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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2023

or

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

For the transition period from ________ to ________

Commission file number: 001-39470.

VIEW, INC.
(Exact name of registrant as specified in its charter)

Delaware **(State or other jurisdiction of incorporation or organization)**	**84-3235065** **(I.R.S. Employer Identification No.)**
195 South Milpitas Blvd **Milpitas, California** **(Address of principal executive offices)**	**95035** **(Zip Code)**

(408) 263-9200
(Registrant’s telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, par value, $0.0001 per share	**VIEW**	**The Nasdaq Global Market**
Redeemable warrants, each whole warrant exercisable for one share of Class A common stock at an exercise price of $690.00	**VIEWW**	**The Nasdaq Global Market**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		Emerging growth company	☐

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of November 9, 2023, 4,067,035 shares of Class A common stock, par value $0.0001 of the registrant were issued and outstanding.

View, Inc.
Quarterly Report on Form 10-Q

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Note Regarding Forward Looking Statements

Certain statements included in this Quarterly Report on Form 10-Q that are not historical facts are forward-looking statements within the meaning of the federal securities laws, including safe harbor provisions under the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements are sometimes accompanied by words such as “believe,” “continue,” “project,” “expect,” “anticipate,” “estimate,” “intend,” “strategy,” “future,” “opportunity,” “predict,” “plan,” “may,” “should,” “will,” “would,” “potential,” “seem,” “seek,” “outlook” and similar expressions that predict or indicate future events or trends or that are not statements of historical matters. Forward-looking statements are predictions, projections and other statements about future events that are based on current expectations and assumptions and, as a result, are subject to risks and uncertainties. These statements are based on various assumptions, whether or not identified in this Quarterly Report on Form 10-Q. These forward-looking statements are provided for illustrative purposes only and are not intended to serve as, and must not be relied on by an investor, as a guarantee, an assurance, a prediction or a definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. Many actual events and circumstances are beyond the control of the Company. Many factors could cause actual future events to differ from the forward-looking statements in this Quarterly Report on Form 10-Q. These risks and uncertainties may be amplified by current economic uncertainty, including inflation and rising interest rates. You should carefully consider the factors and the other risks and uncertainties described in Part II, Item 1A of this Quarterly Report on Form 10-Q and in the Company's 2022 Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission (“SEC”) on March 31, 2023. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Forward-looking statements speak only as of the date they are made. Readers are cautioned not to put undue reliance on forward-looking statements, and the Company assumes no obligation and does not intend to update or revise these forward-looking statements, whether as a result of new information, future events, or otherwise. The Company does not give any assurance that it will achieve its expectations.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements (Unaudited)

View, Inc.
Condensed Consolidated Balance Sheets
(unaudited)
(in thousands, except share data)

	September 30, 2023	December 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	$ 50,618	$ 95,858
Short-term investments	—	102,284
Accounts receivable, net of allowances	42,571	42,407
Current contract assets	20,384	14,587
Inventories	16,699	17,373
Short-term restricted cash	14,000	1,859
Prepaid expenses and other current assets	14,560	21,851
Total current assets	158,832	296,219
Property and equipment, net	81,462	262,360
Restricted cash	726	16,448
Right-of-use assets	18,957	18,485
Note receivable	6,000	6,999
Other assets	25,461	18,515
Total assets	$ 291,438	$ 619,026
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 10,232	$ 21,099
Accrued expenses and other current liabilities	57,209	72,410
Accrued compensation	8,544	9,799
Deferred revenue	11,284	9,199
Total current liabilities	87,269	112,507
Debt, non-current	94,722	109,754
Debt, non-current - related party	113,609	109,083
Sponsor earn-out liability	—	506
Lease liabilities	19,329	19,589
Warranty liability	26,989	29,337
Other liabilities	17,458	17,758
Total liabilities	359,376	398,534
Commitments and contingencies (Note 6)		
Stockholders' equity:		
Common stock, $0.0001 par value; 600,000,000 shares authorized as of September 30, 2023 and December 31, 2022; 4,053,580 and 3,695,598 shares issued and outstanding as of September 30, 2023 and December 31, 2022, respectively	—	—
Additional paid-in capital	2,863,177	2,814,912
Accumulated deficit	(2,931,115)	(2,594,420)
Total stockholders' equity	(67,938)	220,492
Total liabilities and stockholders' equity	$ 291,438	$ 619,026

Share and per share data have been adjusted for all prior periods presented to reflect the 60-for-1 reverse stock split effective July 26, 2023.

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

View, Inc.
Condensed Consolidated Statements of Comprehensive Loss
(unaudited)
(in thousands, except share and per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Revenue	$ 26,469	$ 22,368	$ 65,427	$ 52,156
Revenue - related party	11,751	1,394	19,175	4,934
Total revenue	38,220	23,762	84,602	57,090
Cost of revenue	31,481	49,099	105,899	128,959
Cost of revenue - related party	11,092	27	18,697	260
Total cost of revenue	42,573	49,126	124,596	129,219
Gross loss	(4,353)	(25,364)	(39,994)	(72,129)
Operating expenses:				
Research and development	8,918	15,554	31,573	56,157
Selling, general, and administrative	25,518	41,174	74,429	124,888
Impairment of long-lived assets (Note 4)	170,300	—	174,300	—
Restructuring costs (Note 11)	(662)	—	4,845	—
Total operating expenses	204,074	56,728	285,147	181,045
Loss from operations	(208,427)	(82,092)	(325,141)	(253,174)
Interest and other expense (income), net:				
Interest expense, net	4,399	58	11,530	324
Other expense, net	158	118	439	259
Gain on fair value change, net	—	(226)	(513)	(6,511)
Interest and other expense (income), net	4,557	(50)	11,456	(5,928)
Loss before provision for income taxes	(212,984)	(82,042)	(336,597)	(247,246)
Provision for income taxes	62	23	98	77
Net and comprehensive loss	$ (213,046)	$ (82,065)	$ (336,695)	$ (247,323)
Net loss per share, basic and diluted	$ (53.06)	$ (22.93)	$ (84.54)	$ (69.21)
Weighted-average shares used in calculation of net loss per share, basic and diluted	4,015,307	3,579,584	3,982,824	3,573,700

Share and per share data have been adjusted for all prior periods presented to reflect the 60-for-1 reverse stock split effective July 26, 2023.

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

View, Inc.
Condensed Consolidated Statements of Stockholders' Equity
(unaudited)
(in thousands)

	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount			
Balances as of December 31, 2022	3,696	$ —	$ 2,814,912	$ (2,594,420)	$ 220,492
Vesting of restricted stock units	58	—	—	—	—
Shares withheld related to net share settlement	(22)	—	(1,001)	—	(1,001)
Shares issued upon Convertible Notes conversion	280	—	17,828	—	17,828
Stock-based compensation	—	—	10,962	—	10,962
Net loss	—	—	—	(67,289)	(67,289)
Balances as of March 31, 2023	4,012	$ —	$ 2,842,701	$ (2,661,709)	$ 180,992
Vesting of restricted stock units	34	—	—	—	—
Shares withheld related to net share settlement	(13)	—	(293)	—	(293)
Stock-based compensation	—	—	10,530	—	10,530
Net loss	—	—	—	(56,360)	(56,360)
Balances as of June 30, 2023	4,033	$ —	$ 2,852,938	$ (2,718,069)	$ 134,869
Vesting of restricted stock units	35	—	—	—	—
Shares withheld related to net share settlement	(14)	—	(142)	—	(142)
Stock-based compensation	—	—	10,381	—	10,381
Net loss	—	—	—	(213,046)	(213,046)
Balances as of September 30, 2023	4,054	$ —	$ 2,863,177	$ (2,931,115)	$ (67,938)

Balances as of December 31, 2021	3,653	$ —	$ 2,736,669	$ (2,257,331)	$ 479,338
Vesting of restricted stock units	1	—	—	—	—
Stock-based compensation	—	—	17,468	—	17,468
Net loss	—	—	—	(82,372)	(82,372)
Balances as of March 31, 2022	3,654	$ —	$ 2,754,137	$ (2,339,703)	$ 414,434
Vesting of restricted stock units	—	—	—	—	—
Stock-based compensation	—	—	18,141	—	18,141
Net loss	—	—	—	(82,886)	(82,886)
Balances as of June 30, 2022	3,654	$ —	$ 2,772,278	$ (2,422,589)	$ 349,689
Vesting of restricted stock units	68	—	—	—	—
Shares withheld related to net share settlement	(31)	—	(3,076)	—	(3,076)
Stock-based compensation	—	—	23,226	—	23,226
Net loss	—	—	—	(82,065)	(82,065)
Balances as of September 30, 2022	3,691	$ —	$ 2,792,428	$ (2,504,654)	$ 287,774

Share and per share data have been adjusted for all prior periods presented to reflect the 60-for-1 reverse stock split effective July 26, 2023.

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

View, Inc.
Condensed Consolidated Statements of Cash Flows
(unaudited)
(in thousands)

	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022
Cash flows from operating activities:		
Net loss	$ (336,695)	$ (247,323)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	16,472	17,797
Gain on fair value change, net	(513)	(6,511)
Stock-based compensation	32,562	58,835
Non-cash interest expense	14,126	—
Impairment of long-lived assets	174,300	—
Other	2,639	1,008
Changes in operating assets and liabilities:		
Accounts receivable	(890)	6,693
Inventories	674	(7,585)
Prepaid expenses and other current assets	(1,864)	(11,090)
Other assets	(10,576)	2,616
Accounts payable	(7,131)	(2,803)
Deferred revenue	2,084	(3,783)
Accrued compensation	(1,255)	1,922
Accrued expenses and other liabilities	(23,536)	(13,977)
Net cash used in operating activities	(139,603)	(204,201)
Cash flows from investing activities:		
Purchases of property and equipment	$ (7,510)	$ (14,396)
Purchases of short-term investments	(106,032)	—
Maturities of short-term investments	210,133	—
Disbursement under loan receivable (Note 4)	(3,001)	(5,160)
Net cash provided by (used in) investing activities	93,590	(19,556)
Cash flows from financing activities:		
Payment of debt issuance costs (Note 7)	$ (228)	$ —
Repayment of other debt obligations	(735)	(735)
Payments of obligations under finance leases	(409)	(400)
Taxes paid related to the net share settlement of equity awards (Note 8)	(1,436)	(3,076)
Net cash used in financing activities	(2,808)	(4,211)
Net decrease in cash, cash equivalents, and restricted cash	(48,821)	(227,968)
Cash, cash equivalents, and restricted cash, beginning of period	114,165	297,543
Cash, cash equivalents, and restricted cash, end of period	$ 65,344	$ 69,575
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 155	$ 55
Non-cash investing and financing activities:		
Payables and accrued liabilities related to purchases of property and equipment	$ 265	$ 1,569
Right of use assets obtained in exchange for operating lease liabilities	$ 2,624	$ —
Common stock issued upon vesting of restricted stock units	$ 3,513	$ 6,651
Common stock issued upon conversion of Convertible Notes	$ 18,000	$ —

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

1. Organization and Summary of Significant Accounting Policies

Organization

View, Inc. and its wholly-owned subsidiaries (collectively "View" or the "Company"), headquartered in Milpitas, California, is a technology company that manufactures smart building products intended to help improve people's health, productivity, and experience, while simultaneously reducing energy consumption. View's primary product is a proprietary electrochromic or "smart" glass panel that when combined with View's proprietary network infrastructure and software, intelligently adjusts in response to the sun by tinting from clear to dark states, and vice versa, thereby reducing heat and glare. The Company is devoting substantially all of its efforts towards the manufacturing, sale and further development of its product platforms, and marketing of both custom and standardized product solutions.

Basis of Presentation

The condensed consolidated financial statements and accompanying notes have been prepared in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP") and regulations of the U.S. Securities and Exchange Commission (the "SEC") for interim financial reporting and are unaudited. The Company's condensed consolidated financial statements include the accounts of View, Inc. and its wholly-owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation. The Company's fiscal year ends on December 31.

Certain information and footnote disclosures normally included in consolidated financial statements prepared in accordance with U.S. GAAP have been condensed or omitted pursuant to such rules and regulations. Accordingly, these condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto for the year ended December 31, 2022, included in the Company's 2022 Annual Report on Form 10-K filed with the SEC on March 31, 2023. The information as of December 31, 2022 included in the condensed consolidated balance sheets was derived from those audited consolidated financial statements.

For the three and nine months ended September 30, 2023 and 2022, there was no difference between net loss and total comprehensive loss.

The condensed consolidated financial statements were prepared on the same basis as the audited consolidated financial statements and included herein reflect all adjustments, including normal recurring adjustments, which are, in the opinion of management, necessary for a fair statement of the Company's financial position as of September 30, 2023, the results of operations for the three and nine months ended September 30, 2023 and the cash flows for the nine months ended September 30, 2023. The results of operations for the three and nine months ended September 30, 2023 are not necessarily indicative of the results that may be expected for the full year or any other future interim or annual periods.
All amounts are presented in U.S. dollars ($).

Liquidity and Going Concern

Since inception, the Company has not achieved profitable operations or positive cash flows from operations. The Company's accumulated deficit totaled $2,931.1 million as of September 30, 2023. For the nine months ended September 30, 2023, the Company had a net loss of approximately $336.7 million and negative cash flows from operations of approximately $139.6 million. In addition, for the nine months ended September 30, 2022, the Company had a net loss of approximately $247.3 million and negative cash flows from operations of approximately $204.2 million. Cash and cash equivalents were $50.6 million as of September 30, 2023.

In accordance with Accounting Standards Codification ("ASC") Topic 205-40, Going Concern, the Company evaluates whether there are certain conditions and events, considered in the aggregate, which raise substantial doubt about the Company's ability to continue as a going concern. As further detailed below, the Company has concluded that there is substantial doubt about its ability to continue as a going concern as the Company estimates that its existing financial resources are only adequate to fund its forecasted operating costs and meet its obligations into, but not beyond the first quarter of 2024. This projection is based on the Company's current expectations regarding revenues, collections, cost structure, current cash burn rate, initial net proceeds of approximately $10 million and anticipated additional draws of $37.5 million from the Credit Agreement disclosed further in Note 15, and other operating assumptions. The Company's ability to make the anticipated additional draws are subject to (i) a cap on the amount of draws that may be requested in any one calendar week of $2 million, (ii) with respect to any draw made after December 31, 2023, delivery of a budget approved by the lenders, (iii) no default or event of default continuing under the Credit Agreement, (iv) the representations and warranties set forth in the Credit Agreement and the related loan documentation being true and correct in all material respects, (v) the use of proceeds of any such draw not being in contravention with the then-current approved budget, (vi) the consummation of certain required post-closing requirements and (vii) liquidity of at least $25 million. If the Company is not able to secure sufficient financing and the audited financial statements for the fiscal year ending December 31, 2023 include a “going concern” qualification, this will result in an event of default under the Credit Agreement. Should an event of default occur, any available borrowings from the Credit Agreement would no longer be available and outstanding indebtedness under the Credit Agreement may become immediately due and payable. To address its cash needs, the Company continues to seek additional sources of capital, although, to date, additional sources of capital have not been identified. As there can be no assurance that such necessary financing will be available, the Company may be required to execute other strategic alternatives to maximize stakeholder value, including further expense reductions, sale of all or portions of the business, corporate capital restructuring or formal reorganization, or liquidation of assets.

The Company has historically financed its operations through revenue generation from product sales, the issuance and sale of redeemable convertible preferred stock, the issuance of debt financing, and the gross proceeds associated with the contribution of cash and the issuance of private investment in public equity (“PIPE”) in connection with the Company’s merger completed on March 8, 2021. There can be no assurance that the necessary additional financing will be available on terms acceptable to the Company, or at all. If the Company raises funds in the future by issuing equity securities, dilution to stockholders will occur and may be substantial. Any equity securities issued may also provide for rights, preferences, or privileges senior to those of holders of common stock. If the Company raises funds in the future by issuing additional debt securities, these debt securities could have rights, preferences, and privileges senior to those of preferred and common stockholders. The terms of any additional debt securities or borrowings could impose significant restrictions on the Company’s operations. The capital markets have experienced in the past, and may experience in the future, periods of upheaval that could impact the availability and cost of equity and debt financing. In addition, recent and anticipated future increases in federal fund rates set by the Federal Reserve, which serve as a benchmark for rates on borrowing, will continue to impact the cost of debt financing.

In order to reduce the cash used in operating activities, the Company implemented certain cost savings initiatives in the second half of 2022 and a restructuring plan in March 2023 as further discussed in Note 11, as well as additional restructuring activities in October 2023 as further discussed in Note 15. While these plans are anticipated to reduce cash outflow when compared to prior periods, the Company’s continued existence is dependent upon its ability to obtain additional financing, as well as to attain and maintain profitable operations by entering into profitable sales contracts and generating sufficient cash flow to meet its obligations on a timely basis. The Company’s business will require a significant amount of capital investment to execute its long-term business plans.

The accompanying condensed consolidated financial statements have been prepared on the basis that the Company will continue as a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern.

Summary of Significant Accounting Policies

There have been no significant changes to the significant accounting policies disclosed in Note 1 of the audited consolidated financial statements as of and for the year ended December 31, 2022 included in the Company’s 2022 Annual Report on Form 10-K filed with the SEC on March 31, 2023.

Concentration of Credit Risk and Other Risks and Uncertainties

Financial instruments that potentially subject the Company to concentration of credit risk consist primarily of cash and cash equivalents, restricted cash, and accounts receivable. Cash and cash equivalents are almost entirely held by domestic financial institutions with high credit standings. Such deposits may, at times, exceed federally insured limits. As of September 30, 2023, the Company has not experienced any losses on its deposits of cash and cash equivalents.

For the nine months ended September 30, 2023, four customers represented greater than 10.0% of total revenue, accounting for 22.8%, 17.1%, 11.6% and 10.9% of total revenue, respectively. For the nine months ended September 30, 2022, two customers represented greater than 10.0% of total revenue, accounting for 16.2% and 15.5% of total revenue, respectively. Three customers accounted for 49.2% of accounts receivable, net as of September 30, 2023, accounting for 26.4%, 12.7% and 10.0%, respectively. Two customers accounted for 27.3% of accounts receivable, net as of December 31, 2022, accounting for 17.3% and 10.0%, respectively. Accounts receivable are stated at the amount the Company expects to collect. The Company generally does not require collateral or other security in support of accounts receivable. To reduce credit risk, management performs ongoing credit evaluations of its customers’ financial condition.

Certain materials used by the Company in the manufacturing of its products are purchased from a limited number of suppliers. Should any such supplier cease to manufacture the products the Company purchases from them or become unable to timely deliver these products in accordance with the Company's requirements or should such suppliers choose not to do business with the Company, it may be required to locate alternative suppliers in the open market. There can be no assurance that the Company would be able to identify new suppliers with which to do business on terms acceptable to the Company, or at all. For the nine months ended September 30, 2023, each of three suppliers accounted for 23.2%, 21.9%, and 20.5% of total purchases, respectively. For the nine months ended September 30, 2022, each of four suppliers accounted for 26.7%, 12.9%, 11.2%, and 10.1% of total purchases, respectively.

Segment Reporting

Operating segments are defined as components of an entity where discrete financial information is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. The Company operates and manages its business as one reportable and operating segment. The Company's chief executive officer, who is the chief operating decision maker, reviews financial information on a consolidated basis for purposes of allocating resources and assessing performance. All material long-lived assets are maintained in the United States. See "Concentration of Credit Risk and Other Risks and Uncertainties" for further information on revenue by customer and Note 2 for further information on revenue by geography and categorized by products and services.

Reverse Stock Split

On July 25, 2023, the Company held its 2023 annual meeting of stockholders (the "Annual Meeting"), at which the Company's stockholders approved an amendment to the Company's Certificate of Incorporation to effect a reverse stock split of the common stock at a reverse stock split ratio of 40-for-1, 45-for-1, 50-for-1, 55-for-1 or 60-for-1, such ratio to be fixed by the Company's board of directors at a later date. Following the Annual Meeting, on July 25, 2023, the Company's board of directors approved the implementation of the reverse stock split at a ratio of 60-for-1 (the "Reverse Stock Split"). On July 26, 2023, the Company filed a Certificate of Amendment to the Company's Amended and Restated Certificate of Incorporation with the Secretary of State of the State of Delaware to effect a 60-for-1 reverse stock split of the outstanding shares of the Company's Class A common stock. The Reverse Stock Split became effective upon the filing of the Certificate of Amendment on July 26, 2023 and the Company's common stock began trading on a split-adjusted basis at market open on July 27, 2023.

No fractional common shares were issued as a result of the Reverse Stock Split. Any stockholder who would have been entitled to receive a fractional share as a result of the Reverse Stock Split received cash payments in lieu of such fractional shares. All share and per share information included in the accompanying financial statements has been retrospectively adjusted to reflect this Reverse Stock Split.

2. Revenue

Disaggregation of Revenue

The Company disaggregates revenue between products and services, as well as by major product offering and by geographic market that depict the nature, amount, and timing of revenue and cash flows.

The following table summarizes the Company's revenue by products and services (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Revenue:				
Products	$ 37,131	$ 21,548	$ 82,640	$ 52,461
Services	1,089	2,214	1,962	4,629
Total	$ 38,220	$ 23,762	$ 84,602	$ 57,090

View Smart Glass contracts to provide Controls, Software and Services ("CSS") include the sale of both products and services. These services primarily relate to CSS installation and commissioning and are presented in the table above as Services. Also included within Services in the table above are revenues associated with extended or enhanced warranties. View Smart Glass contracts to provide insulating glass units ("IGUs"), View Smart Building Platform contracts and View Smart Building Technologies contracts relate to the sale of products.

The following table summarizes the Company's revenue by major product offering (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Revenue:				
Smart Building Platform	$ 25,031	$ 11,317	$ 53,688	$ 29,578
Smart Glass	11,156	10,320	23,529	19,809
Smart Building Technologies	2,033	2,125	7,385	7,703
Total	$ 38,220	$ 23,762	$ 84,602	$ 57,090

The following table summarizes the Company's revenue by geographic area, which is based on the shipping addresses of the customers (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Revenue:				
United States	$ 37,500	$ 21,743	$ 80,470	$ 52,852
Canada	720	2,009	4,132	4,170
Other	—	10	—	68
Total	$ 38,220	$ 23,762	$ 84,602	$ 57,090

Contract Estimates

Significant changes in estimated costs expected to complete View Smart Building Platform contracts could affect the profitability of our contracts. Changes to estimated profit on contracts are recognized using a cumulative catch-up adjustment which recognizes in the current period the cumulative effect of the changes on current and prior periods based on a contract's progress towards fulfillment of the performance obligation. When the total estimated costs to be incurred for a contract exceed the transaction price, an accrual for the loss on the contract is recognized as cost of revenue in the period the contract is signed, and adjusted periodically as estimates are revised. As actual costs are incurred that are in excess of revenue recognized, they are recorded against the loss accrual, which is therefore reduced.

During the three months ended September 30, 2023 and 2022, the Company recognized a total of $0.2 million and $1.5 million, respectively, for initial contract loss accruals and incurred $5.3 million and $4.2 million, respectively, of previously accrued losses, which resulted in a decrease to the accrual. During the nine months ended September 30, 2023 and 2022, the Company recognized a total of $1.8 million and $4.0 million, respectively, for initial contract loss accruals and incurred $13.5 million and $12.3 million, respectively, of previously accrued losses, which resulted in a decrease to the accrual. The cumulative catch-up adjustments resulting from changes in estimated profit on contracts were nil and $0.6 million for the three months ended September 30, 2023 and 2022, respectively. The cumulative catch-up adjustments resulting from changes in estimated profit on contracts were $(3.8) million and $1.4 million for the nine months ended September 30, 2023 and 2022, respectively. The balance of estimated contract losses for work that had not yet been completed totaled $7.1 million and $15.0 million as of September 30, 2023 and December 31, 2022, respectively.

