



RESEARCH UPDATE

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Market Statistics in USD

Price	\$ 0.56
52 week Range	\$0.49 - \$3.73
Daily Vol (3-mo. average)	13,641,019
Market Cap (M)	\$ 206.5
Enterprise Value (M)	\$ 43.5
Shares Outstanding: (M)	369.3
Float (M)	279.3

Financial Summary in USD

Cash & ST Investments (M)	\$ 163.0
Cash & ST Investments/Share	\$ 0.44
Debt (M)	\$ -
Equity (M)	\$ 187.1
Equity/Share	\$ 0.51

FYE: Dec	2025	2026E	2027E
(all figures in M, except per share information)			

Rev	\$ 21.0	\$ 32.4	\$ 67.2
Chng%	929.4%	54.1%	107.7%
EBITDA	\$ (62.6)	\$ (54.4)	\$ (48.3)
Net Income	\$ (73.0)	\$ (64.5)	\$ (64.2)
EPS	\$ (0.22)	\$ (0.19)	\$ (0.18)
EV/Revenue	21.6x	1.3x	0.6x
EV/EBITDA	-7.2x	-0.8x	-0.9x
P/E	-8.2x	-3.0x	-3.1x



Company Description

SES AI is an advanced battery and AI-enabled energy technology company focused on commercializing next-generation energy storage solutions across ESS, drones, and battery materials. The company is leveraging its Molecular Universe platform to accelerate materials discovery, battery health and safety monitoring, and broader battery development, while pursuing a more diversified commercialization model beyond its legacy EV battery roots. SES AI's strategy centers on combining battery chemistry, software, and AI-driven discovery to monetize its technology across multiple battery-adjacent markets.

SES AI CORPORATION (NYSE: SES)

Company Updates

SES' 2Q26 update improves the commercialization setup despite lower sequential revenue, as the quarter provided clearer evidence that the company's broader commercial strategy is beginning to take hold. The headline miss was modest, but the underlying read-through was better: all four product lines contributed, Sol-Ark certification expands UZ Energy's U.S. ESS opportunity, and the NDAA drone pipeline suggests capacity - not just qualification - could become a constraint as customers convert to orders. FY26 guidance was unchanged, leaving a sizable 2H ramp to execute, but the path is becoming clearer over coming quarters across ESS, drones, materials, and Molecular Universe.

Quarterly Results: Revenue was \$5.1M, down 24% q/q but up 44% y/y, versus \$5.39M consensus. ESS, drone cells, materials, and Molecular Universe each contributed revenue. GAAP gross margin improved to 22.6% from 18.1% in 1Q26, driven by ESS international mix and pricing discipline. GAAP OpEx increased to \$20.3M from \$19.1M, primarily reflecting a \$0.9M bad-debt provision tied to a legacy EV service contract, though OpEx remained down 21% y/y. Non-GAAP net loss was \$13.1M, or \$(0.04)/share, in line with consensus, while adjusted EBITDA loss widened to \$14.6M from \$12.8M.

ESS / Edge Box: ESS remains the largest revenue contributor, while Sol-Ark certification materially improves UZ Energy's U.S. residential opportunity. Management indicated certification narrows the competitive field and expects U.S. activity to begin inflecting later this year, with a larger contribution in 2027. Three UZ low-voltage residential batteries were Sol-Ark certified, while US Energy Distributors, under its \$20M three-year agreement, serves as master distributor and primary U.S. contact. Edge Box improves sourcing flexibility by allowing SES to procure cells across multiple vendors and production lines, supporting lower input costs and better ESS margins over time.

Drone Cells / Materials / Molecular Universe: Drone visibility was the clearest positive. Chungju capacity should scale from 200K to 1M NDAA-compliant cells annually in September, reaching full-rate Q4 production, with meaningful Q4 revenue accelerating in 1H27. The NDAA pipeline exceeds 50 prospects, including ~five large customers representing ~1.5M potential annual cells versus ~700K-800K deliverable capacity. SES agreed to develop Droni Aerospace's H1-X eVTOL battery pack under a framework worth up to \$1.09M across 2026-2027, with options for expanded testing and serial production, extending into unmanned/mobility applications. Materials contributed \$1.2M. MU recorded first Search-in-a-Box revenue, has three major battery companies in M-Labs discussions plus additional module/workflow evaluations, and launched MU-3.0, an agentic lithium/sodium workflow with secure on-premise autonomous-lab integration. MU-4.0 is expected later this year with molecule-generation and deeper lab integration, while SES targets its first materials supply agreement in 2H26.

Guidance: SES reaffirmed FY26 revenue of \$30M-\$35M and ~15% consolidated gross margin. With \$11.8M generated in 1H26, guidance implies \$18.2M-\$23.2M in 2H26, with ESS expected to represent more than half of revenue as drones and materials scale. Management remains confident in sustaining an OpEx reduction of more than 20% y/y and expects net losses to narrow in 2H. Liquidity ended 2Q at ~\$163M.

Valuation

We currently believe it is too early to apply a formal valuation range to SES, as the Company remains pre-EBITDA and has only recently begun providing guidance. When we next apply a valuation range, we expect to rely primarily on an EV/Revenue comparable-company analysis. We believe greater clarity should emerge toward the back half of 2026, as SES has numerous catalysts on the horizon that we expect will help smooth and normalize revenue growth. Over time, as SES continues to scale and approaches profitability, we expect to pivot toward EV/EBITDA as the primary valuation driver, supplemented by a DCF model.

To frame how a potential valuation could develop, we have included the comparable-company table below. Admittedly, the current comp set is weighted more heavily toward energy storage system peers than drone-related peers, with Amprius Technologies, Inc. serving as the notable exception. As SES grows the other legs of its business, particularly drone cell manufacturing and Molecular Universe, we expect to incorporate additional drone and advanced battery peers into the comp set.

