

REFINITIV

# DELTA REPORT

## 10-Q

SOLID POWER, INC.

10-Q - MARCH 31, 2024 COMPARED TO 10-Q - SEPTEMBER 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	702
CHANGES	80
DELETIONS	276
ADDITIONS	346

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 **September 30, 2023** **March 31, 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**  
(State or other jurisdiction of  
incorporation or organization)  
**486 S. Pierce Ave., Suite E**  
**Louisville, Colorado**  
(Address of principal executive offices)

**86-1888095**  
(I.R.S. Employer  
Identification No.)

**80027**  
(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
<b>Common stock, par value \$0.0001 per share</b>	<b>SLDP</b>	<b>The Nasdaq Stock Market LLC</b>
<b>Warrants, each whole warrant exercisable for one share of common stock at an exercise price of \$11.50</b>	<b>SLDPW</b>	<b>The Nasdaq Stock Market LLC</b>

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 ☒

178,437,367 177,045,891 shares of common stock were issued and outstanding as of November 6, 2023 May 6, 2024.

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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

<b>EV cells</b>	Prototype cell formats between 60 and 100 Ah
<b>Exchange Act</b>	Securities Exchange Act of 1934, as amended
<b>GAAP</b>	Generally U.S. generally accepted accounting principles in the United States
<b>JDA</b>	Joint development agreement
<b>Line Installation Agreement</b>	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
<b>OEM</b>	Automotive original equipment manufacturers
<b>Q1 Form 10-Q Private Placement Warrants</b>	Warrants sold in a private placement as part of our initial public offering or acquired through a conversion of a working capital loan
<b>Public Warrants</b>	Our Quarterly Report on Form 10-Q for the quarter ended March 31, 2023 publicly-traded warrants
<b>R&amp;D License Agreement</b>	Research and Development Technology License Agreement, dated January 10, 2024, between Solid Power Operating, Inc. and SK On
<b>Report</b>	This Quarterly Report on Form 10-Q
<b>RSU</b>	Restricted stock unit
<b>SEC</b>	Securities and Exchange Commission
<b>SK On</b>	SK On Co., Ltd.
<b>SK On Agreements</b>	Electrolyte Supply Agreement, Line Installation Agreement, and R&D License Agreement, collectively
<b>Solid Power / the Company / we / us / our</b>	Solid Power, Inc., a Delaware corporation (f/k/a Decarbonization Plus Acquisition Corporation III)
<b>2022 Form 10-K SP1</b>	Our Annual Report on Form 10-K Louisville, Colorado facility, which we primarily use for the year ended December 31, 2022 cell production, research and development, and quality control
<b>SP2</b>	Our Thornton, Colorado facility, which we primarily use for pilot production of electrolyte, research and development, quality control, and general office space
<b>Warrants</b>	Private Placement Warrants and Public Warrants

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**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;
- risks relating to the non-exclusive nature of our OEM and JDA relationships;
- our ability to negotiate and execute supply agreements with our partners on commercially reasonable terms;
- rollout of our business plan and the timing of expected business milestones;

- delays in risks relating to the construction non-exclusive nature of our OEM and operation of production facilities; 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 cell technology, and electrolyte material, if developed successfully;
- our success in attracting and retaining or recruiting, or changes required in, our executive officers, key employees, including technicians and engineers, or directors; other qualified personnel;
- risks and potential disruptions related to management and board of directors transitions;
- changes in applicable laws or regulations;
- risks related relating to our information technology systems infrastructure and data security breaches;
- the possibility that we may be adversely affected by other economic, business or competitive factors, including supply chain interruptions, and may not be able to manage other risks and uncertainties;
- risks relating to our status as a research and development stage company with a history of financial losses and with an expectation to incur of incurring significant expenses and continuing losses for the foreseeable future;
- our ability to secure government contracts and grants and the termination or reduction availability of government clean energy subsidies and electric vehicle 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 domestic market conditions, and foreign business, market, financial, political, our ability to manage these risks and legal conditions; uncertainties; and

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- those factors discussed in "Part I, Item 1A. Risk Factors" in our 2022 2023 Form 10-K, and in "Part II, Item 1A. Risk Factors" in our Q1 Form 10-Q, as such descriptions description may be updated or amended in future filings we make with the SEC.

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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 2022 2023 Form 10-K, and "Part II, Item 1A. Risk Factors" in our Q1 Form 10-Q, as such descriptions 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.

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#### INFORMATION ABOUT SOLID POWER

We use our website ([www.solidpowerbattery.com](http://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 "Email "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://ir.solidpowerbattery.com/financial-information/> [www.solidpowerbattery.com/investor-relations/financials/sec-filings](http://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)

	September 30, 2023	
	(Unaudited)	December 31, 2022
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 27,458	\$ 50,123
Marketable securities	166,030	272,957
Contract receivables	3,243	1,521
Contract receivables from related parties	5,048	319
Prepaid expenses and other current assets	3,207	2,888
Total current assets	204,986	327,808
<b>Property, Plant and Equipment, net</b>	99,241	82,761
<b>Right-Of-Use Operating Lease Assets, net</b>	7,300	7,725
<b>Right-Of-Use Finance Lease Assets, net</b>	1,011	922
<b>Other Assets</b>	1,057	1,148
<b>Long-term Investments</b>	228,806	172,974
<b>Intangible Assets, net</b>	1,525	1,108
Total assets	<b>\$ 543,926</b>	<b>\$ 594,446</b>
<b>Liabilities and Stockholders' Equity</b>		
<b>Current Liabilities</b>		
Accounts payable and other accrued liabilities	6,280	11,326
Current portion of long-term debt	—	7
Deferred revenue	—	4,050
Accrued compensation	4,746	4,528
Operating lease liabilities, short-term	606	549
Finance lease liabilities, short-term	342	273
Total current liabilities	11,974	20,733
<b>Warrant Liabilities</b>	5,637	9,117
<b>Operating Lease Liabilities, Long-Term</b>	8,159	8,622
<b>Finance Lease Liabilities, Long-Term</b>	544	602
Total liabilities	26,314	39,074
<b>Stockholders' Equity</b>		
Common Stock, \$0.0001 par value; 2,000,000,000 shares authorized; 178,417,397 and 176,007,184 shares issued and outstanding as of September 30, 2023 and December 31, 2022, respectively	18	18
Additional paid-in capital	586,347	577,603
Accumulated deficit	(65,596)	(19,090)
Accumulated other comprehensive loss	(3,157)	(3,159)
Total stockholders' equity	517,612	555,372
Total liabilities and stockholders' equity	<b>\$ 543,926</b>	<b>\$ 594,446</b>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 14,019	\$ 34,537
Marketable securities	132,619	141,505
Contract receivables	10,106	1,553
Contract receivables from related parties	4,152	—
Prepaid expenses and other current assets	9,656	5,523
Total current assets	170,552	183,118
<b>Long-Term Assets</b>		
Property, plant and equipment, net	99,593	99,156

