REFINITIV

DELTA REPORT

10-Q

SOLID POWER, INC.

10-Q - JUNE 30, 2024 COMPARED TO 10-Q - MARCH 31, 2024

The following comparison report has been automatically generated

TOTAL DELTAS	663
CHANGES	57
DELETIONS	184
ADDITIONS	422

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

FORM 10-Q

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

For the quarterly period ended March 31, 2024 June 30, 2024

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: **001-40284**

Graphic

SOLID POWER, INC.

(Exact name of registrant as specified in its charter)

Delaware	**86-1888095**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
486 S. Pierce Ave., Suite E	
Louisville, Colorado	**80027**
(Address of principal executive offices)	(Zip Code)

(303) 219-0720

(Registrant's telephone number, including area code)

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

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common stock, par value $0.0001 per share	**SLDP**	**The Nasdaq Stock Market LLC**
Warrants, each whole warrant exercisable for one share of common stock at an exercise price of $11.50	**SLDPW**	**The Nasdaq Stock Market LLC**

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

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, 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 ☒

177,045,891 178,962,858 shares of common stock were issued and outstanding as of May 6, 2024 August 5, 2024.

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SOLID POWER, INC.

FORM 10-Q

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GLOSSARY OF DEFINED TERMS

Term	Definition
2014 Plan	Solid Power, Inc. 2014 Equity Incentive Plan

2021 Plan	Solid Power, Inc. 2021 Equity Incentive Plan
2023 Form 10-K	Our Annual Report on Form 10-K for the year ended December 31, 2023
Ah	Ampere hour
BMW	BMW of North America LLC
Board	The Board of Directors of Solid Power, Inc.
Electrolyte Supply Agreement	Electrolyte Supply Agreement, dated January 10, 2024, between Solid Power Operating, Inc. and SK On
ESPP	Solid Power, Inc. 2021 Employee Stock Purchase Plan
EV	Battery electric vehicle
EV cells	Prototype cell formats between 60 and 100 Ah
Exchange Act	Securities Exchange Act of 1934, as amended
GAAP	U.S. generally accepted accounting principles
JDA	Joint development agreement
Line Installation Agreement	Line Installation Agreement, dated January 10, 2024, among Solid Power Korea Co., Ltd., SK On, and, for the limited purposes of Section 12.16 of the Line Installation Agreement, Solid Power
Notes	Notes to the Condensed Consolidated Financial Statements (Unaudited) in this Report
OEM	Automotive original equipment manufacturers
Private Placement Warrants	Warrants sold in a private placement as part of our initial public offering or acquired through a conversion of a working capital loan
Public Warrants	Our publicly-traded warrants
R&D License Agreement	Research and Development Technology License Agreement, dated January 10, 2024, between Solid Power Operating, Inc. and SK On
Report	This Quarterly Report on Form 10-Q
RSU	Restricted stock unit
SEC	Securities and Exchange Commission
SK On	SK On Co., Ltd.
SK On Agreements	Electrolyte Supply Agreement, Line Installation Agreement, and R&D License Agreement, collectively
Solid Power / the Company / we / us / our	Solid Power, Inc., a Delaware corporation (f/k/a Decarbonization Plus Acquisition Corporation III)
SP1	Our Louisville, Colorado facility, which we primarily use for cell production, research and development, and quality control
SP2	Our Thornton, Colorado facility, which we primarily use for pilot production of electrolyte, research and development, quality control, and general office space
Warrants	Private Placement Warrants and Public Warrants

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Report contains forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995, that involve risks and uncertainties. We have based these forward-looking statements on our current expectations and projections about future events. All statements, other than statements of present or historical fact included in this Report, regarding our future financial performance and our strategy, expansion plans, market opportunity, future operations, future operating results, estimated revenues or losses, projected costs, prospects, plans, and objectives of management are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "may," "should," "could," "would," "will," "expect," "plan," "anticipate," "intend," "believe," "estimate," "continue," "project," or the negative of such terms or other similar expressions. These forward-looking statements are subject to known and unknown risks, uncertainties, and assumptions about us that may cause our actual results, levels of activity, performance, or achievements to be materially different from any future results, levels of activity, performance, or achievements expressed or implied by such forward-looking statements. Except as otherwise required by applicable law, we disclaim any duty to update any forward-looking statements, all of which are expressly qualified by the statements in this section, to reflect events or circumstances after the date of this Report. We caution you that the forward-looking statements contained herein are subject to numerous risks and uncertainties, most of which are difficult to predict and many of which are beyond our control.

In addition, we caution you that the forward-looking statements regarding the Company contained in this Report are subject to the following factors:

- risks relating to the uncertainty of the success of our research and development efforts, including our ability to achieve the technological objectives or results that our partners require, and our ability to commercialize our technology in advance of competing technologies;
- rollout of our business plan and the timing of expected business milestones;
- risks relating to the non-exclusive nature of our OEM and other partner relationships and our ability to manage these business relationships;
- our ability to negotiate and execute commercial agreements with our partners on commercially reasonable terms;
- our ability to protect and maintain our intellectual property, including in jurisdictions outside of the United States;
- broad market adoption of EVs and other technologies where we are able to deploy our technology, if developed successfully;
- our success attracting and retaining our executive officers, key employees, and other qualified personnel;
- changes in applicable laws or regulations;
- risks relating to our information technology infrastructure and data security breaches;
- risks relating to our status as a research and development stage company with a history of financial losses with an expectation of incurring significant expenses and continuing losses for the foreseeable future;
- our ability to secure government contracts and grants and the availability of government subsidies and economic incentives;
- delays in the construction and operation of additional facilities;
- risks relating to other economic, business, or competitive factors in the United States and other jurisdictions, including supply chain interruptions and changes in market conditions, and our ability to manage these risks and uncertainties; and
- those factors discussed in "Part I, Item 1A. Risk Factors" in our 2023 Form 10-K, as such description may be updated or amended in future filings we make with the SEC.

We caution you that the foregoing list does not contain all of the risks or uncertainties that could affect the Company.

You should not rely upon forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this Report primarily on our current expectations and projections about future events and trends that we believe may affect our business, operating results, financial condition and prospects. The outcome of the events described in these forward-looking statements is subject to risks, uncertainties and other factors, including those described in “Part I, Item 1A. Risk Factors” in our 2023 Form 10-K, as such description may be updated or amended in future filings we make with the SEC. Moreover, we operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this Report. We cannot assure you that the results, events, and circumstances reflected in the forward-looking statements will be achieved or occur, and actual results, events, or circumstances could differ materially from those described in the forward-looking statements.

Neither we nor any other person assumes responsibility for the accuracy and completeness of any of these forward-looking statements. Moreover, the forward-looking statements made in this Report relate only to events as of the date on which the statements are made. We undertake no obligation to update any forward-looking statements made in this Report to reflect events or circumstances after the date of this Report or to reflect new information or the occurrence of unanticipated events, except as required by law. You should not place undue reliance on our forward-looking statements. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures, or investments we may make.

TRADEMARKS

Our logo and trademark appearing in this Report and the documents incorporated by reference herein are our property. This document and the documents incorporated by reference herein contains references to trademarks and service marks belonging to other entities. Solely for convenience, trademarks and trade names referred to in this Report may appear without the ® or TM symbols, but such references are not intended to indicate, in any way, that the applicable licensor will not assert, to the fullest extent under applicable law, its rights to these trademarks and trade names. We do not intend our use or display of other companies’ trade names, trademarks, or service marks to imply a relationship with, or endorsement or sponsorship of it by, any other companies.

MARKET AND INDUSTRY DATA

We obtained the industry and market data used throughout this Report or any documents incorporated herein by reference from our own internal estimates and research, as well as from independent market research, industry and general publications and surveys, governmental agencies, publicly available information, and research, surveys, and studies conducted by third parties. Internal estimates are derived from publicly available information released by industry analysts and third-party sources, our internal research, and our industry experience and are based on assumptions made by us based on such data and our knowledge of our industry and market, which we believe to be reasonable. In some cases, we do not expressly refer to the sources from which this data is derived. In addition, while we believe the industry and market data included in this Report or any documents incorporated herein by reference is reliable and based on reasonable assumptions, such data involve material risks and other uncertainties and is subject to change based on various factors, including those discussed in the section entitled “Risk Factors.” These and other factors could cause results to differ materially from those expressed in the estimates made by the independent parties or by us.

INFORMATION ABOUT SOLID POWER

We use our website (www.solidpowerbattery.com) and various social media channels (e.g., Solid Power, Inc. on LinkedIn) as a means of disclosing information about Solid Power and our products to our customers, investors, and the public. The information posted on our website and social media channels is not incorporated by reference in this Report or in any other report or document we file with the SEC. Further, references to our website URLs are intended to be inactive textual references only. The information we post through these channels may be deemed material. Accordingly, investors should monitor these channels, in addition to following our press releases, SEC filings, and public conference calls and webcasts. In addition, you may automatically receive e-mail alerts and other information about Solid Power when you enroll your e-mail address by visiting the “Investor Email Alerts” section of our website at https://ir.solidpowerbattery.com. Our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to reports filed pursuant to Sections 13(a) and 15(d) of the Exchange Act are filed with the SEC. These reports and other information we file with the SEC are available free of charge at https://www.solidpowerbattery.com/investor-relations/financials/sec-filings when such reports are available on the SEC’s website.

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

Solid Power, Inc.
Condensed Consolidated Balance Sheets
(in thousands, except par value and number of shares)

	March 31, 2024 (Unaudited)	December 31, 2023	June 30, 2024 (Unaudited)	December 31, 2023
Assets				
Current Assets				
Cash and cash equivalents	$ 14,019	$ 34,537	$ 30,638	$ 34,537
Marketable securities	132,619	141,505	109,882	141,505
Contract receivables	10,106	1,553	7,766	1,553
Contract receivables from related parties	4,152	—	4,581	—
Prepaid expenses and other current assets	9,656	5,523	7,959	5,523
Total current assets	170,552	183,118	160,826	183,118
Long-Term Assets				
Property, plant and equipment, net	99,593	99,156	99,727	99,156
Right-of-use operating lease assets, net	7,004	7,154	6,852	7,154
Right-of-use finance lease assets, net	1,030	1,088	972	1,088
Investments	232,307	239,566	218,313	239,566
Intangible assets, net	1,800	1,650	1,912	1,650
Prepaid expenses and other assets	3,884	1,060		
Other assets			4,025	1,060
Total long-term assets	345,618	349,674	331,801	349,674
Total assets	**$ 516,170**	**$ 532,792**	**$ 492,627**	**$ 532,792**
Liabilities and Stockholders' Equity				
Current Liabilities				
Accounts payable and other accrued liabilities	7,866	6,455	7,285	6,455
Deferred revenue	3,078	1	10,075	1
Deferred revenue from related parties	—	828	—	828
Accrued compensation	6,267	7,590	4,559	7,590
Operating lease liabilities	647	626	668	626
Finance lease liabilities	374	379	362	379
Total current liabilities	18,232	15,879	22,949	15,879
Long-Term Liabilities				
Warrant liabilities	4,728	4,227	4,025	4,227
Operating lease liabilities	7,824	7,996	7,649	7,996
Finance lease liabilities	464	552	381	552
Deferred revenue	4,716	—		
Other liabilities	829	803	845	803
Total long-term liabilities	18,561	13,578	12,900	13,578
Total liabilities	36,793	29,457	35,849	29,457
Stockholders' Equity				
Common Stock, $0.0001 par value; 2,000,000,000 shares authorized; 178,349,557 and 179,010,884 shares issued and outstanding as of March 31, 2024 and December 31, 2023, respectively	18	18		

Common Stock, $0.0001 par value; 2,000,000,000 shares authorized; 178,640,611 and 179,010,884 shares issued and outstanding as of June 30, 2024 and December 31, 2023, respectively			18	18
Additional paid-in capital	586,343	588,515	586,029	588,515
Accumulated deficit	(105,846)	(84,639)	(128,120)	(84,639)
Accumulated other comprehensive loss	(1,138)	(559)	(1,149)	(559)
Total stockholders' equity	479,377	503,335	456,778	503,335
Total liabilities and stockholders' equity	$ 516,170	$ 532,792	$ 492,627	$ 532,792

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited).