Comparative Analysis

(all figures in M, except per share information)

Company Name	Symbol	Price ⁽¹⁾	Mrkt Cap	EV	EV/Revenue ^(2,3)			EV/EBITDA ^(2,3)			P/E ^(2,3)		
					2025	2026E	2027E	2025	2026E	2027E	2025	2026E	2027E
Canadian Solar Inc.	CSIQ	\$ 15.88	\$ 1,076.9	\$ 8,184.2	1.42x	1.36x	1.13x	10.9x	11.0x	8.8x	N/A	N/A	13.7x
Amprius Technologies, Inc.	AMPX	\$ 12.08	\$ 1,764.7	\$ 1,696.5	13.61x	12.08x	8.02x	N/A	384.6x	89.0x	N/A	N/A	172.6x
Electrovaya Inc.	ELVA	\$ 7.31	\$ 361.8	\$ 390.3	7.80x	7.08x	4.18x	62.5x	39.0x	18.7x	95.1x	104.4x	21.6x
FTAI Infrastructure Inc.	FIP	\$ 4.37	\$ 516.5	\$ 4,344.6	10.34x	5.97x	5.56x	31.3x	15.3x	12.7x	N/A	N/A	N/A
Standard Motor Products, Inc.	SMP	\$ 39.79	\$ 888.9	\$ 1,522.7	0.81x	0.81x	0.79x	6.4x	7.2x	6.5x	19.6x	9.4x	8.1x
T1 Energy Inc.	TE	\$ 5.47	\$ 1,527.6	\$ 2,103.5	3.29x	2.17x	1.55x	N/A	41.4x	8.0x	N/A	N/A	N/A
TETRA Technologies, Inc.	TTI	\$ 8.82	\$ 1,306.0	\$ 1,374.0	2.22x	2.06x	1.87x	14.5x	12.9x	9.6x	415.4x	35.3x	23.8x
Tigo Energy, Inc.	TYGO	\$ 1.25	\$ 96.0	\$ 85.5	1.03x	0.83x	0.66x	N/A	62.0x	10.9x	N/A	N/A	500.0x
United States Antimony Corporation	UAMY	\$ 6.58	\$ 970.5	\$ 924.7	17.40x	8.02x	3.82x	N/A	440.3x	22.3x	N/A	70.5x	16.7x
XPLR Infrastructure, LP	XIFR	\$ 11.45	\$ 1,079.4	\$ 13,982.4	11.71x	10.60x	10.13x	19.7x	7.6x	7.7x	N/A	7.0x	127.2x
Average					7.0x	5.1x	3.8x	24.2x	102.1x	19.4x	176.7x	45.3x	110.5x
Median					5.5x	4.1x	2.8x	17.1x	27.1x	10.3x	95.1x	35.3x	22.7x
SES AI Corporation	SES	\$ 0.56	\$ 206.5	\$ 43.5	21.6x	1.3x	0.6x	-7.2x	-0.8x	-0.9x	-8.2x	-3.0x	-3.1x

(1) Previous day's closing price

(2) Estimates are from Capital IQ

(3) Forward estimates as of calendar year

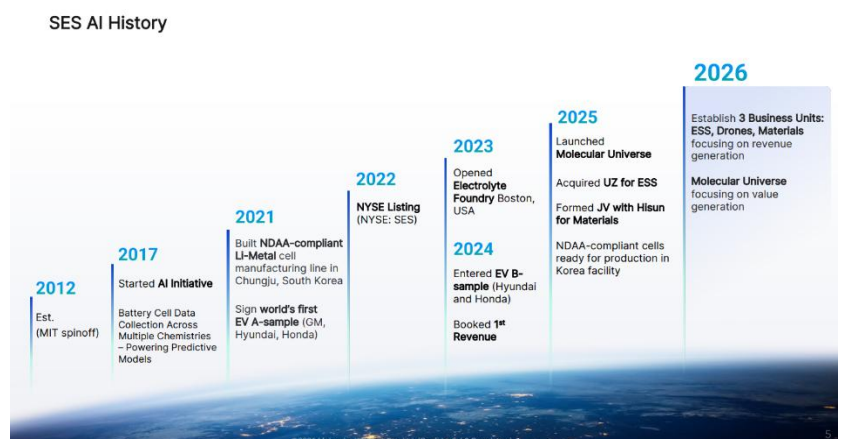
Source: Company reports, CapitalIQ, Stonegate Capital Partners

Currently SES is trading at a 2027E EV/Revenue of 0.6x compared to comps at an average of 3.8x. We also note that historically comps traded at an average EV/Revenue of 7.0x. We believe continued growth in the ESS segment, the ramp of drone cell manufacturing, and the ongoing development of Molecular Universe could support applying a premium multiple to the current peer set. In our view, this would more appropriately reflect the value of Molecular Universe, which we do not believe is currently being fully appreciated by the market.

Company History

Founded in 2012 as an MIT spinout, SES AI began as an early-stage lithium-metal battery developer focused on advancing next-generation cell technology for automotive applications. Over time, the Company has built out a broader technical and operating footprint, including NDAA-compliant manufacturing capacity in South Korea, early EV validation through A-sample and B-sample programs, and an electrolyte foundry in Boston, while also investing in AI-driven battery development capabilities. A major inflection point came in 2022, when SES AI became publicly listed on the NYSE, and by 2025 - 2026 management had increasingly repositioned the company ESS, drones, and materials as its primary operating businesses, while Molecular Universe serves as both an enabling platform and, as of 2Q26, a standalone revenue contributor.

Exhibit 1: SES AI History



Source: Company Reports

Business Overview

SES AI is an advanced battery and AI-enabled energy technology company increasingly focused on commercializing ESS, drones, and materials, while Molecular Universe now contributes standalone revenue in addition to supporting the broader platform. While the company's roots are in lithium-metal battery development for EVs, the Company is now positioned as a broader battery technology platform built around chemistry, battery health and safety software, and AI-enabled materials discovery. In Energy Storage Systems (ESS), SES AI is pairing recently acquired UZ Energy's hardware with the Company's battery health and safety management software; in drones, it is targeting high energy-density, high power-density, NDAA-compliant cells for defense and other performance-driven applications; and in materials, it is seeking to commercialize novel electrolytes and related discoveries through the Hisun joint venture.

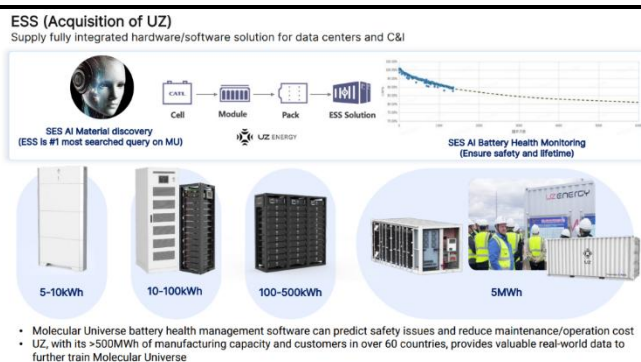
Segment Overview

Energy Storage Systems (ESS):

We view ESS as SES AI's most important business segment today and the clearest near-term commercialization engine in the portfolio. Management has explicitly identified ESS as the company's largest near-term revenue driver and has framed it as the largest battery market opportunity within SES AI's current focus areas. The strategic logic is that SES AI can do more than supply storage hardware alone: through UZ Energy, it can combine installed ESS systems with battery health, degradation, and safety capabilities powered by Molecular Universe. Management described energy storage systems as financial assets whose value depends on consistent long-term performance, accurate monitoring, and lower maintenance costs, which helps explain why SES AI is emphasizing an integrated hardware-plus-software offering rather than a pure battery box sale.