Right-of-use operating lease assets, net	7,004	7,154
Right-of-use finance lease assets, net	1,030	1,088
Investments	232,307	239,566
Intangible assets, net	1,800	1,650
Prepaid expenses and other assets	3,884	1,060
Total long-term assets	345,618	349,674
Total assets	<b>\$ 516,170</b>	<b>\$ 532,792</b>
<b>Liabilities and Stockholders' Equity</b>		
<b>Current Liabilities</b>		
Accounts payable and other accrued liabilities	7,866	6,455
Deferred revenue	3,078	1
Deferred revenue from related parties	—	828
Accrued compensation	6,267	7,590
Operating lease liabilities	647	626
Finance lease liabilities	374	379
Total current liabilities	18,232	15,879
<b>Long-Term Liabilities</b>		
Warrant liabilities	4,728	4,227
Operating lease liabilities	7,824	7,996
Finance lease liabilities	464	552
Deferred revenue	4,716	—
Other liabilities	829	803
Total long-term liabilities	18,561	13,578
Total liabilities	36,793	29,457
<b>Stockholders' Equity</b>		
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
Additional paid-in capital	586,343	588,515
Accumulated deficit	(105,846)	(84,639)
Accumulated other comprehensive loss	(1,138)	(559)
Total stockholders' equity	479,377	503,335
Total liabilities and stockholders' equity	<b>\$ 516,170</b>	<b>\$ 532,792</b>

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 September 30,		Nine Months Ended September 30,		Three Months Ended March 31,	
	2023	2022	2023	2022	2024	2023
<b>Revenue</b>	\$ 6,366	\$ 2,813	\$ 15,063	\$ 7,591	\$ 5,953	\$ 3,792
<b>Operating Expenses</b>						
Direct costs	7,183	3,544	20,354	8,561	4,290	6,274
Research and development	14,236	9,710	40,391	24,811	18,873	11,648



Selling, general and administrative	6,444	5,158	19,307	15,827	8,571	7,188
Total operating expenses	27,863	18,412	80,052	49,199	31,734	25,110
<b>Operating Loss</b>	(21,497)	(15,599)	(64,989)	(41,608)	(25,781)	(21,318)
<b>Nonoperating Income and Expense</b>						
Interest income	5,213	3,128	15,041	4,300	5,117	4,835
Change in fair value of warrant liabilities	1,155	-	3,480	28,183	(501)	(2,662)
Interest expense	(13)	(12)	(39)	(22)	(42)	(13)
Total nonoperating income and expense	6,355	3,116	18,482	32,461	4,574	2,160
<b>Pretax Loss</b>	(15,142)	(12,483)	(46,507)	(9,147)		
Income tax benefit	—	(84)	—	(71)		
<b>Net Loss Attributable to Common Stockholders</b>	<b>\$ (15,142)</b>	<b>\$ (12,399)</b>	<b>\$ (46,507)</b>	<b>\$ (9,076)</b>	<b>\$ (21,207)</b>	<b>\$ (19,158)</b>
<b>Other Comprehensive Income (Loss)</b>	(215)	(2,546)	2	(3,837)	(579)	885
<b>Comprehensive Loss Attributable to Common Stockholders</b>	<b>\$ (15,357)</b>	<b>\$ (14,945)</b>	<b>\$ (46,505)</b>	<b>\$ (12,913)</b>	<b>\$ (21,786)</b>	<b>\$ (18,273)</b>
Basic and diluted loss per share	\$ (0.08)	\$ (0.07)	\$ (0.26)	\$ (0.05)	\$ (0.12)	\$ (0.11)
Weighted average shares outstanding – basic and diluted	178,388,926	175,025,984	177,800,915	173,859,649	180,784,020	176,934,261

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						Common Stock			
	Shares	Amount	Additional paid-in capital	Accumulated deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Equity	Shares	Amount	Additional paid-in capital	Accumulated deficit
<b>Balance as of December 31, 2022</b>	176,007,184	\$ 18	\$ 577,603	\$ (19,090)	\$ (3,159)	\$ 555,372				
Net loss	—	—	—	(31,363)	—	(31,363)				
Shares of common stock issued under ESPP	129,928	—	214	—	—	214				
Withholding of employee taxes related to stock-based compensation	—	—	(111)	84	—	(27)				
Shares of common stock issued for vested RSUs	163,148	—	—	—	—	—				
Stock options exercised	2,026,630	—	183	—	—	183				
Stock-based compensation expense	—	—	5,145	—	—	5,145				
Unrealized loss on marketable securities	—	—	—	—	(213)	(213)				
<b>Balance as of June 30, 2023</b>	178,326,890	\$ 18	\$ 583,034	\$ (50,369)	\$ (3,372)	\$ 529,311				
<b>Balance as of December 31, 2023</b>							179,010,884	\$ 18	\$ 588,515	\$ (84,639)
Net loss	—	—	—	(15,142)	—	(15,142)	—	—	—	(21,207)
Withholding of employee taxes related to stock-based compensation	—	—	—	(85)	—	(85)	—	—	(169)	—
Shares of common stock issued for vested RSUs	32,442	—	—	—	—	—	161,995	—	—	—

Stock options exercised	58,065	—	11	—	—	11	2,360,316	—	97	—
Repurchase and retirement of shares of common stock							(3,183,638)	—	(4,963)	—
Stock-based compensation expense	—	—	3,302	—	—	3,302	—	—	2,863	—
Unrealized gain on marketable securities	—	—	—	—	215	215				
<b>Balance as of September 30, 2023</b>	<u>178,417,397</u>	<u>\$ 18</u>	<u>\$ 586,347</u>	<u>\$ (65,596)</u>	<u>\$ (3,157)</u>	<u>\$ 517,612</u>				
Unrealized loss on marketable securities							—	—	—	—
<b>Balance as of March 31, 2024</b>							<u>178,349,557</u>	<u>\$ 18</u>	<u>\$ 586,343</u>	<u>\$ (105,846)</u>

	Common Stock						Common Stock			
	Shares	Amount	Additional paid-in capital	Accumulated deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Equity	Shares	Amount	Additional paid-in capital	Accumulated deficit
<b>Balance as of December 31, 2021</b>	167,557,988	\$ 17	\$ 568,183	\$ (9,535)	\$ —	\$ 558,665				
Net income	—	—	—	3,323	—	3,323				
Transaction fees	—	—	(12)	—	—	(12)				
Stock options exercised	6,869,144	—	433	—	—	433				
Stock-based compensation expense	—	—	3,910	—	—	3,910				
Unrealized loss on marketable securities	—	—	—	—	(1,291)	(1,291)				
Withholding of employee taxes related to stock-based compensation	—	—	(58)	—	—	(58)				
Shares of common stock issued for vested RSUs	20,672	—	—	—	—	—				
<b>Balance as of June 30, 2022</b>	<u>174,447,804</u>	<u>\$ 17</u>	<u>\$ 572,456</u>	<u>\$ (6,212)</u>	<u>\$ (1,291)</u>	<u>\$ 564,970</u>				
<b>Balance as of December 31, 2022</b>							176,007,184	\$ 18	\$ 577,603	\$ (19,090)
Net loss	—	—	—	(12,399)	—	(12,399)	—	—	—	(19,158)
Stock options exercised	1,293,762	1	337	—	—	338	1,679,954	—	150	—
Stock-based compensation expense	—	—	2,588	—	—	2,588	—	—	2,222	—
Unrealized loss on marketable securities	—	—	—	—	(2,546)	(2,546)				
<b>Balance as of September 30, 2022</b>	<u>175,741,566</u>	<u>\$ 18</u>	<u>\$ 575,381</u>	<u>\$ (18,611)</u>	<u>\$ (3,837)</u>	<u>\$ 552,951</u>				
Unrealized gain on marketable securities							—	—	—	—
<b>Balance as of March 31, 2023</b>							<u>177,687,138</u>	<u>\$ 18</u>	<u>\$ 579,975</u>	<u>\$ (38,248)</u>

