

## Risk Factors Comparison 2024-03-28 to 2023-03-30 Form: 10-K

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Investing in our securities involves a high degree of risk. Before making an investment decision, you should carefully consider the risks and uncertainties described below, together with all of the other information in this Annual Report on Form 10-K, including the section titled “ Management’ s Discussion and Analysis of Financial Condition and Results of Operations ” and our consolidated financial statements and related notes thereto included elsewhere in this Annual Report on Form 10-K. Our business, financial condition, results of operations or prospects could also be harmed by risks and uncertainties not currently known to us or that we currently do not believe are material. If any of the risks actually occur, our business, financial condition, results of operations and prospects could be adversely affected. In that event, the market price of our securities could decline, and you could lose part or all of your investment. Summary of Risk Factors ~~Some~~ **Certain** of the material risks that we face include:

- If our batteries fail to perform as expected, our ability to develop, market and sell our batteries would be adversely affected.
- **Our reliance on third parties to manufacture certain of our batteries or battery materials subjects us to certain risks.**
- We may not succeed in developing ~~a new~~ high- volume manufacturing ~~line-lines~~ that ~~meets-~~ **meet** our requirements for cell quality, yield, throughput and other performance metrics.
- We may not meet our manufacturing cost targets, which would limit the size of our market opportunities.
- **We rely on, and will continue to rely on, complex equipment for our operations, and production involves a significant degree of risk and uncertainty in terms of operational performance and costs.**
- Our establishment of a volume manufacturing facility is subject to many risks, including, among others, risks relating to ~~executing a definitive lease agreement, re-zoning,~~ construction, permitting, delays, cost overruns, supply chain constraints, and operating in a new geographic area away from our ~~current~~ headquarters.
- We may not succeed in retaining and attracting key employees, particularly technical talent, needed to operate and build our business successfully.
- **We have pursued new product platforms and expanded our product portfolio. We may expend our limited resources to pursue a particular product and fail to capitalize on products that may be more profitable or for which there is a greater likelihood of success.**
- We may encounter delays and technical obstacles in developing new battery products such as different cell formats to meet varied market requirements.
- Certain components of our batteries are hazardous and pose safety risks that may cause accidents in our manufacturing facility.
- ~~We may be subject to financial and reputational risks due to product recalls and product liability claims, and we could face substantial liabilities that exceed our resources.~~
- We may not be able to accurately estimate the future supply and demand for our batteries, which could result in a variety of inefficiencies in our business and hinder our ability to generate revenue. If we fail to accurately predict our manufacturing requirements, we could incur additional costs or experience delays.
- **We may not be able to establish supply relationships for necessary materials, components or equipment or may be required to pay more than anticipated for components or equipment, which could negatively impact our business.**
- The battery market is intensely competitive. Competitors include new entrants and established companies, many of which have significantly greater resources than us.
- Our future sales opportunities depend in part on the growth of markets for battery- powered ~~aviation-~~ applications. These applications may develop slower or at a size that is less than expected, to the extent they develop at all.
- Developments in alternative technology or other fossil fuel alternatives may adversely affect the demand for our battery products.
- We have pursued and may continue to pursue development agreements and other strategic alliances, which could have an adverse impact on our business if they are unsuccessful.

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- **If our customers choose to reduce purchases, or do not purchase at all, batteries manufactured outside of the United States, our revenue could decline and our prospects may be adversely effected.**
- We ~~may will~~ require additional capital to support business growth, and this capital might not be available on commercially reasonable terms or at all.
- We are an early stage company with a history of financial losses and expect to incur significant expenses and continuing losses for the foreseeable future.
- We have previously identified material weaknesses in our internal control over financial reporting. If we are unable to develop and maintain an effective system of internal controls and procedures required by Section 404 (a) of the Sarbanes- Oxley Act, we may not be able to accurately report our financial results in a timely manner, which may adversely affect investor confidence in us and materially and adversely affect our stock price, business and operating results.
- ~~Index to Consolidated Financial Statements~~ A significant portion of our business depends on sales to the public sector, and our failure to receive and maintain government contracts or changes in the contracting or fiscal policies of the public sector could have a material adverse effect on our business.
- We rely heavily on our intellectual property portfolio. If we are unable to protect our intellectual property rights, our business and competitive position would be harmed.
- We may need to defend ourselves against intellectual property infringement claims, which may be time- consuming and could cause us to incur substantial costs.
- Our operations expose us to litigation, environmental and other legal compliance risks. Compliance with laws and regulations can be expensive, and our failure to comply with these laws and regulations may result in monetary damages and fines, adverse publicity and a material adverse effect on our business.
- We are or will be subject to anti- corruption and anti- bribery and anti- money laundering and similar laws, and non- compliance with such laws can subject us to administrative, civil and criminal fines and penalties, collateral consequences, remedial measures and legal expenses, all of which could adversely affect our business, results of operations, financial condition and reputation.
- **Recent and potential tariffs imposed by the U. S. government or a global trade war could increase the cost of our products, which could have a material adverse effect on our business, financial condition and results of operations.**
- **Our reliance on suppliers in foreign countries, including China, subjects us to risks and uncertainties relating to foreign laws and regulations and changes in relations between the United States and such foreign countries.**
- Sales of substantial amounts of our common

stock in the public markets, or the perception that such sales could occur, could cause the market price of our common stock to drop significantly, even if our business is doing well. • There is no guarantee that our warrants will be in the money at the time they become exercisable, and they may expire worthless. Risks Related to Our Technology, Products and Manufacturing Our batteries may contain defects in design and manufacture that may cause them to not perform as expected or that may require repairs, recalls and design changes. Our batteries are inherently complex and incorporate technology and components that have not been used for certain applications and that may contain defects and errors, particularly when first introduced to such applications. Although our batteries undergo quality control testing prior to release for shipment, there can be no assurance that we will be able to detect and fix all defects prior to shipment, and nonconformances, defects or errors could occur or be present in batteries that we release for shipment to customers. If our batteries fail to perform as expected, our customers may delay deliveries, our customer may terminate orders or we may initiate product recalls, each of which could adversely affect our sales and brand and could adversely affect our business, financial condition, **results of operations and** prospects ~~and results of operations~~. Our battery architecture is different from our peers' and may behave differently in customer use applications, certain applications of which we have not yet evaluated. This could limit our ability to deliver to certain applications. In addition, our historical data on the performance and reliability of our batteries is limited, and therefore our batteries could fail unexpectedly in the field resulting in significant warranty costs or brand damage in the market. Further, the silicon anode structure of our battery is different from traditional lithium- ion batteries and therefore our batteries could be susceptible to different and unknown failure modes leading our batteries to fail and cause a safety event in the field. Such an event could result in the failure of our end customers' product as well as the loss of life or property, resulting in severe financial penalties for us, including the loss of revenue, cancellation of supply contracts and the inability to win new business due to reputational damage in the market. In addition, some of our supply agreements **may** require us to bear certain costs relating to recalls and replacements of end products when such recalls and replacements are due to defects of our battery products that are incorporated in such end products. **Our SiCore batteries are based on the innovative, proprietary material system developed by Berzelius and are currently manufactured by Berzelius' manufacturing partners. To date, our SiCore batteries have been produced under a toll manufacturing partnership with Berzelius. However, to facilitate this product expansion, we entered into the Exclusive Supply Agreement with Berzelius, pursuant to which Berzelius agreed, among other things, (i) to manufacture for, and sell exclusively to, Amprius its proprietary silicon anode materials in the United States, Canada or Mexico and (ii) to use best efforts to prioritize fulfillment of Amprius' forecasted orders, if any. The Exclusive Supply Agreement does not include any commercial terms, and until such time as we are able to establish mutually agreeable commercial terms thereunder, if we are able to at all, the purchase of the materials under the Exclusive Supply Agreement by Amprius will be specified in written purchase orders mutually agreeable to the parties. Our reliance on Berzelius or other third parties to manufacture our batteries or battery materials subjects us to certain risks, including but not limited to: • Because we have not established commercial terms for future SiCore battery or battery material purchases and, therefore, must agree to commercial terms on each of our purchase orders, if Berzelius or our manufacturing partners increase their prices, we may not be able to establish commercially reasonable terms for future purchases; • We may purchase SiCore battery materials from Berzelius before we receive purchase orders for our SiCore batteries from our customers, or we may accept purchaser orders for SiCore batteries from our customers before establishing any commercial terms with Berzelius, and if we cannot establish commercially reasonable terms with Berzelius, we may not be able to fulfill customers' orders or we may incur losses when trying to meet our obligations, which may result in our customers seeking alternative batteries, and in turn, we could lose customers and face reputational harm and penalties; • If any of our manufacturing partners cease to provide manufacturing services to us, either permanently or temporarily, we may be required to arrange for alternative manufacturing arrangements, which we may not be able to arrange on financially attractive terms, on a timely basis or at all; • We do not control Berzelius or other third party manufacturers, and there is no guarantee that these partners will reserve any capacity for us, they will not have disruptions in their supply chain or manufacturing processes, and that our batteries or battery materials will be delivered to us within the agreed timeline and free from defects; • If we do not receive the batteries on time or if the batteries contain defects, we may have to delay deliveries, and our customers may terminate their orders or we may initiate product recalls; • If we are unable to successfully market SiCore batteries manufactured by Berzelius within our product portfolio, our business, financial condition and results of operations will be adversely affected; and • Although we have exclusive rights to purchase Berzelius' proprietary silicon anode materials in the United States, Canada and Mexico, we do not have exclusivity arrangements with respect to marketing, and there is no guarantee that Berzelius will not compete with us for customers. In the event any of the above risks, or any other adverse events resulting from our reliance on third parties, including those risks described below, occurs, our business, financial condition, results of operations and prospects may be adversely affected.** We may not succeed in developing a new high- volume manufacturing ~~line-lines~~ that ~~meets- meet~~ our requirements for cell quality, yield, throughput and other performance metrics. Additionally, assuming we are able to develop a **the** high- volume manufacturing ~~line-lines~~, **it they** may be unreliable, require regular and significant maintenance and could be capital and resource intensive to operate. To date, we have manufactured on a kWh- scale capacity. Our ability to manufacture our batteries at scale depends on the successful development of an automated, high- volume manufacturing line for our silicon anode that meets our requirements for cell quality, throughput, yield, and other performance metrics. Currently, we do not have a manufacturing line capable of producing our silicon anode batteries at scale. As part of our manufacturing expansion plans, in addition to designing and building a GWh- scale manufacturing facility, we are in the process of developing an automated, high-volume manufacturing line. Although we have received our first large- scale anode production machine, we are customizing the machine for our production processes and must then complete tuning and testing before the machine goes online for production purposes. There is no guarantee that the customization, development and implementation of this manufacturing line will be

