7,685,519)	-	(7,685,519)
Other comprehensive loss	-	(574)	(574)
Net transfer from Parent	7,528,095	-	7,528,095
Balance as of December 31, 2019	**(478,631)**	**(574)**	**(479,205)**
Net loss	(9,625,942)	-	(9,625,942)
Other comprehensive income	-	46,012	46,012
Net transfer from Parent	9,045,282	-	9,045,282
Balance as of December 31, 2020	**$ (1,059,291)**	**$ 45,438**	**$ (1,013,853)**
Net loss (as restated)	(18,255,869)	-	(18,255,869)
Other comprehensive loss	-	(77,664)	(77,664)
Net transfer from Parent	30,046,775	-	30,046,775
Balance as of December 31, 2021 (as restated)	**$ 10,731,615**	**$ (32,226)**	**$ 10,699,389**

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

The UAM Business of Embraer S.A.
Combined Statements of Cash Flows
(In US Dollars)

	Year Ended December 31,		
	2021 As Restated	**2020**	**2019**
Cash flows from operating activities:			
Net loss	$ (18,255,869)	$ (9,625,942)	$ (7,685,519)
Adjustments to reconcile net loss to net cash used in operating activities:			
Amortization of capitalized software	107,931	9,056	10,694
Long-term incentive plan expense	150,099	(736)	31,206
Changes in operating assets and liabilities:			
Other assets	(6,270,287)	(1,379)	14,795
Related party receivable	(220,000)	-	-
Accounts payable	30,653	527,376	99,845
Related party payable	8,642,340	-	-
Other payables	929,123	62,836	27,583
Net cash used in operating activities	**(14,886,010)**	**(9,028,789)**	**(7,501,396)**
Cash flows from financing activities:			
Transfer from Parent	14,262,533	9,028,789	7,501,396
Capital contribution	15,000,000	-	-
Net cash provided by financing activities	**29,262,533**	**9,028,789**	**7,501,396**
Increase (decrease) in cash and cash equivalents	**14,376,523**	**9,028,789**	**7,501,396**
Cash and cash equivalents at the beginning of the period	**-**	**-**	**-**
Cash and cash equivalents at the end of the period	**$ 14,376,523**	**$ -**	**$ -**
Supplemental disclosure of other noncash investing and financing activities			
Additions to capitalized software transferred by Parent	$ 784,241	$ 16,494	$ 26,699

The accompanying notes are an integral part of these combined financial statements

1. Formation and Nature of Business

Formation and Nature of Business

EVE UAM, LLC (f/k/a Eve Urban Air Mobility Solutions, Inc.), a Delaware limited liability company (the "Company" or "Eve"), was formed on April 21, 2021, in order to effect a reorganization and, subject to its completion, acquire the Urban Air Mobility ("UAM") business, which focuses on the development and certification of an electric vertical takeoff and landing vehicle ("eVTOL"), the creation of a maintenance and services network for eVTOL and the creation of an air traffic management system for eVTOL otherwise known as Urban Air Traffic Management ("UATM") (collectively, the "UAM Business"), from Embraer S.A. and its subsidiaries (the "Parent", "Embraer" or "ERJ"). Prior to the reorganization and throughout the periods presented herein, the UAM Business was owned by ERJ and its subsidiaries. Beginning in August 2021, ERJ has contributed certain assets and employees to Eve to begin Eve's initial operations.

ERJ is a publicly held company incorporated under the laws of the Federative Republic of Brazil ("Brazil") with headquarters in São José dos Campos, State of São Paulo. The corporate purpose of ERJ is:

(i) To design, build and market aircraft and aerospace materials and related accessories, components and equipment, according to the highest standards of technology and quality.

(ii) To perform and carry out technical activities related to the manufacturing and servicing of aerospace materials.

(iii) To contribute to the training of technical personnel as necessary for the aerospace industry.

(iv) To engage in and provide services for other technological, manufacturing and business activities in connection with the aerospace industry.

(v) To design, build and trade in equipment, materials, systems, software, accessories and components for the defense, security and power industries, and to promote and carry out technical activities related to the manufacturing and servicing thereof, in accordance with the highest technological and quality standards.

(vi) To conduct other technological, manufacturing, trading and services activities related to the defense, security and power industries

Through EmbraerX, an independent department within ERJ, ERJ's market accelerator and disruptive business innovation company, ERJ incubates initiatives that may mature into new business opportunities in the future. One such business that has been incubated is ERJ's UAM business. The UAM Business has historically operated as part of ERJ and not as a separate stand-alone entity or group.

The Reorganization

On December 10, 2021, ERJ, Eve and Embraer Aircraft Holding Inc. ("EAH"), a wholly owned subsidiary of ERJ, entered into a contribution agreement (the "Contribution Agreement"), pursuant to which, upon the terms and subject to the conditions of the Contribution Agreement, ERJ transferred certain assets and liabilities related to the UAM Business to Eve or to Eve Soluções de Mobilidade Aérea Urbana Ltda., a Brazilian limited liability company (*sociedade limitada*) and a newly formed direct wholly owned subsidiary of Eve (the "Brazilian Subsidiary"), in exchange for the issuance of 1,000 common units of Eve. Since the consummation of the transactions contemplated by the Contribution Agreement (the "Reorganization"), certain assets and liabilities related to the UAM Business have been owned by Eve.

(in US Dollars)

Business Combination Agreement with Zanite

On December 21, 2021, ERJ, Eve and EAH entered into a business combination agreement (the "Business Combination Agreement") with Zanite Acquisition Corp. ("Zanite" or the "SPAC"). Pursuant to the Business Combination Agreement, among other things, EAH will contribute and transfer to Zanite all of the common units of Eve held by it as consideration and in exchange for the issuance and transfer by Zanite to EAH of 220,000,000 shares of common stock of Zanite. After the consummation of the transactions contemplated by the Business Combination Agreement, Eve will operate as part of a separate, independent, publicly traded company, indirectly controlled by ERJ.

COVID-19 Pandemic

The World Health Organization declared a global emergency on January 30, 2020 with respect to the outbreak of a novel strain of coronavirus, or COVID-19 pandemic. There are many uncertainties regarding the current global COVID-19 pandemic, and ERJ is closely monitoring the COVID-19 pandemic situation and its impacts on its employees, operations, the global economy, the supply and the demand for its products and services, including the UAM Business. ERJ implemented contingency plans to act as quickly as necessary as the current situation unfolds.

Since the beginning of the COVID-19 pandemic, ERJ has been engaging in several initiatives supporting the health and safety of its employees. Social distancing measures were taken, as well as the implementation of working from home for certain group of employees. Furthermore, several measures to preserve jobs were taken, including reductions in working hours and pay cuts, collective vacations, and temporary furloughs.

The full impact of the COVID-19 pandemic continues to evolve as of the date hereof. As such, it is uncertain as to the full magnitude that the pandemic will have on the UAM Business's financial condition, liquidity, and future results of operations. Management is actively monitoring the situation on its financial condition, liquidity, operations, suppliers, industry, and workforce.

2. Restatement of Previously Reported Financial Statements

The Combined Financial Statements for the year ended December 31, 2021 and related disclosures have been restated in accordance with the changes described below.

	As of December 31, 2021	Restatement Adjustments	As of December 31, 2021 As Restated
Assets			
Current:			
Cash and equivalents	$ 14,376,523	$ -	$ 14,376,523
Related party receivable	220,000	-	220,000
Other current assets	21,140	6,253,257	6,274,397
Total current assets	14,617,663	6,253,257	20,870,920
Capitalized software, net	699,753	-	699,753
Total assets	**$ 15,317,416**	**$ 6,253,257**	**$ 21,570,673**
Liabilities and Net Parent Equity			
Current:			
Accounts payable	$ 877,641	$ -	$ 877,641
Related party payable(i)	-	8,642,340	8,642,340
Derivative financial instruments	32,226	-	32,226
Other payables	616,156	-	616,156
Total current liabilities	1,526,023	8,642,340	10,168,363
Other noncurrent payables	702,921	-	702,921
Total liabilities	2,228,944	8,642,340	10,871,284
Net parent equity			
Net parent investment	13,120,698	(2,389,083)	10,731,615
Accumulated other comprehensive income/ (loss)	(32,226)	-	(32,226)
Total net parent equity	13,088,472	(2,389,083)	10,699,389
Total liabilities and net parent equity	$ **15,317,416**	$ **6,253,257**	$ **21,570,673**

(i) The Related party payable recognized will be paid to ERJ and EAH upon the Closing of the transaction with Zanite.

(in US Dollars)

	Year Ended December 31, 2021 As Reported	Restatement Adjustments	2021 As Restated
Operating expenses			
Research and development	$ (13,279,780)	$ -	$ (13,279,780)
General and administrative	(2,509,859)	(2,389,083)	(4,898,942)
Operating loss	**(15,789,639)**	**(2,389,083)**	**(18,178,722)**
Financial and foreign exchange gain, net	(77,147)	-	(77,147)
Loss before income taxes	**(15,866,786)**	**(2,389,083)**	**(18,255,869)**
Income tax benefit (expense)	-	-	-
Net loss	**$ (15,866,786)**	**$ (2,389,083)**	**$ (18,255,869)**

	Year Ended December 31, 2021 As Reported	Restatement Adjustments	2021 As Restated
Cash flows from operating activities:			
Net loss	$ (15,866,786)	$ (2,389,083)	$ (18,255,869)
Adjustments to reconcile net loss to net cash used in operating activities:			
Amortization of capitalized software	107,931	-	107,931
Long-term incentive plan expense	150,099	-	150,099
Changes in operating assets and liabilities:			
Other assets	(17,030)	(6,253,257)	(6,270,287)
Related party receivable	(220,000)	-	(220,000)
Accounts payable	30,653	-	30,653
Related party payable	-	8,642,340	8,642,340
Other payables	929,123	-	929,123
Net cash used in operating activities	**(14,886,010)**	**-**	**(14,886,010)**
Cash flows from financing activities:			
Transfer from Parent	14,262,533	-	14,262,533
Capital contribution	15,000,000	-	15,000,000
Net cash provided by financing activities	29,262,533	-	29,262,533
Increase (decrease) in cash and cash equivalents	**14,376,523**	**-**	**14,376,523**
Cash and cash equivalents at the beginning of the period	**-**	**-**	**-**
Cash and cash equivalents at the end of the period	**$ 14,376,523**	**$ -**	**$ 14,376,523**
Supplemental disclosure of other noncash investing and financing activities			
Additions to capitalized software transferred by Parent	$ 784,241	$ -	$ 784,241

Transaction Costs Adjustment

In November 2022, Eve Holding, Inc. reviewed its accounting for costs incurred (Transaction Costs) in connection with the transaction with Zanite, which include, among other things, fees for financial, accounting and legal advisors. These costs were paid by Embraer S.A. and Embraer Aircraft Holding, Inc. and recognized as expenses by these entities as the initial understanding was that these expenses were primarily benefiting those two entities. SEC SAB Topic 5.T. Accounting for Expenses or Liabilities Paid By Principal Stockholder(s) notes that in scenarios where a principal stockholder pays an expense which benefits the company, it is in substance a capital contribution to the company, unless the stockholder's action is caused by a relationship or obligation completely unrelated to their position as a stockholder or such action clearly does not benefit the company. This aligns with SEC SAB Topic 1.B. Allocation of Expenses and Related Disclosure in Financial Statements of Subsidiaries, Divisions or Lesser Business Components of Another Entity, which states the expectation of the SEC staff is that the historical income statements of a registrant should reflect the costs of doing business, which would include fees for transaction-related costs such as accounting and legal services.

Management evaluated the transaction costs paid by the Embraer S.A. and Embraer Aircraft Holding, Inc for the benefit of the UAM Business of Embraer S.A. and concluded $2,389,083 should have been expensed in these carve-out financial statements during the year ended December 31, 2021. Such transaction costs included professional service fees for the preparation of the carve-out and audit fees for the combined Eve UAM Business. Further, management identified $6,253,257 of transaction costs paid by Embraer S.A. and Embraer Aircraft Holding, Inc. which were directly and incrementally beneficial to the Business Combination (as defined in Note 1) which were deferred in the Combined Financial Statements as Other Current Assetsagainst and Related Parties Payables. Refer to Notes 5 and 6 for more details.

3. Liquidity and Going Concern

The UAM Business is part of EmbraerX, an independent department within ERJ, and certain funds to conduct its research and development ("R&D") operations are provided by ERJ. The UAM Business has not generated any revenues and does not anticipate generating any revenues unless and until it successfully completes research and development for the eVTOL and UATM projects, or any future product candidate. Since the UAM Business does not have enough cash on hand to complete its development and has no credit facilities, the UAM Business is dependent upon ERJ to provide services (such as R&D activities, legal, accounting, finance, human resources, information technology, etc.) and funding to support the operations of the UAM Business until the proposed transaction (discussed further in Note 1) is completed, which is intended to provide sufficient capital to support the ongoing operations of the UAM Business. In the interest of funding and supporting the UAM Business, ERJ has an agreement with the Company that enables the Company to meet its obligations as they come due for the next 12 months from the date of the issuance of these combined financial statements, or until the consummation of the proposed transaction described in Note 1.

If the UAM Business is unable to raise sufficient capital when needed or events or circumstances occur such that the UAM Business does not meet its strategic plans, the UAM Business will be required to reduce certain discretionary spending, alter or scale back aircraft development programs, be unable to develop new or enhanced production methods, or be unable to fund capital expenditures, which would have a material adverse effect on the UAM Business's financial position, results of operations, cash flows, and ability to achieve its intended business objectives.

The accompanying combined financial statements have been prepared on a going concern basis, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. The combined financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts except for the deferred tax assets presented in Note 11, or the amounts and classification of liabilities that might result from the outcome of this uncertainty (i.e. going concern). The UAM Business anticipates incurring additional losses until such time, if ever, it can obtain regulatory approval to sell, and then generate significant sales from a product.

4. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying combined financial statements have been prepared on a carve-out basis and are derived from ERJ's consolidated financial statements and accounting records. The combined financial statements reflect the historical results of the operations, financial position, and cash flows of the UAM Business, in conformity with United States generally accepted accounting principles ("GAAP").

These combined financial statements of the UAM Business reflect the assets, liabilities, and expenses that management has determined to be specifically attributable to the UAM Business, as well as allocations of certain corporate level assets, liabilities and expenses, deemed necessary to fairly present the financial position, results of operations and cash flows of the UAM Business, as discussed further below. Management believes that the assumptions used as basis for the allocations of expenses, direct and indirect, as well as assets and liabilities in the combined financial statements are reasonable. However, these allocations may not be indicative of the actual amounts that would have been recorded had the UAM Business operated as an independent, publicly traded company for the periods presented.

Historically, the UATM and eVTOL initiatives have been incubated, led and funded as two separate projects, which were comprised of separate related designs and registered patents (the "Intellectual Property" or "IP"), know-how, and principal design teams. The UAM Business is dependent upon ERJ for all of its working capital and financing requirements. Accordingly, debt or related interest expense have not been allocated to the UAM Business in the combined financial statements. Financing transactions related to the UAM Business are accounted for as a component of Net Parent Investment in the combined balance sheets and as a financing activity on the accompanying combined statements of cash flows.

The combined financial information includes both direct and indirect expenses. The historical direct expenses consist primarily of personnel- related costs (including salaries, labor taxes, profit sharing program, benefits, short and long-term incentive) of research and development employees directly involved in the UAM Business' activities, research expenses, facilities depreciation and others. The indirect expenses consist of personnel- related costs (including salaries, labor taxes, profit sharing program, benefits, short and long term incentive) allocated to the UAM Business and general and administrative overhead, including expenses for information systems, accounting, other financial services (such as treasury, audit and purchasing), human resources, legal, and facilities, allocated as per headcount of employees exclusively involved in the UAM Business' activities compared to the total headcount of all ERJ employees or using an expense input comparing the total R&D expenses of the UAM Business against the total R&D expenses of EmbraerX. The UAM Business has calculated its income tax amounts using a separate return methodology and it has presented these amounts as if it were a separate taxpayer from ERJ.

The combined balance sheets of the UAM Business include cash and cash equivalents, other assets, capitalized software, accounts payable and other payables that were either allocated on a specific identification basis or contributed to Eve. Derivatives instruments used to hedge the salaries for employees directly involved in the UAM Business' activities were allocated by comparing the salaries of these employees in Brazilian reais ("BRL" or "R$") against the total employees' salaries of ERJ in BRL, and for employees not directly involved in the UAM Business' activities the expense input approach using R&D metrics, noted above, was used to allocate the Derivatives instruments. Incentive payments received in advance related to service arrangements to process employee payroll were allocated based on a headcount proportion basis. As the UAM Business was not historically held as a single legal entity, Net Parent Investment is shown in lieu of stockholder's equity in the combined financial statements. Net Parent Investment represents the cumulative investment by ERJ in the UAM Business through the dates presented, inclusive of operating results.

Functional and reporting currency

The combined financial statements are derived from ERJ financial statements and from the financial statements of certain of ERJ's U.S. based subsidiaries ("Original Financial Statements"). The functional currency of ERJ and the aforementioned subsidiaries is the US Dollar ("USD" or "Dollar" or "US$"). The Company's functional currency will follow the determination of the functional currency of the Original Financial Statements, therefore management has concluded that the USD is the functional and reporting currency of the UAM Business.

The foreign currency gains and losses are related to transactions with suppliers recognized in the functional currency, USD, but settled in BRL. The impacts were recognized in the "*Foreign currency gain/ (loss)"* within the combined statements of operations.

Use of Estimates

The preparation of the combined financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent liabilities, and the reported amounts of expenses during the reporting period. Therefore, estimates and assumptions derived from past experience and other factors deemed relevant were used in preparing accompanying combined financial statements. These estimates and assumptions are reviewed on an ongoing basis and the changes to accounting estimates are recognized in the period in which the estimates are revised on a prospective basis. Actual results could be materially different from those estimates. Significant estimates inherent in the preparation of the combined financial statements include, but are not limited to, useful lives of capitalized software, net, accrued liabilities, and income taxes including deferred tax assets and liabilities.

Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, bank deposits and highly liquid short-term investments, usually maturing within 90 days of the investment date, readily convertible into a known amount of cash and subject to an insignificant risk of change in value.

Fair Value Measurements

The UAM Business applies the provisions of Accounting Standards Codification ("ASC") 820, *Fair Value Measurement*, which defines a single authoritative definition of fair value, sets out a framework for measuring fair value and expands on required disclosures about fair value measurements. The provisions of ASC 820 relate to financial assets and liabilities as well as other assets and liabilities carried at fair value on a recurring and nonrecurring basis. The standard clarifies that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, the standard establishes a three-tier value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities accessible to the reporting entity at the measurement date.

Level 2 - Other than quoted prices included in Level 1 inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 - Unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

The carrying amounts of the UAM Business' other assets, accounts payables and other payables, except for the long-term incentive plan, approximate fair value due to the short-term nature of these instruments. The fair value of the liabilities related to the long-term incentive plan included in other payables was determined using the Level 1 inputs. The fair value of the derivative instruments was determined using the Level 2 inputs. There were no assets or liabilities measured at fair value using Level 3 inputs for the periods presented.

Hedge accounting

The UAM Business applies cash flow hedge accounting to hedge against the payroll cash flow volatility attributable to a risk of foreign exchange rate fluctuation associated with highly probable forecast transactions that will affect income or loss for the year.

The UAM Business recognizes all derivative instruments as either assets or liabilities in the balance sheet at their respective fair values. For derivatives designated in hedging relationships changes in the fair value are recognized in Accumulated Other Comprehensive Loss ("AOCI"), to the extent the derivative is effective at offsetting the changes in cash flows being hedged until the hedged item affects earnings. The cash flow impact of the UAM Business' derivative instruments is included in our combined statement of cash flows in net cash used in operating activities.

The UAM Business only enters into derivative contracts that it intends to designate as a hedge of a forecasted transaction or the variability of cash flows to be received or paid related to a recognized asset or liability (cash flow hedge). For all hedging relationships, the UAM Business formally documents the hedging relationship and its risk-management objective and strategy for undertaking the hedge, the hedging instrument, the hedged transaction, the nature of the risk being hedged, how the hedging instrument's effectiveness in offsetting the hedged risk will be assessed prospectively and retrospectively, and a description of the method used to measure ineffectiveness. The UAM Business also formally assesses, both at the inception of the hedging relationship and on an ongoing basis, whether the derivatives that are used in hedging relationships are highly effective in offsetting changes in cash flows of hedged transactions. For derivative instruments that are designated and qualify as part of a cash flow hedging relationship, the effective portion of the gain or loss on the derivative is reported as a component of other comprehensive loss and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings. Gains and losses on the derivative representing either hedge ineffectiveness or hedge components excluded from the assessment of effectiveness are recognized in current earnings.

The UAM Business discontinues hedge accounting prospectively when it determines that the derivative is no longer effective in offsetting cashflows attributable to the hedged risk, the derivative expires or is sold, terminated, or exercised, the cash flow hedge is designated because a forecasted transaction is not probable of occurring, or management determines to remove the designation of the cash flow hedge. Additionally, when it is probable that a forecasted transaction will not occur, the UAM Business recognizes immediately in earnings gains and losses that were accumulated in other comprehensive loss related to the hedging relationship.

In all situations in which hedge accounting is discontinued and the derivative remains outstanding, the UAM Business continues to carry thederivative at its fair value on the balance sheet and recognizes any subsequent changes in its fair value in earnings.

See Note 8 for additional information on hedge accounting and derivative instruments.

Capitalized software, net

Capitalized software consists of software licenses and are recorded at cost, net of accumulated amortization, and if applicable, impairmentcharges. Software licenses are amortized over their useful lives which is approximately 5 years on a straight-line basis. The UAM Business reviews capitalized software, net for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Long-term incentive plan

The long-term incentive plan has the objective of retaining and attracting qualified personnel who will make an effective contribution to the UAMBusiness' future performance. The plan is a cash-settled phantom shares plan, in which the amounts attributed to the services provided by the participants are converted into virtual share units based on the market value of Embraer's shares. At the end of the acquisition period the participant receives the quantity of virtual shares converted into BRL, at the shares' current market value. The UAM Business recognizes the obligation during the acquisition period (quantity of virtual shares proportional to the period) in the same group as the participant's normal remuneration. This obligation is presented as *"Other payable"* to employees and the fair value is calculated based on the market price of the shares and registered as *"General and administrative"* in the combined statements of operations.

Research and Development

R&D efforts are focused on design and development of oureVTOL and UATM projects to achieve manufacturing and commercial stage. R&D costs are expensed as incurred and are primarily comprised of personnel-related costs (including salaries, labor taxes, profit sharing program, benefits, short and long-term incentive) for employees focused on R&D activities, supplies and materials costs, an allocation of general overhead, depreciation and amortization expenses, and fees paid to outsourced contractors.

General and Administrative

General and administrative expenses are primarily composed of allocated expenses of personnel-related costs (including salaries, labor taxes,profit sharing program, benefits, short and long term incentive), information systems, accounting, other financial services (such as treasury, audit and purchasing), human resources, legal, facilities, and other corporate expenses. Such expenses have been allocated to the UAM Business based on the most relevant allocation method for the services provided, primarily based on headcount of employees exclusively involved in the UAM Business' activities compared to the total headcount of all ERJ employees asthis measures reflect the historical utilization levels.

General and administrative expenses also include the Transaction Costs paid by ERJ and EAH (see Note 5).

Income Taxes

The deferred income taxes are generally recognized, based on enacted tax rates, when assets and liabilities have different values for financialstatement and tax purposes. The UAM Business has calculated its income tax amounts using a separate return methodology. A valuation allowance is recorded, if it is more likely than not all or a portion of deferred tax assets will not be realized. Under this method, the UAM Business assumes it will file separate returns with tax authorities, thereby reporting its taxable income or loss and paying the applicable tax to or receiving the appropriate refund from ERJ. As a result, the UAM Business' deferred tax balances and effective tax rate as a stand-alone entity will likely differ significantly from those recognized in historical periods. The calculation of income taxes on a separate return basis requires a considerable amount of judgment and use of both estimates and allocations.

The tax loss carryforwards and valuation allowances reflected in the combined financial statements are based on a hypothetical stand-aloneincome tax return basis and may not exist in the ERJ consolidated financial statements.

The UAM Business accounts for uncertain income tax positions recognized in the combined financial statements by applying a two-step process to determine the amount of tax benefit to be recognized. First, the tax position must be evaluated to determine the likelihood that it will be sustained upon external examination by the taxing authorities. If the tax position is deemed more-likely-than-not to be sustained, the tax position is then assessed to determine the amount of benefit to be recognized in the combined financial statements. The amount of the benefit that may be recognized is the largest amount that has a greater than50% likelihood of being realized upon ultimate settlement. The provision for income taxes includes the effects of any resulting tax reserves, or unrecognized tax benefits, that are considered appropriate as well as the related net interest and penalties.

Segments

Operating segment information is presented in a manner consistent with the internal reports provided to the Chief Operating Decision Maker("CODM"). The chief operating decision-maker, who is responsible for allocating resources among and assessing the performance of the operating segments and for making strategic decisions, is the UAM Business Chief Executive Officer. Given the UAM Business' pre-revenue operating stage, it currently has no concentration exposure to products, services or customers. The UAM Business has determined that it operates in two different operating and reportable segments as it CODM assess the operation results by the different R&D projects, as follows:

eVTOL: the aircraft is in the preliminary design stage of development. This vehicle is expected to have eight (8) vertical lift electric motors and two (2) horizontal propulsion electric motors. The UAM Business' eVTOL has been in an incubation stage for over 4 years. The certification is proposed to be first with ANAC (the National Civil Aviation Agency of Brazil) and in parallel with the U.S. Federal Aviation Administration.

UATM: the segment will provide traffic management services to vehicles operating in the UAM Operating Environment ("UOE"). UATM will be a system of systems focused on improving the efficiency and safety of UAM operations. UATM systems will focus on existing and emerging operators of both the vehicles (fleet operators) and ground infrastructure (vertiport/heliport operators).