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Solid Power, Inc.

Condensed Consolidated Statements of Operations and Comprehensive Loss (Unaudited)

(in thousands, except number of shares and per share amounts)

	Three Months Ended March 31,	
	2024	2023
Revenue	$ 5,953	$ 3,792
Operating Expenses		
Direct costs	4,290	6,274
Research and development	18,873	11,648
Selling, general and administrative	8,571	7,188
Total operating expenses	31,734	25,110
Operating Loss	(25,781)	(21,318)
Nonoperating Income and Expense		
Interest income	5,117	4,835
Change in fair value of warrant liabilities	(501)	(2,662)
Interest expense	(42)	(13)
Total nonoperating income and expense	4,574	2,160
Net Loss Attributable to Common Stockholders	**$ (21,207)**	**$ (19,158)**
Other Comprehensive Income (Loss)	(579)	885
Comprehensive Loss Attributable to Common Stockholders	**$ (21,786)**	**$ (18,273)**
Basic and diluted loss per share	$ (0.12)	$ (0.11)
Weighted average shares outstanding – basic and diluted	180,784,020	176,934,261

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Revenue	$ 5,075	$ 4,906	$ 11,028	$ 8,698
Operating Expenses				

Direct costs	5,437	6,897	9,727	13,171
Research and development	18,526	14,508	37,400	26,156
Selling, general and administrative	8,049	5,673	16,619	12,862
Total operating expenses	32,012	27,078	63,746	52,189
Operating Loss	(26,937)	(22,172)	(52,718)	(43,491)
Nonoperating Income and Expense				
Interest income	4,520	4,993	9,637	9,827
Change in fair value of warrant liabilities	703	4,987	202	2,325
Interest expense	(49)	(13)	(91)	(26)
Total nonoperating income and expense	5,174	9,967	9,748	12,126
Pretax Loss	**$ (21,763)**	**$ (12,205)**	**$ (42,970)**	**$ (31,365)**
Income tax expense	511	—	511	—
Net Loss Attributable to Common Stockholders	**$ (22,274)**	**$ (12,205)**	**$ (43,481)**	**$ (31,365)**
Other Comprehensive Income (Loss)	(11)	1,098	(590)	(213)
Comprehensive Loss Attributable to Common Stockholders	**$ (22,285)**	**$ (11,107)**	**$ (44,071)**	**$ (31,578)**
Basic and diluted loss per share	$ (0.13)	$ (0.07)	$ (0.24)	$ (0.18)
Weighted average shares outstanding – basic and diluted	177,588,035	178,063,573	179,186,027	177,502,037

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited).

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Solid Power, Inc.

Condensed Consolidated Statement of Stockholders' Equity (Unaudited)

(in thousands, except number of shares)

	Common Stock					
	Shares	Amount	Additional paid-in capital	Accumulated deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
Balance as of December 31, 2023	179,010,884	$ 18	$ 588,515	$ (84,639)	$ (559)	$ 503,335
Net loss	—	—	—	(21,207)	—	(21,207)
Withholding of employee taxes related to stock-based compensation	—	—	(169)	—	—	(169)
Shares of common stock issued for vested RSUs	161,995	—	—	—	—	—
Stock options exercised	2,360,316	—	97	—	—	97
Repurchase and retirement of shares of common stock	(3,183,638)	—	(4,963)	—	—	(4,963)
Stock-based compensation expense	—	—	2,863	—	—	2,863
Unrealized loss on marketable securities	—	—	—	—	(579)	(579)
Balance as of March 31, 2024	178,349,557	$ 18	$ 586,343	$ (105,846)	$ (1,138)	$ 479,377

	Common Stock					
			Additional	Accumulated	Accumulated Other	Total Stockholders'

	Shares	Amount	paid-in capital	deficit	Comprehensive Loss	Equity
Balance as of December 31, 2023	179,010,884	$ 18	$ 588,515	$ (84,639)	$ (559)	$ 503,335
Net loss	—	—	—	(21,207)	—	(21,207)
Withholding of employee taxes related to stock-based compensation	—	—	(169)	—	—	(169)
Shares of common stock issued for vested RSUs	161,995	—	—	—	—	—
Stock options exercised	2,360,316	—	97	—	—	97
Repurchase and retirement of shares of common stock	(3,183,638)	—	(4,963)	—	—	(4,963)
Stock-based compensation expense	—	—	2,863	—	—	2,863
Unrealized loss on marketable securities	—	—	—	—	(579)	(579)
Balance as of March 31, 2024	178,349,557	$ 18	$ 586,343	$ (105,846)	$ (1,138)	$ 479,377
Net loss	—	—	—	(22,274)	—	(22,274)
Shares of common stock issued under the ESPP	187,614	—	238	—	—	238
Withholding of employee taxes related to stock-based compensation		—	(310)	—	—	(310)
Shares of common stock issued for vested RSUs	689,221	—	—	—	—	—
Stock options exercised	1,230,581	—	100	—	—	100
Repurchase and retirement of shares of common stock	(1,816,362)	—	(3,393)	—	—	(3,393)
Stock-based compensation expense	—	—	3,051	—	—	3,051
Unrealized loss on marketable securities	—	—	—	—	(11)	(11)
Balance as of June 30, 2024	178,640,611	$ 18	$ 586,029	$ (128,120)	$ (1,149)	$ 456,778

	Common Stock		Additional	Accumulated	Accumulated Other	Total Stockholders'
	Shares	**Amount**	**paid-in capital**	**deficit**	**Comprehensive Loss**	**Equity**
Balance as of December 31, 2022	176,007,184	$ 18	$ 577,603	$ (19,090)	$ (3,159)	$ 555,372
Net loss	—	—	—	(19,158)	—	(19,158)
Stock options exercised	1,679,954	—	150	—	—	150
Stock-based compensation expense	—	—	2,222	—	—	2,222
Unrealized gain on marketable securities	—	—	—	—	885	885
Balance as of March 31, 2023	177,687,138	$ 18	$ 579,975	$ (38,248)	$ (2,274)	$ 539,471

	Common Stock		Additional	Accumulated	Accumulated Other	Total Stockholders'
	Shares	**Amount**	**paid-in capital**	**deficit**	**Comprehensive Loss**	**Equity**
Balance as of December 31, 2022	176,007,184	$ 18	$ 577,603	$ (19,090)	$ (3,159)	$ 555,372
Net loss	—	—	—	(19,158)	—	(19,158)
Stock options exercised	1,679,954	—	150	—	—	150
Stock-based compensation expense	—	—	2,222	—	—	2,222
Unrealized gain on marketable securities	—	—	—	—	885	885
Balance as of March 31, 2023	177,687,138	$ 18	$ 579,975	$ (38,248)	$ (2,274)	$ 539,471
Net loss	—	—	—	(12,205)	—	(12,205)
Shares of common stock issued under the ESPP	129,928	—	214	—	—	214
Witholding of employee taxes related to stock-based compensation	—	—	(111)	84	—	(27)
Shares of common stock issued for vested RSUs	163,148	—	—	—	—	—
Stock options exercised	346,676	—	33	—	—	33
Stock-based compensation expense	—	—	2,923	—	—	2,923
Unrealized loss on marketable securities	—	—	—	—	(1,098)	(1,098)
Balance as of June 30, 2023	178,326,890	$ 18	$ 583,034	$ (50,369)	$ (3,372)	$ 529,311

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited).

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Solid Power, Inc.

Condensed Consolidated Statements of Cash Flows (Unaudited)

(in thousands)

	Three Months Ended March 31,	
	2024	2023
Cash Flows from Operating Activities		
Net loss	$ (21,207)	$ (19,158)
Adjustments to reconcile net loss to net cash and cash equivalents from operating activities:		
Depreciation and amortization	3,909	2,264
Amortization of right-of-use assets	207	183
Stock-based compensation expense	2,863	2,222
Change in fair value of warrant liabilities	501	2,662
Accretion of discounts on other long-term liabilities	(4)	—
Amortization of premiums and accretion of discounts on marketable securities	(2,428)	(2,716)
Change in operating assets and liabilities that provided (used) cash and cash equivalents:		
Contract receivables	(8,553)	(179)
Contract receivables from related parties	(4,152)	319
Prepaid expenses and other assets	(6,983)	(1,129)
Accounts payable and other accrued liabilities	1,290	1,699
Deferred revenue	7,794	(14)
Deferred revenue from related parties	(828)	(3,000)
Accrued compensation	(1,323)	(2,652)
Operating and finance lease liabilities, short-term	(151)	(132)
Net cash and cash equivalents used in operating activities	(29,065)	(19,631)
Cash Flows from Investing Activities		
Purchases of property, plant and equipment	(4,054)	(11,581)
Purchases of marketable securities and investments	(61,287)	(110,636)
Proceeds from sales of marketable securities	79,134	101,665
Purchases of intangible assets	(154)	(125)
Net cash and cash equivalents provided by (used in) investing activities	13,639	(20,677)
Cash Flows from Financing Activities		
Payments of debt	—	(7)
Proceeds from exercise of stock options	97	150
Cash paid for withholding of employee taxes related to stock-based compensation	(169)	—
Repurchase of shares of common stock	(4,914)	—
Payments on finance lease liabilities	(106)	(70)
Net cash and cash equivalents provided by (used in) financing activities	(5,092)	73

Net decrease in cash and cash equivalents		(20,518)		(40,235)
Cash and cash equivalents at beginning of period		34,537		50,123
Cash and cash equivalents at end of period		14,019		9,888
Cash paid for interest	$	42	$	13
Accrued capital expenditures	$	954	$	3,370

	Six Months Ended June 30,			
	2024		2023	
Cash Flows from Operating Activities				
Net loss	$	(43,481)	$	(31,365)
Adjustments to reconcile net loss to net cash and cash equivalents from operating activities:				
Depreciation and amortization		7,974		4,906
Amortization of right-of-use assets		417		372
Stock-based compensation expense		5,914		5,145
Change in fair value of warrant liabilities		(202)		(2,325)
Accretion of discounts on other long-term liabilities		24		—
Amortization of premiums and accretion of discounts on marketable securities		(4,540)		(5,518)
Change in operating assets and liabilities that provided (used) cash and cash equivalents:				
Contract receivables		(6,213)		(1,232)
Contract receivables from related parties		(4,581)		(2,151)
Prepaid expenses and other assets		(2,287)		(188)
Accounts payable and other accrued liabilities		884		(297)
Deferred revenue		10,075		(32)
Deferred revenue from related parties		(828)		(4,000)
Accrued compensation		(3,030)		649
Operating lease liabilities		(305)		(268)
Net cash and cash equivalents used in operating activities		(40,179)		(36,304)
Cash Flows from Investing Activities				
Purchases of property, plant and equipment		(8,460)		(21,184)
Purchases of marketable securities and investments		(99,548)		(174,400)
Proceeds from sales of marketable securities and investments		156,135		210,329
Cash paid for note receivable to an independent contractor		(3,046)		—
Purchases of intangible assets		(270)		(259)
Net cash and cash equivalents provided by investing activities		44,811		14,486
Cash Flows from Financing Activities				
Payments of debt		—		(7)
Proceeds from exercise of stock options		197		184
Proceeds from issuance of shares of common stock under the ESPP		238		214
Cash paid for withholding of employee taxes related to stock-based compensation		(479)		(111)
Repurchase of shares of common stock		(8,274)		—
Payments on finance lease liabilities		(213)		(146)
Net cash and cash equivalents provided by (used in) financing activities		(8,531)		134
Net decrease in cash and cash equivalents		(3,899)		(21,684)
Cash and cash equivalents at beginning of period		34,537		50,123
Cash and cash equivalents at end of period		30,638		28,439
Cash paid for interest	$	91	$	26
Accrued capital expenditures	$	744	$	3,591

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Notes to Condensed Consolidated Financial Statements (Unaudited) (in thousands, except number of shares and per share amounts)

Note 1 – Nature of Business

Solid Power is developing solid-state battery technology for the EV and other markets. The Company's planned business model is to manufacture and sell its proprietary electrolyte and to license its cell designs and manufacturing processes.

