

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

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of report (Date of earliest event reported): August 8, 2023

Solid Power, Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or other jurisdiction
of incorporation)

001-40284
(Commission
File Number)

86-1888095
(I.R.S. Employer
Identification Number)

486 S. Pierce Avenue, Suite E
Louisville, Colorado
(Address of principal executive offices)

80027
(Zip code)

(303) 219-0720
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2).

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.

Item 2.02 Results of Operations and Financial Condition.

On August 8, 2023, Solid Power, Inc. (the “Company”) issued a press release announcing its financial and operational results for the second quarter ended June 30, 2023. A copy of the press release is furnished with this report as Exhibit 99.1.

Such exhibit and the information set forth therein will not be deemed to be filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise be subject to the liabilities of that section, nor will it be deemed to be incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

See the Exhibit index below, which is incorporated herein by reference.

| Exhibit No. | Description |
|--------------------|--------------------|
|--------------------|--------------------|

| | |
|----------------------|---|
| 99.1 | Solid Power, Inc. Press Release, dated August 8, 2023 |
| 104 | Cover Page Interactive Data File (embedded within the XBRL document) |

SIGNATURE

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

Dated: August 8, 2023

SOLID POWER, INC.

By: /s/ James Liebscher

Name: James Liebscher

Title: Chief Legal Officer and Secretary



SECOND QUARTER 2023 RESULTS REFLECT CONTINUED STRONG EXECUTION

- *Business, operational and financial update call scheduled for 5:00 p.m. ET today*

LOUISVILLE, Colo., August 8, 2023 – Solid Power, Inc. (Nasdaq: SLDP), a leading developer of solid-state battery technology, today announced its financial results for the second quarter ended June 30, 2023.

Recent Business Highlights

- SP2 commenced electrolyte powder production in April and is meeting internal performance and quality targets.
- Electrolyte sampling yielded positive feedback from industry leaders.
- Began large-scale production of EV cells, keeping the company on track for 2023 delivery of A-sample EV cells to partners.
- Appointed John Van Scoter as President and Chief Executive Officer.

“Solid Power has made tremendous progress furthering its technology and operational capabilities this year,” said John Van Scoter, President and Chief Executive Officer of Solid Power. “During the year to date, we continued to execute on our joint development agreements and further extended our agreement with Ford. With respect to electrolyte, the team completed the build-out of our electrolyte production line, started and began scaling up production, and is producing electrolyte that meets our internal performance and quality metrics. Most importantly, we are receiving positive feedback from industry leaders and believe there may be an opportunity to accelerate our timeline for future electrolyte sales.”

“On the cell development side, the team has significantly improved 20 Ah cell yields and recently began scaling EV cell production. We expect to deliver EV cells to BMW for testing in their demo car program over the coming quarters. We look forward to seeing our technology demonstrated in a full-sized BMW demo vehicle. Our operational focus now shifts to optimizing production processes, improving cell performance, and delivering EV cells to our partners,” Van Scoter said.

“Having spoken with our key stakeholders, I believe Solid Power has opportunities to further build upon its leadership position,” Van Scoter continued. “As CEO, I have identified near-term priorities to expand our geographic reach, mature our supply chain capabilities and elevate our investor communications as we execute towards commercialization. I firmly believe that Solid Power’s capital light business model and leading-edge technologies position the company to be a leader in transformative battery technologies and deliver long-term value for our partners, employees, and shareholders.”



Second Quarter 2023 Financial Highlights

Second quarter 2023 revenue was \$4.9 million, an increase of \$2.3 million compared to the second quarter of 2022, as a result of continued execution under the company's joint development agreements. First half 2023 revenue was \$8.7 million, up \$3.9 million from the first half of 2022.

As expected, operating expenses were higher in the second quarter and first half of 2023 compared with the same periods in 2022. This increase was driven by accelerated investments in product development and the scaling of operations. Second quarter 2023 operating loss was \$22.2 million and net loss was \$12.2 million, or \$0.07 per share.

