



DIVISION OF
CORPORATION FINANCE

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

November 17, 2022

Dustin Shindo
Chief Executive Officer
Pono Capital Corp
643 Ilalo St. #102
Honolulu, Hawaii 96813

Re: Pono Capital Corp
Draft Registration Statement on Form S-4
Filed on October 21, 2022
CIK No. 0001855631

Dear Dustin Shindo:

We have reviewed your draft registration statement and have the following comments. In some of our comments, we may ask you to provide us with information so we may better understand your disclosure.

Please respond to this letter by providing the requested information and either submitting an amended draft registration statement or publicly filing your registration statement on EDGAR. If you do not believe our comments apply to your facts and circumstances or do not believe an amendment is appropriate, please tell us why in your response.

After reviewing the information you provide in response to these comments and your amended draft registration statement or filed registration statement, we may have additional comments.

Draft Registration Statement on Form S-4 filed October 21, 2022

Summary of the Proxy Statement/Prospectus

Parties to the Business Combination

AERWINS Technologies Inc., page 27

1. Please revise to clearly describe the products that you currently offer in each of your business areas. Please also identify whether any of the products mentioned in the proxy statement/prospectus are in development and provide information on when you expect them to launch. Wherever you discuss the features and characteristics of your industry and market, please make clear which aspects currently apply to AERWINS, which are prospective in nature, and which apply to business lines that are no longer active. Please make similar revisions to your disclosure beginning on page 167.

Unaudited Pro Forma Condensed Combined and Consolidated Statement of Operations for the Year Ended December 31, 2021, page 46

2. Please revise your pro forma statement of operations to comply with Rule 11-02(b)(1) of Regulation S-X.
3. Please present historical and pro forma basic and diluted per share data, based on continuing operations, on the face of your pro forma statement of operations. Refer to Rule 11-02(a)(9)(i). In this regard, please also revise Note 4. Net Loss per Share, on page 49, as appropriate.

Fees and Scope of Engagement, page 131

4. Please include the amount of the fee paid to Marshall & Stevens as well as any other information required by Item 1015 of Regulation M-A.

Financial Projections, page 132

5. Please clarify whether the Pono board reviewed projected or prospective financial information of AERWINS in connection with the Business Combination. If so, please revise to include such information in the proxy statement/prospectus. In addition, we note your disclosure that Marshall & Stevens calculated the net present value of the unlevered, after-tax free cash flows that AERWINS' business is forecasted to generate for the financial years 2022 through 2031, plus the present value of the terminal value of AERWINS' business in year 2031. Please provide those forecasts in the proxy statement/prospectus.

United States Federal Income Tax Considerations of the Redemption, page 136

6. We note that pursuant to the Agreement and Plan of Merger, the parties intend that the merger will qualify as a tax-free "reorganization" within the meaning of Section 368(a). In addition, we note your disclosure on page 137 that holders of Class A common stock are not expected to recognize any income, gain or loss under U.S. federal income tax laws. Please revise your disclosure beginning on page 136 to address Section 368(a) and any consequences to shareholders of Pono and AERWINS. Please also make similar revisions to the Questions and Answers section beginning on page 20. To the extent that you intend to file a short form tax opinion as Exhibit 8.1, please also revise your discussion on page 136 to reflect the fact that the discussion is the opinion of counsel.

Information about Aerwins

Significant Market Opportunities, page 168

7. Please revise to explain which product was flight tested in 2019, and which product or products you started selling in October 2021. Please include the month that deliveries began and state how many units have been sold.

8. Your disclosure in the fourth paragraph implies that you are making cost-effective air mobility solutions a reality. We note, however, your disclosure on page 132 which states that the private side of AERWINS' client segment is sales to mainly high net worth individuals. Please revise to identify and discuss the price point for your products.
9. Please provide support for your statement that you design, develop, manufacture, market, and operate unmanned aircraft and their supporting systems and infrastructure for a wide range of industries and applications, including passenger transportation, logistics, and smart city management.

Orders, Delivery and Financial Results, page 169

10. Please clarify what time periods make up your revenue and client type charts here. We note that the charts include revenue type for 2022. However, the discussion following the charts addresses only the period from January 1, 2020 to December 31, 2021. Please revise to provide disclosure that supports the amounts presented in the charts.

What Sets Us Apart, page 169

11. We note your disclosure that XTURISMO is "easy to implement in society." Please revise your disclosure here to be consistent with your disclosure on page 183 that you are subject to extensive legal and regulatory requirements, and that you are working to obtain relevant approvals and permits in the jurisdictions where you sell and plan to sell your products.

XTURISMO Limited Edition, page 176

12. We note your disclosure that since its launch in October 2021, the product has received about 100 inquiries for purchase. Please revise to clarify how many purchases were made. In addition, you say that the price of the XTURISMO Limited Edition is \$7.77 million overseas. We note that the "order now" page on your website appears to list the price as \$550,000. Please advise.
13. Please clarify how you expect the vehicle to be used as a disaster relief vehicle.

C.O.S.M.O.S (Flight Operation Management System), page 178

14. We note your disclosure that the fee structure is currently being quoted on a case-by-case basis as you are in the process of conducting demonstration tests with large corporations and local governments. Please provide a range of the fees that you have quoted. Please provide similar disclosure for each of your lines of business where you discuss a range of fees or describe fees without stating the amount that you charge.

A.L.I. Albatross (our Original GPU machine), page 181

15. We note your disclosure on page 182 that some fees are received in the form of cryptographic assets. Please identify which cryptographic assets you accept as payment. Describe more clearly which services and fees may be paid for using cryptographic assets and describe the method for such payments.