successful. In addition, there is no guarantee that we will **also** be able to correspondingly expand our manufacturing capacity for other battery components ~~following the installation and implementation of such large-scale anode production machine~~. We and our potential suppliers and other equipment vendors may encounter significant engineering challenges, performance issues, delays, unforeseen development costs and other obstacles in building the high- volume manufacturing **line-lines**, and if we are not successful, or if we encounter significant delays, our business, financial condition, **results of operations and** prospects ~~and results of operations~~ would be adversely affected. **Furthermore, we expect to manufacture both SiCore and SiMaxx batteries at our Colorado facility. We are reliant on Berzelius and third party manufacturers to provide us the necessary technology and support to build our own manufacturing line to produce the SiCore batteries. In that process, we may encounter significant engineering challenges, performance issues, permitting issues, delays, unforeseen development costs and other obstacles**. In addition, in order for us to produce our batteries at scale and at a cost advantage, we must achieve levels of quality, throughput, and yield demonstrated for mature battery production. As we have not **yet** produced our batteries at **such** scale, our ability to achieve such rates is untested and subject to significant constraints and uncertainties. Operational performance and costs can be difficult to predict and are often influenced by factors outside of our control, such as, but not limited to, failures by suppliers to deliver necessary components of our batteries in a timely manner and at prices and volumes acceptable to us, environmental hazards and remediation costs, costs associated with commissioning of machines, difficulty or delays in obtaining governmental permits, damages or defects in electronic systems, industrial accidents, fires, seismic activity and natural disasters, and problems with equipment vendors. Should operational risks materialize, they may result in lower yield, which would negatively affect our revenue growth and profitability. Additionally, the development of the manufacturing line will require us to make intensive capital expenditures before we are able to benefit from such development. The manufacturing line may also suffer unexpected malfunctions from time to time and will depend on repairs and spare parts to resume operations, which may not be available when needed. Further, unexpected equipment malfunctions may significantly affect the intended operational efficiency, ~~thus materially and adversely affecting our business, financial condition, prospects and results of operations~~. We will require significant capital to develop and grow our business and expect to incur significant expenses, including those relating to the expansion of our manufacturing capacity, development **and establishment** of our high-volume manufacturing **line-lines**, raw material procurement, leases, sales and distribution as we build our brand and market our batteries, and general and administrative costs. Our profitability will not only depend on our ability to successfully market our batteries, but also our ability to control our costs. Some of the processes in the manufacturing of our silicon anodes require chemical vapor deposition, ~~or CVD~~, for which equipment is more costly than those involved in standard anode production techniques. If we are unable to cost efficiently design, manufacture, market, sell and distribute our batteries, our margins, profitability and prospects would be materially and adversely affected. We have not yet commenced high- volume production of our batteries, and any cost advantage for the production of our batteries at scale, compared to conventional lithium- ion batteries, will require us to manufacture at rates of cell quality, throughput, and yield demonstrated for mature batteries and battery material that we have not yet achieved. If we are unable to achieve these targeted rates, our business will be adversely impacted. We rely on, and will continue to rely on, complex equipment for our operations, and **production-manufacturing** involves a significant degree of risk and uncertainty in terms of operational performance and costs. We rely heavily on, and will continue to rely heavily on, complex equipment for our operations and the production of our batteries, which involves a significant degree of uncertainty and risk in terms of operational performance and costs. Our manufacturing equipment consists of many components, which may suffer unexpected malfunctions from time to time and may depend on repairs and spare parts to resume operations, which may not be available when needed. Problems with our manufacturing processes could result in the loss of manufacturing equipment, damage to manufacturing facilities, monetary losses, delays, unanticipated fluctuations in production and personal injury to or death of workers. Should ~~these our~~ precautions be inadequate or an event be larger than expected, we could have significant equipment or facility damage that would impact our ability to deliver our battery products and require additional **cash resources** to recover. In addition, in some cases, operational problems may result in environmental damage, administrative fines, increased insurance costs and potential legal liabilities. Any of these operational problems, or a combination of them could have a material adverse effect on our cash flows, business, financial condition, **results of operations or** prospects ~~or results of operations~~. Furthermore, manufacturing technology may evolve rapidly, and we may decide to update our manufacturing processes more quickly than expected. Moreover, as we scale the commercial production of our batteries, our experience may cause us to discontinue the use of already installed equipment in favor of different or additional equipment. The useful life of any equipment that would be retired early as a result would be shortened, causing the depreciation on such equipment to be accelerated, and our results of operations could be negatively impacted. **We Our Fremont, California facility currently operate operates** only at a kWh- scale manufacturing capacity. As part of our manufacturing expansion plans, we are in the process of designing a GWh- scale manufacturing facility for our batteries, concurrently with the development of our high- volume manufacturing **line-lines** for our ~~silicon SiMaxx anode~~ **and SiCore batteries**. We may not be successful in establishing our GWh- scale manufacturing facility. On ~~January 20~~ **April 15**, 2023, we entered into a **nonbinding letter of intent to-lease agreement for** premises consisting of approximately 774, 000 square feet of space located in Brighton, Colorado, and we are in the process of designing and building our GWh- scale manufacturing facility on these premises. We ~~have no~~ **assurances that we will need** be able to **operate** enter into a lease for this site on acceptable terms or at all and that the execution of such a lease would occur on an acceptable timeline. Additionally, to the extent we are able to execute a lease, the current zoning for this site does not allow for manufacturing our batteries. As such, the landlord is in the process of applying to re- zone the site for our planned development and use. While we expect the re- zoning to be completed by September 2023, the re- zoning application may not be approved and we may not be able to obtain the necessary licenses or permits for the manufacturing facility, ~~which will delay the expected timing for our GWh- scale manufacturing facility. Until the re- zoning is complete, we will not be able to apply for permits required to repurpose the facility for manufacturing. Furthermore, if the re-~~

zoning process is unsuccessful, we expect that we would terminate the lease in **this** accordance with its terms and recommence our search for an alternate location for our expansion efforts, which will delay our operational timeline. In addition, we will need to operate the manufacturing facility in a new geographic area away from our current headquarters. Our potential suppliers and other equipment vendors may also encounter delays, additional costs, and other obstacles in building our manufacturing **line lines**, which are currently unknown. Additionally, although we have tested and validated the performance of our **products SiMaxx batteries** on one supplier's platform, there is uncertainty as to whether our planned **SiMaxx manufacturing line at the new manufacturing facility** will be successful. If we fail to complete the construction in an efficient manner, or fail to recruit the required personnel and generally manage our growth effectively, large-scale production of our **SiMaxx batteries** could be curtailed or delayed. **Further, we also plan to establish a manufacturing line for our SiCore batteries at the Colorado facility. Our ability to manufacture SiCore batteries depends on our ability to enter into a supply agreement with Berzelius under commercially reasonable terms. If we fail to achieve large-scale production of our SiCore batteries, due to our inability to reach an agreement with Berzelius, or if we encounter significant engineering or other challenges, performance issues, delays, unforeseen development costs and other obstacles in building the manufacturing line for SiCore batteries, we may have to continue purchasing SiCore materials and batteries to support our customers' demands, our results of operations would be negatively impacted.** Achieving capacity at commercial scale of high energy density lithium-ion batteries will require us to make significant and increasing capital expenditures to scale our production capacity and improve our supply chain processes. Further, because our silicon anode process requires different equipment than traditional anode manufacturing, our capital equipment costs are likely to be higher than equipment used for production of graphite anodes. Based on our current expectations, we estimate that our capital equipment expenditures will range between \$ **120-75.0 million and \$ 150-100.0 million** to achieve **1.0 GWh up to 500 MWh** per year of manufacturing capacity, **which estimate does not include costs related to the construction and the build-out of the new manufacturing facility in Colorado. We are continuing the design and pre-construction work of the initial phase of up to 500 MWh that will allow us to be operational in 2025, and we expect to build out additional manufacturing in phases thereafter.** The actual costs and time to complete our silicon anode process may materially exceed such estimates, if we are able to at all. Even if we are successful in the establishment of the new facility, our manufacturing capabilities could be affected by cost-overruns, **permitting issues**, unexpected delays, equipment failures, supply chain constraints, natural disasters, including earthquakes, fire, floods and typhoons, power failures, telecommunications failures, break-ins, war, riots, terrorist attacks, **pandemics**, and numerous other factors that could prevent us from realizing the intended benefits of our manufacturing strategy, or cause the loss or corruption of data or malfunctions of software or hardware, and have a material adverse effect on our business. Our success depends on our ability to attract and retain our executive officers, key employees and other qualified personnel, particularly technical talent, and as a relatively small company with key talent residing in a limited number of employees, our operations may be severely disrupted if we lost their services. In particular, we are highly dependent on the services of Dr. Kang Sun, our Chief Executive Officer, and other senior technical and management personnel, including our executive officers, who would be difficult to replace. If Dr. Sun or any other key personnel were to depart, we may not be able to successfully attract and retain senior leadership necessary to grow our business. As we build our brand and become better known, there is increased risk that competitors or other companies will seek to hire our personnel. The failure to attract, integrate, train, motivate and retain these personnel could seriously harm our business and prospects. In addition, designing, building and operating our new manufacturing facility and large-scale production tools will require us to hire highly skilled personnel, including battery factory design and operations experts. There are currently a limited number of people with this experience in the United States. Recruiting and training skilled engineers, workers and other laborers will take significant cost and time, and an inability to do so timely or at all would inhibit the successful design, build-out and operation of the new manufacturing facility, thus negatively affecting our business and our results of operations. **We recently expanded our product portfolio with the addition of SiCore and have made substantial investments to develop new products and enhancements to our existing products. We may forgo or delay pursuit of other opportunities that could have had greater commercial potential. Our resource allocation decisions may cause us to fail to capitalize on viable products or profitable market opportunities. If we fail to pursue products that meet market demand, we may lose our competitive position, our products may become obsolete, and our business, financial condition and results of operations could be adversely affected.** Certain of our officers and ~~Board of Directors~~ **directors** provide services to Amprius Holdings and other entities formerly affiliated with Amprius Holdings. Certain of our officers and ~~Board of Directors~~ **directors** provide services to Amprius Holdings. Also, Dr. Kang Sun, our Chief Executive Officer **and a member of our board of directors**, serves on the boards of certain entities that were formerly affiliated with Amprius Holdings. ~~As a result,~~ **including serving on the board of directors of Berzelius, there** ~~There~~ **could be competition for the time and effort of these individuals such officers and directors and, further, potential conflicts of interests in our transactions with such entities.** If such officers and directors do not devote sufficient attention to the management and operation of our business, ~~our~~ **or if such conflicts of interest are not resolved, our business and** financial results may suffer. Our customers often require unique battery configurations or custom designs for their products. Once we enter into contracts with customers to produce batteries for their products, we expect to tailor the design of our batteries specifically to the products that these customers manufacture. This development process requires not only substantial lead time between the commencement of design efforts for customized batteries and the commencement of volume shipments of the battery cells to the customer, but also the cooperation and assistance of the customer in order to determine the requirements for each specific application. Technical problems may arise that affect the acceptance of our battery products by the customers. Our ability to tailor our batteries to meet the needs of our customers is affected by whether we can, amongst other things: • receive and maintain necessary intellectual property protections; • obtain governmental approvals and registrations; • comply with governmental regulations; • further develop and refine our technology; and • anticipate customer needs and preferences