Balance Sheet and Liquidity

Solid Power's liquidity position remained strong, with June 30, 2023 total liquidity totaling \$443.4 million, as shown below.

| (\$ in thousands) | June 30, 2023 | December 31, 2022 |
|---------------------------|-------------------|-------------------|
| Cash and cash equivalents | \$ 28,439 | \$ 50,123 |
| Marketable securities | 192,694 | 272,957 |
| Long-term investments | 222,255 | 172,974 |
| Total liquidity | \$ 443,388 | \$ 496,054 |

The Company's cash, cash equivalents and investments are held at leading global banks and are invested in grade A corporate and government securities with an average maturity of 15 months.

Second quarter and first half 2023 capital expenditures totaled \$9.6 million and \$21.2 million, respectively, primarily representing investments in the Company's new electrolyte production facility.



2023 Outlook

Solid Power's 2023 outlook and goals remained unchanged. Through the date of this release, the following milestones have been completed:

- Initiated production from Solid Power's SP2 electrolyte production facility.
- Began delivering electrolyte to potential customers for sampling and feedback, which is ongoing.

Solid Power remains committed to delivering on the following key objectives:

- Scaling electrolyte production from SP2.
- Delivering EV cells to our joint development partners and entering the automotive qualification process.
- Continuing to improve key cell performance metrics, including energy density, pressure, cycle life, low temperature operations and safety.

As Solid Power executes on its milestones, the Company continues to expect that in 2023, cash used in operations will be between \$70 million and \$80 million and capital expenditures will range from \$50 million to \$60 million. Total cash investment is expected to range between \$120 million and \$140 million.

2023 revenue is expected to be in the range of \$15 million to \$20 million.

Webcast and Conference Call

Solid Power will host a conference call at 3:00 p.m. MT (5:00 p.m. ET) today, August 8, 2023. Participating on the call will be David Jansen, Chairperson of the Board, John Van Scoter, President and Chief Executive Officer, and Kevin Paprzycki, Chief Financial Officer.

Interested investors and other parties can listen to a webcast of the live conference call through Solid Power's Investor Relations website at ir.solidpowerbattery.com.

The conference call can be accessed live over the phone by dialing +1-844-826-3035 (domestic) or +1-412-317-5195 (international).

A recording of the conference call will be available approximately three hours after the completion of the call at ir.solidpowerbattery.com or by dialing +1-844-512-2921 (domestic) or +1-412-317-6671 (international). The pin number for the replay is 10180212. The replay will be available until 9:59 p.m. MT (11:59 p.m. ET) on August 22, 2023.



About Solid Power, Inc.

Solid Power is developing solid-state battery technology to enable the next generation of batteries for the fast-growing EV and other markets. Solid Power's core technology is its electrolyte material, which Solid Power believes can enable extended driving range, longer battery life, improved safety, and lower cost compared to traditional lithium-ion. Solid Power's business model – selling its electrolyte to cell manufacturers and licensing its cell designs and manufacturing processes – distinguishes the company from many of its competitors who plan to be commercial battery manufacturers. Ultimately, Solid Power endeavors to be a leading producer and distributor of sulfide-based solid electrolyte material for powering both EVs and other applications. For more information, visit <http://www.solidpowerbattery.com/>.