Last year's UZ Energy acquisition is central to that strategy. UZ gives SES AI access to a global hardware platform, historical ESS operating data, and existing customer relationships that can be used to improve product performance and accelerate commercialization.

Exhibit 2: ESS



Source: Company Reports

Drones:

We view drones as SES AI's second most important business segment and likely its most differentiated battery application. Management has increasingly framed drones as an attractive commercialization lane because the category values the exact attributes SES AI is working to deliver: higher energy density, strong power output, lightweight form factors, and compliant supply chains. In contrast to EVs, where scale economics and long qualification cycles remain major hurdles, drone applications, particularly in defense and allied markets, place greater weight on mission-critical performance, trusted sourcing, and speed to deployment. That makes drones a more practical near-term entry point for SES AI's technology, in our view.

SES AI's strategy is built around addressing the core performance and supply requirements of the market. Management has emphasized that next-generation drone batteries need meaningfully higher energy density than conventional lithium-ion, while also maintaining high discharge capability, manufacturability at scale, and NDAA-compliant sourcing. SES AI believes its Korea manufacturing footprint is a key advantage in that regard, as the facility has been NDAA-compliant since 2021 and is being repurposed from EV cell formats toward drone-oriented production. In our view, the combination of higher-performance cell requirements, supply-chain security, and manufacturable scale creates a more favorable commercial setup for SES AI than traditional automotive, where cost competitiveness remains the primary gating factor.

Exhibit 3: Drones Performance Gap



Source: Company Reports

Materials:

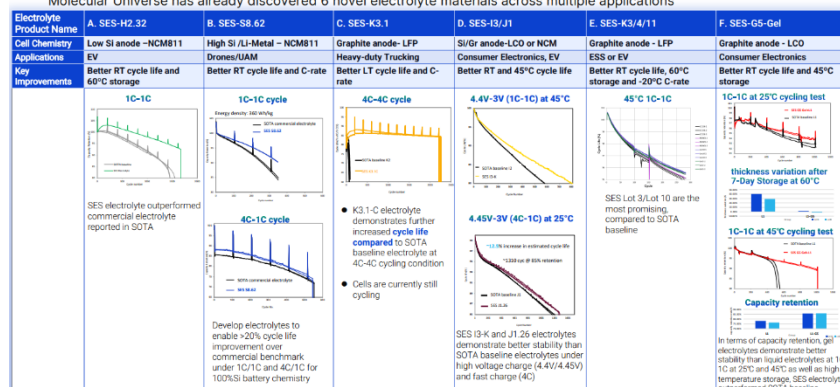
We view materials as SES AI's third key business segment and one of the clearest examples of management's effort to monetize the company's technology beyond finished cells and systems. Rather than relying solely on end-product wins, SES AI is using Molecular Universe to discover novel electrolyte materials that can be commercialized across ESS, drones, EVs, consumer electronics, and other battery applications. Some materials discovered through Molecular Universe have now completed testing and entered early-stage commercial pilot deployment, while roughly half a dozen customers have progressed through second-phase testing. In our view, that progression provides a clearer indication that the segment is moving from research output toward commercial qualification.

The Hisun joint venture is central to that strategy because it provides SES AI with a manufacturing and scale-up partner rather than requiring the company to build the production footprint itself. Management has indicated that the JV is intended to manufacture newly discovered materials at commercial scale, leveraging Hisun's existing electrolyte manufacturing capacity and global reach with SES AI focused on converting its pipeline into its first commercial materials supply agreement in 2H26. In our view, that matters for two reasons. First, it shortens the path from discovery to revenue by pairing SES AI's proprietary materials innovation with an established production base. Second, it supports the company's broader capital-light model by allowing SES AI to participate in the battery materials value chain without taking on the full cost and execution burden of downstream manufacturing. More broadly, the segment gives SES AI another path to monetize Molecular Universe by supplying differentiated materials into markets the company does not need to serve through its own cells or systems.

Exhibit 4: Materials

Materials (materials breakthroughs discovered through Molecular Universe SaaS)

Molecular Universe has already discovered 6 novel electrolyte materials across multiple applications



Source: Company Reports

Molecular Universe:

Molecular Universe is not the company's largest near-term revenue contributor, but it is the enabling layer behind the broader SES AI story. Management describes it as SES AI's AI4Science platform, and across the portfolio it supports materials discovery, battery design, battery health monitoring, and safety management. Its practical role is to improve the value proposition of the Company's operating businesses rather than stand alone as the primary commercial story today. In our view, that is the right way to frame it at this stage: Molecular Universe matters most because it strengthens ESS, drones, and materials.

Management has also indicated that Molecular Universe could develop standalone value over time through cloud-based and on-premise subscription access and has spoken openly about the strategic value of the platform and its scientific data. At the same time, SES AI's own disclosures make clear that the AI4Science market remains early, and customer adoption may not develop as expected. We therefore view Molecular Universe less as the core near-term revenue engine and more as the company's long-term technology and competitive advantage layer.

Exhibit 5: Molecular Universe

An AI4Science Platform Built by Battery Professionals, for Battery Professionals

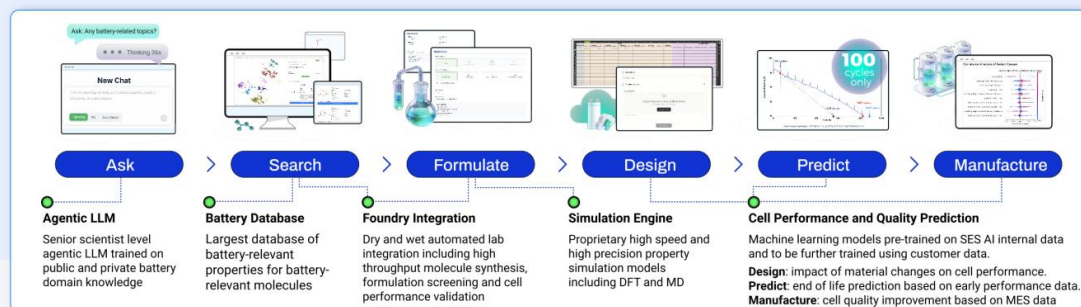
This is the reality of today's R&D

\$200B+
spent

8-10 year
timelines

80%
failure

Repeat the old ways—or accelerate discovery with Molecular Universe, an AI4Science SaaS platform covering the complete end-to-end workflow. It has already helped users discover several breakthroughs including battery materials for consumer electronics, drones, energy storage and EV applications.