Note 2 – Significant Accounting Policies

The significant accounting policies followed by the Company are set forth in Note 2 – Significant Accounting Policies to the Company's financial statements included in the 2023 Form 10-K and are supplemented by the Notes to the Condensed Consolidated Financial Statements (Unaudited) (the "Notes") included in this Report. Notes. The financial statements included in this Report (including the Notes) should be read in conjunction with the 2023 Form 10-K.

Basis of Presentation and Principles of Consolidation

The accompanying unaudited condensed consolidated financial statements of the Company have been prepared on the basis of GAAP. GAAP and reflect all adjustments of a normal recurring nature, which are, in the opinion of management, necessary for a fair presentation of the consolidated financial position and results of operations at, and for, the periods presented. The preparation of unaudited condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect amounts reported in the unaudited condensed consolidated financial statements. Actual results could differ from those estimates. All dollar amounts presented herein are in U.S. dollars and are in thousands, except par value and share and per share amounts.

The accompanying unaudited condensed consolidated financial statements include accounts of the Company and its wholly owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation. Additionally, certain prior period amounts have been reclassified to conform to current period presentation in the accompanying unaudited condensed consolidated financial statements.

Recent Accounting Pronouncements

Income taxes Taxes

In December 2023, the FASB issued ASU No. 2023-09 *Income Taxes* (Topic 740) Improvements to Income Tax Disclosures. ASU 2023-09 requires companies to disclose, on an annual basis, specific categories in the effective tax rate reconciliation and provide additional information for reconciling items that meet a quantitative threshold. In addition, ASU 2023-09 requires companies to disclose additional information about income taxes paid. ASU 2023-09 will be effective for annual periods beginning January 1, 2025 and will be applied on a prospective basis with the option to apply the standard retrospectively. The Company is evaluating the disclosure impact of ASU 2023-09.

Segment Reporting

In November 2023, the FASB issued ASU No. 2023-07 *Segment Reporting* (Topic 280): Improvements to Reportable Segment Disclosures. Among other new disclosure requirements, ASU 2023-07 requires companies to disclose significant segment expenses that are regularly provided to the chief operating decision maker, or CODM. ASU 2023-07 will be effective for annual periods beginning on January 1, 2024 and interim periods beginning on January 1, 2025. ASU 2023-07 must be applied retrospectively to all prior periods presented in the financial statements. The Company is evaluating does not expect any financial statement impact with the disclosure impact adoption of ASU 2023-07.

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Note 3 – Property, Plant and Equipment

Property, plant and equipment are summarized as follows:

	March 31, 2024	December 31, 2023	June 30, 2024	December 31, 2023
Commercial production equipment	$ 36,223	$ 36,086		
Production equipment			$ 36,473	$ 36,086
Laboratory equipment	10,748	9,910	11,275	9,910
Leasehold improvements	59,361	59,109	59,394	59,109
Furniture and computer equipment	4,042	3,915	4,046	3,915
Construction in progress	16,638	13,650	20,015	13,650
Total cost	127,012	122,670	131,203	122,670
Accumulated depreciation	(27,419)	(23,514)	(31,476)	(23,514)
Net property and equipment	$ 99,593	$ 99,156	$ 99,727	$ 99,156

Depreciation expenses for dedicated laboratory equipment and commercial production equipment are charged to research and development. The other depreciation expenses are included in the Company's overhead and are allocated across Operating Expenses based on Company personnel costs incurred.

Depreciation expense related to property, plant and equipment are summarized as follows:

	Three Months Ended March 31,		Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023	2024	2023
Depreciation expense	$ 3,905	$ 2,259	$ 4,061	$ 2,639	$ 7,966	$ 4,898

The Company expanded its electrolyte production to produce larger quantities of electrolyte material required to feed cell-production lines and continue research and development efforts at SP2. The Company began producing electrolyte at SP2 in 2023. The Company is developing a design verification plan and report lab at SP2 to improve and test process developments, which is anticipated to be placed in service by the end of 2024.

	March 31, 2024	December 31, 2023	June 30, 2024	December 31, 2023
Construction in progress				
SP1 - Capital projects	$ 3,404	$ 2,298	$ 3,797	$ 2,298
SP2 - Increased scale electrolyte production	13,234	11,352	16,218	11,352
Total			$ 20,015	$ 13,650

Note 4 – Intangible Assets

Intangible assets of the Company are summarized as follows:

	March 31, 2024	December 31, 2023	June 30, 2024	December 31, 2023

	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Intangible assets:								
Licenses	$ 149	$ (63)	$ 149	$ (61)	$ 149	$ (65)	$ 149	$ (61)
Patents	124	(7)	92	(5)	130	(8)	92	(5)
Patents pending	1,561	—	1,444	—	1,671		1,444	—
Trademarks	13	—	13	—	13		13	—
Trademarks pending	22	—	18	—	22		18	—
Total amortized intangible assets	$ 1,869	$ (70)	$ 1,716	$ (66)	$ 1,985	$ (73)	$ 1,716	$ (66)

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Amortization expense for intangible assets is summarized as follows:

	Three Months Ended March 31,		Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023	2024	2023
Amortization expense	$ 4	$ 5	$ 3	$ 3	$ 7	$ 8

Useful lives of intangible assets range from three to 20 years. Amortization expenses are allocated ratably across Operating Expenses based on Company personnel costs incurred.

Note 5 – Collaborative Arrangement

On January 10, 2024, the Company entered into the SK On Agreements.

The Company determined the R&D License Agreement, Electrolyte Supply Agreement, and the Line Installation AgreementSK On Agreements should be combined and evaluated as a single contract, the SK On Agreements. contract. The SK On Agreements were determined to be a collaborative arrangement in accordance with ASC Topic 808, *Collaborative Arrangements*, and revenue recognition is recorded by analogy to ASC Topic 606, *Revenue from Contracts with Customers. Customers*. The Company determined the SK On Agreements represent a single, combined performance obligation. Collaborative revenue will be is recognized over time using the input measurement method utilizing incurred labor hours in relation to total labor hours anticipated to satisfy the combined performance obligation. The Company will expense contract fulfillment costs as incurred.

Note 6 – Fair Value Measurements

The Company considers all highly liquid instruments with original maturities of less than 90 days to be cash equivalents. The carrying amounts of certain financial instruments, such as cash equivalents, short-term investments, accounts receivable, accounts payable, and accrued liabilities, approximate fair value due to their relatively short maturities.

Level 1inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that a reporting entity can access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for assets or liabilities.

Assets and Liabilities Measured and Recorded at Fair Value on a Recurring Basis

As of March 31, 2024 June 30, 2024 and December 31, 2023, the Company's financial assets and liabilities measured and recorded at fair value on a recurring basis were classified within the fair value hierarchy as follows:

	March 31, 2024				June 30, 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets								
Commercial Paper	$ 95,059	$ —	$ —	$ 95,059	$ 81,021	$ —	$ —	$ 81,021
Corporate Bonds	$ 223,649	$ —	$ —	$ 223,649	$203,592	$ —	$ —	$203,592
Government Bonds	$ 46,218	$ —	$ —	$ 46,218	$ 43,582	$ —	$ —	$ 43,582
Liabilities								
Public Warrants	$ 2,637	$ —	$ —	$ 2,637	$ 2,241	$ —	$ —	$ 2,241
Private Placement Warrants	$ —	$ 2,091	$ —	$ 2,091	$ —	$1,784	$ —	$ 1,784

	December 31, 2023			
	Level 1	Level 2	Level 3	Total
Assets				
Commercial Paper	$ 84,909	$ —	$ —	$ 84,909
Corporate Bonds	$ 239,473	$ —	$ —	$ 239,473
Government Bonds	$ 56,689	$ —	$ —	$ 56,689
Liabilities				
Public Warrants	$ 2,505	$ —	$ —	$ 2,505
Private Placement Warrants	$ —	$ 1,722	$ —	$ 1,722

The change in fair value of the Company's marketable securities and long-term investments are included in other comprehensive income (loss). There were no transfers in and out of Level 3 fair value hierarchy during the three months ended March

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31, 2024 The change in fair value of the Company's marketable securities and investments are included in other comprehensive income (loss). There were no transfers in and out of Level 3 fair value hierarchy during the three or six months ended June 30, 2024 or year ended December 31, 2023. During the three six months ended March 31, 2024 and 2023, June 30, 2024, the Company purchased $61,287 and $110,636 $99,548 of marketable securities and long-term investments, respectively. investments.

Fair Value of Warrants

The fair value of the Private Placement Warrants have has been estimated using a Black-Scholes model as of March 31, 2024 June 30, 2024 and December 31, 2023 Consolidated Balance Sheet dates. The estimated fair value of the Private Placement Warrants is determined using Level 2 directly or indirectly observable inputs. Inherent in a Black-Scholes model are assumptions related to expected stock-price volatility, expected life, risk-free interest rate, and dividend yield. Material increases (or decreases) in any of those inputs may result in a significantly higher (or lower) fair value measurement. The Company estimates the volatility of its Private Placement Warrants based on implied volatility from the Company's Public Warrants and from historical volatility of select peer companies' the Company's common stock. The risk-free interest rate is based on the U.S. Treasury zero-coupon yield curve for a maturity similar to the expected remaining life of the Warrants. The dividend yield is based on the historical rate, which the Company anticipates remaining at zero. The fair value of the Public Warrants has been measured based on the quoted price of such warrants on the Nasdaq Stock Market, a Level 1 input.

The following table provides quantitative information regarding Level 2 inputs used in the recurring valuation of the Private Placement Warrants as of their measurement dates:

	March 31, 2024	December 31, 2023	June 30, 2024	December 31, 2023
Exercise price	$ 11.50	$ 11.50	$ 11.50	$ 11.50
Stock price	$ 2.03	$ 1.45	$ 1.65	$ 1.45
Volatility	85.8 %	95.0 %	97.9 %	95.0 %
Term (in years)	2.69	2.94	2.44	2.94
Risk-free rate	4.36 %	3.94 %	4.52 %	3.94 %

The following table provides a rollforward of the Public Warrants measured at fair value per Public Warrant using Level 1 inputs and Private Placement Warrants measured at fair value per Private Placement Warrant using Level 2 inputs:

	Public Warrants Level 1 Fair Value	Private Placement Warrants Level 2 Fair Value	Public Warrants Level 1 Fair Value	Private Placement Warrants Level 2 Fair Value
December 31, 2023	$ 0.19	$ 0.28	$ 0.19	$ 0.28
Change in fair value	$ 0.01	$ 0.06	$ 0.01	$ 0.06
March 31, 2024	$ 0.20	$ 0.34	$ 0.20	$ 0.34
Change in fair value			$ (0.03)	$ (0.05)
June 30, 2024			$ 0.17	$ 0.29

The following tables provides a reconciliation of the change in fair value for the Public Warrants and Private Placement Warrants at March 31. for the three months ended June 30, 2024:

Warrant Class	Level	Warrants	December 31, 2023	Three Months Change in Fair Value	March 31, 2024	Level	Warrants	March 31, 2024	Three Months Change in Fair Value	June 30, 20
Public Warrants	1	13,182,501	$ 2,505	$ 132	$ 2,637	1	13,182,501	$ 2,637	$ (396)	$ 2,24
Private Placement Warrants	2	6,150,802	$ 1,722	$ 369	$ 2,091	2	6,150,802	$ 2,091	$ (307)	$ 1,78
Total		19,333,303	$ 4,227	$ 501	$ 4,728		19,333,303	$ 4,728	$ (703)	$ 4,02

The following tables provides a reconciliation of the change in fair value for the Public Warrants and Private Placement Warrants for the six months ended June 30, 2024:

Warrant Class	Level	Warrants	December 31, 2023	Six Months Change in Fair Value	June 30, 2024
Public Warrants	1	13,182,501	$ 2,505	$ (264)	$ 2,241
Private Placement Warrants	2	6,150,802	$ 1,722	$ 62	$ 1,784
Total		19,333,303	$ 4,227	$ (202)	$ 4,025

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Note 7 – Warrant Liabilities

The table below provides a summary of the outstanding Public and Private Placement Warrants at:

	March 31, 2024	December 31, 2023	June 30, 2024	December 31, 2023
Public Warrants	13,182,501	13,182,501	13,182,501	13,182,501
Private Placement Warrants	6,150,802	6,150,802	6,150,802	6,150,802

Each whole Warrant entitles the holder thereof to purchase one share of common stock at a price of $11.50 per share, subject to customary adjustments. Only whole Warrants are exercisable. The Warrants became exercisable on January 7, 2022 and will expire on December 8, 2026.