Remaining Performance Obligations

The Company's IGU contracts are short-term in nature and the practical expedient has been applied. The Company's performance obligations in CSS contracts are generally short-term in nature, for which the practical expedient has been applied, with the exception of commissioning services, which are provided at the end of a construction project. Revenue for commissioning services performance obligations is not material. The Company's performance obligations in Smart Building Platform contracts are longer-term in nature, however many of these contracts provide the customer with a right to cancel or terminate for convenience with no substantial penalty. The transaction price allocated to remaining performance obligations for non-cancelable Smart Building Platform contracts as of September 30, 2023 was $6.1 million that the Company expects to recognize as it satisfies the performance obligations over the next 12 to 24 months, which are, among other things, dependent on the construction schedule of the site for which the Company's products and services are provided. The Company's performance obligations in Smart Building Technologies contracts are generally short-term in nature, for which the practical expedient has been applied.

View, Inc.
Notes to Condensed Consolidated Financial Statements
(Unaudited)

Contract Assets and Liabilities

Contract assets reflect revenue recognized and performance obligations satisfied in advance of customer billing, where payment is conditional, as well as retainage for amounts that the Company has billed to the customer but are being held for payment by the customer pending satisfactory completion of the project. Current contract assets as of September 30, 2023 and December 31, 2022 were $20.4 million and $14.6 million, respectively. The progress billing schedules for these contracts result in timing differences as compared to the Company's satisfaction of its performance obligation. Non-current contract assets as of September 30, 2023 and December 31, 2022 were $1.2 million and $0.7 million, respectively, and were included in other assets.

Contract liabilities relate to amounts invoiced or consideration received from customers, typically for the Company's CSS contracts, in advance of the Company's satisfaction of the associated performance obligation. Such contract liabilities are recognized as revenue when the performance obligation is satisfied. Contract liabilities are presented as deferred revenue on the condensed consolidated balance sheets.

Revenue recognized during the three and nine months ended September 30, 2023, which was included in the opening contract liability balance as of December 31, 2022, was $2.1 million and $6.3 million, respectively. Revenue recognized during the three and nine months ended September 30, 2022, which was included in the opening contract liability balance as of December 31, 2021, was $1.3 million and $5.5 million, respectively.

3. Fair Value

The following table presents information about the Company's financial assets and liabilities measured at fair value on a recurring basis (in thousands):

	September 30, 2023		
	Level 1	Level 2	Total
Cash equivalents:			
Money market funds	$ 32,315	$ —	$ 32,315
Restricted cash:			
Certificates of deposit	—	14,726	14,726
Total assets measured at fair value	$ 32,315	$ 14,726	$ 47,041

	December 31, 2022			
	Level 1	Level 2	Level 3	Total
Cash equivalents:				
Money market funds	$ 66,614	$ —	$ —	$ 66,614
Restricted cash:				
Certificates of deposit	—	18,308	—	18,308
Short-term investments	—	102,284	—	102,284
Total assets measured at fair value	$ 66,614	$ 120,592	$ —	$ 187,206
Sponsor earn-out liability	$ —	$ —	$ 506	$ 506
Private warrants liability	—	—	7	7
Total liabilities measured at fair value	$ —	$ —	$ 513	$ 513

The following table provides a reconciliation of the beginning and ending balances for the level 3 financial liabilities measured at fair value using significant unobservable inputs (in thousands):

	Sponsor Earn-Out Liability	Private Warrants
Balance as of December 31, 2022	$ 506	$ 7
Change in fair value	(506)	(7)
Balance as of September 30, 2023	$ —	$ —

Sponsor Earn-out Shares, as defined below, and the Company's privately placed warrants ("Private Warrants") are subject to remeasurement to fair value at each balance sheet date. Changes in fair value as a result of the remeasurement are recognized in

gain on fair value change, net in the condensed consolidated statements of comprehensive loss. The following table summarizes the gain on fair value change, net (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Sponsor Earn-out Liability	$ —	$ (225)	$ (506)	$ (6,364)
Private Warrants	—	(1)	(7)	(147)
Gain on fair value change, net	$ —	$ (226)	$ (513)	$ (6,511)

Valuation of Sponsor Earn-Out Liability

In conjunction with the Company's merger completed on March 8, 2021, CF Finance Holdings II, LLC (the "Sponsor") subjected 82,835 shares (the "Sponsor Earn-Out Shares") to vesting and potential forfeiture (and related transfer restrictions) based on a five year post-closing earnout, with (a) 50% of the Sponsor Earn-Out Shares being released if the stock price of the Company exceeds $750.00 for 5 out of any 10 trading days, (b) 25% of the Sponsor Earn-Out Shares being released if the stock price of the Company exceeds $900.00 for 5 out of any 10 trading days and (c) 25% of the Sponsor Earn-Out Shares being released if the stock price of the Company exceeds $1,200.00 for 5 out of any 10 trading days, in each case, subject to early release for a sale, change of control or going private transaction or delisting after March 8, 2021 (collectively, the "Earn-Out Triggering Events").

The estimated fair value of the Sponsor Earn-Out Shares of $0.0 million and $0.5 million as of September 30, 2023 and December 31, 2022, respectively, was determined using a Monte Carlo simulation valuation model using the following assumptions:

	September 30, 2023	December 31, 2022
Stock price	$7.51	$57.90
Expected volatility	64.25%	69.25%
Risk free rate	4.90%	4.22%
Expected term (in years)	2.4	3.2
Expected dividends	0%	0%

Current stock price: The stock price was based on the closing price as of the valuation date.

Expected volatility: The volatility rate was determined using a Monte Carlo simulation to estimate the implied volatility of the Company's publicly traded warrants ("Public Warrants").

Risk-free interest rate: The risk-free interest rate is based on the U.S. Treasury yield curve for zero-coupon U.S. Treasury notes with maturities corresponding to the remaining expected term of the earnout period.

Expected term: The expected term is the remaining contractual term of the earnout period.

Expected dividend yield: The expected dividend rate is zero as the Company currently has no history or expectation of declaring dividends in the foreseeable future.

Valuation of Private Warrants

The estimated fair value of the Private Warrants of $0.0 million as of both September 30, 2023 and December 31, 2022, was determined using the Black-Scholes option-pricing model using the following assumptions:

	September 30, 2023	December 31, 2022
Stock price	$7.51	$57.90
Expected volatility	64.25%	69.25%
Risk free rate	5.07%	4.32%
Expected term (in years)	1.9	2.7
Expected dividends	0%	0%

Other

The carrying amounts of cash equivalents relating to demand deposits and U.S. Treasury bills, accounts receivable, and accounts payable approximates fair value due to the short maturity of these instruments. The carrying amount of long-term trade receivables approximates fair value, which is estimated by discounting expected future cash flows using an average discount rate adjusted for the customer's creditworthiness. Short-term and long-term debt associated with the term loan are carried at amortized cost, which approximates its fair value. The Convertible Notes are carried at amortized cost and their fair value is determined using Level 3 inputs, as discussed further in Note 7.

4. Other Balance Sheet Information

Cash, Cash Equivalents and Restricted Cash

Cash, cash equivalents, and restricted cash reported within the accompanying condensed consolidated balance sheets that sum to the total of the same such amounts presented in the accompanying condensed consolidated statements of cash flows consisted of the following (in thousands):

	September 30, 2023	December 31, 2022
Cash	$ 18,303	$ 29,244
Cash equivalents	32,315	66,614
Cash and cash equivalents	50,618	95,858
Short-term restricted cash	14,000	1,859
Restricted cash	726	16,448
Total cash, cash equivalents, and restricted cash presented in the statements of cash flows	$ 65,344	$ 114,165

Short-Term Investments

The Company had no short-term investments as of September 30, 2023. Short-term investments as of December 31, 2022 consisted of the following:

	Amortized Cost	Unrealized Gain/(Loss)	Fair Value
Commercial Paper	$ 59,684	$ —	$ 59,684
Corporate Notes/Bonds	4,914	—	4,914
U.S. Treasuries	31,804	—	31,804
U.S. Government Agencies	5,882	—	5,882
Total short-term investments	$ 102,284	$ —	$ 102,284

The Company's marketable debt securities had contractual maturities of less than one year, were classified as available-for-sale and were stated at fair value on the consolidated balance sheets based upon inputs other than quoted prices in active markets (Level 2 inputs). The Company did not record any unrealized gains or losses or recognize any gains or losses for three and nine months ended September 30, 2023 and 2022. The Company also did not recognize any credit-related impairment losses during the three and nine months ended September 30, 2023 and 2022 and had no ending allowance for credit losses as of September 30, 2023 and December 31, 2022. The amortized cost and fair value amounts above include accrued interest receivable of $0.7 million as of December 31, 2022.

Accounts Receivable, Net of Allowances

During the three and nine months ended September 30, 2023, the Company recorded a $0.7 million increase in the allowance for credit losses. The Company regularly reviews accounts receivable for collectability and establishes or adjusts the allowance for credit losses as necessary using the specific identification method based on the available facts. The allowance for credit losses totaled $1.8 million and $1.1 million as of September 30, 2023 and December 31, 2022, respectively.

Inventories

Inventories consist of finished goods which are stated at the lower of cost or net realizable value. Costs are measured on a first-in, first out basis using standard cost, which approximates actual cost. Net realizable value is the estimated selling price of the

Company's products in the ordinary course of business less reasonably predictable costs of completion, disposal, and transportation. Inventories are written down to their net realizable value if they have become obsolete, have a cost basis in excess of expected net realizable value, or are in excess of expected demand. Once inventory is written down, its new value is maintained until it is sold, scrapped, or written down for further valuation losses. The valuation of inventories requires the Company to make judgments based on currently available information about the likely method of disposition and current and future product demand relative to the remaining product life. Inventory valuation losses are classified as cost of revenue in the condensed consolidated statements of comprehensive loss. The Company recorded inventory impairments of $8.4 million and $14.2 million for the nine months ended September 30, 2023 and 2022, respectively.

Note Receivable

In June 2021, the Company entered into a promissory note with one of its customers, pursuant to which the customer has drawn an aggregate principal amount of $10.0 million. The promissory note has a maturity date of May 1, 2026. The promissory note bears no interest during the period between the first advance to the customer and the thirty-first month following the first advance, with interest increasing to an annual rate of 3.5% thereafter. The Company recorded a $4.0 million impairment loss on the note receivable during the three months ended June 30, 2023, resulting from a change in the assessment of the credit risk for the customer. No additional impairment loss was recorded during the three months ended September 30, 2023. As of September 30, 2023, $6.0 million related to the note receivable is recorded on the condensed consolidated balance sheet.

Impairment of Long-Lived Assets

The Company evaluates long-lived assets for impairment whenever events indicate that a potential impairment may have occurred. If such events arise, the Company will compare the carrying amount of the asset group comprising the long-lived assets to the estimated future undiscounted cash flows expected to be generated by the asset group. If the estimated aggregate undiscounted cash flows are less than the carrying amount of the asset group, an impairment charge is recorded as the amount by which the carrying amount of the asset group exceeds the fair value of the assets, as based on the expected discounted future cash flows attributable to those assets. Long-lived assets to be disposed of are reported at the lower of carrying amount or fair value less costs to sell.

During the third quarter of 2023, due to a continued decline in economic and market conditions, including a continued and sustained decline in the Company's market capitalization, rising interest rates and a prolonged outlook for a continued slow-down in the real estate market, as well as a limited amount of additional financing being secured and revised projections for the Company's future operating results, the Company determined that a triggering event existed requiring the Company's assets to be evaluated for impairment as of September 30, 2023. As a result, the Company performed an interim quantitative impairment analysis as of this date. The Company has no indefinite-lived intangible assets and no goodwill as of September 30, 2023, and therefore the impairment assessment was limited to long-lived assets under ASC 360-10.

As noted in Note 1, the Company operates and manages its business as one reportable and operating segment. The Company determined that the asset group is the operating segment for the purposes of the impairment assessment for long-lived assets. The long-lived assets are primarily comprised of property and equipment and operating lease right-of-use assets. The Company compared the carrying value of the asset group to separately identifiable estimated undiscounted cash flows over the remaining useful life of the asset group and concluded that the asset group was not recoverable due to the carrying value exceeding the estimated undiscounted cash flows. As the asset group failed the recoverability test, there was an indicator of impairment loss, which required the Company to determine whether the carrying amount of the asset group exceeded its fair value.

The Company determined the fair value of the asset group based on the total invested capital of the Company as of September 30, 2023, including the fair value of the Company's long-term debt and shareholders' equity. The Company's long-term debt consists of the Convertible Notes and the Term Loan. The fair value of the Convertible Notes was determined using the Tsiveriotis-Fernandes model. This model utilized a binomial lattice tree in a risk-neutral framework, which involved calibrating the model at the date of issuance to derive the initial risky asset rate, updating the risky asset rate by considering changes in the prevailing yields and spreads on comparable instruments between the issuance date and September 30, 2023, and then calculating the fair value of the Convertible Notes using this updated risky asset rate. The key assumptions used in the valuation of the Convertible Notes included the Company's current stock price, the expected volatility, the remaining term of the Convertible Notes, the conversion mechanics specific to the Convertible Notes, and the initial risky asset rate. As of September 30, 2023, the fair value of the Convertible Notes was approximately $112 million, as compared to a carrying value of approximately $197 million. As discussed in Note 3, the amortized cost of the Term Loan approximates its fair value and was approximately $13 million as of September 30, 2023. The fair value of the shareholders' equity was determined utilizing an income approach based on the present value of the estimated future cash flows. The key assumptions used included cash flow projections, discount rate, and an estimated terminal value. As of September 30, 2023, the fair value of the shareholders' equity was $17 million, as compared to a carrying value of approximately $102 million.

Under the accounting guidance in ASC 360, the excess of the carrying value over the fair value of the asset group was recognized as an impairment loss and allocated to assets for which the carrying value exceeded their respective fair value. Fair value was determined based on our intended use of the identified assets. As such, the Company utilized various methods such as discounted cash flows, replacement cost, scrap and residual value to estimate fair value. Certain assets were not allocated any impairment as the fair values of such assets approximated their respective carrying amounts. Based on the results of the analysis, the Company recorded an impairment charge during the three and nine months ending September 30, 2023 of approximately $170 million to write down the value of property and equipment.

If the decline in the Company's market capitalization continues, the Company is unable to obtain additional financing as discussed in Note 1, or the Company identifies other events or circumstances indicating the carrying amount of an asset or asset group may not be recoverable, this would require further testing of these assets and it may result in an impairment of such assets.

Accrued Expenses and Other Current Liabilities

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

	September 30, 2023	December 31, 2022
Warranty accrual (Note 5)	$ 13,945	$ 10,236
Contract loss accrual (Note 2)	6,842	12,848
Environmental settlement accrual (Note 6)	1,000	1,450
Lease liability	3,733	3,949
Subcontractor accrual	16,312	18,435
Other	15,377	25,492
Accrued expenses and other current liabilities	$ 57,209	$ 72,410

5. Product Warranties

Changes in warranty liabilities are presented below (in thousands):

	September 30, 2023	December 31, 2022
Beginning balance	$ 39,573	$ 42,256
Accruals for warranties issued	1,682	1,626
Changes to estimates of volume and costs	3,991	2,004
Settlements made	(4,312)	(6,313)
Ending balance	$ 40,934	$ 39,573
Warranty liability, current, beginning balance	$ 10,236	$ 8,868
Warranty liability, noncurrent, beginning balance	$ 29,337	$ 33,388
Warranty liability, current, ending balance	$ 13,945	$ 10,236
Warranty liability, noncurrent, ending balance	$ 26,989	$ 29,337

The total warranty liability above included $9.8 million and $8.8 million as of September 30, 2023 and December 31, 2022, respectively, related to the Company' standard assurance warranty.

The total warranty liability above also included $31.1 million and $30.8 million as of September 30, 2023 and December 31, 2022, respectively, related to certain IGUs with a quality issue identified during fiscal year 2019. The quality issue was specific to certain material purchased from one of the Company's suppliers utilized in the manufacturing of certain IGUs and the Company stopped using the affected materials upon identification of the quality issue in 2019. The Company has replaced and expects to continue to replace the affected IGUs for the remainder of the period covered by the warranty. The Company developed a statistical model to analyze the risk of failure of the affected IGUs related to this quality issue and predict the potential number of future failures that may occur during the remaining warranty period, as well as the timing of the expected failures. Management judgment is necessary to determine the distribution fit and covariates utilized in the statistical model, as well as the relative tolerance to declare convergence. The statistical model considered the volume of units sold, the volume of unit failures, data patterns, and other characteristics associated with the failed IGUs as well as the IGUs that had not yet failed as of each financial reporting period. These characteristics include, but are not limited to, time to failure, manufacture date, location of installation, and environmental factors. Based on this analysis, the Company has recorded a specific warranty liability using the estimated number of affected IGUs expected to fail in the remaining warranty period and applying estimated costs the Company expects to incur to replace the IGUs based on warranty contractual terms and business practices.

6. Commitments and Contingencies

Indemnifications

From time to time, the Company enters into certain types of contracts that contingently require the Company to indemnify the Company's officers, directors, and employees for liabilities arising out of their employment relationship. Generally, a maximum obligation under these contracts is not explicitly stated.

Because the maximum amounts associated with these agreements are not explicitly stated, the overall maximum amount of the obligation cannot be reasonably estimated. The Company has not been required to make payments under these obligations, and no liabilities have been recorded for these obligations on the Company's condensed consolidated balance sheets.

Standby Letter of Credit

During the course of business, the Company’s bank issues standby letters of credit on behalf of the Company to certain vendors and other third parties of the Company. As of September 30, 2023 and December 31, 2022, the total value of the standby letters of credit issued by the bank is $13.8 million and $15.7 million, respectively. As of September 30, 2023, $1.0 million had been drawn under the standby letters of credit.

Litigation and Environmental Settlements

In December 2014, the Company finalized the terms of a litigation settlement with a third party where the Company agreed to pay the other party a total of $32.0 million periodically over the next ten years. The Company recorded the present value of future payments as a liability and records interest expense, included in interest and other, net in the condensed consolidated statements of comprehensive loss, as it accretes the liability.

The balances of the litigation settlement liability are recorded in accrued expenses and other current liabilities and other liabilities, respectively, on the Company’s condensed consolidated balance sheets as follows (in thousands):

	September 30, 2023	December 31, 2022
Litigation settlement liability - current	$ 3,000	$ 3,000
Litigation settlement liability - non-current	3,332	5,794
Total litigation settlement liability	$ 6,332	$ 8,794

In August 2023, the Company finalized the terms of an environmental settlement with the Mississippi Commission on Environmental Quality (“MCEQ”), Desoto County Regional Utility Authority (“DCRUA”) and the City of Olive Branch, Mississippi (“Olive Branch”) where the Company agreed to pay a fine of $3.0 million over a three-year period in equal installments of $1.0 million to the federal government, a civil penalty of $1.5 million to MCEQ and a community service payment of $0.5 million to DCRUA. The Company has also completed the installation of a wastewater treatment and recycling system, which resulted in approximately $4.8 million in capital expenditures as of September 30, 2023. The Company will also be on probation for three years.

The balances of the environmental settlement liability are recorded in accrued expenses and other current liabilities and other liabilities, respectively, on the Company’s condensed consolidated balance sheets as follows (in thousands):

	September 30, 2023	December 31, 2022
Environmental settlement liability - current	$ 1,000	$ 1,450
Environmental settlement liability - non-current	1,000	3,000
Total environmental settlement liability	$ 2,000	$ 4,450

Litigation

From time to time, the Company is subject to claims, litigation, internal or governmental investigations, including those related to labor and employment, contracts, intellectual property, environmental, regulatory compliance, commercial matters, and other related matters, some of which allege substantial monetary damages and claims. Some of these actions may be brought as class actions on behalf of a class or purported class of employees. The Company is also defendant in judicial and administrative proceedings involving matters incidental to the business. Legal expenses are expensed as incurred.

The Company accrues a charge when management determines that it is probable that a liability has been incurred and the amount of loss can be reasonably estimated. When a loss is probable, the Company records an accrual based on the reasonably estimable loss or range of loss. When no point of loss is more likely than another, the Company records the lowest amount in the estimated range of loss and discloses the estimated range. The Company does not record liabilities for reasonably possible loss contingencies but does disclose a range of reasonably possible losses if they are material and the Company is able to estimate such a range. If the Company cannot provide a range of reasonably possible losses, the Company explains the factors that prevent it from determining such a range. The Company regularly evaluates current information available to it to determine whether an accrual should be established or adjusted. The ultimate outcome of legal proceedings involves judgments, estimates, and inherent uncertainties and cannot be predicted with certainty. Should the ultimate outcome of any legal matter be unfavorable, the Company's business, financial condition, results of operations, or cash flows could be materially and adversely affected. The Company may also incur substantial legal fees, which are expensed as incurred, in defending against legal claims.

Securities Litigation

On August 18, 2021, plaintiff Asif Mehedi filed a putative securities class action in the United States District Court for the Northern District of California (Mehedi v. View, Inc. f/k/a CF Finance Acquisition Corp. II et al. (No. 5:21CV06374, N.D. Cal.)) alleging violations of the federal securities laws by the Company, Rao Mulpuri, and Vidul Prakash. On February 8, 2022, the Court appointed Stadium Capital LLC (“Stadium Capital”) lead plaintiff and denied the competing motion of Sweta Sonthalia. The Ninth Circuit Court of Appeals denied Ms. Sonthalia’s petition for a writ of mandamus to vacate the lead plaintiff order.

On July 15, 2022, Stadium Capital filed an amended complaint against View, Mulpuri, and Prakash; certain current and former View board members; Cantor Fitzgerald & Co. and related entities; officers and board members of CF Finance Acquisition Corp. II (“CF II”); and PricewaterhouseCoopers LLP (“PwC”). The action was brought on behalf of a putative class consisting of (i) all persons or entities who purchased or otherwise acquired View and/or CF II securities between November 30, 2020 and May 10, 2022, inclusive; (ii) all persons or entities who were holders of CF II Class A common stock as of the January 27, 2021 record date that were entitled to vote to approve the merger between View and CF II; and (iii) all persons or entities who purchased or otherwise acquired View securities pursuant or traceable to the Form S-4 Registration Statement filed by CF II on December 23, 2020. The amended complaint asserted claims under Sections 10(b) (and Rule 10b-5 thereunder), 14(a) (and Rule 14a-9 thereunder), and 20(a) of the Securities Exchange Act and Sections 11, 12, and 15 of the Securities Act.

Defendants filed motions to dismiss the amended complaint on October 6, 2022. The motions were heard by the court on April 20, 2023. On May 22, 2023, the court issued a written order granting the motions to dismiss with leave to amend.

On August 21, 2023, Stadium Capital and additional plaintiff David Sherman filed a second amended complaint against View, Mulpuri, and Prakash; Cantor Fitzgerald & Co. and related entities; and officers and board members of CF II. The second amended complaint asserts claims under Sections 10(b) (and Rule 10b-5 thereunder), 14(a) (and Rule 14a-9 thereunder), and 20(a) of the Securities Exchange Act. The action is brought on behalf of a putative class consisting of (i) all persons or entities who purchased or otherwise acquired View and/or CF II securities between November 30, 2020 and November 9, 2021, inclusive; and (ii) all persons or entities who were holders of CF II Class A common stock as of the January 27, 2021 record date that were entitled to vote to approve the merger between View and CF II. The second amended complaint dropped as defendants the current and former View board members and PwC; it also dropped the claims under Sections 11, 12, and 15 of the Securities Act.

The second amended complaint alleges that defendants failed to disclose to investors that the Company’s warranty-related obligations and associated cost of revenue were materially false and misleading because they excluded installation expenses the Company was incurring to address certain warrantied quality issues, and that the Company was incurring those expenses even though the standard warranty did not obligate the Company to do so. As a result, the second amended complaint alleges that the price of the Company’s stock was inflated. The second amended complaint alleges that class members were damaged when the price of the Company’s stock declined on the trading day following (1) August 16, 2021, when the Company announced an independent investigation concerning the adequacy of the Company's previously disclosed warranty accrual, and (2) November 9, 2021, when the Company announced that its independent investigation was substantially complete, that the Company's previously reported warranty-related liabilities were materially misstated, and that it would restate certain previously reported financials. The second amended complaint seeks unspecified compensatory damages and costs, including attorneys' fees.

Defendants filed motions to dismiss the second amended complaint on October 2, 2023. Plaintiff's opposition brief to those motions is due November 13, 2023, Defendants' reply briefs are due December 8, 2023, and the motions will be heard by the court on March 14, 2024.