successfully. If we are unable to design and develop new battery products that meet our customers' requirements, we may lose opportunities to obtain purchase orders, and our reputation and prospects may be damaged. ~~Certain components of our batteries are hazardous and pose safety risks that may cause accidents in our manufacturing facility. We may be subject to financial and reputational risks due to product recalls and product liability claims, and we could face substantial liabilities that exceed our resources.~~ Due to the high energy density inherent in lithium- ion batteries, our batteries can pose certain safety risks, including the risk of fire. Accidents causing death ~~or,~~ personal injury or property damage, can occur, and no high energy density battery will ever be 100 % safe. For example, under certain abuse conditions, lithium- ion batteries can go into thermal runaway, which can result in fire. Although we incorporate safety procedures in the research, development, manufacture and transportation of **our** batteries that are designed to minimize safety risks, the manufacture or use of our battery products may still cause accidents. Any accident, whether occurring at our manufacturing facilities or from the use of our battery products, may result in significant production interruption, delays or claims for substantial damages caused by personal injuries or property damage. In addition, due to the harsh environments in which batteries are used — **including** extremely low temperature and pressure, and combat for military applications — **,** our batteries go through rigorous testing to ensure safe behavior under abuse- case conditions. Although such tests have been successful to date, we cannot assure you such tests will be successful in the future. If we have to make design changes to address any safety issues, we may have to delay or suspend our planned production, which could materially damage our brand, business, financial condition, **results of operations and** prospects ~~and results of operations~~. Product liability claims, even those without merit or those that do not involve our battery products, could harm our business, financial condition, **results of operations and** prospects ~~and results of operations~~. A successful product liability claim against us, resulting from safety issues or otherwise, could require us to pay a substantial monetary award. We may not be able to cover any substantial monetary judgment against us. Moreover, a product liability claim against us or our competitors could generate substantial negative publicity about our battery products and could have a material adverse effect on our brand, business, financial condition, **results of operations and** prospects ~~and results of operations~~. We anticipate being required to provide forecasts of our demand to our current and future suppliers prior to the scheduled delivery of products to potential customers. Currently, there is limited historical basis for making judgments on the demand for our batteries and our ability to develop, manufacture, and deliver our battery products. Our customers' final purchase orders may not be consistent with our estimates. If we overestimate our requirements, our suppliers may deliver excess inventory, which indirectly would increase our costs and **may** result in unprofitable sales or write- offs. Given that our batteries are often customized to meet our customers' specifications, they are susceptible to obsolescence due to their limited shelf life. Because we have no history of large- scale production, we may also be unable to forecast accurately the pace of manufacturing or the take- up of our battery products by our customers. If we underestimate our requirements, our suppliers may have inadequate inventory, which could interrupt manufacturing of our battery products and result in delays in shipments and revenues. In addition, lead times for materials and components that our suppliers order may vary significantly and depend on factors ~~such as~~ **unique to** the specific supplier, contract terms and demand for each component at a given time. If we fail to order sufficient quantities of battery components in a timely manner, the delivery of our batteries to our potential customers could be delayed, which would harm our business, financial condition and results of operations. Producing additional battery products to make up for any shortages within a short time frame may be difficult, making us unable to fulfill the purchase orders, especially due to the customized nature of our batteries. In either case, our business, financial condition, **results of operations and** prospects ~~and results of operations~~ may be adversely affected. ~~We may not be able to establish supply relationships for necessary materials, components or equipment or may be required to pay more than anticipated for components or equipment, which could negatively impact our business.~~ We rely on third- party suppliers **,** **including Berzelius and other manufacturing partners** for **batteries and** components necessary to develop and manufacture our batteries, including key supplies such as our silane gas, substrate foil, electrolytes, separators, and cathode materials. We face risks relating to the availability of these materials and components, including that we will be subject to demand shortages and supply chain challenges and generally may not have sufficient purchasing power to eliminate the risk of price increases for the raw materials and lines we need. For example, we expect to procure the silane gas needed for our **GWh- scale manufacturing facility in Colorado** from one vendor, a global supplier of silane and silicon materials; however, we expect that they may not be able to supply the volume required for highly scaled production. We are also in the process of collaborating with other key suppliers but have not yet entered into agreements for the supply of scaled production quantities of these materials. To the extent that we are unable to enter into commercial agreements with these suppliers on beneficial terms, or these suppliers experience difficulties ramping up their supply of materials to meet our requirements, high- volume production of our batteries will be delayed and we will not be able to meet our production timelines. Separately, we may be subject to various supply chain requirements regarding, among other things, conflict minerals and labor practices. We may be required to incur substantial costs to comply with these **and potential future** requirements, which may include locating new suppliers to replace existing ones. We may not be able to find any new suppliers for certain raw materials or components required for our operations, or such suppliers may be unwilling or unable to provide us with products. We expect to incur significant costs related to procuring **various** materials required to manufacture and assemble ~~our batteries. We expect to use various materials in~~ our batteries that will require us to negotiate purchase agreements and delivery lead- times on advantageous terms. We may not be able to control fluctuation in the prices for these materials or negotiate agreements with suppliers on terms that are beneficial to us. Substantial increases in the prices for our raw materials, or our inability to reduce our raw material costs as we scale, would negatively impact our prospects. Any disruption in the supply of components or materials could temporarily disrupt research and development activities or production of our batteries until an alternative supplier is able to supply the required material. Changes in business conditions, unforeseen circumstances, governmental **and regulatory** changes, and other factors beyond our control or which we do not presently anticipate, could also affect our suppliers' ability to deliver components to us on a timely basis. Any of the foregoing could materially and adversely affect our

business, financial condition, **results of operations and prospects and results of operations**. We are actively monitoring the impacts of **armed conflicts between Russia and its invasion of Ukraine and in the Middle East and are** continuing to assess **its their** potential to adversely affect our business. Our business has not been directly impacted by **this these** ongoing **military armed conflict conflicts**, as we have no assets or operations, and we have not purchased materials from **Russia, Belarus or, Ukraine or the Middle East**. To date, we have not experienced any material disruption in our business. Accordingly, we have not yet taken measures to mitigate potential adverse effects of such **armed conflict conflicts**. However, the length and outcome of **such conflicts Russia's invasion of Ukraine** is highly unpredictable. **The These conflict conflicts** may continue to cause significant market and other disruptions, including significant volatility in commodity prices, supply of components and supply chain interruptions, which could adversely **and adversely** affect our business, financial condition, **results of operations and prospects and results of operations**. Currency fluctuations, geopolitics, trade barriers, embargoes, tariffs or shortages and other general economic or political conditions may limit our ability to obtain key components for our batteries or significantly increase freight charges, raw material costs and other expenses associated with our business, which could materially and adversely affect our business, financial condition, **results of operations and prospects and results of operations**.

**Risks Related to Our Business and Industry** The battery market is intensely competitive. Competitors include new entrants and established companies, many of which have significantly greater resources than us. Our battery products must compete with advances in new battery chemistries and manufacturing methods as well as continued improvements in conventional batteries and battery anodes. The battery market in which we compete continues to evolve rapidly and is highly competitive. To date, we have focused our efforts on our silicon anode technology, which is designed to outperform conventional lithium- ion battery technology and other battery technologies. However, lithium- ion battery technology has been widely adopted and our current competitors have, and future competitors may have, greater resources than us and may also be able to devote greater resources to the development of their current and future technologies. These competitors also may have greater access to customers and may be able to establish cooperative or strategic relationships amongst themselves or with third parties that may further enhance their resources and competitive positioning. In addition, lithium- ion battery manufacturers may make improvements in energy density faster than they have historically, continue to reduce cost and expand supply of conventional batteries and therefore reduce our energy density advantage **and price premium**, which would negatively impact the prospects for our business or negatively impact our ability to sell our battery products at a market- competitive price and with sufficient margins. There are a number of companies seeking to develop alternative approaches to lithium- ion battery technology. We expect competition in battery technology to intensify. Developments in alternative technologies or improvements in batteries technology made by competitors may materially adversely affect the sales, pricing and gross margins of our batteries. If a competing technology is developed that has superior operational or price performance, **our or if business will be harmed. If** we fail to accurately predict and ensure that our battery technology can address customers' changing needs or emerging technological trends, or if our customers fail to achieve the benefits expected from our silicon anode technology, our business **will prospects would be harmed adversely affected**. We expect to commit significant resources to scale our battery manufacturing capacity and maintain a competitive position, and these commitments may be made without knowing whether such investments will result in products potential customers will accept. There is no assurance we will successfully identify new customer requirements, develop and bring our batteries to market on a timely basis, or that products and technologies developed by others will not render our batteries obsolete or noncompetitive, any of which would adversely affect our business, financial condition and results of operations. Customers will be less likely to purchase our batteries if they are not convinced that our business will succeed in the long term. Similarly, suppliers and other third parties will be less likely to invest time and resources in developing business relationships with us if they are not convinced that our business will succeed in the long term. Accordingly, in order to build and maintain our business, we must maintain confidence among current and future partners, customers, suppliers, analysts, ratings agencies and other parties in our long- term financial viability and business prospects. Maintaining such confidence may be particularly complicated by certain factors including those that are largely outside of our control, such as our limited operating history, market unfamiliarity with our battery products, any delays in scaling manufacturing, delivery and service operations to meet demand, competition and uncertainty regarding our production and sales performance compared with market expectations. Our growth and future demand for our battery products is dependent in part upon the adoption by consumers of alternative fuel vehicles in general and battery- powered aviation applications **and other electrically powered modes of transportation** in particular. The market for new energy vehicles is still evolving, characterized by changing technologies, competitive pricing and competitive factors, evolving government regulation and industry standards, and changing consumer demands and behaviors. Market estimates and growth forecasts are also subject to significant uncertainty and are based on assumptions and estimates that may prove to be inaccurate. For example, if the assumptions that we base our market forecasts on, including the continued development and availability of high performance batteries at a competitive price point, OEM investment in aircraft, **cars** and software, consumer preference and, with respect to electric air transportation, regulatory approval and the requisite infrastructure, are incorrect, this expected growth may occur slower than expected, if it occurs at all. If the market for battery- powered applications in general does not develop as expected, or develops more slowly than expected, our business, financial condition, prospects and results of operations could be **harmed adversely affected**. Significant developments in alternative technologies, such as fuel cell technology, advanced diesel, ethanol or natural gas, or breathing batteries, may materially and adversely affect our business, financial condition, **results of operations and prospects and results of operations** in ways that we may not currently anticipate. Existing and other battery technologies, fuels or sources of energy may emerge as customers' preferred alternatives to our battery products. Any failure by us to develop new or enhanced technologies or processes, or to react to changes in existing technologies, could materially delay our development and introduction of new and enhanced alternative products, which could result in decreased revenue and adversely affect our prospects. Our research and development efforts may not be sufficient to adapt to changes in alternative fuels or aviation and EV technology. As technologies evolve, we

plan to develop more efficient manufacturing processes, and advanced battery chemistry, which may also negatively impact the adoption of our other battery products. However, we may not compete effectively with alternative systems if we are not able to develop, source and integrate the latest technology into our battery products. We have entered into development agreements and master supply agreements with certain of our customers, and may in the future enter into similar arrangements and development agreements with our customers, including with **AALTO** Airbus and the U. S. Army. While offering potential benefits, these strategic alliances with OEMs and others could subject us to a number of risks, including risks associated with sharing proprietary information, non- performance by our partners and costs of establishing and maintaining new strategic alliances, any of which may materially and adversely affect our business. We may have limited ability to monitor or control the actions of our partners and, to the extent any of them suffers negative publicity or harm to their reputation from events relating to their business, we may also suffer negative publicity or harm to our reputation by virtue of our association with them. For example, if we rely on our partners' manufacturing facilities, those operations would be outside of our control. We could experience delays if our partners do not meet agreed-upon timelines or experience capacity constraints, and in turn, we could lose customers and face reputational harm. Our ability to grow will depend, in part, on our ability to contract with aviation and EV OEMs to incorporate our batteries in their products, which will require significant time and expense, and may not come to fruition. Our success, and our ability to increase revenue and operate profitably, depends in part on our ability to contract with aviation and EV OEMs. This process will require significant time and resources, especially for incorporation into EVs. For example, EV manufacturers frequently require several years of evaluation prior to incorporating new products, like our batteries, into their EVs. This evaluation process includes, among other things, extensive safety and abuse tests, performance tests and cost modeling. We have not begun this process with any EV manufacturers. Thus, our efforts to expand our manufacturing and sales to OEMs may not be successful, and may never result in products that achieve market acceptance, create additional revenue or become profitable, thus **harming adversely impacting** our business, financial condition, **results of operations and prospects and results of operations**. Our research and development efforts strive to create products that are on the cutting edge of technology and meeting the evolving requirements of our customers, but competition in our industry is high. To secure acceptance of our battery products, we must also constantly develop and introduce cost-effective, increasingly more scalable silicon anode batteries with enhanced functionality and performance to meet evolving industry standards. If we are unable to retain and grow our existing customer relationships, or convert early trial deployments into meaningful orders, our business, financial condition, **results of operations and prospects and results of operations** could be materially adversely affected. If existing customers do not make subsequent purchases from us or renew their contracts with us, our revenue could decline, and our results of operations would be adversely impacted. We derive a significant portion of our revenue from existing customers that expand their relationships with us. Increasing the size and number of the deployments of our existing customers is an important part of our growth strategy. We may not be effective in executing this or any other aspect of our growth strategy. For our customers who individually represent 10 % or more of our revenue, **three customers together accounted for 67 % and four customers together accounted for 73 % of our revenue during the year-years ended December 31, 2023 and 2022 and two customers together accounted for 80 % of our revenue during the year ended December 31, 2021 respectively**. Certain of our customers, including customers that represent a significant portion of our business, have in the past reduced their spend with us or terminated their agreements with us, which has reduced our anticipated future cash receipts or revenue from these customers. It is not possible for us to predict the future level of demand from our larger customers for our battery products, and there can be no assurance that our existing customers will continue to purchase from us. Achieving renewal or expansion of deployments may require us to increasingly engage in sophisticated and costly sales efforts that may not result in additional sales. In addition, our customers' decisions to expand the use of our battery products depends on a number of factors, including general economic conditions, the functioning of our batteries, and our customers' satisfaction with our battery products. If our efforts to expand within our existing customer base are not successful, our business may suffer. **If our customers choose to reduce purchases, or do not purchase at all, batteries manufactured outside of the United States our revenue could decline and our prospects may be adversely effected. Our SiCore batteries are based on the innovative, proprietary material system developed by Berzelius, which is a Chinese corporation, and are currently manufactured by our manufacturing partners in China. Our customers may choose to reduce future purchases, or not purchase at all, SiCore batteries manufactured outside of the United States. As such, if the construction of our large-scale facility or our development of manufacturing lines that can produce SiCore batteries are delayed, our business and prospects may be materially and adversely affected.** We **may will** need additional capital before we commence production at scale, and it may not be available on acceptable terms, if at all. For example, our capital budget assumes, among other things, that our development timeline progresses as planned and our corresponding expenditures are consistent with current expectations, both of which are subject to various risks and uncertainties, including those described herein, and, as needed, that we are able to utilize the **Committed Equity At Market Financing (as defined below)**. More specifically, we expect our capital expenditures and working capital requirements to increase materially in the near future, as we design our automated, high-volume manufacturing **line-lines** and scale up production. **Based on our current expectations, we estimate that our capital equipment expenditures will range between \$ 75. 0 million and \$ 100. 0 million to achieve up to 500 MWh per year of manufacturing capacity, which estimate does not include costs related to the construction and build-out of the new manufacturing facility**. Through this process, we expect our operating expenses will increase substantially on account of increased headcount and other general and administrative expenses necessary to support a rapidly growing company. As a result, we **may expect to** need to access the debt and equity capital markets, including through the **Committed Equity At Market Financing**, to obtain additional financing in the future. However, these sources of financing may not be available on acceptable terms, or at all. Our ability to obtain additional financing will be subject to a number of factors, including: • market conditions; • the level of success with our current manufacturing capabilities; • our operating performance; • investor sentiment; and • our ability to incur **additional** debt in