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None of the Private Placement Warrants are redeemable by the Company so long as they are held by the initial purchasers of the Private Placement Warrants or their permitted transferees. The table below provides the fair value of warrant liabilities at:

	March 31, 2024	December 31, 2023	June 30, 2024	December 31, 2023
Fair value of warrant liabilities	$ 4,728	$ 4,227	$ 4,025	$ 4,227

The table below provides the Company's loss recognized in connection with changes in fair value of warrant liabilities:

	Three Months Ended March 31,		Six Months Ended June 30,	
	2024	2023	2024	2023

Loss recognized associated with warrant liabilities	$	(501)	$	(2,662)		
Gain recognized associated with warrant liabilities					$ 202	$ 2,325

There have been no changes to our Public or Private Placement Warrants, including redemption terms disclosed in our 2023 Form 10-K.

Note 8 – Stockholders' Equity

Common Stock

Stock options exercised for common stock, shares of common stock repurchased under the stock repurchase program, shares of common stock issued under the ESPP, and shares of common stock issued upon vesting of RSUs for the three and six months ended March 31, 2024 June 30, 2024 and 2023 are summarized in the table below:

	Three Months Ended March 31,		Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023	2024	2023
Stock options exercised	2,360,316	1,679,954	1,230,581	346,676	3,590,897	2,026,630
Shares of common stock repurchased	(3,183,638)	—	(1,816,362)	—	(5,000,000)	—
Shares of common stock issued under the ESPP			187,614	129,928	187,614	129,928
Shares of common stock issued for vested RSUs	161,995	—	689,221	163,148	851,216	163,148

The table below presents the cash received or paid associated with common stock related activities for the three and six months ended March 31, 2024 June 30, 2024 and 2023:

	Three Months Ended March 31,		Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023	2024	2023
Cash received from stock options exercised	$ 97	$ 150	$ 100	$ 34	$ 197	$ 184
Cash received from shares of common stock issued under the ESPP			238	214	238	214
Cash paid for shares of common stock repurchased	(4,914)	—	(3,360)	—	(8,274)	—

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Stock Repurchase Program

On January 23, 2024, the Company announced that its Board approved a stock repurchase program authorizing the Company to purchase up to $50,000 of the Company's outstanding common stock. Under the repurchase program, the Company may purchase shares of its common stock from time to time until the repurchase program expires on December 31, 2025.

The table below presents the number of shares repurchased and retired, the aggregate cost, and the average purchase price per share for the three months ended March 31, 2024 June 30, 2024:

Shares	Aggregate cost	Avg. Price Paid Per Share	Shares	Aggregate cost	Avg. Price Paid Per Share

Repurchased and retired shares of common stock	3,183,638	$	4,963	$	1.52	1,816,362 $	3,393 $	1.85

In April 2024, The table below presents the Company purchased 1,816,362 number of shares of common stock for $3,393 with an repurchased and retired, the aggregate cost, and the average purchase price of $1.85 per share under for the stock repurchase program. six months ended June 30, 2024:

	Shares		Aggregate cost		Avg. Price Paid Per Share
Repurchased and retired shares of common stock	5,000,000	$	8,355	$	1.64

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Note 9 – Stock-Based Compensation

There have been no changes to our equity incentive plans, the ESPP, or our accounting methodology for stock-based compensation, as disclosed in our 2023 Form 10-K.

The fair value of stock options and RSUs issued to employees and directors is recognized as compensation expense over the period of service that generally coincides with the vesting period of the award. The Company allocated compensation ratably across Operating Expenses based on Company personnel costs incurred. When calculating the amount of annual compensation expense, the Company has elected not to estimate forfeitures and instead accounts for forfeitures as they occur.

For the three and six months ended March 31, 2024 June 30, 2024 and 2023, the Company recognized compensation costs totaling:

	Three Months Ended March 31,			
	2024		2023	
Equity-based compensation costs related to RSUs	$	1,212	$	635
Equity-based compensation costs related to stock options		1,614		1,587
Equity-based compensation costs related to ESPP		37		—
Total equity-based compensation costs	$	2,863	$	2,222
Unrecognized future compensation cost as of:		20,837		59,945

	Three Months Ended June 30,				Six Months Ended June 30,			
	2024		2023		2024		2023	
Stock-based compensation costs related to RSUs	$	1,397	$	954	$	2,609	$	1,589
Stock-based compensation costs related to stock options		1,612		1,889		3,226		3,476
Stock-based compensation costs related to the ESPP		42		80		79		80
Total stock-based compensation costs	$	3,051	$	2,923	$	5,914	$	5,145

The unrecognized future compensation costs as of June 30, 2024 and 2023, were $25,868 and $34,327, respectively.

The following table summarizes our award activity for RSUs and stock options for the three and six months ended March 31, 2024 June 30, 2024:

	RSUs	Stock Options	RSUs	Stock Options
Balance at December 31, 2023	4,473,016	24,264,016	4,473,016	24,264,016
Granted	3,159,872	4,566,167	3,159,872	4,566,167
Vested or Exercised	(264,754)	(2,360,316)	(264,754)	(2,360,316)
Forfeited	(72,619)	(842,395)	(72,619)	(842,395)
Balance at March 31, 2024	7,295,515	25,627,472	7,295,515	25,627,472
Granted			2,162,222	1,757,960
Vested or Exercised			(867,515)	(1,230,581)
Forfeited			(886,343)	(1,873,843)
Balance at June 30, 2024			7,703,879	24,281,008

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Stock Options

The fair value of each stock option grant during the three six months ended March 31, 2024 June 30, 2024 and 2023 was estimated on the grant date using the Black-Scholes option pricing model with the following weighted-average assumptions used:

	Three Months Ended March 31,		Six Months Ended June 30,	
	2024	2023	2024	2023
Approximate risk-free rate	4.21 %	4.28 %	4.23 %	4.17 %
Volatility	48.35 %	46.86 %	48.10 %	46.91 %
Average expected life (in years)	6	6	6	6
Dividend yield	— %	— %	— %	— %
Weighted-average grant date fair value	$ 1.56	$ 3.11	$ 1.59	$ 2.8
Estimated fair value of total stock options granted	$ 3,675	$ 5,165	$ 5,175	$ 7,815

Note 10 – Basic and Diluted Loss Per Share

Basic loss per share represents net loss attributable to common stock divided by the basic weighted average number of shares of common stock outstanding during the period.

Diluted loss per share also includes the dilutive effect of additional potential shares of common stock issuable from stock-based awards determined using the treasury stock method. Diluted loss per share represents net earnings divided by diluted weighted average number of shares of common stock, which includes the average dilutive effect of all potentially dilutive securities that are outstanding during the period.

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The table below sets forth the basic and diluted loss per share calculation for the three and six months ended March 31, 2024 June 30, 2024 and 2023.

	Three Months Ended March 31,		Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023	2024	2023
Net loss attributable to common stockholders	$ (21,207)	$ (19,158)	$ (22,274)	$ (12,205)	$ (43,481)	$ (31,365)
Weighted average shares outstanding – basic and diluted	180,784,020	176,934,261	177,588,035	178,063,573	179,186,027	177,502,037
Basic and diluted loss per share	$ (0.12)	$ (0.11)	$ (0.13)	$ (0.07)	$ (0.24)	$ (0.18)

Due to the net loss for the three and six months ended March 31, 2024 June 30, 2024 and 2023 presented above, diluted loss per share was computed without consideration to potentially dilutive instruments as their inclusion would have been anti-dilutive. The table below sets forth (in shares) potentially dilutive securities excluded from the diluted loss per share calculation for the three and six months ended March 31, 2024 June 30, 2024 and 2023.

	Three Months Ended March 31,		Six Months Ended June 30,	
	2024	2023	2024	2023
Warrants	19,333,303	19,333,303	19,333,303	19,333,303
2014 Plan & 2021 Plan - Stock Options	22,140,322	25,352,980	23,508,745	25,892,666
2021 Plan - RSUs	5,031,773	1,764,062	6,269,774	2,474,393
ESPP - Common Stock	184,970	90,314	46,946	46,352
Contingently Issued Shares of Common Stock	—	49,834	—	59,055
Total potentially dilutive securities	46,690,368	46,590,493	49,158,768	47,805,769

Note 11 – Leases

The Company leases its facilities and certain equipment. Fixed rent escalates each year, and the Company is responsible for a portion of the landlords' operating expenses such as property tax, insurance, and common area maintenance.

The Company's facility in Louisville, Colorado, is under a noncancelable operating lease with a maturity date in September 2029. In 2022, the Company amended this operating lease to incorporate a prior subleased space into the base lease and extend the term of the lease. The Company has the right to renew this operating lease for an additional five-year period.

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On September 1, 2021, the Company entered into an industrial operating lease agreement for its facility in Thornton, Colorado, with the initial term through March 31, 2029. Under this operating lease, the Company has one option to renew for five years, which has been included in the calculation of lease liabilities and right-of-use assets at the adoption date of the lease accounting standard on January 1, 2022, as the exercise of the option was reasonably certain. As the renewal rent has not been negotiated, the Company used an estimated rent rate which approximated the fair market rent at adoption of ASC 842 on January 1, 2022 for the extension period.

The Company has certain equipment leases classified as finance leases as of March 31, 2024 June 30, 2024.

The Company's leases do not have any contingent rent payments and do not contain residual value guarantees.

The components of lease expense are as follows:

	Three Months Ended March 31, 2024	Three Months Ended June 30,		Six Months Ended June 30,	
		2024	2023	2024	2023
Finance lease costs:					
Amortization of right-of-use assets	$ 58	$ 58	$ 47	$ 116	$ 91
Interest on lease liabilities	14	12	13	26	25
Operating lease costs	290	290	290	580	580
Total lease expense	$ 362	$ 360	$ 350	$ 722	$ 696

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The components of cash flow information related to leases are as follows:

	Three Months Ended March 31, 2024	Three Months Ended June 30,		Six Months Ended June 30,	
		2024	2023	2024	2023
Operating outgoing cash flows – finance leases	$ 14	$ 13	$ 14	$ 27	$ 26
Financing outgoing cash flows – finance leases	92	94	74	186	141
Operating outgoing cash flows – operating leases	292	292	283	584	567
Right-of-use assets obtained in exchange for new finance lease liabilities:	—	—	79	—	89
Right-of-use assets obtained in exchange for new operating lease liabilities:	—	—	—	—	—

	March 31, June 30, 2024
Finance lease	
Weighted-average remaining lease term – finance leases (in years)	2.64 2.47
Weighted-average discount rate – finance leases	6.5 6.6 %
Operating lease	
Weighted-average remaining lease term – operating leases (in years)	8.99 8.75

Weighted-average discount rate – operating leases	6.8 %

As of March 31, 2024 June 30, 2024, future minimum payments during the next five years and thereafter are as follows:

Fiscal year	Finance Lease	Operating Lease	Finance Lease	Operating Lease
2024 (remaining nine months)	$ 319	$ 881		
2024 (remaining six months)			$ 212	$ 589
2025	310	1,210	310	1,210
2026	179	1,248	179	1,248
2027	85	1,288	85	1,288
2028	16	1,329	16	1,329
2029	—	1,211	—	1,211
Thereafter	—	4,031	—	4,031
Total	909	11,198	802	10,906
Less present value discount	(71)	(2,728)	(59)	(2,589)
Total lease liabilities	$ 838	$ 8,470	$ 743	$ 8,317

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Note 12 – Related Party Transactions

During the three and six months ended March 31, June 30, 2024, the Company recognized $4,980 $430 and $5,410 of revenue related to the BMW JDA. JDA, respectively. As of March 31, 2024 June 30, 2024, the Company recorded $4,152 $4,581 of accounts receivable related to the BMW JDA. During the three and six months ended March 31, 2023 June 30, 2023, the Company recognized $3,000 $3,470 and $6,470 of revenue related to the BMW JDA. JDA, respectively. For the year ended December 31, 2023, the Company recorded $828 of deferred revenue related to cash paid from BMW in advance of services provided.