(in US Dollars)

The CODM receives information related to the operating results based on the directly attributable cost by each R&D project. As the UAM Business wasoperated within the Embraer Corporate infrastructure, the indirect costs are not included in the information analyzed by the CODM. Assets information by segment is not presented to the CODM. The information provided to the CODM are as follows:

	Year Ended December 31,		
	2021 As Restated	2020	2019
Segments R&D expenses			
eVTOL	$ (11,207,794)	$ (7,583,456)	$ (5,255,068)
UATM	(2,071,986)	(774,547)	(692,226)
Total segments expenses	**(13,279,780)**	**(8,354,043)**	**(5,947,294)**
Corporate/Unallocated amounts			
Selling, general and administrative	(4,898,942)	(1,233,876)	(1,739,815)
Loss from operations	**(18,178,722)**	**(9,591,919)**	**(7,687,109)**
Financial and foreign exchange gain, net	(77,147)	(34,023)	1,590
Loss before income taxes	**$ (18,255,869)**	**$ (9,625,942)**	**$ (7,685,519)**

Recently adopted accounting pronouncements

The UAM Business is provided the option to adopt new or revised accounting guidance as an "emerging growth company" under the JumpstartOur Business Startups Act of 2012 ("the JOBS Act") either (1) within the same periods as those otherwise applicable to public business entities, or (2) within the same time periods as private companies, including early adoption when permissible. With the exception of standards, the UAM Business elected to early adopt, when permissible, the UAM Business has elected to adopt new or revised accounting guidance within the same time period as private companies.

In August 2017, the FASB issued ASU 2017-12, Targeted Improvements to Accounting for Hedging Activities ("ASU 2017-12"), which changes the recognition and presentation requirements of hedge accounting. The ASU eliminates the requirement to separately measure and report hedge ineffectiveness and requires the presentation of all items that affect earnings in the same income statement line as the hedged item. In addition, the ASU permits hedging risk components of nonfinancial assets, provides more flexibility for hedging interest rate risk in cash flow hedges, and creates new accounting alternatives for measuring the change in the fair value of the hedged item in fair value hedges of interest rate risk. The ASU also includes additional disclosure requirements. Additionally, in April 2019, the FASB issued ASU 2019-04, Codification Improvements to Topic 326, Financial Instruments — Credit Losses, Topic815, Derivatives and Hedging, and Topic 825, Financial Instruments, and in November 2019, the FASB issued ASU 2019-10, Financial Instruments — Credit Losses (Topic326), Derivatives and Hedging (Topic 815), and Leases (Topic 842): Effective Dates, to provide further clarifications on certain aspects of ASU 2017-12 and to extend the nonpublic effective date of ASU 2017-12. The provisions of ASU 2017-12 (as amended) were adopted by the UAM Business for annual periods beginning on January 1, 2021, with early application permitted. The adoption of ASU 2017-12 did not have a material effect on the UAM Business's combined financial statements.

In October 2018, the FASB issued ASU 2018-16, Derivatives and Hedging (Topic 815): Inclusion of the Secured Overnight Financing Rate (SOFR) Overnight Index Swap (OIS) Rate as a Benchmark Interest Rate for Hedge Accounting Purposes ("ASU 2018-16"), which permits use of the OIS rate based on the SOFR as a U.S. benchmark interest rate for hedge accounting purposes under Topic 815, in addition to the currently allowable benchmark rates. For entities that have not already adopted ASU 2017-12, ASU 2018-16 is required to be adopted concurrently with ASU 2017-12. The UAM Business has adopted ASU 2017-12 and ASU 2018-16 in its annual periods beginning on January 1, 2021. ASU 2017-12 has been applied prospectively to qualifying new or redesignated hedging relationships entered into on or after the adoption date. The adoption of ASU 2018-16 and ASU 2017-12 did not have a material effect on the UAM Business's combined financial statements.

Recently issued accounting pronouncements not yet adopted

In December 2019, the FASB issued ASU 2019-12, Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes (“ASU 2019-12”), which removes certain exceptions for recognizing deferred taxes for investments, performing intra-period allocation and calculating income taxes in interim periods. The ASU also adds guidance to reduce complexity in certain areas, including recognizing deferred taxes for tax goodwill and allocating taxes to members of a consolidated group. ASU 2019-12 is effective for the UAM Business’s annual periods beginning after December 15, 2021. Earlyadoption is permitted. The UAM Business is currently evaluating the effect the adoption of ASU 2019-12 will have on its combined financial statements.

In March 2020, the FASB issued ASU 2020-04, Reference Rate Reform (Topic 848): Providing an optional expedients and exceptions for applying generally accepted accounting principles (GAAP) to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. The amendments in this ASU apply only to contracts, hedging relationships, and other transactions that reference LIBOR or another reference rate expected to be discontinued because of reference rate reform. The expedients and exceptions provided by the amendments do not apply to contract modifications made and hedging relationships entered into or evaluated after December 31, 2022, except for hedging relationships existing as of December 31, 2022, that an entity has elected certain optional expedients for and that are retained through the end of the hedging relationship. The amendments in this ASU are effective for all entities as of March 12, 2020 through December 31, 2022. The UAM Business has no contracts, hedging relationships, and other transactions that the LIBOR is applied as reference rate, thus no impact is expected in its combined financial statements.

In October 2021, the FASB issued ASU 2021-08, Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers, which provides an exception to fair value measurement for contract assets and contract liabilities related to revenue contracts acquired in a business combination. The ASU requires an entity (acquirer) to recognize and measure contract assets and contract liabilities acquired in a business combination in accordance with Topic 606. At the acquisition date, an acquirer should account for the related revenue contracts inaccordance with Topic 606 as if it had originated the contracts. The ASU is effective for the UAM Business for annual and interim periods in fiscal years beginning after December 15, 2023. Early adoption is permitted. The ASU is applied to business combinations occurring on or after the effective date.

5. Related Party Transactions

Relationship with ERJ

The UAM Business has historically been managed, operated, and funded by ERJ and EAH. Accordingly, certain shared costs have been allocated to the UAM Business and reflected as expenses in the UAM Business’ stand-alone combined financial statements. The expenses reflected in the combined financial statements may not be indicative of expenses that will be incurred by the UAM Business in the future.

(a) Corporate costs

ERJ incurs corporate costs for services provided to the UAM Business. These costs include expenses for information systems, accounting, otherfinancial services (such as treasury, audit and purchasing), human resources, legal, and facilities.

A portion of these costs benefit the UAM Business and are allocated to the UAM Business using a pro-rata method based on R&D project related costs, headcount, or other measures that management believes are consistent and reasonable.

The allocated corporate costs included in the combined statement of operations were approximately $1,323,915, $1,167,432 and $1,710,595 for the years ended December 31, 2021, 2020 and 2019, respectively, and were included in general and administrative expenses for each of the years.

(b) Transaction costs (as restated)

During the year ended on December 31, 2021, both ERJ and EAH paid for certain costs attributable to the UAM business (Transaction Costs). The Transaction Costs comprise but were not limited to, costs associated with lawyers, bankers, consulting and auditing with the objective to effectuate the transaction with Zanite, as described in Note 1.

Management analyzed the nature and timing of the costs to determine whether they were i) directly related to the carve-out preparation or ii) directly related to the possible closing of the transaction with Zanite, or ii) weren't related to either of the transactions. Based on management's analysis, $8.6 million should be accounted for in the 2021 carve-out financial statements as follow.

- $2.4 million of the Transaction Costs were incurred for the preparation and the audit of the 2021 carve-out financial and were directly related to the carve-out preparation. Thus, this amount was expensed.
- $6.2 million of the Transaction Costs were directly related to the future transaction with Zanite. This amount was deferred and will be either expensed or capitalized if and when the transaction closes.

A Related party payable was recognized by Eve in order to reimburse ERJ and EAH for these Transaction Costs.

(c) Cash Management and Financing

The UAM Business is responsible for managing its own cash which was originally composed by the $15 million of capital contribution made by ERJ in August 2021 upon the formation of the legal entity. In the event that additional funding is needed, ERJ will provide the required funding as described in Note 2.

(d) Master Service Agreement and Shared Service Agreement

In connection with the transfer of the UAM Business to Eve, ERJ and Eve entered into a master service agreement (the "MSA") and Shared Service Agreement (the "SSA") on December 13, 2021. The MSA has established a fee to be charged by ERJ to Eve so that Eve may be provided with access to ERJ's R&D and engineering department structure, as well as the ability to access to manufacturing facilities in the future. The SSA has established a cost overhead pool to be allocated, excluding any margin, to Eve so that Eve may be provided with access to certain of ERJ's administrative services and facilities which are commonly used across the ERJ business such as engineering and testing facilities, as well as back-office shared service centers. During 2021, the UAM Business has incurred $1,109,345 in relation to the MSA and the SSA.

(in US Dollars)

6. Other Current Assets

The other current assets are comprised of the following items:

	Year Ended December 31, 2021 As Restated	Year Ended December 31, 2020
Deferred Transaction Costs	$ 6,253,257	$ -
Advances to employees	17,063	1,867
Other current assets	4,077	2,243
Total	**$ 6,274,397**	**$ 4,110**

7. Capitalized software, net

Capitalized software, net is comprised of software licenses; the position and changes for the years ended December 31, 2021 and 2020 are as follows:

Capitalized software	Cost	Amortization(i)	Total
At December 31, 2019	**$ 26,699**	**$ (10,694)**	**$ 16,005**
Additions	16,494	(9,056)	7,438
At December 31, 2020	**$ 43,193**	**$ (19,750)**	**$ 23,443**
Additions	784,241	(107,931)	676,310
At December 31, 2021	**$ 827,434**	**$ (127,681)**	**$ 699,753**

(i) The amortization effect is recorded in *"General and administrative"* in the combined statements of income.

For the existing Capitalized software, net balance as of December 31, 2021, Eve expects the amortization to be as follows:

	2022	2023	2024	2025	2026
Amortization	(147,473)	(147,890)	(138,795)	(126,319)	(122,472)

8. Other Payables

The other payables are comprised of the following items:

	As of December 31,	
	2021	2020
Accruals related to payroll(i)	$ 455,392	$ 172,795
Advances from customers	405,000	—
Long-term incentive	183,041	43,818
Social charges payable(ii)	163,384	17,688
Provision for profit sharing program	59,855	2,793
Advanced payments related to service arrangements	52,405	2,762
Total	**$ 1,319,077**	**$ 239,856**
Current portion	$ 616,156	$ 199,278
Non-current portion	$ 702,921	$ 40,578

(i) Refers to accruals related personnel obligations recorded in the financial statements, including mainly vacation expenses and other minorexpenses.

(ii) Refers to social charges and taxes applicable in relation to personnel compensation.

9. Derivative Financial Instruments

The UAM Business purchases financial instruments in order to protect its cash flows for employee salary costs denominated in BRL, against the risk of foreign currency fluctuations. The financial instrument used by the UAM Business is a zero-cost collar, which consists of the purchasing of a put option and the sale of a call option, contracted with the same counterparty and with a zero-net premium. The fair value of this instrument is determined by the observable market pricing model (through market information providers) and widely used by market participants to measure similar instruments. The UAM Business does not enter into derivative instruments for any purpose other than cash flow hedging. The UAM Business does not speculate using derivative instruments. The maximum length of time for which the UAM Business hedges its exposure to the variability in future cash flows is typically one year.

By using derivative financial instruments to hedge exposures to foreign currency fluctuations the UAM Business exposes itself to credit risk. Credit risk is the failure of the counterparty to perform under the terms of the derivative contract. When the fair value of a derivative contract is positive, the counterparty owes the UAM Business, which creates credit risk for the UAM Business. When the fair value of a derivative contract is negative, the UAM Business owes the counterparty and, therefore, the UAM Business is not exposed to the counterparty's credit risk in those circumstances. The UAM Business minimizes counterparty credit risk in derivative instruments by entering into transactions with high-quality counterparties financial institutions rated as investment grade by risk rating agencies *(Fitch, Moody's and Standard and Poor's)*. The derivative instruments entered into by the UAM Business do not contain credit-risk-related contingent features.

(in US Dollars)

Management believes that it is prudent to limit the foreign currency fluctuations of exposures to BRL related to employees' salary costs. To meetthis objective, management purchases put options and sells call options with the same currency, counterparty and expiration date to manage fluctuations in its cash flows by creating a cap and a floor on the currency exchange rate fluctuation.

As of December 31, 2021, the UAM Business has the right, through the purchased put options, to sell US$1,745,687, the total notional outstanding, with an exercise price of R$5.2000 which is equivalent of R$9,077,572. Conversely, the UAM Business has the obligation if exercised,through the sold call options, to sell US$1,745,687 at the weighted average exercise price of R$6.1256 which is equivalent to R$10,693,380, thereby creating a floor for the notional amount of its hedged foreign currency limiting the foreign currency fluctuation. As of December 31, 2020, the UAM Business has the right, through the purchased put options, to sell US$487,702, the total notional outstanding, with an exercise price of R$3.7962 which is equivalent of R$1,851,414. Conversely, the UAM Business has the obligation if exercised, through the sold call options, to sell US$487,702 at the weighted average exercise price of R$4.3999 which is equivalent to R$2,145,840.Changes in the fair value ofzero-cost collar designated as hedging instruments that effectively offset the variability of cash flows associated with foreign exchange rate fluctuation are reported in AOCI. These amounts subsequently are reclassified into the line item in our combined statement of income in which the hedged items are recorded in the same period thehedged items affect earnings.

As of December 31, 2021, US$32,226 of deferred losses on derivative instruments accumulated in other comprehensive loss ("OCI") are expected to be reclassified to earnings during the next 12 months. Transactions and events expected to occur over the nexttwelve months that will necessitatereclassifying these derivatives' results to earnings include the employee salary payments. There were no cash flow hedges discontinued during 2021, 2020 or 2019.

On December 31, 2021, the fair value of derivative financial instruments was recognized as a liability in the amount of US$32,226. On December 31, 2020, the fair value of derivative financial instruments was recognized as an asset in the amount of US$45,438.

The effect of derivative instruments on the combined statements of income for the years ended December 31, 2021, 2020 and 2019:

Derivatives in cash flow hedging relationships	Amount of gain (or loss) recognized in OCI on derivative (effective portion)	Location of gain (or loss) reclassified from AOCI into income (effective portion)	Amount of gain (or loss) reclassified from AOCI into income (effective portion)
2021:			
Zero-cost collar	$ (67,659)	General and administrative	$ 10,005
2020:			
Zero-cost collar	$ (10,750)	General and administrative	$ (56,762)
2019:			
Zero-cost collar	$ (4,568)	General and administrative	$ (3,994)

(in US Dollars)

10. Research and Development

The R&D expenses are comprised of the following items:

	Year Ended December 31,		
	2021	2020	2019
Employees' compensation	$ 7,278,999	$ 4,833,957	$ 3,083,337
Outsourced service	5,100,980	1,241,479	2,372,248
Test devices and mock-ups	524,062	2,049,390	14,598
Other expenses	265,243	193,250	292,688
Travel & entertainment	110,496	39,967	184,423
Total	**$ 13,279,780**	**$ 8,358,043**	**$ 5,947,294**

11. General and Administrative

The general and administrative expenses are comprised of the following items:

	Year Ended December 31,		
	2021 As Restated	2020	2019
Other expenses	$ 2,912,172	$ 76,488	$ 110,346
Employees' compensation	1,346,317	783,023	1,155,199
Outsourced service	504,108	287,584	235,024
Depreciation/amortization	107,138	14,058	23,004
Travel & entertainment	19,646	33,362	146,890
Short-term leasing arrangements	9,561	39,361	69,352
Total	**$ 4,898,942**	**$ 1,233,876**	**$ 1,739,815**

12. Income Taxes

Loss before income taxes consisted of the following:

	December 31,		
	2021 As Restated	2020	2019
United States$	$ (6,481,431)	$ (1,742,747)	$ (3,290,679)
International	(11,774,438)	(7,883,195)	(4,394,840)
Total	**$ (18,255,869)**	**$ (9,625,942)**	**$ (7,685,519)**

(in US Dollars)

Income taxes consisted of the following:

	United States (21%)	State and local (5%)	Brazil (34%)	Total	Valuation allowance	Total
2021						
Current	—	—	—	—	—	—
Deferred	$ (871,006)	$ (204,567)	$ (3,929,123)	$ (5,004,696)	$ 5,004,696	—
2020						
Current	—	—	—	—	—	—
Deferred	$ (374,301)	$ (87,114)	$ (2,680,556)	$ (3,141,971)	$ 3,141,971	—
2019						
Current	—	—	—	—	—	—
Deferred	$ (734,239)	$ (164,534)	$ (1,483,969)	$ (2,382,742)	$ 2,382,742	—

A reconciliation of the statutory U.S. federal tax rate and our effective tax rate is as follows:

	December 31,		
	2021 As Restated	2020	2019
Statutory U.S. federal tax rate	**21%**	**21%**	**21%**
State and local taxes	3%	5%	5%
Reserves	0%	0%	1%
Permanent differences	-8%	0%	0%
Valuation allowance	-16%	-26%	-27%
Effective tax rate	**0%**	**0%**	**0%**

The tax effects of temporary differences and carryforwards that give rise to significant portions of deferred tax assets and liabilities consisted of the following:

	December 31,		
	2021	2020	2019
Deferred tax assets:			
Net operating loss carryforwards(i)	$ 12,555,225	$ 7,615,613	$ 4,477,240
Federal R&D Credit(ii)	351,985	340,162	331,741
Accrued benefits	63,153	9,892	14,715
Uncertain Tax Position—R&D Reserve	(70,397)	(68,032)	(66,349)
Total deferred tax assets	**$ 12,899,966**	**$ 7,897,635**	**$ 4,757,347**
Less valuation allowance	**(12,899,966)**	**(7,897,635)**	**(4,757,347)**
Net deferred tax assets	$ —	$ —	$ —

(i) Net operating losses carryforwards do not expire.
(ii) These credits expire after 20 years after their initial recognition if the entity is not able to utilize them.

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. The UAM Business considers the scheduled reversal of deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based upon the level of historical taxable income and projections for future taxable income over the periods in which the deferred taxassets are deductible, management believes it is not more likely than not that the UAM Business will realize the benefits of its deductible differences. The valuation allowance increased $5,002,331 during the year ended December 31, 2021 primarily due to an increase in the net operating losses.

(in US Dollars)

The UAM Business has no history of tax audits on a standalone basis, nevertheless the UAM Business believes it has provided adequate reserves for all tax deficiencies or reductions in tax benefits that could result from federal, state and foreign tax audits. The UAM Business regularly assesses the likely outcomes of these audits in order to determine the appropriateness of the UAM Business's tax provision. As a separate taxpayer under a separate return method, the UAM Business would be deemed to file a US federal, US state, and Brazil federal tax returns. Pursuant to these hypothetical filings, uncertain tax benefits are recorded based on largest amount of tax benefit with a greater than 50 percent probability of being realized upon ultimate settlement with the applicable taxing authority, assuming the taxing authority has full knowledge of all relevant information. The UAM Business's operating results and related tax positions are a component of either a legal entity and/or a larger group of entities that file tax returns. The UAM Business is not considered to be the primary obligor for uncertain tax benefits taken. Therefore, unrecognized tax benefits for uncertain tax positions taken for the years ended December 31, 2021, 2020 and 2019 are reflected in the provision but are deemed to have been assumed by ERJ and not reflected in the UAM Business's ending balance sheets for the periods reported. The UAM Business has no unrecognized tax benefits as of December 31, 2021 and 2020. The UAM Business will recognize interest and penalties, if any, related to uncertain tax positions in income tax expenses. As of December 31, 2021, 2020 and 2019 no interest or penalties have been accrued due to uncertain tax positions.

The net operating losses for 2021, 2020 and 2019 were generated mainly due to expenditures with R&D projects of the UAM Business and administrative expenses to support the R&D process. Under a separate tax return methodology, the $40,150,911 of net operating losses are deemed "hypothetical" losses of the UAM Business for purposes of these financial statements. This amount is comprised of $13,688,062 in the US (for Federal and State taxes) and $ 26,462,849 in Brazil.

13. Accumulated other comprehensive income (loss)

The accumulated balances for cash flow hedges in accumulated other comprehensive income/(loss) are as follows:

		Cash flow hedges
Balance as of December 31, 2018	**$**	**—**
Other comprehensive loss before reclassifications		(4,568)
Amount reclassified from AOCI		3,994
Net accumulated other comprehensive loss for 2019	**$**	**(574)**
Balance as of December 31, 2019	**$**	**(574)**
Other comprehensive loss before reclassifications		(10,750)
Amount reclassified from AOCI		56,762
Net accumulated other comprehensive income for 2020	**$**	**46,012**
Balance as of December 31, 2020	**$**	**45,438**
Other comprehensive loss before reclassifications	$	(67,659)
Amount reclassified from AOCI		(10,005)
Net accumulated other comprehensive loss for 2021		**(77,664)**
Balance as of December 31, 2021	**$**	**(32,226)**

The comprehensive income/(loss) amounts do not have deferred taxes effects because the values do not generate a difference in assets and liabilities for financial statement purposes and tax purposes.

14. Subsequent Events

The UAM Business considers events or transactions that have occurred after the balance sheet date of December 31, 2021, but prior to the issuance of the combined financial statements to provide additional evidence relative to certain estimates or to identify matters that require additional recognition or disclosure. The UAM Business evaluated subsequent events and transactions that occurred after the balance sheet date through March 18, 2022, which is the date the combined financial statements were issued. The UAM Business did not identify any subsequent events that would have required adjustment or disclosure in the combined financial statements in accordance with ASC 855—*Subsequent events*.

Events Subsequent to Original Issuance of Financial Statements (Unaudited)

In connection with the reissuance of the financial statements, the Company has evaluated subsequent events through December 7, 2022, the date the financial statements were available to be reissued.

On May 9, 2022, in accordance with the Business Combination Agreement, the closing of the business combination (the “Closing”)occurred, pursuant to which Zanite issued 220,000,000 shares of Class A common stock to EAH in exchange for the transfer by EAH to Zanite of all ofthe issued and outstanding limited liability company interests of Eve (the “Equity Exchange”). As a result of the business combination, Eve is now awholly-owned subsidiary of Zanite, which has changed its name to “Eve Holding, Inc.”

On August 1, 2022, the Company’s subsidiary, Eve Sub (the “Lender”), entered into a loan agreement (the “Loan Agreement”) with Embraer Aircraft Holding, Inc., the Company’s majority stockholder (“EAH”), in order to efficiently manage the Company’s cash reserves at a rate of return that is favorable to the Company. Pursuant to the Loan Agreement, the Lender has agreed to lend to EAH an aggregate principal amount of up to $81,000,000 at an interest rate of 4.89% per annum. All unpaid principal advanced under the Loan Agreement, together with any accrued and unpaid interest thereon, shall be due and payable on August 1, 2023, which date may be extended upon mutual written agreement of the Lender and EAH. Any outstanding principal amount under the Loan Agreement may be prepaid at any time, in whole or in part, by EAH at its election and without penalty, and the Lender may request full or partial prepayment from EAH of any outstanding principal amount under the Loan Agreement at any time. In accordance with the Company’s Related Person Transactions Policy, on July 22, 2022, the Loan Agreement was determined to be entered into on an arms-length basis, in the best interests of the Company and its stockholders and unanimously approved by the Company’s independent directors.

During the month of September 2022, the Company, (i) entered into a subscription agreement (the “United Subscription Agreement”) with United Airlines Ventures, Ltd., a Cayman Islands company (“United”), pursuant to which United agreed to subscribe for an aggregate of 2,039,353 shares of common stock of the Company, par value $0.001 per share (“common stock”), for an aggregate purchase price of $15,000,000 (the “United Investment”), (ii) entered into a lock-up agreement with the Company, pursuant to which United will be restricted from transferring the warrants issued to it at or promptly following the United Closing, as well as the shares of common stock issuable upon the exercise of such warrants, until the date that is: (i) with respect to one of the two warrants to acquire 680,634 shares of common stock, six months after the United Closing; (ii) with respect to the warrant to acquire 1,361,268 shares of common stock, nine months after the United Closing; and (iii) with respect to the second warrant to acquire 680,634 shares of common stock, twelve months after the United Closing and (iii) entered into a Warrant Agreement with United (the “United Warrant Agreement”), pursuant to which, at or promptly following the United Closing, the Company issued to United warrants to acquire up to 2,722,536 shares of common stock, each with an exercise price of $0.01 per share, which were issuable upon (i) the issuance by the parties of a joint press release announcing the United Investment, (ii) the entry by the Company and an affiliate of United into a conditional purchase agreement for the sale and purchase of up to 400 eVTOLs and (iii) the agreement by the Company and United to establish a concept of operations for the use of the Company’s eVTOLs at one or more of United’s or its affiliates’ hub airports. In addition, the Company has agreed to issue United additional warrants to acquire up to an additional 2,722,536 shares of common Stock, each with an exercise price of $0.01 per share, which are issuable upon the entry into (i) a binding agreement between United (or one of its affiliates) and the Company for the sale and purchase of up to 200 eVTOLs and (ii) certain eVTOL services and support agreements.

Each warrant is exercisable for a period of five years following its issuance or first permitted exercise date (the “Expiration Date”). If, upon the Expiration Date, any issued and outstanding warrant has not been exercised and the Fair Market Value (as defined in the United Warrant Agreement) of one share of common stock is greater than the exercise price of such warrant as of the Expiration Date, such warrant will automatically be deemed to be exercised. The United Warrant Agreement provides for certain registration rights with respect to the resale of the shares of common stock underlying the warrants which are substantially similar to the registration rights provided under the United Subscription Agreement.

On October 6, 2022, United exercised 2,722,536 warrants in exchange for the same amount of common shares.

On November 1, 2022, the sub-sublease agreement between Eve Sub andEmbraer Engineering & Technology Center has commenced after the consent given by the landlord.

Except as disclosed above and in Note 2, there have been no events that have occurred that would require adjustments to the disclosures in the unaudited combined financial statements.