compliance with any agreements governing our then ~~outstanding debt~~. Additionally, the sale of a substantial number of securities under our Registration Statement on Form S-1 filed with the SEC on September 30, 2022 or to B. Riley Principal Capital **capital structure II, LLC ("BRPC II")** in the Committed Equity Financing, or the anticipation of such sales, could make it more difficult for us to sell equity or equity-related securities in the future at a time and at a price that we might otherwise wish to effect sales. Further, the military **abrupt political change, terrorist activity, and armed** conflict between Russia and Ukraine, which began in February 2022, has had an adverse impact on the global economy and financial markets. Although our business has not been directly impacted by **such events this ongoing military conflict**, as we have no assets or operations, and we have not purchased materials from, Russia, Belarus ~~or~~, Ukraine **or the Middle East**, it is impossible to predict the extent to which our operations, or those of our customers, suppliers and manufacturers, will be impacted in the short and long term, or the ways in which the conflict may impact our business. The extent and duration of ~~the military action~~, sanctions and resulting market disruptions are impossible to predict, but could be material. **In addition, actual events involving limited liquidity, defaults, non-performance or other adverse developments that affect financial institutions or the financial services industry generally, or concerns or rumors about any events of these kinds or other similar risks, have in the past and may in the future lead to market-wide liquidity challenges**. These factors may make the timing, amount, terms or conditions of additional financings unattractive to us. If we raise additional funds by issuing equity, equity-linked or debt securities, those securities may have rights, ~~references~~ **preferences** or privileges senior to the rights of our currently issued and outstanding equity or debt, and our existing stockholders may experience dilution. If we are unable to generate sufficient funds from operations ~~or~~, **raise additional capital or access our existing funds**, we may be forced to take actions to reduce our capital or operating expenditures, including by eliminating redundancies, or reducing or delaying our production facility expansions, which may adversely affect our business, financial condition, **results of operations and prospects and results of operations**. It is not possible to predict the actual number of shares we will sell under the **Purchase Sales Agreement to BRPC II, if any**, or the actual gross proceeds resulting from those sales. On **September 27-October 2, 2022-2023**, we entered into the **Sales a Common Stock Purchase Agreement with the Sales Agents, pursuant to which we may offer and sell, from time to time, through the Sales Agents, shares of our common stock with an aggregate offering price of not more than \$ 100.0 million (the "At Market Financing")**. **In connection with our execution of the Sales Agreement, we mutually agreed with BRPC II ("Purchase Agreement"), pursuant to terminate which BRPC II committed to purchase up to \$ 200.0 million of shares of our common stock, subject to certain limitations and conditions set forth in the Purchase Agreement (the "Committed Equity Financing"), which termination became effective on October 10, 2023. Subject to certain limitations in the Sales Agreement and compliance with applicable law, we have the discretion to deliver a placement notice to any Sales Agents at any time throughout the term of the Sales Agreement**. The number of shares of our common stock that **are** may be issued under the Purchase Agreement may be sold by us to BRPC II at our ~~or~~ **through** discretion from time to time until January 1, 2025. We generally have the right to control the timing and amount of any sales of our shares of common stock to BRPC II under the Purchase Agreement. **Sales Agents after delivering** of our common stock, if any, to BRPC II under the Purchase Agreement will depend upon market conditions and other factors to be determined by us. We may ultimately decide to sell to BRPC II all, some or none of the shares of our common stock that may be available for us to sell to BRPC II pursuant to the Purchase Agreement. As consideration for BRPC II's commitment to purchase shares of common stock at our direction upon the terms and subject to the conditions set forth in the Purchase Agreement, upon execution of the Purchase Agreement, we issued 84,793 shares of common stock (the "Initial Commitment Shares") to BRPC II. Upon our receipt of total aggregate gross cash proceeds equal to \$ 100.0 million from BRPC II under the Purchase Agreement, we will issue 84,793 additional shares of common stock (collectively with the Initial Commitment Shares, the "Commitment Shares") to BRPC II. Any shares of common stock issued in the Committed Equity Financing to BRPC II other than the Commitment Shares will be purchased by BRPC II at current market prices less a **placement notice 3.0% fixed** discount. Because the purchase price per share to be paid by BRPC II for the shares of common stock that we may elect to sell to BRPC II under the Purchase Agreement, if any, will fluctuate based on **a number of factors, including** the market prices-**price** of our common stock **at during the sales period** time we elect to sell shares to BRPC II pursuant to the Purchase Agreement, **if the limits we set with the Sales Agents in any applicable placement notice, and the demand for, and trading volume of, our common stock during the sales period. Because the price per share of each share sold will fluctuate during the sales period**, it is not possible for us to predict ~~prior~~ **the number of shares that will be sold or the gross proceeds to any be raised in connection with** such sales, the number of shares of common stock that we will sell to BRPC II under the Purchase Agreement, the purchase price per share that BRPC II will pay for shares purchased from us under the Purchase Agreement, or the aggregate gross proceeds that we will receive from those purchases by BRPC II under the Purchase Agreement. Although the Purchase Agreement provides that we may sell up to an aggregate of \$ 200.0 million of our common stock to BRPC II, only 16,825,366 shares of our common stock were registered for resale under a registration statement on Form S-1 (the "Committed Equity Registration Statement") filed with the SEC on September 30, 2022 and declared effective by the SEC on December 27, 2022. If it becomes necessary for us to issue and sell to BRPC II under the Purchase Agreement more than the 16,825,366 shares being registered for resale under the Committed Equity Registration Statement in order to receive aggregate gross proceeds equal to \$ 200.0 million under the Purchase Agreement, we must first file with the SEC one or more additional registration statements to register under the Securities Act the resale by BRPC II of any such additional shares of our common stock we wish to sell from time to time under the Purchase Agreement, which the SEC must declare effective before we may elect to sell any additional shares of our common stock to BRPC II under the Purchase Agreement. Under the applicable rules of the New York Stock Exchange (the "NYSE"), in no event may we issue to BRPC II under the Purchase Agreement more than the Exchange Cap, unless we obtain stockholder approval to issue shares of common stock in excess of the Exchange Cap in accordance with the applicable NYSE rules. The Exchange Cap is not applicable to issuances and sales of



common stock pursuant to VWAP Purchases and Intraday VWAP Purchases that we may effect pursuant to the Purchase Agreement, to the extent such shares of common stock are sold in such VWAP Purchases and Intraday VWAP Purchases (as applicable) at a price equal to or in excess of the applicable “minimum price” (as defined in the applicable listing rules of the NYSE) of the common stock, calculated at the time such VWAP Purchases and Intraday VWAP Purchases (as applicable) are effected by us under the Purchase Agreement, if any, as adjusted to take into account our issuance of the Commitment Shares to BRPC II and our reimbursement of a certain amount of BRPC II’s legal fees and expenses. Moreover, we may not issue or sell any shares of common stock to BRPC II under the Purchase Agreement which, when aggregated with all other shares of common stock then beneficially owned by BRPC II and its affiliates (as calculated pursuant to Section 13 (d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and Rule 13d-3 thereunder), would result in BRPC II beneficially owning more than 4.99% of the outstanding shares of common stock. Any issuance and sale by us under the Purchase Agreement of a substantial number of shares of common stock in addition to the 16,825,366 shares of common stock that were registered for resale by BRPC II under the Committed Equity Registration Statement could cause additional substantial dilution to our stockholders. The number of shares of our common stock ultimately offered for sale by BRPC II is dependent upon the number of shares of common stock, if any, we ultimately elect to sell to BRPC II under the Purchase Agreement. Our future growth and success depend in part on our ability to grow our customer base and effectively sell to a wide variety of customers. Our ~~potential customers are manufacturers of products that tend to be large enterprises or governmental agencies. Therefore, our~~ future success will depend on our ability to grow our customer base and effectively sell to a wide variety of customers. **!**

**Potential customers include manufacturers of products that tend to be large enterprises or governmental agencies.** Sales to these end- customers involve risks that may not be present (or that are present to a lesser extent) with sales to smaller customers. These risks include, but are not limited to, (i) increased purchasing power and leverage held by large customers in negotiating contractual arrangements with us and (ii) longer sales cycles and the associated risk that substantial time and resources may be spent on a potential end- customer that elects not to purchase our solutions. Large organizations often undertake a significant evaluation process that results in a lengthy sales cycle. In addition, product purchases by large organizations are frequently subject to budget constraints, multiple approvals and unanticipated administrative, processing and other delays. Finally, large organizations typically have longer implementation cycles, require greater product functionality and scalability, require a broader range of services, demand that vendors take on a larger share of risks, require acceptance provisions that can lead to a delay in revenue recognition and expect greater payment flexibility. All of these factors can add further risk to business conducted with these potential customers. **If** ~~In addition, if~~ we were unable to maintain or increase our customer retention rates or generate new customers in a cost- effective manner, our business, financial condition and results of operations would likely be adversely affected. We cannot assure you that we will be able to maintain or grow our customer base in a cost- effective way. If we are unable to develop high quality products at scale, or introduce new products, we may fail to attract new customers or lose our existing customers, which could adversely affect our growth and profitability. Our business model has yet to be tested and any failure to realize our strategic plans would have an adverse effect on our operating results and business, harm our reputation and could result in substantial liabilities that exceed our resources. There is additional risk associated with new enterprises like Amprius, that are encountering new challenges and issues for the first time, many of which are beyond our control, including substantial risks and expenses in the course of establishing or entering new markets, **implementing novel manufacturing processes,** organizing operations and undertaking marketing activities. The likelihood of our success must be considered in light of these risks, expenses, complications, delays and the competitive environment in which we operate. There is, therefore, nothing at this time upon which to base an assumption that our business plan will prove successful, and we may not be able to generate significant revenue, raise additional capital or operate profitably. We will continue to encounter risks and difficulties frequently experienced by early commercial stage companies, including scaling up our infrastructure and headcount, and may encounter unforeseen expenses, difficulties or delays in connection with our growth. In addition, as a result of the capital requirements of our business, we can be expected to continue to sustain substantial operating expenses without generating sufficient revenue to cover expenditures. Any investment in our company is therefore highly speculative and could result in the loss of **some or all of** your entire investment. It is difficult to predict our future revenues and appropriately budget for our expenses, and we have limited insight into trends that may emerge and affect our business. In the event that actual results differ from our estimates or we adjust our estimates in future periods, our business, financial condition, **results of operations and** prospects ~~and results of operations~~ could be materially affected. We have incurred significant operating losses since our inception. **For example, our revenue was** ~~We incurred net losses of \$ 17.3 million and \$ 9.9-1~~ **million and \$ 4.4 million during the years ended December 31, 2023 and 2022, respectively, and we generated net losses of \$ 36.8 million and \$ 17.3 million during the years ended December 31, 2021-2023 and 2022,** respectively. We believe that we will continue to incur operating and net losses each **fiscal** quarter until at least the time we begin scaled production of our batteries. We expect the rate at which we will incur losses to be significantly higher in future periods as we, among other things: continue to incur significant expenses in connection with building out our high- volume manufacturing facility and manufacturing **line-lines**; endeavor to hire the experienced scientific, quality- control, and manufacturing personnel needed to operate our scaled manufacturing processes; ~~build up inventories of components for our batteries~~; increase our sales and marketing activities; develop our distribution infrastructure; and increase our general and administrative functions to support our growing operations. We may find that these efforts are more expensive than we currently anticipate or that these efforts may not result in revenues, which would further increase our losses. If we fail to effectively manage our future personnel growth, we may not be able to market and sell our batteries successfully. Our future success depends upon our ability to grow, and if we are unable to manage our personnel growth effectively, we may incur unexpected expenses and be unable to meet our eventual customers’ requirements, all of which could materially adversely affect our business, financial condition, **results of operations and** prospects ~~and results of operations~~. To manage our current and anticipated future growth effectively, we must continue to