Given the possibility that the plaintiff may amend its complaint, the Company cannot reasonably estimate the possible loss (or range of loss), if any, at this time; therefore, a liability has not been recorded as of September 30, 2023.

Derivative Litigation

On December 6, 2021, a purported Company shareholder, Matthew Jacobson, filed a verified stockholder derivative complaint (nominally on behalf of the Company) against Rao Mulpuri, Nigel Gormly, Harold Hughes, Tom Leppert, Toby Cosgrove, Lisa Picard, Julie Larson-Green, and Vidul Prakash (Jacobson v. Mulpuri, et al. (No. 1:21CV01719, D. Del.)). On May 24, 2022, plaintiff and purported Company shareholder Anil Damidi filed a verified stockholder derivative complaint (nominally on behalf of the Company) against the same defendants as in the Jacobson complaint: Mr. Mulpuri, Mr. Gormly, Mr. Hughes, Mr. Leppert, Mr. Cosgrove, Ms. Picard, Ms. Larson-Green, and Mr. Prakash. On July 26, 2022, plaintiff and purported Company stockholder James Monteleone filed a verified stockholder derivative complaint (nominally on behalf of the Company) against the same defendants as in the Jacobson and Damidi complaints: Mr. Mulpuri, Mr. Gormly, Mr. Hughes, Mr. Leppert, Mr. Cosgrove, Ms. Picard, Ms. Larson-Green, and Mr. Prakash.

On September 8, 2022, the Jacobson, Damidi, and Monteleone cases were assigned to Judge Gregory Williams. On September 30, 2022, Judge Williams entered the parties' stipulation to (1) consolidate the three actions into In re View, Inc. Derivative Litigation, C.A. No, 21-1719-GBW (Consolidated), (2) appoint co-lead counsel for plaintiffs, and (3) stay all proceedings in the consolidated action until the Mehedi class action is dismissed in its entirety, with prejudice, and all appeals related thereto have been exhausted, or is resolved by settlement, or the motions to dismiss in the Mehedi class action are denied. Any party may request that the Court lift the stay upon good cause shown and bringing the matter to the Court's attention.

The stipulation deems the Damidi complaint to be the operative complaint in the consolidated case until any amended complaint is filed. The Damidi complaint asserts claims for violation of Sections 10(b) and 21D of the Exchange Act, breach of fiduciary duty, aiding and abetting breach of fiduciary duty, unjust enrichment, and waste of corporate assets. The Damidi complaint seeks unspecified money damages, restitution, punitive damages, and costs (including attorneys' fees and accountants' and experts' fees, costs, and expenses). The Damidi complaint alleges that the defendants failed to prevent the Company from making false statements regarding the Company's business results and prospects and that the Company has been harmed by incurring legal fees and potential liability in investigations and lawsuits.

On May 9, 2023, plaintiff and purported Company shareholder Alexandre Roberts filed a verified stockholder derivative complaint (nominally on behalf of the Company) against Rao Mulpuri, Vidul Prakash, Toby Cosgrove, Lisa Picard, and Nigel Gormly (*Roberts v. Mulpuri, et al.* (No. 5:23-cv-02248, N.D. Cal.)). The complaint asserts claims for breach of fiduciary duty, unjust enrichment, waste of corporate assets, and contribution under Section 10(b) and/or Section 20(a) of the Exchange Act. The complaint seeks unspecified money damages, restitution, punitive damages, and costs (including attorneys' fees and experts' fees, costs, and expenses). The *Roberts* complaint alleges that the defendants failed to prevent the Company from making false statements regarding the Company's business results and prospects and that the Company has been harmed by incurring legal fees and potential liability in lawsuits.

On August 1, 2023, the judge in the *Mehedi* case ordered that the *Roberts* case should be related to the *Mehedi* case and ordered that the *Roberts* case should be reassigned to the *Mehedi* judge.

Given the early stage of this matter, the Company cannot reasonably estimate the possible loss (or range of loss), if any, at this time; therefore, a liability has not been recorded as of September 30, 2023.

Government Investigations

On November 9, 2021, the Company announced that it had voluntarily reported to the SEC that the audit committee of the Company's board of directors was conducting an independent, internal investigation into the adequacy of the Company's previously reported warranty accrual. In January 2022, the Company was informed that the SEC was conducting a formal investigation of this matter. In June 2022, the U.S. Attorney's Office for the Southern District of New York requested information related to this matter. The Company cooperated with the SEC's investigation and the U.S. Attorney's information request. On July 3, 2023, the SEC announced a settlement with the Company resolving the previously disclosed investigation arising from the Company's restated warranty-related accruals in its financial statements. In light of the Company's self-reporting, prompt remediation and cooperation, the SEC determined not to impose a civil penalty on the Company and there are no ongoing undertakings in connection with the settlement.

7. Debt

Debt outstanding consisted of the following (in thousands):

	September 30, 2023	December 31, 2022
Convertible Notes, net of debt issuance costs	$ 196,576	$ 206,347
Term loan	13,225	13,960
Total debt	209,801	220,307
Debt, current	1,470	1,470
Debt, non-current	$ 208,331	$ 218,837

Principal payments on all debt outstanding as of September 30, 2023 are estimated as follows (in thousands):

Year Ending December 31,	Total
2023 (remaining three months)	$ 735
2024	1,470
2025	1,470
2026	1,470
2027	198,046
Thereafter	6,610
Total	$ 209,801

Convertible Notes

The following tables present the Company's convertible debt outstanding (in thousands):

	September 30, 2023			
	Gross amount	Debt discount and issuance costs	Carrying amount	Estimated fair value
Convertible Notes	$ 201,607	$ (5,031)	$ 196,576	$ 111,627

	December 31, 2022			
	Gross amount	Debt discount and issuance costs	Carrying amount	Estimated fair value
Convertible Notes	$ 212,308	$ (5,961)	$ 206,347	$ 199,163

The following table presents the Company's interest expense related to convertible debt (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Contractual interest expense	$ 4,536	$ —	$ 13,409	$ —
Amortization of debt discount and issuance costs	295	—	719	—
Total interest expense	$ 4,831	$ —	$ 14,128	$ —

In October 2022, the Company completed the sale of $200.0 million aggregate principal amount of the Company's 6.00% / 9.00% Convertible Senior PIK Toggle Notes (the "Initial Notes"), with the option to sell an additional $40.0 million of Notes to the Purchasers (as defined in the indenture governing the Convertible Notes). In December 2022, the Company received notices from certain Purchasers that had elected to exercise their respective options to purchase an aggregate additional $12.3 million of

Convertible Notes (the “Additional Notes”). Such Additional Notes were issued in December 2022. The Initial Notes and the Additional Notes, which will be collectively referred to as the Convertible Notes, will mature on October 1, 2027. The Convertible Notes were sold in a private placement in reliance on the exemption from the registration requirements of the Securities Act of 1933, as amended (the “Securities Act”) provided by Section 4(a)(2) of the Securities Act.

The net proceeds from the sale of the Convertible Notes were approximately $206.3 million after deducting fees and offering expenses. The debt discount and issuance costs, net of accumulated amortization, are reported as a direct deduction from the face amount of the Convertible Notes. The Company expects to use the net proceeds for general corporate purposes.

The Convertible Notes bear interest at 6.00% per annum, to the extent paid in cash (“Cash Interest”), and 9.00% per annum, to the extent paid in kind through the issuance of additional Convertible Notes (“PIK Interest”). Interest is payable semi-annually in arrears on April 1 and October 1 of each year, beginning on April 1, 2023. The Company can elect to make any interest payment through Cash Interest, PIK Interest or any combination thereof.

The Convertible Notes are convertible, based on the applicable conversion rate, into cash, shares of the Company’s common stock or a combination thereof, at the Company’s election. The initial conversion rate was 12.46106 shares per $1,000.00 principal amount of the Convertible Notes, subject to customary anti-dilution adjustment in certain circumstances, which represented an initial conversion price of approximately $80.25 per share.

The Convertible Notes will be convertible at the option of the holders at any time until the close of business on the second scheduled trading day immediately preceding the maturity date of the Convertible Notes. In connection with the issuance of the Convertible Notes, the Company entered into letter agreements with certain Purchasers (the “Blocker Agreements”). The Blocker Agreements provide, among other things, that the Convertible Notes held by the entities affiliated with certain holders (each, a “Blocker Party”), shall not be converted to the extent that such conversion would cause a Blocker Party to beneficially own more than a specified threshold percentage (as may be increased or decreased by the applicable Blocker Party upon 61 days’ written notice) of the Class A common stock, par value $0.0001 per share, of the Company outstanding immediately following such conversion.

The Company may redeem the Convertible Notes in whole or in part, at its option, on or after October 1, 2025, and prior to the 41st scheduled trading day immediately preceding the maturity date, for cash at the applicable redemption price if the last reported sale price of the Company’s common stock has been at least 150% of the conversion price then in effect for at least 20 trading days (whether or not consecutive) during any 30 consecutive trading day period (including the last trading day of such period) ending on, and including, the trading day immediately preceding the date on which the Company provides the applicable redemption notice. The redemption price will be equal to the aggregate principal amount of the Convertible Notes to be redeemed, plus accrued and unpaid interest, if any, to, but excluding, the redemption date. In addition, a holder may elect to convert its Convertible Notes during any such redemption period, in which case the applicable conversion rate may be increased in certain circumstances if the Convertible Notes are converted after they are called for redemption.

Additionally, if the Company undergoes a fundamental change transaction (each such term as defined in the indenture governing the Convertible Notes), subject to certain conditions, holders may require the Company to purchase for cash all or any portion of their Convertible Notes. The fundamental change repurchase price will be 100% of the capitalized principal amount of the Convertible Notes, plus any accrued and unpaid interest to, but excluding, the repurchase date.

The indenture governing the Convertible Notes contains customary terms and covenants, including certain events of default in which case either the trustee or the holders of at least 25% of the aggregate principal amount of the outstanding Convertible Notes may declare 100% of the principal of, and accrued and unpaid interest, if any, on, all the Convertible Notes to be due and payable immediately.

As of September 30, 2023, the effective interest rate on the Convertible Notes was 9.82%. Amortization of debt discount and issuance costs is reported as a component of interest expenses and is computed using the straight-line method over the term of the Convertible Notes, which approximates the effective interest method. During the nine months ended September 30, 2023, the Company elected the PIK Interest option and accrued interest of $7.3 million was added to the principal balance of the Convertible Notes.

On January 12, 2023, holders of $18.0 million in aggregate principal amount of the Convertible Notes exercised their right to convert their Convertible Notes into shares at the conversion price of $64.20 per share. As a result, the Company issued 280,373 shares of its Class A common stock, par value $0.0001 per share.

Term Loan

On November 22, 2010, the Company entered into a debt arrangement with a lender, in an amount of $40.0 million (the “Term Loan”), for the purpose of financing equipment and tenant improvements at its manufacturing facility in Olive Branch, Mississippi. Pursuant to the original terms, the loan provides for interest-free debt to be repaid in semi-annual payments due on June 30 and December 31 each year. The loan was originally being paid over 24 semi-annual installments through June 30, 2024.

On October 22, 2020, the Company entered into an amended and restated debt arrangement with the lender. The amended and restated debt arrangement temporarily suspended the payments. Starting June 30, 2022, the Company is required to make semi-annual payments of $0.7 million due on June 30 and December 31 each year through June 30, 2032.

The term loan agreement required the Company to invest certain amounts in land, building and equipment and create a certain number of jobs. The term loan agreement, as amended, also includes a covenant for audited consolidated financial statements to be delivered to the lender within 210 days of the Company’s fiscal year end. As of September 30, 2023, the Company was in compliance with these covenants.

8. Stockholders’ Equity

Common Stock

On March 9, 2021, the Company’s common stock and warrants began trading on the Nasdaq Global Select Market under the ticker symbols “VIEW” and “VIEWW,” respectively. Pursuant to the Company’s certificate of incorporation, the Company is authorized to issue 600,000,000 shares of common stock with a par value of $0.0001 per share. As of September 30, 2023, the Company had 4,053,580 shares of common stock issued and outstanding.

Preferred Stock

Pursuant to the Company’s certificate of incorporation, the Company is authorized to issue 1,000,000 shares of preferred stock having a par value of $0.0001 per share (“View Inc. Preferred Stock”). The Company’s board of directors has the authority to issue View, Inc. Preferred Stock and to determine the rights, preferences, privileges, and restrictions, including voting rights, of those shares. As of September 30, 2023, no shares of View, Inc. Preferred Stock were issued and outstanding.

Net Share Settlement of Equity Awards

During the three months ended September 30, 2023, the Company withheld 14,035 shares with a fair value of $0.1 million in satisfaction of tax withholding obligations relating to the vesting of restricted share units. During the nine months ended September 30, 2023, the Company withheld 49,389 shares with a fair value of $1.4 million in satisfaction of tax withholding obligations relating to the vesting of restricted share units. During the three and nine months ended September 30, 2022, the Company withheld 31,452 shares with a fair value of $3.1 million in satisfaction of tax withholding obligations relating to the vesting of restricted share units. Shares withheld in satisfaction of tax withholding obligations are retired upon repurchase and returned to the unissued authorized capital of the Company. As of September 30, 2023, no shares of Treasury Stock were issued and outstanding.

Convertible Note Conversion

As discussed in Note 7, on January 12, 2023, holders of $18.0 million in aggregate principal amount of the Convertible Notes exercised their right to convert their Convertible Notes into shares at the conversion price of $64.20 per share. As a result, the Company issued 280,373 shares of its Class A common stock, par value $0.0001 per share. No holders of the Convertible Notes exercised their right to convert their Convertible Notes into shares during the three months ended September 30, 2023.

Dividend

Common stock is entitled to dividends when and if declared by the Company’s board of directors, subject to the rights of all classes of stock outstanding having priority rights to dividends. The Company has not paid any cash dividends on common stock to date. The Company may retain future earnings, if any, for the further development and expansion of its business and has no current plans to pay cash dividends for the foreseeable future. Any future determination to pay dividends will be made at the discretion of the Company’s board of directors and will depend on, among other things, the Company’s financial condition, results of operations, capital requirements, restrictions contained in future agreements and financing instruments, business prospects and such other factors as the Company’s board of directors may deem relevant.

Common Stock Purchase Agreement

On August 8, 2022, the Company entered into Purchase Agreements with each of CF Principal Investments LLC, a Delaware limited liability company ("Cantor"), and YA II PN, Ltd., a Cayman Islands exempted company ("Yorkville," and together with Cantor, the "Investors"), relating to a committed equity facility (the "Facility"). Under the terms of the Purchase Agreements, the Company will have the right, from time to time and at its option, to sell to the Investors up to $100.0 million, in the aggregate, of the Company's common stock ("View Shares"), subject to certain conditions and limitations set forth in the Purchase Agreements. As of September 30, 2023, the Investors have purchased zero View Shares under the Purchase Agreements.

Sales of View Shares under the Purchase Agreements, and the timing of any sales, will be determined by the Company from time to time at its sole discretion and will depend on a variety of factors, including, among other things, market conditions, the trading price of the Company's common stock and determinations by the Company regarding the use of proceeds from such sales. The net proceeds from any sales under the Purchase Agreements will depend on the frequency with, and prices at which View Shares are sold to the Investors. The Company expects to use the proceeds from any sales under the Purchase Agreements for working capital and general corporate purposes.

Upon the initial satisfaction of the conditions to the Investors' obligations to purchase View Shares set forth in the Purchase Agreements (the "Commencement"), including that a registration statement (the "Resale Registration Statement") registering the resale of View Shares under the Securities Act, is declared effective by the SEC and the Investors are permitted to utilize the prospectus therein to resell all of the View Shares included in such prospectus, the Company will have the right, but not the obligation, from time to time at its sole discretion until the earliest of (i) the first day of the month next following the date that is 36-months after the effective date of the Resale Registration Statement, (ii) the date on which the Investors shall have purchased, in the aggregate, $100.0 million worth of View Shares pursuant to the Purchase Agreements, (iii) the date on which the Company's common stock shall have failed to be listed or quoted on The Nasdaq Global Market or an alternative market and (iv) the date on which the Company commences a voluntary bankruptcy case or any person commences a proceeding against the Company, a custodian is appointed for the Company or for all or substantially all of its property or the Company makes a general assignment for the benefit of its creditors, to direct the Investors to purchase View Shares as set forth in the Purchase Agreements, by delivering written notice to Cantor or Yorkville prior to 9:00 AM, Eastern Time, on any trading day, subject to maximum amount as set forth in the Purchase Agreements for each such trading day. The purchase price of View Shares that the Company elects to sell pursuant to the Purchase Agreements will be 97% of the volume weighted average price of the Company's common stock during the applicable purchase date, subject to adjustment if the Company delivers a purchase notice for a purchase in excess of 20% of the total volume of the Company's common stock traded during the applicable purchase period.

The Company will not sell, and the Investors will not purchase, any View Shares pursuant to the Purchase Agreements, if the aggregate number of View Shares issued pursuant to the Purchase Agreements would exceed 19.99% of the voting power or number of shares of the Company's common stock issued and outstanding immediately prior to the execution of the Purchase Agreements), subject to reduction as described in the Purchase Agreements, unless the Company obtains approval of its stockholders for the sale of View Shares in excess of such amount. In addition, the Company will not sell, and Cantor and Yorkville will not purchase, any View Shares pursuant to the Purchase Agreements, which, when aggregated with all other shares of the Company's common stock then beneficially owned by such Investor and its affiliates, would result in, in the case of Cantor, the beneficial ownership by Cantor and its affiliates of more than 9.99% of the Company's outstanding voting power or shares of the Company's common stock, or in the case of Yorkville and its affiliates, would result in the beneficial ownership by Yorkville and its affiliates of more than 4.99% of the Company's outstanding voting power or shares of the Company's common stock.

On the date of the Commencement, the Company will issue to Cantor shares of the Company's common stock with a value of $1.3 million (the "Commitment Fee") as of the trading day prior to the filing of the Resale Registration Statement as consideration for its irrevocable commitment to purchase View Shares upon the terms and subject to the satisfaction of the conditions set forth in its respective Purchase Agreement. In addition, pursuant to the Purchase Agreements, the Company agreed to reimburse Cantor for certain of its expenses. The Company also entered into a Registration Rights Agreement (the "Registration Rights Agreement") with the Investors, pursuant to which the Company has agreed to register the resale of View Shares and the shares constituting the Commitment Fee. The Purchase Agreements and the Registration Rights Agreement contain customary representations, warranties, conditions, and indemnification obligations by each party. The Purchase Agreements also provide that the representations and warranties of the Company (a) that are not qualified by "materiality" or "Material Adverse Effect" (as defined in the Purchase Agreements) must be true and correct in all material respects as of the date of the Commencement, except to the extent such representations and warranties are as of another date, in which case such representations and warranties must be true and correct in all material respects as of such other date, and (b) that are qualified by “materiality” or “Material Adverse Effect” (as defined in the Purchase Agreements) must be true and correct as of the date of the Commencement, except to the extent such representations and warranties are as of another date, in which case such representations and warranties must be true and correct as of such other date. The Purchase Agreements also provide that the representations and warranties of the Company must be true and correct as described in (a) and (b) above as of a date within three trading days following each time the Company files (i) an Annual Report on Form 10-K and certain Annual Reports on Form 10-K/A, (ii) a Quarterly Report on Form 10-Q, (iii) certain Current Reports on Form 8-K containing amended financial information and (iv) the Resale Registration Statement, any New Registration Statement (as defined in the Purchase Agreements) or any supplement or post-effective amendment thereto, subject to certain exceptions and in any event not more than once per calendar quarter. The representations, warranties and covenants contained in the Purchase Agreements and the Registration Rights Agreement were made only for purposes of the Purchase Agreements and the Registration Rights Agreement and as of specific dates, are solely for the benefit of the parties to such agreements and are subject to certain important limitations.

The Company has the right to terminate the Purchase Agreements at any time after the date of the Commencement, at no cost or penalty, upon three trading days’ prior written notice. The Investors have the right to terminate the Purchase Agreements upon three trading days’ prior written notice if, among other things, a Material Adverse Effect (as defined in the Purchase Agreements) has occurred and is continuing.

9. Stock Warrants

Public and Private Warrants

Each of the Company’s Public and Private Warrants entitles the holder to purchase one share of the Company’s common stock at a price of $690.00 per share, subject to adjustments. The Warrants became exercisable on August 26, 2021. The Public Warrants and Private Warrants will expire five years after March 8, 2021 and five years after August 26, 2020, respectively.

As of September 30, 2023, there were 6,111 Private Warrants and 277,777 Public Warrants outstanding, and no Warrants had been exercised.

Strategic Agreement & RXR Warrant Agreements

On October 25, 2022, the Company appointed RXR FP Services LLC (“RXR FP”) to render strategic planning and consulting services to the Company and issued warrants to RXR FP (the “RXR Warrants”) to purchase, in the aggregate, 158,518 shares of the Company’s common stock. The RXR Warrants will expire ten years after October 25, 2022.

A portion of the RXR Warrants is accounted for as consideration payable to a customer and a portion of the RXR Warrants is accounted for as non-employee stock compensation. The total grant date fair value of the RXR Warrants was $9.2 million, which was accounted for as an upfront payment to RXR FP as their right to receive the RXR Warrants was not contingent on satisfying any vesting conditions. The Company allocated the grant date fair value between consideration payable to a customer and non-employee stock compensation based on the estimated relative fair value of services to be provided by RXR FP. The portion of the RXR Warrants allocated as consideration payable to a customer is accounted for as a reduction to the contract price for contracts with RXR Realty and therefore a reduction to revenue on such contracts. The portion of the RXR Warrants allocated as non-employee stock compensation is accounted for as marketing expense and expensed as incurred. As of September 30, 2023, there were 158,518 RXR Warrants outstanding, and no RXR Warrants had been exercised.

Other Warrants

The Company previously issued common stock warrants to various service providers, lenders, investors, at various points in time (the “Legacy Warrants”) that are exercisable at various exercise prices and expire at various points in time. During the three months ended September 30, 2023, thirty-eight of the Legacy Warrants expired. During the nine months ended September 30, 2023, 3,509 of the Legacy Warrants expired.

On December 1, 2021, in connection with the WorxWell acquisition, the Company issued 16,666 common stock warrants to the seller (the “WorxWell Warrants”). As of September 30, 2023, no WorxWell Warrants had been exercised.

The following table summarizes the outstanding common stock warrants:

Warrant issue date	Types of shares issued	Number of Warrants September 30, 2023	Number of Warrants December 31, 2022	Exercise Price Per Warrant	Expiry Date
August 2010 - June 2011	Common stock	—	774	$ 929.40	March 2023
August 2011 - January 2012	Common stock	—	887	1,126.80	March 2023
August 2012	Common stock	—	756	1,296.00	March 2023
December 2013	Common stock	—	1,054	1,554.60	March 2023
April 2016 - November 2018	Common stock	18,923	18,923	1,135.80	Through November 2028
March 2017	Common stock	30,823	30,823	774.60	March 2027
March 2014	Common stock	—	38	568.20	August 2023
December 2018	Common stock	415	415	542.40	December 2028
August 2020	Common stock (Private Warrants)	6,111	6,111	690.00	Through March 2026
August 2020	Common stock (Public Warrants)	277,777	277,777	690.00	Through March 2026
December 2021	Common stock (in connection with the WorxWell acquisition)	16,666	16,666	600.00	December 2031
October 2022	Common stock (in connection with the Strategic Agreement with RXR FP)	158,518	158,518	$ 0.60	October 2032
	Total stock warrants	509,233	512,742		

10. Stock-Based Compensation

2021 Equity Incentive Plan

The Company adopted the 2021 Equity Incentive Plan (the “2021 Plan”) on March 8, 2021, under which 977,198 shares of common stock were initially reserved for issuance. The 2021 Plan permits the grant of incentive stock options (“Options”), nonstatutory stock options, stock appreciation rights, restricted stock, restricted stock units (“RSUs”), and stock bonus awards. As of September 30, 2023, the Company had 167,021 shares of common stock reserved for future issuance of equity awards to employees, officers, directors, or consultants under the 2021 Plan.