On June 21, 2024, Solid Power Operating, Inc., a wholly owned subsidiary of the Company, amended its JDA with BMW to extend the term of the JDA and revise the payment schedule.

Note 13 – Income Taxes

The Company's effective tax rate was 0.00% (2.4%) and (1.2%) for the three and six months ended June 30, 2024, respectively, as a result of withholding tax expense on revenue earned in a foreign jurisdiction. The Company's effective tax rate was 0% for the three and six months ended June 30, 2023, and the Company was in a full valuation allowance for the three and six months ended March 31, 2024 June 30, 2024 and 2023.

The Company's quarterly provision for income taxes is calculated by applying a projected annual effective tax rate, calculated separately for the United States and Republic of Korea, to ordinary pre-tax book income.

Note 14 – Contingencies

In the normal course of business, the Company may be party to litigation from time to time. The Company maintains insurance to cover certain actions and believes that resolution of such litigation will not have a material adverse effect on the Company.

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

The following Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the consolidated financial statements and related notes thereto included elsewhere in this Report. The following discussion contains forward-looking statements that reflect future plans, estimates, beliefs, and expected performance. For additional discussion, see "Cautionary Note Regarding Forward-Looking Statements" above. The forward-looking statements are dependent upon events, risks, and uncertainties that may be outside of our control. Our actual results could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those identified below and those discussed elsewhere in this Report and under "Part I, Item 1A. Risk Factors" of our 2023 Form 10-K, as such descriptions may be updated or amended in future filings we make with the SEC. Unless indicated otherwise, the following discussion and analysis of results of operations and financial condition and liquidity relates to our current continuing operations and should be read in conjunction with the consolidated financial statements and notes thereto of this Report and our 2023 Form 10-K. We do not undertake, and expressly disclaim, any obligation to publicly update any forward-looking statements, whether as a result of new information, new developments, or otherwise, except to the extent that such disclosure is required by applicable law.

Overview

Solid Power is developing solid-state battery technology for the EV market and additional markets served by battery manufacturers.

Our core technology is our proprietary solid electrolyte material, which replaces the liquid or gel electrolyte used in traditional lithium-ion batteries. We believe that our electrolyte material can improve driving range, battery life, safety performance, and battery costs.

We are also developing solid-state cells with our electrolyte, with the aim of commercializing our technology by selling our electrolyte material and licensing our cell designs. This approach is minimizes capital light, requirements, unlike other battery manufacturers who require significant production facilities and equipment. This Also, this strategy allows us to focus on our core strengths of electrolyte production and solid-state technology development.

We

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The Company currently produce our produces electrolyte on a pilot manufacturing line, which is used in our cell development and for customer sampling. We currently develop our cells on our two pilot lines, producing multiple cell sizes to both support our partners and refine cell designs. Longer-term, we expect our the pilot lines to focus on research and development.

We have partnered with industry leaders BMW, Ford Motor Company, and SK On and will continue to work closely with our partners to improve cell designs, produce electrolyte material, and commercialize our technology. Our products are currently in the development stage and require further research and improvement before we can commercialize our technology.

Recent Business Highlights

- Entered into the SK On Agreements with strong early execution on technology transfer and line installation.
- Expanded Received positive feedback from increased electrolyte sampling with and made shipments to multiple potential customers.
- Successfully completed the first milestone on our R&D License Agreement and made significant progress on deliverables under the Line Installation Agreement with SK On.
- Continued advancements in A-2 Sample cells remain sample cell designs and execution on track agreements with end-of-year delivery target. partners as we continue to have a strong balance sheet to execute the Company's strategy.
- Appointed Linda Heller as Chief Financial Officer and Treasurer.

Key Factors Affecting Operating Results

We are a research and development-stage company and have not generated significant revenue through the sale of our electrolyte or licensing of our cell designs. Our ability to commercialize our products depends on several factors that present significant opportunities for us but also pose material risks and challenges, including those discussed in the "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements," sections of this Report, which are incorporated by reference.

Prior to reaching commercialization, we the Company must improve our products to ensure they meet the performance and safety requirements of our customers. We also will have to continue to negotiate licensing and supply contracts with our customers on terms and conditions that are mutually acceptable. We will need to scale production Production of our electrolyte material will need to be scaled to satisfy anticipated demand.

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All of these factors will take time and affect our operating results. Since many factors are difficult to quantify, our actual operating results may be different than we currently anticipate. anticipated.

Our revenue Revenue generated to date has primarily come from performance on research and development licensing activities and government contracts. We continue Substantial capital will need to deploy substantial capital be deployed to expand our production capabilities and engage in research and development programs. We also expect to continue to incur significant administrative expenses as a publicly traded company.

In addition to meeting our development goals, commercialization and future growth and demand for our products are highly dependent upon consumers adopting EVs. The market for new energy vehicles is still rapidly evolving due to emerging technologies, competitive pricing, government regulation and industry standards, and changing consumer demands and behaviors.

Basis of Presentation

We currently conduct our business through one operating segment. As a research and development company with no commercial operations, our activities to date have been limited and were conducted primarily in the United States. Our historical Historical results are reported under GAAP and in U.S. dollars.

Results of Operations

Comparison of the Three and Six Months Ended March 31, 2024 June 30, 2024 to the Three and Six Months Ended March 31, 2023 June 30, 2023

During the three and six months ended March 31, 2024 June 30, 2024, we continued to expand and accelerate our development efforts were expanded and accelerated through increased capital and operational investments. We continued to invest in talent while expanding our facilities, production equipment, and capabilities. We expect This trend is expected to continue to increase for our spending in all operational areas production capabilities, partnership development, and Korean operations through the remainder of 2024 in order as the development strategy is executed according to execute our development strategy. the current outlook.

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The following table is a consolidated summary of our operating results for the periods indicated:

(in thousands)	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023	Change	%	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Change	%	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	Change	%
Revenue	$ 5,953	$ 3,792	$ 2,161	57 %	$ 5,075	$ 4,906	$ 169	3 %	$ 11,028	$ 8,698	$ 2,330	27 %
Operating Expenses												
Direct costs	4,290	6,274	(1,984)	(32)%	5,437	6,897	(1,460)	(21)%	9,727	13,171	(3,444)	(26)%
Research and development	18,873	11,648	7,225	62 %	18,526	14,508	4,018	28 %	37,400	26,156	11,244	43 %
Selling, general and administrative	8,571	7,188	1,383	19 %	8,049	5,673	2,376	42 %	16,619	12,862	3,757	29 %
Total operating expenses	31,734	25,110	6,624	26 %	32,012	27,078	4,934	18 %	63,746	52,189	11,557	22 %
Operating Loss	**(25,781)**	**(21,318)**	**(4,463)**	**(21)%**	**(26,937)**	**(22,172)**	**(4,765)**	**(21)%**	**(52,718)**	**(43,491)**	**(9,227)**	**(21)%**
Nonoperating Income and Expense												
Interest income	5,117	4,835	282	6 %	4,520	4,993	(473)	(9)%	9,637	9,827	(190)	(2)%
Change in fair value of warrant liabilities	(501)	(2,662)	2,161	NM	703	4,987	(4,284)	(86)%	202	2,325	(2,123)	(91)%
Interest expense	(42)	(13)	(29)	(223)%	(49)	(13)	(36)	277 %	(91)	(26)	(65)	(250)%
Total nonoperating income and expense	**$ 4,574**	**2,160**	**$ 2,414**	**112 %**	5,174	9,967	$ (4,793)	(48)%	$ 9,748	12,126	$ (2,378)	(20)%
Pretax Loss					**$ (21,763)**	**$ (12,205)**	**$ (9,558)**	**78 %**	**$ (42,970)**	**$ (31,365)**	**$(11,605)**	**37 %**
Income tax expense					511	—	$ 511	NM	$ 511	—	$ 511	NM

Net Loss Attributable to Common Stockholders	**$ (21,207)**	**$ (19,158)**	**$ (2,049)**	**(11)%**	**$ (22,274)**	**$ (12,205)**	**$(10,069)**	**82 %**	**$ (43,481)**	**$ (31,365)**	**$(12,116)**	**(39)%**
Other Comprehensive Income (Loss)	(579)	885	(1,464)	NM	(11)	1,098	(1,109)	NM	(590)	(213)	(377)	177 %
Comprehensive Loss Attributable to Common Stockholders	**$ (21,786)**	**$ (18,273)**	**$ (3,513)**	**(19)%**	**$ (22,285)**	**$ (11,107)**	**$(11,178)**	**101 %**	**$ (44,071)**	**$ (31,578)**	**$(12,493)**	**(40)%**

NM = Not meaningful

The key factors driving our results of operations for the three and six months ended March 31, 2024 June 30, 2024, including our the increased operating loss as compared to the corresponding period in 2023, were as follows:

- Revenue – revenue from increased for the periods, as compared to 2023, primarily as a result of continued execution on our collaborative arrangements and government contracts. Revenue for 2024 is anticipated to be stable, as compared to 2023, due to fewer active government contracts in 2024 and completion of milestones under our JDAs and collaborative arrangement deliverables drove the overall increase for the period, while revenue from performance on government contracts decreased slightly. We expect revenue to increase arrangements in the remainder first half of 2024 as we execute on our deliverables under our JDAs and other offset by the commencement of the SK On collaborative arrangements. arrangement.

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- Direct costs – our direct costs decreased for the period primarily periods, as compared to 2023, principally as a result of accelerated early completion of JDA milestones. milestones under our collaborative arrangements and government contracts in the prior period. Direct costs are anticipated to decrease for 2024, as compared to 2023, due to fewer active government contracts in 2024 and completion of milestones under our JDAs and collaborative arrangements in the first half of 2024.

- Research and development costs increased for the periods mainly as a result of expanded development and production effortsof our electrolyte and EV cells resulting in increased production and labor costs. We expect direct our research and development costs to increase in the remainder of 2024, as we execute on our deliverables under our JDAs and other collaborative arrangements.

- Research and development – our research and development costs increased for the period primarily compared to 2023, as a result of increased labor and material costs as we expanded the development efforts of our battery cells and electrolyte material. We expect our research and development costs to remain at increased levels as we continue increasing the pace and scope of our development efforts. and production efforts continue to increase.

- Selling, general and administrative – our selling, general and administrative expenses increased for the period periods primarily due to additional use of outside professional services and additional planned hiring, and workforce development, associated with increasing our headcount. and retention awards. We expect our selling, general and administrative expenses to increase in the remainder of 2024, as compared to 2023, as a result of additional planned hiring and workforce development to, among other things, support our Korean operations.

- Operating expenses – non-cash stock-based compensation costs increased for the period across research and development costs and selling, general and administrative expenses related to our increased headcount.

- Nonoperating income – our nonoperating income increased decreased for the period periods due to a decreased loss lesser gain on fair value adjustment of warrant liabilities and an increase a decrease in interest income. income as compared to 2023.

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Liquidity and Capital Resources

Sources of Liquidity

Our The Company's primary sources of cash have historically been derived from the sale of equity, with a small smaller portion coming from performance milestones on our JDAs, collaborative arrangements and government contracts, and other collaborative arrangements. contracts.

As of March 31, 2024 June 30, 2024 and December 31, 2023, we had total liquidity, as set forth below:

(in thousands)	March 31, 2024	December 31, 2023	June 30, 2024	December 31, 2023
Cash and cash equivalents	$ 14,019	$ 34,537	$ 30,638	$ 34,537
Marketable securities	132,619	141,505	109,882	141,505
Long-term investments	232,307	239,566		
Investments			218,313	239,566
Total liquidity	$ 378,945	$ 415,608	$ 358,833	$ 415,608
Total current liabilities	$ 18,232	$ 15,879		

As of June 30, 2024, contract receivables and contract receivables from related parties were $12,347, deferred revenue was $10,075, and total current liabilities were $22,949. As of December 31, 2023, contract receivables were $1,553, deferred revenue and deferred revenue from related parties was $829, and total current liabilities were $15,879.