maintain and enhance our infrastructure, financial and accounting systems, and controls. We must also attract, train and retain a significant number of scientists, engineers, sales and marketing personnel, technical and manufacturing personnel, and management personnel, and the availability of such personnel may be constrained. For **See above for** more information **about the risk on**, see “~~We may not succeed in retaining and attracting key employees, particularly technical talent, needed to operate and build our business successfully.~~”<sup>2</sup> As we continue to grow, including from the integration of employees and businesses acquired in connection with future acquisitions, we may find it difficult to maintain important aspects of our corporate culture, which could negatively affect our profitability and our ability to retain and recruit qualified personnel who are essential for our future success. If we do not effectively manage our growth, we may not be able to execute on our growth plan, respond to competitive pressures, take advantage of market opportunities, satisfy customer requirements or manufacture high-quality battery products. Additionally, we may not be able to expand and upgrade our infrastructure to accommodate future growth. Failure to effectively manage our growth could also lead us to over- invest or under- invest in development and operations; result in weaknesses in our infrastructure, systems or controls; give rise to operational mistakes, financial losses, loss of productivity or business opportunities; and result in loss of employees and reduced productivity of remaining employees. Our growth is expected to require significant capital expenditures, which may lower our earnings, and may divert financial resources from other projects such as the development of new products and services. If we are unable to manage our growth effectively, our expenses may increase more than expected, our revenue may not increase or may grow more slowly than expected and we may be unable to implement our business strategy. ~~We have been, and may in the future be, adversely affected by the global COVID-19 pandemic and / or any other pandemic. We face various risks related to epidemics, pandemics and other outbreaks, including the recent COVID-19 pandemic. The impact of COVID-19, including changes in consumer and business behavior, pandemic fears and market downturns, and restrictions on business and individual activities, has created significant volatility in the global economy and led to reduced economic activity. If a significant portion of our workforce is unable to work due to COVID-19 illness, quarantine or other government restrictions in connection with COVID-19, our operations may be negatively impacted. The spread of COVID-19 has also impacted our potential customers and suppliers by disrupting the manufacturing, delivery and overall supply chain of battery and device manufacturers. As a result, the effects of the COVID-19 pandemic could impact the availability of materials and resources necessary for our operations. The pandemic has resulted in government authorities implementing numerous measures to try to contain the virus, such as travel bans and restrictions, quarantines, stay-at-home or shelter-in-place orders, and business shutdowns. For example, some employees at our headquarters located in Fremont, California were subject to a stay-at-home order from the state government for a period of time. These measures have and may continue to adversely impact our employees and operations and the operations of our suppliers, vendors and business partners, and may negatively impact our sales and marketing activities. In addition, various aspects of our business cannot be conducted remotely. These measures by government authorities may remain in place for a significant period of time and could adversely affect our future manufacturing plans, sales and marketing activities, business and results of operations. We may take further actions as may be required by government authorities or that we determine are in the best interests of our employees, suppliers, vendors and business partners. The extent to which the COVID-19 pandemic continues to impact our business, financial condition, prospects and results of operations will depend on future developments, which are highly uncertain and cannot be predicted, including the duration and spread of the pandemic, its severity, the actions to contain the virus or treat its impact, and how quickly and to what extent normal economic and operating activities can resume. Even after the COVID-19 pandemic has subsided, we may continue to experience an adverse impact to our business as a result of its global economic impact, including any economic recession that has occurred or may occur in the future. There are no comparable recent events that may provide guidance as to the effect of the spread of COVID-19 and a pandemic, and, as a result, the ultimate impact of the COVID-19 pandemic or a similar health epidemic is highly uncertain.~~ Certain members of our management do not have experience in operating a public company. Our management team may not successfully or effectively manage our recent transition to being a public **Public** company **companies** **due are subject** to significant regulatory oversight and reporting obligations under federal securities laws and the continuous scrutiny of securities analysts and investors. ~~We may not have adequate personnel with the appropriate level of knowledge, experience and training in the policies, practices or internal controls over financial reporting required of public companies in the United States.~~ As a result, we may be required to pay higher outside legal, accounting or consulting costs than our competitors, and our management team members may have to devote a higher proportion of their time to issues relating to compliance with the laws applicable to public companies, both of which might put us at a disadvantage relative to competitors. Our insurance coverage may not be adequate to protect us from all business risks. We may be subject, in the ordinary course of business, to losses resulting from product liability, accidents, acts of God, and other claims against us, for which we may have no insurance coverage. As a general matter, the policies that we do have may include significant deductibles or self-insured retentions, and we cannot be certain that our insurance coverage will be sufficient to cover all future losses or claims against us. A loss that is uninsured or which exceeds policy limits may require us to pay substantial amounts, which could adversely affect our business, financial condition and results of operations. Our cash and cash equivalents could be adversely affected if the financial institutions in which we hold our cash and cash equivalents fail. We regularly maintain cash balances at third-party financial institutions, including Silicon Valley Bank, in excess of the Federal Deposit Insurance Corporation insurance limit. Silicon Valley Bank’s temporary failure to return certain of our deposits **in March 2023** briefly impacted access to our invested cash or cash equivalents, and a similar failure of a depository institution to return these deposits, or if a depository institution is subject to other adverse conditions in the financial or credit markets, could further impact access to our invested cash or cash equivalents and could adversely impact our operating liquidity and financial performance. We have previously identified material weaknesses in our internal controls over financial reporting. If we are unable to develop and maintain an effective system of internal controls and procedures required by Section 404 (a) of the

Sarbanes- Oxley Act, we may not be able to accurately report our financial results in a timely manner, which may adversely affect investor confidence in us and materially and adversely affect our stock price, business and operating results. Effective internal control over financial reporting is necessary for us to provide reliable financial reports in a timely manner. **We previously** In connection with the audit of our financial statements for the year ended December 31, 2021, we identified two material weaknesses in our internal control over financial reporting that have not been remediated as of December 31, **2022-2023**. A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. The **first previously identified** material weakness **weaknesses pertained** was related to **not the inadequate** designing ~~--- design~~ or maintaining an **and effective** maintenance of internal control **controls over** environment specific to the areas of our financial reporting and close **activities** process, including ineffective review, analysis and approval of journal entries and ineffective review of monthly financial statements. The second material weakness was related to inadequate segregation of incompatible duties due to **. More specifically, the small size of material weaknesses were attributed to** our accounting **inadequate controls on our implementation, use** and finance team **monitoring of certain new application systems that were implemented during 2023, which resulted in inadequate review of certain transactions**. In order to address these identified material weaknesses, we are **enhancing** in the process of increasing resources within our finance department **control activities on our application systems**, including **removing inappropriate level of access on the those** expansion **application systems by our employees, enhancing our controls on our review of transactions entered into** our accounting **system**, **and engaging external specialists to assist us in reviewing, testing and monitoring our internal control controls on a periodic basis** and compliance functions to develop and implement continued improvements and enhancements to address the overall deficiencies that led to the material weaknesses. Our management believes that these actions will enable us to address the material weaknesses that were identified in a timely manner and maintain a properly designed and effective system of internal control over financial reporting and provide appropriate segregation of duties. However, these remediation measures may be time consuming and costly and there is no assurance that these initiatives will ultimately have the intended effects. We plan to continue to assess our internal controls and procedures and intend to take further action as necessary or appropriate to address any other matters we identify. We cannot assure you that the measures we have taken to date and may take in the future, will be sufficient to remediate the control deficiencies that led to our material weaknesses in internal control over financial reporting or that it will prevent or avoid potential future material weaknesses. The effectiveness of our internal control over financial reporting is subject to various inherent limitations, including cost limitations, judgments used in decision making, assumptions about the likelihood of future events, the possibility of human error and the risk of fraud. If we are unable to remediate our current material weaknesses or any material weaknesses in the future, our ability to record, process and report financial information accurately, and to prepare financial statements within the time periods specified by the forms of the SEC, could be adversely affected which, in turn, may adversely affect our reputation and business and the market price of our common stock. In addition, any such failures could result in litigation or regulatory actions by the SEC or other regulatory authorities, loss of investor confidence, delisting of our securities and harm to our reputation and financial condition, or diversion of financial and management resources from the operation of our business. In addition, it is possible that control deficiencies could be identified by our management, by our independent registered public accounting firm in the future or may occur without being identified. Such a failure could result in regulatory scrutiny and cause investors to lose confidence in our reported financial condition, lead to a default under future indebtedness and otherwise have a material adverse effect on our business, financial condition, cash flow or results of operations. As a public company, we are required, pursuant to Section 404 of the Sarbanes- Oxley Act, to furnish a report by management on, among other things, the effectiveness of **its-our** internal control over financial reporting for annual reports on Form 10- K that we file with the SEC **beginning**. **As discussed in "Item 9A. Controls and Procedures," our design of internal control over financial reporting following the Business Combination has required and will require significant time and resources from management and other personnel. Therefore, management was unable, without incurring unreasonable effort and expense, to conduct an assessment of our internal control over financial reporting, and accordingly, in compliance with our SEC guidance, we have not included a management report on internal control over financial reporting in this Annual Report on Form 10- K for the year ended December 31, 2023**. Future assessments will need to include disclosure of any material weaknesses identified by our management **in-on** our internal control over financial reporting. Eventually, it is possible that our independent registered public accounting firm will also be required to audit the effectiveness of our internal control over financial reporting in future annual reports on Form 10- K to be filed with the SEC. We are required to disclose changes made **in-on** our internal control over financial reporting on a quarterly basis. Failure to comply with the Sarbanes- Oxley Act could potentially subject us to sanctions or investigations by the SEC, the applicable stock exchange or other regulatory authorities, which would require additional financial and management resources. We have begun the process of compiling the system and processing documentation necessary to perform the evaluation needed to comply with Section 404 in the future, but we may not be able to complete our evaluation, testing and any required remediation in a timely fashion. Our ability to utilize our net operating losses, tax credit carryforwards, and certain other tax attributes to offset future taxable income may be subject to certain limitations. In general, under Section 382 of the Internal Revenue Code, a corporation that undergoes an "ownership change" is subject to limitations on its ability to use its pre- change net operating loss carryforwards **or ("NOLs,")** to offset future taxable income. The limitations apply if a corporation undergoes an "ownership change," which is generally defined as a greater than 50 percentage point change (by value) in its equity ownership by certain stockholders over a three- year period. If Legacy Amprius experienced an ownership change at any time since its incorporation, we may already be subject to limitations on our ability to utilize Legacy Amprius' existing NOLs and other tax attributes to offset taxable income or tax liability. In addition, future changes in our stock ownership, which may be outside of our control, may trigger an ownership change. Similar provisions of state tax law may also apply to limit our use of accumulated state tax