Options

The Company assumed approximately 410,955 options outstanding under a previous equity incentive plan under the 2021 Plan. In addition, on March 8, 2021, the Company granted 83,333 options to purchase Class A common stock of the Company (the “Officer Options”) to View’s executive officers. The Officer Options time vest over a four-year period with 25% to vest on the twelve-month anniversary of their grant date of March 8, 2021 and the remaining 75% to vest on a monthly basis over the following thirty-six months. No other options have been granted under the 2021 Plan.

The following table summarizes the activity under the 2021 Plan for time vested options:

	Options Outstanding			
	Number of Shares Subject to Stock Options Outstanding	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value [1]
Balance as of December 31, 2022	400	$ 567.23	6.0	$ —
Granted	—	—		
Exercised	—	—		
Canceled/forfeited	(15)	588.42		
Outstanding as of September 30, 2023	385	$ 566.06	5.4	$ —
Options vested and expected to vest as of September 30, 2023	386	$ 566.07	5.4	$ —
Exercisable as of September 30, 2023	365	$ 564.20	5.2	$ —

[1] The aggregate intrinsic value is calculated as the difference between the market value of the Company's common shares as of the relevant period end and the respective exercise prices of the options. The market value as of September 30, 2023 and December 31, 2022 was $7.51 and $57.90 per share, respectively, which is the closing sale price of View's common shares on that day as reported by the Nasdaq Global Market.

No options have been exercised under this plan in the nine months ended September 30, 2023 and 2022. The total grant date fair value of stock options vested was $3.8 million and $22.3 million during the nine months ended September 30, 2023 and 2022, respectively.

As of September 30, 2023, total unrecognized compensation cost related to unvested stock options, net of estimated forfeitures, was $5.3 million and is expected to be recognized over a weighted-average remaining service period of 1.4 years.

RSUs

2021 Officer RSUs

On March 8, 2021, the Company granted 208,333 RSUs (the “2021 Officer RSUs”) for shares of Class A Common Stock of the Company to View’s executive officers. The 2021 Officer RSUs time vest over a four-year period with 25% to vest on the twelve-month anniversary of their grant date of March 8, 2021 and the remaining 75% to vest on a monthly basis over the following thirty-six months subject to the following market-based vesting. 50% of the 2021 Officer RSUs granted to each executive officer will only vest if the share price hurdle of $900.00 is achieved and the remaining 50% of such 2021 Officer RSUs will vest if the share price hurdle of $1,200.00 is achieved.

On August 5, 2022, the Company’s board of directors, upon recommendation of the Compensation Committee, approved an amendment (the “Amendment”) to the 2021 Officer RSUs under the 2021 Plan, which provided that, effective as of September 8, 2022, the market-based vesting conditions applicable to the 2021 Officer RSUs were no longer applicable, and the awards will continue to vest subject only to the time-based vesting conditions, subject to the executive’s continued employment with the Company through each applicable vesting date. Any 2021 Officer RSUs that are not time-vested as of the date of the executive’s termination of employment with the Company shall be forfeited and returned to the 2021 Plan. Except as expressly amended by the Amendment, all the terms and conditions of the 2021 Officer RSUs remained in full force and effect.

The Company accounted for the Amendment as a modification of the original awards. At the modification date, the Company calculated the incremental compensation cost of $22.5 million as the excess of the fair value of the modified awards over the fair value of the original awards immediately before the modification. For awards that were vested as of the modification date, the Company recognized $7.9 million of the incremental compensation cost immediately as of the modification date. For awards that were unvested as of the modification date, the sum of the remaining $14.6 million of the incremental compensation cost and the remaining unrecognized compensation cost of $21.2 million for the original awards on the modification date has been and will continue to be recognized over the remaining requisite service period of 2.6 years from the modification date. The 2021 Officer RSUs have been included within the disclosures below for the outstanding RSUs under the 2021 Plan.

Other RSUs

As of September 30, 2023, the Company has also issued approximately 259,504 RSUs to its employees, directors, and officers (“Others RSUs”) under the 2021 Plan, which vest upon the achievement of specific time-based measures. The fair value for

Other RSUs is calculated based on the stock price on the grant date and expensed ratably over the requisite service period, which ranges between one and four years.

The following table summarizes the activities for the outstanding RSUs under the 2021 Plan during the nine months ended September 30, 2023:

	Number of Unvested Shares	Weighted Average Grant Date Fair Value [1]
Outstanding as of December 31, 2022	254	$ 240.00
Granted	106	32.89
Vested	(131)	170.29
Canceled	(30)	69.25
Outstanding as of September 30, 2023	199	$ 201.31

The total grant date fair value of RSUs vested was $22.2 million and $33.5 million during the nine months ended September 30, 2023 and 2022, respectively. As of September 30, 2023, total unrecognized compensation cost related to RSUs, net of estimated forfeitures, was $25.1 million and is expected to be recognized over a weighted-average remaining service period of 2.0 years.

To the extent that the actual forfeiture rate is different than what the Company has anticipated, stock-based compensation related to these awards will be different from expectations.

CEO Incentive Plan

On March 8, 2021, the Company granted the CEO an option award (the “CEO Option Award”) to purchase Class A common stock of the Company at an exercise price of $600.00 per share (the CEO Incentive Plan”), which vests and becomes exercisable upon satisfaction of the performance conditions set forth in the table below, contingent upon the CEO’s continued employment with the Company on each such vesting date.

Tranche	Option Shares (#)	Average 60-day Trading Price per Share of the Entity ($)
1	41,666	$ 1,200.00
2	41,666	1,800.00
3	41,666	2,400.00
4	41,666	3,000.00
5	41,666	3,600.00
6	41,666	4,200.00
7	41,666	4,800.00
8	41,666	5,400.00
9	41,666	6,000.00
10	41,666	$ 6,600.00

As of September 30, 2023, total outstanding stock options under the CEO Incentive Plan was 416,660 shares with a grant date exercise price per share of $600.00 and remaining contractual term of 7.4 years. As of September 30, 2023, the CEO Option Award had no intrinsic value. No other options have been granted under the CEO Incentive Plan.

As of September 30, 2023, total unrecognized compensation cost related to options under the CEO Incentive Plan, net of estimated forfeitures, was $40.4 million and is expected to be recognized over a weighted-average remaining service period of 3.1 years.

Valuation of Stock-Awards

No options were issued under the 2021 Plan or the CEO Incentive Plan in the nine months ended September 30, 2023 and 2022. The grant date fair value for Other RSUs issued under the 2021 Plan in the nine months ended September 30, 2023 was calculated using the closing sale price of the Company’s Class A common stock on the grant date.

Stock-based Compensation Expense

The Company's stock-based compensation included in its condensed consolidated statements of comprehensive loss was as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Cost of revenue	$ 297	$ 418	$ 1,020	$ 1,126
Research and development	1,022	2,032	3,216	3,587
Selling, general, and administrative	9,291	20,776	28,326	54,122
Total	$ 10,610	$ 23,226	$ 32,562	$ 58,835

11. Restructuring

In March 2023, the Company announced a restructuring plan to reduce structural costs, including its workforce. As a result of the restructuring plan, the Company recorded $4.2 million in restructuring costs during the three months ended March 31, 2023 for employee severance and other costs for employees impacted by the plan. The Company also recorded $1.3 million in restructuring costs during the three months ended June 30, 2023 primarily related to the relocation of certain long-lived assets associated with the Company's R&D equipment from its headquarters in Milpitas, California to its manufacturing facility in Olive Branch, Mississippi. The Company incurred an immaterial amount of additional restructuring costs associated with the relocation of such R&D equipment during the three months ended September 30, 2023. During the three months ended September 30, 2023, the Company also recorded a $0.7 million reduction to the amount accrued for other costs for employees impacted by the restructuring plan announced in March 2023 due to a change in the estimate of such costs. No other restructuring charges were incurred during the nine months ended September 30, 2023.

As of March 31, 2023, there were $4.2 million in restructuring cost related liabilities recorded in accrued compensation. $2.9 million and $0.6 million of the accrued restructuring costs related to compensation were paid during the second and third quarters of 2023, respectively. The Company also recorded a $0.7 million reduction to accrued compensation due to a change in the estimate of such costs and no additional restructuring costs were accrued as of September 30, 2023. As such, the total ending liability related to restructuring costs was $0.1 million as of September 30, 2023.

The Company may incur additional costs in the future due to events that may occur as a result of, or that are associated with, the restructuring or other undetermined plans to reduce structural costs, such as the additional reduction in workforce disclosed further in Note 15.

12. Income Taxes

The Company calculates the provision for income taxes during interim reporting periods by applying an estimate of the annual effective tax rate for the full fiscal year to ordinary income or loss for the interim reporting period. When applicable, the year-to-date tax provision reflects adjustments from discrete tax items.

For the three and nine months ended September 30, 2023 and 2022, the Company's income tax expense was immaterial.

As the Company's U.S. operations are projecting to be in a taxable loss in the year and based on all available objectively verifiable evidence during the nine months ended September 30, 2023, the Company believes it is more likely than not that the tax benefits of the U.S. losses incurred will not be realized. Accordingly, the Company will continue to maintain a full valuation allowance on the U.S. deferred tax assets. The Company's income tax expense for the three and nine months ended September 30, 2023 is due primarily to income taxes for foreign operations.

The Company accounts for the uncertainty in income taxes by utilizing a comprehensive model for the recognition, measurement, presentation, and disclosure in financial statements of any uncertain tax positions that have been taken or are expected to be taken on an income tax return. During the three and nine months ended September 30, 2023, there have been no changes in the estimated uncertain tax benefits.

View, Inc.
Notes to Condensed Consolidated Financial Statements
(Unaudited)

13. Net Loss Per Share

The following table sets forth the computation of basic and diluted net loss per share (in thousands, except share and per share data):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Net loss	$ (213,046)	$ (82,065)	$ (336,695)	$ (247,323)
Weighted-average shares outstanding, basic and diluted	4,015,307	3,579,584	3,982,824	3,573,700
Net loss per share, basic and diluted	$ (53.06)	$ (22.93)	$ (84.54)	$ (69.21)

For the three and nine months ended September 30, 2023, common stock equivalents consisted of stock options, restricted stock units, warrants, and the Convertible Notes. For the three and nine months ended September 30, 2022, common stock equivalents consisted of stock options, restricted stock units, and warrants. None of the common stock equivalents were included in the calculation of diluted net loss per share for all periods presented as the Company recorded a net loss.

The following outstanding shares of common stock equivalents were excluded from the computation of diluted net loss per share for the periods presented because including them would have had an anti-dilutive effect:

	September 30,	
	2023	2022
Stock options to purchase common stock	385,750	402,002
Unvested restricted stock units	200,045	112,498
Warrants to purchase common stock	456,395	355,085
Convertible Notes (on an as-converted basis)	1,537,087	—
Total	2,579,277	869,585

The 82,835 Sponsor Earn-Out Shares are excluded from basic and diluted net loss per share as such shares are contingently recallable until the share price of the Company exceeds specified thresholds that have not been achieved as of September 30, 2023.

The common stock equivalents subject to the CEO Option Award are excluded from the anti-dilutive table as the underlying shares are contingently issuable until the share price of the Company exceeds the specified thresholds that have not been achieved. As of September 30, 2023 and 2022, the thresholds for the CEO Option Award have not been achieved, and 416,660 stock options for the CEO Option Award are outstanding.

Prior to the Amendment described further in Note 10, the common stock equivalents subject to the 2021 Officer RSUs were excluded from the anti-dilutive table, as the underlying shares were contingently issuable since the share price of the Company had not exceeded the specified thresholds. As of September 30, 2023 and September 30, 2022, due to the Amendment, the underlying shares are no longer contingently issuable and 67,493 and 112,498 unvested 2021 Officer RSUs, respectively, are included in the anti-dilutive table.

14. Related Party Transactions

The Purchasers of the Convertible Notes include affiliates of RXR FP, a party with which the Company has an existing commercial relationship and with which it has engaged in and continues to engage in corporate transactions. The Chairman and CEO of RXR FP was on the Company's board of directors from November 2022 to October 2023. As such, RXR FP was identified as a related party during fiscal year 2022 and 2023.

Convertible Notes, net of debt issuance costs, outstanding to RXR FP (the "RXR Notes") as of September 30, 2023 and December 31, 2022 totaled $113.6 million and $109.1 million, respectively. Interest of $5.2 million and $2.0 million associated with the RXR Notes was accrued within other liabilities on the Consolidated Balance Sheet as of September 30, 2023 and December 31, 2022, respectively. The Company incurred $2.9 million and $8.3 million interest expense, inclusive of the amortization of debt issuance costs, on the RXR Notes during the three and nine months ended September 30, 2023, respectively. No interest expense was incurred on the RXR Notes during the three and nine months ended September 30, 2022, as the RXR Notes were issued in October 2022.

The Company recognized revenue from RXR FP, or an agent acting on behalf of RXR FP, of $11.8 million and $1.4 million during the three months ended September 30, 2023 and 2022, respectively. The Company recognized revenue from RXR FP, or an agent acting on behalf of RXR FP, of $19.2 million and $4.9 million during the nine months ended September 30, 2023 and 2022, respectively. In addition, the Company had $5.6 million in deferred revenue, $4.6 million in contract loss accruals, $5.8 million contract assets associated with contracts with RXR FP, $10.9 million accounts receivable due from RXR FP or an agent acting on behalf of RXR FP, and no accounts payable due to RXR FP as of September 30, 2023. The Company had $4.2 million in deferred revenue, $8.7 million in contract loss accruals, no contract assets associated with contracts with RXR FP, $7.3 million accounts receivable due from RXR FP or an agent acting on behalf of RXR FP, and no accounts payable due to RXR FP as of December 31, 2022. As discussed in Note 9, the Company issued the RXR Warrants to RXR FP on October 25, 2022. Refer to Note 9 for further information on the RXR Warrants.

15. Subsequent Events

The Company has evaluated subsequent events from the balance sheet date through the date the financial statements were issued and has determined that, other than the events disclosed below, no additional material subsequent events exist.

Credit Agreement

On October 16, 2023, the Company entered into a new senior secured term loan credit agreement with Cantor Fitzgerald Securities, as administrative agent and as collateral agent, and the lenders party thereto (the “Credit Agreement”). The Credit Agreement establishes (i) a $12.5 million senior secured term loan facility and (ii) a $37.5 million senior secured delayed draw term loan facility, each maturing on September 30, 2027. Loans made under the term loan facility will bear interest at an annual rate equal to Term SOFR, plus (i) a margin of 7.50%, for interest paid in cash, or (ii) a margin of 14.0%, for interest paid in kind. In addition, the Company will pay an unused commitment fee in the amount equal to the annual rate of 3.75% times the daily unused portion of the revolving credit commitment. The unused commitment fee is payable quarterly in arrears. Upon closing of the Credit Agreement, the Company borrowed an initial $12.5 million, resulting in net proceeds of approximately $10 million, after deducting fees and estimated offering expenses.

The Company’s ability to make the anticipated additional draws are subject to (i) a cap on the amount of draws that may be requested in any one calendar week of $2 million, (ii) with respect to any draw made after December 31, 2023, delivery of a budget approved by the lenders, (iii) no default or event of default continuing under the Credit Agreement, (iv) the representations and warranties set forth in the Credit Agreement and the related loan documentation being true and correct in all material respects, (v) the use of proceeds of any such draw not being in contravention with the then-current approved budget, (vi) the consummation of certain required post-closing requirements and (vii) liquidity of at least $25 million. If the Company is not able to secure sufficient financing and the audited financial statements for the fiscal year ending December 31, 2023 include a “going concern” qualification, this will result in an event of default under the Credit Agreement. Should an event of default occur, any available borrowings from the Credit Agreement would no longer be available and outstanding indebtedness under the Credit Agreement may become immediately due and payable.

Mandatory prepayments of the term loan facility are required to be made upon the occurrence of certain events, including, without limitation, the incurrence of non-permitted indebtedness. Voluntary prepayments are permitted at any time, subject to certain prepayment premiums. The Credit Agreement contains a minimum cash balance covenant as well as customary affirmative and negative covenants, including limitations with respect to indebtedness, liens, investments, dividends, disposition of assets, change in business and transactions with affiliates. The Credit Agreement contains a subjective acceleration clause based on the lender determining, in the exercise of its reasonable discretion, that a “material adverse effect” in our business has occurred. If this clause is applied, and the lender declares that an event of default has occurred, the outstanding indebtedness under the Credit Agreement may become immediately due and payable. The Company intends to use the proceeds of the term loan facility for ordinary and necessary business expenses not inconsistent with the terms of the Credit Agreement.

Restructuring

On October 13, 2023, the Company decreased overall headcount by approximately 100 employees, which represented approximately 22% of full-time employees as of October 13, 2023. The reduction in workforce was substantially implemented in October 2023.

The Company expects to incur a one-time charge of approximately $2.1 million in the fourth quarter of 2023 related to the restructuring plan, consisting primarily of one-time severance payments upon termination of the employees impacted by the reduction in force and continued benefits for a specific period of time with related cash payments expected to be substantially paid out by November 15, 2023. The Company expects such payments to be the only direct expense of the reduction in workforce. The Company does not expect to recognize a stock-based compensation expense for impacted employees related to vested awards and does not anticipate modifying the affected employees’ stock awards in a manner that would result in additional expenses. The severance-related and non-cash charges that the Company expects to incur in connection with, or as a result of, the workforce reduction, are subject to a number of assumptions, and actual results may differ materially from these estimates. The Company may also incur additional costs not currently contemplated due to unanticipated events that may occur as a result of, or that are associated with, its workforce reduction.

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

The following management's discussion and analysis is provided in addition to the accompanying condensed consolidated financial statements and notes, and for a full understanding of the Company's results of operations and financial condition should be read in conjunction with the condensed consolidated financial statements and notes included in this Quarterly Report on Form 10-Q included in Part I, Item 1, "Financial Statements (Unaudited)" and the consolidated financial statements and notes for the fiscal year ended December 31, 2022 included in the Company's 2022 Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission ("SEC") on March 31, 2023.

Overview

Our Business

We are a leading smart buildings platform and technology company that transforms buildings to improve human health and experience, reduce energy consumption and carbon emissions, and generate additional revenue for building owners.

Our innovative products are designed to enable people to lead healthier and more productive lives by increasing access to daylight and views, while minimizing associated glare and heat from the sun and keeping occupants comfortable. These products also simultaneously reduce energy consumption from lighting and HVAC, thus reducing carbon emissions. To achieve these benefits, we design, manufacture, and provide electrochromic or smart glass panels to which we add a 1 micrometer (~1/100th the thickness of human hair) proprietary electrochromic coating. These smart glass panels, in combination with our proprietary network infrastructure, software and algorithms, intelligently adjust in response to the sun by tinting from clear to dark states, and vice versa, to minimize heat and glare without ever blocking the view. In addition, we offer a suite of fully integrated, cloud-connected smart-building products that are designed to enable us to further optimize the human experience within buildings, improve cybersecurity, further reduce energy usage and carbon footprint, reduce real estate operating costs, provide real estate owners greater visibility into and control over the utilization of their assets, and provide a platform on which to integrate and deploy new technologies into buildings.

Our earlier generation products are described best as "smart glass," which are primarily composed of three components that all work together to produce a solution:

- the insulating glass unit, which is either double or triple pane with a micrometer semiconductor (or electrochromic) coating;
- the network infrastructure, which is composed of the controllers, connectors, sensors, and cabling; and
- the software, which includes the predictive algorithms, artificial intelligence, remote management tools, and user-facing iOS and Android apps, to control the tint of the glass.

After we completed installations in a few hundred buildings, we identified an opportunity to use our network infrastructure and cabling as the backbone on which different smart and connected devices in a typical building could operate. We believe customers using View Smart Glass can leverage our network as their building's operations technology infrastructure to reduce duplicative labor costs, reduce materials usage, provide better cyber security, improve visibility and management of connected devices, and future-proof the building through easy upgradability.

Recognizing the opportunity to significantly improve the human experience, energy performance and carbon footprint in buildings, and real estate operating costs through adoption of technology, we began selling a Smart Building Platform, which is a fully integrated smart window platform, to building owners starting in 2021. Concurrent with the commencement of the sales efforts, we also began hiring an extensive team of construction managers, project managers, and building specialists to enable us to work towards delivering the fully installed and integrated Smart Building Platform, which had historically been the responsibility of the general contractor's glazing and low-voltage electrician ("LVE") subcontractors.

The Smart Building Platform includes end-to-end design and deployment services, and also enables next generation Smart Building Technologies. We began offering our Smart Building Platform for the following strategic reasons:

- To optimize the design, aesthetics, energy performance and cost of the entire smart façade (or digital skin) of the building, rather than just one component (smart glass), thus benefiting both customers and us.
- To elevate the window selection and purchase decision to a customer and decision maker that has a more global view of the project and is in a much better position to make an informed decision regarding all the benefits provided by our Smart Building Platform.
- To accelerate the integration of new technologies into the fabric of the building. Today, this includes integrating environmental quality sensors and immersive, transparent, high-definition displays into smart windows. Importantly, our smart façade design enables future hardware and software upgrades into the building infrastructure.

- We believe delivering a digital, connected façade and smart building platform will enable future business opportunities and pricing models as buildings, both existing and new, incorporate additional technology and connected products.

Our next generation, smart building network is designed as a scalable and open infrastructure in which the smart window is now another node of the network; in addition, the network is now equipped to host other connected devices and applications, from both us and third parties, as additional nodes on the network. The network has its own 48v direct current power and power-over-ethernet ports to incorporate other connected devices on a standard protocol. Also integrated into the network throughout the building is gigabit speed linear ethernet coaxial cable, as well as optical fiber. Computer processing is also built into the backbone of the network with x86 and ARM processing cores. The network also includes an operating system with capabilities to run third party applications and services, security protocol to protect buildings from cyberattacks, and several elements of a digital twin of the building. Our smart building network also hosts artificial intelligence and machine learning engines, which we developed, and also provides access to artificial intelligence and machine learning engines that are in the cloud. The exterior of the building is the largest in surface area. With the smart building network, the entire exterior of the building can be digitized. Activating the exterior through digitization creates multiple opportunities for building owners and occupants.

This next generation, smart building network enables other devices and smart building applications to be built and connected to our smart building network. A few applications we have already built and deployed on our next generation network include:

- Transparent Displays: View Immersive Display. Integrated into the smart window and connected to the same network as the glass, Immersive Display allows users to turn their windows into the equivalent of an iPad or tablet — an interactive digital display that allows users a new way to digest multi-media content. Immersive Displays are large-format (55 inches and larger), digital, high-definition, interactive canvases that can be used to broadcast content, host video calls and display information and digital art to large groups of people, while maintaining a view of the outdoors through the window on which it is integrated.
- Personalized Health: View Sense. An integrated, enterprise-grade, secure, sensor module that monitors multiple environmental variables (e.g., CO_2, Temperature, Volatile Organic Compounds, Humidity, Dust, Light, and Noise) to provide illustrative data and information to building management teams in order to improve building performance and enhance human health and comfort.

With the completed launch and ramp of our fourth-generation smart glass product and our Smart Building Platform product, as well as the launch of new product offerings in our Smart Building Technologies in 2022, our investment in R&D has been focused on improvements to the unit cost of our products and collaborating with other industry partners to integrate their devices and applications with our smart building network, with the aim of making building occupants more comfortable, healthier, and more productive, making buildings more sustainable, and providing better information to building owners to streamline operations and reduce operating costs.

In terms of the value propositions to our customers, our earlier generation smart glass product focused primarily on improving occupant experience and reducing energy costs through adjustments of the glass tint. The current generation of the product focuses not only on improving energy savings and user experience through smart glass; it also focuses on increasing occupant productivity, creating healthier buildings, and using data from other devices to develop broader insights that further improve building operations and reduce energy usage. Current scientific research supports that cognitive function and in turn, productivity goes up when building occupants are exposed to more natural light and comfortable workspaces; they sleep better, and they experience less eye strain, fewer headaches, and lower stress. In a study published in the International Journal of Environmental Health and Public Health in 2020, researchers at the University of Illinois and SUNY Upstate Medical University found that employees working next to View Smart Glass during the day slept 37 minutes longer each night, experienced half as many headaches, and performed 42% better on cognitive tests. The research was sponsored in part by us.