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)

	Nine Months Ended September 30,		Three Months Ended March 31,	
	2023	2022	2024	2023
<b>Cash Flows from Operating Activities</b>				
Net loss	\$ (46,507)	\$ (9,076)	\$ (21,207)	\$ (19,158)

Adjustments to reconcile net loss to net cash and cash equivalents from operating activities:				
Depreciation and amortization	7,805	3,437	3,909	2,264
Amortization of right-of-use assets	566	51	207	183
Loss on sale of property, plant and equipment	—	4		
Stock-based compensation expense	8,447	6,498	2,863	2,222
Deferred taxes	—	(71)		
Change in fair value of warrant liabilities	(3,480)	(28,183)	501	2,662
Accretion of discounts on other long-term liabilities			(4)	—
Amortization of premiums and accretion of discounts on marketable securities	(8,297)	(1,170)	(2,428)	(2,716)
Change in operating assets and liabilities that provided (used) cash and cash equivalents:				
Contract receivables	(1,403)	(2,473)	(8,553)	(179)
Contract receivables from related parties	(5,048)	—	(4,152)	319
Prepaid expenses and other assets	297	2,101	(6,983)	(1,129)
Accounts payable and other accrued liabilities	207	(3,327)	1,290	1,699
Deferred revenue	(4,050)	(300)	7,794	(14)
Deferred revenue from related parties			(828)	(3,000)
Accrued compensation	218	1,831	(1,323)	(2,652)
Operating and Finance lease liabilities, short-term	(406)	192		
Operating and finance lease liabilities, short-term			(151)	(132)
Net cash and cash equivalents used in operating activities	(51,651)	(30,486)	(29,065)	(19,631)
<b>Cash Flows from Investing Activities</b>				
Purchases of property, plant and equipment	(29,526)	(47,915)	(4,054)	(11,581)
Purchases of marketable securities and long-term investments	(256,584)	(448,757)		
Purchases of marketable securities and investments			(61,287)	(110,636)
Proceeds from sales of marketable securities	315,493	111,198	79,134	101,665
Purchases of intangible assets	(428)	(308)	(154)	(125)
Net cash and cash equivalents provided by (used in) investing activities	28,955	(385,782)	13,639	(20,677)
<b>Cash Flows from Financing Activities</b>				
Payments of debt	(7)	(104)	—	(7)
Proceeds from exercise of stock options	194	771	97	150
Proceeds from issuance of shares of common stock under ESPP	214	—		
Cash paid for withholding of employee taxes related to stock-based compensation	(111)	(58)	(169)	—
Repurchase of shares of common stock			(4,914)	—
Payments on finance lease liabilities	(259)	(76)	(106)	(70)
Transaction costs	—	(12)		
Net cash and cash equivalents provided by financing activities	31	521		
Net cash and cash equivalents provided by (used in) financing activities			(5,092)	73
Net decrease in cash and cash equivalents	(22,665)	(415,747)	(20,518)	(40,235)
Cash and cash equivalents at beginning of period	50,123	513,447	34,537	50,123
Cash and cash equivalents at end of period	27,458	97,700	14,019	9,888
Cash paid for interest	\$ 39	\$ 5	\$ 42	\$ 13
Accrued capital expenditures	\$ 2,309	\$ 7,818	\$ 954	\$ 3,370

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

## Notes to Condensed Consolidated Financial Statements (Unaudited)

### Note 1 – Nature of Business

Solid Power Inc. (the “Company”) is developing solid state solid-state battery technology to enable the next generation of batteries for the fast-growing EV and other markets. The Company’s planned business model is to sell its sulfide-based solid electrolyte and to license its solid-state cell designs and manufacturing process, 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 Company’s Annual Report on 2023 Form 10-K for the year ended December 31, 2022 (the “2022 Form 10-K”) and are supplemented by the Notes to the Condensed Consolidated Financial Statements (Unaudited) (the “Notes”) included in this Quarterly Report on Form 10-Q for the period ended September 30, 2023 (this “Report”). Report. The financial statements included in this Report (including the Notes) should be read in conjunction with the 2022 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 generally accepted accounting principles in the United States (“GAAP”). GAAP. 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

##### Leases Income taxes

In February 2016, December 2023, the FASB issued ASU 2016-02, Leases No. 2023-09 Income Taxes (Topic 842), followed by other related ASUs 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 provided targeted improvements 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 additional practical expedient options. On January 1, 2022, will be applied on a prospective basis with the option to apply the standard retrospectively. The Company adopted is evaluating the standards under Topic 842 using the modified retrospective method and elected a number disclosure impact of the practical expedients in its implementation. The key change that affected the Company relates to lessee accounting for operating leases that were historically off-balance sheet. ASU 2023-09.

##### Financial Instruments Segment Reporting

In June 2016, November 2023, the FASB issued ASU 2016-13, Financial Instruments – Credit Losses No. 2023-07 Segment Reporting (Topic 326) 280): Measurement of Credit Losses 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 Financial Instruments. This guidance introduces a new model for recognizing credit losses 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 instruments based on estimates of expected losses. ASU 2016-13 also provides updated guidance regarding the impairment of available-for-sale debt securities and includes additional disclosure requirements. statements. The Company adopted this guidance as is evaluating the disclosure impact of January 1, 2022.

The Company regularly reviews its available-for-sale marketable securities and evaluates the current expected credit losses by considering changes in credit ratings, historical experience, market data, issuer-specific factors, and current economic conditions. Based on this analysis, any allowance for credit losses is immaterial but would otherwise be recorded as a reduction to the carrying value of the asset.

The Company reviews its receivable aging on an individual customer level, considering collectability of cash flows based on the risk of past events, current conditions, and forward-looking information. The Company establishes allowances for bad debts equal to the estimable portions of accounts receivable

it expects not to collect. Allowances for doubtful accounts are recorded as reductions to the carrying values of the related receivables. To date, the Company has not recorded an allowance for doubtful accounts. ASU 2023-07.