attributes. As a result, even if we earn net taxable income in the future, our ability to use our or Legacy Amprius' pre-change NOL carryforwards and other tax attributes to offset such taxable income or tax liability may be subject to limitations, which could potentially result in increased future income tax liability to us. Further, because Legacy Amprius and Amprius Holdings were members of a consolidated group for U. S. federal income tax purposes up to **September 14, 2022**, the **Closing Date** ~~date of our business combination with Kensington Capital Acquisition Corp. IV~~, NOLs and other tax attributes of Legacy Amprius are available to be utilized by any member of the consolidated group. Accordingly, our existing NOLs and other tax attributes may not be available to offset future income tax liabilities. There is also a risk that changes in law or regulatory changes made in response to the need for some jurisdictions to raise additional revenue to help counter the fiscal impact from the COVID- 19 pandemic or for other unforeseen reasons, including suspensions on the use of net operating losses, tax credits, and other tax attributes, possibly with retroactive effect, may result in our and Legacy Amprius' existing net operating losses, tax credits, or other tax attributes expiring or otherwise being unavailable to offset future income tax liabilities. Also, ~~starting in fiscal year 2022~~, the Tax Cuts and Jobs Act requires taxpayers to capitalize research and development expenditures and to amortize domestic expenditures over five years and foreign expenditures over 15 years. If Congress does not modify or repeal this provision, it may result in the acceleration of future taxable income (and associated income tax liabilities) for us, ~~beginning in fiscal year 2022~~. Any resulting income tax liabilities may reduce our **future** cash flows ~~beginning in fiscal year 2023~~. The **Internal Revenue Service** ("IRS") or other taxing authority could assert income tax liability against us, notwithstanding the provisions of the Tax Sharing Agreement. Under **a tax sharing agreement with Amprius Holdings** (the "Tax Sharing Agreement") ~~with Amprius Holdings~~, Amprius Holdings generally would be required to indemnify us for the U. S. federal income tax liabilities of the U. S. federal consolidated group of which Amprius Holdings and Legacy Amprius were members (and any similar consolidated, combined or unitary tax group for state tax purposes) for taxable periods prior to (and including) the Closing Date (a "Consolidated Return Year"). The Tax Sharing Agreement also provides that Amprius Holdings will generally control any tax returns and any tax audits or other proceedings for the taxes addressed by the Tax Sharing Agreement. However, the Tax Sharing Agreement is not binding on the IRS or other state taxing authority, and does not prevent the IRS or other state taxing authority from asserting a tax claim against us or Legacy Amprius for any unpaid income tax liabilities of Legacy Amprius or Amprius Holdings for any Consolidated Return Year. If that were to occur, we would be required to seek indemnification against Amprius Holdings for payment of any amounts on such claims, and Amprius Holdings' ability to satisfy such claims may depend on whether Amprius Holdings is able to sell sufficient shares of our common stock to satisfy the tax liability. The unavailability, reduction or elimination of government and economic incentives could have a material adverse effect on our business, financial condition, **results of operations and** prospects ~~and results of operations~~. We ~~currently, and expect to continue to~~, benefit from certain government subsidies and economic incentives **from time to time**, including tax credits, rebates and other incentives that support the development and adoption of clean energy technology. For example, the Inflation Reduction Act of 2022 introduces or extends a number of tax credits to promote clean energy development. We cannot assure you that we will be able to benefit from such programs or that these subsidies and incentive programs will be available to us at the same or comparable levels in the future. **We** ~~Specifically, in October 2022, we were awarded a \$ 50. 0 million cost sharing grant from the U. S. DOE. The cost sharing grant is dependent on the successful negotiation of a final contract, and among the terms to be finalized are the portion of relevant costs that will be covered by the grant. Even if we are able to successfully negotiate a final contract, we may not receive any funding if we are not able to satisfy the terms of the grant, including any matching requirements. In addition, such funding may still be insufficient to complete the project. In addition, we have received commitments of state and local incentive packages providing approximately \$ 10. 0 million in~~ **total** tax incentives relating to our design and buildout of a GWh- scale facility in Brighton, Colorado. Specifically, the Colorado Economic Development Commission approved up to ~~an~~ approximately \$ 5. 5 million in Job Growth Incentive Tax Credits for us, over an eight- year period, which are contingent upon us meeting net new job creation and salary requirements. The City of Brighton also approved incentives with a total estimated value of **approximately** \$ 0. 9 million, including a five- year property tax rebate of 100 % and a 50 % rebate on the city' s use tax collected on construction materials. In addition, the Adams County Regional Economic Partnership approved incentives in the form of tax abatement with performance- based contingencies. If we are not able to ~~enter into a lease agreement on reasonably acceptable terms, our development timeline is delayed or we are not able to~~ achieve the performance- based goals set for the incentives, we may not receive any funding or benefits from the state and local governments of Colorado. **Further, government incentives are subject to uncertainties and may be discontinued at any time. For example, in October 2022, we were awarded a \$ 50. 0 million cost sharing grant from the United States Department of Energy. The cost sharing grant was dependent on the successful negotiation of a final contract. In June 2023, we and the U. S. Department of Energy mutually agreed to discontinue the negotiation of the cost sharing grant.** Any reduction, elimination or discriminatory application of government subsidies and economic incentives because of policy changes, or the reduced need for such subsidies and incentives due to the perceived success of clean and renewable energy products or other reasons, may require us to seek additional financing, which may not be obtainable on commercially attractive terms or at all, and may result in the diminished competitiveness of the battery cell industry generally or our silicon anode battery cells in particular. Any change in the level of subsidies and incentives from which we benefit could materially and adversely affect our business, financial condition, **results of operations and** prospects ~~and results of operations~~. We currently rely on U. S. government contracts (as a prime contractor or subcontractor) for a material portion of our revenue and to partially fund our research and development activities, and we believe that the success and growth of our business will continue to **include** ~~depend on our~~ successful procurement of government contracts. Sales to government agencies are subject to a number of challenges and risks. Selling to government agencies can be highly competitive, expensive, and time- consuming, often requiring significant upfront time and expense without any assurance that these efforts will generate a sale. We also must comply with laws and regulations relating to the formation, administration, and performance of contracts, which provide public



sector customers rights, many of which are not typically found in commercial contracts. Accordingly, our business, financial condition, **results of operations and** prospects ~~and results of operations~~ may be adversely affected by certain events or activities, including, but not limited to: • changes in fiscal or contracting policies or decreases in available government funding; • changes in government programs or applicable requirements; • changes in the political environment, including before or after a change to the leadership within the government administration, and any resulting uncertainty or changes in policy or priorities and resultant funding; • appeals, disputes, or litigation relating to government procurement, including but not limited to bid protests by unsuccessful bidders on potential or actual awards of contracts to us or our partners by the government; • the adoption of new laws or regulations or changes to existing laws or regulations; • influence by, or competition from, third parties with respect to pending, new, or existing contracts with government customers; and • increased or unexpected costs or unanticipated delays caused by other factors outside of our control, such as performance failures of our **prime contractors or subcontractors**. Any such event or activity, among others, could cause governments and governmental agencies to delay or refrain from purchasing our battery products in the future, reduce the size or payment amounts of purchases from existing or new government customers, or otherwise have an adverse effect on our business, financial condition, **results of operations and** prospects ~~and results of operations~~. Government contracts often also contain provisions and are subject to laws and regulations that provide government customers with additional rights and remedies not typically found in commercial contracts. These rights and remedies allow government customers, among other things, to: • terminate existing contracts for convenience; • reduce orders under or otherwise modify contracts; • for contracts subject to the Truth in Negotiations Act, reduce the contract price or cost where it was increased because a contractor or subcontractor furnished cost or pricing data during negotiations that was not complete, accurate, and current; • for some contracts, (i) demand a refund, make a forward price adjustment, or terminate a contract for default if a contractor provided inaccurate or incomplete data during the contract negotiation process and (ii) reduce the contract price under triggering circumstances, including the revision of price lists or other documents upon which the contract award was predicated; • decline to exercise an option to renew a multi- year contract; • claim rights in solutions, systems, or technology produced by us, appropriate such work- product for their continued use without continuing to contract for our services, and disclose such work- product to third parties, including other government agencies and our competitors, which could harm our competitive position; • prohibit future procurement awards with a particular agency due to a finding of organizational conflicts of interest; • suspend or debar us from doing business with the applicable government; and • control or prohibit the export of our battery products and technology. Government contracts are also generally subject to greater scrutiny by the government, which can initiate reviews, audits and investigations regarding our compliance with government contract requirements. Current and new regulations or procurement requirements (including, for example regulations regarding counterfeit and corrupt parts, **country of origin restrictions**, supply chain diligence, mandatory socioeconomic compliance requirements and cybersecurity) or changes to current requirements could **limit contracting opportunities and also** increase our costs and risk of non- compliance. Failure to comply with government contracting laws, regulations and contract requirements, or adverse findings from a government audit or investigation can lead to criminal, civil or administrative proceedings (including pursuant to the False Claims Act), termination of contracts, forfeiture of profits, suspension of payments, adverse media coverage, fines and suspension or debarment from doing business with U. S. government agencies, all of which may have an adverse effect on our reputation, business, financial condition, **results of operations and** prospects ~~and results of operations~~. Our technology and our website, systems, and data we maintain may be subject to intentional disruption, security breaches and other security incidents, or alleged violations of laws, regulations, or other obligations relating to data handling that could result in liability and adversely impact our reputation and future sales. We may be required to expend significant resources to continue to modify or enhance our protective measures to detect, investigate and remediate vulnerabilities to security breaches and incidents. Any actual or alleged failure to comply with applicable cybersecurity or data privacy legislation or regulation could have a material adverse effect on our business, reputation, results of operations or financial condition. We expect to face significant challenges with respect to information security and maintaining the security and integrity of our **information** systems and other systems used in our business, as well as with respect to the data stored on or processed by these systems. We also anticipate receiving and storing confidential business information of our partners and customers. Advances in technology, an increased level of sophistication and expertise of hackers, and new discoveries in the field of cryptography can result in a compromise or breach of the systems used in our business or of security measures used in our business to protect confidential information, personal information, and other data. We may be a target for attacks designed to disrupt our operations or to attempt to gain access to our systems or to data that we possess, including proprietary information that we obtain from our partners pursuant to our agreements with them. We also are at risk for interruptions, outages and breaches of our and our outsourced service providers' operational systems and security systems, our integrated software and technology, and data that we or our third- party service providers process or possess. These may be caused by, among other causes, physical theft, viruses or other malicious code, denial or degradation of service attacks, ransomware, social engineering schemes, and insider theft or misuse. We have suffered security incidents in the past. In December 2021, we experienced a ransomware incident and notified certain employees of such incident. The security risks we and our outsourced service providers face could also be elevated in connection with the Russian invasion of Ukraine **or the conflict in the Middle East**, as we and our outsourced service providers are vulnerable to a heightened risk of cyberattacks from or affiliated with nation- state actors, including retaliatory attacks from ~~Chinese or~~ Russian actors against U. S.- based companies. The availability and effectiveness of our silicon anode technology and our ability to conduct our business and operations depend on the continued operation of information technology and communications systems, some of which we have yet to develop or otherwise obtain the ability to use. Systems we currently use or may use in the future in conducting our business, including data centers and other information technology systems, will be vulnerable to damage or interruption. Such systems could also be subject to break- ins, sabotage and intentional acts of vandalism, as well as disruptions and security breaches and security incidents as a result of non- technical issues,