Why Molecular Universe is the best battery domain AI4Science platform

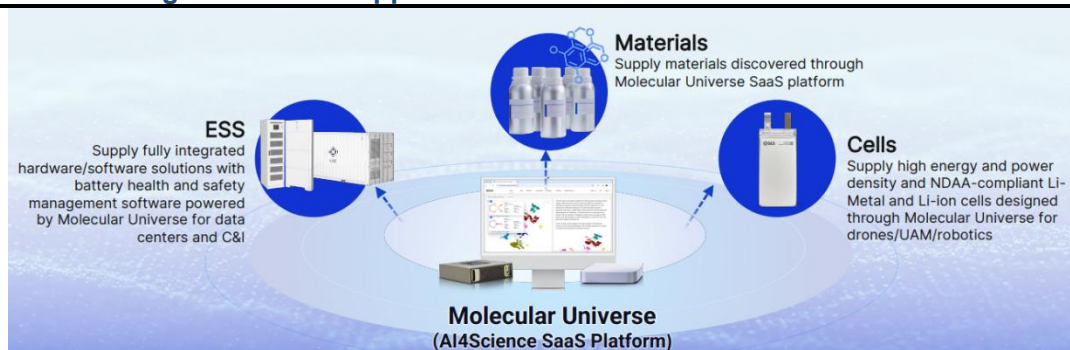
- 1 Incubated at a battery company, SES AI, since 2017
- 2 Offers latest high precision and high-speed simulation models, high quality experimental data, and world class domain expertise
- 3 Available both in cloud (for your convenience) and on-premises (for your security)

Source: Company Reports

Key Growth Drivers

The Company has increasingly been marketing SES AI not as a traditional pre-commercial EV battery company, but as a multi-pronged battery technology platform built around ESS, drones, and materials, with Molecular Universe serving as the enabling software and materials discovery layer while beginning to generate standalone subscription revenue. The central shift in the story is away from a single end-market EV development framework and toward several commercialization paths that management believes can generate revenue sooner and with less capital intensity than a full automotive manufacturing buildout.

Exhibit 6: Multi-Pronged Business Opportunities



Source: Company Reports

1. ESS is the clearest near-term commercial driver. Management has been explicit that ESS is the company's largest near-term revenue driver, and the strategy is differentiated by attaching battery health and safety software to installed hardware through UZ.
2. Drones offer a differentiated application where SES AI's performance profile and NDAA-compliant manufacturing can matter immediately. Management has repeatedly highlighted military drones as a priority end market where range, payload, power, and trusted sourcing matter more than lowest-cost commodity supply.

3. Materials broaden the monetization path beyond batteries that SES AI makes itself. By supplying novel materials discovered through Molecular Universe into multiple end markets, SES AI can potentially capture value from its chemistry IP without needing to win every cell or system program directly. The Hisun JV is important here because it gives SES AI a route to commercial production at scale.

Exhibit 7: Company Outlook

PRIORITIES FOR 2026 AND BEYOND

LEVERAGE NEW BUSINESS UNIT LEADERSHIP TO EXECUTE ON ESS AND DRONE CELL OPPORTUNITIES

EXECUTE ON CONVERSION OF NDAA-COMPLIANT LINE IN KOREA FROM EV CELLS TO DRONE CELLS

CONTINUE GROWTH OF UZ ENERGY'S EXISTING HARDWARE BUSINESS IN AUSTRALIA, MIDDLE EAST, EUROPE AND U.S. AND INTEGRATE SES AI SOFTWARE WITH NEW EDGE BOX

DELIVER ON EXISTING NOVEL ELECTROLYTES DISCOVERED BY MOLECULAR UNIVERSE IN MATERIALS BUSINESS WITH HISUN JV AND CONTINUE TO EXPAND PIPELINE

LEVERAGE MOLECULAR UNIVERSE MATERIAL DISCOVERY TO ACCELERATE NEW PRODUCT DEVELOPMENT AND BUILD LEAD OVER COMPETITION

FOCUS ON CAPEX-LIGHT BUSINESS MODEL IN ESS, CELLS AND MATERIALS WITH R&D CONCENTRATED IN MOLECULAR UNIVERSE

Source: Company Reports

4. Molecular Universe underpins the technology advantage across the portfolio. Management has been clear that the platform's biggest contribution today is not SaaS revenue alone, but the IP, data, and discovery capabilities that support the operating businesses. The platform also generated its first standalone revenue in 2Q26 through a multi-year Search-in-a-Box subscription.
5. The business model is structured to remain relatively capital light. Management has repeatedly emphasized acquisitions, JVs, manufacturing conversion, and software attachment as the preferred path to growth, rather than a large-scale greenfield EV manufacturing strategy.

Market Overview

The market backdrop for SES AI is increasingly supportive of the company's repositioning toward ESS, drones, and materials. While battery demand continues to expand, investor focus has shifted toward applications where commercialization may be faster, performance is more differentiated, and monetization does not require the full capital burden of automotive-scale manufacturing. In our view, that dynamic better aligns SES AI with parts of the battery market where software, safety, supply-chain compliance, and speed to commercialization matter more immediately than pure EV scale.

The largest opportunity supporting that repositioning is stationary energy storage. Management has been explicit that ESS is the Company's largest near-term revenue driver and has described it as the largest battery market within SES AI's current focus areas. The broader appeal of the market is straightforward: storage is becoming increasingly important to utilities, commercial users, and data-center operators seeking flexible capacity to manage renewable intermittency, support peak load, and improve resilience.