Exhibit 99.3

EXPLANATORY NOTE TO EXHIBIT 99.4

Eve Holding, Inc. (the “Company”) is filing this Amendment No. 1 on Form 8-K/A (this “Amendment No. 1”) to amend the Company’s Current Report on Form 8-K filed with the U.S. Securities and Exchange Commission (the “SEC”) on May 13, 2022 (the “Original Form 8-K”) to restate (i) the Audited Combined Financial Statements of the Urban Air Mobility Business of Embraer S.A as of December 31, 2021 and 2020 and for each of three years in the period ended December 31, 2021, (ii) the Unaudited Condensed Consolidated Financial Statements of EVE UAM, LLC as of March 31, 2022, and for the three months ended March 31, 2022 and 2021, (iii) the unaudited pro forma condensed consolidated financial information and (iv) management’s discussion and analysis of financial condition and results of operations filed therewith. Please see Item 4.02 of the Company’s Current Report on Form 8-K/A filed with the SEC on November 14, 2022 for additional information regarding the restatements. Except as set forth in this Amendment No. 1, the Original Form 8-K is unchanged.

In November 2022 Eve Holding, Inc. reviewed its accounting for costs incurred (Transaction Costs) in connection with the Business Combination (as defined in Note 1 Formation and Nature of Business herein), which include, among other things, fees for financial, accounting and legal advisors. These costs were paid by Embraer S.A. and Embraer Aircraft Holding, Inc. and recognized as expenses by these entities. The Company concluded that the transaction costs that were directly related to EVE UAM, LLC’s (“Eve”) business should follow the guidance in SEC Staff Accounting Bulletin Topic 5.T being pushed down to Eve’s financial results in 2022 and 2021.

On November 10, 2022, the Audit Committee of the Board of Directors of Eve Holding, Inc., after considering the recommendations of management regarding the accounting treatment for Transaction Costs described above, concluded that the Audited Combined Financial Statement of the Urban Air Mobility Business of Embraer S.A as of and for the periods ended December 31, 2021, Unaudited Condensed Consolidated Financial Statement of EVE UAM, LLC as of March 31, 2022, and for the three months ended March 31, 2022 and 2021 Condensed Combined, included in the Original Form 8-K should no longer be relied upon and should be restated to recognize the expenses associated with the Transaction Costs .

Accordingly, the Company is restating its financial statements for the three months ended March 31, 2022 in this Amendment No. 1. See Note 2, Restatement of Previously Reported Financial Statements herein for additional information regarding these restatements.

The Company’s management is responsible for maintaining disclosure controls and procedures that are designed to provide reasonable assurance that the information required to be disclosed in our reports that we file or submit under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officers and principal financial officer, to allow timely decisions regarding required financial disclosure. Because of the inherent limitations, disclosure controls and procedures, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the objectives of disclosure controls and procedures are met.

After re-evaluation, Eve Holding, Inc.’s management has concluded that in light of the misstatement described above, material weaknesses existed in Eve Holding, Inc.’s internal control over financial reporting during the quarter ended March 31, 2022, and that the Eve Holding, Inc.’s disclosure controls and procedures were not effective as of March 31, 2022.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company’s annual or interim financial statements will not be prevented or detected on a timely basis.

The Company did not design and maintain effective controls to analyze, account for and disclose non-routine, unusual or complex transactions, as well as accrued expenses, share-based payments and certain financial presentation matters. Specifically, it did not design and maintain controls to timely analyze and account for complex financial instruments, share-based payments, transaction costs, and identify and account for some accrued expenses and properly present certain items in the financial statements. The deficiencies were caused by a lack of personnel with qualifications and experience within the Company’s control environment to address such matters, which created deficiencies in the Company’s risk assessment and information and communication.

Exhibit 99.4

EVE UAM, LLC

(Former UAM Business of Embraer S.A.)

Unaudited Condensed Consolidated Financial Statements
as of and for the three months ended March 31, 2022 and 2021

EVE UAM, LLC

(FORMER UAM BUSINESS OF EMBRAER S.A.)

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS

(In US Dollars)

	As of March 31, 2022 As Restated	As of December 31, 2021 As Restated
Assets		
Current:		
Cash and cash equivalents	$ 12,507,573	$ 14,376,523
Related party receivable	162,679	220,000
Other current assets	7,508,457	6,274,397
Total current assets	**20,178,709**	**20,870,920**
Capitalized software, net	-	699,753
Total assets	**$ 20,178,709**	**$ 21,570,673**
Liabilities and Net parent equity		
Current:		
Accounts payable	$ 60,816	$ 877,641
Related party payable	17,993,715	8,642,340
Derivative financial instruments	-	32,226
Other payables	972,641	616,156
Total current liabilities	**19,027,172**	**10,168,363**
Other noncurrent payables	405,000	702,921
Total liabilities	**19,432,172**	**10,871,284**
Net parent equity		
Net parent investment	746,537	10,731,615
Accumulated other comprehensive income/(loss)	-	(32,226)
Total Net parent equity	**746,537**	**10,699,389**
Total liabilities and Net parent equity	**$ 20,178,709**	**$ 21,570,673**

The accompanying notes are an integral part of these unaudited condensedconsolidated financial statements.

EVE UAM, LLC

(FORMER UAM BUSINESS OF EMBRAER S.A.)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(In US Dollars)

	Three Months Ended March 31, 2022 As Restated	Three Months Ended March 31, 2021 As Restated
Operating expenses		
Research and development	$ (9,114,687)	$ (1,891,651)
General and administrative	(1,318,033)	(620,247)
Operating loss	**(10,432,720)**	**(2,511,898)**
Financial and foreign exchange gain, net	422,712	2,474
Loss before income taxes	**(10,010,008)**	**(2,509,424)**
Income tax benefit (expense)	-	-
Net loss	**$ (10,010,008)**	**$ (2,509,424)**
Net loss per unit basic and diluted	(9,100)	(2,281)
Weighted-average number of units outstanding – basic and diluted	1100	1100

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

EVE UAM, LLC

(FORMER UAM BUSINESS OF EMBRAER S.A.)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

(In US Dollars)

	Three Months Ended March 31,	
	2022	2021
	As Restated	As Restated
Net loss	**$ (10,010,008)**	**$ (2,509,424)**
Derivative financial instruments - cash flow hedge	-	(51,106)
Total comprehensive loss	**$ (10,010,008)**	**$ (2,560,530)**

The accompanying notes are an integral part of these unaudited condensedconsolidated financial statements.

EVE UAM, LLC

(FORMER UAM BUSINESS OF EMBRAER S.A.)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN NET PARENT EQUITY

(In US Dollars)

	Net parent investment	Accumulated other comprehensive income (loss)	Total
Balance as of December 31, 2021 (as restated)	**$ 10,731,615**	**$ (32,226)**	**$ 10,699,389**
Legal entity change separation-related adjustments	(707,846)	32,226	(675,620)
Balance as of January 1, 2022 (as restated)	**10,023,769**	**-**	**10,023,769**
Net loss (as restated)	(10,010,008)	-	(10,010,008)
Net transfer from Parent	732,776	-	732,776
Balance as of March 31, 2022 (as restated)	**$ 746,537**	**$ -**	**$ 746,537**
Balance as of December 31, 2020	**$ (1,059,291)**	**$ 45,438**	**$ (1,013,853)**
Net loss (as restated)	(2,509,424)	-	(2,509,424)
Other comprehensive loss	-	(51,106)	(51,106)
Net transfer from Parent	3,004,907	-	3,004,907
Balance as of March 31, 2021 (as restated)	**$ (563,808)**	**$ (5,668)**	**$ (569,476)**

The accompanying notes are an integral part of these unaudited condensedconsolidated financial statements.

EVE UAM, LLC

(FORMER UAM BUSINESS OF EMBRAER S.A.)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In US Dollars)

	Three Months Ended March 31,	
	2022	2021
	As Restated	As Restated
Cash flows from operating activities:		
Net loss	$ (10,010,008)	$ (2,509,424)
Adjustments to reconcile net loss to net cash used in operating activities:		
Amortization of capitalized software	-	33,963
Long-term incentive plan expense	-	32,088
Carve-out expenses (contributed from Parent)(i)	732,769	-
Changes in operating assets and liabilities:		
Other assets	(1,242,627)	(804,058)
Related party receivable	57,321	-
Accounts payable	(98,593)	(752,401)
Related party payable	8,241,343	1,088,362
Other payables	450,845	23,690
Net cash used in operating activities	**(1,868,950)**	**(2,887,780)**
Cash flows from investing activities:		
Capitalized Software, net	-	-
Net cash provided by investing activities	**-**	-
Cash flows from financing activities:		
Transfer from Parent	-	2,887,780
Net cash provided by financing activities	**-**	**2,887,780**
Increase (decrease) in cash and cash equivalents	**(1,868,950)**	**-**
Cash and cash equivalents at the beginning of the period	**14,376,523**	**-**
Cash and cash equivalents at the end of the period	**$ 12,507,573**	**$ -**
Supplemental disclosure of other noncash investing and financing activities		
Additions to capitalized software transferred by Parent	$ -	$ 117,127

(i) More details in Note 4

The accompanying notes are an integral part of these unaudited condensedconsolidated financial statements.

EVE UAM, LLC

(FORMER UAM BUSINESS OF EMBRAER S.A.)

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(in US Dollars)

1. Formation and Nature of Business

Formation and Nature of Business

EVE UAM, LLC (f/k/a Eve Urban Air Mobility Solutions, Inc.), a Delaware limited liability company (the "Company" or "Eve"), was formed on April 21,2021, in order to effect a reorganization and acquire the Urban Air Mobility ("UAM") business, which focuses on the development and certification of an electric vertical takeoff and landing vehicle ("eVTOL"), the creation of a maintenance and services network for eVTOL and the creation of an air traffic management system for eVTOL otherwise known as Urban Air Traffic Management ("UATM") (collectively, the "UAM Business"), from Embraer S.A. and its subsidiaries (the "Parent", "Embraer" or "ERJ"). Prior to the reorganization and throughout the periods presented herein, the UAM Business was owned by ERJ and its subsidiaries. Beginning in August 2021, ERJ has contributed certain assets and employees to Eve to begin Eve's initial operations.

ERJ is a publicly held company incorporated under the laws of the Federative Republic of Brazil ("Brazil") with headquarters in São José dos Campos, State of São Paulo. The corporate purpose of ERJ is:

(i) To design, build and market aircraft and aerospace materials and related accessories, components and equipment, according to the highest standards of technology and quality.
(ii) To perform and carry out technical activities related to the manufacturing and servicing of aerospace materials.
(iii) To contribute to the training of technical personnel as necessary for the aerospace industry.
(iv) To engage in and provide services for other technological, manufacturing and business activities in connection with the aerospace industry.
(v) To design, build and trade in equipment, materials, systems, software, accessories and components for the defense, security and power industries, and to promote and carry out technical activities related to the manufacturing and servicing thereof, in accordance with the highest technological and quality standards.
(vi) To conduct other technological, manufacturing, trading and services activities related to the defense, security and power industries.

Through EmbraerX, an independent department within ERJ, ERJ's market accelerator and disruptive business innovation company, ERJ incubates initiatives that may mature into new business opportunities in the future. One such business that has been incubated is ERJ's UAM business. The UAM Business had historically operated as part of ERJ and not as a separate stand-alone entity or group.

The Reorganization

On December 10, 2021, ERJ, Eve and Embraer Aircraft Holding Inc. ("EAH"), a wholly owned subsidiary of ERJ, entered into a contribution agreement (the "Contribution Agreement"), pursuant to which, upon the terms and subject to the conditions of the Contribution Agreement, ERJ transferred certain assets and liabilities related to the UAM Business to Eve or to Eve Soluções de Mobilidade Aérea Urbana Ltda., a Brazilian limited liability company (sociedade limitada) and a newly formed direct wholly owned subsidiary of Eve (the "Brazilian Subsidiary"), in exchange for the issuance of 1,000 common units of Eve. Since the consummation of the transactions contemplated by the Contribution Agreement (the "Reorganization"), certain assets and liabilities related to the UAM Business have been owned by Eve.

Business Combination Agreement with Zanite

On December 21, 2021, ERJ, Eve and EAH entered into a business combination agreement (the "Business Combination Agreement") with Zanite Acquisition Corp. ("Zanite" or following its name change to "Eve Holding, Inc." upon the Closing (as defined below), "Eve Holding"). Pursuant to the Business Combination Agreement, among other things, EAH contributed and transferred to Zanite all of the common units of Eve held by it as consideration and in exchange for the issuance and transfer by Zanite to EAH of 220,000,000 shares of common stock of Zanite. Upon the consummation of the transactions contemplated by the Business Combination Agreement (the "Closing"), which occurred on May 9, 2022, Eve now operates as part of a separate, independent, publicly traded company.

EAH did not lose control over Eve since it holds approximately 90,2% of Eve Holding's outstanding shares of common stock as of immediately after the Closing. Therefore, the transaction did not result in a change in control that would otherwise necessitate business combination accounting.

COVID-19 Pandemic

The World Health Organization declared a global emergency on January 30,2020 with respect to the outbreak of a novel strain of coronavirus, or COVID-19 pandemic. There are many uncertainties regarding the current global COVID-19 pandemic, and ERJ is closely monitoring the COVID-19 pandemic situation and its impacts on its employees, operations, the global economy, the supply and the demand for its products and services, including the UAM Business. ERJ implemented contingency plans to act as quickly as necessary as the current situation unfolds.

Since the beginning of the COVID-19 pandemic, ERJ has been engaging in several initiatives supporting the health and safety of its employees. Social distancing measures were taken, as well as the implementation of working from home for certain group of employees. Furthermore, several measures to preserve jobs were taken, including reductions in working hours and pay cuts, collective vacations, and temporary furloughs.

The full impact of the COVID-19 pandemic continues to evolve as of the date hereof. As such, it is uncertain as to the full magnitude that the pandemic will have on the UAM Business's financial condition, liquidity, and future results of operations. Management is actively monitoring the situation on its financial condition, liquidity, operations, suppliers, industry, and workforce.

2. Restatement of Previously Reported Financial Statements

The Company reviewed, changed the accounting, and restated these financial statements for costs incurred (Transaction Costs) in connection with the transaction with Zanite which include among other things fees for financial, accounting and legal advisors. These costs were paid by ERJ and EAH and recognized by these entities and not pushed down to Eve. The Company concluded that the Transaction Costs that were directly related to Eve's business should follow the guidance in SEC Staff Accounting Bulletin Topic 5.T, Accounting for Expenses or Liabilities Paid By Principal Stockholder(s), and should be pushed down to Eve's financial results in 2022 and 2021.

Management analyzed the nature and timing of the costs to determine whether they were i) directly related to the carve-out structuring and reporting preparation and ii) directly related to the anticipated closing of the transaction with Zanite. During the three months period ended March 31, 2022, the Transaction Costs that benefited Eve amounted to $1.6 million and management restated their payables balance, increasing the balance by this amount, as of March 31, 2021. Of the $1.6 million, $1.1 million was deferred and recognized as Other assets as those Transaction Costs are directly related to the anticipated Closing of the transaction with Zanite.

The remaining Transaction Costs of $0.5 million were expensed as they were not directly related to the anticipated Closing.

The adjustment in the statement of operations related to the Transaction Costs for the first, second, third and fourth quarters of 2021 were $0.3 million, $1.3 million, $0.4 million and $0.4 million, respectively. See more details in Note 11.

The Condensed Consolidated Financial Statements for the three months ended March 31, 2022 and related disclosures (Notes 4, 6 and 11) have been restated in accordance with the changes described above.

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS

	As of March 31, 2022		
	As Reported	Restatement Adjustments	As Restated
Assets			
Current:			
Cash and cash equivalents	$ 12,507,573	$ -	$ 12,507,573
Financial investments	-	-	-
Related party receivable	162,679	-	162,679
Other current assets	129,218	7,379,239	7,508,457
Total current assets	12,799,470	7,379,239	20,178,709
Capitalized software, net	-	-	-
Total assets	**$ 12,799,470**	**$ 7,379,239**	**$ 20,178,709**
Liabilities and Net parent equity			
Current:			
Accounts payable	$ 60,816	$ -	$ 60,816
Related party payable	7,716,126	10,277,589	17,993,715
Derivative financial instruments	-	-	-
Other payables	972,641	-	972,641
Total current liabilities	8,749,583	10,277,589	19,027,172
Other noncurrent payables	405,000	-	405,000
Total liabilities	**9,154,583**	**10,277,589**	**19,432,172**
Net parent equity			
Net parent investment	3,644,887	(2,898,350)	746,537
Accumulated other comprehensive income/(loss)	-	-	-
Total Net parent equity	**3,644,887**	**(2,898,350)**	**746,537**
Total liabilities and Net parent equity	**$ 12,799,470**	**$ 7,379,239**	**$ 20,178,709**

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended March 31, 2022		
	As Reported	Restatement Adjustments	As Restated
Operating expenses			
Research and development	$ (9,114,687)	$ -	$ (9,114,687)
General and administrative	(808,766)	(509,267)	(1,318,033)
Operating loss	**(9,923,453)**	**(509,267)**	**(10,432,720)**
Financial and foreign exchange gain, net	422,712	-	422,712
Loss before income taxes	**(9,500,741)**	**(509,267)**	**(10,010,008)**
Income tax benefit (expense)	-	-	-
Net loss	**$ (9,500,741)**	**$ (509,267)**	**$ (10,010,008)**
Net loss per unit basic and diluted	(8,637)	-	(9,100)
Weighted-average number of units outstanding – basic and diluted	1100	-	1100

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three Months Ended March 31, 2022		
	As Reported	Restatement Adjustments	As Restated
Cash flows from operating activities:			
Net loss	$ (9,500,741)	$ (509,267)	$ (10,010,008)
Adjustments to reconcile net loss to net cash used in operating activities:			
Carve-out expenses (noncash, contributed from Parent)(i)	732,769	-	732,769
Changes in operating assets and liabilities:			
Other assets	(116,645)	(1,125,982)	(1,242,627)
Related party receivable	57,321	-	57,321
Accounts payable	(98,593)	-	(98,593)
Related party payable	7,716,126	525,217	8,241,343
Other payables	(659,187)	1,110,032	450,845
Net cash used in operating activities	**(1,868,950)**	**-**	**(1,868,950)**
Cash flows from investing activities:			
Net cash provided by investing activities	**-**	**-**	**-**
Cash flows from financing activities:			
Net cash provided by financing activities	**-**	**-**	**-**
Increase (decrease) in cash and cash equivalents	**(1,868,950)**	**-**	**(1,868,950)**
Cash and cash equivalents at the beginning of the period	**14,376,523**	**-**	**14,376,523**
Cash and cash equivalents at the end of the period	**$ 12,507,573**	**$ -**	**$ 12,507,573**
Supplemental disclosure of other noncash investing and financing activities			
Additions to capitalized software transferred by Parent	$ -	-	$ -

Note: The cash flow restatement related adjustments directly relate to the adjustment noted abovethat also impacted the statement of operations.

The Unaudited Condensed Combined Financial Statements for the three months ended March 31, 2021 and related disclosures in this Amendment to the Form 8-K have been restated in accordance with the changes described above.

UNAUDITED CONDENSED COMBINED STATEMENTS OF OPERATIONS

	Three Months Ended March 31, 2021		
	As Reported	**Restatement Adjustments**	**As Restated**
Operating expenses			
Research and development	$ (1,891,651)	$ -	$ (1,891,651)
General and administrative	(327,943)	(292,304)	(620,247)
Operating loss	**(2,219,594)**	**(292,304)**	**(2,511,898)**
Financial and foreign exchange gain, net	2,474	-	2,474
Loss before income taxes	**(2,217,120)**	**(292,304)**	**(2,509,424)**
Income tax benefit (expense)	-	-	-
Net loss	**$ (2,217,120)**	**$ (292,304)**	**$ (2,509,424)**
Net loss per unit basic and diluted	(2,016)	-	(2,281)
Weighted-average number of units outstanding – basic and diluted	1100	-	1100

UNAUDITED CONDENSED COMBINED STATEMENTS OF CASH FLOWS

	Three Months Ended March 31, 2021		
	As Reported	Restatement Adjustments	As Restated
Cash flows from operating activities:			
Net loss	$ (2,217,120)	$ (292,304)	$ (2,509,424)
Adjustments to reconcile net loss to net cash used in operating activities:			
Amortization of capitalized software	33,963	-	33,963
Long-term incentive plan expense	32,088	-	32,088
Changes in operating assets and liabilities:			
Other assets	(8,000)	(796,058)	(804,058)
Related party receivable	-	-	-
Accounts payable	(752,401)	-	(752,401)
Related party payable	-	1,088,362	1,088,362
Other payables	23,690	-	23,690
Net cash used in operating activities	**(2,887,780)**	**-**	**(2,887,780)**
Net cash provided by investing activities	**-**	**-**	**-**
Cash flows from financing activities:			
Transfer from Parent	2,887,780	-	2,887,780
Net cash provided by financing activities	**2,887,780**	**-**	**2,887,780**
Increase (decrease) in cash and cash equivalents	**-**	**-**	**-**
Cash and cash equivalents at the beginning of the period	**-**	**-**	**-**
Cash and cash equivalents at the end of the period	**$ -**	**$ -**	**$ -**
Supplemental disclosure of other noncash investing and financing activities			
Additions to capitalized software transferred by Parent	$ 117,127	-	$ 117,127

Note: The cash flow restatement related adjustments directly relate to the adjustment noted above that also impacted the statement of operations.

Please refer to the Audited Combined Financial Statements of the Urban Air Mobility Business of Embraer S.A. as of and for the years ended December 31, 2021 and 2020, as restated, in Exhibit 99.2 of this filing, for restatement adjustments impacting the December 31, 2021 consolidated balance sheet.

3. Liquidity

Prior to December 21, 2021 the UAM Business was part of EmbraerX, an independent department within ERJ, and certain funds to conduct its research and development (“R&D”) operations were provided by ERJ. Eve has not generated any revenues and does not anticipate generating any revenues unless and until it successfully completes research and development for the eVTOL and UATM projects, or any future product candidate. On May 9, 2022, Eve concluded the transaction withZanite as per the Business Combination Agreement and as a result received more than $300 million in cash which will provide sufficient capital to support the ongoing operations of Eve. Therefore, the agreement between Eve and ERJ by which ERJ guaranteed to fund Eve for the next 12 months is no longer effective.

4. Summary of Significant Accounting Policies

Basis of Presentation

Prior to the separation from ERJ, Eve Sub has historically operated as part of ERJ and not as a standalone company. The audited combined financial statements for the periods ended on or prior to December 31, 2021, have been derived from ERJ and EAH historical accounting records and are presented on a carve-out basis. As of January 1, 2022, Eve Sub began accounting for its financial activities as an independent entity.

The balances of Eve Soluções de Mobilidade Aérea Urbana Ltda. ("Eve Brazil"), a direct wholly owned subsidiary of Eve, that were recorded in foreign currency, were converted/translated into its functional currency, the US dollar, before being presented in the combined financial statements.

ERJ started charging the UAM business related R&D and G&A expenses to Eve through the Master Service Agreement (the "MSA") and Shared Service Agreement (the "SSA"). Therefore, there was no need to continue carving out expenses from ERJ and EAH.

All intercompany transactions’ balances between Eve Sub, and Eve Brazil (collectively, the "Eve Entities") were eliminated.

Eve's audited combined financial statements as of December 31, 2021 reflect the assets, liabilities, and expenses that management has determined to be specifically attributable to Eve, as well as allocations of certain corporate level assets, liabilities and expenses, deemed necessary to fairly present the financial position, results of operations and cash flows of Eve, as discussed further below. Management believes that the assumptions used as basis for the allocations of expenses, direct and indirect, as well as assets and liabilities in the unaudited condensed combined financial statements are reasonable. However, these allocations may not be indicative of the actual amounts that would have been recorded had Eve operated as an independent, publicly traded company for the periods presented.

Historically, the UATM and eVTOL initiatives have been incubated, led and funded as two separate projects, which were comprised of separate related designs and registered patents (the "Intellectual Property" or "IP"), know-how, and principal design teams. As a part of ERJ, Eve was dependent upon ERJ for all of its working capital and financing requirements, as ERJ uses a centralized approach for cash management and financing its operations. Accordingly, cash and cash equivalents, debt or related interest expense have not been allocated to the Eve in the unaudited condensed combined financial statements. Financing transactions related to Eve were accounted for as a component of Net Parent Investment in the unaudited condensed combined balance sheets and as a financing activity on the accompanying unaudited condensed combined statements of cash flows.

Change in carve-out methodology

As of the Closing, ERJ concluded that all the assets and liabilities of the newly created Eve legal entity were contributed by the parent company ERJ. No other assets or liabilities were evaluated to be attributable to Eve or that would be transferred to Eve upon the completion of the Business Combination, eliminating the necessity to allocate a portion of ERJ's assets and liabilities to Eve on a carve-out basis. Management deemed it to be more appropriate to adopt a legal entity approach since all the activities reside in the Eve legal entity, and there is no longer a need to allocate assets and liabilities from the Parent for the carve-out in the form of the management approach.

The management approach takes into consideration the assets that are being transferred to determine the most appropriate financial statement presentation. A management approach may also be appropriate when a parent entity needs to prepare financial statements for the sale of a legal entity, but prior to divestiture, certain significant operations of the legal entity are contributed to the parent in a common control transaction. On the other hand, the legal entity approach is often appropriate in circumstances when the transaction structure is aligned with the legal entity structure of the divested entity. One example would be when shares of a legal entity or a consolidated group of legal entities are divested. If the legal entity approach is deemed appropriate, all historical results of the legal entity, including those that are not ultimately transferred, should be presented in the historical financial statements through the date of transfer.

The management approach, which was undertaken to prepare the financial statements of the UAM Business for the fiscal year ended 2021, was appropriate and based on the best information and assumptions available at the time. Management now deems it appropriate to change the carve-out methodology from the management approach to the legal entity approach as of January 1, 2022. As such, in order to prepare the financial statements for the first quarter of 2022, the Company has applied the legal entity approach due to changes in the underlying facts and circumstances.