We also recognized that the new Smart Building Platform offering would potentially enable us to move ‘up’ the supply chain of the construction industry. Whereas our traditional offering placed us in the role of a supplier to subcontractors of the General Contractor (“GC”), the level of integration and oversight needed to ensure a quality installation and integration of the complete smart building platform is designed to incentivize building owners and GCs to engage directly with us, engaging us to assume the role of the prime contractor for the platform rather than supplier of subcomponent materials. This would also better position us to upsell additional goods and services to the building owners in the future, which could be more efficiently integrated into the smart building platform than with the traditional offering.

Today, our Smart Glass products are installed into over 48 million square feet of buildings, including offices, hospitals, airports, educational facilities, hotels, and multi-family residences. In addition to our Smart Building Platform, we continue to sell smart windows through our Smart Glass offering and several, individual smart building products through our Smart Building Technologies offerings. Across our combined product lines, our products are installed in 100 million square feet of buildings.

To date, we have devoted our efforts and resources towards the development, manufacture, and sale of our product platforms, which we believe have begun to show strong market traction. We have also devoted significant resources to enable our View Smart Building Platform, a new offering beginning in 2021. For the three months ended September 30, 2023 and 2022, our revenue was $38.2 million and $23.8 million, respectively, representing period-over-period growth of 60.8%. For the nine months ended September 30, 2023 and 2022, our revenue was $84.6 million and $57.1 million, respectively, representing period-over-period growth of 48.2%.

Key Factors Affecting Operating Results

Restructuring and Going Concern

Our growth strategies depend upon our ability to continue as a going concern. As of the date of this Quarterly Report on Form 10-Q, we have determined that there is substantial doubt about our ability to continue as a going concern, as we estimate that our existing financial resources are only adequate to fund our forecasted operating costs and meet our obligations into, but not beyond the first quarter of 2024. This projection is based on our current expectations regarding revenues, collections, cost structure, current cash burn rate, initial net proceeds of approximately $10 million and anticipated additional draws of $37.5 million from the Credit Agreement discussed further in Note 15 of the "Notes to Condensed Consolidated Financial Statements" included in Part I, Item 1, and other operating assumptions. Our ability to make additional draws are subject to (i) a cap on the amount of draws that may be requested in any one calendar week of $2 million, (ii) with respect to any draw made after December 31, 2023, delivery of a budget approved by the lenders, (iii) no default or event of default continuing under the Credit Agreement, (iv) the representations and warranties set forth in the Credit Agreement and the related loan documentation being true and correct in all material respects, (v) the use of proceeds of any such draw not being in contravention with the then-current approved budget, (vi) the consummation of certain required post-closing requirements and (vii) liquidity of at least $25 million. If we are not able to secure sufficient financing and our audited financial statements for the fiscal year ending December 31, 2023 include a "going concern" qualification, this will result in an event of default under the Credit Agreement. Should an event of default occur, any available borrowings from the Credit Agreement would no longer be available and the outstanding indebtedness under the Credit Agreement may become immediately due and payable. To address our cash needs, we continue to seek additional sources of capital, although, to date, additional sources of capital have not been identified. As there can be no assurance that such necessary financing will be available, we may be required to execute other strategic alternatives to maximize stakeholder value, including further expense reductions, sale of all or portions of the business, corporate capital restructuring or formal reorganization, or liquidation of assets.

In order to reduce the cash used in operating activities, we implemented certain cost savings initiatives in the second half of 2022 and a restructuring plan in March 2023 as further discussed in Note 11 of the "Notes to Condensed Consolidated Financial Statements" included in Part I, Item 1, as well as additional restructuring activities in October 2023 as further discussed in Note 15 of the "Notes to Condensed Consolidated Financial Statements" included in Part I, Item 1. While these plans are anticipated to reduce cash outflow when compared to prior periods, our continued existence is dependent upon our ability to obtain additional financing, as well as to attain and maintain profitable operations by entering into profitable sales contracts and generating sufficient cash flow to meet our obligations on a timely basis. Our business will require a significant amount of capital investments to execute our long-term business plans.

Impairment of Long-lived Assets

During the third quarter of 2023, due to a continued decline in economic and market conditions, including a continued decline in our market capitalization, rising interest rates and a prolonged outlook for a continued slow-down in the real estate market, as well as a limited amount of additional financing being secured and revised projections for our future operating results, we determined that a triggering event existed requiring our assets to be evaluated for impairment as of September 30, 2023. As a result, we performed an interim quantitative impairment analysis as of this date. Under the accounting guidance in ASC 360, the excess of the carrying value over the fair value of the asset group was recognized as an impairment loss and allocated to assets for which the carrying value exceeded their respective fair value. Certain assets were not allocated any impairment as the fair values of such assets approximated their respective carrying amounts. Based on the results of the analysis, we recorded an impairment charge during the three months ending September 30, 2023 of approximately $170 million to write down the value of property and equipment. The analysis and impairment charge is further discussed in Note 4 of the "Notes to Condensed Consolidated Financial Statements" included in Part I, Item 1.

Execution of Growth Strategies

We believe that we are just beginning to address our market opportunity, which we expect to be driven by four multi-decade, secular trends: (i) climate change, Environmental, Social and Governance ("ESG") and sustainability, (ii) a growing focus on human health inside buildings, (iii) an increased desire for better human experiences in buildings, and (iv) a growing demand for smart and connected buildings.

To capitalize on these trends and our market opportunity, we must execute on multiple growth initiatives, the success of which may depend on our ability to develop mainstream acceptance of our products, including (i) increasing awareness of our products and their benefits across major markets in North America and internationally, (ii) increasing recurring sales, (iii) expanding our product portfolio, (iv) expanding our sales channels to include real estate brokers, (v) continuing to develop strong relationships with ecosystem partners such as building owners, developers, tenants, architects, contractors, low voltage electricians and glaziers, and (vi) expanding outside North America into international markets.

On August 16, 2022, the Inflation Reduction Act of 2022 (“IRA”) was passed by Congress and signed into law by President Joe Biden. The IRA includes the implementation of a new alternative minimum tax, an excise tax on stock buybacks, and significant tax incentives for energy and climate incentives, and other provisions. The Investment Tax Credit (“ITC”) available to our customers under the IRA is expected to drive demand for our products by reducing the net cost of our products to our customers. However, the full future impact of the ITC cannot be known with any certainty, and we may not recognize any or all of the expected benefits of the ITC.

While we believe that the prevailing secular trends will continue to drive adoption of smart glass in the long term, current macro-economic factors, including higher interest rates, uncertainty in the lending markets and post COVID-19 pandemic office occupancy are having a negative impact on the overall real estate market and our near-term outlook. These macro-economic factors continue to put downward pressure on new builds as well as capital improvement projects. We are working to address the macro-economic pressure by pivoting to multi-family residential developments, focusing on key platform accounts, and striving to select projects with favorable economics. The market for our products has been and could continue to be affected by concerns about our current liquidity and future viability, as described in detail above under “Restructuring and Going Concern.” We have been actively right-sizing the organization with cash savings initiatives as we focus on reaching profitability and pursuing additional necessary financing. Due to the above factors, our historical performance may not be a meaningful indicator of future results.

Technology Innovation

With more than 1,400 patents and patent filings and over 15 years of research and development experience, we have a history of technological innovation. We have a strong research and development team, including employees with expertise in all aspects of the development process, including materials science, electronics, networking, hardware, software, and human factors research. Since inception, we have made significant investments in research and development and hiring top technical and engineering talent to improve our existing products and develop new products to increase our differentiation in the market. In 2021 and 2020, we introduced a new suite of products to complement our market-leading smart glass and optimize the human experience while making buildings more intelligent. These products are collectively referred to under the umbrella brand name “The Smart Building Cloud”:

- View Net. Our next generation controls, software, and services (“CSS”), a cloud-connected, network infrastructure offering that powers our smart glass products and can incorporate and power other smart building devices from us and other companies. This high bandwidth data and low voltage power network serves as the backbone to an intelligent building platform and provides future-proofing by enabling the addition of new capabilities during a building’s lifetime.
- View Immersive Display. Our transparent, digital, interactive surface product that incorporates see-through, high definition displays directly onto the smart window.
- View Sense. Modules that provide the ability to measure and optimize light, humidity, temperature, air quality, dust, and noise to improve occupant wellness.
- View Secure Edge. Our plug-and-play edge-to-cloud solution that enables IT and digital innovation teams to securely connect new and existing buildings to the cloud; centrally manage building networks, systems, and data in the cloud; and deploy edge applications for real-time processing, insights, and optimizations.
- View Remote Access. Our secure access portal that enables IT teams to reduce the cost and cybersecurity risks of maintaining smart buildings by providing vendors and technicians with secure, auditable, time-bound remote access to building networks and devices.
- View Building Performance. Our configurable application and web-based tool that enables building managers to measure, optimize and automate building performance with comprehensive, contextual, and actionable insights consolidated from disparate on-premises and cloud-based systems.
- View Workplace Experience. Our configurable application and web-based tool that enables corporate facilities managers to create healthier, more efficient, and more productive workplaces by uncovering actionable insights related to building health, space utilization and workplace operations.

With the completed launch and ramp of our fourth-generation smart glass product and our Smart Building Platform product, as well as the launch of new product offerings in our Smart Building Technologies behind us, we have recently determined to reduce the level of spend in research and development as we focus on the profitability of our business. As such, we anticipate a reduction in research and development expenses during 2023 and 2024 as compared to prior periods.

Competition

We compete in the commercial window industry and the electrochromic glass industry, as well as within the larger smart building products industry, each of which is highly competitive and continually evolving as participants strive to distinguish themselves within their markets, including through product improvement, addition of new features, and price. We believe that our main sources of competition are existing commercial window manufacturers, electrochromic glass manufacturers, and companies developing smart building products and intrusion detection solution technologies. We believe the primary competitive factors in our markets are:

- Technological innovation;
- Ability to integrate multiple systems efficiently and effectively;
- Product performance;
- Product quality, durability, and price;
- Execution track record; and
- Manufacturing efficiency.

Capacity

We currently manufacture the insulating glass units ("IGUs") included in the View Smart Glass and View Smart Building Platform product offerings at our production facility located in Olive Branch, Mississippi. We operate a sophisticated manufacturing facility designed for performance, scale, durability, and repeatability. Our manufacturing combines talent, equipment, and processes from the semiconductor, flat panel display, solar and glass processing industries. Our proprietary manufacturing facility has been in use since 2010. We currently operate one production line in our facility with a name-plate capacity of approximately 5 million square feet of smart glass per year. While we have partially completed the construction of a second production line at our Olive Branch facility that we expect, once operational, would increase name-plate capacity by an additional 7.5 million square feet of smart glass per year, the completion would require additional capital expenditure of approximately $90 million. We believe our current production line will be sufficient to meet our near-term plans for economies of scale, demand, and profitability milestones.

Components of Results of Operations

Revenue

View Smart Building Platform

We generate revenue by providing customers with a fully functional Smart Building Platform, a complete interrelated and integrated platform that combines our smart glass IGUs, the fabrication, unitization, and installation of the framing of those IGUs, and installation of the completed smart glass windows and CSS components. We enter into contracts to provide our View Smart Building Platform with our customers, which typically are the owners, tenants or developers of buildings, or the general contractor acting on behalf of our customers.

The contract with the customer outlines our rights and obligations, including specifications of the integrated platform to be provided. We take responsibility for all activities needed to fulfill our single performance obligation of transferring control to the customer of a fully operational Smart Building Platform deliverable; from design, fabrication, installation, integration, commissioning, and testing. Underlying these activities is our responsibility for performing an essential and significant service of integrating each of the inputs of the completed solution. Given that we are responsible for providing the service of integrating each of the inputs into a single combined output, we control that output before it is transferred to the customer and accordingly, we are the principal in the arrangement and will recognize the entire arrangement fee as our revenue, with any fees that we pay to our subcontractors recognized in our cost of revenue.

Our View Smart Building Platform contracts to deliver a fully installed and functioning smart window curtain wall platform are typically considered one performance obligation that is satisfied as construction progresses. We recognize revenue over time as we provide services to satisfy our performance obligation. These contracts are typically long-term in nature and services are provided over an extended period, transcending multiple financial reporting periods.

We determine the transaction price based on the consideration expected to be received, which is the contract price. When the contract contains payment terms that are extended beyond one year or other financing arrangements in conjunction with the contract, a significant financing component may exist. In such cases, we adjust the contract price at an amount that reflects the cash selling price. Payment terms may vary but are generally net 30 days from request for payment.

We recognize revenue over time using a cost-to-cost input method where progress on the performance obligation is measured by the proportion of actual costs incurred to the total costs expected to complete the contract. Recognizing revenue using a cost-to-cost input method provides an objective measure of progress and thereby best depicts the extent of transfer of control to the customer. Management judgment is required to estimate the progress towards completion. Significant changes in this estimate could affect the profitability of our contracts. Changes to estimated profit on contracts are recognized using a cumulative catch-up adjustment which recognizes in the current period the cumulative effect of the changes on current and prior periods based on a contract's progress towards fulfillment of the performance obligation. When the total estimated costs to be incurred for a contract exceed the transaction price, an accrual for the loss on the contract is recognized as cost of revenue in the period the contract is signed, and adjusted periodically as estimates are revised. As actual costs are incurred that are in excess of revenue recognized, they are recorded against the loss accrual, which is therefore reduced.

View Smart Glass

We also generate revenue as a materials provider from the (i) manufacturing and sale of View Smart Glass IGUs and (ii) selling the View Smart Glass CSS components that when combined with the IGUs, enable the IGUs to tint. View Smart Glass CSS revenue also includes a system design document that lays out the design of the IGUs and CSS components and a commissioning service in which the installed IGUs and CSS components are tested, and tinting configurations are set by us. Smart Glass products are designed and fabricated by us in order to meet the building-site specifications of the end user, which is typically the owner, tenant or developer of buildings. When the end user approves of the use of our products, a non-binding letter of understanding with the owner, tenant or developer is signed.

We subsequently enter into the legally enforceable supplier contracts with our customers, which are typically glaziers for IGUs and low-voltage electricians ("LVE") or General Contractors ("GC") for CSS, to deliver the Smart Glass products and services. The glaziers and LVEs are both subcontracted by the end user and are responsible for the design of the integrated platform, as well as assembly and installation of the IGUs and the CSS electrical components. As such, for this product offering, we serve as a materials provider to our customers and do not have a role in the assembly nor the installation of the framed IGUs. We enter into separate legally binding agreements with both the glazier and the LVE or GC, who are unrelated parties and therefore such contracts cannot be combined and accounted for as a single contract. We perform a commissioning service under the CSS contract after our customers have completed installation of the IGUs and CSS electrical components.

Contracts with glaziers for IGUs include the promise to provide multiple customized IGUs. Each IGU represents a distinct and separate single performance obligation as the customer can benefit from each unit on its own. Each unit is separately identifiable and does not modify or customize other units. We determine the transaction price based on the consideration expected to be received, which is generally the contractual selling price. Since the IGUs are customized to meet the building-site specifications of the ultimate end customer and have no alternative use to us and we have contractually enforceable rights to proportionate payment of the transaction price for performance completed to date, we recognize revenue over time as each IGU is manufactured using a cost-to-cost input method. Recognizing revenue using a cost-to-cost input method best depicts our performance in transferring control of the IGUs to the customer.

Contracts to deliver CSS to the customer, typically LVEs or GCs, contain multiple performance obligations for each promise in the CSS arrangement which is capable of being distinct and is separately identifiable in the context of the contract. This assessment requires management to make judgments about the individual promised good and service and whether each good and service is separable from the other goods and services in the contract. We determine the transaction price based on the consideration expected to be received, which is generally the contractual selling price. We allocate the transaction price to each performance obligation based on the relative standalone selling price ("SSP"). Management judgment is required in determining the SSP for contracts that contain products and services for which revenue is recognized both over time and at a point in time, and where such revenue recognition transcends multiple financial reporting periods due to the timing of delivery of such products and services. SSP is estimated based on the price at which the performance obligation is sold separately. We recognize revenue allocated to each performance obligation at the time the related performance obligation is satisfied by transferring control of the promised good or service to a customer. For the control panels and electrical components, transfer of control generally occurs at a point in time upon shipment or delivery of the product and revenue is recognized upon shipment. For the system design, transfer of control generally occurs upon customer acceptance and revenue is recognized upon customer acceptance. For the commissioning services, which have a relatively short period of time over which the services are provided, transfer of control generally occurs upon acceptance of the installed products by the end user and revenue is recognized upon customer acceptance.

When the contract contains payment terms that are extended beyond one year or we enter into loan or financing arrangement in conjunction with the contract, a significant financing component may exist. In such cases, we adjust the contract price at an amount that reflects the cash selling price. We use a discount rate representing a borrowing rate as if a separate financing transaction been entered between the two parties based on the customer's creditworthiness.

In limited circumstances, we contract to provide extended or enhanced warranties of our products outside of the terms of our standard assurance warranty, which are recognized as revenue over the respective term of the relevant extended or enhanced warranty period.

View Smart Building Technologies

View Smart Building Technologies includes a suite of products that can be either integrated into the View Smart Building Platform, added-on to View Smart Glass contracts or sold separately. Our customers are typically the owners or tenants of buildings. Some of our View Smart Building Technologies contracts offer software as a service pricing, which includes the use of our software applications, as a service, typically billed on a monthly or annual basis. Our contracts associated with these products, including implementation, support, and other services, represent a single promise to provide continuous access to our software solutions and their processing capabilities in the form of a service. Revenue on these services is recognized over the contract period.

Cost of Revenue

Cost of revenue consists primarily of the costs to manufacture and source our products, including the costs of materials, customer support, outside services, shipping, personnel expenses including salaries and related personnel expenses and stock-based compensation expense, equipment and facility expenses including depreciation of manufacturing equipment, rent and utilities, and insurance and taxes, warranty costs, and inventory valuation provisions.

The primary factor that impacts our cost of revenue as a percentage of revenues is the significant base operating costs that we incur as a result of our investment in manufacturing capacity to provide for future demand. At current production volume, these significant base operating costs result in higher costs to manufacture each IGU when compared to the sales price per IGU. As demand for our products increases and we achieve higher production yields, our cost of revenue as a percentage of revenue will decrease. In light of the current macro-economic pressures discussed above, we have worked to right-size our manufacturing operations to lower the total cost of manufacturing. However, these savings only partially offset the change in estimated future manufactured IGU per-unit costs due to a revised near-term projected production outlook, which has the effect of sustaining the higher unit costs in the near-term. Additional factors that impact our cost of revenue as a percentage of revenues include manufacturing efficiencies, cost of material, and mix of products. We expect to continue to incur significant base operating costs that will be absorbed over larger volumes of production as we scale our business. Following the restructuring plan discussed in Note 11 and Note 15 of the "Notes to Condensed Consolidated Financial Statements" included in Part I, Item 1, we have and expect to continue to reduce certain of these base operating costs as we focus on the profitability of our business.

Cost of revenues also includes the cost of subcontractors engaged to fabricate and unitize the specific smart glass products and for installation of IGUs and smart building infrastructure components. Further, and in contrast to View Smart Glass contracts in which losses associated with IGUs are recognized over time, our cost of revenue for our Smart Building Platform contracts includes the recognition of contract losses recorded upfront at contract execution within an initial loss accrual when the total current estimated costs for these contracts exceeds total contracted revenue. Revenue for these contracts is recognized as progress is made toward fulfillment of the performance obligation and cost of revenue is recognized equal to the revenue recognized. Actual costs incurred in excess of the revenue recognized are recorded against the initial loss accrual, which is then reduced. Given the growing nature of our business, we incur significant base operating costs attributable to our IGU production costs, which is a significant factor to the losses on these contracts. We have made improvements in our supply chain economics for our Smart Building Platform projects, and anticipate continued improvements over time, which provides for improving contract-level economics to cover these base manufacturing costs. Additionally, as demand for our products increases, we expect to absorb these base operating costs over larger volumes of production. Therefore, we expect that the contract loss for individual contracts will decrease over time as a percentage of the total contract value. These economies of production have not been realized to date and the total amount of contract losses may not decrease in the near term due to the current macro-economic pressures discussed above.

Research and Development Expenses

Research and development expenses consist primarily of costs related to research, design, maintenance, and enhancements of our products, including software that are expensed as incurred. Research and development expenses consist primarily of costs incurred for salaries and related personnel expenses, including stock-based compensation expense, for personnel related to the development of improvements and expanded features for our products, materials and supplies used in development and testing, payments to consultants, outside manufacturers, patent related legal costs, facility costs and depreciation. With the completed launch and ramp of our fourth-generation smart glass product and our Smart Building Platform product, as well as the launch of new product offerings in our Smart Building Technologies behind us, we determined to reduce the level of spend in research and development as we focus on the profitability of our business as part of our restructuring plan discussed in Note 11 and Note

15 of the “Notes to Condensed Consolidated Financial Statements” included in Part I, Item 1. As such, we anticipate a reduction in our research and development expenses during 2023 and 2024 as compared to prior periods.

Selling, General and Administrative Expenses

Selling, general, and administrative expenses consist primarily of salaries and related personnel expenses, including stock-based compensation, costs related to sales and marketing, finance, legal and human resource functions, contractor and professional services fees, audit and compliance expenses, insurance costs, advertising and promotional expenses and general corporate expenses, including facilities and information technology expenses.

We expect our selling, general, and administrative expenses to decrease in absolute dollars in 2023 and 2024 following our restructuring plan discussed in Note 11 and Note 15 of the “Notes to Condensed Consolidated Financial Statements” included in Part I, Item 1, as we aim to right-size the business while focusing our presence in key geographies to support our customers and grow our business. Over time, we expect our selling, general and administrative expenses to decline as a percentage of revenue as we leverage these costs.

Impairment of Long-lived Assets

Impairment of long-lived assets consist of an impairment of a note receivable during the second quarter of 2023 and an impairment of property and equipment, net during the third quarter of 2023. The impairment of the note receivable resulted from a change in the assessment of the credit risk of the customer associated with the note receivable. The impairment of property and equipment resulted from the interim quantitative impairment analysis performed on all of our long-lived assets as of September 30, 2023. For further information on these impairments, refer to Note 4 of the “Notes to Condensed Consolidated Financial Statements” included in Part I, Item 1.

Restructuring Costs

Restructuring costs consist of severance and related costs, as well as costs incurred to relocate certain long-lived assets from our headquarters to our manufacturing facility, which are associated with the restructuring plan discussed in Note 11 and Note 15 of the “Notes to Condensed Consolidated Financial Statements” included in Part I, Item 1.

We may incur additional costs in the future due to events that may occur as a result of, or that are associated with, the restructuring or other undetermined plans to reduce structural costs.

Interest Expense, Net

Interest expense, net consists primarily of interest paid on our debt facilities and amortization of debt discounts and issuance costs, net of interest income primarily received or earned on our cash, cash equivalents and short-term investment balances.

Other Expense (Income), Net

Other expense, net primarily consists of penalties we expect to incur for the settlement of an environmental matter in 2021, foreign exchange gains and losses, and realized gains and losses from the sale of short-term investments.

Gain on Fair Value Change, Net

Our Sponsor Earn-out Shares and Private Warrants are subject to remeasurement to fair value at each balance sheet date. Changes in fair value as a result of the remeasurement are recognized in gain on fair value change, net in the consolidated statements of operations. We will continue to adjust the remaining outstanding instruments for changes in fair value until the Earn-Out Triggering Events are met, the earlier of the exercise or expiration of the Warrants.

Provision for Income Taxes

Our provision for income taxes consists of an estimate of federal, state, and foreign income taxes based on enacted federal, state, and foreign tax rates, as adjusted for allowable credits, deductions, uncertain tax positions, changes in deferred tax assets and liabilities, and changes in tax law. Due to the level of historical losses, we maintain a valuation allowance against U.S. federal and state deferred tax assets as we have concluded it is more likely than not that these deferred tax assets will not be realized.