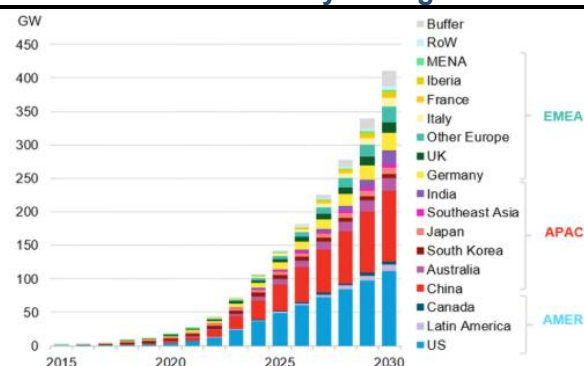
Just as important, energy storage is becoming more operationally complex and more software-aware over time. Management has repeatedly framed ESS assets as financial assets whose value depends on battery health visibility, accurate monitoring, and lower maintenance requirements. The Company's strategy of combining UZ Energy's hardware with SES AI's battery health and safety capabilities is designed for exactly that environment.

Beyond ESS, specialized battery applications such as drones are becoming more strategically relevant because they reward technical performance and compliant sourcing more than lowest-cost scale. Management has identified the U.S. military drone market as the most consequential near-term drone opportunity and has tied the segment directly to SES AI's strengths in energy density, power density, and NDAA-compliant manufacturing.

The current market environment is also supportive of value creation at the materials layer. As battery customers seek better cycle life, storage behavior, low-temperature performance, safety, and manufacturability, there is increasing room for differentiated materials that improve system-level performance without requiring a full redesign of the end product. Management is positioning SES AI's materials business around exactly that need, using Molecular Universe to discover novel electrolytes and the Hisun JV to scale them commercially. As of today, the Company has announced six novel electrolyte material breakthroughs.

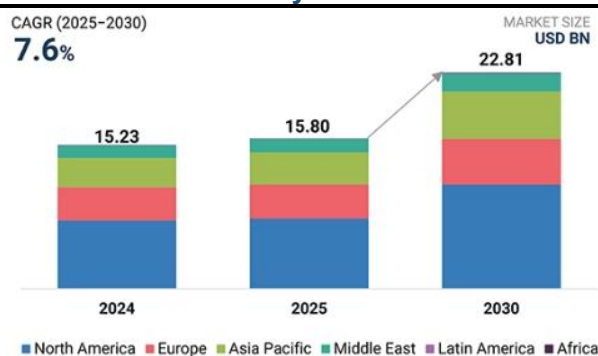
The final piece of the setup is the growing importance of battery intelligence and AI-enabled scientific discovery. Management has consistently emphasized that battery markets increasingly require tighter integration between software, hardware, safety monitoring, and materials development, particularly as batteries move into mission-critical infrastructure and industrial use cases. Molecular Universe is central to that positioning. At the same time, SES AI's own disclosures acknowledge that adoption in areas such as AI4Science and drones remains early, which makes execution and commercialization traction more important than headline market size alone. In our view, that balance is important: SES AI's chosen markets appear attractive, but the investment case still depends on turning technical capability into repeatable commercial outcomes.

Exhibit 8: Global Stationary Storage Demand



Source: BloombergNEF

Exhibit 9: Global Military Drone Outlook



Source: MarketsandMarkets

Risks

As with any investment, SES AI faces a range of company-specific and industry risks tied to commercialization, execution, and the adoption of its newer business lines. While management has repositioned the company around ESS, drones, materials, and Molecular Universe, the investment case still depends on converting technological capability into scalable and repeatable commercial outcomes.

Commercialization and Adoption – SES AI's targeted markets remain early in several cases, particularly Molecular Universe and drones, and customer adoption may not develop as expected. The company also faces ongoing risk around development timelines, commercialization milestones, and broader execution across its revenue-generating businesses.

ESS and Drone Execution - ESS has emerged as SES AI's largest near-term revenue driver, while drones remain a major growth focus. As a result, successful execution across UZ integration, battery performance, manufacturing scale-up, and demand ramp has become increasingly critical. If ESS products fail to meet customer expectations, UZ Energy integration falls short, or drone demand scales more slowly than expected, commercialization could disappoint.

Materials and Partner Reliance – SES AI's materials strategy depends on turning Molecular Universe discoveries into commercial products and scaling them through partners such as Hisun. That creates reliance on third-party execution, production quality, and partner alignment, which could slow the path from discovery to revenue.

Unprofitability and Capital Needs – SES AI remains unprofitable, and there is no assurance the company will achieve profitability in the near term. If commercialization takes longer than expected, margins remain pressured, or investment needs stay elevated, SES AI may require additional capital, potentially on less favorable terms.

Supply Chain, AI, and IP Risk – SES AI remains exposed to third-party supply chains, international operations, AI-related legal and regulatory risk, and the need to protect its intellectual property as it expands Molecular Universe and its broader battery platform.