On December 14, 2021, the Company signed with ERJ the Master Service Agreement ("MSA") and the Services Shares Agreement ("SSA"), which charges Eve for a significant part of the expenses Eve was previously carving out. In this regard, Management understands that the expenses not covered by the agreements, the minor part of the expenses previously carved-out, comprised of general overhead expenses, still need to be allocated to Eve in order to better present its results on a stand-alone basis. With respect to the MSA and SSA, refer to Note 5, Related Party Transactions.

Since the financial activities from December 10, 2021 to December 31, 2021 were immaterial, Management chose to continue with the management approach for all of the year ended December 31, 2021 and began the to use the legal entity approach as of January 1, 2022. Management continued to use the legal entity approach until the Closing on May 9, 2022. The Company has recorded the impacts of the balance sheet adjustment (i.e. separation-related adjustment) for the change in methodology as adjustments to the January 1, 2022 beginning balance sheet and not as a period activity attributable to the three month ended March 31, 2022. The January 1, 2022 beginning balance sheet adjustments from the December 31, 2021 balances were as follows:

Separation-related adjustments

	As of December 31, 2021 As Restated	Separation-Related Adjustment	As of January 1, 2022 As Restated
Assets			
Current:			
Cash and equivalents	$ 14,376,523	$ (8)	$ 14,376,515
Related party receivable	220,000	-	220,000
Other current assets	6,274,397	(8,567)	6,265,830
Total current assets	20,870,920	(8,575)	20,862,345
Capitalized software, net	699,753	(699,753)	-
Total assets	**21,570,673**	**(708,328)**	**20,862,345**
Liabilities and Net Parent Equity			
Current:			
Accounts payable	877,641	(718,232)	159,409
Related party payable(As Restated)	8,642,340	1,110,032	9,752,372
Derivative financial instruments	32,226	(32,226)	-
Other payables (As Restated)	616,156	(94,361)	521,795
Total current liabilities	10,168,363	265,213	10,433,576
Other noncurrent payables	702,921	(297,921)	405,000
Total liabilities	10,871,284	(32,708)	10,838,576
Net parent equity			
Net parent investment	10,731,615	(707,846)	10,023,769
Accumulated other comprehensive income/ (loss)	(32,226)	32,226	-
Total net parent equity	10,669,389	(675,620)	10,023,769
Total liabilities and net parent equity	**$ 21,570,673**	**$ (708,328)**	**$ 20,862,345**

Therefore, Management considers the legal entity approach to be the most meaningful representation of Eve’s standalone carve-out financial statements. Additionally, intercompany transactions between Eve entities (i.e EVE UAM, LLC and Eve Soluções de Mobilidade Aerea Urbana Ltda) have been eliminated in the consolidation.

The change in the carve-out approach impacted the unaudited condensed combined statements of cash flow for the three months ended on March 31, 2022. Amounts that were previously presented as Transfer from Parent to Eve are now presented as a noncash item contributed by Parent to Eve.

For periods ended as of or prior to December 31, 2021, the unaudited condensed combined financial information includes both direct and indirect expenses. The historical direct expenses consist primarily of personnel-related costs (including salaries, labor taxes, profit sharing program, benefits, short and long-term incentive) of research and development employees directly involved in UAM activities, research expenses, facilities depreciation and others. The indirect expenses consist of personnel-related costs (including salaries, labor taxes, profit sharing program, benefits, short and long term incentive) allocated to Eve and general and administrative overhead, including expenses for information systems, accounting, other financial services (such as treasury, audit and purchasing), human resources, legal, and facilities, allocated as per headcount of employees exclusively involved in UAM activities compared to the total headcount of all ERJ employees or using an expense input comparing the total R&D expenses of Eve against the total R&D expenses of EmbraerX. Eve has calculated its income tax amounts using a separate return methodology and it has presented these amounts as if it were a separate taxpayer from ERJ.

For periods ended as of or prior to December 31, 2021, the unaudited condensed combined balance sheets of Eve include other assets, capitalized software, accounts payable and other payables that were allocated on a specific identification basis. Derivative instruments used to hedge the salaries for employees directly involved in UAM activities were allocated by comparing the salaries of these employees in Brazilian reais ("BRL" or "R$") against the total employees' salaries of ERJ in BRL, and for employees not directly involved in UAM activities the expense input approach using R&D metrics, noted above, was used to allocate the Derivatives instruments. Incentive payments received in advance, which were related to service arrangements to process employee payroll were allocated based on a headcount proportion basis. As Eve was not historically held as a single legal entity, Net Parent Investment is shown in lieu of stockholder's equity in the unaudited condensed combined financial statements. Net Parent Investment represents the cumulative investment by ERJ in Eve through the dates presented, inclusive of operating results.

Functional and reporting currency

The unaudited condensed combined financial statements are derived from ERJ financial statements and from the financial statements of certain of ERJ's U.S. based subsidiaries ("Original Financial Statements"). The functional currency of ERJ and the aforementioned subsidiaries is the US Dollar ("USD" or "Dollar" or "US$"). The Company's functional currency will follow the determination of the functional currency of the Original Financial Statements, therefore management has concluded that the USD is the functional and reporting currency of Eve.

The foreign currency gains and losses are related to transactions with suppliers recognized in the functional currency, USD, but settled in BRL. The impacts were recognized in the line item entitled, "*Financial and foreign exchange gain, net"* within the unaudited condensed combined statements of operations.

Use of Estimates

The preparation of the unaudited condensed combined financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent liabilities, and the reported amounts of expenses during the reporting period. Therefore, estimates and assumptions derived from past experience and other factors deemed relevant were used in preparing accompanying unaudited condensed combined financial statements. These estimates and assumptions are reviewed on an ongoing basis and the changes to accounting estimates are recognized in the period in which the estimates are revised on a prospective basis. Actual results could be materially different from those estimates. Significant estimates inherent in the preparation of the unaudited condensed combined financial statements include, but are not limited to, useful lives of capitalized software, net, accrued liabilities, income taxes including deferred tax assets and liabilities.

Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, bank deposits and highly liquid short-term investments, usually maturing within 90 days of the investment date, readily convertible into a known amount of cash and subject to an insignificant risk of change in value.

Fair Value Measurements

Eve applies the provisions of Accounting Standards Codification ("ASC") 820, *Fair Value Measurement*, which defines a single authoritative definition of fair value, sets out a framework for measuring fair value and expands on required disclosures about fair value measurements. The provisions of ASC 820 relate to financial assets and liabilities as well as other assets and liabilities carried at fair value on a recurring and nonrecurring basis. The standard clarifies that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, the standard establishes a three-tier value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities accessible to the reporting entity at the measurement date.

Level 2 - Other than quoted prices included in Level 1 inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 - Unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

The carrying amounts of Eve's other assets, accounts payables and other payables, except for the long-term incentive plan, approximate fair value due to the short-term nature of these instruments. The fair value of the liabilities related to the long-term incentive plan included in other payables was determined using the Level 1 inputs. The fair value of the derivative instruments was determined using the Level 2 inputs. There were no assets or liabilities measured at fair value using Level3 inputs for the periods presented.

Hedge accounting

Until December 31, 2021, Eve used to account for certain derivative instruments under the hedge accounting methodology.

Eve applied cash flow hedge accounting to hedge against the payroll cash flow volatility attributable to a risk of foreign exchange rate fluctuation associated with highly probable forecast transactions that will affect income or loss for the year.

Eve recognized all derivative instruments as either assets or liabilities in the balance sheet at their respective fair values. For derivatives designated in hedging relationships changes in the fair value are recognized in Accumulated Other Comprehensive Loss ("AOCI"), to the extent the derivative is effective at offsetting the changes in cash flows being hedged until the hedged item affects earnings. The cash flow impact of Eve's derivative instruments were included in our unaudited condensed combined statement of cash flows in net cash used in operating activities.

Eve only enters into derivative contracts that it intends to designate as a hedge of a forecasted transaction or the variability of cash flows to be received or paid related to a recognized asset or liability (cash flow hedge). For all hedging relationships, Eve formally documents the hedging relationship and its risk-management objective and strategy for undertaking the hedge, the hedging instrument, the hedged transaction, the nature of the risk being hedged, how the hedging instrument's effectiveness in offsetting the hedged risk will be assessed prospectively and retrospectively, and a description of the method used to measure ineffectiveness. Eve also formally assesses, both at the inception of the hedging relationship and on an ongoing basis, whether the derivatives that are used in hedging relationships are highly effective in offsetting changes in cash flows of hedged transactions. For derivative instruments that are designated and qualify as part of a cash flow hedging relationship, the effective portion of the gain or loss on the derivative is reported as a component of other comprehensive loss and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings. Gains and losses on the derivative representing either hedge ineffectiveness or hedge components excluded from the assessment of effectiveness are recognized in current earnings.

Eve discontinues hedge accounting prospectively when it determines that the derivative is no longer effective in offsetting cash flows attributable to the hedged risk, the derivative expires or is sold, terminated, or exercised, the cash flow hedge is designated because a forecasted transaction is not probable of occurring, or management determines to remove the designation of the cash flow hedge. Additionally, when it is probable that a forecasted transaction will not occur, Eve recognizes immediately in earnings gains and losses that were accumulated in other comprehensive loss related to the hedging relationship.

In all situations in which hedge accounting is discontinued and the derivative remains outstanding, Evecontinues to carry the derivative at its fair value on the balance sheet and recognizes any subsequent changes in its fair value in earnings.

See Note 9 for additional information on hedge accounting and derivative instruments.

Capitalized software, net

Eve had capitalized software until December 31, 2021, consisting of software licenses and are recorded at cost, net of accumulated amortization, and if applicable, impairment charges. Software licenses are amortized over their useful lives which is approximately 5 years on a straight-line basis. Eve reviews intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Long-term incentive plan

Until December 31, 2021, Eve carved-out certain amounts related to the ERJ long-term incentive plan. The long-term incentive plan has the objective of retaining and attracting qualified personnel who will make an effective contribution to Eve's future performance. The plan is a cash-settled phantom shares plan, in which the amounts attributed to the services provided by the participants are converted into virtual share units based on the market value of Embraer's shares. At the end of the acquisition period the participant receives the quantity of virtual shares converted into BRL, at the shares' current market value. Eve recognizes the obligation during the acquisition period (quantity of virtual shares proportional to the period) in the same group as the participant's normal remuneration. This obligation is presented within the line-item entitled *"Other payable,"* and the fair value is calculated based on the market price of the shares and recorded as *"General and administrative"* expenses in the unaudited condensed combined statements of operations.

As of the Closing, Eve has its own remuneration plan, the Eve Holding, Inc.2022 Stock Incentive Plan.

Research and Development

R&D efforts are focused on design and development of oureVTOL and UATM projects to achieve manufacturing and commercial stage. R&D costs are expensed as incurred and are primarily comprised of personnel-related costs (including salaries, labor taxes, profit sharing program, benefits, short and long-term incentive) for employees focused on R&D activities, supplies and materials costs. Until December 31, 2021 most of these expenses were carved-out from ERJ and beginning on January 1, 2022, ERJ started charging Eve for most of these costs under the MSA (see Note 5 for more details about the MSA).

General and Administrative

Until December 21, 2021, general and administrative expenses are primarily composed of allocated expenses of personnel-related costs (including salaries, labor taxes, profit sharing program, benefits, short- and long-term incentive), information systems, accounting, other financial services (such as treasury, audit and purchasing), human resources, legal, facilities, and other corporate expenses. Until December 31, 2021, such expenses have been allocated to Eve based on the most relevant allocation method for the services provided, primarily based on headcount of employees exclusively involved in UAM activities compared to the total headcount of all ERJ employees as this measure reflects the historical utilization levels. Transaction Costs were also recognized as general and administrative expenses during 2021 and 2022 (see Note 5).

Beginning on January 1, 2022, general and administrative expenses are mostly comprised of Eve's own expenses.

Income Taxes

The deferred income taxes are generally recognized, based on enacted tax rates, when assets and liabilities have different values for financial statement and tax purposes. Eve has calculated its income tax amounts using a separate return methodology. A valuation allowance is appropriate if it is more likely than not all or a portion of deferred tax assets will not be realized. Under this method, Eve assumes it will file separate returns with tax authorities, thereby reporting its taxable income or loss and paying the applicable tax to or receiving the appropriate refund from ERJ. As a result, Eve’s deferred tax balances and effective tax rate as a stand-alone entity will likely differ significantly from those recognized in historical periods. The calculation of income taxes on a separate return basis requires a considerable amount of judgment and use of both estimates and allocations.

The tax loss carryforwards and valuation allowances reflected in the unaudited condensedcombined financial statements are based on a hypothetical stand-alone income tax return basis and may not exist in the ERJ consolidated financial statements.

Eve accounts for uncertain income tax positions recognized in the unaudited condensedcombined financial statements by applying a two-step process to determine the amount of tax benefit to be recognized. First, the tax position must be evaluated to determine the likelihood that it will be sustained upon external examination by the taxing authorities. If the tax position is deemed more-likely-than-not to be sustained, the tax position is then assessed to determine the amount of benefit to be recognized in the unaudited condensed combined financial statements. The amount of the benefit that may be recognized is the largest amount that has a greater than 50% likelihood of being realized upon ultimate settlement. The provision for income taxes includes the effects of any resulting tax reserves, or unrecognized tax benefits, that are considered appropriate as well as the related net interest and penalties.

Segments

Operating segment information is presented in a manner consistent with the internal reports provided to the Chief Operating Decision Maker (“CODM”). The chief operating decision-maker, who is responsible for allocating resources among and assessing the performance of the operating segments and for making strategic decisions, is Eve Chief Executive Officer. Given Eve’s pre-revenue operating stage, it currently has no concentration exposure to products, services or customers. Eve has determined that it operates in two different operating and reportable segments as it CODM assess the operation results by the different R&D projects, as follows:

eVTOL: the aircraft is in the preliminary design stage of development. This vehicle is expected to have eight (8) vertical lift electric motors and two (2) horizontal propulsion electric motors. Eve’s eVTOL has been in an incubation stage for over 4 years. The certification is proposed to be first with ANAC (the National Civil Aviation Agency of Brazil) and in parallel with the U.S. Federal Aviation Administration.

UATM: the segment will provide traffic management services to vehicles operating in the UAM Operating Environment ("UOE"). UATM will be a system of systems focused on improving the efficiency and safety of UAM operations. UATM systems will focus on existing and emerging operators of both the vehicles (fleet operators) and ground infrastructure (vertiport/heliport operators).

The CODM receives information related to the operating results based on the directly attributable cost by each R&D project. The indirect costs are not included in the information analyzed by the CODM. In addition, because Eve did not have any assets, they were not presented in the information provided to the CODM. The information provided to the CODM are as follows:

	Three Months Ended March 31,	
	2022 As Restated	**2021 As Restated**
eVTOL	$ (7,704,151)	$ (1,711,074)
UATM	(1,410,536)	(180,577)
Total segments expenses	(9,114,687)	(1,891,651)
Corporate/Unallocated amounts	-	-
Selling, general and administrative	(1,318,033)	(620,247)
Loss from operations	(10,432,720)	(2,511,898)
Financial and foreign exchange gain, net	422,712	2,474
Loss before income taxes	**$ (10,010,008)**	**$ (2,509,424)**

Basic and Diluted Net Loss per Unit

As result of the Reorganization Eve had 1,100 units outstanding as of March 31, 2022. As such these Units are being utilized for the calculation of basic net loss per unit for the periods prior to the Combination Transactions.

Basic net loss per unit excludes dilutive units and is computed by dividing net loss attributable to unit holders by the weighted average number of units outstanding during the period. Diluted net loss per unit reflects the potential dilution that would occur if securities were exercised or converted into units. In periods in which the Company reports a net loss, the effects of any incremental potential units have been excluded from the calculation of loss per unit because their effect would be anti-dilutive. During the three months periods ended March 31, 2022 and 2021, the Company did not issue any potentially dilutive instruments. Therefore, the weighted-average units outstanding used to calculate both basic and diluted loss per unit are the same for both periods.

Recently adopted accounting pronouncements

Eve is provided the option to adopt new or revised accounting guidance as an "emerging growth company" under the Jumpstart Our Business Startups Act of 2012 ("the JOBS Act") either (1) within the same periods as those otherwise applicable to public business entities, or (2) within the same time periods as private companies, including early adoption when permissible. With the exception of standards Eve elected to adopt earlier than required, when permissible, the company has elected to adopt new or revised accounting guidance within the same time period as private companies.

There were no recently adopted accounting pronouncements that had material impacts to the Company.

Recently issued accounting pronouncements not yet adopted

In December 2019, the FASB issued ASU 2019-12, Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes ("ASU 2019-12"), which removes certain exceptions for recognizing deferred taxes for investments, performing intra-period allocation and calculating income taxes in interim periods. The ASU also adds guidance to reduce complexity in certain areas, including recognizing deferred taxes for tax goodwill and allocating taxes to members of a consolidated group. ASU 2019-12 is effective for Eve's annual periods beginning after December 15, 2021, and for interim periods beginning after December 15, 2022. Early adoption is permitted. Eve is currently evaluating the effect the adoption of ASU 2019-12 will have on its unaudited condensedcombined financial statements.

In March 2020, the FASB issued ASU 2020-04, Reference Rate Reform (Topic 848): Providing an optional expedients and exceptions for applying generally accepted accounting principles (GAAP) to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. The amendments in this ASU apply only to contracts, hedging relationships, and other transactions that reference LIBOR or another reference rate expected to be discontinued because of reference rate reform. The expedients and exceptions provided by the amendments do not apply to contract modifications made and hedging relationships entered into or evaluated after December 31, 2022, except for hedging relationships existing as of December 31, 2022, that an entity has elected certain optional expedients for and that are retained through the end of the hedging relationship. The amendments in this ASU are effective for all entities as of March 12, 2020 through December 31, 2022. Eve has no contracts, hedging relationships, and other transactions that the LIBOR is applied as reference rate, thus no impact is expected in its unaudited condensedcombined financial statements.

In October 2021, the FASB issued ASU 2021-07, Compensation – Stock Compensation (Topic 718): Determining the Current Price of an Underlying Share for Equity-Classified Share-Based Awards (a consensus of the Private Company Council), which provides private companies with a practical expedient to determine their restricted share price, or option-based award share price input, using a 'reasonable application of a reasonable valuation method'. The practical expedient applies to both employee and nonemployee awards, is only applicable for equity-classified share-based payment awards and is applied on a measurement date-by-measurement date basis. ASU 2021-07 is effective for the Company's annual periods beginning after December 15, 2021, and interim periods in fiscal years beginning after December 15, 2022. The practical expedient will be applied prospectively. Eve will evaluate whether to apply the practical expedient in the future but currently does not expect there to be a material effect on its unaudited condensed combined financial statements.

In November 2021, the FASB issued ASU 2021-09, Leases (Topic 842): Discount Rate for Lessees That Are Not Public Entities, which allows non-public entities to make the risk-free rate election by class of underlying asset, rather than at the entity-wide level. An entity that makes the risk-free rate election is required to disclose the asset classes for which it has elected to apply a risk-free rate. The amendments further require that when the rate implicit in the lease is readily determinable for any individual lease, the lessee use that rate (rather than a risk-free rate or an incremental borrowing rate), regardless of whether it has made the risk-free rate election. The ASU is effective for the Company's annual periods beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022. Earlier application is permitted. The amendments apply on a modified retrospective basis to leases that exist at the beginning of the fiscal year of adoption. Eve does not expect the adoption of the ASU to have a material effect on its unaudited condensed combined financial statements.

In November 2021, the FASB issued ASU 2021-10, Government Assistance (Topic 832): Disclosures by Business Entities about Government Assistance, which requires business entities to disclose information about certain government assistance they receive. The Topic 832 disclosure requirements include: (i) the nature of the transactions and the related accounting policy used; (ii) the line items on the balance sheet and income statement that are affected and the amounts applicable to each financial statement line item; and (iii) significant terms and conditions of the transactions. The ASU is effective for Eve for fiscal years beginning after December 15, 2021. The ASU will be applied to government assistance received on or after the effective date.

5. Related Party Transactions (as restated)

Relationship with ERJ

Eve has historically been managed, operated, and funded by ERJ. Accordingly, certain shared costs have been allocated to Eve and reflected as expenses in Eve's stand-alone unaudited condensed combined financial statements. The expenses reflected in the unaudited condensedcombined financial statements may not be indicative of expenses that will be incurred by Eve in the future.

(a) Corporate costs

ERJ incurs corporate costs for services provided to Eve. These costs include expenses for information systems, accounting, other financial services such as treasury, external audit, purchasing, human resources, legal, and facilities.

Until December 31, 2021, a portion of these costs benefited Eveand were allocated to the company using a pro-rata method based on R&D project related costs, headcount, or other measures that management believes are consistent and reasonable.

The allocated corporate costs included in the unaudited condensedconsolidated statement of operations were approximately $(4,085) and $205,900 for the three months ended March 31, 2022 and 2021, respectively, and were included in general and administrative expenses for each of the periods.

Beginning on January 1, 2022 ERJ started charging Eve for administrative services under the SSA (see more details below).

(b) Transaction costs

A Related party payable was recognized by Evein order to reimburse ERJ and EAH for Transaction Costs initially paid by them related to the Business Combination.

(c) Cash Management and Financing

Eve is responsible for managing its own cash. In July 2021, ERJ made a $15 million of capital contribution to Eve upon the formation of the legal entity. In addition, upon the Closing, Eve received more than $300 million in cash to pay for its obligations.

(d) Master Service Agreement and Shared Service Agreement

In connection with the transfer of the UAM Business to Eve, ERJ and Eveentered into the MSA and the SSA on December 14, 2021, among other services agreements. The initial term for MSA is 15 years, and can be automatically renewed for additional successiveone-year periods. The term for SSA is 15 years. The MSA has established a fee to be charged by ERJ to Eve so that Eve may be provided with access to ERJ's R&D and engineering department structure, as well as the ability to access to manufacturing facilities in the future. The SSA has established a cost overhead pool to be allocated, excluding any margin, to Eve so that Eve may be provided with access to certain of ERJ's administrative services and facilities which are commonly used across the ERJ business such as engineering and testing facilities, as well as back-office shared service centers.

Fees and Expenses in connection with the MSA are set to be payable withinforty-five (45) days of receipt by Eve of an invoice from Embraer together with documentation supporting the fees and expenses set forth on such invoice. Costs and expenses incurred in connection with the provision of shared services to Eve pursuant to the SSA are set to be payable within forty-five (45) days of receipt by Eve. All payments and amounts are due or paid in US Dollars and are recognized in the Related party payable caption.

(e) Related party receivable

Certain employees were transferred from ERJ to Eve. On the transfer date of each employee, all payroll related accruals were assumed byEve and it recognized a Related party receivable from ERJ. Additionally, EAH transferred certain liabilities related to the Eve business, which led to the recognition of a receivable from EAH. This receivable balance is decreased when EAH pays for corporate expenses (e.g. health insurance) on behalf of Eve.

6. Other Current Assets

The other current assets are comprised of the following items:

	March 31, 2022 As Restated	December 31, 2021 As Restated
Deferred Transaction Costs	$ 7,379,239	$ 6,253,257
Advances to employees	115,956	17,063
Other current assets	13,262	4,077
Total	**$ 7,508,457**	**$ 6,274,397**

7. Capitalized software, net

Capitalized software, net is comprised of software licenses; the position and changes for the three months ended March 31, 2022 and 2021, are as follows:

Capitalized software	**Cost**	**Amortization (i)**	**Total**
At December 31, 2020	**$** 43,193	**$** (19,750)	**$** 23,443
Additions	117,127	(33,963)	83,164
At March 31, 2021	**$ 160,320**	**$ (53,713)**	**$ 106,607**
At December 31, 2021	**827,434**	**(127,681)**	**699,753**
Legal entity separation-related adjustments (ii)	(827,434)	127,681	(699,753)
At January 1, 2022 and March 31, 2022	**$ -**	**$ -**	**$ -**

(i) The amortization effect is recorded in *"General and administrative"* in the unaudited condensed consolidated statements of income.
(ii) As a result of the change in the carve-out methodology from management approach to legal entity approach, the capitalized software balance presented on December 31, 2021, is no longer presented in these unaudited condensed consolidated financial statements. The costs associated with software licenses used by Eve will be charged by ERJ to Eve as part of the master service and the shared service agreements. Refer to Note 3 for further information on the change in the carve-out methodology.

8. Other Payables

The other payables are comprised of the following items:

		March 31, 2022		December 31, 2021
Accruals related to payroll(i)	$	490,552	$	455,392
Advances from customers (ii)		405,000		405,000
Social charges payable(iii)		305,591		163,384
Provision for profit sharing program		162,869		59,855
Advanced payments related to service arrangements		13,629		52,405
Long-term incentive plan (iv)		-		183,041
Total	**$**	**1,377,641**	**$**	**1,319,077**
Current portion	$	972,641	$	616,156
Non-current portion	$	405,000	$	702,921

(i) Refers to accruals related personnel obligations recorded in the financial statements, including mainly, vacation expenses and other minor expenses.
(ii) Eve received advances from customers which have signed a letter of intent to purchase eVTOLs.
(iii) Refers to social charges and taxes applicable in relation to personnel compensation.
(iv) As a result of the change in the carve-out methodology from management approach to legal entity approach, the Long-Term Incentive Plan (LTIP) balance presented on December 31, 2021, is no longer presented in these unaudited condensed consolidated financial statements. As of March 31, 2022, Eve did not have in place any long-term incentive plan. Refer to Note 3 for further information on the change in the carve-out methodology.

9. Derivative Financial Instruments

As per Note 3, Basis for Presentation, Change in carve-out methodology section, Management concluded that all the assets and liabilities were contributed to Eve by the parent company and, therefore, no other assets or liabilities are evaluated to be attributable to Eve or that would be transferred to Eve upon the completion of the Business Combination, including derivative financial instrument contracts. As a result of the carve-out, no derivative financial instruments entered into by the Parent Company were allocated to Eve.