Results of Operations

The following table sets forth our historical operating results for the periods indicated (in thousands, except percentages):

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2023		2022		2023		2022	
	Amount	% of net sales	Amount	% of net sales	Amount	% of net sales	Amount	% of net sales
Revenue	$ 38,220	100.0 %	$ 23,762	100.0 %	$ 84,602	100.0 %	$ 57,090	100.0 %
Cost of revenue	42,573	111.4 %	49,126	206.7 %	124,596	147.3 %	129,219	226.3 %
Gross loss	(4,353)	(11.4 %)	(25,364)	(106.7 %)	(39,994)	(47.3 %)	(72,129)	(126.3 %)
Operating expenses:								
Research and development	8,918	23.3 %	15,554	65.5 %	31,573	37.3 %	56,157	98.4 %
Selling, general, and administrative	25,518	66.8 %	41,174	173.3 %	74,429	88.0 %	124,888	218.8 %
Impairment of long-lived assets	170,300	445.6 %	—	— %	174,300	206.0 %	—	— %
Restructuring costs	(662)	(1.7 %)	—	— %	4,845	5.7 %	—	— %
Total operating expenses	204,074	533.9 %	56,728	238.7 %	285,147	337.0 %	181,045	317.1 %
Loss from operations	(208,427)	(545.3 %)	(82,092)	(345.5 %)	(325,141)	(384.3 %)	(253,174)	(443.5 %)
Interest and other expense (income), net:								
Interest expense, net	4,399	11.5 %	58	0.2 %	11,530	13.6 %	324	0.6 %
Other expense, net	158	0.4 %	118	0.5 %	439	0.5 %	259	0.5 %
Gain on fair value change, net	—	— %	(226)	(1.0 %)	(513)	(0.6 %)	(6,511)	(11.4 %)
Interest and other expense (income), net	4,557	11.9 %	(50)	(0.2 %)	11,456	13.5 %	(5,928)	(10.4 %)
Loss before provision of income taxes	(212,984)	(557.3 %)	(82,042)	(345.3 %)	(336,597)	(397.9 %)	(247,246)	(433.1 %)
Provision for income taxes	62	0.2 %	23	0.1 %	98	0.1 %	77	0.1 %
Net and comprehensive loss	$ (213,046)	(557.4 %)	$ (82,065)	(345.4 %)	$ (336,695)	(398.0 %)	$ (247,323)	(433.2 %)

Revenue

The following table presents our revenue by major product offering (in thousands, except percentages):

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2023	2022	Change ($)	Change (%)	2023	2022	Change ($)	Change (%)
Smart Building Platform	$ 25,031	$ 11,317	$ 13,714	121.2 %	$ 53,688	$ 29,578	$ 24,110	81.5 %
Percentage of total revenue	65.5 %	47.6 %			63.5 %	51.8 %		
Smart Glass	11,156	10,320	836	8.1 %	23,529	19,809	3,720	18.8 %
Percentage of total revenue	29.2 %	43.4 %			27.8 %	34.7 %		
Smart Building Technologies	2,033	2,125	(92)	(4.3 %)	7,385	7,703	(318)	(4.1 %)
Percentage of total revenue	5.3 %	8.9 %			8.7 %	13.5 %		
Total	$ 38,220	$ 23,762	$ 14,458	60.8 %	$ 84,602	$ 57,090	$ 27,512	48.2 %

The following table presents our revenue by geographic area and is based on the shipping address of the customers (in thousands, except percentages):

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2023	2022	Change ($)	Change (%)	2023	2022	Change ($)	Change (%)
United States	$ 37,500	$ 21,743	$ 15,757	72.5 %	$ 80,470	$ 52,852	$ 27,618	52.3 %
Percentage of total revenue	98.1 %	91.5 %			95.1 %	92.6 %		
Canada	720	2,009	(1,289)	(64.2 %)	4,132	4,170	(38)	(0.9 %)
Percentage of total revenue	1.9 %	8.5 %			4.9 %	7.3 %		
Other	—	10	(10)	(100.0 %)	—	68	(68)	(100.0 %)
Percentage of total revenue	— %	— %			— %	0.1 %		
Total	$ 38,220	$ 23,762	$ 14,458	60.8 %	$ 84,602	$ 57,090	$ 27,512	48.2 %

Our revenue totaled $38.2 million during the three months ended September 30, 2023, a 60.8% increase from $23.8 million during the three months ended September 30, 2022. Our revenue totaled $84.6 million during the nine months ended September 30, 2023, a 48.2% increase from $57.1 million during the nine months ended September 30, 2022. The increases during the three and nine months ended September 30, 2023 compared to the same periods in the prior year were primarily due to an increase in Smart Building Platform revenues driven by a continued shift in new projects from our Smart Glass offering to this offering, reflective of repeat purchases from existing customers indicative of the quality and value of our products, and our shift in focus to the multi-family residential market which continues to experience strong demand. The increase in our Smart Glass revenues is driven by a product mix shift within this offering to our higher priced CSS products, as we have fewer early-stage Smart Glass projects with IGUs in production following the shift to Smart Building Platform.

Costs and Expenses

Cost of Revenue

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2023	2022	Change ($)	Change (%)	2023	2022	Change ($)	Change (%)
Cost of revenue	$ 42,573	$ 49,126	$ (6,553)	(13.3 %)	$ 124,596	$ 129,219	$ (4,623)	(3.6 %)

Cost of revenue totaled $42.6 million, or 111.4% of net sales during the three months ended September 30, 2023, compared to $49.1 million, or 206.7% of net sales during the three months ended September 30, 2022. Cost of revenue totaled $124.6 million, or 147.3% of net sales during the nine months ended September 30, 2023, compared to $129.2 million, or 226.3% of net sales during the nine months ended September 30, 2022. The cost of revenue decreases as a percentage of net sales during these periods reflects the benefit of leveraging the base operating costs in the factory over higher revenues, favorable product mix within and across the three major product offerings, and lower levels of spending on factory and other fixed expenses due to our cash savings initiatives.

The $6.6 million decrease in cost of revenue in absolute dollars during the three months ended September 30, 2023 compared to the same period in the prior year was primarily driven by a $6.9 million decrease in factory operating costs resulting from cost savings initiatives put in place during late 2022 and the restructuring put in place at the end of the first quarter of 2023, as well as a $1.1 million increase to the release of previously recorded contract loss accruals for actual costs incurred in excess of the revenue recognized, which offsets actual costs incurred in the production and delivery of the Smart Building Platform product for the amount incurred in excess of revenues recognized and a $2.7 million net decrease in variable costs associated with manufacturing, which were offset by a $4.0 million increase in provisions for warranty liabilities, primarily related to a change in estimated future manufactured IGU per-unit costs due to a revised near-term projected production outlook. Cost of revenue for the three months ended September 30, 2023 and 2022 included $0.3 million and $0.4 million of stock-based compensation expense, respectively.

The $4.6 million decrease in cost of revenue in absolute dollars during the nine months ended September 30, 2023 compared to the same period in the prior year was primarily driven by:

- a $14.2 million decrease in factory operating costs resulting from cost savings initiatives put in place during 2022 and the restructuring put in place at the end of the first quarter of 2023;
- $6.0 million of lower levels of inventory impairments for raw materials and produced finished goods that were not sold at period end; and
- $1.2 million increase to the release of previously recorded contract loss accruals for actual costs incurred in excess of the revenue recognized, which offsets actual costs incurred in the production and delivery of the Smart Building Platform product for the amount incurred in excess of revenues recognized.

These decreases were partially offset by:

- $9.6 million of increased subcontractor costs used for the delivery of the Smart Building Platform product due to revenue increases in this product offering;
- a $5.2 million increase to estimated costs to complete View Smart Building Platform projects; and
- a $4.6 million increase in provisions for warranty liabilities, primarily related to a change in estimated future manufactured IGU per-unit costs due to a revised near-term projected production outlook.

Cost of revenue for the nine months ended September 30, 2023 and 2022 included $1.0 million and $1.1 million of stock-based compensation expense, respectively.

Research and Development

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2023	2022	Change ($)	Change (%)	2023	2022	Change ($)	Change (%)
Research and development	$ 8,918	$ 15,554	$ (6,636)	(42.7 %)	$ 31,573	$ 56,157	$ (24,584)	(43.8 %)

Research and development expenses decreased $6.6 million during the three months ended September 30, 2023 compared to the same period in the prior year, primarily related to an approximately $4 million reduction in costs for development and enhancement of Smart Building Technology projects either completed during 2022 or not commercialized as part of planned cost reductions, an approximately $2 million reduction in costs for projects related to our IGU product and manufacturing processes, and an approximately $1 million decrease in stock-based compensation expense primarily due to additional stock-based compensation expense recorded during the third quarter of 2022 for the modification of Officer RSUs.

Research and development expenses decreased $24.6 million during the nine months ended September 30, 2023 compared to the same period in the prior year, primarily related to an approximately $12 million reduction in costs for projects related to our IGU product and manufacturing processes and an approximately $12 million reduction in costs for development and enhancement of Smart Building Technology projects either completed during 2022 or not commercialized as part of planned cost reductions, as well as other cost savings initiatives.

Research and development expenses for the three months ended September 30, 2023 and 2022 included $1.0 million and $2.0 million of stock-based compensation expense, respectively. Research and development expenses for the nine months ended September 30, 2023 and 2022 included $3.2 million and $3.6 million of stock-based compensation expense, respectively.

Selling, General, and Administrative

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2023	2022	Change ($)	Change (%)	2023	2022	Change ($)	Change (%)
Selling, general and administrative	$ 25,518	$ 41,174	$ (15,656)	(38.0 %)	$ 74,429	$ 124,888	$ (50,459)	(40.4 %)

The $15.7 million decrease in selling, general, and administrative expenses during the three months ended September 30, 2023 compared to the same period in the prior year was primarily driven by:

- Approximately $7 million decrease for stock-based compensation expense recorded during the third quarter of 2022 for the modification of Officer RSUs;
- Approximately $4 million decrease in stock-based compensation expense primarily related to higher levels of expense recognized in the prior year due to the required use of an accelerated amortization method for the CEO Option Awards, Officer RSUs and Officer Options granted in the first quarter of 2021;
- Approximately $3 million decrease in sales and marketing expenses resulting from cost savings initiatives; and
- Approximately $2 million decrease in legal expenses for costs incurred in 2022 following to the restatement of our financial statements included in our Annual Report on Form 10-K for the years ended December 31, 2021, 2020 and 2019 and the Quarterly Report on Form 10-Q/A for the three months ended March, 31 2021 and 2020, and other related work.

The $50.5 million decrease in selling, general, and administrative expenses during the nine months ended September 30, 2023 compared to the same period in the prior year was primarily driven by an:

- Approximately $19 million decrease in stock-based compensation expense primarily related to higher levels of expense recognized in the prior year due to the required use of an accelerated amortization method for the CEO Option Awards, Officer RSUs and Officer Options granted in the first quarter of 2021;

- Approximately $15 million decrease in legal, consulting and accounting expenses for costs incurred in 2022 related to and following the restatement of our financial statements included in our Annual Report on Form 10-K for the years ended December 31, 2021, 2020 and 2019 and the Quarterly Report on Form 10-Q/A for the three months ended March, 31 2021 and 2020, and other related work;
- Approximately $9 million decrease in sales and marketing expenses resulting from cost savings initiatives; and
- Approximately $7 million decrease for stock-based compensation expense recorded during the third quarter of 2022 for the modification of Officer RSUs.

Selling, general, and administrative expenses for the three months ended September 30, 2023 and 2022 included $9.3 million and $20.8 million of stock-based compensation expense, respectively. Selling, general, and administrative expenses for the nine months ended September 30, 2023 and 2022 included $28.3 million and $54.1 million of stock-based compensation expense, respectively.

Impairment of Long-Lived Assets

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2023	2022	Change ($)	Change (%)	2023	2022	Change ($)	Change (%)
Impairment of long-lived assets	$ 170,300	$ —	$ 170,300	100.0 %	$ 174,300	$ —	$ 174,300	100.0 %

As discussed further in Note 4 of the “Notes to Condensed Consolidated Financial Statements” included in Part I, Item 1, we determined that a triggering event existed requiring our assets to be evaluated for impairment as of September 30, 2023. We compared the carrying value of the asset group to separately identifiable estimated undiscounted cash flows over the remaining useful life of our asset group and concluded that impairment was indicated due to the carrying value exceeding the estimated undiscounted cash flows. We then determined the fair value of the asset group based on the total invested capital as of September 30, 2023 and compared such value to the carrying value of the total invested capital. The excess of the carrying value over the fair value of the asset group was recognized as an impairment loss and allocated to assets for which the carrying value exceeded their respective fair value. Certain assets were not allocated any impairment as the fair values of such assets approximated their respective carrying amounts. Based on the results of the analysis, we recorded an impairment charge during the three months ending September 30, 2023 of approximately $170 million to write down the value of property and equipment.

In June 2021, we entered into a promissory note with one of our customers, pursuant to which the customer has drawn an aggregate principal amount of $10.0 million. We recorded a $4.0 million impairment loss on the note receivable during the three months ended June 30, 2023, resulting from a change in the assessment of the credit risk for the customer. No additional impairment loss was recorded during the three months ended September 30, 2023.

No impairment losses were incurred in the three and nine months ended September 30, 2022.

Restructuring Costs

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2023	2022	Change ($)	Change (%)	2023	2022	Change ($)	Change (%)
Restructuring costs	$ (662)	$ —	$ (662)	100.0 %	$ 4,845	$ —	$ 4,845	100.0 %

During the three months ended September 30, 2023, we recorded a $0.7 million reduction to the amount accrued for other costs for employees impacted by the March 2023 restructuring plan due to a change in the estimate of such costs. Restructuring costs were $4.8 million during the nine months ended September 30, 2023 primarily for employee severance and other costs for employees impacted by the March 2023 restructuring plan and costs incurred related to certain long-lived assets associated with our R&D equipment that were abandoned or relocated from our headquarters to our manufacturing facility in the second quarter of 2023. No restructuring costs were incurred during the three and nine months ended September 30, 2022.

Interest and Other Expense (Income), net

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2023	2022	Change ($)	Change (%)	2023	2022	Change ($)	Change (%)
Interest expense, net	$ 4,399	$ 58	$ 4,341	7,484.5 %	$ 11,530	$ 324	$ 11,206	3,458.6 %
Other expense, net	158	118	40	33.9 %	439	259	180	69.5 %
Gain on fair value change, net	$ —	$ (226)	$ 226	(100.0 %)	$ (513)	$ (6,511)	$ 5,998	(92.1 %)

Interest Expense, Net

Interest expense, net increased $4.3 million and $11.2 million during the three and nine months ended September 30, 2023, compared to the same period in the prior year primarily due interest expense on the Convertible Notes that were issued during the fourth quarter of 2022, partially offset by an increase in interest income related to short-term investments initially purchased during the fourth quarter of 2022.

Other Expense, Net

Other expense, net did not fluctuate materially during the three months and nine months ended September 30, 2023 compared to the same periods the prior year.

Gain on Fair Value Change, Net

The gain on fair value change, net, during the three and nine months ended September 30, 2023 and 2022 was primarily related to changes in the fair value of our Sponsor Earn-Out liability.

Provision for Income Taxes

For the three and nine months ended September 30, 2023 and 2022, our income tax expense was immaterial.

Liquidity and Capital Resources

As of September 30, 2023, we had $50.6 million in cash and cash equivalents and $71.6 million in working capital. Our accumulated deficit totaled $2,931.1 million as of September 30, 2023. For the nine months ended September 30, 2023, we had a net loss of approximately $336.7 million and negative cash flows from operations of approximately $139.6 million. In addition, for the nine months ended September 30, 2022, we had a net loss of approximately $247.3 million and negative cash flows from operations of approximately $204.2 million. We have determined that there is substantial doubt about our ability to continue as a going concern, as we estimate that our existing financial resources are only adequate to fund our forecasted operating costs and meet our obligations into, but not beyond the first quarter of 2024. This projection is based on our current expectations regarding revenues, collections, cost structure, current cash burn rate, initial net proceeds of approximately $10 million and anticipated additional draws of $37.5 million from the Credit Agreement disclosed further in Note 15 of the "Notes to Condensed Consolidated Financial Statements" included in Part I, Item 1, and other operating assumptions. Our ability to make additional draws are subject to (i) a cap on the amount of draws that may be requested in any one calendar week of $2 million, (ii) with respect to any draw made after December 31, 2023, delivery of a budget approved by the lenders, (iii) no default or event of default continuing under the Credit Agreement, (iv) the representations and warranties set forth in the Credit Agreement and the related loan documentation being true and correct in all material respects, (v) the use of proceeds of any such draw not being in contravention with the then-current approved budget, (vi) the consummation of certain required post-closing requirements and (vii) liquidity of at least $25 million. If we are not able to secure sufficient financing and our audited financial statements for the fiscal year ending December 31, 2023 include a "going concern" qualification, this will result in an event of default under the Credit Agreement. Should an event of default occur, any available borrowings from the Credit Agreement would no longer be available and the outstanding indebtedness under the Credit Agreement may become immediately due and payable. To address our cash needs, we continue to seek additional sources of capital, although, to date, additional sources of capital have not been identified. As there can be no assurance that such necessary financing will be available, we may be required to execute other strategic alternatives to maximize stakeholder value, including further expense reductions, sale of all or portions of the business, corporate capital restructuring or formal reorganization, or liquidation of assets.

While we raised financing during October 2022 and October 2023, there can be no assurance that the necessary additional financing will be available on terms acceptable to us, or at all. If we raise funds in the future by issuing equity securities, such as through the sale of our common stock under the common stock purchase agreements (the "Purchase Agreements") discussed further in Note 8 of the "Notes to Condensed Consolidated Financial Statements" included in Part I, Item 1, dilution to stockholders will occur and may be substantial. Any equity securities issued may also provide for rights, preferences, or privileges senior to those of holders of common stock. If we raise funds in the future by issuing additional debt securities, these debt securities could have rights, preferences, and privileges senior to those of preferred and common stockholders. The terms of any additional debt securities or borrowings could impose significant restrictions on our operations. The capital markets have experienced in the past, and may experience in the future, periods of upheaval that could impact the availability and cost of equity and debt financing. In addition, recent and anticipated future increases in federal fund rates set by the Federal Reserve, which serve as a benchmark for rates on borrowing, will continue to impact the cost of debt financing.

We have historically financed our operations through revenue generation from product sales, the issuance and sale of redeemable convertible preferred stock, the issuance of debt financing, and the gross proceeds associated with the contribution of cash and the issuance of private investment in public equity ("PIPE") in connection with our merger completed on March 8, 2021. Our principal uses of cash in recent periods have been funding operations and investing in capital expenditures. Our future capital requirements will depend on many factors, including revenue growth rate, achieving profitability on our revenue contracts, the timing and the amount of cash received from customers, capital expenditures associated with our capacity expansion, and the continuing market adoption of our products. Our business will require significant amounts of capital to sustain operations and we will require a significant amount of capital investments to execute our long-term business plans.

Our total current liabilities as of September 30, 2023 are $87.3 million, including $6.8 million accrued as estimated loss on our Smart Building Platform contracts. Our long-term liabilities as of September 30, 2023 that will come due during the next 12 months from the date of the filing of this Quarterly Report on Form 10-Q include $0.9 million in operating and finance lease payments and $1.7 million in estimated settlements of warranty liabilities.

In order to reduce the cash used in operating activities, we implemented certain cost savings initiatives in the second half of 2022 and a restructuring plan in March 2023 as further discussed in Note 11 of the "Notes to Condensed Consolidated Financial Statements" included in Part I, Item 1, as well as additional restructuring activities in October 2023 as further discussed in Note 15 of the "Notes to Condensed Consolidated Financial Statements" included in Part I, Item 1. While our plans are anticipated to reduce cash outflow when compared to prior periods, our continued existence is dependent upon our ability to obtain additional financing, as well as to attain and maintain profitable operations by entering into profitable sales contracts and generating sufficient cash flow to meet our obligations on a timely basis. Further, we are continuing to evaluate the impact of the ITC available to our customers under the IRA passed by Congress and signed into law on August 16, 2022, which management expects to bring the cost of our products to cost parity with conventional windows. Management further expects a resulting increase in demand for our products, allowing us to leverage our minimum operating costs in the factory even further over higher revenues and make further progress towards our objective of profitable operations.

Debt

6.00% / *9.00% Convertible Senior PIK Toggle Notes due* 2027

In the fourth quarter of 2022, we completed a private placement of $212.3 million aggregate principal amount of Convertible Notes, which will mature on October 1, 2027. The net proceeds from the sale of the Convertible Notes were approximately $206.3 million, after deducting fees and estimated offering expenses. We intend to use the net proceeds from this sale for general corporate purposes.

The Convertible Notes bear interest at 6.00% per annum, to the extent paid in cash ("Cash Interest"), and 9.00% per annum, to the extent paid in kind through the issuance of additional Convertible Notes ("PIK Interest"). Interest is payable semi-annually in arrears on April 1 and October 1 of each year, beginning on April 1, 2023. The Convertible Notes are convertible, based on the applicable conversion rate, into cash, shares of our common stock or a combination thereof, at our election. The initial conversion rate was 12.46106 shares per $1,000.00 principal amount of the Convertible Notes, subject to customary anti-dilution adjustment in certain circumstances, which represented an initial conversion price of approximately $80.25 per share.

For additional information on the Convertible Notes, refer to Note 7 of the "Notes to Condensed Consolidated Financial Statements" included in Part I, Item 1.

Term Loan

As of September 30, 2023, we had $13.2 million outstanding under our term loan debt arrangement. On October 22, 2020, we entered into an amended and restated debt arrangement with the lender, which temporarily suspended the payments until June 30, 2022. Starting June 30, 2022, we are required to make semi-annual payments of $0.7 million through June 30, 2032. As of September 30, 2023, $1.5 million of the outstanding amount under this arrangement has been classified as a current liability, and the remaining $11.8 million has been classified as a long-term liability.

The debt arrangement required us to invest certain amounts in land, building and equipment and create a certain number of jobs. As of September 30, 2023, we had met the requirements. The debt arrangement, as amended, has customary affirmative and negative covenants. As of September 30, 2023, we were in compliance with all covenants.

Cash Flows

The following table provides a summary of cash flow data (in thousands):

	Nine Months Ended September 30,	
	2023	**2022**
Net cash used in operating activities	$ (139,603)	$ (204,201)
Net cash provided by (used in) investing activities	93,590	(19,556)
Net cash used in financing activities	$ (2,808)	$ (4,211)

Cash Flows from Operating Activities

Net cash used in operating activities was $139.6 million for the nine months ended September 30, 2023. The most significant component of our cash used during this period was a net loss of $336.7 million adjusted for non-cash charges of $32.6 million related to stock-based compensation, $16.5 million related to depreciation and amortization, $14.1 million related to non-cash interest expense related to the Convertible Notes, and $174.3 million related to impairment losses. This cash outflow was increased further by $42.5 million from changes in operating assets and liabilities, primarily due to a $24.8 million decrease in accrued compensation, expenses and other liabilities, including a $8.6 million reduction in general accruals consistent with our cost reduction efforts, a $7.9 million reduction to loss accruals for work performed during fiscal year 2023, a $3.0 million reduction to the litigation settlement liability for a payment made in the first quarter of 2023, a $2.1 million reduction in subcontractor accruals associated with the delivery of the Smart Building Platform product and a $1.4 million reduction in sales taxes payable due to payments made in 2023. The change in operating assets and liabilities was also related to a $10.6 million increase in other assets primarily related to cash collateral associated with our surety bonds and a $7.1 million decrease in accounts payable due to both timing of payments to our suppliers and our focus on cost reduction.

Net cash used in operating activities was $204.2 million for the nine months ended September 30, 2022. The most significant component of our cash used during this period was a net loss of $247.3 million adjusted for non-cash charges of $58.8 million related to stock-based compensation and $17.8 million related to depreciation and amortization, partially offset by the $6.5 million non-cash gain related to change in fair value of our Sponsor Earn-Out liability and other derivative liabilities. This cash outflow was increased further by $28.0 million from changes in operating assets and liabilities, primarily due to a $14.0 million decrease in accrued expenses and other liabilities, including a $9.7 million reduction to loss accruals for work performed during fiscal year 2022 and a $3.9 million reduction in warranty accruals primarily related to settlements during fiscal year 2022, a $2.8 million decrease in accounts payable due to timing of payments to our suppliers, a $7.6 million increase in inventory as a result of increased demand and timing of shipments, and a $3.8 million decrease in deferred revenue due to timing of satisfaction of our performance obligations relating to our revenue generating contracts with customers.