including intentional or inadvertent acts or omissions by employees, service providers, or others. We currently use, and may use in the future, outsourced service providers to help provide certain services, and any such outsourced service providers face similar security and system disruption risks as us. Our ability to monitor our outsourced service providers' security measures is limited, and, in any event, third parties may be able to circumvent those security measures, resulting in the unauthorized access to, misuse, acquisition, disclosure, loss, alteration, or destruction of personal, **financial**, confidential, or other data, including data relating to individuals. Some of the systems used in our business will not be fully redundant, and our disaster recovery planning cannot account for all eventualities. Any data security incidents or other disruptions to any data centers or other systems used in our business could result in lengthy interruptions in our service and may adversely affect our reputation, business, financial condition, **results of operations and** prospects ~~and results of operations~~. Significant capital and other resources may be required in efforts to protect against information security breaches, security incidents, and system disruptions, or to alleviate problems caused by actual or suspected information security breaches and other data security incidents and system disruptions. The resources required may increase over time as the methods used by hackers and others engaged in online criminal activities and otherwise seeking to obtain unauthorized access to systems or data, and to disrupt systems, are increasingly sophisticated and constantly evolving. In particular, ransomware attacks have become more prevalent in the industrial sector, which could materially and adversely affect our ability to operate and may result in significant expense. In addition, we may face increased compliance burdens regarding such requirements with regulators and customers regarding our battery products and also incur additional costs for oversight and monitoring of our supply chain. These additional compliance and logistical burdens are attenuated through our international partnerships. We also cannot be certain that these systems, networks, and other infrastructure or technology upon which we rely, including those of our third- party suppliers or service providers, will be effectively implemented, maintained or expanded as planned, or will be free from bugs, defects, errors, vulnerabilities, viruses, ransomware, or other malicious code. We may be required to expend significant resources to make corrections or to remediate issues that are identified or to find alternative sources. Any failure or perceived failure by us or our service providers to prevent information security breaches or other security incidents or system disruptions, or any compromise of security that results in or is perceived or reported to result in unauthorized access to, or loss, theft, alteration, release or transfer of, our information, or any personal information, confidential information, or other data could result in loss or theft of proprietary or sensitive data and intellectual property, could harm our reputation and competitive position and could expose us to legal claims, regulatory investigations and proceedings, and fines, penalties, and other liability. Any such actual or perceived security breach, security incident or disruption could also divert the efforts of our technical and management personnel and could require us to incur significant costs and operational consequences in connection with investigating, remediating, eliminating and putting in place additional tools, devices, policies, and other measures designed to prevent actual or perceived security breaches and other incidents and system disruptions. Moreover, we could be required or otherwise find it appropriate to expend significant capital and other resources to respond to, notify third parties of, and otherwise address the incident or breach and its root cause, and most jurisdictions have enacted laws requiring companies to notify individuals, regulatory authorities and others of security breaches involving certain types of data. Further, we cannot assure that any limitations of liability provisions in our current or future contracts that may be applicable would be enforceable or adequate or would otherwise protect us from any liabilities or damages with respect to any particular claim relating to a security breach or other security- related matter. We also cannot be sure that our existing insurance coverage will continue to be available on acceptable terms or will be available in sufficient amounts to cover claims related to a security breach or incident, or that the insurer will not deny coverage as to any future claim. The successful assertion of claims against us that exceed available insurance coverage, or the occurrence of changes in our insurance policies, including premium increases or the imposition of large deductible or co- insurance requirements, could have a material adverse effect on our business, including our reputation, financial condition ~~and results of operations~~. Additionally, laws, regulations, and other actual and potential obligations relating to privacy, data hosting and other processing of data, data protection, and data security are evolving rapidly, and we expect to potentially be subject to new laws and regulations, or new interpretations of laws and regulations, in the future in various jurisdictions. These laws, regulations, and other obligations, and changes in their interpretation, could require us to modify our operations and practices, restrict our activities, and increase our costs. Further, these laws, regulations, and other obligations are complex and evolving rapidly, and we cannot provide assurance that we will not be subject to claims, allegations, or other proceedings related to actual or alleged obligations relating to privacy, data protection, or data security. It is possible that these laws, regulations, and other obligations may be inconsistent with one another or be interpreted or asserted to be inconsistent with our business or practices. We anticipate needing to dedicate substantial resources to comply with laws, regulations, and other obligations relating to privacy and data security in order to comply. Any failure or alleged or perceived failure to comply with any applicable laws, regulations, or other obligations relating to privacy, data protection, or data security could also result in regulatory investigations and proceedings, and misuse of or failure to secure data relating to individuals could also result in claims and proceedings against us by governmental entities or others, penalties and other liability, and damage to our reputation and credibility, and could have a negative impact on our business, financial condition, **results of operations and** prospects ~~and results of operations~~.

**Risks Related to Intellectual Property** We may not be able to prevent unauthorized use of our intellectual property, which could harm our business and competitive position. We rely upon a combination of various intellectual property protections afforded by patent, copyright, trademark and trade secret laws in the United States and other jurisdictions, as well as contractual protections afforded by license agreements and other agreements, to establish, maintain and enforce rights in our proprietary technologies. In addition, we seek to protect our intellectual property rights through nondisclosure and invention assignment agreements with our employees and consultants, and through non- disclosure agreements with business partners and other third parties. Despite our efforts to protect our proprietary rights, third parties may, without proper authorization, attempt to copy or otherwise obtain and use our intellectual property or be able to design around our intellectual property. Monitoring unauthorized use of our

intellectual property is difficult and costly, and the steps we have taken or will take to prevent misappropriation may not be adequate, sufficient, or effective. Any enforcement efforts we undertake, including litigation, could be time- consuming and expensive and could divert management’ s attention, which could harm our business, results of operations and financial condition. Moreover, certain proprietary technology that is stored on computer systems could be penetrated by intruders and potentially misappropriated. There is no guarantee that our efforts to protect our computer systems will be effective. In addition, existing intellectual property laws and contractual remedies may afford less protection than needed to safeguard our intellectual property portfolio. Patent, copyright, trademark and trade secret laws vary significantly throughout the world. A number of foreign countries do not protect intellectual property rights to the same extent as do the laws of the United States. Therefore, our intellectual property rights may not be as strong or as easily enforced outside of the United States and efforts to protect against the unauthorized use of our intellectual property rights, technology and other proprietary rights may be more expensive and difficult outside of the United States. Further, we have not established our intellectual property rights in all countries in the world, and competitors may copy our designs and technology and operate in countries in which it has not prosecuted our intellectual property. Failure to adequately protect our intellectual property rights could result in our competitors using our intellectual property to offer products, and competitors’ ability to design around our intellectual property would enable competitors to offer similar or better batteries, in each case potentially resulting in the loss of some of our competitive advantage and a decrease in our revenue which, would adversely affect our business, financial condition, **results of operations and prospects and results of operations**. Companies, organizations or individuals, including our current and future competitors, may hold or obtain patents, trademarks or other proprietary rights that would prevent, limit or interfere with our ability to make, use, develop, distribute, or sell our battery products, which could make it more difficult for us to operate our business. From time to time, we may receive inquiries from holders of patents or trademarks inquiring whether we are infringing their proprietary rights and / or seek court declarations that they do not infringe upon our intellectual property rights. Companies holding patents or other intellectual property rights relating to batteries, electric motors or electronic power management systems may bring suits alleging infringement by our battery products of such rights or otherwise asserting their rights and seeking licenses. In addition, if we are determined to have infringed upon a third party’ s intellectual property rights, we may be required to do one or more of the following: • cease selling, incorporating or using products that incorporate the challenged intellectual property; • pay substantial damages; • obtain a license from the holder of the infringed intellectual property right, which license may not be available on reasonable terms or at all; or • redesign our batteries. We have in the past experienced infringement claims from non- practicing organizations (sometimes referred to as “ patent trolls ”) filing lawsuits for patent infringement. For example, in December 2020, we settled a patent infringement case against us and agreed to make licensing payments in connection with such settlement. We may be subject to additional infringement claims in the future, and even if we believe such claims are without merit, such claims are time- consuming, expensive to litigate or settle and can divert management’ s resources and attention. An adverse determination could require that we pay damages, which could be substantial, or stop using technologies found to be in violation of a third- party’ s rights and could prevent us from selling our batteries. In order to avoid these restrictions, we may have to seek a license for the technology. Any such license may not be available on reasonable terms or at all, could require us to pay significant royalties and may significantly increase our operating expenses or otherwise seriously harm our business or ~~operating~~ **results of operations**. In the event of a successful claim of infringement against us and our failure or inability to obtain a license to the infringed technology, our business, financial condition, **results of operations and prospects and results of operations** could be materially adversely affected. In addition, any litigation or claims, whether or not valid, could result in substantial costs and diversion of resources and management’ s attention. We also license patents and other intellectual property from third parties, and we may face claims that our use of this intellectual property infringes the rights of others. In such cases, we may seek indemnification from our licensors under our license contracts with them. However, our rights to indemnification may be unavailable or insufficient to cover our costs and losses, depending on our use of the technology, whether we choose to retain control over conduct of the litigation, and other factors. Our patent applications may not result in issued patents or our patent rights may be contested, circumvented, invalidated or limited in scope, any of which could have a material adverse effect on our ability to prevent others from interfering with our commercialization of our batteries. Our patent applications may not result in issued patents, which may have a material adverse effect on our ability to prevent others from commercially exploiting products similar to ours. The status of patents involves complex legal and factual questions and the breadth of claims allowed is uncertain. As a result, we cannot be certain that the patent applications that we file will result in patents being issued, or that our patents and any patents that may be issued to us will afford protection against competitors with similar technology. Numerous patents and pending patent applications owned by others exist in the fields in which we have developed and is and will be developing our technology. In addition to those who may claim priority, any of our existing or pending patents may also be challenged by others on the basis that they are otherwise invalid or unenforceable. Furthermore, patent applications filed in foreign countries are subject to laws, rules and procedures that differ from those of the United States, and thus we cannot be certain that foreign patent applications related to issued U. S. patents will be issued. Even if our patent applications succeed and we are issued patents in accordance with them, it is still uncertain whether these patents will be contested, circumvented, invalidated or limited in scope in the future. The rights granted under any issued patents may not provide us with meaningful protection or competitive advantages, and some foreign countries provide significantly less effective patent enforcement than what the United States provides. In addition, the claims under any patents that issued to us may not be broad enough to prevent others from developing technologies that are similar or that achieve results similar to ours. The intellectual property rights of others could also bar or limit us from licensing, exploiting, or enforcing any patents issued to us. In addition, patents issued to us may be infringed upon or designed around by others and others may obtain patents that it needs to license or design around, either of which would increase costs and may adversely affect our business, financial condition, **results of operations and prospects and results of operations**. We may obtain licenses on technology that has not

been commercialized or has been commercialized only to a limited extent, and the success of our business may be adversely affected if such technology does not perform as expected. From time to time, we may license from third parties, technologies that have not been commercialized or which have been commercialized only to a limited extent. These technologies may not perform as expected within our silicon anode battery cells and related products. If the cost, performance characteristics, manufacturing process or other specifications of these licensed technologies fall short of our targets, our expected sales, costs, time to market, competitive advantage, future product pricing and potential operating margins may be adversely affected.

**Related to Litigation and Regulatory Compliance** We are subject to a variety of litigation, environmental, health and safety, investment screening and national security laws, and other legal compliance risks. These risks include, among other things, possible liability relating to product liability matters, personal injuries, intellectual property rights, contract- related claims, health and safety liabilities, employment- related liabilities, environmental matters, investment screening and national security laws, and compliance with U. S. and foreign laws, competition laws and laws governing improper business practices. Our operations in the United States are subject to numerous environmental laws and regulations, including federal, state and local laws and regulations relating to, among other things: water; natural resources; discharges; emissions; chemicals; solid and hazardous waste storage, treatment and disposal; remediation of releases of hazardous materials; and contamination. Compliance with these laws can be difficult and costly. For example, battery life cycle management regulations and regulations governing the transport of batteries may impose substantial requirements on our operations in the United States. Our operations may be required to obtain and comply with environmental permits, many of which may be difficult and expensive to obtain and must be renewed on a periodic basis. A failure to comply with these laws, regulations or permits could result in substantial liabilities, including fines, penalties, the suspension or loss of permits, and possibly orders to cease the non- compliant operations. Our manufacturing process will have hazards such as, but not limited to, hazardous materials, machines with moving parts, and high voltage and / or high current electrical systems typical of large manufacturing equipment and related safety incidents. There may be safety incidents that damage machinery or manufacturing components, slow or stop production, or harm employees. Consequences may include litigation, regulation, fines, increased insurance premiums, mandates to temporarily halt production, workers' compensation claims, or other actions that impact our brand, finances or ability to operate. As a business with international reach, we are subject to complex laws and regulations, including investment screening laws, in jurisdictions in which we operate. Those laws and regulations may be interpreted in different ways. They may also change from time to time, as may related interpretations and other guidance. Changes in laws or regulations could result in higher expenses and payments, and uncertainty relating to laws or regulations may also affect how we conduct our operations and structure our investments and could limit our ability to enforce our rights. Changes in environmental and climate laws or regulations, including laws relating to greenhouse gas emissions, could lead to new or additional investment in manufacturing designs, subject us to additional costs and restrictions, including increased energy and raw materials costs, and could increase environmental compliance expenditures. We are subject to various environmental laws and regulations on air emission, **wastewater waste water** discharge, solid waste, noise and the disposal of hazardous materials. Cobalt and lithium are toxic materials that are important raw materials in our batteries. We also use, generate and discharge other toxic, volatile and hazardous chemicals and wastes in our research, development and manufacturing activities. Under U. S. environmental regulations, we are required to maintain the pollutant emission levels at the facility within the levels prescribed by the relevant governmental authorities and obtain a pollution discharge permit for water and air emissions. Future changes to environmental laws or permit requirements could require us to install new control equipment or otherwise change operations in order to comply with any such change in laws or permit requirements. In addition, certain laws and regulations require enterprises like us that generate hazardous wastes to engage companies which are licensed and qualified to process the hazardous wastes, and to collect, store, dispose of and transfer the hazardous waste. If we fail to comply with national and local environmental protection laws and regulations, the relevant governmental authorities may impose fines or deadlines to cure instances of noncompliance, and may even order us to cease operations if we fail to comply with their requirements. In particular, any breach by us in connection with requirements relating to the handling of hazardous wastes may subject us to monetary damages and fines. In addition, if any third party suffers any loss as a result of our pollutant emission practices, our improper handling of hazardous wastes or our noncompliance with environmental regulations, such third parties may seek damages from us. We cannot assure you that we will be able to comply with all environmental laws and regulations at all times as the environmental legal regime is evolving and becoming more stringent, especially in the United States. Therefore, if these or other governments where we do business impose more stringent regulations in the future, we will have to incur additional substantial costs and expenses in order to comply with new regulations, which may negatively affect our results of operations. If we fail to comply with any of the present or future environmental regulations in any material aspect or cause any loss to any third parties due to our pollutant emission practices, improper handling of hazardous wastes or other environmental noncompliance, we may suffer from negative publicity and may be required to pay substantial fines, pay damages to such third parties, or suspend or even cease operations, all of which may materially and adversely affect our business, financial condition, **results of operations and** prospects ~~and results of operations~~. Environmental laws and regulations may become more stringent in the future, which could increase costs of compliance or require us to manufacture with alternative technologies and materials. We may be subject to review and enforcement actions under domestic and foreign laws that screen investments and to other national- security- related laws and regulations. In certain jurisdictions, these legal and regulatory requirements may be more stringent than in the United States and may impact battery companies more specifically. As a result of these laws and regulations, investments by particular investors may need to be filed with local regulators, which in turn may impose added costs on our business, impact our operations, and / or limit our ability to engage in strategic transactions that might otherwise be beneficial to us and our investors. We are subject to a variety of laws and regulations related to the safety and transportation of our batteries. Our failure to comply with these laws and regulations may have a material adverse effect on our business and results of operations. Many federal, state and local authorities require