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### Note 3 – Property, Plant and Equipment

Property, plant and equipment are summarized as follows:

	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
Commercial production equipment	\$ 25,594	\$ 21,595	\$ 36,223	\$ 36,086
Laboratory equipment	8,307	3,278	10,748	9,910
Leasehold improvements	45,664	27,996	59,361	59,109
Furniture and computer equipment	1,635	1,482	4,042	3,915
Construction in progress	37,402	40,036	16,638	13,650
Total cost	118,602	94,387	127,012	122,670
Accumulated depreciation	(19,361)	(11,626)	(27,419)	(23,514)
Net property and equipment	\$ 99,241	\$ 82,761	\$ 99,593	\$ 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 September 30,		Nine Months Ended September 30,		Three Months Ended March 31,	
	2023	2022	2023	2022	2024	2023
Depreciation expense	\$ 2,896	\$ 1,653	\$ 7,794	\$ 3,430	\$ 3,905	\$ 2,259

The Company expanded its cell production capabilities through the construction of a second dry room and installation of an EV cell pilot line at its Louisville, Colorado facility, which is designed to produce larger format solid-state battery cells for the automotive qualification process.

The Company expanded its electrolyte production at its facility in Thornton, Colorado. Scaling this production will allow it to produce larger quantities of electrolyte material required to feed cell-production lines and continue research and development efforts. efforts at SP2. The Company began producing electrolyte at this facility SP2 in 2023 and has placed portions of the facility into service. 2023.

	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
Construction in progress				
EV cell pilot line - Louisville, CO	\$ 1,095	\$ 2,010		
Other cell and electrolyte development equipment - Louisville, CO	4,148	2,206		
Electrolyte production and development equipment - Thornton, CO	32,159	35,820		
SP1 - Capital projects			\$ 3,404	\$ 2,298
SP2 - Increased scale electrolyte production			13,234	11,352

### Note 4 – Intangible Assets

Intangible assets of the Company are summarized as follows:

	September 30, 2023		December 31, 2022		March 31, 2024		December 31, 2023	
	Gross Carrying	Accumulated	Gross Carrying	Accumulated	Gross Carrying	Accumulated	Gross Carrying	Accumulated
	Amount	Amortization	Amount	Amortization	Amount	Amortization	Amount	Amortization
Intangible assets:								
Licenses	\$ 149	\$ (58)	\$ 149	\$ (51)	\$ 149	\$ (63)	\$ 149	\$ (61)
Patents	92	(4)	—	—	124	(7)	92	(5)
Patents pending	1,316	—	984	—	1,561	—	1,444	—
Trademarks	13	—	9	—	13	—	13	—
Trademarks pending	17	—	17	—	22	—	18	—
Total amortized intangible assets	\$ 1,587	\$ (62)	\$ 1,159	\$ (51)	\$ 1,869	\$ (70)	\$ 1,716	\$ (66)

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Amortization expense for intangible assets is summarized as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended March 31,	
	2023	2022	2023	2022	2024	2023
Amortization expense	\$ 3	\$ 2	\$ 11	\$ 7	\$ 4	\$ 5

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 Agreement should be combined and evaluated as a single contract, the SK On Agreements. 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. The Company determined the SK On Agreements represent a single, combined performance obligation. Collaborative revenue will be 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.

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

As of September 30, 2023 March 31, 2024 and December 31, 2022 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:

September 30, 2023				March 31, 2024			
Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total

<b>Assets</b>									
Commercial Paper	\$	125,985	\$	—	\$	—	\$	125,985	\$ 95,059 \$ — \$ — \$ 95,059
Corporate Bonds	\$	210,199	\$	—	\$	—	\$	210,199	\$223,649 \$ — \$ — \$223,649
Government Bonds	\$	58,652	\$	—	\$	—	\$	58,652	\$ 46,218 \$ — \$ — \$ 46,218
<b>Liabilities</b>									
Public Warrants	\$	3,044	\$	—	\$	—	\$	3,044	\$ 2,637 \$ — \$ — \$ 2,637
Private Placement Warrants	\$	—	\$	2,593	\$	—	\$	2,593	\$ — \$2,091 \$ — \$ 2,091

	December 31, 2022					December 31, 2023			
	Level 1	Level 2	Level 3	Total		Level 1	Level 2	Level 3	Total
<b>Assets</b>									
Commercial Paper	\$ 165,179	\$ —	\$ —	\$ 165,179		\$ 84,909	\$ —	\$ —	\$ 84,909
Corporate Bonds	\$ 227,957	\$ —	\$ —	\$ 227,957		\$239,473	\$ —	\$ —	\$239,473
Government Bonds	\$ 42,865	\$ —	\$ —	\$ 42,865		\$ 56,689	\$ —	\$ —	\$ 56,689
U.S. Treasuries	9,930	—	—	9,930					
<b>Liabilities</b>									
Public Warrants	\$ 4,900	\$ —	\$ —	\$ 4,900		\$ 2,505	\$ —	\$ —	\$ 2,505
Private Placement Warrants	\$ —	\$ 4,217	\$ —	\$ 4,217		\$ —	\$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 nine months ended September 30, 2023 or year ended December 31, 2022. During the nine months ended September 30, 2023 and 2022, the Company purchased \$256,584 and \$448,757 of marketable securities and long-term investments, respectively.

#### Fair Value of Warrants

The fair value of the Public Warrants (defined below) has been measured based on the quoted price of such warrants on the Nasdaq Stock Market, a Level 1 directly observable input. The fair value of the Private Placement Warrants (defined below) has been estimated using a Black-Scholes model as of September 30, 2023 and December 31, 2022 Consolidated Balance Sheet dates. The estimated fair value of the Private Placement Warrants is determined using Level 2 directly or indirectly observable inputs. Assumptions related to expected stock-price volatility, expected life, risk-free interest rate, and dividend yield are inherent in a Black-Scholes model. 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' common stock that matches the expected remaining life of the March

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31, 2024 or year ended December 31, 2023. During the three months ended March 31, 2024 and 2023, the Company purchased \$61,287 and \$110,636 of marketable securities and long-term investments, respectively.

#### Fair Value of Warrants

The fair value of the Private Placement Warrants (defined below) have been estimated using a Black-Scholes model as of March 31, 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 is assumed to be equivalent to their remaining contractual term based on implied volatility from the Company's Public Warrants and from historical volatility of select peer companies' 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:

	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
Exercise price	\$ 11.50	\$ 11.50	\$ 11.50	\$ 11.50
Stock price	\$ 2.02	\$ 2.54	\$ 2.03	\$ 1.45
Volatility	81.8 %	71.3 %	85.8 %	95.0 %
Term (years)	3.19	3.94		
Term (in years)			2.69	2.94
Risk-free rate	4.67 %	4.03 %	4.36 %	3.94 %

The following table provides a reconciliation 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, 2022	\$ 0.42	\$ 0.55		
December 31, 2023			\$ 0.19	\$ 0.28
Change in fair value	\$ 0.04	\$ 0.31	\$ 0.01	\$ 0.06
March 31, 2023	\$ 0.46	\$ 0.86		
Change in fair value	\$ (0.15)	\$ (0.43)		
June 30, 2023	\$ 0.31	\$ 0.43		
Change in fair value	\$ (0.07)	\$ (0.04)		
September 30, 2023	\$ 0.24	\$ 0.39		
March 31, 2024			\$ 0.20	\$ 0.34

The following tables provides a reconciliation of the September 30, 2023 three and nine months change in fair value for the Public Warrants and Private Placement Warrants: Warrants at March 31.