Cash Flows from Investing Activities

Net cash provided by investing activities was $93.6 million for the nine months ended September 30, 2023, which was primarily due to proceeds from the maturity from short-term investments of $210.1 million, partially offset by purchases of short-term investments of $106.0 million, purchases of property plant and equipment of $7.5 million and cash disbursements under a note receivable of $3.0 million.

Net cash used in investing activities was $19.6 million for the nine months ended September 30, 2022, which was due to purchases of property, plant and equipment primarily related to the expansion of our manufacturing facilities.

Cash Flows from Financing Activities

Net used in financing activities was $2.8 million for the nine months ended September 30, 2023, which was primarily related to the $1.4 million payment of tax withholdings paid on behalf of employees for net share settlement of equity awards, as well as finance lease and long-term debt payments.

Net cash used in financing activities was $4.2 million for the nine months ended September 30, 2022, which was primarily related to the $3.1 million payment of tax withholdings paid on behalf of employees for net share settlement of equity awards, as well as finance lease and long-term debt payments.

Off-Balance Sheet Arrangements

During the periods presented, we did not have any material off-balance sheet financing arrangements or any relationships with unconsolidated entities or financial partnerships, including entities sometimes referred to as structured finance or special purpose entities, which were established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes.

During the course of business, our bank issues standby letters of credit on behalf of us to certain vendors and other third parties. As of September 30, 2023 and December 31, 2022, the total value of the standby letters of credit issued by the bank is $13.8 million and $15.7 million, respectively. As of September 30, 2023, $1.0 million has been drawn under the standby letters of credit.

Critical Accounting Policies and Estimates

The preparation of financial statements and related disclosures in conformity with generally accepted accounting principles in the United States of America ("U.S. GAAP") requires us to make judgments, assumptions, and estimates that affect the amounts reported in our condensed consolidated financial statements and accompanying notes. Note 1, "Organization and Summary of Significant Accounting Policies," of the "Notes to Consolidated Financial Statements" in our 2022 Annual Report on Form 10-K filed with the SEC on March 31, 2023 describes the significant accounting policies and methods used in the preparation of these financial statements. The accounting policies described therein are significantly affected by critical accounting estimates and include the accounting for revenue recognition, product warranties, impairment of long-lived assets, impairment of goodwill, stock compensation, and the Sponsor Earn-out liability. Such accounting policies require significant judgments, assumptions, and estimates used in the preparation of the condensed consolidated financial statements, and actual results could differ materially from the amounts reported based on these policies. We have not made any changes in these critical accounting policies during the first nine months of 2023.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

As a smaller reporting company, we are not required to provide the information required by this item.

Item 4. Controls and Procedures

This Quarterly Report includes the certifications of our Chief Executive Officer and Chief Financial Officer required by Rule 13a-14 of the Securities Exchange Act of 1934 (the “Exchange Act”). See Exhibits 31.1 and 31.2. This Item 4 includes information concerning the controls and control evaluations referred to in those certifications.

Evaluation of Disclosure Controls and Procedures

Our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) are designed to ensure that information required to be disclosed in reports filed or submitted under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the U.S. Securities and Exchange Commission (“SEC”) rules and forms and that such information is accumulated and communicated to management, including the Chief Executive Officer and the Chief Financial Officer, to allow timely decisions regarding required disclosures.

In connection with the preparation of this Quarterly Report, management, under the supervision and with the participation of the Chief Executive Officer and Chief Financial Officer, conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as of September 30, 2023. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were not effective as of September 30, 2023 due to the material weaknesses in internal control over financial reporting described below. Nevertheless, based on a number of factors, including the performance of additional procedures by management designed to ensure the reliability of our financial reporting, we believe that the condensed consolidated financial statements in this Quarterly Report fairly present, in all material respects, our financial position, results of operations and cash flows as of the dates, and for the periods, presented, in conformity with generally accepted accounting principles in the United States of America (“U.S. GAAP”).

Material Weaknesses in Internal Control over Financial Reporting

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

As previously disclosed in the Form 10-K for the year ended December 31, 2022, management identified the following material weaknesses in our internal control over financial reporting that continue to exist as of September 30, 2023:

- We did not design or maintain an effective internal control environment that meets our accounting and reporting requirements. Specifically, we did not have a sufficient complement of personnel with an appropriate degree of accounting knowledge and experience to appropriately analyze, record and disclose accounting matters commensurate with our accounting and reporting requirements and lacked related internal controls necessary to satisfy our accounting and financial reporting requirements. Additionally, we did not demonstrate a commitment to integrity and ethical values. These material weaknesses contributed to the following additional material weaknesses: we did not design or maintain effective controls with respect to revenue and receivable and warranty-related obligations.

These material weaknesses in our control environment and in our warranty-related obligations process resulted in the need to restate our consolidated financial statements for the years ended December 31, 2020 and 2019, the unaudited quarterly financial information for the quarter ended March 31, 2021 and the unaudited quarterly financial information for each of the quarters in the year ended December 31, 2020. The material weakness in our revenues and receivable process resulted in adjustments that were not material to our annual or interim financial statements. Additionally, these material weaknesses could result in a misstatement of substantially all of our account balances or disclosures that would result in a material misstatement to the annual or interim consolidated financial statements that would not be prevented or detected.

Remediation Efforts and Status of Material Weaknesses

- As previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2021, we performed a comprehensive review of our existing technical accounting capabilities and resources in the accounting/finance function, noting that certain positions in the accounting organization currently filled with interim resources need to be filled on a permanent basis. While we hired full time staff for many of these positions during 2022, certain open positions were filled with experienced and competent contractors. Management has concluded that the previously identified competency gap has been filled and the combination of the permanent staff and the interim contractors are fulfilling their roles and responsibilities. However, given the limited time that these positions have been filled during 2022 and the first three quarters of 2023, management has concluded that additional time is needed to demonstrate the ability to consistently perform their roles and responsibilities before determining that the material weakness has been remediated. Management will continue to monitor the performance of the finance function to ensure controls are operating effectively for a sufficient period of time before concluding on remediation.

- Further, management has designed and implemented new control activities in response to our commitment to integrity and ethical values. However, given the limited time that these controls were operating during 2022 and the first three quarters of 2023, management has concluded that additional time is needed to demonstrate the consistent operation of the new and enhanced controls before determining that the material weakness has been remediated. Management will continue to evaluate the control activities in response to our commitment to integrity and ethical values in the remaining quarter of 2023 to ensure they have operated effectively for a sufficient period of time before concluding on remediation.

- During the first three quarters of 2022, we designed and implemented new control activities in response to the risk of material misstatement related to warranty-related obligations. While the newly implemented controls were in place and operated effectively as of December 31, 2022, March 31, 2023, June 30, 2023 and September 30, 2023, management has concluded that additional time is needed to demonstrate the consistent operation of the new and enhanced controls before determining the material weakness has been remediated.

- During 2022, we designed and implemented new control activities in response to the risk of material misstatement related to our revenue and receivable process. While the newly implemented controls were in place and operated as of December 31, 2022, March 31, 2023, June 30, 2023 and September 30, 2023, management has concluded that additional time is needed to demonstrate the consistent operation of the new and enhanced controls before determining the material weakness has been remediated.

Changes in Internal Control Over Financial Reporting

There were no changes during the quarter ended September 30, 2023 in our internal control over financial reporting (as such term is defined in the Exchange Act) that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

From time to time, we are subject to claims, litigation, internal or governmental investigations, including those related to labor and employment, contracts, intellectual property, environmental, regulatory compliance, tax, commercial matters, and other related matters, some of which allege substantial monetary damages and claims. Please refer to Note 6 of the “Notes to the Condensed Consolidated Financial Statements” included in Part I, Item 1 of this Form 10-Q and Part I, Item 3. “Legal Proceedings” of our 2022 Annual Report on Form 10-K, filed with the SEC on March 31, 2023 for additional information.

Item 1A. Risk Factors

The risk factors below should be read in conjunction with Part I, Item 1A. “Risk Factors” of our 2022 Annual Report on Form 10-K, filed with the SEC on March 31, 2023, which discusses the material risk factors affecting our business operations and financial condition. Any of the risk factors included therein could result in a significant or material adverse effect on our results of operations or financial condition. Additional risk factors not presently known to us or that we currently deem immaterial may also impair our business or results of operations. The risks included below and in Part I, Item 1A. “Risk Factors” of our 2022 Annual Report on Form 10-K, filed with the SEC on March 31, 2023 should be read in conjunction with the unaudited condensed consolidated financial statements and notes to the unaudited condensed consolidated financial statements included elsewhere in this Form 10-Q.

Risks Related to Liquidity

We have determined that there is substantial doubt about our ability to continue as a going concern, as our continued existence is dependent upon our ability to raise additional capital through outside sources.

We have determined that there is substantial doubt about our ability to continue as a going concern, as we estimate that our existing financial resources are only adequate to fund our forecasted operating costs and meet our obligations into, but not beyond the first quarter of 2024. This projection is based on our current expectations regarding revenues, collections, cost structure, current cash burn rate, initial net proceeds of approximately $10 million and anticipated additional draws of $37.5 million from the Credit Agreement disclosed further in Note 15 of the “Notes to the Condensed Consolidated Financial Statements” included in Part I, Item 1, and other operating assumptions.

Our ability to make the anticipated additional draws is subject to (i) a cap on the amount of draws that may be requested in any one calendar week of $2 million, (ii) with respect to any draw made after December 31, 2023, delivery of a budget approved by the lenders, (iii) no default or event of default continuing under the Credit Agreement, (iv) the representations and warranties set forth in the Credit Agreement and the related loan documentation being true and correct in all material respects, (v) the use of proceeds of any such draw not being in contravention with the then-current approved budget, (vi) the consummation of certain required post-closing requirements and (vii) liquidity of at least $25 million. If we are not able to secure sufficient financing and our audited financial statements for the fiscal year ending December 31, 2023 include a “going concern” qualification, this will result in an event of default under the Credit Agreement. Should an event of default occur, any available borrowings from the Credit Agreement would no longer be available and outstanding indebtedness under the Credit Agreement may become immediately due and payable. To address our cash needs, we continue to seek additional sources of capital, although, to date, additional sources of capital have not been identified. As there can be no assurance that such necessary financing will be available on terms acceptable to us or at all, we may be required to execute other strategic alternatives to maximize stakeholder value, including further expense reductions, sale of all or portions of the business, corporate capital restructuring or formal reorganization, or liquidation of assets.

If we raise funds in the future by issuing equity securities, dilution to stockholders will occur and may be substantial. Any equity securities issued may also provide for rights, preferences, or privileges senior to those of holders of common stock. If we raise funds in the future by issuing additional debt securities, these debt securities could have rights, preferences, and privileges senior to those of preferred and common stockholders. The terms of any additional debt securities or borrowings could impose significant restrictions on our operations. The capital markets have experienced in the past, and may experience in the future, periods of upheaval that could impact the availability and cost of equity and debt financing. In addition, recent and anticipated future increases in federal fund rates set by the Federal Reserve, which serve as a benchmark for rates on borrowing, will continue to impact the cost of debt financing.

In order to reduce the cash used in operating activities, we implemented certain cost savings initiatives in the second half of 2022 and a restructuring plan in March 2023 as further discussed in Note 11 of the “Notes to the Condensed Consolidated Financial Statements” included in Part I, Item 1 for additional information, as well as additional restructuring activities in October 2023 as further discussed in Note 15 of the “Notes to the Condensed Consolidated Financial Statements” included in Part I, Item 1 for additional information. While these plans are anticipated to reduce cash outflow when compared to prior periods, our continued existence is dependent upon our ability to obtain additional financing, as well as to attain and maintain profitable operations by entering into profitable sales contracts and generating sufficient cash flow to meet our obligations on a timely basis. Our business will require a significant amount of capital investment to execute our long-term business plans.

Risk Factors Relating to Future Performance

We have incurred non-cash impairment charges on our other long-lived assets and intangible assets with finite lives, which have and could continue to negatively impact our operating results.

We evaluate long-lived assets for impairment whenever events indicate that a potential impairment may have occurred. If such events arise, we compare the carrying amount of the asset group comprising the long-lived assets to the estimated future undiscounted cash flows expected to be generated by the asset group. If the estimated aggregate undiscounted cash flows are less than the carrying amount of the asset group, an impairment charge is recorded as the amount by which the carrying amount of the asset group exceeds the fair value of the assets, as based on the expected discounted future cash flows attributable to those assets. Long-lived assets to be disposed of are reported at the lower of carrying amount or fair value less costs to sell.

During the third quarter of 2023, due to a continued decline in economic and market conditions, including a continued and sustained decline in our market capitalization, rising interest rates and a prolonged outlook for a continued slow-down in the real estate market, as well as a limited amount of additional financing being secured and revised projections for our future operating results, we determined that a triggering event existed requiring our assets to be evaluated for impairment as of September 30, 2023. As a result, we performed an interim quantitative impairment analysis as of this date. We have no indefinite-lived intangible assets and no goodwill as of September 30, 2023, and therefore the impairment assessment was limited to long-lived assets under ASC 360-10.

Under the accounting guidance in ASC 360, the excess of the carrying value over the fair value of the asset group was recognized as an impairment loss and allocated to assets for which the carrying value exceeded their respective fair value. Fair value was determined based on our intended use of the identified assets. As such, we utilized various methods such as discounted cash flows, replacement cost, scrap and residual value to estimate fair value. Certain assets were not allocated any impairment as the fair values of such assets approximated their respective carrying amounts. Based on the results of the analysis, we recorded an impairment charge during the three and nine months ending September 30, 2023 of approximately $170 million to write down the value of property and equipment. See Note 4 of the “Notes to the Condensed Consolidated Financial Statements” included in Part I, Item 1 for additional information.

If the decline in our market capitalization continues, we are unable to obtain additional financing as discussed in Note 1 of the “Notes to the Condensed Consolidated Financial Statements” included in Part I, Item 1, or we identify other events or circumstances indicating the carrying amount of an asset or asset group may not be recoverable, this would require further testing of these assets and may result in an impairment of such assets, which could have a material adverse effect on our business, financial condition or results of operations.

Item 2. Unregistered Sales of Equity Securities, Use of Proceeds, and Issuer Purchases of Equity Securities

In the second quarter of 2021, we granted an aggregate amount of 4,293 restricted stock units for shares of our Class A common stock to our independent directors (the “Director RSUs”). On May 14, 2021, Toby Cosgrove, Lisa Picard, Nigel Gormly, Harold Hughes, and Tom Leppert, were each granted 461 RSUs, subject to time-based vesting conditions that vest in equal, quarterly installments over one year. On May 14, 2021, we granted RSUs to Mr. Hughes in the amount of 922 units and Mr. Leppert in the amount of 691 units. Such RSUs granted to Mr. Hughes and Mr. Leppert are subject to time-based vesting conditions and vest in equal installments over a three-year period with 33% to vest on each twelve-month anniversary of the grant date. On June 14, 2021, we granted Julie Larson-Green 374 RSUs, subject to time-based vesting conditions that vest in equal, quarterly installments over one year. Mr. Hughes’ and Mr. Leppert’s remaining unvested RSUs were cancelled in connection with their resignations on February 22, 2022. As of September 30, 2023, 2,449 restricted stock units of the Director RSUs have vested.

On March 8, 2021, we granted an aggregate amount of 208,333 restricted stock units for shares of our Class A common stock to our executive officers. The 2021 Officer RSUs time vest over a four-year period with 25% to vest on the twelve-month anniversary of their grant date of March 8, 2021 and the remaining 75% to vest on a monthly basis over the following thirty-six months subject to the following market-based vesting. 50% of the 2021 Officer RSUs granted to each executive officer will only vest if the share price hurdle of $900.00 is achieved and the remaining 50% of such 2021 Officer RSUs will vest if the share price hurdle of $1,200.00 is achieved. On November 9, 2021, 16,666 2021 Officer RSUs were cancelled in connection with an executive officer’s resignation. On March 8, 2022, 11,666 2021 Officer RSUs were cancelled in connection with an executive officer’s resignation.

On August 5, 2022, the Board of Directors of the Company, upon recommendation of the Compensation Committee, approved an amendment (the “Amendment”) to the 2021 Officer RSUs under the 2021 Plan, which provided that, effective as of September 8, 2022, the market-based vesting conditions applicable to the 2021 Officer RSUs were no longer applicable, and the awards will continue to vest subject only to the time-based vesting conditions, subject to the executive’s continued employment with the Company through each applicable vesting date. Any 2021 Officer RSUs that are not time-vested as of the date of the executive's termination of employment shall be forfeited and returned to the 2021 Plan. Except as expressly amended by the Amendment, all the terms and conditions of the 2021 Officer RSUs remained in full force and effect. As of September 30, 2023, 112,503 restricted stock units of the 2021 Officer RSUs have vested, and 53,238 restricted stock units were withheld and retired in connection with tax withholding payments made by us on behalf of the Officers.

On October 25, 2022, we entered into the Investment Agreement, pursuant to which it agreed to sell $200.0 million in aggregate principal amount of the Convertible Notes, with the option to sell an additional $40.0 million Convertible Notes, to the Purchasers (as defined in the indenture governing the Convertible Notes) in a private placement pursuant to an exemption from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"). We are selling the Convertible Notes to the Purchasers in reliance on the exemption from registration provided by Section 4(a)(2) of the Securities Act. We are relying on this exemption from registration based in part on representations made by the Purchasers in the Investment Agreement. We are issuing the Warrants in reliance on the exemption from registration provided by Section 4(a)(2) of the Securities Act. We are relying on this exemption from registration based in part on representations made by RXR FP in the RXR Warrant agreements.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

None.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit No.	Description
3.1	Amended and Restated Certificate of Incorporation of View, Inc. (incorporated by reference to Exhibit 3.3 of the Company's Form 8-K, filed with the SEC on March 12, 2021).
3.2	Certificate of Amendment to the Amended and Restated Certificate of Incorporation of View, Inc. (incorporated by reference to Exhibit 3.1 to the Company's Form 8-K, filed with the SEC on July 27, 2023).
3.3	Amended and Restated Bylaws of View, Inc. (incorporated by reference to Exhibit 3.1 to the Company's Form 8-K, filed with the SEC on July 22, 2022).
4.1+	Credit Agreement, dated as of October 16, 2023, by and among View, Inc., Cantor Fitzgerald Securities, as administrative agent and as collateral agent, and the lenders party thereto (incorporated by reference to Exhibit 4.1 to View, Inc.'s Current Report on Form 8-K filed on October 16, 2023)
10.1	Severance Agreement and General Release, dated October 13, 2023, between View, Inc. and Martin Neumann.
31.1*	Certification of the Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of the Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1**	Certification of the Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	Certification of the Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document
101.SCH XBRL	Taxonomy Extension Schema Document

Exhibit No.	Description
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

* Filed herewith

** Furnished herewith

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

View, Inc.

Date: November 14, 2023

/s/ Rao Mulpuri
Name: Rao Mulpuri
Title: Chief Executive Officer
(Principal Executive Officer)

Date: November 14, 2023

/s/ Amy Reeves
Name: Amy Reeves
Title: Chief Financial Officer
(Principal Financial and Accounting Officer)

.

EXHIBIT 10.1

SEVERANCE AGREEMENT AND GENERAL RELEASE

This SEVERANCE AGREEMENT AND GENERAL RELEASE (this "Agreement") is entered into by and between VIEW, INC. (the "Company") and Martin Neumann (the "Employee"). The Company and Employee may collectively be referred to herein as the "Parties."

RECITALS

WHEREAS, Employee has accepted an offer of "at will" employment from the Company and has provided services to the Company;

WHEREAS, Employee has entered into an At-Will Employment, Confidential Information, Invention Assignment and Arbitration Agreement (the "Confidentiality Agreement") with the Company.

WHEREAS, the Company and Employee have entered into a Stock Option Agreement granting Employee the option to purchase shares of the Company's common stock subject to the terms and conditions of the Company's 2021 Equity Incentive Plan (collectively the "Stock Agreements");

WHEREAS, Employee's employment with the Company would have ended on October 13, 2023, if the parties had not entered into this Agreement;

WHEREAS, upon executing this Agreement within the applicable deadline, Employee shall continue to be employed by the Company through November 15, 2023 ("Termination Date"), if Employee signs the Agreement, complies with the Agreement's terms and otherwise satisfies Employee's obligations to the Company;

WHEREAS, if Employee does not sign this Agreement or meet these conditions, the Company shall terminate Employee's employment immediately, without further notice and Employee will no longer be eligible for the consideration described below; and

WHEREAS, the Parties wish to resolve any and all disputes, claims, complaints, grievances, charges, actions, petitions, and demands that the Employee may have against the Company and/or any of the Released Parties, as defined below, including, but not limited to, any and all claims arising out of or in any way related to Employee's employment with or separation from the Company;

NOW, THEREFORE, in consideration of the mutual promises made herein, the Company and Employee hereby agree as follows:

1. Sufficient Time to Review. Employee agrees and acknowledges that s/he has had sufficient time to review this Agreement (up to 21 days if s/he so chooses) to decide whether or not to enter into this Agreement.

2. Receipt of All Salary and Benefits. Employee agrees and acknowledges that as of the Termination Date, s/he has been paid all compensation owed to him/her for Employee's prior service to the Company through and including the Termination Date, including, without limitation, all salary, wages, bonuses, incentive compensation, accrued vacation pay or PTO, reimbursable expenses, and any and all other benefits and compensation due to Employee.

3. Consideration. As good and valuable consideration for Employee's timely execution of the release of claims herein, the Company agrees to provide the Employee with:

(a) In consideration for entering the Agreement the first time and successfully completing its terms, Employee will remain an employee of the Company from October 13, 2023, through November 15, 2023 ("Transition Period"). Employee will continue to receive Employee's regular salary and benefits until November 15, 2023, or earlier termination date as provided herein, as along as Employee complies with the terms of this Agreement and all other agreements with the Company. Between October 13, 2023, through November 15, 2023, Employee may be required to aid in the transition of Employee's duties and may be directed to perform other tasks as required by the Company.

(b) If, at any time during the Transition Period, Employee voluntarily leaves employment with the Company and/or Employee begins employment for another employer, for Employee's own business or as an independent contractor, Employee will no longer be eligible to receive the benefits provided herein for the remainder of the Transition Period and Employee will become ineligible to receive the additional consideration specified below. Employee acknowledges and agrees that the Agreement shall remain binding upon Employee if Employee fails to complete the Transition Period and the Company stops providing the benefits herein for the remainder of the Transition Period.

(c) Upon the successful completion of the Transition Period, in consideration of Employee's execution and acceptance of this Agreement a second time, following the final Effective Date of this Agreement, the Company will pay Employee a severance payment (the "Severance Payment"), in the gross sum of Two Hundred Fifty Thousand Dollars and Zero Cents ($250,000.00) Cents ($250,000.00) payable in a one-time lump sum payment, less applicable taxes and withholdings, following the second Effective Date (as defined below) of this Agreement. The Severance Payment will be paid to Employee on the Company's next standard payroll date following the date that is 10 business days after the latest to occur of the following events: (i) the Company's receipt of this Agreement duly executed by Employee, (ii) the Employee's return of all Company property, and (iii) the expiration of the revocation period specified in Paragraph 7 below, without revocation of the Agreement by Employee. The Severance Payment will be reported on an IRS W-2 Form. Employee understands that the Company will not be required to provide this payment until after this Agreement becomes effective a second time.

(d) Employee acknowledges, understands and agrees that Employee must sign this Agreement two times to obtain the full benefits provided by the terms of the Agreement. However, each signing of this Agreement by Employee is independent of any other so that, if Employee does not sign the Agreement a second time, the terms of the Agreement shall be binding upon Employee pursuant to Employee's prior signing of the Agreement. The consideration included herein is in addition to what Employee would normally receive upon Employee's termination. Employee agrees that this consideration is in lieu of any severance payment Employee may have been entitled to pursuant to Company policy or practice and Employee is entitled to no further payment from the Company other than as set forth in this Agreement.