Manufacturing, Quality Control and Supply Chain, page 185

16. Please describe your manufacturing process for each aspect of your business in greater detail, including whether and to what extent you rely on third party suppliers to manufacture certain aspects of your products. In this regard, we note that none of the facilities you list on page 207 are listed for manufacturing use.

Business Overview, page 225

17. Your disclosure states that the “acquisition of A.L.I. Technologies was accounted for as a recapitalization among entities under common control.” Please reconcile this disclosure with the disclosures in Note 1 on page F-56 and on page 42 that indicates that the share exchange between Aerwins and the shareholders of A.L.I. Technologies was “accounted for as a reverse recapitalization.”

Results of Operations, page 228

18. Please clarify how you define your "Air Mobility Segment". In this regard, we note in your revenue chart on page 169 that "Air-Mobility" recorded no revenues in 2021 and does not appear to include your Drone or Computer Sharing aspects of your business. We further note that your chart on page 169 indicates that "Shared Computing" accounted for 70% of your 2021 revenues but does not appear to be included in your Results of Operations on page 228. Please revise or advise.

Management's Discussion and Analysis of Financial Condition and Results of Operations of Aerwins

Results of Operations, page 229

19. Please revise your table on page 229 to remove the discontinued operations effects and revise your respective discussions to separately discuss results from continuing operations from that of discontinued operations.

BENEFICIAL OWNERSHIP OF SECURITIES, page 259

20. Please provide a pre-business combination beneficial ownership table for AERWINS as of the most recent practicable date. Refer to Item 18(a)(5) of Form S-4.

Aerwins Technologies Inc.

Consolidated Statements of Cash Flows, page F-54

21. Please reconcile the line items for gain (losses) on disposal of business and disposal of subsidiary and related proceeds of each to the information disclosed in Note 14 - Discontinued Operation and Note 15 - Disposal of Business on pages F-70 and F-71.

Notes to Consolidated Financial Statements

Note 4 - Segment Information, page F-63

22. Please revise your information to remove the effects of your discontinued operations from respective line items. Refer to ASC 280-10-5-7.

General

23. Please quantify the aggregate dollar amount and describe the nature of what the sponsor and its affiliates have at risk that depends on completion of a business combination. Include the current value of securities held, loans extended, fees due, and out-of-pocket expenses for which the sponsor and its affiliates are awaiting reimbursement. Provide similar disclosure for the company's officers and directors, if material.
24. Please highlight the risk that the sponsor will benefit from the completion of a business combination and may be incentivized to complete an acquisition of a less favorable target company or on terms less favorable to shareholders rather than liquidate.
25. We note that certain shareholders agreed to waive their redemption rights. Please describe any consideration provided in exchange for this agreement.
26. Please clarify if the sponsor and its affiliates can earn a positive rate of return on their investment, even if other SPAC shareholders experience a negative rate of return in the post-business combination company.
27. Please highlight the material risks to public warrant holders, including those arising from differences between private and public warrants. Clarify whether recent common stock trading prices exceed the threshold that would allow the company to redeem public warrants. Clearly explain the steps, if any, the company will take to notify all shareholders, including beneficial owners, regarding when the warrants become eligible for redemption.
28. Please expand your disclosure regarding the sponsor's ownership interest in the target company. Disclose the approximate dollar value of the interest based on the transaction value and recent trading prices as compared to the price paid.
29. Please disclose whether and to what extent you have experienced pressures related to inflation. Please expand to identify the principal factors contributing to the inflationary pressures the company has experienced and clarify the resulting impact to the company.

30. Please disclose whether and how your business segments, products, lines of service, projects, or operations are materially impacted by supply chain disruptions. For example, discuss whether you have or expect to:
- suspend the production, purchase, sale or maintenance of certain items due to a lack of raw materials; inventory shortages; closed factories or stores; reduced headcount; or delayed projects;
 - experience labor shortages that impact your business;
 - experience cybersecurity attacks in your supply chain;
 - experience higher costs due to constrained capacity or increased commodity prices or challenges sourcing materials;
 - experience surges or declines in consumer demand for which you are unable to adequately adjust your supply;
 - be unable to supply products at competitive prices or at all due to export restrictions, sanctions, tariffs, trade barriers, or political or trade tensions among countries; or
 - be exposed to supply chain risk in light of Russia's invasion of Ukraine.
- Explain whether and how you have undertaken efforts to mitigate the impact and where possible quantify the impact to your business.
31. With a view toward disclosure, please tell us whether your sponsor is, is controlled by, or has substantial ties with a non-U.S. person. Please also tell us whether anyone or any entity associated with or otherwise involved in the transaction, is, is controlled by, or has substantial ties with a non-U.S. person. If so, also include risk factor disclosure that addresses how this fact could impact your ability to complete your initial business combination. For instance, discuss the risk to investors that you may not be able to complete an initial business combination with a U.S. target company should the transaction be subject to review by a U.S. government entity, such as the Committee on Foreign Investment in the United States (CFIUS), or ultimately prohibited. Further, disclose that the time necessary for government review of the transaction or a decision to prohibit the transaction could prevent you from completing an initial business combination and require you to liquidate. Disclose the consequences of liquidation to investors, such as the losses of the investment opportunity in a target company, any price appreciation in the combined company, and the warrants, which would expire worthless.
32. We note that you present sales information and costs throughout the proxy statement/prospectus in yen. Please revise to also include such amounts in U.S. dollars.

Dustin Shindo
Pono Capital Corp
November 17, 2022
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You may contact Dale Welcome at (202) 551-3865 or Melissa Gilmore at (202) 551-3777 if you have questions regarding comments on the financial statements and related matters. Please contact Bradley Ecker at (202) 551-4985 or Erin Purnell at (202) 551-3454 with any other questions.

Sincerely,

Division of Corporation Finance
Office of Manufacturing