As of March 31, 2022, Eve does not have derivative financial instrument derived from the carve-out and Eve have not purchased new derivative financial instruments.

As of March 31, 2021, Eve has the right, through the purchased put options, to sell US$1,393,512, the total notional outstanding, with an exercise price of R$5.2000 which is equivalent of R$7,246,263. Conversely, Eve has the obligation if exercised, through the sold call options, to sell US$1,393,512 at the weighted average exercise price of R$6.1174 which is equivalent to R$8,524,671. Changes in the fair value of zero-cost collar designated as hedging instruments that effectively offset the variability of cash flows associated with foreign exchange rate fluctuation are reported in AOCI. These amounts subsequently are reclassified into the line item in our unaudited condensed consolidated statement of income in which the hedged items are recorded in the same period the hedged items affect earnings.

There were no cash flow hedges discontinued during 2021.

On December 31, 2021, the fair value of derivative financial instruments was recognized as an asset in the amount of US$32,226.

The effect of derivative instruments on the unaudited condensed consolidated statements of income for the periods ended March 31, 2022 and 2021:

Derivatives in cash flow hedging relationships		Amount of gain (or loss) recognized in OCI on derivative (effective portion)	Location of gain (or loss) reclassified from AOCI into income (effective portion)		Amount of gain (or loss) reclassified from AOCI into income (effective portion)
2022:					
Zero-cost collar	$	-	General and administrative	$	-
2021:					
Zero-cost collar	$	(51,106)	General and administrative	$	-

10. Research and Development

The R&D expenses are comprised of the following items:

	Three Months Ended March 31,			
	2022		2021	
Outsourced service (i)	$	8,145,863	$	458,417
Employees' compensation		756,368		1,362,277
Other expenses		191,527		17,440
Travel & entertainment		20,929		21,891
Test devices and mock-ups		-		31,626
Total	**$**	**9,114,687**	**$**	**1,891,651**

(i) Out of $8,145,863, 2022 Outsourced Service, $7,336,164 was charged from related parties under the MSA contracts (refer to footnote 4).

11. General and Administrative

The general and administrative expenses are comprised of the following items:

	Three Months Ended March 31,			
	2022		2021	
	As Restated		As Restated	
Employees' compensation	$	540,465	$	149,267
Other expenses		536,849		378,147
Outsourced service (i)		219,874		54,712
Travel & entertainment		20,845		1,000
Depreciation/amortization		-		35,414
Short-term leasing arrangements (ii)		-		1,707
Total	**$**	**1,318,033**	**$**	**620,247**

(i) Out of $219,874, 2022 Outsourced Service, $128,060 was charged from related parties under SSA contract (refer to footnote 4).
(ii) As a result of the change in the carve-out methodology from management approach to legal entity approach, certain expenses carved-out from ERJ or EAH are no longer presented in these unaudited condensed consolidated financial statements. As of March 31, 2022, Eve does not have recognized lease agreements(refer to footnote 4).

12. Income Taxes

The effective income tax rates for continuing operations for the quarters ended March 31,2022 and March 31, 2021 were 0%. The effective tax rate is primarily driven by a full valuation allowance against the Company's deferred tax assets due to historical and current losses incurred.

13. Comprehensive income

The accumulated balances for cash flow hedges in accumulated other comprehensive income/(loss) are as follows:

		Cash flow hedges
Balance as of December 31, 2021	**$**	**(32,226)**
Other comprehensive loss before reclassifications		32,226
Balances as of January 01, 2022 and March 31, 2022	$	**-**
Balance as of December 31, 2020	**$**	**45,438**
Other comprehensive loss before reclassifications		(51,106)
Balances as of March 31, 2021	**$**	**(5,668)**

The comprehensive income/(loss) amounts do not have deferred taxes effects because the values do not generate a difference in assets and liabilities for financial statement purposes and tax purposes.

14. Subsequent Events

Eve considered events or transactions that have occurred after the balance sheet date of March 31, 2022, but prior to the original issuance of the condensed consolidated financial statements to provide additional evidence relative to certain estimates or to identify matters that require additional recognition or disclosure. Subsequent events had originally been evaluated through May 13, 2022 and on May 9, 2022, in accordance with the Business Combination Agreement, the Closing occurred, pursuant to which Zanite issued 220,000,000 shares of Zanite's Class A common stock, par value $0.0001 per share, to EAH in exchange for the transfer by EAH to Zanite of all of the issued and outstanding limited liability company interests of Eve. As a result of the business combination, Eve is now a wholly-owned subsidiary of Zanite, which has changed its name to "Eve Holding, Inc.". As a result, Eve received more than $300 million in cash.

Events Subsequent to Original Issuance of Financial Statements

In connection with the reissuance of these condensed consolidated financial statements, the Company has evaluated subsequent events throughDecember 7, 2022, the date the financial statements were available to be reissued.

On August 1, 2022, the Company's subsidiary, Eve Sub (the "Lender"), entered into a loan agreement (the "Loan Agreement") with Embraer Aircraft Holding, Inc., the Company's majority stockholder ("EAH"), in order to efficiently manage the Company's cash reserves at a rate of return that is favorable to the Company. Pursuant to the Loan Agreement, the Lender has agreed to lend to EAH an aggregate principal amount of up to $81,000,000 at an interest rate of 4.89% per annum. All unpaid principal advanced under the Loan Agreement, together with any accrued and unpaid interest thereon, shall be due and payable on August 1, 2023, which date may be extended upon mutual written agreement of the Lender and EAH. Any outstanding principal amount under the Loan Agreement may be prepaid at any time, in whole or in part, by EAH at its election and without penalty, and the Lender may request full or partial prepayment from EAH of any outstanding principal amount under the Loan Agreement at any time. In accordance with the Company's Related Person Transactions Policy, on July 22, 2022, the Loan Agreement was determined to be entered into on an arms-length basis, in the best interests of the Company and its stockholders and unanimously approved by the Company's independent directors.

During the month of September 2022, the Company, (i) entered into a subscription agreement (the "United Subscription Agreement") with United Airlines Ventures, Ltd., a Cayman Islands company ("United"), pursuant to which United agreed to subscribe for an aggregate of 2,039,353 shares of common stock of the Company, par value $0.001 per share ("common stock"), for an aggregate purchase price of $15,000,000 (the "United Investment"), (ii) entered into a lock-up agreement with the Company, pursuant to which United will be restricted from transferring the warrants issued to it at or promptly following the United Closing, as well as the shares of common stock issuable upon the exercise of such warrants, until the date that is: (i) with respect to one of the two warrants to acquire 680,634 shares of common stock, six months after the United Closing; (ii) with respect to the warrant to acquire 1,361,268 shares of common stock, nine months after the United Closing; and (iii) with respect to the second warrant to acquire 680,634 shares of common stock, twelve months after the United Closing and (iii) entered into a Warrant Agreement with United (the "United Warrant Agreement"), pursuant to which, at or promptly following the United Closing, the Company issued to United warrants to acquire up to 2,722,536 shares of common stock, each with an exercise price of $0.01 per share, which were issuable upon (i) the issuance by the parties of a joint press release announcing the United Investment, (ii) the entry by the Company and an affiliate of United into a conditional purchase agreement for the sale and purchase of up to 400 eVTOLs and (iii) the agreement by the Company and United to establish a concept of operations for the use of the Company's eVTOLs at one or more of United's or its affiliates' hub airports. In addition, the Company has agreed to issue United additional warrants to acquire up to an additional 2,722,536 shares of common Stock, each with an exercise price of $0.01 per share, which are issuable upon the entry into (i) a binding agreement between United (or one of its affiliates) and the Company for the sale and purchase of up to 200 eVTOLs and (ii) certain eVTOL services and support agreements.

Each warrant is exercisable for a period of five years following its issuance or first permitted exercise date (the "Expiration Date"). If, upon the Expiration Date, any issued and outstanding warrant has not been exercised and the Fair Market Value (as defined in the United Warrant Agreement) of one share of common stock is greater than the exercise price of such warrant as of the Expiration Date, such warrant will automatically be deemed to be exercised. The United Warrant Agreement provides for certain registration rights with respect to the resale of the shares of common stock underlying the warrants which are substantially similar to the registration rights provided under the United Subscription Agreement.

On October 6, 2022, United exercised 2,722,536 warrants in exchange for the same amount of common shares.

On November 1, 2022, the sub-sublease agreement between Eve Sub andEmbraer Engineering & Technology Center has commenced after the consent given by the landlord.

Except as disclosed above and in Note 2, there have been no events that have occurred that would require adjustments to the disclosures in the unaudited condensed consolidated financial statements.

Exhibit 99.5

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

Capitalized terms used and not defined herein or in the Current Report on Form 8-K to which this Exhibit 99.4 relates (this "Current Report on Form 8-K") have the meanings given to them in the definitive proxy statement filed by Zanite Acquisition Corp. with the U.S. Securities and Exchange Commission on April 13, 2022 (the "Proxy Statement").

Introduction

The following unaudited pro forma condensed consolidated financial information provides additional information regarding the financial aspects of the business combination and related transactions. The following unaudited pro forma condensed consolidated financial information has been prepared in accordance with Article 11 of Regulation S-X as amended by the final rule, Release 33-10786 "Amendments to Financial Disclosures about Acquired and Disposed Businesses."

Description of the Business Combination

On December 21, 2021, Embraer, Eve, EAH and Zanite entered into the Business Combination Agreement, which contains customary representations and warranties, covenants, closing conditions, termination provisions and other terms relating to the transactions contemplated thereby.

As contemplated by the Business Combination Agreement and the Contribution Agreement, on December 10, 2021, Embraer transferred the Contributed Assets and associated liabilities, in the context of the Pre-Closing Restructuring, to Eve and subsidiaries of Eve, in exchange for the issuance of a certain number of Eve Interests. These transactions will be accounted for as a common control transaction.

Following such transactions, Embraer then transferred all of the Eve Interests held by it to EAH in exchange for the issuance of EAH Common Stock and EAH Preferred Stock. Embraer has also entered into the Preferred Stock Purchase Agreement with the Unaffiliated Investor, and, pursuant to the terms and conditions set forth therein, has sold and transferred to the Unaffiliated Investor such shares of EAH Preferred Stock. As a result of these Pre-Closing Restructuring activities, Eve is now a wholly owned subsidiary of EAH.

On May 9, 2022, in accordance with the Business Combination Agreement, the closing of the business combination occurred, pursuant to which Zanite issued 220,000,000 shares of Class A common stock to EAH in exchange for the transfer by EAH to Zanite of all of the issued and outstanding limited liability company interests of Eve. As a result of the business combination, Eve is now a wholly-owned subsidiary of Zanite, which has changed its name to "Eve Holding, Inc." Upon the Closing, the Company received approximately $377.0 in gross cash proceeds, consisting of approximately $19.7 million from the Zanite trust account and $357.3 million from the PIPE Investment.

Further information about the business combination is set forth beginning on page 101 of the Proxy Statement in the section entitled, "*The Business Combination Proposal*," and that information is incorporated herein by reference.

Accounting Treatment of the Business Combination

This business combination was accounted for as a reverse recapitalization, equivalent to the issuance of shares by Eve for the net monetary assets of Zanite accompanied by a recapitalization. Accordingly, the consolidated assets, liabilities and results of operations of Eve (or the UAM Business, as applicable) became the historical financial statements of the Company, and the assets, liabilities and results of operations of Zanite were consolidated with Eve beginning on the Closing Date. For accounting purposes, the financial statements of the Company represents a continuation of the financial statements of Eve. The net assets of Zanite were recorded at historical costs, with no goodwill or other intangible assets recorded. Operations prior to the transaction are presented as those of Eve (or the UAM Business, as applicable) in future reports of the Company.

Basis of Pro Forma Presentation

The unaudited pro forma condensed consolidated balance sheet as of March 31, 2022, gives pro forma effect to the business combination as if it had been consummated as of March 31, 2022. The unaudited pro forma condensed consolidated statements of operations for the twelve months ended December 31, 2021 and for the three months ended March 31, 2022, give pro forma effect to the business combination as if it had been consummated as of January 1, 2021. This information should be read in conjunction with the financial statements and notes of the UAM Business, as restated, and the financial statements and notes of Zanite (as restated), the sections titled "*Eve Management's Discussion and Analysis of Financial Condition and Results of Operation*," "*Zanite's Management's Discussion and Analysis of Financial Condition and Results of Operation*," "*The Business Combination Proposal,"* and other financial information included in the Proxy Statement, as well as the financial statements and notes of Zanite set forth in Zanite's Q1 Quarterly Report, including in the section entitled "*Zanite's Management's Discussion and Analysis of Financial Condition and Results of Operations*," each of which is incorporated into this Current Report on Form 8-K by reference.

The following unaudited pro forma condensed consolidated financial information has been prepared to illustrate the estimated effects of the business combination and the related financing transactions. It sets forth and is derived from:

- Eve's historical unaudited condensed consolidated financial statements as of and for the three months ended March 31, 2022 and March 31, 2021, as included elsewhere in this Current Report on Form 8-K;
- Zanite's historical financial statements as of March 31, 2022, which are incorporated to this Current Report on Form 8-K by reference..
- Pro forma transaction accounting and financing adjustments to give effect to business combination and issuance of the Company's common stock, equity classified stock-based compensation pursuant to the Incentive Plan, and equity classified new warrants (as defined in the Proxy Statement) issued at Closing on the Company's unaudited condensed consolidated balance sheet as of March 31, 2022, as if the business combination closed on March 31, 2022;
- Pro forma autonomous entity adjustments to reflect Eve being a standalone entity, and the differences between the unaudited condensed consolidated balance sheet as of March 31, 2022 prepared on a carve-out basis and the balance sheet based on the actual assets and liabilities contributed to Eve by Embraer;
- Pro forma adjustments to give effect to business combination and issuance of equity awards at Closing on the Company's consolidated statement of operations for the year ended December 31, 2021, and the three months ended March 31, 2022, as if the business combination closed on January 1, 2021, the first day of the Company's 2021 fiscal year; and
- Pro forma autonomous entity adjustments to reflect incremental costs of Eve being a standalone entity in its unaudited pro forma condensed consolidated statement of operations for the year ended December 31, 2021, and the three months ended March 31, 2022.

Transaction costs incurred prior to the Closing that are determined to be directly attributable and incremental to the transaction are deferred and recorded as Other assets in the balance sheet. Such costs will be further evaluated upon the Closing to determine whether they were attributable to one or multiple sub-transactions of the De-SPAC Transaction (e.g., the issuance of new equity, the assumption of the SPAC warrants, the issuance of strategic warrants, etc.). For pro forma purposes, such costs are recorded as a reduction in cash with a corresponding reduction of additional paid-in capital. These costs also include any costs related to the issuance of new warrants.

This unaudited pro forma condensed consolidated financial information has been prepared for illustrative purposes only and is based on assumptions and estimates made and considered appropriate by the Company's management; however, it is not necessarily indicative of what the Company's consolidated financial condition or results of operations would have been assuming the transaction had been consummated as of the date indicated, nor does it purport to represent the consolidated financial position or results of operations of the combined company for future periods. The audited financial statements of the UAM Business, as restated, have been derived from Embraer's historical accounting records and reflect certain allocation of expenses. All the allocations and estimates in such financial statements are based on assumptions that the Company's management believes are reasonable. The historical carve-out financial statements of the UAM Business, as restated, do not necessarily represent the financial position or results of operations of the UAM Business had it been operated as a standalone company during the periods or at the dates presented. As a result, autonomous entity adjustments have been reflected in the pro forma condensed consolidated financial information.

The unaudited pro forma condensed consolidated financial information may not be useful in predicting the future financial condition and results of operations of the Company following the Closing. The adjustments included in this unaudited pro forma condensed consolidated financial information are preliminary and are subject to change. This unaudited pro forma condensed consolidated financial information does not contemplate any impacts of any synergies for the Company following the business combination. Future results may vary significantly from the results reflected due to various factors, including those discussed in the section entitled "*Risk Factors,*" beginning on page 26 of the Proxy Statement, which information is incorporated by reference herein and in Item 2.01 of this Current Report on Form 8-K.

The unaudited pro forma condensed consolidated financial information has been prepared using the number of shares redeemed by holders of Class A common stock as of 5:00 p.m. ET on May 4, 2022, the deadline for submitting redemption requests in connection with the business combination, as follows:

- This scenario presents 21,087,868 shares of Class A common stock redeemed for their pro rata share of the funds in Zanite's trust account for an aggregate redemption payment of approximately $217.29 million.

The following summarizes the pro forma shares of the Company's common stock issued and outstanding immediately after the business combination. Further, upon completion of the business combination, the approximate ownership interests of the Company, exclusive of (i) the exercise of any new warrants that became exercisable at Closing, to the extent not exercised immediately thereafter, (ii) the exercise of any public or private placement warrants of the Company, which will become exercisable 30 days after Closing, and (iii) the issuance of any equity awards issued at Closing, is as set forth in the table below:

	After Redemptions	
Equity Capitalization at Closing	**Shares (in millions)**	**%**
EAH [(1)]	238.50	90.3%
Zanite public stockholders	1.91	0.7%
Zanite initial stockholders [(2)]	8.25	3.1%
Third party PIPE investors	14.73	5.6%
Strategic warrants exercised at Closing	0.80	0.3%
Total shares of Zanite common stock outstanding at closing of the Transaction	**264.19**	**100%**

(1) Includes 18,500,000 shares of common stock subscribed for and purchased by EAH as part of the PIPE Investment at a purchase price of $10.00 per share.

(2) Includes (i) 5,050,000 founder shares held by the Sponsor and (ii) 2,500,000 shares of common stock the Sponsor purchased in connection with the PIPE Investment at a purchase price of $10.00 per share, in each case, which were subsequently distributed by the Sponsor to its members at Closing on a pro-rata basis. Also includes 250,000 founder shares held by Ronald D. Sugar, 150,000 founder shares held by John B. Veihmeyer, 150,000 founder shares held by Larry R. Flynn and 150,000 founder shares held by Gerard J. DeMuro.

In addition to the PIPE Investment, new warrants have been issued to certain PIPE Investors in connection with the Closing of the business combination pursuant to the Strategic Warrant Agreements. At the Closing Date, there is outstanding new warrants exercisable for (i) 6,400,000 shares of common stock at an exercise price of $0.01 per share without further contingency; (ii) 2,350,000 shares of common stock at an exercise price of $0.01 per share but exercise is contingent on fulfillment of certain milestones; (iii) 12,000,000 shares of common stock at an exercise price of $15.00 per share but exercise is contingent on fulfillment of certain milestones; and (iv) 5,000,000 shares of common stock at an exercise price of $11.50 per share without further contingency. Additionally, certain Strategic Warrant Agreements provide for warrants to be issued contingent on the fulfillment of certain milestones which are exercisable for 9,100,000 shares of common stock at an exercise price of $0.01 per share.

As further described in the disclosure set forth in Item 1.01 of this Current Report on Form 8-K and beginning on page 126 of the Proxy Statement in the sections entitled "*The Business Combination Proposal—Ancillary Agreements—Tax Receivable Agreement*" and "*The Business Combination Proposal—Ancillary Agreements—Tax Sharing Agreement*," the Company has entered into the following agreements at Closing:

- A Tax Receivable Agreement, which generally provides for the payment by the Company of 75% of certain federal and state net tax benefits, if any, that the Company realizes (or, in certain cases, is deemed to realize) as a result of these increases in tax basis, tax benefits related to entering into the Tax Receivable Agreement, and tax benefits attributable to payments under the Tax Receivable Agreement; and
- A Tax Sharing Agreement, which generally applies if EAH and the Company are members of the same consolidated group, as defined under the Internal Revenue Code. The Tax Sharing Agreement governs certain matters related to the resulting consolidated federal income tax returns, as well as state and local returns filed on a consolidated or combined basis. Generally, the consolidated group's parent would be liable for the income taxes of the group members (including the Company), rather than the Company being required to pay such income taxes itself. The Tax Sharing Agreement provides for payments from the Company to EAH based on the increase to EAH's income tax liability as a result of the Company being a member of such group. However, the Tax Sharing Agreement will generally disregard 75% of the tax benefits covered by the Tax Receivable Agreement, consistent with the agreed sharing percentages for such tax savings under the Tax Receivable Agreement. Furthermore, the Tax Sharing Agreement provides for a notional recording of a decrease to EAH's income tax liability as a result of the Company being a member of such group without a payment being made from EAH to the Company. Instead, such notional accumulated benefits may reduce future payments due by the Company under the Tax Sharing Agreement or Tax Receivable Agreement.

The Tax Receivable Agreement applies in periods when EAH and the Company are not members of a consolidated tax group. The Tax Receivable Agreement is accounted for as a contingent liability, with amounts accrued when deemed probable and estimable. Such liability would be initially recorded as an offset to equity. All of the effects of future changes in estimates, facts and circumstances related to the Tax Receivable Agreement will be included in the Company's profit or loss, outside of income tax expense. At this time, all US deferred tax assets of the Company are fully offset by a valuation allowance and there is not an expectation that there will be any cash tax savings. Therefore, no liability related to future Tax Receivable Agreement payments would have been recorded in the unaudited pro forma condensed consolidated financial information.

The Company considers that the Tax Receivable Agreement will not apply for the purposes of the unaudited pro forma condensed consolidated financial information because management believes that EAH has met the control requirements, defined under the Internal Revenue Code, at Closing, such that the Company and EAH will be members of the same consolidated group.

Under the Tax Sharing Agreement, EAH will benefit from the anticipated future tax losses generated by the Company but will only credit these amounts against future liabilities owed by the Company. Based on terms of the Tax Sharing Agreement, no tax benefits would accrue to the Company based on a pro forma calculation of the Company's stand-alone tax return and therefore no benefit has been assumed in the unaudited pro forma condensed consolidated financial information. As such, no pro forma adjustment related to the Tax Sharing Agreement is necessary. Once the Company begins to generate taxable profits, amounts owed by the Company to EAH under the Tax Sharing Agreement will be offset and reduced by prior losses generated by the Company for which EAH had received a benefit.

The unaudited pro forma condensed consolidated financial information does not purport to project the future financial position or operating results of the Company following the business combination. The unaudited pro forma adjustments represent management's estimates based on information currently available as of the date of these unaudited pro forma condensed consolidated financial statements and are subject to change as additional information becomes available and analyses are performed. The assumptions and estimates underlying the unaudited pro forma adjustments are described in the accompanying notes. Actual results may differ materially from the assumptions used, including in respect of the matters further described in Notes 1 and 2, to present the unaudited pro forma condensed consolidated financial information. Actual amounts as of the date of the consummation of the business combination might differ from the pro forma amounts presented below in the unaudited pro forma condensed statement of financial position below as of March 31, 2022, primarily as a result of the timing and amount of expenditure related to development activities and capital expenditures as discussed elsewhere in this proxy statement. Eve and Zanite have not had any historical relationship prior to the business combination. Accordingly, no pro forma adjustments were required to eliminate activities between them.