Warrant Class	Three Months Change in					Three Months Change in				
	Level	Warrants	June 30, 2023	Fair Value	September 30, 2023	Level	Warrants	December 31, 2023	Fair Value	March 31, 2024
Public Warrants	1	12,684,423	\$ 3,932	\$ (888)	\$ 3,044	1	13,182,501	\$ 2,505	\$ 132	\$ 2,637
Private Placement Warrants	2	6,648,880	\$ 2,860	\$ (267)	\$ 2,593	2	6,150,802	\$ 1,722	\$ 369	\$ 2,091
<b>Total</b>		<b>19,333,303</b>	<b>\$ 6,792</b>	<b>\$ (1,155)</b>	<b>\$ 5,637</b>		<b>19,333,303</b>	<b>\$ 4,227</b>	<b>\$ 501</b>	<b>\$ 4,728</b>

Nine Months Change in					
Warrant Class	Level	Warrants	December 31, 2022	Fair Value	September 30, 2023
Public Warrants	1	12,684,423	\$ 4,900	\$ (1,856)	\$ 3,044
Private Placement Warrants	2	6,648,880	\$ 4,217	\$ (1,624)	\$ 2,593
<b>Total</b>		<b>19,333,303</b>	<b>\$ 9,117</b>	<b>\$ (3,480)</b>	<b>\$ 5,637</b>

## Note 67 – Warrant Liabilities

As The table below provides a summary of September 30, 2023 the outstanding Public and December 31, 2022, there were 12,684,423 and 11,666,636 publicly traded warrants ("Public Warrants") and 6,648,880 and 7,666,667 private placement warrants ("Private Placement Warrants" and together with the Public Warrants, "Warrants") outstanding, respectively. at:



	March 31, 2024	December 31, 2023
Public Warrants	13,182,501	13,182,501
Private Placement Warrants	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
Fair value of warrant liabilities	\$ 4,728	\$ 4,227

The Warrants were initially measured at fair value upon closing of the transactions contemplated by the Business Combination Agreement and Plan of Reorganization, dated June 15, 2021, by and among the Company, DCRC Merger Sub, Inc., and Solid Power Operating, Inc., as amended, for \$101,253 and subsequently re-measured at each reporting period. The Public Warrants were allocated a portion of the proceeds from the issuance of the units of common stock and one-third warrants in table below provides the Company's initial public offering equal to their fair value. The Company loss recognized a gain in connection with changes in the fair value of warrant liabilities:

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	Three Months Ended March 31,	
	2024	2023
Loss recognized associated with warrant liabilities	\$ (501)	\$ (2,662)

\$0 and \$28,183 for the three and nine months ended

September 30, 2022, respectively.

There have been no changes to our Public or Private Placement Warrants, including redemption terms disclosed in our 2022 2023 Form 10-K.

## Note 78 – Stockholders' Equity

### Common Stock

Stock options exercised for common stock, shares of common stock issued repurchased under the Solid Power, Inc. 2021 Employee Stock Purchase Plan ("ESPP"), stock repurchase program, and shares of common stock issued upon vesting of restricted stock units ("RSUs") RSUs for the three and nine months ended September 30, 2023 March 31, 2024 and 2022 2023 are summarized in the table below:

Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended March 31,	
2023	2022	2023	2022	2024	2023

Stock options exercised	58,065	1,293,762	2,084,695	8,162,906	2,360,316	1,679,954
Shares of common stock issued under ESPP	—	—	129,928	—	—	—
Shares of common stock repurchased	—	—	—	—	(3,183,638)	—
Shares of common stock issued for vested RSUs	32,442	—	195,590	20,672	161,995	—

Cash The table below presents the cash received from or paid associated with common stock options exercised under the Solid Power, Inc. 2014 Equity Incentive Plan (the "2014 Plan") related activities for the three months ended September 30, 2023 March 31, 2024 and 2022 was \$11 and \$417, respectively. Cash received from stock options exercised under the 2014 Plan for the nine months ended September 30, 2023 and 2022 was \$194 and \$771, respectively. 2023:

	Three Months Ended March 31,	
	2024	2023
Cash received from stock options exercised	\$ 97	\$ 150
Cash paid for shares of common stock repurchased	(4,914)	—

### 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 issued under from time to time until the ESPP 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 September 30, 2023 and 2022 was \$0. Cash received from March 31, 2024:

	Shares	Aggregate cost	Avg. Price Paid Per Share
Repurchased and retired shares of common stock	3,183,638	\$ 4,963	\$ 1.52

In April 2024, the Company purchased 1,816,362 shares of common stock issued for \$3,393 with an average price of \$1.85 per share, under the ESPP for the nine months ended September 30, 2023 and 2022 was \$214 and \$0, respectively. stock repurchase program.

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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 2022 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 nine months ended September 30, 2023, March 31, 2024 and 2023, the Company recognized compensation costs totaling:

	Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended March 31,	
	2023	2022	2023	2022	2024	2023
Equity-based compensation costs related to RSUs	\$ 1,248	\$ 618	\$ 2,839	\$ 1,133	\$ 1,212	\$ 635

Equity-based compensation costs related to stock options	2,012	1,970	5,486	5,365	1,614	1,587
Equity-based compensation costs related to ESPP	42	—	122	—	37	—
Total equity-based compensation costs	\$ 3,302	\$ 2,588	\$ 8,447	\$ 6,498	\$ 2,863	\$ 2,222
Unrecognized future compensation cost as of:			31,843	30,127	20,837	59,945

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The following table summarizes our award activity for RSUs and stock options for the three and nine months ended September 30, 2023 March 31, 2024:

	RSUs	Stock Options	RSUs	Stock Options
Balance at December 31, 2022	1,057,980	25,998,172		
Balance at December 31, 2023			4,473,016	24,264,016
Granted	1,797,034	3,272,873	3,159,872	4,566,167
Vested or Exercised	—	(1,679,954)	(264,754)	(2,360,316)
Forfeited	(88,441)	(1,494,020)	(72,619)	(842,395)
Balance at March 31, 2023	2,766,573	26,097,071		
Granted	1,753,207	1,904,016		
Vested or Exercised	(215,553)	(346,676)		
Forfeited	(47,181)	(466,635)		
Balance at June 30, 2023	4,257,046	27,187,776		
Granted	506,604	—		
Vested or Exercised	(32,442)	(58,065)		
Forfeited	(53,129)	(138,747)		
Balance at September 30, 2023	4,678,079	26,990,964		
Balance at March 31, 2024			7,295,515	25,627,472

## Stock Options

The fair value of each stock option grant during the nine three months ended September 30, 2023 March 31, 2024 and 2022 2023 was estimated on the grant date using the Black-Scholes option pricing model with the following weighted-average assumptions used:

	Nine Months Ended September 30,		Three Months Ended March 31,	
	2023	2022	2024	2023
Approximate risk-free rate	4.17 %	2.84 %	4.21 %	4.28 %
Volatility	46.91 %	44.69 %	48.35 %	46.86 %
Average expected life (years)	6 years	6 years		
Average expected life (in years)			6	6
Dividend yield	— %	— %	— %	— %
Weighted-average grant date fair value	\$ 2.80	\$ 7.26	\$ 1.56	\$ 3.11
Estimated fair value of total stock options granted	\$ 7,815	\$ 5,659	\$ 3,675	\$ 5,165

## Note 910 – 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.

Due to the net loss for the three and nine months ended September 30, 2023 and 2022, diluted loss per share was computed without consideration to potentially also includes the dilutive instruments as their inclusion would have been anti-dilutive.