Forward Looking Statements

All statements other than statements of present or historical fact contained herein are “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including Solid Power's or its management team's expectations, objectives, beliefs, intentions or strategies regarding the future. When used herein, the words “could,” “should,” “will,” “may,” “believe,” “anticipate,” “intend,” “estimate,” “expect,” “project,” “plan,” “outlook,” “seek,” the negative of such terms and other similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. These statements include our financial guidance for 2023, future financial performance and our strategy, expansion plans, market opportunity, future operations, future operating results, estimated revenues, losses, projected costs, prospects, and plans and objectives of management. These forward-looking statements are based on management's current expectations and assumptions about future events and are based on currently available information as to the outcome and timing of future events. Except as otherwise required by applicable law, Solid Power disclaims 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 hereof. Readers are cautioned not to put undue reliance on forward-looking statements and Solid Power cautions you that these forward-looking statements are subject to numerous risks and uncertainties, most of which are difficult to predict and many of which are beyond the control of Solid Power, including the following factors: (i) 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 to commercialize our technology in advance of competing technologies; (ii) risks relating to the non-exclusive nature of our original equipment manufacturers and joint development agreement relationships; (iii) our ability to negotiate and execute supply agreements with our partners on commercially reasonable terms; (iv) rollout of our business plan and the timing of expected business milestones; (v) delays in the construction and operation of production facilities; (vi) our ability to protect our intellectual property, including in jurisdictions outside of the United States; (vii) broad market adoption of EVs and other technologies where we are able to deploy our cell technology and electrolyte material, if developed successfully; (viii) our success in retaining or recruiting, or changes required in, our officers, key employees, including technicians and engineers, or directors; (ix) risks and potential disruptions related to management and board of directors transitions; (x) changes in applicable laws or regulations; (xi) risks related to technology systems and security breaches; (xii) 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; (xiii) risks relating to our status as a research and development stage company with a history of financial losses, and an expectation to incur significant expenses and continuing losses for the foreseeable future; (xiv) the termination or reduction of government clean energy and electric vehicle incentives; and (xv) changes in domestic and foreign business, market, financial, political and legal conditions. Additional information concerning these and other factors that may impact the operations and projections discussed herein can be found in the “Risk Factors” sections of Solid Power's Annual Report on Form 10-K for the year ended December 31, 2022 and Quarterly Report on Form 10-Q for the quarter ended March 31, 2023 and other documents filed by Solid Power from time to time with the SEC, all of which are available on the SEC's website at www.sec.gov. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Solid Power gives no assurance that it will achieve its expectations.

Contact Information

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

| | As of | |
|--|-------------------|-------------------|
| | June 30, 2023 | December 31, 2022 |
| Current assets: | | |
| Cash and cash equivalents | \$ 28,439 | \$ 50,123 |
| Marketable securities | 192,694 | 272,957 |
| Contract receivables | 5,224 | 1,840 |
| Prepaid expenses and other current assets | 3,494 | 2,888 |
| Total current assets | 229,851 | 327,808 |
| Property, plant and equipment, net | 95,076 | 82,761 |
| Right-of-use operating lease asset, net | 7,444 | 7,725 |
| Right-of-use financing lease asset, net | 938 | 922 |
| Other assets | 1,087 | 1,148 |
| Long-term investments | 222,255 | 172,974 |
| Intangible assets, net | 1,360 | 1,108 |
| Total assets | \$ 558,011 | \$ 594,446 |
| Current liabilities: | | |
| Accounts payable and other accrued liabilities | \$ 8,065 | \$ 11,326 |
| Current portion of long-term debt | - | 7 |
| Deferred revenue | 18 | 4,050 |
| Accrued compensation | 4,080 | 4,528 |
| Operating lease liabilities, short-term | 586 | 549 |
| Financing lease liability, short-term | 308 | 273 |
| Total current liabilities | 13,057 | 20,733 |
| Warrant liabilities | 6,791 | 9,117 |
| Operating lease liabilities, long-term | 8,317 | 8,622 |
| Financing lease liabilities, long-term | 535 | 602 |
| Total liabilities | \$ 28,700 | \$ 39,074 |
| Stockholders' equity: | | |
| Common Stock, \$0.0001 par value; 2,000,000,000 shares authorized; 178,326,890 and 176,007,184 shares issued and outstanding as of June 30, 2023 and December 31, 2022, respectively | 18 | 18 |
| Additional paid-in capital | 583,034 | 577,603 |
| Accumulated deficit | (50,369) | (19,090) |
| Accumulated other comprehensive loss | (3,372) | (3,159) |
| Total stockholders' equity | 529,311 | 555,372 |
| Total liabilities and stockholders' equity | \$ 558,011 | \$ 594,446 |



Solid Power, Inc.
Condensed Consolidated Statements of Operations (Unaudited)
(in thousands, except number of shares and per-share amounts)