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET

AS OF MARCH 31, 2022

(in thousands)

	UAM Business Historical (As Restated)	Zanite Historical	Transaction Accounting Adjustments (as restated)		Financing Adjustments		Autonomous Entity Adjustments		Pro Forma Combined (as restated)
ASSETS									
Current:									
Cash and cash equivalents (as restated)	$ 12,508	$ 25	$ (26,857)	a, b, c, d, e	$ 357,300	k	$ -		$ 342,976
Related party receivable	163	-	-		-		-		163
Prepaid expenses	-	85	-		-		-		85
Derivative financial instruments	-	-	-		-		-		-
Other current assets	7,508	-	-		-		-		7,508
Total current assets (as restated)	**20,179**	**110**	**(26,857)**		**357,300**		**-**		**350,732**
Noncurrent:									
Investments held in trust account	-	236,947	(236,947)	a	-		-		-
Capitalized software, net	-	-	-		-		-		-
Deferred tax asset							-		-
Right of use asset	-	-	-		-		275	l	275
Total assets (as restated)	**$ 20,179**	**$ 237,057**	**$ (263,804)**		**$ 357,300**		**$ 275**		**$ 351,007**
LIABILITIES AND STOCKHOLDERS' EQUITY									
Current Liabilities:									
Accounts payable and accrued expenses	$ 60	$ 5,709	$ (5,659)	c	$ -		$ -		$ 110
Related party payable (as restated)	17,994	-	(8,580)	d	-		-		9,414
Promissory note - related party	-	150	(150)	c	-		-		-
Derivative financial instruments	-	-	-		-		-		-
Other payables	973	-	-		-		72	l	1,045
Total current liabilities (as restated)	**19,027**	**5,859**	**(14,389)**		**-**		**72**		**10,569**
Noncurrent Liabilities:									
Deferred underwriting fee payable	$ -	$ 8,050	$ (8,050)	b	$ -		$ -		$ -
Derivative liabilities	-	16,622	(7,360)	f	-		-		9,262
Other payables	405	-	-		-		203	l	608
Total liabilities (as restated)	**$ 19,432**	**$ 30,531**	**$ (29,799)**		**$ -**		**$ 275**		**$ 20,439**
Commitments and contingencies									
Class A common stock subject to possible redemption, 23,000,000 shares at $10.30 per share redemption value	-	236,900	(236,900)	g	-		-		-
Stockholders' equity:									
Net parent investment	747	-	(747)	h	-		-		-
Class A common stock, $0.0001 par value; 100,000,000 shares authorized	-	-	1	e, g, i	4	k	-		5
Class B common stock, $0.0001 par value; 10,000,000 shares authorized	-	1	(1)	i	-		-		-
Additional paid-in capital (as restated)	-	-	60,119	c, d, e, f, g, h, j	357,296	k	-		417,415
Accumulated other comprehensive income/ (loss)	-	-	-		-		-		-
Accumulated deficit (as restated)	-	(30,375)	(56,477)	b, j	-		-		(86,852)
Total Shareholder's Equity (as restated)	**747**	**(30,374)**	**2,895**		**357,300**		**-**		**330,568**
Total liabilities, Redeemable Common Stock and Shareholder's Equity (as restated)	**$ 20,179**	**$ 237,057**	**$ (263,804)**		**$ 357,300**		**$ 275**		**$ 351,007**

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2021
(in thousands, except share and per share amounts)

	UAM Business Historical (As Restated)	Zanite Historical	Transaction Accounting Adjustments		Financing Adjustments	Autonomous Entity Adjustments		Pro Forma Combined
Operating expenses								
Research and development	$ (13,280)	$ -	$ -		$ -	$ (33,269)	ee	$ (46,549)
General and administrative	(4,899)	(6,101)	(8,580)	aa	-	(29,559)	ee	(49,139)
New Warrants expenses	-	-	(87,352)	dd	-	-		(87,352)
Operating loss	**(18,179)**	**(6,101)**	**(95,932)**		**-**	**(62,828)**		**(183,040)**
Interest earned on investments held in Trust Account	-	23	(23)	bb	-	-		-
Change in fair value of derivative liabilities	-	20,600	(8,970)	cc	-	-		11,630
Transaction costs allocated to warrant issuance	-	-	-		-	-		-
Foreign currency loss	(77)	-	-		-	-		(77)
Loss before income taxes	**(18,256)**	**14,522**	**(104,925)**		**-**	**(62,828)**		**(171,487)**
Income tax benefit / (expense)	-	-	-		-	-		-
Net loss and comprehensive loss	**$ (18,256)**	**$ 14,522**	**$ (104,925)**		**$ -**	**$ (62,828)**		**$ (171,487)**
Net Loss Per Share								
Basic and Diluted Loss per share, Class A Redeemable Common Stock		$ 0.51						$ (0.63)
Weighted-average shares of common stock outstanding, Class A Redeemable common stock — basic and diluted		23,000,000						270,592,132
Basic and diluted loss per share, Class B Non-redeemable Common Stock		$ 0.51						$ -
Basic and diluted weighted average shares outstanding, Non-Redeemable Class B Common Stock		5,750,000						-

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS

FOR THE THREE MONTHS ENDED MARCH 31, 2022

(in thousands, except share and per share amounts)

	UAM Business Historical (As Restated)	Zanite Historical	Transaction Accounting Adjustments	Financing Adjustments	Autonomous Entity Adjustments	Pro Forma Combined
Operating expense						
Research and development	$ (9,115)	$ -	$ -	$ -	$ (16,613)dd	$ (25,728)
Selling, general, and administrative	(1,318)	(1,577)	-	-	(6,159)dd	(9,054)
Operating loss	**(10,433)**	**(1,577)**	**-**	**-**	**(22,772)**	**(34,782)**
Interest earned on investments held in Trust Account	-	21	(21)bb	-	-	-
Change in fair value of derivative liabilities	-	6,953	(3,105)cc	-	-	3,848
Foreign currency gain / (loss)	423	-	-	-	-	423
(Loss)/ profit before income taxes	**(10,010)**	**5,397**	**(3,126)**	**-**	**(22,772)**	**(30,511)**
Income tax benefit / (expense)	-	-	-	-	-	-
Net (loss)/ profit and comprehensive loss	**$ (10,010)**	**$ 5,397**	**$ (3,126)**	**$ -**	**$ (22,772)**	**$ (30,511)**
Net Loss Per Share						
Basic and Diluted profit/ (loss) per share, Class A Redeemable Common Stock		$ 0.19				$ (0.11)
Weighted-average shares of common stock outstanding, Class A Redeemable common stock — basic and diluted		23,000,000				270,592,132
Basic and diluted profit per share, Class B Non-redeemable Common Stock		$ 0.19				$ -
Basic and diluted weighted average shares outstanding, Non-Redeemable Class B Common Stock		5,750,000				-

NOTES TO UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(in thousands, except share and per share data)

1. Adjustments to Unaudited Pro Forma Condensed Consolidated Financial Information

The unaudited pro forma condensed consolidated financial information has been presented for illustrative purposes only and is not necessarily indicative of the operating results and financial position that would have been achieved had the business combination occurred on the dates indicated.

The following unaudited pro forma condensed consolidated financial information has been prepared in accordance with Article 11 of Regulation S-X. The Company has elected not to present management adjustments and will only be presenting transaction accounting adjustments, financing adjustments and autonomous entity adjustments in the unaudited pro forma condensed consolidated financial information. The autonomous entity adjustments are derived from contractual arrangements established with Embraer under a Master Services Agreement and a Shared Services Agreement and other third parties.

The pro forma consolidated provision for income taxes does not necessarily reflect the amounts that would have resulted had the post-combination company filed combined income tax returns during the periods presented. The pro forma basic and diluted earnings per share amounts presented in the unaudited pro forma condensed consolidated statement of operations are based upon the weighted average number of the Company's shares outstanding for the year ended December 31, 2021, and the period ended March 31, 2022 assuming the business combination occurred on January 1, 2021.

The transaction executed in accordance the Business Combination Agreement allowed Zanite public warrants to be reclassified to equity. As such, the public warrants will be remeasured at fair value at Closing and transferred at that value to equity. The equity classified public warrants will not be subject to subsequent remeasurement.

In connection with the transaction, the Incentive Plan was established for the Company according to which officers, directors and other eligible employees may be granted equity incentive awards and compensation. The pro forma condensed consolidated financial information reflects adjustments to account for the Incentive Plan. For more information about the Incentive Plan, please see the section entitled "*Incentive Plan Proposal*." beginning on page 163 of the Proxy Statement.

Adjustments to Unaudited Pro Forma Condensed Consolidated Balance Sheet

The adjustments included in the unaudited pro forma condensed consolidated balance sheet as of March 31, 2022 are as follows:

<u>Transaction Accounting Adjustments:</u>

a) Reflects the reclassification of $236.95 million of cash and cash equivalents held in the Company's trust account that became available following the business combination;

b) Reflects the payment of $8.05 million of deferred underwriters' fees incurred in connection with Zanite's IPO, which were paid upon completion of the business combination;

c) Reflects the payment of additional Zanite transaction costs in the amount of $8.82 million and a payment of accrued transaction costs amounting to $5.66 million, each of which were paid upon Closing. This adjustment also reflects the repayment by Zanite of amounts due under the promissory note entered into by Zanite and the Sponsor of $0.15 million.

d) Reflects a disbursement of cash in the amount of $24.33 million to Embraer or one of its affiliates as agreed upon in the Business Combination Agreement and paid upon Closing.

e) Reflects the actual redemption of 21,087,868 shares of Class A common stock for $217.29 million allocated to shares of Class A common stock and additional paid-in capital using par value $0.0001 per share at a redemption price of approximately $10.30 per share.

f) Reflects an adjustment of $7.36 million to account for the reclassification of public warrants from liability to stockholders' equity.

g) Reflects there classification of $236.9 million of Class A common stock subject to redemption to permanent equity upon completion of the business combination;

h) Reflects the elimination of $0.75 million of net parent investment and shares issued to Embraer as part of the Pre-Closing Restructuring;

i) Reflects the conversion of $0.58 million of Class B common stock into Class A common stock upon the consummation of the business combination on a one-for-one basis;

j) Reflects the initial recognition of New Warrants issued to potential customers and suppliers as an expense of $87.35 million;

k) Reflects reclassification of $30.38 million of Zanite's historical accumulated deficit to additional paid-in capital upon consummation of the business combination.

Financing Adjustments:

l) Reflects the receipt of $357.30 million from the issuance and sale of 35.73 million shares of common stock at $10.00 per shares.

Autonomous Entity Adjustments:

m) Reflects the recognition of a right of use asset in the amount of $0.28 million with corresponding lease liability of $0.07 million in other payables and $0.21 million in other noncurrent payables related to the Lease Agreements.

Adjustments to Unaudited Pro Forma Condensed Consolidated Statements of Operations

The adjustments included in the unaudited pro forma condensed consolidated statements of operations for the year ended December 31, 2021 and for the three months ended March 31, 2022 are as follows:

Transaction Accounting Adjustments:

(aa) Reflects the Zanite transaction costs of approximately $8.58 million as if incurred on January 1, 2021, the date the business combination occurred for the purposes of the unaudited pro forma condensed consolidated statement of operations. This is a non-recurring item.

(bb) Reflects the elimination of $0.02 million and $0.02 for the year ended December 31, 2021 and for the three months ended March 31, 2022, respectively, of the interest earned on investments held in the trust account;

(cc) Reflects the removal of $8.97 million and $3.11 for the year ended December 31, 2021 and for the three months ended March 31, 2022, respectively, for the change in derivative fair value of the warrants, which will be classified in equity after the Closing

(dd) Reflects the expense of $87.35 million related to the New Warrants issued to potential customers and suppliers.

Autonomous Entity Adjustments:

(ee) Reflects the following adjustments of $62.83 million and $22.77 for the year ended December 31, 2021 and for the three months ended March 31, 2022, respectively, related to the Company being a standalone public company and incurring certain incremental costs resulting from:

- The establishment of new business functions related to financial reporting and regulatory compliance, and costs associated with accounting, auditing, tax, legal, information technology, human resources, investor relations, risk management, treasury, and other general and administrative related functions of $48.82 million and $19.15 for the year ended December 31, 2021 and for the three months ended March 31, 2022, respectively;
- New insurance premiums of $1.51 million and $0.38 for the year ended December 31, 2021 and for the three months ended March 31, 2022, respectively;
- Software costs of $4.01 million and $1.00 for the year ended December 31, 2021 and for the three months ended March 31, 2022, respectively, related to stand up of Eve's information technology function; and
- Incentive Plan awards granted by the Company of $8.49 million and $2.25 million for the year ended December 31, 2021 and for the three months ended March 31, 2022, respectively, to its employees and directors pursuant to the Incentive Plan. The director awards are subject to certain service vesting conditions and the employee awards are subject to certain service and performance vesting conditions.

Earnings (loss) per Share

Net earnings (loss) per share is calculated using the historical weighted average shares outstanding and the issuance of additional shares in connection with the business combination and other related events, assuming the shares were outstanding since January 1, 2021. As the business combination is being reflected as if it had occurred as of January 1, 2021, the calculation of weighted average shares outstanding for basic and diluted net earnings (loss) per share assumes the shares issued in connection with the business combination have been outstanding for the entire periods presented. Under the maximum redemption scenario, 23,000,000 shares of Class A common stock assumed to be redeemed by Zanite public stockholders are eliminated as of January 1, 2021.

The unaudited pro forma condensed consolidated financial information has been prepared using the number of shares redeemed by holders of Class A common stock as of 5:00 p.m. ET on May 4, 2022, the deadline for submitting redemption requests in connection with the business combination, as follows:

- This scenario presents 21,087,868 shares of Class A common stock redeemed for their pro rata share of the funds in Zanite's trust account for an aggregate redemption payment of approximately $217.29 million.

in thousands, except share data	Year ended December 31, 2021	Period ended March 31, 2022
Pro forma net loss (as restated)	$ (171,487)	$ (30,511)
Basic and diluted weighted average shares outstanding	270,592,132	270,592,132
Pro forma net loss per share – basic and diluted (1)	**$ (0.63)**	**$ (0.11)**
Weighted average shares outstanding – basic and diluted		
EAH (2)	238,500,000	238,500,000
Zanite public stockholders	1,912,132	1,912,132
Zanite Initial Stockholders (3)	8,250,000	8,250,000
Third-Party PIPE Investors	14,730,000	14,730,000
Certain new warrants issued at closing	7,200,000	7,200,000
	$ 270,592,132	**$ 270,592,132**

(1) Outstanding public warrants and private placement warrants are anti-dilutive and are not included in the calculation of diluted net loss per share. Zanite currently has 11,500,000 public warrants and 14,250,000 private placement warrants outstanding. Each warrant entitles the holder to purchase one share of common stock at $11.50 per share. Subject to the terms of the Warrant Agreement, these warrants are not exercisable until 30 days after Closing. In addition, new warrants exercisable for up to 7,200,000 shares of common stock are included in the basic and diluted net loss per share calculation as they are exercisable for little to no consideration upon Closing. Immediately after Closing, certain of the new warrants were exercised to purchase 800,000 shares of common stock for a purchase price of $0.01 per share.

(2) Includes 18,500,000 shares of Common Stock purchased by EAH as part of the PIPE Investment.

(3) Includes (i) 5,050,000 founder shares held by the Sponsor and (ii) and (ii) the 2,500,000 shares of common stock the Sponsor purchased in connection with the PIPE Investment at a purchase price of $10.00 per share, in each case, which were subsequently distributed by the Sponsor to its members at Closing on a pro-rata basis. Also includes 250,000 founder shares held by Ronald D. Sugar, 150,000 founder shares held by John B. Veihmeyer, 150,000 founder shares held by Larry R. Flynn and 150,000 founder shares held by Gerard J. DeMuro.

EVE'S MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis should be read together with, and is qualified in its entirety by reference to the historical audited annual combined financial statements of the UAM Business as of December 31, 2021, 2020 and 2019 and for each of the years ended December 31, 2021, 2020 and 2019, and the related notes that are included elsewhere in this Current Report on Form 8-K. The following discussion and analysis should also be read in conjunction with the audited combined financial information as of and for the year ended December 31, 2021 and 2020, which is available in the section entitled "Unaudited Pro Forma Condensed Combined Financial Information." In addition to the historical information contained herein, this discussion contains forward-looking statements based upon current expectations that involve risks, uncertainties, and assumptions. The UAM Business's actual results could differ materially from those discussed in such forward-looking statements. Factors that could cause or contribute to those differences include, but are not limited to, those discussed below and elsewhere in this proxy statement, particularly in "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Statements."

Unless the context indicates otherwise, when we refer to the UAM Business we do not take into account the effects of the business combination. Some of the measures used in this proxy statement are not measurements of financial performance under GAAP and should not be considered an alternative to cash flow from operating activities as a measure of liquidity or an alternative to operating profit/(loss) or profit/(loss) for the period as indicators of our operating performance or any other measures of performance derived in accordance with GAAP.

Overview

The UAM Business that has been contributed to Eve as part of the Pre-Closing Restructuring has been incubated for nearly four years within EmbraerX, a business unit of Embraer. In April 2021, Embraer formed EVE Urban Air Mobility Solutions, Inc. a Delaware corporation, which was later converted into a limited liability company, and renamed EVE UAM, LLC, for purposes of conducting the UAM Business as an independent company.

Eve's goal is to be a leading company in the UAM market by taking a holistic approach to developing a UAM solution that includes: the design and production of eVTOLs; a portfolio of maintenance and support services focused on Eve's and third-party eVTOLs; fleet operations services conducted in collaboration with partners; and a new UATM system designed to allow eVTOLs to operate safely and efficiently in dense urban airspace alongside conventional aircraft and drones. Eve's mission is to bring affordable air transportation to all passengers, improve quality of life, unleash economic productivity, save passengers time and reduce global carbon emissions. Eve plans to leverage its strategic relationship with Embraer to de-risk and accelerate its development plans, while saving costs by utilizing Embraer's extensive resources.

Eve's Business Model

Eve plans to fuel the development of the UAM ecosystem by providing a complete portfolio of UAM solutions across four primary offerings:

eVTOL Production and Design. Eve is designing and certifying an eVTOL purpose-built for urban air mobility missions. Eve plans to market its eVTOLs globally to operators of UAM services, including fixed wing and helicopter operators, as well lessors that purchase and manage aircraft on behalf of operators.

Service and Support. Eve plans to offer a full suite of eVTOL service and support capabilities, including material services, maintenance, technical support, training, ground handling and data services. Its services will be offered to UAM fleet operators on an agnostic basis – supporting both its own eVTOL and those produced by third-parties.

Fleet Operations. Eve plans to build a fleet operations business in collaboration with selected partners. Eve plans to establish revenue and risk sharing partnerships that will allow it to scale its fleet operations in a capital efficient manner and grow rapidly in a partner-by-partner manner.

Urban Air Traffic Management. Eve is developing a next-generation UATM system to enable eVTOLs to operate safely and efficiently in dense urban airspace along with conventional fixed wing and rotary aircraft and unmanned drones. Eve expects to offer its UATM solution primarily as a subscription software offering to customers that include air navigation service providers, fleet operators and vertiport operators.

To date, the UAM Business has not generated any revenue, as it continues to develop its eVTOL vehicles and other UAM solutions. As a result, Eve will require substantial additional capital to develop products and fund operations for the foreseeable future. Until Eve can generate any revenue from product sales and services, it expects to finance operations through a combination of existing cash on hand, public offerings, private placements and debt financings. The amount and timing of future funding requirements will depend on many factors, including the pace and results of development efforts.

Business Combination with Zanite and Public Company Costs

On December 10, 2021, in anticipation of the signature of the Business Combination Agreement and the terms of the Contribution Agreement, (i) Embraer transferred certain assets and liabilities of the UAM Business to Eve or one of its subsidiaries in exchange for newly issued Eve Interests and (ii) Embraer then transferred all of the Eve Interests held by it to EAH in exchange for newly issued shares of EAH common stock and EAH preferred stock. On December 13, 2021, as contemplated by the terms of the Business Combination Agreement, Embraer sold such shares of EAH preferred stock to the Unaffiliated Investor for an aggregate purchase price of $9,973,750. For tax purposes, the transfer of the Eve Interests to EAH is intended to be integrated with the sale of EAH non-voting preferred stock and, accordingly, the transfer of the Eve Interests to EAH is intended to be treated as a taxable disposition described in Section 1001 of the Code.

On December 21, 2021, Embraer, Eve, EAH and Zanite entered into the Business Combination Agreement. Pursuant to the Business Combination Agreement, at the Closing, EAH will contribute and transfer to Zanite all of the Eve Interests held by it in exchange for the issuance to EAH of 220,000,000 shares of common stock of Zanite, Eve will become a wholly owned subsidiary of Zanite, and Zanite will be renamed “Eve Holding, Inc.” Pursuant to the terms of the Subscription Agreements entered into on December 21, 2021, at the Closing, the PIPE Investors will receive 35,730,000 shares of common stock of Zanite for an aggregate purchase price of $357,300,000. Immediately after the consummation of the Transactions and assuming no redemptions by the stockholders of Zanite, Embraer will own approximately 83.8% of the issued and outstanding shares of common stock of Zanite, with the remaining 16.2% being held by the Sponsor, the public stockholders of Zanite and certain PIPE Investors. As a consequence of these capital contribution events, Eve will become a wholly owned subsidiary of Zanite.

Upon consummation of the business combination and the PIPE Investment, the most significant change in Zanite’s future reported financial position and results of operations is expected to be an estimated increase in cash and cash equivalents (as compared to Zanite’s balance sheet at December 31, 2021) of approximately $330.8 million, on a pro forma basis assuming maximum redemptions by Zanite’s stockholders of 23 million shares of Zanite Class A Common Stock, or $567.7 million, on a pro forma basis assuming no redemptions, including up to $357.3 million in gross proceeds from the PIPE Investment by the investors. Total direct and incremental transaction costs of Zanite are estimated at approximately $18.90 million, of which $8.05 million represents deferred underwriter and legal fees related to Zanite’s IPO, and $10.85 million represent estimated Zanite’s transaction expenses. Additionally, Embraer incurred transaction costs related to the transaction for which Eve is the primary beneficiary in the amount of $24.33 million. In accordance with the business combination agreement, a cash disbursement will be made upon closing to Embraer in the same amount.

An intercompany revolving facility of up to $30 million with an interest rate of 0.40% per annum is anticipated to be entered into between Eve and Embraer to provide funding to support the UAM Business through the close of the business combination. Any amounts drawn plus interest accrued will be repaid to Embraer as part of the funds flow distribution upon the close of the business combination.

Other Key Agreements

In connection with the Pre-Closing Restructuring (which has been effected as of December 10, 2021), Eve has entered into a Master Services Agreement with Embraer, a Master Services Agreement with Atech, a Services Agreement with the Brazilian Subsidiary, a Shared Services Agreement with Embraer, EAH and the Brazilian Subsidiary. Pursuant to the MSAs with Embraer and Atech, each of Embraer and Atech, either directly or through their respective affiliates, will provide certain services and products to Eve and its subsidiaries, including, among others, product development of eVTOL, services development, parts planning, technical support, AOG support, MRO planning, training, special programs, technical publications development, technical publications management and distribution, operation, engineering, designing and administrative services and in the future eVTOL manufacturing services. Eve expects to collaborate with Embraer and leverage Embraer's expertise as an aircraft producer, which will help it design and manufacture eVTOLs with low maintenance and operational costs and design systems and processes for maintenance, develop pilot training programs and establish operations. The services provided under the Shared Services Agreement include, among others, corporate and administrative services to Eve. In addition, Eve has also entered into the Data Access Agreement with Embraer and the Brazilian subsidiary, pursuant to which, among other things, Embraer has agreed to provide the Brazilian Subsidiary with access to certain of its intellectual property and proprietary information in order to facilitate the execution of the specific activities that are set out in certain of the statements of work entered into pursuant to the Services Agreements.

Please see the section titled "The Business Combination Proposal — Related Agreements" for further information regarding the Master Services Agreements, the Shared Services Agreement and the Data Access Agreement.

Key Factors Affecting Operating Results

For further discussion on the risks attendant to the Key Factors Affecting Operating Results, see the sections entitled "Cautionary Statement Regarding Forward-Looking Statements" and "Risk Factors" in the accompanying proxy statement.

Brazilian Economic Environment

The Brazilian government has frequently intervened in the Brazilian economy and occasionally made drastic changes in policy and regulations.The Brazilian government's actions to control inflation and affect other policies and regulations have often involved, among other measures, increases in interest rates, changes in tax policies and incentives, price controls, currency devaluations, capital controls and limits on imports. Changes in Brazil's monetary, credit, tariff and other policies could adversely affect our business, as could inflation, currency and interest-rate fluctuations, social instability andother political, economic or diplomatic developments in Brazil, as well as the Brazilian government's response to these developments.

Rapid changes in Brazilian political and economic conditions that have occurred and may occur require continued assessment of the risks associated with our activities and the adjustment of our business and operating strategy accordingly. Developments in Brazilian government policies, including changes in the current policy and incentives adopted for financing exports of Brazilian goods, or in the Brazilian economy, over which we have no control, may have a material adverse effect on our business.

The following table shows data for real GDP growth, inflation, interest rates and the U.S. dollar exchange rate for and as of the periods indicated.

	As of and for the year ended December 31,		
	2021	**2020**	**2019**
Real GDP growth (contraction)(1)	4.6%	(4.1)%	1.1%
Inflation (IGP-M)(2)	17.8%	23.1%	7.3%
Inflation (IGP-DI)(2)	17.7%	23.1%	7.7%
Inflation (IPCA)(3)	10.1%	4.5%	4.3%
CDI(4)	4.4%	2.8%	5.9%
TJLP(5)	5.3%	4.6%	6.2%
SELIC Rate	9.25%	2.0%	4.5%
Appreciation (depreciation) of the *real* against the U.S. dollar	(7.3)%	(28.9)%	(4.0)%
Exchange rate (R$ per US$1.00) at the end of the period(6)	5.5600	5.1967	4.031

Sources: FGV, IBGE, Central Bank and Economática.

(1) As presented by the Central Bank.

(2) Accumulated for the years ended December 31, 2021, 2020 and 2019. Inflation (IGP-M) is the general market price index measured by the FGV while IGP-DI is a price index measured by the FGV with respect to prices that directly affect the economic activity of the country, except exports.

(3) Accumulated for the years ended December 31, 2021, 2020, and 2019. Inflation (IPCA) is a broad consumer price index measured by the IBGE. IPCA is the reference index for the Central Bank inflation-targeting system for the country (which means that it is the official inflation measure of the country) and relates to retail trade prices and household expenditures.

(4) Accumulated for the years ended December 31, 2021, 2020, and 2019. The interbank deposit certificate (*Certificado de Depósito Interbancário*), or CDI, rate is an average of interbank overnight rates in Brazil.

(5) Accumulated for the years ended December 31, 2021, 2020, and 2019. TJLP is the Brazilian long term interest rate.

Inflation and exchange rate variations have had, and may continue to have, substantial effects on our financial condition and results of operations.

Inflation and exchange rate variations affect our monetary assets and liabilities denominated in Brazilian reais. The value of these assets and liabilities as expressed in U.S. dollars declines when the real devalues against the U.S. dollar and increases when the real appreciates. In periods of devaluation of the real, we report (i) a remeasurement loss on real-denominated monetary assets and (ii) a remeasurement gain on real-denominated monetary liabilities. For additional information on the effects of exchange rate variations on our financial condition and results of operations, see the section entitled "— Quantitative and Qualitative Disclosures about Market Risk."

Development of the Urban Air Mobility market

Our revenue will be directly tied to the continued development and sale of eVTOL and related services. While we believe the market for UAM will be large, it remains undeveloped and there is no guarantee of future demand. We anticipate commercialization of our eVTOL services-and-support business beginning in 2023, followed by the commercialization and initial revenue generation from the sale of our eVTOLs beginning in 2026, and our business will require significant investment leading up to launching passenger services, including, but not limited to, final engineering designs, prototyping and testing, manufacturing, software development, certification, pilot training and commercialization.

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

Competition

We believe that our primary sources of competition are focused UAM developers and established aerospace and automotive companies developing UAM businesses. In addition, we are likely to face competition in our specific business segments from fleet operators that do not partner with us, aviation companies that have built extensive aircraft service and support networks, and potentially providers of Unmanned Traffic Management systems if those systems are enhanced to higher levels of safety to support manned flight operations. We expect the UAM industry to be dynamic and increasingly competitive; our competitors could get to market before us, either generally or in specific markets. Even if we are first to market, we may not fully realize the benefits we anticipate, and we may not receive any competitive advantage or may be overcome by other competitors. If new companies or existing aerospace or automotive companies launch competing solutions in the markets in which we intend to operate and obtain large-scale capital investment, we may face increased competition. Additionally, our competitors may benefit from our efforts in developing consumer and community acceptance for UAM products and services, making it easier for them to obtain the permits and authorizations required to operate UAM services. In the event we do not capture a first mover advantage, or our current or future competitors overcome our advantages, our business, financial condition, operating results and prospects would be harmed.