The table below sets forth effect of additional potential shares of common stock issuable from stock-based awards determined using the basic and diluted treasury stock method. Diluted loss per share calculation for represents net earnings divided by diluted weighted average number of shares of common stock, which includes the three and nine months ended September 30, 2023 and 2022. average dilutive effect of all potentially dilutive securities that are outstanding during the period.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Net loss attributable to common stockholders	\$ (15,142)	\$ (12,399)	\$ (46,507)	\$ (9,076)
Weighted average shares outstanding – basic and diluted	178,388,926	175,025,984	177,800,915	173,859,649
Basic and diluted loss per share	\$ (0.08)	\$ (0.07)	\$ (0.26)	\$ (0.05)

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The table below sets forth (in shares) potentially dilutive securities excluded from the diluted loss per share calculation for the nine months ended September 30, 2023 and 2022.

	Nine Months Ended September 30,	
	2023	2022
Warrants	19,333,303	19,333,303
2014 Plan & Solid Power, Inc. 2021 Equity Incentive Plan - Stock Options	26,386,130	26,109,658
Solid Power, Inc. 2021 Equity Incentive Plan - RSUs	3,192,511	558,910
ESPP - Common Stock	120,339	—
Total potentially dilutive securities	49,032,283	46,001,871

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

	Three Months Ended March 31,	
	2024	2023
Net loss attributable to common stockholders	\$ (21,207)	\$ (19,158)
Weighted average shares outstanding – basic and diluted	180,784,020	176,934,261
Basic and diluted loss per share	\$ (0.12)	\$ (0.11)

Due to the net loss for the three months ended March 31, 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 months ended March 31, 2024 and 2023.

	Three Months Ended March 31,	
	2024	2023
Warrants	19,333,303	19,333,303
2014 Plan & 2021 Plan - Stock Options	22,140,322	25,352,980
2021 Plan - RSUs	5,031,773	1,764,062
ESPP - Common Stock	184,970	90,314
Contingently Issued Shares of Common Stock	—	49,834
Total potentially dilutive securities	46,690,368	46,590,493

#### Note 10 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.

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 September 30, 2023, as presented on the Balance Sheet. March 31, 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	Nine Months Ended
	September 30, 2023	September 30, 2023
Finance lease costs:		
Amortization of right-of-use assets	\$ 50	\$ 141
Interest on lease liabilities	13	38
Operating lease costs	290	870
Total lease expense	\$ 353	\$ 1,049

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

	Three Months Ended	Nine Months Ended
	September 30, 2023	September 30, 2023
Operating outgoing cash flows – finance leases	\$ 13	\$ 39
Financing outgoing cash flows – finance leases	79	220
Operating outgoing cash flows – operating leases	284	851
Right-of-use assets obtained in exchange for new finance lease liabilities:	124	213
Right-of-use assets obtained in exchange for new operating lease liabilities:	—	—

	Three Months Ended
	March 31, 2024
Finance lease costs:	
Amortization of right-of-use assets	\$ 58

Interest on lease liabilities	14
Operating lease costs	290
Total lease expense	\$ 362

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

	Three Months Ended
	March 31, 2024
Operating outgoing cash flows – finance leases	\$ 14
Financing outgoing cash flows – finance leases	92
Operating outgoing cash flows – operating leases	292
Right-of-use assets obtained in exchange for new finance lease liabilities:	—
Right-of-use assets obtained in exchange for new operating lease liabilities:	—

	September 30, 2023	March 31, 2024
<b>Finance lease</b>		
Weighted-average remaining lease term – finance leases (in years)	2.89	2.64
Weighted-average discount rate – finance leases	6.4	6.5 %
<b>Operating lease</b>		
Weighted-average remaining lease term – operating leases (in years)	9.46	8.99
Weighted-average discount rate – operating leases	6.9	6.8 %

As of September 30, 2023 March 31, 2024, future minimum payments during the next five years and thereafter are as follows:

Fiscal year	Finance Lease	Operating Lease	Finance Lease	Operating Lease
2023 (remaining three months)	\$ 97	\$ 286		
2024	386	1,173		
2024 (remaining nine months)			\$ 319	\$ 881
2025	271	1,210	310	1,210
2026	141	1,248	179	1,248
2027	56	1,288	85	1,288
2028	16	1,329	16	1,329
2029			—	1,211
Thereafter	-	5,242	—	4,031
Total	967	11,776	909	11,198
Less present value discount	81	3,011	(71)	(2,728)
Total lease liabilities	\$ 886	\$ 8,765	\$ 838	\$ 8,470

## Note 11 12 – Related Party Transactions

During the three and nine months ended September 30, 2023, March 31, 2024, the Company recognized \$3,657 and \$10,128, respectively, \$4,980 of revenue related to the BMW joint development agreement, JDA. As of September 30, 2023 March 31, 2024, the Company recorded \$5,048 \$4,152 of accounts receivable related to the BMW joint development agreement, JDA. During the three months ended March 31, 2023, the Company recognized \$3,000 of

revenue related to the BMW JDA. 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.

#### Note 12 13 – Income Taxes

The Company's effective tax rate was 0.00% and 0.68% for the three months ended September 30, 2023 and 2022, respectively, and 0.00% and 0.78% for the nine months ended September 30, 2023 and 2022, respectively. The change in the effective tax rate between periods was due to the Company being was in a full valuation allowance for the three and nine months ended September 30, 2023, March 31, 2024 and 2023.

#### Note 13 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 under Part I, Item 1A. "Risk Factors" of our 2022 Form 10-K, and under "Part II, I, Item 1A. Risk Factors" in of our Q1 2023 Form 10-Q, 10-K, as such descriptions may be updated or amended in future filings we make with the SEC, 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 2022 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.

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## Overview

We are Solid Power is developing solid state solid-state battery technologies to enable the next generation of rechargeable batteries technology for the fast-growing EV and other markets, additional markets served by battery manufacturers.

Our core technology is our proprietary sulfide-based solid electrolyte material, which replaces the liquid or gel electrolyte used in conventional traditional lithium-ion batteries. We believe that our electrolyte material can enable extended improve driving range, longer battery life, improved safety performance, and lower costs compared to conventional lithium-ion. battery costs.

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

We currently produce 0.2 Ah, 2 Ah, 20 Ah, our electrolyte on a pilot manufacturing line, which is used in our cell development and EV for customer sampling. We currently develop our cells on our two pilot lines, using established manufacturing processes, producing multiple cell sizes to both support our partners and refine cell designs. Longer-term, we expect our pilot lines to focus on research and development.