Short-Term Liquidity Requirements

Our short-term Short-term liquidity requirements include operating and capital expenses needed to further our research and development programs and to further optimize our pilot production lines and electrolyte manufacturing capabilities. We anticipate that our most significant capital expenditures for the remainder of 2024 will relate to finishing construction of our electrolyte research facility and enhancing the capabilities of our electrolyte production facility. facility, including development of a design verification plan and report lab expected to be placed in service by the end of 2024. We expect to fund our short-term liquidity requirements through our cash on hand and other liquid assets.

Long-Term Liquidity Requirements

We believe that our cash on hand is sufficient to meet our operating cash needs and working capital and capital expenditure requirements for a period of at least the next 12 months and longer term until we generate adequate cash flows from licensing activities and/or electrolyte sales. sales can be generated. We also believe that we have adequate cash on hand for our stock repurchase program should we choose to execute additional share repurchases.

We Additional liquidity sources may need additional cash be required if there are material changes to our business conditions or other developments, including changes to our operating plan, development progress, negotiations with OEMs, cell manufacturers, or other suppliers, market adoption of EVs, supply chain challenges, competitive pressures, inflation, and regulatory developments. To the extent that our resources are insufficient to satisfy our cash requirements, we may need to seek additional equity or debt financing. We also may opportunistically seek to enhance our liquidity through equity or debt financing, if such financing becomes available to us on terms that we consider favorable. If financing is not available, or if the terms of financing are less desirable than we expect, unfavorable, we may be forced to take actions to reduce our capital or operating expenditures, which may adversely affect our development, business, operating results, financial condition and prospects.

Stock Repurchase Program

On January 23, 2024, we announced that our Board approved a stock repurchase program authorizing us the Company to purchase up to $50 million of our outstanding common stock. Under the stock repurchase program, we may purchase shares of our common stock from time to time until the repurchase program expires on December 31, 2025. The shares of common stock may be purchased on the open market, in unsolicited negotiated transactions, or in any manner that complies with the provisions of Rule 10b-18 of the Exchange Act. Management's decision to repurchase shares of common stock will depend on a number of factors, such as the price of our the common stock, economic and market conditions, and corporate and regulatory requirements. During the three six months ended March 31, 2024 June 30, 2024, the Company repurchased 3,186,638 5,000,000 shares of common stock at an average price of $1.52 $1.64 per share for an aggregate cost of approximately $4.96 million $8.36 million.

Cash Flows

The following table summarizes our cash flows from operating, investing, and financing activities for the periods presented:

(in thousands)	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Net cash and cash equivalents used in operating activities	$ (29,065)	$ (19,631)	$(40,179)	$(36,304)
Net cash and cash equivalents provided by (used in) investing activities	$ 13,639	$ (20,677)		
Net cash and cash equivalents provided by investing activities			$ 44,811	$ 14,486
Net cash and cash equivalents provided by (used in) financing activities	$ (5,092)	$ 73	$ (8,531)	$ 134

Cash used in operating activities:

Cash used in operating activities increased from March 31, 2023 June 30, 2023 to 2024. The increase was primarily largely attributable to our operating loss, losses, which was were driven by a continued increase in direct and research and development costs. We expect cash used in operating activities to increase as we accelerate the pace and scope of our development efforts selling, general and work to achieve commercialization of our products. administrative costs.

Cash provided by (used in) investing activities:

Cash provided by (used in) in investing activities increased from March 31, 2023 June 30, 2023 to 2024 primarily due to net effect of proceeds from the sales of marketable securities and decreased capital expenditures for property, plant and equipment. As our production processes are scaled for commercialization, especially with respect to our electrolyte material, we expect capital expenditures to increase.

Cash provided by (used in) financing activities:

Cash used in financing activities for the three six months ended March 31, 2024 June 30, 2024 was primarily predominantly related to the net effect of cash utilized for the stock repurchase program, partially offset by cash received from the exercise of stock options. options and proceeds from the sale of common stock under the ESPP. Cash provided by financing activities for the three six months ended March 31, 2023 June 30, 2023 was primarily from the exercise of stock options. We expect our cash used in financing activities to increase as we execute share repurchases through options and proceeds from the remainder sale of 2024. common stock under the ESPP.

Off-Balance Sheet Arrangements

We are The Company is not a party to any off-balance sheet arrangements, as defined under SEC rules.

Critical Accounting Estimates

There were no significant and material changes in our critical accounting policies and use of estimates during the three six months ended March 31, 2024 June 30, 2024 as compared to those disclosed in “Part II, Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Estimates” in our 2023 Form 10-K.

Recent Accounting Pronouncements

See Note 2 of our unaudited financial statements included in this Report as well as Note 2 of our audited financial statements included in our 2023 Form 10-K for more information.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are The Company is a smaller reporting company as defined in Rule 12b-2 under the Exchange Act. As a result, pursuant to Item 305(e) of Regulation S-K, we are not required to provide the information required by this Item.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

In designing and evaluating our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act), management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired controls. As required by Rule 13a-15(b) under the Exchange Act, our management, with the participation of our principal executive officer and principal financial officer, has evaluated the effectiveness of our disclosure controls and procedures as of March 31, 2024 June 30, 2024.

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Based upon that evaluation, our principal executive officer and principal financial officer concluded that, as of the end of the period covered by this Report, our disclosure controls and procedures were effective.

Changes in Internal Control over Financial Reporting

There was no change in our internal control over financial reporting that occurred during the three months ended March 31, 2024 June 30, 2024 covered by this Report that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

From time to time, we may the Company become involved in litigation or other legal proceedings. We are not currently a party to any litigation or legal proceedings that are likely to have a material adverse effect on our business. Regardless of outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources, and other factors.

Item 1A. Risk Factors

Our business, prospects, reputation, results of operations, and financial condition, as well as the price of our common stock and warrants, can be affected by a number of factors, whether currently known or unknown, including those described in “Part I, Item 1A. Risk Factors” of our 2023 Form 10-K. When any one or more of these risks materialize from time to time, our business, reputation, results of operations, and financial condition, as well as the price of our common stock and warrants, can be materially and adversely affected. There have been no material changes to our risk factors since our 2023 Form 10-K.

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Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Share Repurchases

The following table summarizes our common stock repurchase program activity for the three months ended March 31, 2024 June 30, 2024:

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Program(1)	Approximate Dollar Value of Shares that May Yet Be Purchased under the Program(1)
January 1 - January 31, 2024	—	$ —	—	$ 50,000,000
February 1 - February 29, 2024	—	$ —	—	$ 50,000,000

March 1 - March 31, 2024	3,183,638	$	1.52	3,183,638	$	45,085,686
Total	3,183,638	$	4,914,314	3,183,638		

Period	Total Number of Shares Purchased		Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Program(1)		Approximate Dollar Value of Shares that May Yet Be Purchased under the Program(1)
April 1 - April 30, 2024	1,816,362	$	1.85	1,816,362	$	41,726,078
May 1 - May 31, 2024	—	$	—	—	$	41,726,078
June 1 - June 30, 2024	—	$	—	—	$	41,726,078
Total	1,816,362	$	1.85	1,816,362		

(1) On January 23, 2024, we announced that our Board approved a stock repurchase program authorizing us to purchase up to $50 million of our outstanding common stock. Under the repurchase program, we may purchase shares of our common stock from time to time until the repurchase program expires on December 31, 2025. The shares of common stock may be purchased on the open market, in unsolicited negotiated transactions, or in any manner that complies with the provisions of Rule 10b-18 of the Exchange Act. Management's decision to repurchase shares of common stock will depend on a number of factors, such as the price of our common stock, economic and market conditions, and corporate and regulatory requirements.

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Item 6. Exhibits

Exhibit Number	Description	Incorporated by Reference: Schedule Form	File Number	Exhibit/Annex	Filing Date	Description	Incorporated by Reference: Schedule Form	File Number	Exhibit/Annex	Filing Date
3.1	Second Amended and Restated Certificate of Incorporation	8-K	001-40284	3.1	December 13, 2021	Second Amended and Restated Certificate of Incorporation	8-K	001-40284	3.1	December 13, 2021
3.2	Amended and Restated Bylaws	8-K	001-40284	3.1	November 21, 2022	Amended and Restated Bylaws	8-K	001-40284	3.1	November 21, 2022

10.1±	Research and Development Technology License Agreement, dated January 10, 2024, between Solid Power Operating, Inc. and SK On Co., Ltd.	8-K	001-40284	10.1	January 16, 2024
10.2±	Electrolyte Supply Agreement, dated January 10, 2024, between Solid Power Operating, Inc. and SK On Co., Ltd.	8-K	001-40284	10.2	January 16, 2024
10.3±	Line Installation Agreement, dated January 10, 2024, among Solid Power Korea Co., Ltd., SK On Co., Ltd., and, for the limited purposes of Section 12.16 of the Line Installation Agreement, Solid Power, Inc.	8-K	001-40284	10.3	January 16, 2024
10.1±	Amendment No. 5 to Joint Development Agreement, effective June 21, 2024, between Solid Power Operating, Inc. and BMW of North America, LLC	8-K	001-40284	10.1	June 24, 2024
10.2#	Offer Letter with Linda Heller, dated June 14, 2024	8-K	001-40284	10.1	June 17, 2024
10.3*±#	Separation and Release Agreement with Kevin Paprzycki, dated July 11, 2024				

31.1*	Certification Pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934	Certification Pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934
31.2*	Certification Pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934	Certification Pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934
32.1**	Section 1350 Certification	Section 1350 Certification
32.2**	Section 1350 Certification	Section 1350 Certification
101.INS*	XBRL Instance Document – the instance document does not appear in the Interactive Data file because its Inline XBRL tags are embedded within the Inline XBRL document.	XBRL Instance Document – the instance document does not appear in the Interactive Data file because its Inline XBRL tags are embedded within the Inline XBRL document.
101.SCH*	Inline XBRL Taxonomy Extension Schema Document	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase	Inline XBRL Taxonomy Extension Calculation Linkbase

101.DEF*	Inline XBRL Taxonomy Extension Definition Document	Inline XBRL Taxonomy Extension Definition Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase	Inline XBRL Taxonomy Extension Presentation Linkbase
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith.

** Furnished herewith.

± Certain portions of this exhibit have been omitted in accordance with Regulation S-K Item 601. The Company agrees to furnish an unredacted copy of the exhibit to the SEC upon request.

# Indicates a management or compensatory plan.

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SIGNATURE

Pursuant to the requirements of Section 13 or 15(d) 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.

Date: May 8, 2024 August 7, 2024

SOLID POWER, INC.

By: /s/ John Van Scoter

Name: John Van Scoter

Title: President, Chief Executive Officer, and Director
(Principal Executive Officer)

By: /s/ Kevin Paprzycki Linda Heller
Name: Kevin Paprzycki Linda Heller
Title: Chief Financial Officer and Treasurer
(Principal Financial and Accounting Officer)

SEPARATION AND RELEASE AGREEMENT

This SEPARATION AND RELEASE AGREEMENT (this "***Agreement***"), dated as of the last date on the signature page of this Agreement, is between Solid Power Operating, Inc. (together with its parent company, Solid Power, Inc., the "***Company***") and [Kevin Paprzycki] ("***Employee***," and together with the Company, the "***parties***").

In consideration of the mutual promises and covenants contained in this Agreement, the receipt and sufficiency of which is expressly acknowledged, the parties hereby agree as follows:

1. Termination. Employee's employment with the Company is terminated effective as of [June 14], 2024 (the "***Separation Date***"). This Agreement was delivered to Employee on the Separation Date. Employee's termination is considered a Non-CIC Qualifying Termination (as defined in Employee's Participation Agreement, dated December 21, 2021) pursuant to the Solid Power, Inc. Executive Change in Control and Severance Plan (the "***Plan***").

2. Accrued Obligations.

(a) Final Wages. The Company agrees to pay Employee final wages earned through the Separation Date and zero hours of earned but unused paid time off through the Separation Date, in each case less legally required deductions and withholdings and regardless of whether Employee executes this Agreement.