BALANCE SHEET

SES AI Corporation
Consolidated Balance Sheets (\$M)
Fiscal Year End: December

ASSETS	FY 2022	FY 2023	Q1 Mar-24	Q2 Jun-24	Q3 Sep-24	Q4 Dec-24	FY 2024	Q1 Mar-25	Q2 Jun-25	Q3 Sep-25	Q4 Dec-25	FY 2025	Q1 Mar-26	Q2 Jun-26
Cash and cash equivalents	106.6	85.7	129.6	54.8	66.7	128.8	128.8	56.1	11.8	35.3	29.5	29.5	46.9	64.1
Short-term investments	283.5	246.8	189.1	239.9	207.0	133.7	133.7	183.7	217.1	178.7	170.1	170.1	130.7	98.9
Accounts receivable	2.4	3.9	1.2	0.6	2.6	1.0	1.0	1.5	3.0	3.4	4.8	4.8	8.2	7.7
Inventories	0.4	0.6	0.4	0.5	0.3	0.2	0.2	0.2	0.1	3.7	5.2	5.2	7.0	8.4
Prepaid expenses and other assets	3.8	11.7	6.7	14.3	14.9	13.2	13.2	14.7	11.0	9.3	6.7	6.7	7.7	6.8
Total Current Assets	396.6	348.6	327.1	310.1	291.5	276.9	276.9	256.1	243.0	230.4	216.3	216.3	200.6	186.0
Property and equipment, net	27.8	38.0	40.1	41.2	42.2	38.2	38.2	35.9	34.1	31.0	28.9	28.9	26.3	24.2
Goodwill	-	-	-	-	-	-	-	-	-	12.6	13.3	13.3	13.3	13.3
Intangible assets, net	1.5	1.3	1.3	1.3	1.2	1.2	1.2	1.2	1.2	2.9	2.8	2.8	2.7	2.7
Right-of-use assets, net	11.4	13.1	11.7	11.1	10.7	9.9	9.9	9.2	8.7	8.3	7.6	7.6	6.9	6.4
Deferred tax assets	5.1	1.1	1.1	1.1	1.1	1.3	1.3	1.3	1.3	1.4	1.5	1.5	1.5	1.5
Other assets, non-current	-	4.7	4.6	3.5	3.3	2.2	2.2	2.2	2.2	2.3	2.3	2.3	2.2	2.2
Total Assets	442.3	406.8	385.9	368.4	349.9	329.8	329.8	306.0	290.5	288.8	272.6	272.6	253.5	236.2
LIABILITIES AND SHAREHOLDERS' EQUITY														
Accounts payable	6.2	4.8	2.8	2.4	2.2	1.9	1.9	1.8	2.0	4.8	5.7	5.7	5.9	5.6
Operating lease liabilities	1.9	2.4	2.4	2.5	2.6	2.6	2.6	2.6	2.7	2.3	2.3	2.3	1.6	1.6
Deferred consideration, current	-	-	-	-	-	-	-	-	-	4.4	1.1	1.1	8.0	8.0
Accrued expenses and other liabilities	12.5	13.1	8.7	9.1	14.3	18.3	18.3	12.0	14.8	16.6	15.1	15.1	13.7	13.3
Total Current Liabilities	20.6	20.4	13.9	14.0	19.1	22.8	22.8	16.4	19.5	28.0	24.2	24.2	29.2	28.5
Sponsor Earn-Out liabilities	11.0	4.2	3.3	1.9	0.9	9.5	9.5	1.6	3.0	6.9	7.8	7.8	3.6	3.6
Operating lease liabilities, non-current	10.2	11.3	9.7	9.3	8.4	8.0	8.0	6.9	6.6	6.2	5.8	5.8	5.4	5.1
Unearned government grant	6.7	9.3	8.9	9.0	9.6	8.6	8.6	8.7	9.5	9.3	9.0	9.0	8.6	8.6
Deferred consideration, non-current	-	-	-	-	-	-	-	-	-	7.3	7.7	7.7	-	-
Other liabilities, non current	1.8	2.8	2.7	2.6	2.6	2.6	2.6	2.6	2.6	2.8	3.4	3.4	3.4	3.4
Total Liabilities	50.2	47.9	38.5	36.8	40.6	51.5	51.5	36.1	41.2	60.6	57.9	57.9	50.3	49.2
Common Stock - Class A/B	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Additional-paid-in-capital	538.0	559.2	564.0	568.2	574.9	579.4	579.4	583.3	585.7	586.2	588.4	588.4	588.5	590.2
Accumulated deficit	(144.7)	(198.7)	(214.2)	(234.1)	(264.3)	(298.9)	(298.9)	(311.3)	(334.0)	(354.9)	(371.9)	(371.9)	(384.0)	(401.9)
Accumulated other comprehensive loss	(1.3)	(1.6)	(2.4)	(2.5)	(1.3)	(2.2)	(2.2)	(2.2)	(2.5)	(3.2)	(1.7)	(1.7)	(1.2)	(1.3)
Total Parent Net Equity	392.1	359.0	347.4	331.6	309.3	278.3	278.3	269.9	249.2	228.2	214.8	214.8	203.2	187.1
Non-Controlling Interests	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0
Total Consolidated Equity	392.1	359.0	347.4	331.6	309.3	278.3	278.3	269.9	249.2	228.2	214.8	214.8	203.2	187.1
Total Liabilities and Shareholders' Equity	442.3	406.8	385.9	368.4	349.9	329.8	329.8	306.0	290.5	288.8	272.6	272.6	253.5	236.2

Liquidity

Current Ratio	19.2x	17.1x	23.5x	22.2x	15.2x	12.1x	12.1x	15.6x	12.5x	8.2x	9.0x	9.0x	6.9x	6.5x
Quick Ratio	18.9x	16.3x	22.9x	21.1x	14.3x	11.5x	11.5x	14.6x	11.7x	7.6x	8.3x	8.3x	6.6x	6.2x
Working Capital	376.0	328.3	313.2	296.2	272.4	254.1	254.1	239.7	223.5	202.4	192.1	192.1	171.3	157.46

Source: Company Reports, Stonegate Capital Partners

INCOME STATEMENT

SES AI Corporation

Consolidated Statements of Income (in \$M, except per share amounts)