We have partnered with industry leaders including BMW, Ford Motor Company, BMW, and SK On Co., Ltd. We are working and will continue to work closely with each of these our partners to refine and validate our improve cell designs, and produce electrolyte material, with the ultimate goal to and commercialize our technologies, technology. Our business model – selling our electrolyte to cell manufacturers and licensing our cell designs and manufacturing processes – distinguishes us from many of our competitors who plan to be commercial battery manufacturers. Ultimately, we endeavor to be a leading producer and distributor of sulfide-based solid electrolyte material for powering both EVs and other applications. Since we do not intend to commercially produce battery cells, we expect to invest less than other development-stage battery companies that plan to commercially manufacture their own cell designs and construct battery production facilities.

The products we are currently make are in the development stage and require continued development further research and validation improvement before we can commercialize either our electrolyte or cell technology.

#### Recent Business Highlights

- Made first A-1 EV cell deliveries to BMW in October to formally enter Entered into the automotive qualification process. These EV cell deliveries support BMW's demo car program SK On Agreements with additional deliveries projected over the coming months. strong early execution on technology transfer and line installation.
- Increased SP2 Expanded electrolyte volume for EV sampling with shipments to multiple potential customers.
- A-2 Sample cells and phased out production at our SP1 facility. This increase demonstrates the ability to manufacture at scale for potential partners. remain on track with end-of-year delivery target.

#### 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" Statements," sections of this Report, which are incorporated by reference.

Prior to reaching commercialization, we must test and validate 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 of our electrolyte material 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.

Our revenue generated to date has primarily come from research and development performance on government contracts and research and development licensing activities, activities and government contracts. We have deployed and are deploying continue to deploy substantial capital to expand our production capabilities and engage in research and development programs. We also expect to continue to incur significantly more significant administrative expenses as a publicly traded company.

In addition to meeting our development goals, commercialization and reaching commercialization, future growth and demand for our products will be are highly dependent upon market adoption of 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.



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## 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 results are reported under GAAP and in U.S. dollars.

## Results of Operations

Comparison of the Three and Nine Months Ended September 30, 2023 March 31, 2024 to the Three and Nine Months Ended September 30, 2022 March 31, 2023

During the three and nine months ended September 30, 2023 March 31, 2024, we expanded continued to expand and accelerated accelerate our development efforts through increased capital and operational investments. We continued to invest in talent while expanding our facilities, production equipment, and capabilities. We expect to continue to increase our spending in all operational areas through the remainder of 2023 2024 in order to execute our development strategy.

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

(in thousands)	Three Months Ended September 30,				Nine Months Ended September 30,				Three Months Ended March 31,			
	2023	2022	Change	%	2023	2022	Change	%	2024	2023	Change	%
<b>Revenue</b>	\$ 6,366	\$ 2,813	\$ 3,553	126 %	\$ 15,063	\$ 7,591	\$ 7,472	98 %	\$ 5,953	\$ 3,792	\$ 2,161	57 %
<b>Operating Expenses</b>												
Direct costs	7,183	3,544	3,639	103 %	20,354	8,561	11,793	138 %	4,290	6,274	(1,984)	(32) %
Research and development	14,236	9,710	4,526	47 %	40,391	24,811	15,580	63 %	18,873	11,648	7,225	62 %
Selling, general and administrative	6,444	5,158	1,286	25 %	19,307	15,827	3,480	22 %	8,571	7,188	1,383	19 %
Total operating expenses	27,863	18,412	9,451	51 %	80,052	49,199	30,853	63 %	31,734	25,110	6,624	26 %
<b>Operating Loss</b>	<b>(21,497)</b>	<b>(15,599)</b>	<b>(5,898)</b>	<b>(38) %</b>	<b>(64,989)</b>	<b>(41,608)</b>	<b>(23,381)</b>	<b>(56) %</b>	<b>(25,781)</b>	<b>(21,318)</b>	<b>(4,463)</b>	<b>(21) %</b>
<b>Nonoperating Income and Expense</b>												
Interest income	5,213	3,128	2,085	67 %	15,041	4,300	10,741	250 %	5,117	4,835	282	6 %
Change in fair value of warrant liabilities	1,155	—	1,155	NM %	3,480	28,183	(24,703)	NM %	(501)	(2,662)	2,161	NM
Interest expense	(13)	(12)	(1)	8 %	(39)	(22)	(17)	77 %	(42)	(13)	(29)	(223) %
Total nonoperating income and expense	6,355	3,116	\$ 3,239	104 %	\$ 18,482	32,461	\$ (13,979)	(43) %	\$ 4,574	2,160	\$ 2,414	112 %
<b>Pretax Loss</b>	<b>(15,142)</b>	<b>(12,483)</b>	<b>(2,659)</b>	<b>NM</b>	<b>(46,507)</b>	<b>(9,147)</b>	<b>(37,360)</b>	<b>NM</b>				
Income tax benefit	—	(84)	84	NM	—	(71)	71	NM				



## Sources of Liquidity

Our primary sources of cash have historically been derived from the sale of equity, with a small portion coming from performance on our JDAS, government contracts, and commercial revenues, other collaborative arrangements.

As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, we had total liquidity, as set forth below:

(in thousands)	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
Cash and cash equivalents	\$ 27,458	\$ 50,123	\$ 14,019	\$ 34,537
Marketable securities	166,030	272,957	132,619	141,505
Long-term investments	228,806	172,974	232,307	239,566
<b>Total liquidity</b>	<b>\$ 422,294</b>	<b>\$ 496,054</b>	<b>\$ 378,945</b>	<b>\$ 415,608</b>
Total current liabilities			\$ 18,232	\$ 15,879

## Short-Term Liquidity Requirements

Our 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 2023 2024 will relate to finishing construction of our electrolyte research facility and enhancing the capabilities of our electrolyte production and development facility. In addition, our short-term liquidity requirements include operating and capital expenses needed to further our technology development. 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 (including expenditures for the increased pace and scope of development as well as increased public company costs) 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. We also believe that we have adequate cash on hand for our stock repurchase program should we choose to execute additional share repurchases.

We may however, need additional cash if there are material changes to our business conditions or other developments, including changes to our operating plan, development progress, delays in negotiations with OEMs, cell manufacturers, or other suppliers, market adoption

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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 the financing is not available, or if the terms of financing are less desirable than we expect, 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

20 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 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 common stock, economic and market conditions, and corporate and regulatory requirements. During the three months ended March 31, 2024, the Company repurchased 3,186,638 shares of common stock at an average price of \$1.52 per share for an aggregate cost of approximately \$4.96 million.