(b) Unemployment Insurance Benefits. Employee is eligible to apply for unemployment insurance benefits. Provided that Employee accurately reports Employee's dates of employment and compensation, the Company will not contest any claim Employee may file for unemployment insurance benefits. Whether or not Employee receives any unemployment insurance benefits is determined in the sole discretion of the applicable state agency, not the Company.

(c) Insurance. Employee's health insurance benefits will cease on June 30, 2024. To the extent permitted by either federal or state law, and the insurance policies and rules applicable to the Company, Employee will be eligible to continue Employee's health insurance benefits at Employee's own expense after that date. Employee acknowledges that the Company has provided Employee with the appropriate notification form setting forth Employee's rights and responsibilities regarding continued health insurance coverage.

3. Separation Compensation. The Company shall, as defined in the Plan and for Employee's release and promises set forth in this Agreement, pay Employee additional compensation that Employee would not be entitled to otherwise. Such compensation is as follows:

(a) Separation Payment. In accordance with Section 4.1 of the Plan and Section 1(b) of Employee's participation agreement thereunder, the Company shall pay to employee a lump sum payment of $215,000, less legally required deductions and withholdings (the "***Separation Payment***"), provided that the Company has received this signed

Agreement from Employee and it has become effective and irrevocable as set forth in Section 10(e). Subject to Employee's continued compliance with the terms of this Agreement, the Separation Payment will be paid to Employee within five business days following the Effective Date (as defined below).

(b) COBRA Premiums. In accordance with Section 4.2 of the Plan and Section 1(b) of Employee's participation agreement thereunder, the Company shall reimburse Employee $14,521.05, less legally required deductions and withholdings, which is an amount equal to six months of Employee's premiums to continue Employee's group health insurance coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act ("***COBRA Premiums***" and together with the Separation Payment, the "***Separation***

Benefits"), provided that the Company has received this signed Agreement from Employee and it has become effective and irrevocable as set forth in Section 10(e) below. Subject to Employee's continued compliance with the terms of this Agreement, the COBRA Premiums will be paid to Employee on a ratable bi-weekly basis for 13 pay periods following the Effective Date in accordance with the Company's normal payroll procedures, with the first payment to be paid on the Company's first regularly-scheduled payroll date following the Effective Date.

(c) Outplacement Assistance. The Company shall provide certain outplacement services/career transition services to you through Lee Hecht Harrison Consulting, provided such services are commenced by you within two (2) months of the Separation Date. Such transition services shall end no later than December 31, 2024 and shall not exceed $5,000 in cost.

(d) No Further Compensation. Employee acknowledges that the foregoing represents all compensation to which Employee is entitled, including wages and earned but unused paid time off. Employee also acknowledges that Employee is not aware of any fact that would support a claim for unpaid wages.

4. Denial of Liability. The parties acknowledge that (a) the Separation Benefits to be paid by the Company and the release of claims by Employee pursuant to this Agreement are made in compromise of any potential disputes and (b) in making such payment or release, the Company and Employee in no way admit any liability to each other and the parties expressly deny any such liability.

5. Non-Disparagement. Employee agrees and acknowledges that Employee continues to be bound by the non-disparagement terms in the Plan. Without limiting the foregoing, Employee agrees that Employee has not and will not disparage, slander, make any libelous or derogatory statements about, or attempt to harm the personal or business reputation of the Company or the Company's employees, officers, or directors (including through communications with current or former employees of the Company) or otherwise attempt to interfere with or impair the Company's business relationships. This non-disparagement provision extends to any form of communication, whether oral, written, or in any electronic form, including via social media. **Nothing in this Section, this Agreement, or any other agreement entered into with the Company: (a) will be interpreted or construed to prevent Employee or the Company from giving truthful information to any law enforcement officer, court, administrative proceeding or as part of an investigation by any government agency, (b) is intended to prohibit or restrain Employee or the Company in any manner from making disclosures that are protected under federal law or regulation or under other applicable law or regulation (including disclosures that are protected under the whistleblower provisions of any federal or state law), and/or (c) prevents Employee from discussing or disclosing employee wages, benefits or terms and conditions of employment or information about unlawful acts in the workplace or unfair employment practices, such as harassment or discrimination or any other conduct that Employee has reason to believe is unlawful, or exercising their rights under Section 7 of the National Labor Relations Act (the activities described in the preceding clauses (a)-(c), the "*Protected Communications*").**

6. Company Property. Employee represents and warrants that Employee has returned to the Company all Company documents and all copies thereof and any other Company property in Employee's possession, custody, or control, including financial information, customer information, customer lists, employee lists, files, notes, cellular telephones, contracts, drawings, records, business plans and forecasts, specifications, computer-recorded information, electronically-stored information, software, computer equipment (with all data and files stored thereon intact), tangible property, credit cards, entry cards, identification badges and keys, and any other materials, documents, or things of any kind which contain or embody any proprietary or confidential material of the Company and all reproductions thereof.

7. Confidential and Proprietary Information/Non-Disclosure. Employee understands that "***Company Confidential Information***" means information that is not generally known to the public and that

is used, developed or obtained by the Company in connection with its business, including, but not limited to, information, observations and data obtained by me or to which Employee gained access while employed by the Company concerning (i) the business or affairs of the Company, (ii) products or services, including organizational products or services roadmaps, (iii) revenues, costs and pricing structures, (iv) designs, (v) analyses, (vi) drawings, photographs and reports, (vii) computer software, including operating systems, applications and program listings, (viii) flow charts, manuals and documentation, (ix) data bases, (x) accounting and business methods, (xi) inventions, devices, new developments, methods and processes, whether patentable or unpatentable and whether or not reduced to practice, (xii) customers and clients and customer or client lists, (xiii) customer preferences and contact information, (xiv) the personnel information of other employees (including, but not limited to, skills, performance, discipline and compensation), (xv) other copyrightable works, (xvi) all production methods, processes, technology and trade secrets and (xvii) all similar and related information in whatever form. Company Confidential Information will not be deemed to have been published merely because individual portions of the information have been separately published, but only if all material features comprising such information have been published in combination. Employee further understands that Company Confidential Information does not include any of the foregoing items that have become publicly known and made generally available through no wrongful act (or failure to act) of mine or of others who were under confidentiality obligations as to the item or items involved or improvements or new versions thereof. Employee acknowledges that, as between the Company and me, all Company Confidential Information shall be the sole and exclusive property of the Company and its assigns. Employee will preserve as confidential all Company Confidential Information, confidential knowledge, data or other proprietary information relating to products, processes, know-how, designs, formulas, developmental or experimental work, computer programs, databases, other original works of authorship, customer lists, business plans, financial information or other subject matter pertaining to any business of the Company or any of its employees, clients, consultants or licensees. Notwithstanding anything to the contrary in this Section or this Agreement, Employee acknowledges that the Company has advised Employee that Employee will not be held civilly or criminally liable under any federal or state trade secret law for the disclosure of a trade secret that: (i) is made (A) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and (B) solely for the purpose of reporting or investigating a suspected violation of law; (ii) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding; or (iii) is made to an attorney or is used in a court proceeding in connection with a lawsuit alleging retaliation for reporting a suspected violation of law, provided that the trade secret is filed under seal and not disclosed except pursuant to court order.

8. Confidentiality. The provisions of this Agreement will be held in strictest confidence by Employee and will not be publicized or disclosed by Employee in any manner whatsoever. Notwithstanding the prohibition in the preceding sentence: (a) Employee may disclose this Agreement in confidence to Employee's attorneys, accountants, auditors, tax preparers, and financial advisors, provided that Employee informs such persons of the existence of this confidentiality obligation and such persons agree to be bound thereby to the same extent as Employee; and (b) Employee may disclose this Agreement insofar as such disclosure may be necessary to enforce its terms or as otherwise required by law. Nothing contained in this Section shall be read to undermine Employee's ability to engage in Protected Communications.

9. Covenant Not to Sue and Release of Claims by Employee.

(a) In consideration for the Separation Benefits and the mutual covenants of the parties, Employee agrees to unconditionally release from and covenants not to sue or assert against the Company and all of its past and present parent companies, subsidiaries, related entities, shareholders, directors, members, trustees, officers, current and former employees, agents, insurers, attorneys, predecessors, successors, and assignees (collectively, the "***Releasees***") all causes of action, claims, liabilities, and obligations, both known and unknown, that arise out of or are in any way related to events, acts, conduct, or omissions occurring prior to or on the date Employee signs this Agreement, including (i) all claims pertaining to or arising from the employment relationship of the parties and the termination of such employment, (ii) all claims pertaining to or arising from Employee's compensation or benefits from the

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Company, including salary, bonuses, incentive compensation, commissions, paid time off, expense reimbursements, severance or change in control benefits under the Plan or the plans enumerated in Section 9(e) or otherwise, notice rights, retention benefits, fringe benefits, stock, stock options, units, or any other ownership interests in the Company; (iii) all claims for breach of contract (oral or written and express or implied), wrongful termination, and breach of the implied covenant of good faith and fair dealing; (iv) all tort claims, including claims for fraud, inducement, misrepresentation, defamation, emotional distress, and discharge in violation of public policy; (v) all constitutional, federal, state, and local statutory and common law claims, including claims for discrimination, harassment, retaliation, interference, attorneys' fees, or other claims arising under: (A) Title VII of the Civil Rights Act of 1964, as amended; (B) the Colorado Anti-Discrimination Act; (C) the Family and Medical Leave Act; (D) the Americans with Disabilities Act; and (E) the Families First Coronavirus Response Act; (vi) all claims arising from any theory under common law, such as promissory estoppel, detrimental reliance, wrongful discharge, tortious interference with contract rights, infliction of emotional distress, and defamation; and (vii) all claims for attorneys' fees and costs. The parties intend this waiver to be interpreted and applied as broadly as possible.

(b) This Agreement does not affect Employee's right to engage in any Protected Communications or file a charge with, communicate with, or participate in an investigative or other proceeding before the Occupational Safety and Health Administration, the Securities and Exchange Commission, the Equal Employment Opportunity Commission, a state civil rights agency, or another federal, state, or local government agency or to communicate or cooperate with any such agency in its investigation or proceedings, none of which shall constitute a breach of this Agreement. While this Agreement does not limit Employee's right to receive an award for information provided to the Securities and Exchange Commission, Employee understands and agrees that, to the maximum extent permitted by law, Employee is expressly waiving Employee's right to any relief, recovery, attorneys' fees, or other monies in connection with any such complaint, charge, or proceeding brought against the Releasees, regardless of who filed or initiated such complaint, charge, or proceeding.

(c) Causes of action as used in this Section means all claims, causes, judgments, damages, losses, liabilities, and demands of any kind, whether intentional or negligent, known or unknown, in law or in equity, individually or as part of a class or collective action, occurring on or prior to the date of execution of this Agreement, arising under any constitution, federal, state, or local law(s).

(d) The general release and covenant not to sue contained in this Section does not apply to claims under federal, state, or local law (statutory, regulatory, or otherwise) that may not be lawfully waived and released, including vested retirement benefits (if any), Consolidated Omnibus Budget Reconciliation Act (COBRA) rights, unemployment compensation, and workers' compensation.

(e) Nothing in this Agreement is intended to release Employee's right, if any, to continuing health insurance rights under the Solid Power, Inc. 2014 Equity Incentive Plan, the Solid Power, Inc. 2021 Equity Incentive Plan, the Solid Power, Inc. 2021 Employee Stock Purchase Plan, or the Company's 401(k) plan. Further, the Company makes no representations as to Employee's rights under any such plan.

10. Age Discrimination in Employment Act and Older Workers Benefit Protection Act Release. In addition to the general release and covenant not to sue contained in Section 9, Employee knowingly and voluntarily discharges and releases the Releasees from any claims arising under the Age Discrimination in Employment Act. Employee acknowledges that Employee has been informed pursuant to the Older Workers Benefit Protection Act that:

(a) **Employee is advised to consult with an attorney before signing this Agreement**.

(b) Employee does not waive rights or claims under the Age Discrimination in Employment Act that may arise after the date this Agreement is executed.