Government Certification

We plan to obtain authorizations and certifications for our eVTOL with the ANAC, FAA and EASA initially, and will seek certifications from other aviation authorities as necessary. We will also need to obtain authorizations and certifications related to the production of our aircraft and the deployment of our related services. While we anticipate being able to meet the requirements of such authorizations and certifications, we may be unable to obtain such authorizations and certifications, or to do so on the timeline we project. Should we fail to obtain any of the required authorizations or certifications, or do so in a timely manner, or any of these authorizations or certifications are modified, suspended or revoked after we obtain them, we may be unable to launch our commercial service or do so on the timelines we project, which would have adverse effects on our business, prospects, financial condition and/or results of operations.

Initial Business Development Engagement

Since its founding, Eve has been engaged in multiple market and business development projects around the world. Examples of this include two concepts of operation with Airservices Australia as well as with the United Kingdom Civil Aviation Authority. Both of these market and business development initiatives demonstrated Eve's ability to create new procedures and frameworks designed to enable the safe scalability of Urban Air Mobility together with our partners. Using these initiatives as a guide, Eve hopes to launch additional concepts of operation in the United States, Brazil and around the world.

In addition to our market development initiatives, Eve has signed non-binding letters of intent to sell over 1,700 of our eVTOL aircraft, and we continue to seek additional opportunities for sales partnerships. In addition to these deals, Eve has been actively involved in the UAM ecosystem development by signing Memorandums of Understanding (MOUs) with more than 25 market-leading partners in segments spanning infrastructure, operations, platforms, utilities and others. In the future, we plan to focus on implementation and ecosystem readiness with our existing partners while continuing to seek UATM and support-services partnerships in order to complement our business-model and drive growth.

Impact of COVID-19

The outbreak of the novel coronavirus, known as COVID-19, was first identified in December 2019 in Wuhan, China, and has since spread globally. The COVID-19 outbreak has compelled governments around the world to adopt measures to contain the spread of COVID-19 by means such as lockdowns of cities, restrictions on travel and public transportation, business and store closures, and emergency quarantines, among others, and responses by businesses and individuals to reduce the risk of exposure to infection, including reduced travel, cancellation of meetings and events, and implementation of work-at-home policies, among others, which has caused significant disruptions to the global economy and normal business operations across a growing list of sectors and countries.

Embraer has been monitoring the COVID-19 pandemic situation and its impacts on the UAM Business' employees, operations, the global economy, the supply and the demand for UAM Business' products and services. Embraer has implemented contingency plans to act as quickly as necessary as the current situation unfolds.

Since the beginning of the COVID-19 pandemic, Embraer has been engaging in several initiatives supporting the health and safety of the UAM Business employees. The UAM Business' operations were interrupted for a certain period in order to adapt industrial facilities in relation to health and safety measures. Social distancing measures were taken, as well as the implementation of working from home for a certain group of UAM Business employees. Furthermore, several measures to preserve jobs were taken, including reductions in working hours and pay cuts, collective vacations and temporary furloughs.

The full impact of the COVID-19 pandemic continues to evolve as of the date of this proxy statement, including with respect to the impact of novel viral variants that currently exist and which may continue to develop. As such, it is uncertain as to the full magnitude that the pandemic will have on the UAM Business and Eve's financial condition, liquidity, and future results of operations. Management is actively monitoring the situation on its financial condition, liquidity, operations, suppliers, industry, and workforce.

Fully-Integrated Business Model

Eve's business model to serve as a fully-integrated eVTOL transportation solution provider is uncertain. Present projections indicate that payback periods on eVTOL aircraft will result in a viable business model over the long-term as production volumes scale and unit economics improve to support sufficient market adoption. As with any new industry and business model, numerous risks and uncertainties exist. Our financial results are dependent on certifying and delivering eVTOL on time and at a cost that supports returns at prices that sufficient numbers of customers are willing to pay based on value arising from time and efficiency savings from utilizing eVTOL services. Our aircraft include numerous parts and manufacturing processes unique to eVTOL aircraft, in general, and our product design, in particular. Best efforts have been made to estimate costs in our planning projections; however, the variable cost associated with assembling our aircraft at scale remains uncertain at this stage of development. The success of our business also is dependent, in part, on the utilization rate of our aircraft and reductions in utilization will adversely impact our financial performance. Our aircraft may not be able to fly safely in poor weather conditions, including snowstorms, thunderstorms, lightning, hail, known icing conditions and/or fog. Our inability to operate safely in these conditions will reduce our aircraft utilization and cause delays and disruptions in our services. We intend to maintain a high daily aircraft utilization rate which is the amount of time our aircraft spend in the air carrying passengers. High daily aircraft utilization is achieved in part by reducing turnaround times at vertiports so we can fly more hours on average in a day. Aircraft utilization is reduced by delays and cancellations from various factors, many of which are beyond our control, including adverse weather conditions, security requirements, air traffic congestion and unscheduled maintenance events.

Components of Results of Operations

Revenue

Eve is a development stage company and the UAM Business has not generated any revenue and has incurred operating losses since inception. We do not expect to generate relevant revenue from eVTOL sales unless and until we obtain regulatory approval of and commercialize our first eVTOL. Projected revenue in 2024 and 2025 is comprised of fleet operations, service and support and UATM. These eVTOL-related revenue sources are not solely dependent on Eve aircraft, which are not expected to begin production until 2025 and generate revenue until 2026. Our ability to generate revenue sufficient to achieve profitability will depend heavily on the successful development and eventual commercialization of our eVTOL.

Operating Expenses

Research and Development Expenses

Research and development activities represent a significant part of Eve's business. The UAM Business' research and development efforts focus on the design and development of eVTOLs, the development of services and operations for its vehicles and those operated by third-parties, as well as the development of a UATM software platform. Research and development expenses consist of personnel-related costs (including salaries, bonuses, benefits, and stock-based compensation) for the UAM Business' employees focused on research and development activities, and costs of consulting, equipment and materials, as well as other related costs, depreciation and amortization and an allocation of the UAM Business' general overhead, including rent, information technology costs and utilities. Eve expects research and development expenses to increase significantly as it increases staffing to support eVTOL aircraft engineering and software development, builds aircraft prototypes, progresses towards the launch of its first eVTOL aircraft and continues to explore and develop next generation aircraft and technologies.

Eve cannot determine with certainty the timing or duration of, or the completion costs of its eVTOL aircraft due to the inherently unpredictable nature of its research and development activities. Development timelines, the probability of success and development costs can differ materially from expectations.

General and Administrative

General and administrative expenses consist primarily of personnel-related costs, (including salaries, bonuses, benefits, and stock-based compensation) for employees associated with administrative services such as executive management, legal, human resources, information technology, accounting and finance. These expenses also include certain third-party consulting services, including business development, contractor and professional services fees, audit and compliance expenses, certain insurance costs, certain facilities costs, and any corporate overhead costs not allocated to other expense categories, including allocated depreciation, rent, information technology costs and utilities. Eve expects its general and administrative expenses to increase in absolute dollars as Eve ramps up operations to become a public company upon the consummation of the business combination, which is required to comply with the applicable provisions of the Sarbanes-Oxley Act ("SOX") and other rules and regulations. Eve also anticipates that it will incur additional costs for employees and third-party consulting services related to preparations to become and operate as a public company and to support Eve's commercialization efforts.

Results of Operations

Comparison of Year Ended December 31, 2021 to the Year Ended December 31, 2020 and Comparison of Year Ended December 31, 2020 to the Year Ended December 31, 2019

The following tables set forth statement of income information for the years ended December 31, 2021, 2020 and 2019:

	Year ended December 31,		
	2021 As Restated	2020 As Reported	2019 As Reported
Operating expenses			
Research and development	$ (13,279,780)	$ (8,358,043)	$ (5,947,294)
General and administrative	(4,898,942)	(1,233,876)	(1,739,815)
Operating Loss	**(18,178,722)**	**(9,591,919)**	**(7,687,109)**
Foreign currency gain/(loss)	(77,147)	(34,023)	1,590
Loss before income taxes	**(18,255,869)**	**(9,625,942)**	**(7,685,519)**
Income tax benefit/(expense)	—	—	—
Net loss	**$ (18,255,869)**	**$ (9,625,942)**	**$ (7,685,519)**

	Y-o-Y Changes 2021 vs 2020		Y-o-Y Changes 2020 vs 2019	
	Changes in $ As Restated	Changes in % As Restated	Changes in $ As Reported	Changes in % As Reported
Operating expenses				
Research and development	$ (4,921,737)	59%	$ (2,410,749)	41%
General and administrative	(3,665,066)	297%	505,939	(30)%
Operating Loss	**(8,586,803)**	**90%**	**(1,904,810)**	**25%**
Foreign currency gain/(loss)	(43,124)	127%	(35,613)	(2,240)%
Loss before income taxes	(8,629,927)	90%	(1,940,423)	25%
Income tax benefit/(expense)	—	0%	—	0%
Net loss	**$ (8,629,927)**	**90%**	**$ (1,940,423)**	**25%**

Research and development expenses

Research and development expenses increased by $4.92 million, from $8.36 million in 2020 to $13.28 million in 2021. This increase in research and development was primarily due to higher engineering expenses and cost of supplies related to the development of the Proof of Concept 1 vehicle, a full-scale model of Eve's eVTOL, including batteries, motors, thermal management systems and propellers. Further, additional milestone payments and payments for parts, equipment and supplies went to suppliers and outside contractors in connection with the continued development of the Proof of Concept 1 vehicle. Lastly, Eve also started to incur development expenses related to its UATM system in 2021.

General and administrative

General and administrative expenses increased by $3.67 million, from $1.23 million in 2020 to $4.89 million in 2021. The increase in general administrative expenses was largely driven by an increase in Eve's management team throughout the year, its cost structure, number of contractors as well as an increase in the pro-rata distribution of corporate overhead expenses from Embraer to our company in 2021 as compared to 2020.

Foreign currency gain/(loss)

Foreign currency loss of $34,023 in 2020 increased to $77,147 in 2021. This change was driven by the 7% depreciation of the Brazilian real vs. the U.S. dollar, as well as increases on our accounts payable balances denominated in Brazilian reals. Eve increased its research and development efforts throughout the year, leading to higher real-denominated accounts payable balances.

Loss before income tax

As a result of the aforementioned factors, loss before taxes on income increased by $8.63 million, froma loss of $9.63 million in 2020 to a loss of$18.26 million in 2021.

Net Loss and comprehensive loss

As a consequence of the aforementioned factors, our consolidated net loss after taxes increased by $8.63 million, from a loss of $9.63 million in 2020 to a loss of $18.26 million in 2021. We do not recognize a tax benefit for our losses, as it is not expected that Eve will generate taxable income in the comingyears.

Liquidity and Capital Resources

The UAM Business has incurred net losses since its inception and to date has not generated any revenue from the design, development, manufacturing, engineering and sale or distribution of electric aircraft and we expect to continue to incur losses and negative operating cash flows for the foreseeable future until we successfully commence sustainable commercial operations. To date, the UAM Business has funded its operations primarily through Embraer. An intercompany revolving facility of up to $30 million with an interest rate of 0.40% per annum is anticipated to be entered into between Eve and Embraer to provide funding to support the UAM Business through the close of the business combination. Further, Embraer has an agreement with Eve that enables Eve to meet its obligations as they come due for the next 12 months, or until consummation of the proposed business combination transaction. As of December 31, 2021 and as of December 31, 2020, the UAM Business had an accumulated Net parent investment of $10.73 million and $(1.06) million, respectively. For the years ended December 31, 2021 and December 31, 2020, Eve incurred net losses of $18.26 and $9.63 million and has recognized cash outflows from operating activities of $14.89 million and $9.03 million, respectively. Eve expects to incur additional losses and higher operating expenses for the foreseeable future.

Eve had cash of $14.38 million and $0 million as of December 31, 2021 and December 31, 2020 respectively. Upon consummation of the business combination and the closing of the PIPE Investment, Eve expects its cash resources to be sufficient to fund its current operating plan for at least the next twelve months from the date on which our consolidated financial statements were available to be issued.

Eve's future capital requirements will depend on many factors, including:

- research and development expenses as it continues to develop itseVTOL aircraft;
- capital expenditures in the expansion of its manufacturing capacities;
- additional operating costs and expenses for production ramp-up and raw material procurement costs;
- general and administrative expenses as Eve scales its operations;
- interest expense from any debt financing activities; and
- selling and distribution expenses as Eve builds, brands and markets electric aircraft.

Eve intends to use the proceeds expected to be received from the business combination and the PIPE Investment primarily to fund its research and development activities and other personnel costs, which are the UAM Business' principal uses of cash. However, these funds may not be sufficient to enable Eve to complete all necessary development of and commercially launch its eVTOL aircraft. Eve's future capital requirements will depend on many factors, including our revenue growth rate, the timing and the amount of cash received from its customers, the expansion of sales and marketing activities, and the timing and extent of spending to support development efforts. Until Eve generates sufficient operating cash flow to cover its operating expenses, working capital needs and planned capital expenditures, or if circumstances evolve differently than anticipated, Eve expects to utilize a combination of equity and debt financing to fund any future capital needs. However, Eve may be unable to raise additional funds when needed on favorable terms or at all. If Eve raises funds by issuing equity securities, dilution to stockholders may result. Any equity securities issued may also provide for rights, preferences, or privileges senior to those of holders of common stock. If Eve raises funds by issuing debt securities, these debt securities would have rights, preferences, and privileges senior to those of preferred and common stockholders. The terms of debt securities or borrowings could impose significant restrictions on Eve's operations. The capital markets have in the past, and may in the future, experience periods of upheaval that could impact the availability and cost of equity and debt financing.

In the event that Eve requires additional financing but is unable to raise additional capital or generate cash flows necessary to continue its research and development and invest in continued innovation, Eve may not be able to compete successfully, which would harm its business, results of operations, and financial condition. If adequate funds are not available, Eve may need to reconsider its expansion plans or limit its research and development activities, which could have a material adverse impact on our business prospects and results of operations.

Cash Flows

The following table summarizes cash flows for the period indicated:

Year ended December 31,	**2021**	**2020**	**2019**
	As Reported	**As Reported**	**As Reported**
Net cash (used in) provided by operating activities	$ (14,886,010)	$ (9,028,789)	$ (7,501,396)
Net cash (used in) provided by investing activities	—	—	—
Net cash (used in) provided by financing activities	29,262,533	9,028,789	7,501,396
Net increase (decrease) in cash and cash equivalents	$ 14,376,523	$ —	$ —

Net Cash Generated (Used) by Operating Activities

2021 Compared with 2020

Net cash used in operating activities for 2021 was $14.89 million versus net cash used of $9.03 million in 2020, with the change resulting principally from higher losses in the period which was largely driven by increased research and development expenses in 2021 as compared to 2020, as explained above.

2020 Compared with 2019

Net cash used in operating activities in 2020 was $9.03 million versus net cash used of $7.50 million in 2019, with the change resulting principally from higher losses in the period which was largely driven by increased research and development expenses in 2020 as compared to 2019, as explained above.

Net Cash Used in Investing Activities

2021 Compared with 2020

In both 2021 and 2020, there were no cash flows from investing activities for the Company.

2020 Compared with 2019

In both 2020 and 2019, there were no cash flows from investing activities for the Company.

Net Cash Generated (Used) by Financing Activities

2021 Compared with 2020

Net cash provided by financing activities for 2021 was $29.26 million, comparedto $9.03 million in 2020. The cash flows from financing activities were related to transfer of cash from our parent company to us in the form of seed capital for the formation of our company subsidiary within the parent company corporate structure. Also, transfers of cash were higher 2021 as compared to 2020 as explained by the higher expenditures on research and development in the currentperiod.

On December 31, 2021, we had no debt on our balance sheet.

2020 Compared with 2019

In 2020, net cash generated by financing activities increased from $7.50 million in 2019 to net cash generated by financing activities of$9.03 million in 2020. The cash flows from financing activities were related to transfer of cash from our parent company to us, which was higher in 2020 as compared to 2019 as explained by the higher expenditures on research and development in the current period.

On December 31, 2020, we had no debt on our balance sheet, which was also the case on December 31, 2019.

Off-Balance Sheet Arrangements

As of December 31, 2021, the UAM Business did not have any off-balance sheet arrangements or relationships with unconsolidated entities or financial partnerships, such as entities often referred to as structured finance or special purpose entities, which would have been established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes.

Critical Accounting Policies and Estimates

Functional and presentation currency

The combined financial statements derived from Embraer financial statements and from some Embraer group US based subsidiaries' financial statements ("Original Financial Statements"). They have defined the US Dollar ("USD" or "Dollar" or "US$") as their functional currencies. The Company's functional currency will follow the definition of the functional currency of the Original Financial Statements, therefore management has concluded that the USD is the Company's functional and presentation currency.

Use of Estimates

The preparation of the combined financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent liabilities, and the reported amounts of expenses during the reporting period. Eve's estimates are based on our historical experience and on various other factors that Eve believes are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actualresults may differ from these estimates under different assumptions or conditions and any such differences may be material.

While Eve's significant accounting policies are described in more detail in Note 3 to the UAM Business consolidated financial statements included elsewhere in this, Eve believes the following accounting policies and estimates to be critical to the preparation of the UAM Business consolidated financial statements.

Carve-out allocation

The accompanying combined financial statements have been prepared on a carve-out basis and are derived from Embraer's consolidated financial statements and accounting records. The combined financial statements reflect the historical results of operations, financial position, and cash flows of the UAM Business, in conformity with GAAP. The combined financial information includes both direct and indirect expenses.

Indirect expenses consist of personnel-related costs (including salaries, labor taxes, profit sharing program, benefits and short and long-term incentives) allocated to the UAM Business, and general and administrative overhead, including expenses for information systems, accounting and other financial services (such as treasury, audit and purchasing), human resources, legal, and facilities, allocated on a per headcount basis considering employees exclusively involved in the UAM Business' activities compared to the total headcount of all Embraer employees, or using an allocation criterion considered reasonable by management. If the Company's management had chosen a different allocation criterion, the carved-out amounts could be materially different.

Hedge accounting

The Company applies the cash flow hedge accounting to hedge against the payroll cash flow volatility attributable to a risk of foreign exchange rate fluctuation associated with highly probable forecast transactions that will affect income or loss for the year. The payroll related cash outflow, as well as the exchange rate between the Brazilian real vs. the U.S. dollar, are uncertain and the estimation of such involves significant judgement.

Capitalized Software, net

Software licenses are amortized over their useful lives which is approximately 5 years on a straight-line basis. A different assessment about the software useful life could potentially lead to a material different amortization expense.

Recent Accounting Pronouncements

See Note 3 in the section titled "Recently Adopted Accounting Pronouncements" and "Recently Issued Accounting Pronouncements Not Yet Adopted" as referred to in the UAM Business' financial statements included elsewhere in this proxy statement for a discussion about accounting pronouncements recently adopted and recently issued not yet adopted.

Quantitative and Qualitative Disclosures about Market Risk

Eve is exposed to market risks in the ordinary course of its business. Market risk represents the risk of loss that may impact Eve's financial position due to adverse changes in financial market prices and rates. Eve's market risk exposure is primarily the result of fluctuations in interest rates.

As of December 31, 2021, Eve did not have any debt or notes outstanding in which fluctuations in the interest rates would affect Eve.

Credit Risk

Financial instruments, which subjects Eve to concentrations of credit risk, consist primarily of cash, cash equivalents, and derivative financial instruments. Eve's cash and cash equivalents are held at major financial institutions located in the United States of America and Brazil. At times, cash account balances with any one financial institution may exceed Federal Deposit Insurance Corporation insurance limits ($250,000 per depositor per institution). Management believes the financial institutions that hold Eve's cash and cash equivalents are financially sound and, accordingly, minimal credit risk exists with respect to cash and cash equivalents.

Emerging Growth Company Status

In April 2012, the JOBS Act was enacted. Section 107(b) of the JOBS Act provides that an emerging growth company can take advantage of an extended transition period for complying with new or revised accounting standards. Thus, an emerging growth company can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. Eve has elected to take advantage of the extended transition period to comply with new or revised accounting standards and to adopt certain of the reduced disclosure requirements available to emerging growth companies. As a result of the accounting standards election, Eve is not subject to the same implementation timeline for new or revised accounting standards as other public companies that are not emerging growth companies which may make comparison of Eve's financials to those of other public companies more difficult.

Eve may also take advantage of some of the reduced regulatory and reporting requirements of emerging growth companies pursuant to the JOBS Act so long as it qualifies as an emerging growth company, including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404(b) of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation, and exemptions from the requirements of holding non-binding advisory votes on executive compensation and golden parachute payments.

Following the business combination, Eve will keep its emerging growth company status and will not be subject to the SEC's internal control over financial reporting management and auditor attestation requirements.

Additionally, as of June 30, 2022 Eve qualified as a "smaller reporting company" as defined in Item 10(f)(1) of Regulation S-K and may take advantage of certain reduced disclosure obligations. However, after such date, Eve lost its smaller reporting company status, since it is a majority-owned subsidiary of a parent that is not a smaller reporting company.

EVE'S MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Capitalized terms used and not defined herein or in the Current Report on Form 8-K to which this Exhibit 99.7 relates (this "Current Report on Form 8-K") have the meanings given to them in the Proxy Statement.

The following discussion and analysis provide information that Eve's management believes is relevant to an assessment and understanding of Eve's consolidated results of operations and financial condition. The discussion should be read together with the historical audited annual statements for the years ended December 31, 2021 and 2020, and the related notes that are included elsewhere in this Current Report on Form 8-K and the unaudited interim statements for the three months ended March 31, 2022 and 2021, and the related notes that are included elsewhere in this Current Report on Form 8-K. The discussion and analysis should also be read together with the pro forma financial information as of and for the year ended December 31, 2021 and for the three months ended March 31, 2022, which is available elsewhere in this Current Report on Form 8-K. See "Unaudited Pro Forma Condensed Consolidated Financial Information." This discussion may contain forward-looking statements based upon current expectations that involve risks and uncertainties. The Company's actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under "Risk Factors" or in other parts of this Current Report on Form 8-K.

Overview

The UAM Business that has been contributed to Eve as part of the Pre-Closing Restructuring has been incubated for nearly five years within EmbraerX, a business unit of Embraer. In April 2021, Embraer formed Eve Urban Air Mobility Solutions, Inc. a Delaware corporation, which was later converted into a limited liability company, and renamed EVE UAM, LLC, for purposes of conducting the UAM Business as an independent company.

Eve's goal is to be a leading company in the UAM market by taking a holistic approach to developing a UAM solution that includes: the design and production of eVTOLs; a portfolio of maintenance and support services focused on Eve's and third-party eVTOLs; fleet operations services conducted in collaboration with partners; and a new UATM system designed to allow eVTOLs to operate safely and efficiently in dense urban airspace alongside conventional aircraft and drones. Eve's mission is to bring affordable air transportation to all passengers, improve quality of life, unleash economic productivity, save passengers time and reduce global carbon emissions. Eve plans to leverage its strategic relationship with Embraer to de-risk and accelerate its development plans, while saving costs by utilizing Embraer's extensive resources.

Eve's Business Model

Eve plans to fuel the development of the UAM ecosystem by providing a complete portfolio of UAM solutions across four primary offerings:

eVTOL Production and Design. Eve is designing and certifying an eVTOL purpose-built for urban air mobility missions. Eve plans to market its eVTOLs globally to operators of UAM services, including fixed wing and helicopter operators, as well as lessors that purchase and manage aircraft on behalf of operators.

Service and Support. Eve plans to offer a full suite of eVTOL service and support capabilities, including material services, maintenance, technical support, training, ground handling and data services. Its services will be offered to UAM fleet operators on an agnostic basis – supporting both its own eVTOL and those produced by third-parties.

Fleet Operations. Eve plans to build a fleet operations business in collaboration with selected partners. Eve plans to establish revenue and risk sharing partnerships that will allow it to scale its fleet operations in a capital efficient manner and grow rapidly in a partner-by-partner manner.

Urban Air Traffic Management. Eve is developing a next-generation UATM system to enable eVTOLs to operate safely and efficiently in dense urban airspace along with conventional fixed wing and rotary aircraft and unmanned drones. Eve expects to offer its UATM solution primarily as a subscription software offering to customers that include air navigation service providers, fleet operators and vertiport operators.

To date, Eve has not generated any revenue, as it continues to develop its eVTOL vehicles and other UAM solutions. As a result, Eve will require substantial additional capital to develop products and fund operations for the foreseeable future. Until Eve can generate any revenue from product sales and services, it expects to finance operations through a combination of existing cash on hand, public offerings, private placements and debt financings. The amount and timing of future funding requirements will depend on many factors, including the pace and results of development efforts.

Recent Developments - Business Combination with Zanite

On December 10, 2021, as contemplated by the terms of the Business Combination Agreement and pursuant to the terms of the Contribution Agreement, (i) Embraer transferred certain assets and liabilities of the UAM Business to Eve or one of its subsidiaries in exchange for newly issued Eve Interests and (ii) Embraer then transferred all of the Eve Interests held by it to EAH in exchange for newly issued shares of EAH common stock and EAH preferred stock. On December 13, 2021, as contemplated by the terms of the Business Combination Agreement, Embraer sold such shares of EAH preferred stock to the Unaffiliated Investor for an aggregate purchase price of $9,973,750. For tax purposes, the transfer of the Eve Interests to EAH is intended to be integrated with the sale of EAH non-voting preferred stock and, accordingly, the transfer of the Eve Interests to EAH is intended to be treated as a taxable disposition described in Section 1001 of the Code.

On May 9, 2022, in accordance with the Business Combination Agreement, the closing of the business combination (the “Closing”) occurred, pursuant to which Zanite issued 220,000,000 shares of Class A common stock to EAH in exchange for the transfer by EAH to Zanite of all of the issued and outstanding limited liability company interests of Eve. As a result of the business combination, Eve is now a wholly-owned subsidiary of Zanite, which has changed its name to “Eve Holding, Inc.” Upon the Closing, the Company received approximately $377.0 in gross cash proceeds, consisting of approximately $19.7 million from the Zanite trust account and $357.3 million from the PIPE Investment.