4. In full consideration of Employee's execution of this Agreement and Employee's performance of the terms and conditions contained herein,

5. No Entitlement. Employee agrees and acknowledges that s/he has no entitlement to the Severance Payment except as compensation for his/her performance of the terms and conditions set forth herein. Employee agrees that s/he is entitled to no salary, wages, bonuses, benefits, insurance, reimbursement or other compensation from the Company or any of the Released Parties, except as specifically set forth herein. In addition, Employee agrees and acknowledges that the Severance Payment that s/he is receiving as consideration for executing this Agreement represent amounts that s/he would not otherwise be entitled to receive absent his/her execution of this Agreement.

6. Benefits. Employee's health insurance benefits shall cease on the last day of the month of termination subject to Employee's right to continue his/her health insurance under COBRA. Employee's participation in all other benefits and incidents of employment, including, but not limited to, vesting in stock options, and the accrual of vacation, and paid time off, ceased as of the Termination Date. Employee understands and agrees that his/her rights to purchase shares of the Company's stock, as provided in the Stock Agreements shall cease to vest upon the Termination Date. Employee acknowledges that as of the Termination Date, Employee will have vested in options to purchase the number of shares described in the Stock Termination Statement delivered to Employee as of his/her Termination date and no more. The exercise of Employee's vested options and shares resulting from any such exercises shall continue to be governed by the terms and conditions of the Company's Stock Agreements. The Company agrees to pay for six (6) months of COBRA if Employee signs up for COBRA benefits.

7. Complete and General Release. To the broadest extent permitted by law, as of the Termination Date, Employee, on his/her own behalf and on behalf of his/her respective heirs, family members, executors, agents, and assigns, hereby fully and finally releases, acquits and forever discharges the Company and its predecessors and successors, direct and indirect equity holders, investors, partners, parents, subsidiaries, affiliates, assigns, and all of its and those entities' current and former owners, parents, divisions, branches, units, officials, members, managers, officers, directors, servants, plan administrators, employees, consultants, managing agents, shareholders, affiliates, assigns, attorneys, agents, representatives, employee benefit plans, administrators, payroll companies, and insurers, as well as any other individuals with whom Employee came in contact during the course of providing services to the Company (collectively, the "Released Parties") from any and all past, current and future claims, complaints, charges, duties, demands, obligations, liabilities, actions, costs, debts, damages, losses, and causes of action of every kind or nature, known or unknown, asserted or unasserted, suspected or unsuspected, which have existed or now exist (collectively, "Claims"), arising from any omissions, acts, facts or damages that have occurred

up until and including the Effective Date of this Agreement. To the full extent permitted by law, Employee's release includes, but is not limited to the following Claims:

(a) Any and all Claims based on any act or omission by any Released Parties, including any Claims arising out of an offer of employment or extension of employment, actual employment, payment of salary, wages, bonuses, benefits, insurance, reimbursement or other compensation, payment of any severance amount (other than as set forth herein), alleged wrongful termination or discharge, termination in violation of public policy, unfair business practices, defamation, libel, slander, breach of contract (both express and implied), breach of implied covenant of good faith and fair dealing, promissory estoppel, fraud, negligent or intentional misrepresentation, negligent or intentional interference with contract or prospective business advantage, negligence, personal injury, assault, battery, invasion of privacy, false imprisonment, conversion, any other torts, retaliation, and/or harassment or discrimination on any basis, including race, national origin, marital status, sex, pregnancy, sexual orientation, religion, age and/or disability.

(b) Any and all Claims arising under any federal, state or municipal constitution, statute, regulation or common law provision, including but not limited to Title VII of the Civil Rights Act of 1964, the Civil Rights Act, the Americans with Disabilities Act, the Equal Pay Act, the Fair Credit Reporting Act, the False Claims Act, the California Labor Code (including California Labor Code section 132A), the California Fair Employment and Housing Act, the Family and Medical Leave Act, the Age Discrimination in Employment Act, the Older Workers Benefit Protection Act, Act, the California Family Rights Act, California Business and Professions Code, the California Government Code, the Rehabilitation Act, the Employee Retirement Income Security Act, the Worker Adjustment and Retraining Notification Act, the Racketeer Influenced and Corrupt Organizations Act, the Financial Reform Recovery and Enforcement Act, the Sarbanes-Oxley Act of 2002, the California Industrial Wage Orders, and any other statutory or common law provision relating to or affecting Employee's providing of services to the Company, including, without limitation, any federal or state statutory provision covering discrimination, harassment or retaliation in any form.

(c) Any and all Claims relating to, or arising from, Employee's right to purchase, or actual purchase of shares of stock of the Company, including, without limitation, any claims for fraud, misrepresentation, breach of fiduciary duty, breach of duty under applicable state corporate law, and securities fraud under any state or federal law.

(d) Any and all Claims for any loss, cost, damage, or expense arising out of any dispute over the non-withholding or other tax treatment of any proceeds received by Employee as a result of this Agreement;

(e) Any and all Claims for attorneys' fees and costs;

Employee understands and acknowledges that the purpose of this Agreement is to irrevocably and unconditionally release and resolve any and all actual and/or potential disputes between Employee and the Released Parties to the broadest extent permitted by law, provided however, that this release shall not preclude either party from filing a claim in arbitration for the exclusive purpose of enforcing their rights under this Agreement. Also, this release shall not include claims that accrue after execution of this Agreement or claims that cannot be lawfully released, including, but not limited to, (i) claims for workers' compensation benefits, (ii) claims for unemployment benefits, or (iii) claims for employment reimbursements pursuant to California Labor Code section 2802.

8. Acknowledgment of Rights and Waiver of Claims Under the Age Discrimination in Employment Act.

Employee acknowledges and agrees that s/he is knowingly and voluntarily waiving and releasing any rights Employee may have under the Age Discrimination in Employment Act of 1967 ("ADEA"). Employee acknowledges that the consideration given for the waiver and release in this Agreement is in addition to anything of value to which Employee already is entitled, and that, but for this Agreement, Employee would not be entitled to the Severance Payment set forth in this Agreement. Employee further acknowledges that Employee has been advised by this writing that: (a) Employee's waiver and release does not apply to any ADEA claims that arise after Employee's execution of this Agreement; (b) Employee should consult with an attorney prior to executing this Agreement; (c) Employee has twenty-one (21) calendar days from Employee's receipt of the Agreement to consider this Agreement (although Employee may by Employee's own choice execute this Agreement earlier, but may not execute this agreement before his/her last day of work for the Company); (d) changes to the terms of the Agreement, whether material or immaterial, will not restart this twenty-one (21) day period; (e) Employee has seven (7) calendar days following Employee's execution of this Agreement to revoke it in writing; and (f) this Agreement shall not be effective and enforceable unless and until the seven (7) day revocation period has expired without revocation of the Agreement by Employee. Employee may revoke this Release within seven (7) calendar days only by giving the Company formal, written notice of Employee's revocation of this Release by delivering such notice by certified mail to the Vice President of Human Resources, c/o View, Inc., 195 South Milpitas, California, 95035. Such notice must be post-marked before the expiration of the seven (7) day revocation period referenced above.

9. Release of Unknown Claims. Employee specifically and expressly waives and releases all rights under the provisions of Section 1542 of the Civil Code of California, or any similar statute or common law provision, which provides as follows:

> **"A general release does not extend to claims which the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."**

Thus, for the purpose of implementing a full, final and complete release of the Released Parties as set forth herein, Employee expressly understands and agrees that this release is intended to include in its effect, without limitation, Claims which Employee does not know of or suspects exist in his/her favor and that this release extinguishes all such Claims. Employee further expressly understands and agrees that s/he may hereafter discover facts in addition to, or different from, those that s/he now believes to be true, but that notwithstanding the foregoing, it is his/her intention hereby to fully, finally, completely and forever release each and every Claim.

10. No Pending or Future Actions. Employee represents and warrants that s/he has not filed any complaints, charges or lawsuits against any Released Parties with any governmental agency or any court, and Employee agrees that s/he will not initiate or encourage any such actions in any manner contrary to the terms of this Agreement. Employee further warrants and represents that s/he has not assigned, or in any way conveyed, all or any portion of the claims or rights released by this Agreement. Employee agrees not to initiate or prosecute any Claim that is barred by the release set forth herein, and Employee further agrees that the release set forth herein shall constitute a complete defense to any such Claim. If Employee initiates, prosecutes or seeks to enforce any Claim that is barred by the release set forth herein, Employee agrees to pay all of the fees, costs and expenses (including, without limitation, attorneys' fees, costs and expenses) incurred by any Released Party in connection with any such Claim. Should any person or entity file or cause to be filed any civil action, suit, arbitration, administrative charge, or legal proceeding seeking equitable or monetary relief in connection with any aspect of Employee's employment relationship with the Company or any other matter relating to the claims released by Paragraphs 6, 7, and 8 of this Agreement, Employee agrees not to seek or accept any personal relief from or as the result of such civil action, suit, arbitration, administrative charge, or legal proceeding.

11. Rights. Nothing in this Agreement (including but not limited to the release of claims, confidentiality, non-disparagement and any other limiting provisions) (i) waives Employee's right to testify in an administrative, legislative, or judicial proceeding concerning alleged criminal conduct or alleged sexual harassment on the part of the Company, or on the part of the agents or employees of the Company, when Employee has been required or requested to attend such a proceeding pursuant to a court order, subpoena, or written request from an administrative agency or the legislature; (ii) prevents the filing of a charge or complaint with or the participation in an investigation or proceeding conducted by the Equal Employment Opportunity Commission (EEOC), the National Labor Relations Board (NLRB), the Securities and Exchange Commission (SEC), or any other federal, state or local agency charged with the enforcement of any laws, including providing documents or other information, or (iii) prevents the exercise of rights under Section 7 of the National Labor Relations Act to engage in protected, concerted activity with other employees, non-employees or entities; (iv) shall be construed to prohibit or prevent the disclosure of factual information related to any acts of sexual assault, sexual harassment, or unlawful workplace harassment or discrimination, failure to prevent an act of workplace harassment or discrimination based on sex, or act of retaliation against a person for reporting or opposing harassment or discrimination; (v) shall prevent Employee from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct Employee has reason to believe is unlawful; or (vi) limits or affects Employee's right to challenge the validity of this Agreement under the ADEA or the OWBPA. Although by signing this Agreement, Employee is waiving his or her right to recover any individual relief (including back pay, front pay, reinstatement or other legal or equitable relief) in any charge, complaint, or lawsuit or other proceeding brought by Employee or on his or her behalf by any third party, except for any right Employee may have to receive a payment from a government agency (and not the Company) for information provided to the government agency.

12. No Cooperation. Except as permitted by this Agreement and applicable law, including Section 7 of the National Labor Relations Act, which governs an employee's right to organize and engage in concerted activity, Employee agrees that s/he will not knowingly encourage, counsel, or assist any non-government attorneys or their clients in the presentation or prosecution of any disputes, differences, grievances, claims, charges, or complaints by any third party against any of the Released Parties, unless under a subpoena or other court order to do so or as related directly to the ADEA waiver in

this Agreement. Employee agrees both to immediately notify the Company upon receipt of any such subpoena or court order, and to furnish, within three (3) business days of its receipt, a copy of such subpoena or other court order.

13. No Claims. Employee affirms that s/he has not raised a claim, including but not limited to, unlawful discrimination; harassment; sexual harassment, abuse, assault, or other criminal conduct; failure to prevent an act of workplace harassment or discrimination; or retaliation in a court or government agency proceeding, in an alternative dispute resolution forum, or through the Company's internal complaint process, involving the Released Parties.

14. No Admission of Liability. Employee understands and acknowledges that this Agreement constitutes a compromise and settlement of any and all actual or potential disputed claims by Employee. No action taken by any Released Parties hereto, either previously or in connection with this Agreement, shall be deemed or construed to be (a) an admission of the truth or falsity of any actual or potential claims, preexisting obligation, or improper conduct or (b) an acknowledgment or admission by any Released Parties of any fault or liability whatsoever to Employee or to any third party. Employee further understands and acknowledges that the Released Parties expressly deny any such obligations or improper conduct.

15. Confidentiality. Except as permitted by this Agreement and applicable law, including Section 7 of the National Labor Relations Act, which governs an employee's right to organize and engage in concerted activity, Employee agrees to maintain in complete confidence the existence of this Agreement, the contents and terms of this Agreement, and the consideration for this Agreement (hereinafter collectively referred to as "Separation Information"). Except as required by law or otherwise permitted by this Agreement, including Section 7 of the National Labor Relations Act, which governs an employee's right to organize and engage in concerted activity, Employee may disclose Separation Information only to his/her immediate family members, the Court in any proceedings to enforce the terms of this Agreement, Employee's attorney(s), and Employee's accountant and any professional tax advisor to the extent that they need to know the Separation Information in order to provide advice on tax treatment or to prepare tax returns, and must prevent disclosure of any Separation Information to all other third parties.

Employee acknowledges and agrees that the confidentiality of the Separation Information is a material term of this agreement. The Parties agree that if any Released Party establishes that Employee breached this Confidentiality provision, that Released Party shall be entitled to an award of its costs spent enforcing this provision, including all reasonable attorneys' fees associated with the enforcement action, without regard to whether the Released Party can establish actual damages from Employee's breach, except to the extent that such breach constitutes a legal action by Employee that directly pertains to the ADEA. Any such individual breach or disclosure shall not excuse Employee from his/her obligations hereunder, nor permit him/her to make additional disclosures.

16. Trade Secrets and Confidential Information/Company Property. Employee reaffirms and agrees to observe and abide by the terms of the Confidentiality Agreement, specifically including the provisions therein regarding nondisclosure of the Company's trade secrets and confidential and proprietary information, and non-solicitation of Company employees. Nevertheless, nothing in this Agreement prohibits Employee from reporting an event that Employee reasonably and in good faith believes is a violation of law to the relevant law-enforcement agency (such as the SEC, EEOC, or NLRB), from testifying truthfully under oath in any court, arbitration or administrative agency proceeding, from providing truthful information in the course of a government investigation or from cooperating in an investigation conducted by such a government agency. This may include disclosure of trade secret or confidential information within the limitations permitted by the 2016 Defend Trade Secrets Act (DTSA). Employee is hereby provided notice that under the DTSA, (1) no individual will be held criminally or civilly liable under federal or state trade secret law for the disclosure of a trade secret (as defined in the Economic Espionage Act) that (A) is made in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and made solely for the purpose of reporting or investigating a suspected violation of law; or, (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal so that it is not made public; and, (2) an individual who pursues a lawsuit for retaliation by an employer for reporting a suspected violation of the law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal, and does not disclose the trade secret, except as permitted by court order.

17. Non-disparagement. Except as permitted by this Agreement and applicable law, including Section 7 of the National Labor Relations Act, which governs an employee's right to organize and engage in concerted activity, Employee agrees to refrain from any disparagement, defamation, libel, or slander of any of the Releasees, and agrees to refrain from any tortious interference with the contracts and relationships of any of the Releasees.

18. Costs. The Parties shall each bear their own costs, attorneys' fees, and other fees incurred in connection with the preparation of this Agreement.

19. Arbitration. To ensure rapid and economical resolution of any disputes regarding this Agreement, the parties hereby agree that any and all claims, disputes or controversies of any nature whatsoever arising out of, or relating to, this Agreement, or its interpretation, enforcement, breach, performance or execution, your employment with the Company, or the termination of such employment, including but not limited to statutory claims, shall be resolved, to the fullest extent permitted by law, by final, binding and confidential arbitration in Santa Clara County, CA conducted before a single arbitrator by JAMS, Inc. ("JAMS") or its successor, under the then applicable JAMS employment arbitration rules, which can be found at www.jamsadr.com/rules-emloyment-arbitration. The parties agree that each Released Party is an express third-party beneficiary of this Paragraph and that all claims between you and any Release Party will also be resolved through arbitration. The parties each acknowledge that by agreeing to this arbitration procedure, they waive the right to resolve any such dispute, claim or demand through a trial by jury or judge or by administrative proceeding. You will have the right to be represented by legal counsel at any arbitration proceeding. The arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be available under applicable law in a court proceeding; and (b) issue a written statement signed by the arbitrator regarding the disposition of each claim and the relief, if any, awarded as to each claim, the reasons for the award, and the arbitrator's essential findings and conclusions on which the award is based. To the extent required by law, the Company will pay the JAMS' arbitration fees and costs. Notwithstanding the foregoing, the prevailing party in any arbitration proceeding brought hereunder shall be entitled to recover his/her or its reasonable attorneys' fees and costs from the other party (including in collection and on appeal, if applicable), to the greatest extent permitted by law. Nothing in this Agreement is intended to prevent either you, the Company, or any Released Party from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any arbitration.

20. Tax Consequences. The Company makes no representations or warranties with respect to the tax consequences of the payments and any other consideration provided to Employee or made on his/her behalf under the terms of this Agreement. Employee agrees and understands that s/he is responsible for payment, if any, of local, state, and/or federal taxes on the payments and any other consideration provided hereunder by the Company and any penalties or assessments thereon. Employee further agrees to indemnify and hold the Company harmless from any claims, demands, deficiencies, penalties, interest, assessments, executions, judgments, or recoveries by any government agency against the Company for any amounts claimed due on account of (a) Employee's failure to pay or delayed payment of federal or state taxes, or (b) damages sustained by the Company by reason of any such claims, including attorneys' fees and costs.

In addition, the foregoing provisions are intended to comply with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended, and the final regulations and official guidance thereunder ("Section 409A") so that none of the severance payments and benefits to be provided hereunder will be subject to the additional tax imposed under Section 409A, and any ambiguities herein will be interpreted to so comply. Employee and the Company agree to work together in good faith to consider amendments to this Agreement and to take such reasonable actions which are necessary, appropriate or desirable to avoid imposition of any additional tax or income recognition prior to actual payment to Employee under Section 409A.

21. Authority. The Company represents and warrants that the undersigned has the authority to act on behalf of the Company and to bind the Company and all who may claim through it to the terms and conditions of this Agreement. Employee represents and warrants that s/he has the capacity to act on his/her own behalf and on behalf of all who might claim through him/her to bind them to the terms and conditions of this Agreement. Each Party warrants and represents that there are no liens or claims of lien or assignments in law or equity or otherwise of or against any of the claims or causes of action released herein.

22. Attorneys' Fees. Unless precluded by law, in the event that either Party brings an action to enforce or effect its rights under this Agreement, the prevailing Party shall be entitled to recover its costs and expenses, including the costs of mediation, arbitration, litigation, court fees, and reasonable attorneys' fees incurred in connection with such an action.

23. Entire Agreement. This Agreement constitutes the entire agreement and understanding of the parties hereto regarding the subject matter hereof, and supersedes and replaces all other prior representations, warranties, covenants, agreements, understandings, undertakings, obligations, promises, arrangements or other communications, whether oral or written, by any party hereto or by any affiliate, employee, agent or representative of any party hereto, regarding the subject matter hereof; provided, that, nothing in this Paragraph shall be interpreted as limiting in any way the provisions of the Employee's Confidentiality Agreement and the Stock Agreements.

24. Governing Law. To the extent such laws are not inconsistent with the Federal Arbitration Act, this Agreement shall be governed by, and construed in accordance with, the laws of the state of California applicable to contracts executed in and to be performed in that state and without regard to any applicable conflicts of law.

25. Third Party Beneficiaries. Employee understands and agrees that each Released Party is an express third-party beneficiary to this Agreement.

26. Binding Upon Successors. This Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their successors and permitted assigns. Employee shall have no right to assign this Agreement. The Company's rights under this Agreement may be enforced by the Company or its designee.

27. Effective Date. Employee understands that each time this Agreement is offered to Employee to sign, this Agreement shall be null and void if not executed by Employee within the twenty-one (21) day period set forth under Section 8 in this Agreement. Employee has seven (7) days after Employee signs this Agreement to revoke it. For all purposes, each time Employee signs the Agreement, this Agreement will become effective on the eighth (8th) day after Employee signed this Agreement, so long as it has not been revoked by Employee before that date (the "Effective Date"). Employee's failure to sign the Agreement a second time, or revocation of the second signature, will not invalidate Employee's first signing of the Agreement without revocation and the terms of the Agreement based on that first signing will be binding upon Employee.

28. No Oral Modifications. This Agreement may only be amended or otherwise modified by a written instrument duly executed by an authorized officer of the Company and Employee.

29. Waiver. No breach of any provision hereof shall be deemed waived unless expressly waived in writing by the party hereto who may assert such breach. No waiver that may be given by a party hereto shall be applicable except in the specific instance for which it is given. No waiver of any provision hereof shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar), nor shall any such waiver constitute a continuing waiver, unless otherwise expressly provided therein. Except where a specific period for action or inaction is provided in this Agreement, neither the failure nor any delay on the part of any party in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any waiver on the part of any party of any such right, power or privilege, nor any single or partial exercise of any such right, power or privilege, preclude any other or further exercise thereof or the exercise of any other such right, power or privilege. The rights and remedies of the parties hereto with respect to the subject matter hereof are cumulative and not alternative.

30. Severability. In case any one or more of the provisions contained in this Agreement shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such provision or provisions shall be ineffective only to the extent of such invalidity, illegality or unenforceability, without invalidating the remainder of such provision or provisions or the remaining provisions of this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision or provisions had never been contained herein, unless such a construction would be unreasonable.

31. Jointly Drafted. This Agreement shall be deemed to have been drafted jointly by the parties hereto and without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. Every term and provision of this Agreement shall be construed simply according to its fair meaning and not strictly for or against a party.

32. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The parties hereto agree and acknowledge that delivery of a signature by facsimile or in .pdf form shall constitute execution by such signatory.

33. Voluntary Execution of Agreement. Employee understands and agrees that s/he is executing this Agreement knowingly, deliberately, and voluntarily, without any duress or undue influence on the part or behalf of the Company or any Released Party, with the full intent of releasing all of his/her claims against each of the Released Parties. Employee acknowledges that: (a) s/he has read this Agreement; (b) s/he has been represented in the preparation, negotiation, and execution of this Agreement by legal counsel of his/her own choice or has elected not to retain legal counsel; (c) s/he understands the terms and consequences of this Agreement and of the releases it contains; and (d) s/he is fully aware of the legal and binding effect of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates set forth below.

PLEASE READ THIS AGREEMENT AND CAREFULLY CONSIDER ALL OF ITS PROVISIONS BEFORE SIGNING IT. THIS AGREEMENT CONTAINS A RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS, INCLUDING CLAIMS UNDER THE CALIFORNIA FAIR EMPLOYMENT AND HOUSING ACT AND OTHER STATE AND LOCAL LAWS PROHIBITING DISCRIMINATION IN EMPLOYMENT, TO THE EXTENT PERMITTED BY LAW.

For Continued Employment from October 13, 2023, through November 15, 2023

Dated: October 13, 2023

/s/ Martin Neumann
MARTIN NEUMANN

VIEW, INC.

By: /s/ Rao Mulpui
Name: Rao Mulpui
Title: CEO
Date: October 13, 2023

Second Signature required on or after November 15, 2023, for Post-Termination Date Severance Benefits

Dated: ______________________

/s/ Martin Neumann
MARTIN NEUMANN

VIEW, INC.

By: /s/ Rao Mulpui
Name: Rao Mulpui
Title: CEO
Date:

EXHIBIT 31.1

CERTIFICATION PURSUANT TO RULES 13a-14(a) AND 15d-14(a)
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Rao Mulpuri, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of View, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 14, 2023

/s/ Rao Mulpuri
Name: Rao Mulpuri
Title: Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

**CERTIFICATION PURSUANT TO RULES 13a-14(a) AND 15d-14(a)
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Amy Reeves, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of View, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 14, 2023

/s/ Amy Reeves
Name: Amy Reeves
Title: Chief Financial Officer
(Principal Financial and Accounting Officer)

EXHIBIT 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of View, Inc. (the “Company”) on Form 10-Q for the period ended September 30, 2023, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Rao Mulpuri, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 14, 2023

/s/ Rao Mulpuri
Name: Rao Mulpuri
Title: Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of View, Inc. (the "Company") on Form 10-Q for the period ended September 30, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Amy Reeves, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 14, 2023

/s/ Amy Reeves
Name: Amy Reeves
Title: Chief Financial Officer
(Principal Financial and Accounting Officer)