Fiscal Year End: December

	FY 2022	FY 2023	FY 2024	Q1 Mar-25	Q2 Jun-25	Q3 Sep-25	Q4 Dec-25	FY 2025	Q1 Mar-26	Q2 Jun-26	Q3 E Sep-26	Q4 E Dec-26	FY 2026E	Q1 E Mar-27	Q2 E Jun-27	Q3 E Sep-27	Q4 E Dec-27	FY 2027E
Revenue	\$ -	\$ -	\$ 2.0	\$ 5.8	\$ 3.5	\$ 7.1	\$ 4.6	\$ 21.0	\$ 6.7	\$ 5.1	\$ 8.4	\$ 12.2	\$ 32.4	\$ 13.2	\$ 15.9	\$ 18.0	\$ 20.1	\$ 67.2
Total Revenues	-	-	2.0	5.8	3.5	7.1	4.6	21.0	6.7	5.1	8.4	12.2	32.4	13.2	15.9	18.0	20.1	67.2
Operating Expenses:																		
Cost of Revenue	-	-	0.8	1.2	0.9	3.5	4.0	9.7	5.5	3.9	7.2	10.3	26.9	11.1	13.3	15.0	16.8	56.2
Gross Profit	-	-	1.3	4.6	2.6	3.6	0.5	11.3	1.2	1.1	1.2	1.8	5.4	2.1	2.6	3.0	3.3	11.0
Research and development	28.0	30.7	72.1	20.5	19.1	15.6	11.8	67.0	11.0	11.4	11.5	11.5	45.4	11.5	11.5	11.5	11.5	46.0
General and administrative	52.8	47.5	38.4	7.3	6.5	6.7	6.4	26.9	8.1	9.0	8.2	8.2	33.4	8.0	8.0	8.0	8.0	32.0
Total Operating Expenses	80.7	78.2	110.5	27.8	25.6	22.3	18.2	93.9	19.1	20.3	19.7	19.7	78.8	19.5	19.5	19.5	19.5	78.0
Operating Income	(80.7)	(78.2)	(109.2)	(23.3)	(23.0)	(18.6)	(17.7)	(82.6)	(17.9)	(19.2)	(18.5)	(17.9)	(73.4)	(17.4)	(16.9)	(16.5)	(16.2)	(67.0)
Interest Income	6.2	16.7	15.0	2.7	2.4	2.3	2.0	9.3	1.7	1.5	1.5	1.5	6.2	1.3	1.3	1.3	1.3	5.0
(Loss) gain on change in fair value of Sponsor Ea	25.4	6.8	(5.3)	7.9	(1.4)	(3.9)	(0.8)	1.7	4.2	0.0	-	-	4.2	-	-	-	-	-
Miscellaneous expense, net	(1.8)	0.4	(0.5)	0.3	0.1	(0.7)	(0.9)	(1.2)	0.3	(0.1)	-	-	0.2	-	-	-	-	-
Profit Before Taxes	(50.9)	(54.3)	(100.0)	(12.4)	(22.0)	(21.0)	(17.4)	(72.8)	(11.7)	(17.8)	(17.0)	(16.4)	(62.8)	(16.1)	(15.6)	(15.2)	(15.0)	(62.0)
Benefit (provision) from income taxes	(0.6)	0.9	(0.2)	(0.0)	(0.7)	0.1	0.3	(0.2)	(0.4)	(0.1)	(0.6)	(0.6)	(1.7)	(0.6)	(0.5)	(0.5)	(0.5)	(2.2)
Net Loss	(51.5)	(53.4)	(100.2)	(12.4)	(22.7)	(20.92)	(17.0)	(73.0)	(12.1)	(17.9)	(17.6)	(16.9)	(64.5)	(16.7)	(16.2)	(15.8)	(15.5)	(64.2)
Basic EPS	\$ (0.18)	\$ (0.17)	\$ (0.31)	\$ (0.04)	\$ (0.07)	\$ (0.06)	\$ (0.05)	\$ (0.22)	\$ (0.04)	\$ (0.05)	\$ (0.05)	\$ (0.05)	\$ (0.19)	\$ (0.05)	\$ (0.05)	\$ (0.04)	\$ (0.04)	\$ (0.18)
Diluted EPS	\$ (0.18)	\$ (0.17)	\$ (0.31)	\$ (0.04)	\$ (0.07)	\$ (0.06)	\$ (0.05)	\$ (0.22)	\$ (0.04)	\$ (0.05)	\$ (0.05)	\$ (0.05)	\$ (0.19)	\$ (0.05)	\$ (0.05)	\$ (0.04)	\$ (0.04)	\$ (0.18)
WTD Shares Out - Basic	288.3	315.1	321.8	329.3	331.7	331.3	331.2	330.9	332.8	336.3	353.1	353.1	343.9	356.7	356.7	356.7	356.7	356.7
WTD Shares Out - Diluted	288.3	315.1	321.8	329.3	331.7	331.3	331.2	330.9	332.8	336.3	353.1	353.1	343.9	356.7	356.7	356.7	356.7	356.7
EBITDA	(54.5)	(65.4)	(106.7)	(12.6)	(21.8)	(20.7)	(16.8)	(71.9)	(10.7)	(16.6)	(15.8)	(15.2)	(58.2)	(14.7)	(14.2)	(13.8)	(13.6)	(56.3)
Adjusted EBITDA	\$ (57.2)	\$ (51.5)	\$ (81.5)	\$ (16.5)	\$ (17.7)	\$ (14.6)	\$ (13.8)	\$ (62.6)	\$ (12.8)	\$ (14.6)	\$ (13.8)	\$ (13.2)	\$ (54.4)	\$ (12.7)	\$ (12.2)	\$ (11.8)	\$ (11.6)	\$ (48.3)
Margin Analysis																		
Gross Margin			63.1%	78.7%	73.7%	51.1%	11.2%	53.8%	18.1%	22.6%	14.4%	15.2%	16.8%	16.1%	16.4%	16.7%	16.2%	16.4%
Operating Margin			-535.3%	-401.7%	-652.1%	-262.0%	-387.8%	-393.4%	-266.3%	-378.5%	-219.4%	-146.9%	-226.9%	-131.6%	-106.2%	-91.6%	-80.8%	-99.7%
EBITDA Margin			-5231.6%	-217.2%	-618.5%	-290.4%	-367.8%	-342.2%	-159.5%	-326.4%	-187.5%	-124.8%	-179.9%	-111.3%	-89.3%	-76.7%	-67.4%	-83.7%
Pre-Tax Margin			-4901.8%	-214.5%	-623.1%	-295.4%	-380.9%	-346.7%	-174.1%	-350.4%	-201.6%	-134.6%	-194.1%	-122.2%	-98.4%	-84.7%	-74.6%	-92.3%
Net Income Margin			-4941.4%	-214.1%	-651.6%	-302.6%	-342.1%	-345.4%	-173.0%	-353.5%	-208.7%	-139.3%	-197.9%	-126.4%	-101.8%	-87.6%	-77.2%	-95.5%
Tax Rate			0.2%	0.0%	3.0%	-0.5%	-1.9%	0.3%	3.5%	0.7%	3.5%	3.5%	2.7%	3.5%	3.5%	3.5%	3.5%	3.5%
Growth Rate Y/Y																		
Total Revenue							123.6%	929.4%	15.8%	43.8%	18.4%	166.4%	54.1%	96.7%	213.5%	113.6%	65.4%	107.7%
Total cost of revenues	153.5%	-3.2%	41.4%	30.8%	4.0%	-34.9%	-40.2%	-15.0%	-31.4%	-20.6%	-11.6%	8.2%	-16.1%	2.2%	-4.1%	-1.0%	-1.0%	-1.0%
Operating Income	153.5%	-3.2%	39.8%	9.4%	-6.6%	-45.5%	-39.3%	-24.4%	-23.2%	-16.6%	-0.9%	0.9%	-11.1%	-2.8%	-12.0%	-10.8%	-9.0%	-8.7%
Pre-Tax Income	63.8%	6.6%	84.3%	-19.1%	11.0%	-30.0%	-50.1%	-27.2%	-6.0%	-19.1%	-19.2%	-5.9%	-13.8%	38.0%	-12.0%	-10.3%	-8.3%	-1.3%
Net Income	72.2%	1.1%	87.5%	-24.0%	14.7%	-25.8%	-56.0%	-28.0%	-6.4%	-22.0%	-18.4%	8.5%	-11.7%	43.7%	-9.7%	-10.3%	-8.3%	0.2%