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Cash Flows

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

(in thousands)	Nine Months Ended September 30,		Three Months Ended	
	2023	2022	March 31,	
			2024	2023
Net cash and cash equivalents used in operating activities	\$ (51,651)	\$ (30,486)	\$(29,065)	\$(19,631)
Net cash and cash equivalents provided by (used in) investing activities	\$ 28,955	\$ (385,782)	\$ 13,639	\$(20,677)
Net cash and cash equivalents provided by financing activities	\$ 31	\$ 521		
Net cash and cash equivalents provided by (used in) financing activities			\$ (5,092)	\$ 73

Cash used in operating activities:

Cash used in operating activities increased from September 30, 2022 March 31, 2023 to 2023, 2024. The increase was primarily attributable to our operating loss, which was driven by a continued increase in direct and research and development costs and selling, general and administrative expenses, costs. We expect cash used in operating activities to remain at these increased levels increase as we continue accelerate the pace and scope of our development efforts and work to achieve commercialization of our products.

Cash provided by (used in) investing activities:

Cash provided by (used in) investing activities increased from September 30, 2022 March 31, 2023 to 2023, 2024 primarily due to the net effect of increased purchase and proceeds from the sales of marketable securities in addition to and decreased capital expenditures for property, plant and equipment. Capital expenditures were primarily for custom manufacturing equipment in connection with our expansion of electrolyte production capabilities. We expect cash used in investing activities to increase as we finalize the build out of our electrolyte production facility and increase its production capabilities, and as we increase our electrolyte production scale. As our production processes are scaled in the future 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 months ended March 31, 2024 was primarily related to the net effect of cash utilized for the stock repurchase program, partially offset by cash received from the exercise of stock options. Cash provided by financing activities for the nine three months ended September 30, 2023 and 2022 were March 31, 2023 was primarily related to from the cash exercise of stock options and proceeds from options. We expect our cash used in financing activities to increase as we execute share repurchases through the sale remainder of shares of common stock under the ESPP, partially offset by leased equipment payments, 2024.

Off-Balance Sheet Arrangements

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

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Critical Accounting Estimates

There were no significant and material changes in our critical accounting policies and use of estimates during the three and nine months ended September 30, 2023 March 31, 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 2022 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 2022 2023 Form 10-K for more information.

### Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are 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.

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### 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 September 30, 2023 March 31, 2024.

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 September 30, 2023 March 31, 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 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 2022 2023 Form 10-K and "Part II, Item 1A. Risk Factors" of our Q1 Form 10-Q, as such descriptions may be updated or amended in future filings we make with the SEC. 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 Q1 2023 Form 10-Q. 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:

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Program <sup>(1)</sup>	Approximate Dollar Value of Shares that May Yet Be Purchased under the Program <sup>(1)</sup>
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	

<sup>(1)</sup> 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.

## Item 6. Exhibits

Exhibit Number	Description	Incorporated by Reference				Incorporated by Reference				
		Schedule	Form	File Number	Exhibit/Annex	Filing Date	Description	Form	Number	Exhibit/Annex
2.1	<a href="#">Business Combination Agreement and Plan of Reorganization dated as of June 15, 2021, by and among the Company, DCRC Merger Sub, Inc., and Solid Power Operating, Inc.</a>	424B3		333-258681	Annex A	November 10, 2021				
2.2	<a href="#">First Amendment to the Business Combination Agreement dated October 12, 2021, by and among the Company, DCRC Merger Sub, Inc., and Solid Power Operating, Inc.</a>	424B3		333-258681	Annex A-1	November 10, 2021				

3.1	<a href="#">Second Amended and Restated Certificate of Incorporation</a>	8-K	001-40284	3.1	December 13, 2021	<a href="#">Second Amended and Restated Certificate of Incorporation</a>	8-K	001-40284	3.1	December 13, 2021
3.2	<a href="#">Amended and Restated Bylaws</a>	8-K	001-40284	3.1	November 21, 2022	<a href="#">Amended and Restated Bylaws</a>	8-K	001-40284	3.1	November 21, 2022
10.1#	<a href="#">Solid Power, Inc. Outside Director Compensation Policy</a>	8-K	001-40284	10.1	July 10, 2023					
10.2#	<a href="#">Amendment to Interim CEO Agreement, dated August 7, 2023, between Solid Power, Inc. and David B. Jansen</a>	8-K	001-40284	10.1	August 9, 2023					
10.1±						<a href="#">Research and Development Technology License Agreement, dated January 10, 2024, between Solid Power Operating, Inc. and SK On Co., Ltd.</a>	8-K	001-40284	10.1	January 16, 2024
10.2±						<a href="#">Electrolyte Supply Agreement, dated January 10, 2024, between Solid Power Operating, Inc. and SK On Co., Ltd.</a>	8-K	001-40284	10.2	January 16, 2024

10.3±		<a href="#">Line</a> <a href="#">Installation</a> <a href="#">Agreement,</a> <a href="#">dated</a> <a href="#">January 10,</a> <a href="#">2024, among</a> <a href="#">Solid Power</a> <a href="#">Korea Co.,</a> <a href="#">Ltd., SK On</a> <a href="#">Co., Ltd.,</a> <a href="#">and for the</a> <a href="#">limited</a> <a href="#">purposes of</a> <a href="#">Section</a> <a href="#">12.16 of the</a> <a href="#">Line</a> <a href="#">Installation</a> <a href="#">Agreement,</a> <a href="#">Solid Power,</a> <a href="#">Inc.</a>	8-K	001-	10.3	January
				40284		16, 2024
31.1*	<a href="#">Certification Pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934</a>	<a href="#">Certification</a> <a href="#">Pursuant to</a> <a href="#">Rule 13a-</a> <a href="#">14(a) under</a> <a href="#">the</a> <a href="#">Securities</a> <a href="#">Exchange</a> <a href="#">Act of 1934</a>				
31.2*	<a href="#">Certification Pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934</a>	<a href="#">Certification</a> <a href="#">Pursuant to</a> <a href="#">Rule 13a-</a> <a href="#">14(a) under</a> <a href="#">the</a> <a href="#">Securities</a> <a href="#">Exchange</a> <a href="#">Act of 1934</a>				
32.1**	<a href="#">Section 1350 Certification</a>	<a href="#">Section 1350</a> <a href="#">Certification</a>				
32.2**	<a href="#">Section 1350 Certification</a>	<a href="#">Section 1350</a> <a href="#">Certification</a>				



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.

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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: November 8, 2023 May 8, 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

Name: Kevin Paprzycki

Title: Chief Financial Officer and Treasurer

(Principal Financial and Accounting Officer)

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**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 September 30, 2023 March 31, 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.

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Date: November 8, 2023 May 8, 2024

By: /s/ John Van Scoter

John Van Scoter

President and Chief Executive Officer

(Principal Executive Officer)

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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, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Solid Power, Inc. for the quarterly period ended September 30, 2023 March 31, 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.

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Date: November 8, 2023 May 8, 2024

By: /s/ Kevin Paprzycki

Kevin Paprzycki

Chief Financial Officer and Treasurer

(Principal Financial and Accounting Officer)

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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 **September 30, 2023** **March 31, 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: **November 8, 2023** **May 8, 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 **September 30, 2023** **March 31, 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: **November 8, 2023** **May 8, 2024**

By: /s/ Kevin Paprzycki

Kevin Paprzycki

Chief Financial Officer and Treasurer

(Principal Financial and Accounting Officer)

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