Other Key Agreements

In connection with the Pre-Closing Restructuring (which was effected on December 10, 2021), Eve has entered into a Master Services Agreement with Embraer, a Master Services Agreement with Atech, a Services Agreement with the Brazilian Subsidiary, a Shared Services Agreement with Embraer, EAH and the Brazilian Subsidiary. Pursuant to the MSAs with Embraer and Atech, each of Embraer and Atech, either directly or through their respective affiliates, will provide certain services and products to Eve and its subsidiaries, including, among others, product development of eVTOL, services development, parts planning, technical support, AOG support, MRO planning, training, special programs, technical publications development, technical publications management and distribution, operation, engineering, designing and administrative services and in the future eVTOL manufacturing services. Eve expects to collaborate with Embraer and leverage Embraer’s expertise as an aircraft producer, which will help it design and manufacture eVTOLs with low maintenance and operational costs and design systems and processes for maintenance, develop pilot training programs and establish operations. The services provided under the Shared Services Agreement include, among others, corporate and administrative services to Eve. In addition, Eve has also entered into the Data Access Agreement with Embraer and the Brazilian subsidiary, pursuant to which, among other things, Embraer has agreed to provide the Brazilian Subsidiary with access to certain of its intellectual property and proprietary information in order to facilitate the execution of the specific activities that are set out in certain of the statements of work entered into pursuant to the Services Agreements.

As of the Closing, the aforementioned services agreements continue to be in full force and effect. Further information about such agreements is set forth beginning on page 123 of the Proxy Statement in the section entitled "*The Business Combination Proposal — Ancillary Agreements — Services Agreements*" and that information is incorporated herein by reference.

The foregoing descriptions of the services agreements is not complete and is subject to and qualified in its entirety by reference to the full text of such agreements, copies of which are filed as Exhibits 10.7, 10.8, 10.9, 10.10 and 10.11 hereto and the terms of which are incorporated by reference herein.

Key Factors Affecting Operating Results

For further discussion on the risks attendant to the Key Factors Affecting Operating Results, see the sections entitled "Cautionary Statement Regarding Forward-Looking Statements" and "Risk Factors" in this Current Report on Form 8-K.

Brazilian Economic Environment

The Brazilian government has frequently intervened in the Brazilian economy and occasionally made drastic changes in policy and regulations. The Brazilian government's actions to control inflation and affect other policies and regulations have often involved, among other measures, increases in interest rates, changes in tax policies and incentives, price controls, currency devaluations, capital controls and limits on imports. Changes in Brazil's monetary, credit, tariff and other policies could adversely affect our business, as could inflation, currency and interest-rate fluctuations, social instability and other political, economic or diplomatic developments in Brazil, as well as the Brazilian government's response to these developments.

Rapid changes in Brazilian political and economic conditions that have occurred and may occur require continued assessment of the risks associated with our activities and the adjustment of our business and operating strategy accordingly. Developments in Brazilian government policies, including changes in the current policy and incentives adopted for financing exports of Brazilian goods, or in the Brazilian economy, over which we have no control, may have a material adverse effect on our business.

The following table shows data for real GDP growth, inflation, interest rates and the U.S. dollar exchange rate for and as of the periods indicated.

	Three Months Ended March 31,	
	2022	2021
Real GDP growth (contraction)(1)	N/A*	(3.50)%
Inflation (IGP-M)(2)	5.49%	8.26%
Inflation (IGP-DI)(2)	6.00%	7.99%
Inflation (IPCA)(3)	11.30%	6.10%
CDI(4)	6.44%	2.22%
TJLP(5)	0.42%	0.36%
SELIC Rate	11.65%	2.65%
Appreciation (depreciation) of the real against the U.S. dollar	(16.84)%	9.59%
Exchange rate (R$ per US$1.00) at the end of the period	4.7378	5.6973

Sources: FGV, IBGE, Central Bank and Economática.

(1) As presented by the Central Bank.
(2) Accumulated for the three months ended March 31, 2022 and 2021. Inflation (IGP-M) is the general market price index measured by the FGV while IGP-DI is a price index measured by the FGV with respect to prices that directly affect the economic activity of the country, except exports.

(3) Accumulated for the three months ended March 31, 2022 and 2021. Inflation (IPCA) is a broad consumer price index measured by the IBGE. IPCA is the reference index for the Central Bank inflation-targeting system for the country (which means that it is the official inflation measure of the country) and relates to retail trade prices and household expenditures.

(4) Accumulated for the three months ended March 31, 2022 and 2021. The interbank deposit certificate (*Certificado de Depósito Interbancário*), or CDI, rate is an average of interbank overnight rates in Brazil.

(5) Accumulated for the three months ended March 31, 2022 and 2021. TJLP is the Brazilian long term interest rate.

* Actual Index not available.

Inflation and exchange rate variations have had, and may continue to have, substantial effects on our financial condition and results of operations.

Inflation and exchange rate variations affect our monetary assets and liabilities denominated in Brazilian reais. The value of these assets and liabilities as expressed in U.S. dollars declines when the real devalues against the U.S. dollar and increases when the real appreciates. In periods of devaluation of the real, we report (i) a remeasurement loss on real-denominated monetary assets and (ii) a remeasurement gain on real-denominated monetary liabilities. For additional information on the effects of exchange rate variations on our financial condition and results of operations, see the section entitled "— Quantitative and Qualitative Disclosures about Market Risk."

Development of the Urban Air Mobility market

Our revenue will be directly tied to the continued development and sale of eVTOL and related services. While we believe the market for UAM will be large, it remains undeveloped and there is no guarantee of future demand. We anticipate commercialization of our eVTOL services-and-support business beginning in 2023, followed by the commercialization and initial revenue generation from the sale of our eVTOLs beginning in 2026, and our business will require significant investment leading up to launching passenger services, including, but not limited to, final engineering designs, prototyping and testing, manufacturing, software development, certification, pilot training and commercialization.

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

Competition

We believe that our primary sources of competition are focused UAM developers and established aerospace and automotive companies developing UAM businesses. In addition, we are likely to face competition in our specific business segments from fleet operators that do not partner with us, aviation companies that have built extensive aircraft service and support networks, and potentially providers of Unmanned Traffic Management systems if those systems are enhanced to higher levels of safety to support manned flight operations. We expect the UAM industry to be dynamic and increasingly competitive; our competitors could get to market before us, either generally or in specific markets. Even if we are first to market, we may not fully realize the benefits we anticipate, and we may not receive any competitive advantage or may be overcome by other competitors. If new companies or existing aerospace or automotive companies launch competing solutions in the markets in which we intend to operate and obtain large-scale capital investment, we may face increased competition. Additionally, our competitors may benefit from our efforts in developing consumer and community acceptance for UAM products and services, making it easier for them to obtain the permits and authorizations required to operate UAM services. In the event we do not capture a first mover advantage, or our current or future competitors overcome our advantages, our business, financial condition, operating results and prospects would be harmed.

Government Certification

We plan to obtain authorizations and certifications for our eVTOL with the ANAC, FAA and EASA initially, and will seek certifications from other aviation authorities as necessary. We will also need to obtain authorizations and certifications related to the production of our aircraft and the deployment of our related services. While we anticipate being able to meet the requirements of such authorizations and certifications, we may be unable to obtain such authorizations and certifications, or to do so on the timeline we project. Should we fail to obtain any of the required authorizations or certifications, or do so in a timely manner, or any of these authorizations or certifications are modified, suspended or revoked after we obtain them, we may be unable to launch our commercial service or do so on the timelines we project, which would have adverse effects on our business, prospects, financial condition and/or results of operations.

Initial Business Development Engagement

Since its founding, Eve has been engaged in multiple market and business development projects around the world. Examples of this include two concepts of operation (CONOPS) with Airservices Australia as well as with the United Kingdom Civil Aviation Authority. Both of these market and business development initiatives demonstrated Eve's ability to create new procedures and frameworks designed to enable the safe scalability of Urban Air Mobility together with our partners. Using these initiatives as a guide, Eve has launched CONOPS in Rio de Janeiro, Miami and Japan, and hopes to launch additional concepts of operation in the United States, Brazil and around the world.

In addition to our market development initiatives, Eve has signed non-binding letters of intent to sell over 1,825of our eVTOL aircraft, and we continue to seek additional opportunities for sales partnerships. In addition to these deals, Eve has been actively involved in the UAM ecosystem development by signing Memorandums of Understanding (MOUs) with more than 25 market-leading partners in segments spanning infrastructure, operations, platforms, utilities and others. In the future, we plan to focus on implementation and ecosystem readiness with our existing partners while continuing to seek UATM and support-services partnerships in order to complement our business-model and drive growth.

Impact of COVID-19

The outbreak of the novel coronavirus, known as COVID-19, was first identified in December 2019 in Wuhan, China, and has since spread globally. The COVID-19 outbreak has compelled governments around the world to adopt measures to contain the spread of COVID-19 by means such as lockdowns of cities, restrictions on travel and public transportation, business and store closures, and emergency quarantines, among others, and responses by businesses and individuals to reduce the risk of exposure to infection, including reduced travel, cancellation of meetings and events, and implementation of work-at-home policies, among others, which has caused significant disruptions to the global economy and normal business operations across a growing list of sectors and countries.

Eve has been monitoring the COVID-19 pandemic situation and its impacts on Eve's employees, operations, the global economy, the supply and the demand for Eve's products and services. Through Embraer, Eve has access to contingency plans to act as quickly as necessary as the current situation unfolds.

Since the beginning of the COVID-19 pandemic, Embraer has been engaging in several initiatives supporting the health and safety of Eve employees. Eve's operations were interrupted for a certain period in order to adapt industrial facilities in relation to health and safety measures. Social distancing measures were taken, as well as the implementation of working from home for a certain group of Eve employees. Furthermore, several measures to preserve jobs were taken, including reductions in working hours and pay cuts, collective vacations and temporary furloughs.

The full impact of the COVID-19 pandemic continues to evolve as of the date of thisCurrent Report on Form 8-K, including with respect to the impact of novel viral variants that currently exist, and which may continue to develop. As such, it is uncertain as to the full magnitude that the pandemic will have on the UAM Business and Eve's financial condition, liquidity, and future results of operations. Management is actively monitoring the situation on its financial condition, liquidity, operations, suppliers, industry, and workforce.

Fully-Integrated Business Model

Eve's business model to serve as a fully-integrated eVTOL transportation solution provider is uncertain. Present projections indicate that payback periods on eVTOL aircraft will result in a viable business model over the long-term as production volumes scale and unit economics improve to support sufficient market adoption. As with any new industry and business model, numerous risks and uncertainties exist. Our financial results are dependent on certifying and delivering eVTOL on time and at a cost that supports returns at prices that sufficient numbers of customers are willing to pay based on value arising from time and efficiency savings from utilizing eVTOL services. Our aircraft include numerous parts and manufacturing processes unique to eVTOL aircraft, in general, and our product design, in particular. Best efforts have been made to estimate costs in our planning projections; however, the variable cost associated with assembling our aircraft at scale remains uncertain at this stage of development. The success of our business also is dependent, in part, on the utilization rate of our aircraft and reductions in utilization will adversely impact our financial performance. Our aircraft may not be able to fly safely in poor weather conditions, including snowstorms, thunderstorms, lightning, hail, known icing conditions and/or fog. Our inability to operate safely in these conditions will reduce our aircraft utilization and cause delays and disruptions in our services. We intend to maintain a high daily aircraft utilization rate which is the amount of time our aircraft spend in the air carrying passengers. High daily aircraft utilization is achieved in part by reducing turnaround times at vertiports so we can fly more hours on average in a day. Aircraft utilization is reduced by delays and cancellations from various factors, many of which are beyond our control, including adverse weather conditions, security requirements, air traffic congestion and unscheduled maintenance events.

Components of Results of Operations

Revenue

Eve is a development stage company and has not generated any revenue and has incurred operating losses since inception. We do not expect to generate relevant revenue from eVTOL sales unless and until we obtain regulatory approval of and commercialize our first eVTOL. Projected revenue in 2024 and 2025 is comprised of fleet operations, service and support and UATM. These eVTOL-related revenue sources are not solely dependent on Eve aircraft, which are not expected to begin production until 2025 and generate revenue until 2026. Our ability to generate revenue sufficient to achieve profitability will depend heavily on the successful development and eventual commercialization of our eVTOL.

Operating Expenses

Research and Development Expenses

Research and development activities represent a significant part of Eve's business. Eve's research and development efforts focus on the design and development of eVTOLs, the development of services and operations for its vehicles and those operated by third-parties, as well as the development of a UATM software platform.

Research and development expenses consist of personnel-related costs (including salaries, bonuses, benefits, and stock-based compensation) for the Eve's employees focused on research and development activities, and costs of consulting, equipment and materials, as well as other related costs, depreciation and amortization and an allocation of Eve's general overhead, including rent, information technology costs and utilities. Eve expects research and development expenses to increase significantly as it increases staffing to support eVTOL aircraft engineering and software development, builds aircraft prototypes, progresses towards the launch of its first eVTOL aircraft and continues to explore and develop next generation aircraft and technologies.

Eve cannot determine with certainty the timing or duration of, or the completion costs of its eVTOL aircraft due to the inherently unpredictable nature of its research and development activities. Development timelines, the probability of success and development costs can differ materially from expectations.

General and Administrative

General and administrative expenses consist primarily of personnel-related costs, (including salaries, bonuses, benefits, and stock-based compensation) for employees associated with administrative services such as executive management, legal, human resources, information technology, accounting and finance. These expenses also include certain third-party consulting services, including business development, contractor and professional services fees, audit and compliance expenses, certain insurance costs, certain facilities costs, and any corporate overhead costs not allocated to other expense categories, including allocated depreciation, rent, information technology costs and utilities. General and administrative expenses have increased in absolute dollars as Eve ramped up operations in preparation of becoming a public company, which is required to comply with the applicable provisions of the Sarbanes-Oxley Act ("SOX") and other rules and regulations. Eve also anticipates that it will incur additional costs for employees and third-party consulting services related to preparations to become and operate as a public company and to support Eve's commercialization efforts.

Results of Operations

Comparison of Three Months Ended March 31, 2022 to the Three Months Ended March 31, 2021:

The following tables set forth statement of income information for the three months ended March 31, 2022 and 2021:

	Three Months Ended March 31,	
	2022	2021
	As Restated	As Restated
Operating expenses		
Research and development	$ (9,114,687)	$ (1,891,651)
General and administrative	(1,318,033)	(620,247)
Operating Loss	**(10,432,720)**	**(2,511,898)**
Financial and foreign exchange gain, net	422,712	2,474
Loss before income taxes	**(10,010,008)**	**(2,509,424)**
Income tax benefit/(expense)	—	—
Net loss	**$ (10,010,008)**	**$ (2,509,424)**
Net loss per unit basic and diluted	(9,100)	(2,281)
Weighted-average number of units outstanding – basic and diluted	1,100	1,100

	Y-o-Y Changes 2022 vs 2021	
	Changes in $ As Restated	Changes in % As Restated
Operating expenses		
Research and development	$ (7,223,036)	382%
General and administrative	(697,786)	113%
Operating Loss	**(7,920,822)**	**315%**
Financial and foreign exchange gain, net	420,238	16,986%
Loss before income taxes	(7,500,584)	299%
Income tax benefit/(expense)	—	0%
Net loss	**$ (7,500,584)**	**299%**

Research and development expenses

Research and development expenses increased by $7.22 million, from $1.89 million in the three months ended March 31, 2021 to $9.11 million in the three months ended March 31, 2022. This increase in research and development was primarily due to higher engineering expenses and cost of supplies related to the development of the Proof of Concept 1 vehicle, a full-scale model of Eve's eVTOL, including batteries, motors, thermal management systems and propellers. Further, additional milestone payments and payments for parts, equipment and supplies went to suppliers and outside contractors in connection with the continued development of the Proof of Concept 1 vehicle. Lastly, Eve also started to incur development expenses related to its UATM system in 2021, which continued through March 31, 2022.

General and administrative

General and administrative expenses increased by $0.70million, from $0.62 million in the three months ended March 31, 2021 to $1.32 million in the three months ended March 31, 2022. The increase in general administrative expenses was largely driven by an increase in Eve's management teamduring the three-month period ended March 31, 2022, its cost structure, number of contractors as well as charges related to the Shared Services Agreement.

Financial and foreign exchange gain, net

Financial and foreign exchange gain, net, of $2,474 in the three months ended March 31, 2021 increased to $422,712 in the three months ended March 31, 2022. This change was driven by the 15% depreciation of the Brazilian real vs. the U.S. dollar, as well as increases on our accounts payable balances denominated in Brazilian reals. Eve increased its research and development efforts during the three-month period ended March 31, 2022, leading to higher real-denominated accounts payable balances.

Loss before income tax

As a result of the aforementioned factors, loss before taxes on income increased by $7.50million, from a loss of $2.51 million in the three months ended March 31, 2021 to a loss of $10.01 million in the three months ended March 31, 2022.

Net Loss and comprehensive loss

As a consequence of the aforementioned factors, our consolidated net loss after taxes increased by $7.50million, from a loss of $2.51 million in the three months ended March 31, 2021 to a loss of $10.01 million in the three months ended March 31, 2022. We do not recognize a tax benefit for our losses, as it is not expected that Eve will generate taxable income in the coming years.

Liquidity and Capital Resources

Eve has incurred net losses since its inception and to date has not generated any revenue from the design, development, manufacturing, engineering and sale or distribution of electric aircraft and we expect to continue to incur losses and negative operating cash flows for the foreseeable future until we successfully commence sustainable commercial operations.

As of March 31, 2022, and as of March 31, 2021, the UAM Business had an accumulated Net parent investment of $0.75million and $(0.56) million, respectively. For the three months ended March 31, 2022 and March 31, 2021, Eve incurred net losses of $10.01 million and $2.51 million and has recognized cash outflows from operating activities of $2.57 million and $3.98 million, respectively. Eve expects to incur additional losses and higher operating expenses for the foreseeable future.

Eve had cash of $12.51 million and $14.38 million as of March 31, 2022 and March 31, 2021 respectively. As of the Closing, Eve received net proceeds from the business combination and PIPE Investment of approximately $329.1 million, which is expected to be sufficient to fund its current operating plan for at least the next twelve months.

Eve's future capital requirements will depend on many factors, including:

- research and development expenses as it continues to develop its eVTOL aircraft;
- capital expenditures in the expansion of its manufacturing capacities;
- additional operating costs and expenses for production ramp-up and raw material procurementcosts;
- general and administrative expenses as Eve scales its operations;
- interest expense from any debt financing activities; and
- selling and distribution expenses as Eve builds, brands and markets electric aircraft.

Eve intends to use the proceedsreceived from the business combination and the PIPE Investment primarily to fund its research and development activities and other personnel costs, which are Eve's principal uses of cash. However, these funds may not be sufficient to enable Eve to complete all necessary development of and commercially launch its eVTOL aircraft. Eve's future capital requirements will depend on many factors, including our revenue growth rate, the timing and the amount of cash received from its customers, the expansion of sales and marketing activities, and the timing and extent of spending to support development efforts. Until Eve generates sufficient operating cash flow to cover its operating expenses, working capital needs and planned capital expenditures, or if circumstances evolve differently than anticipated, Eve expects to utilize a combination of equity and debt financing to fund any future capital needs. However, Eve may be unable to raise additional funds when needed on favorable terms or at all. If Eve raises funds by issuing equity securities, dilution to stockholders may result. Any equity securities issued may also provide for rights, preferences, or privileges senior to those of holders of common stock. If Eve raises funds by issuing debt securities, these debt securities would have rights, preferences, and privileges senior to those of preferred and common stockholders. The terms of debt securities or borrowings could impose significant restrictions on Eve's operations. The capital markets have in the past, and may in the future, experience periods of upheaval that could impact the availability and cost of equity and debt financing.

In the event that Eve requires additional financing but is unable to raise additional capital or generate cash flows necessary to continue its research and development and invest in continued innovation, Eve may not be able to compete successfully, which would harm its business, results of operations, and financial condition. If adequate funds are not available, Eve may need to reconsider its expansion plans or limit its research and development activities, which could have a material adverse impact on our business prospects and results of operations.

Cash Flows

The following table summarizes cash flows for the period indicated:

	Three Months Ended March 31,	
	2022	2021
	As Restated	As Reported
Net cash (used in) provided by operating activities	$ (1,868,950)	$ (2,887,780)
Net cash (used in) provided by investing activities	-	-
Net cash (used in) provided by financingactivities	-	2,887,780
Net increase (decrease) in cash and cash equivalents	**$ (1,868,950)**	**$ -**

Net Cash Generated (Used) by Operating Activities

2022 Compared with 2021

Net cash used in operating activities for the three months ended March31, 2022 was $1.87 million versus net cash used of $2.89 million in the three months ended March 31, 2021, with the change resulting principally from the settlement of accounts payable to Embraer being partially compensated by an increase in research and development expenses in 2022 as compared to 2021.

Net Cash Provided by Investing Activities

2022 Compared with 2021

In both 2022 and 2021, there were no cash flows from investing activities for the Company.

Net Cash Generated (Used) by Financing Activities

2022 Compared with 2021

Net cash provided by financing activities for the three months ended March 31, 2022 was $0.00 million, compared to $2.89 million in the three months ended March 31, 2021. This decrease is attributable to reduced transfers of cash from Embraer to us in the form of seed capital, which was used in the three month period ended March 31, 2021 in connection with the formation of our company subsidiary within the parent company corporate structure.

As of March 31, 2022, we had no debt on our balance sheet.

Off-Balance Sheet Arrangements

As of March 31, 2022, Eve did not have any off-balance sheet arrangements or relationships with unconsolidated entities or financial partnerships, such as entities often referred to as structured finance or special purpose entities, which would have been established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes.

Critical Accounting Policies and Estimates

Use of Estimates

The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent liabilities, and the reported amounts of expenses during the reporting period. Eve's estimates are based on our historical experience and on various other factors that Eve believes are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions and any such differences may be material.

While Eve's significant accounting policies are described in more detail in Note 3 to Eve's unaudited condensed consolidated financial statements included elsewhere in this Current Report on Form 8-K, Eve believes the following accounting policies and estimates to be critical to the preparation of Eve's unaudited condensed consolidated financial statements.

Carve-out allocation

Eve has historically operated as part of Embraer and not as a stand-alone company. The unaudited condensedconsolidated financial statements are derived from Embraer's consolidated financial statements and historical accounting records and are presented on a carve-out basis for all historical periods, except for the three-months period ended March 31, 2022. The statement of operations also includes allocations of certain general and administrative expenses from Embraer's corporate office for the three-month period ended March 31, 2022. These general and administrative expenses are comprised of general overhead expenses that separate from and in addition to any such expenses incurred pursuant to the Master Services Agreements or Shared Services Agreement.

The allocations of these expenses have been determined on a reasonable basis; however, the amounts are not necessarily representative of the amounts that would have been reflected in the financial statements had Eve been an entity that operated independently of Embraer during the applicable period.

The unaudited condensed consolidated financial statements reflect the historical results of operations, financial position, and cash flows of Eve, in conformity with GAAP. The unaudited condensed consolidated financial information includes both direct and indirect expenses.

Recent Accounting Pronouncements

For a discussion about accounting pronouncements recently adopted and recently issued not yet adopted, see Note 3 in the section titled "Recently Issued Accounting Pronouncements Not Yet Adopted" included in Eve's unaudited condensed consolidated financial statements as of March 31, 2022 and for the three months ended March 31, 2022 and March 31, 2021, which are attached to this Current Report on Form 8-K as Exhibit 99.5 and are incorporated by reference herein.

Quantitative and Qualitative Disclosures about Market Risk

Eve is exposed to market risks in the ordinary course of its business. Market risk represents the risk of loss that may impact Eve's financial position due to adverse changes in financial market prices and rates. Eve's market risk exposure is primarily the result of fluctuations in interest rates.

As of March 31, 2022, Eve did not have any debt or notes outstanding in which fluctuations in the interest rates would affect Eve.

Credit Risk

Financial instruments, which subjects Eve to concentrations of credit risk, consist primarily of cash, cash equivalents, and derivative financial instruments. Eve's cash and cash equivalents are held at major financial institutions located in the United States of America and Brazil. At times, cash account balances with any one financial institution may exceed Federal Deposit Insurance Corporation insurance limits ($250,000 per depositor per institution). Management believes the financial institutions that hold Eve's cash and cash equivalents are financially sound and, accordingly, minimal credit risk exists with respect to cash and cash equivalents.

Emerging Growth Company Status

In April 2012, the JOBS Act was enacted. Section 107(b) of the JOBS Act provides that an emerging growth company can take advantage of an extended transition period for complying with new or revised accounting standards. Thus, an emerging growth company can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. Eve has elected to take advantage of the extended transition period to comply with new or revised accounting standards and to adopt certain of the reduced disclosure requirements available to emerging growth companies. As a result of the accounting standards election, Eve is not subject to the same implementation timeline for new or revised accounting standards as other public companies that are not emerging growth companies which may make comparison of Eve's financials to those of other public companies more difficult.

Eve may also take advantage of some of the reduced regulatory and reporting requirements of emerging growth companies pursuant to the JOBS Act so long as it qualifies as an emerging growth company, including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404(b) of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation, and exemptions from the requirements of holding non-binding advisory votes on executive compensation and golden parachute payments.

Following the business combination, Eve will keep its emerging growth company status and will not be subject to the SEC's internal control over financial reporting management and auditor attestation requirements.

Additionally, as of June 30, 2022 Eve qualified as a "smaller reporting company" as defined in Item 10(f)(1) of Regulation S-K and may take advantage of certain reduced disclosure obligations. However, after such date, Eve lost its smaller reporting company status, since it is a majority-owned subsidiary of a parent that is not a smaller reporting company.