Source: Company Reports, Stonegate Capital Partners estimates

CASH FLOW STATEMENT

SES AI Corporation														
Consolidated Cash Flow Statements (\$M)														
Fiscal Year End: December														
CASH FLOW	FY 2022	FY 2023	Q1 Mar-24	Q2 Jun-24	Q3 Sep-24	Q4 Dec-24	FY 2024	Q1 Mar-25	Q2 Jun-25	Q3 Sep-25	Q4 Dec-25	FY 2025	Q1 Mar-26	Q2 Jun-26
Operating Activities														
Net Income	(51.0)	(53.4)	(15.6)	(19.9)	(30.2)	(34.5)	(100.2)	(12.4)	(22.7)	(20.9)	(17.0)	(73.0)	(12.1)	(17.9)
(Loss) gain on change of fair value of Sponsor Earn-Out liabilities	(25.4)	(6.8)	(0.9)	(1.4)	(1.0)	8.6	5.3	(7.9)	1.4	3.9	0.8	(1.7)	(4.2)	(0.0)
Stock-based compensation	22.8	20.6	4.8	4.8	6.5	3.8	19.9	4.0	2.7	2.2	2.1	11.0	2.1	2.0
Depreciation and amortization	2.6	5.5	1.7	1.9	2.2	2.4	8.3	2.5	2.5	2.6	2.6	10.3	2.7	2.7
Accretion income from available for-sale short-term investments	(2.4)	(11.1)	(1.9)	(2.0)	3.9	(7.2)	(7.2)	(0.8)	(1.0)	2.4	(3.7)	(3.1)	(0.5)	(0.3)
Loss on sale or disposal of fixed assets	-	-	-	-	(6.0)	6.7	0.7	-	-	(2.4)	3.7	1.3	-	-
Other	0.5	(0.2)	(0.9)	(0.6)	0.5	(0.3)	(1.3)	(0.3)	0.4	0.3	(0.0)	0.4	(0.4)	0.0
Cash Flow from operating activities before working capital changes	(52.9)	(45.3)	(12.7)	(17.1)	(24.1)	(20.6)	(74.5)	(14.9)	(16.5)	(12.0)	(11.5)	(54.9)	(12.4)	(13.5)
Receivable from related party	5.5	(1.5)	2.7	0.6	(2.0)	2.6	3.9	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	(1.0)	(1.0)	(0.6)	(1.5)	0.8	(1.3)	(2.6)	(3.4)	0.5
Inventories	(0.4)	(0.2)	0.1	(0.1)	0.2	0.1	0.3	0.1	0.0	0.3	(1.4)	(1.0)	(1.7)	(1.4)
Prepaid expenses and other assets	(1.6)	(8.2)	5.0	(7.5)	(1.1)	1.5	(2.2)	(1.7)	4.0	(7.8)	15.4	10.0	(0.9)	1.0
Right of use assets	-	-	1.3	0.5	0.6	0.5	2.9	0.7	0.6	0.6	0.6	2.5	0.7	0.6
Deferred tax assets	-	(1.1)	(0.2)	0.2	-	(0.3)	(0.3)	-	-	0.2	(0.3)	(0.1)	-	-
Accounts payable	(4.0)	(0.1)	-	(0.3)	(0.1)	0.3	(0.1)	(0.1)	0.1	(2.3)	3.4	1.0	0.4	(0.3)
Operating lease liabilities	-	-	(1.5)	(0.2)	4.5	(5.7)	(2.9)	(1.0)	(0.3)	3.4	(4.8)	(2.8)	(1.1)	(0.3)
Accrued expenses and other liabilities	6.8	(0.1)	(3.6)	1.8	(0.8)	10.3	7.6	(5.3)	2.8	4.5	(12.4)	(10.4)	(1.3)	(0.4)
Cash flow generated/(absorbed) from operating Activities	(46.500)	(56.4)	(9.0)	(22.1)	(22.7)	(12.3)	(66.1)	(22.8)	(10.8)	(12.3)	(12.4)	(58.4)	(19.8)	(13.8)
Investing Activities														
Purchase of property and equipment	(14.7)	(15.8)	(6.8)	(3.7)	(1.5)	(0.2)	(12.2)	(0.9)	(0.8)	(0.4)	(0.7)	(2.9)	(0.3)	(0.7)
Acquisition of business, net of cash acquired	-	-	-	-	-	-	-	-	-	0.8	(3.8)	(3.0)	-	-
Proceeds from the sale of short-term investments	-	-	-	-	-	-	-	-	-	5.0	-	5.0	-	-
Purchase of short-term investments	(411.4)	(281.5)	-	(134.0)	(54.9)	(26.2)	(215.1)	(104.4)	(57.8)	(32.5)	(43.4)	(238.2)	(32.0)	0.0
Proceeds from the maturities of short-term investments	130.0	330.0	60.0	85.0	90.0	100.5	335.5	55.5	25.3	66.6	52.4	199.9	71.5	32.1
Purchase of Intangibles	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash flow generated by Investing Activities	(296.0)	32.7	53.2	(52.7)	33.6	74.0	108.2	(49.8)	(33.3)	39.5	4.5	(39.2)	39.1	31.5
Financing Activities														
Repurchase and retirement of Class A common stock	-	-	-	-	-	-	-	-	-	(1.6)	-	(1.6)	-	-
Payments for taxes withheld on vesting of restricted stock	-	-	-	-	-	-	-	-	(0.4)	(0.1)	(0.0)	(0.4)	(2.1)	(0.4)
Proceeds from stock option exercises	0.3	0.5	0.0	0.1	0.3	0.6	1.0	0.0	0.0	-	0.1	0.1	0.0	0.1
Proceeds from government grant	6.7	2.8	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds from Business Combinations and PIPE Financing, net of iss. Costs.	282.9	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash flow generated/(absorbed) by financing Activities	289.9	3.3	0.0	0.1	0.3	0.6	1.0	0.0	(0.4)	(1.7)	0.0	(2.0)	(2.0)	(0.2)
Effect of exchange rates on cash	(0.5)	(0.6)	(0.4)	(0.1)	0.2	(0.4)	(0.7)	(0.1)	0.3	(0.0)	0.2	0.3	0.0	(0.2)
Net Cash flow in the year	(53.1)	(21.0)	43.9	(74.8)	11.3	62.0	42.4	(72.7)	(44.2)	25.5	(7.7)	(99.2)	17.4	17.2
Cash and Cash Equivalents														
Beginning Cash balance	161.0	107.9	87.0	130.9	56.1	67.4	87.0	129.4	56.7	12.4	37.9	129.4	30.2	47.6
Ending Cash balance	107.9	87.0	130.9	56.1	67.4	129.4	129.4	56.7	12.4	37.9	30.2	30.2	47.6	64.8

Source: Company Reports, Stonegate Capital Partners

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