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|------------------------------------|--------------------|----------------------------------|--------------------|
| | 2023 | 2022 | 2023 | 2022 |
| Revenue | \$ 4,906 | \$ 2,582 | \$ 8,698 | \$ 4,778 |
| Operating expenses | | | | |
| Direct costs | 6,897 | 2,987 | 13,171 | 5,017 |
| Research and development | 14,508 | 8,440 | 26,156 | 15,101 |
| Selling, general and administrative | 5,673 | 5,851 | 12,862 | 10,670 |
| Total operating expenses | <u>27,078</u> | <u>17,278</u> | <u>52,189</u> | <u>30,788</u> |
| Operating loss | (22,172) | (14,696) | (43,491) | (26,010) |
| Nonoperating income and expense | | | | |
| Interest income | 4,993 | 931 | 9,827 | 1,171 |
| Change in fair value of warrant liabilities | 4,987 | 27,473 | 2,325 | 28,183 |
| Interest expense | (13) | (5) | (26) | (10) |
| Total nonoperating income and expense | <u>9,967</u> | <u>28,399</u> | <u>12,126</u> | <u>29,344</u> |
| Pretax income (loss) | (12,205) | 13,703 | (31,365) | 3,334 |
| Income tax benefit | - | 36 | - | 13 |
| Net (loss) income | <u>\$ (12,205)</u> | <u>\$ 13,667</u> | <u>\$ (31,365)</u> | <u>\$ 3,321</u> |
| Basic and diluted earnings (loss) per share | <u>\$ (0.07)</u> | <u>\$ 0.08</u> | <u>\$ (0.18)</u> | <u>\$ 0.02</u> |
| Weighted average shares outstanding - basic | <u>178,063,573</u> | <u>174,128,230</u> | <u>177,502,037</u> | <u>173,266,760</u> |
| Weighted average shares outstanding - diluted | <u>178,063,573</u> | <u>174,703,533</u> | <u>177,502,037</u> | <u>173,566,001</u> |



Solid Power, Inc.
Condensed Consolidated Statements of Cash Flows (Unaudited)
(In thousands)

| | For the Six Months Ended June 30, | |
|--|--|------------------|
| | 2023 | 2022 |
| Cash flows from operating activities | | |
| Net income (loss) | \$ (31,365) | \$ 3,321 |
| Adjustments to reconcile net income (loss) to net cash and cash equivalents from operating activities: | | |
| Depreciation and amortization | 4,906 | 1,782 |
| Amortization of right-of-use assets | 372 | 16 |
| Stock compensation expense | 5,145 | 3,910 |
| Deferred taxes | - | 13 |
| Change in fair value of warrant liabilities | (2,325) | (28,183) |
| Amortization of premiums and accretion of discounts on marketable securities | (5,518) | - |
| Change in operating assets and liabilities that provided (used) cash and cash equivalents: | | |
| Contract receivable | (3,383) | (1,202) |
| Prepaid expenses and other assets | (188) | 744 |
| Accounts payable and other accrued liabilities | (297) | (4,261) |
| Deferred revenue | (4,032) | (286) |
| Accrued expenses | 649 | 1,000 |
| Lease liabilities | (268) | 188 |
| Net cash and cash equivalents used in operating activities | <u>(36,304)</u> | <u>(22,958)</u> |
| Cash flows from investing activities | | |
| Purchases of property, plant and equipment | (21,184) | (30,957) |
| Purchases of marketable securities and long-term investments | (174,400) | (212,792) |
| Proceeds from sales of marketable securities | 210,329 | 54,819 |
| Purchases of intangible assets | (259) | (228) |
| Net cash and cash equivalents provided by (used in) investing activities | <u>14,486</u> | <u>(189,158)</u> |

(Continued on next page)



Solid Power, Inc.
Condensed Consolidated Statements of Cash Flows (Unaudited)
(Continued, In thousands)

| | For the Six Months Ended June 30, | |
|---|--|-------------------|
| | 2023 | 2022 |
| Cash flows from financing activities | | |
| Payments of debt | (7) | (71) |
| Proceeds from exercise of stock options | 184 | 354 |
| Proceeds from issuance of common stock under ESPP | 214 | - |
| Receivable for exercise of stock options | - | 79 |
| Cash paid for withholding of employee taxes related to stock-based compensation | (111) | (58) |
| Payments on finance lease liability | (146) | (20) |
| Transaction costs | - | (12) |
| Net cash and cash equivalents provided by financing activities | <u>134</u> | <u>272</u> |
| Net (decrease) in cash and cash equivalents | (21,684) | (211,844) |
| Cash and cash equivalents at beginning of period | 50,123 | 513,447 |
| Cash and cash equivalents at end of period | <u>\$ 28,439</u> | <u>\$ 301,603</u> |
| Supplemental information: | | |
| Cash paid for interest | 26 | 5 |
| Accrued capital expenditures | 3,591 | 8,146 |