(c) Employee has 21 days from the date of receipt of this Agreement to consider this Agreement. Employee acknowledges that if Employee signs this Agreement before the end of the 21-day period, it will be Employee's personal, voluntary decision to do so, and that Employee has not been pressured to make a decision sooner. Employee further agrees and acknowledges that any changes to this Agreement, whether material or immaterial, do not restart the 21-day period.

(d) Employee has seven days after signing this Agreement to revoke this Agreement, and this Agreement will not be effective until that revocation period has expired. If mailed, the revocation must be postmarked within the seven-day period, properly addressed to the Company's Human Resources Department at Solid Power Operating, Inc., 14902 Grant Street, Suite 120, Thornton, Colorado 80030.

(e) This Agreement shall not be effective or enforceable, and no payments or benefits under this Agreement shall be provided, until after the seven-day revocation period has expired. Employee understands that Employee will not receive any Separation Payment if Employee voids Employee's signature or revokes this Agreement. Provided that Employee has not voided Employee's signature or revoked this Agreement within the seven-day period, this Agreement will be effective on the eighth day after Employee signs this Agreement (the "***Effective Date***").

11. Representations. Employee hereby represents that, as of the Separation Date: Employee has received all the leave and leave benefits and protections for which Employee is eligible pursuant to applicable federal or state law or Company policy; and Employee has not suffered any on-the-job injury or illness for which Employee has not already filed a workers' compensation claim.

12. References. The parties agree that, if requested, the Company will inform any third party, including prospective employers, of Employee's dates of employment and position(s) held. Employeehereby authorizes the Company to release such information in response to any inquiries from third parties concerning Employee.Employee will direct all prospective employers to contact the Company's Chief Legal Officer.

13. Covenant Not to Seek Reemployment. Employee agrees that Employee will not apply for or seek employment or reemployment with the Company.

14. Applicable Law; Binding Arbitration; Injunctive Relief.

(a) This Agreement will be governed by the laws of Colorado without reference to conflict of laws principles.

(b) Any and all controversies, claims or disputes with the Company and any employee, officer, director, shareholder or benefit plan of the Company, arising out of, relating to or resulting from my employment with the Company or the termination of my employment with the Company, including any breach of this Agreement, shall be subject to binding arbitration pursuant to the Federal Arbitration Act, 9 U.S.C. § 1 *et seq.* ("***FAA***"). The FAA shall govern the enforceability, applicability, interpretation and implementation of this Section and all procedural issues connected with conducting the arbitration and enforcing or appealing the arbitration award. Disputes that Employee agrees to arbitrate, and thereby agree to waive any right to a trial by jury, include any statutory claims under local, state or federal law, including, but not limited to, claims under Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act of 1990, the Age Discrimination in Employment Act of 1967, the Older Workers Benefit Protection Act, the Sarbanes-Oxley Act, the Worker Adjustment and Retraining Notification Act, the Colorado Anti-Discrimination Act, the Colorado Job Protection and Civil Rights Enforcement Act, the Colorado Wage Claim Act, the Colorado Minimum Wages of Workers Act, the Family and Medical Leave Act, claims of harassment, discrimination, retaliation and wrongful termination and any statutory or common law claims. Employee further understands that this agreement to arbitrate also applies to any disputes that

the Company may have with me arising out of, relating to or resulting from my employment with the Company.

(c) Employee agrees that any arbitration will be administered by Judicial Arbitration & Mediation Services, Inc. ("***JAMS***"), pursuant to its Employment Arbitration Rules and Procedures (the "***JAMS Rules***"). Employee agree that the arbitrator shall have the power to decide any motions brought by any party to the arbitration, including motions for summary judgment and/or adjudication, and motions to dismiss and demurrers, prior to any arbitration hearing. Employee also agrees that the arbitrator shall have the power to award any remedies available under applicable law, to include attorney's fees to the prevailing party in the arbitration. Further, if any party prevails on a statutory claim that affords the prevailing party attorneys' fees and costs, the arbitrator may award (and, in some cases, must award) reasonable fees to the prevailing party in a manner consistent with applicable law. Employee understands that the Company will pay for any and all filing, administrative or hearing fees charged by the arbitrator or JAMS except that employee shall pay as much of the filing fees as Employee would have instead paid had Employee filed a complaint in a court of law. The JAMS rules may be found and reviewed at http://www.jamsadr.com/rules-employment-arbitration. Employee acknowledges that if Employee is unable to access these rules, Employee will contact the Company's human resources personnel who will provide Employee with a hard copy or electronic copy of the JAMS Rules. Employee agrees that the arbitration shall take place in Denver, Colorado or in such other location as may be mutually agreed to by the Company and Employee. Employee agrees that the decision of the arbitrator, including the essential findings of facts and law, shall be in writing.

(d) Employee agrees that Employee's breach or threatened breach of this Agreement will entitle the Company, in addition to any other remedy available at law or in equity, to recover the Separation Benefits from Employee as liquidated damages and not as a penalty, with the remaining monetary consideration serving as valid consideration for this Agreement. Because of the difficulty of ascertaining damages in the event of a breach of this Agreement, in addition to any other remedy available at law or in equity, Employee expressly agrees that the Company may enforce the provisions of this Agreement through injunctive relief and will not be required to establish any irreparable injury other than the breach of this Agreement. The Company will not be required to post any bond or surety, which Employee hereby waives.

15. Indemnification. Employee agrees and acknowledges that Employee is responsible for state, local, and federal tax liability, if any, associated with the payment Employee receives pursuant to this Agreement. Employee will indemnify and hold harmless the Company from any tax liability, costs, penalties, or expense pertaining to any amounts owing by Employee arising from the taxation of any amounts received by Employee pursuant to this Agreement.

16. Section 409A. It is intended that all of the Separation Benefits and other payments payable under this Agreement satisfy, to the greatest extent possible, the exemptions from the application of the US Internal Revenue Code Section 409A ("***Section 409A***") provided under Treasury Regulation Sections 1.409A-1(b)(4), 1.409A-1(b)(5), and 1.409A-1(b)(9), and this Agreement will be construed to the greatest extent possible as consistent with those provisions, and to the extent not so exempt, this Agreement (and any definitions hereunder) will be construed in a manner that complies with Section 409A. For purposes of Section 409A (including Treasury Regulation Section 1.409A-2(b)(2)(iii)), Employee's right to receive any installment payments under this Agreement (whether severance payments, reimbursements, or otherwise) shall be treated as a right to receive a series of separate payments and, accordingly, each installment payment hereunder shall at all times be considered a separate and distinct payment. Notwithstanding any provision to the contrary in this Agreement, if the Company deems (a) Employee to be a "specified employee" for purposes of Section 409A(a)(2)(B)(i) at the time of the Separation Date and (b) any of the payments upon "separation from service" (as defined under Treasury Regulation Section 1.409A-1(h)) set forth herein and/or under any other agreement with the Company to be "deferred compensation" for purposes of Section 409A, then to the extent delayed commencement of any portion of such payments is

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required in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) and the related adverse taxation under Section 409A, such payments shall not be provided to Employee prior to the earliest of (i) the expiration of the six-month period measured from the date of Employee's separation of service with the Company, (ii) the date of Employee's death, or (iii) such earlier date as permitted under Section 409A without the imposition of adverse taxation. Upon the first business day following the expiration of such applicable Section 409A(a)(2)(B)(i) period, all payments deferred pursuant to this Section shall be paid in a lump sum to Employee and any remaining payments due shall be paid as otherwise provided herein or in the applicable agreement. No interest shall be due on any amounts so deferred.

17. Successors and Further Assurances. The parties agree that by entering into this Agreement they do not intend to confer any benefits, privileges, or rights to others. Subject to the successors and assigns listed below, this Agreement is strictly between the parties and will not be construed to vest the status of third-party beneficiary in any other person. This

Agreement will bind and inure to the benefit of the heirs, personal representatives, successors, assigns, executors, and administrators of each party. The parties agree to perform any lawful additional acts, including the execution of additional agreements, as are reasonably necessary to effectuate the purpose of this Agreement.

18. Miscellaneous. This Agreement, along the Solid Power, Inc. 2014 Equity Incentive Plan Stock Option Grant Notice and Option Agreement, the Solid Power, Inc. 2021 Equity Incentive Plan Notice of Restricted Stock Unit Grant and Restricted Stock Unit Agreement, the Restrictive Covenant Agreement, and the letter agreement, dated as of November 29, 2022, between Employee and the Company (as amended on August 7, 2023) (which are separate agreements and obligations and shall remain in full force and effect in accordance with their terms following the Separation Date), is the entire agreement between the parties relating to the subject matter of this Agreement. No modification of this Agreement will be valid unless in writing signed by each party. No waiver of rights arising under this Agreement is effective unless made expressly in writing by the party waiving such rights. If any provision of this Agreement is held by a court of competent jurisdiction to be contrary to law, the remaining provisions of this Agreement will remain in full force and effect. The term “including” is deemed to mean “including, without limitation,” when used in this Agreement. The terms “herein” and “hereunder” and similar terms when used in this Agreement mean under and within this Agreement. All references to Sections and Exhibits in this Agreement refer to Sections and Exhibits in this Agreement. This Agreement may be executed and delivered by each party in separate counterparts, each of which when so executed and delivered shall be deemed an original and all of which taken together shall constitute one and the same Agreement. This Agreement, and any amendments to this Agreement, to the extent signed and delivered by means of PDF or other electronic transmission, shall be treated in all manner and respects as an original contract and shall be considered to have the same binding legal effects as if it were the original signed version thereof delivered in person. Any such signature page shall be effective as a counterpart signature page to this Agreement without regard to page, document, or version numbers or other identifying information, which are for convenience of reference only. At the request of a party, the other party shall re-execute original forms thereof and deliver them to the other party.

19. Acknowledgments by Employee. By signing below, Employee agrees and acknowledges that: (i) Employee has carefully reviewed and understands this Agreement; (ii) Employee has been given a reasonable amount of time to review and consider the Agreement; (iii) Employee enters into and signs this Agreement voluntarily; (iv) the release and waivers Employee has made are knowing, conscious, and with full appreciation that Employee is forever foreclosed from pursuing any of the rights or claims so waived; (v) the promises made by the Company herein constitute sufficient and legal consideration for Employee's agreement hereunder and are in addition to anything of value to which Employee is already entitled; and (vi) Employee understands that if Employee does not return this Agreement, signed by Employee, by July 12, 2024, this offer will expire.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the respective dates set forth below.

EMPLOYEE:

Dated: July 11, 2024 /s/ Kevin Paprzycki

Kevin Paprzycki

SOLID POWER OPERATING, INC.

Dated: July 11, 2024 By: /s/ John Van Scoter

Name: John Van Scoter

Title: President and Chief Executive Officer

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, John Van Scoter, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Solid Power, Inc. for the quarterly period ended March 31, 2024 June 30, 2024;

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: May 8, 2024 August 7, 2024

By: /s/ John Van Scoter
John Van Scoter
President and 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, Kevin Paprzycki, Linda Heller, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Solid Power, Inc. for the quarterly period ended March 31, 2024 June 30, 2024;

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: May 8, 2024 August 7, 2024

By: /s/ Kevin Paprzycki Linda Heller
Kevin Paprzycki Linda Heller
Chief Financial Officer and Treasurer
(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 Solid Power, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2024 June 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, to the best of my knowledge, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

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: May 8, 2024 August 7, 2024

By: /s/ John Van Scoter
John Van Scoter
President and Chief Executive Officer
(Principal Executive Officer)

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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 Solid Power, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2024 June 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, to the best of my knowledge, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

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: May 8, 2024 August 7, 2024

By: /s/ Kevin Paprzycki Linda Heller
Kevin Paprzycki Linda Heller
Chief Financial Officer and Treasurer
(Principal Financial and Accounting Officer)

DISCLAIMER

THE INFORMATION CONTAINED IN THE REFINITIV CORPORATE DISCLOSURES DELTA REPORT™ IS A COMPARISON OF TWO FINANCIALS PERIODIC REPORTS. THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORT INCLUDING THE TEXT AND THE COMPARISON DATA AND TABLES. IN NO WAY DOES REFINITIV OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED IN THIS REPORT. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S ACTUAL SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.

REFINITIV