certification by Underwriters Laboratory, Inc., an independent, not-for-profit corporation engaged in the testing of products for compliance with certain public safety standards, or other safety regulation certification prior to marketing battery cells. Foreign jurisdictions also have regulatory authorities overseeing the safety of consumer products. Our batteries may not meet the specifications required by these authorities. A determination that any of our battery products are not in compliance with these rules and regulations could result in the imposition of fines or an award of damages to private litigants. In addition, lithium batteries have been identified as a Class 9 dangerous good during transport. To be safely transported (by air, sea, rail or roadways), they must meet various international, national, state and local regulations, including, for example, the provisions laid out in United Nations standard UN 38.3. This standard applies to batteries transported either on their own or installed in a device. UN 38.3 has been adopted by regulators and competent authorities around the world, thus making it a requirement for global market access. Our failure to manage the transportation of our batteries could subject us to increased costs or future liabilities. Failure to comply with certain health and production safety laws and regulations governing hazardous materials could materially adversely affect our business and results of operations. In the sourcing of our battery products throughout the world, we process, store, dispose of and otherwise use large amounts of hazardous materials. As a result, we are subject to extensive and evolving health and production safety laws and regulations governing, among other things: the health of our employees and safety production requirements regarding the generation, handling, storage, use and transportation of hazardous materials. Compliance with these laws and regulations results in ongoing costs. Failure to comply with these laws or regulations, or to obtain or comply with the relevant permits, could result in fines, criminal charges or other sanctions by regulators. Furthermore, we may be ordered to rectify a noncompliance within a stipulated deadline; and if we fail to do so, we may be ordered to cease operations. Our ongoing compliance with health and safety laws, regulations and permits could require us to incur significant expenses, limit our ability to modify or expand our facilities or continue manufacturing and make other capital improvements. In addition, private parties, including current or former employees, could bring personal injury or other claims against us due to the presence of, or exposure to, hazardous substances used, stored or disposed of by us or contained in our batteries. We are subject to the FCPA, the U.S. domestic bribery statute contained in 18 U.S.C. § 201, the U.S. Travel Act, and possibly other anti-bribery and anti-corruption laws and anti-money laundering laws in various jurisdictions in which we conduct, or in the future may conduct, activities. Anti-corruption and anti-bribery laws have been enforced aggressively in recent years and are interpreted broadly to generally prohibit us and our officers, directors, employees, business partners, agents, representatives and third-party intermediaries from corruptly offering, promising, authorizing or providing, directly or indirectly anything of value to recipients in the public or private sector. We may leverage third parties to sell our battery products and conduct our business abroad. We, our officers, directors, employees, business partners, agents, representatives and third-party intermediaries may have direct or indirect interactions with officials and employees of government agencies or state-owned or affiliated entities and we may be held liable for the corrupt or other illegal activities of these employees, agents, representatives, business partners or third-party intermediaries even if we do not explicitly authorize such activities. We cannot assure you that all of our officers, directors, employees, business partners, agents, representatives and third-party intermediaries will not take actions in violation of applicable law, for which we may be ultimately held responsible. As our international activities and sales expand, our risks under these laws may increase. These laws also require companies to make and keep books, records and accounts that accurately reflect transactions and dispositions of assets and to maintain a system of adequate internal accounting controls and compliance procedures designed to prevent any such actions. While we have certain policies and procedures to address compliance with such laws, we cannot assure you that none of our officers, directors, employees, business partners, agents, representatives and third-party intermediaries will take actions in violation of our policies and applicable law, for which we may be ultimately held responsible. Any allegations or violation of the FCPA or other applicable anti-bribery and anti-corruption laws and anti-money laundering laws could subject us to whistleblower complaints, adverse media coverage, investigations, settlements, prosecutions, enforcement actions, fines, damages, loss of export privileges, and severe administrative, civil and criminal sanctions, suspension or debarment from government contracts, collateral consequences, remedial measures and legal expenses, all of which could materially and adversely affect our reputation, business, financial condition, **results of operations and** prospects ~~and results of operations~~. Responding to any investigation or action will likely result in a materially significant diversion of management's attention and resources and significant defense costs and other professional fees. We are subject to governmental export and import controls that could impair our ability to compete in international markets or subject us to liability if we violate these controls. Our battery products may be subject to U.S. export control laws and regulations including the Export Administration Regulations ("**EAR**"), the International Traffic in Arms Regulations ("**ITAR**"), and trade and economic sanctions maintained by the Office of Foreign Assets Control ("**OFAC**"). As such, an export license may be required to export, reexport, or transfer our battery products to certain countries, end-users, and end-uses. If we were to fail to comply with such U.S. export controls laws and regulations, U.S. economic sanctions, or other similar laws, we could be subject to both civil and criminal penalties, including substantial fines, possible incarceration for employees and managers for willful violations, and the possible loss of our export or import privileges. Obtaining the necessary export license for a particular sale or offering may not be possible and may be time-consuming and may result in the delay or loss of sales opportunities. Furthermore, U.S. export control laws and economic sanctions prohibit the export of products to certain U.S. embargoed or sanctioned countries, governments, and persons, as well as for prohibited end-uses. Even though we take precautions to ensure that we and our partners comply with all relevant export control laws and regulations, any failure by us or our partners to comply with such laws and regulations could have negative consequences for us, including reputational harm, government investigations and penalties. Changes in our battery products or changes in export and import regulations in such countries may create delays in the introduction of our products into international markets, prevent our end-customers with international operations from deploying our battery products globally or, in some cases, prevent or delay the export or import of our battery products to certain countries, governments or persons altogether. Any change in export or import laws or regulations, economic sanctions or related

legislation, shift in the enforcement or scope of existing export, import or sanctions laws or regulations, or change in the countries, governments, persons, or technologies targeted by such export, import or sanctions laws or regulations, could result in decreased use of our battery products by, or in our decreased ability to export or sell our battery products to, existing or potential end- customers with international operations. Any decreased use of our battery products or limitation on our ability to export to or sell our battery products in international markets could adversely affect our business, financial condition and results of operations. We may be subject to U. S. foreign investment regulations which may impose conditions on or limit certain investors' ability to purchase our stock, potentially making the stock less attractive to investors. Our future investments in U. S. companies may also be subject to U. S. foreign investment regulations. Certain investments that involve the acquisition of, or investment in, a U. S. business by a non- U. S. investor may be subject to review and approval by the Committee on Foreign Investment in the United States ("CFIUS"). Whether CFIUS has jurisdiction to review an acquisition or investment transaction depends on, among other factors, the nature and structure of the transaction, including the level of beneficial ownership interest and the nature of any information or governance rights involved. For example, investments that result in "control" of a U. S. business by a foreign person always are subject to CFIUS jurisdiction. Significant CFIUS reform legislation, which was fully implemented through regulations that became effective on February 13, 2020, expanded the scope of CFIUS' s jurisdiction to investments that do not result in control of a U. S. business by a foreign person but afford certain foreign investors certain information or governance rights in a U. S. business that has a nexus to "critical technologies," "critical infrastructure" and / or "sensitive personal data." Based on its export control classification, our battery technology is considered a "critical technology." CFIUS could choose to review past or proposed transactions involving **us or** new or existing foreign investors in us or in Amprius Holdings even if a filing with CFIUS is or was not required at the time of the transaction. Any review and approval of an investment or transaction by CFIUS may have outsized impacts on transaction certainty, timing, feasibility, and cost, among other things. CFIUS policies and practices are rapidly evolving, and in the event that CFIUS reviews one or more proposed or existing **investment by investors transactions involving us**, there can be no assurances that **such investors the transaction parties** will be able to maintain, or proceed with, such **investments transactions** on terms acceptable to **them such investors**. **For example**, CFIUS could seek to impose limitations or restrictions on, or prohibit, investments by such investors (including, but not limited to, limits on purchasing our stock, limits on information sharing with such investors, requiring a voting trust, governance modifications, or forced divestiture, among other things) . ~~Recent and potential tariffs imposed by the U. S. government or a global trade war could increase the cost of our products, which could have a material adverse effect on our business, financial condition and results of operations.~~ The U. S. government has and continues to make significant changes in U. S. trade policy and has taken certain actions that could negatively impact U. S. trade, including imposing tariffs on certain goods imported into the United States. In retaliation, China has implemented, and continues to evaluate imposing additional tariffs on a wide range of American products. There is also a concern that the imposition of additional tariffs by the United States could result in the adoption of tariffs by other countries as well, leading to a global trade war. More specifically, the U. S. government has from time to time imposed significant tariffs on certain product categories imported from China. Such tariffs, if expanded to other categories, could have a significant impact on our business, particularly the importation of parts of our batteries and certain production equipment that are manufactured in China. If we attempt to renegotiate prices with suppliers or diversify our supply chain in response to tariffs, such efforts may not yield immediate results or may be ineffective. We might also consider increasing prices to the end consumer; however, this could reduce the competitiveness of our products and adversely affect net sales. If we fail to manage these dynamics successfully, gross margins and profitability could be adversely affected. As of the date of this report, tariffs have not had a material impact on our business, but increased tariffs or trade restrictions implemented by the United States or other countries in connection with a global trade war could have a material adverse effect on our business, financial condition and results of operations. We cannot predict what actions may ultimately be taken with respect to tariffs or trade relations between the United States and China or other countries, what products may be subject to such actions, or what actions may be taken by the other countries in retaliation. Any further deterioration in the relations between the United States and China could exacerbate these actions and other governmental intervention. ~~For example~~ **In June 2022, the import restrictions contained in the Uyghur Forced Labor Prevention Act ("UFLPA") became effective. The UFLPA creates a future event-rebuttable presumption that created additional U. S. any goods mined, produced or manufactured, wholly or in part in the Xinjiang Uyghur Autonomous Region ("XUAR") of China tensions could potentially increase the risks associated, or produced by a listed entity, were made with the business forced labor and operations of U are not entitled to entry into the United States. S- If a shipment is detained, importers are required to present clear and convincing evidence that such goods are not made with forced labor. -based technology companies in** **While we do not source goods from the XUAR or from listed parties, because we import from China, there is risk that our ability to import components and products may be adversely affected by the UFLPA.** The U. S. or foreign governments may take additional administrative, legislative, or regulatory action that could materially interfere with our ability to **source from or** sell products in certain countries. Sustained uncertainty about, or worsening of, current global economic conditions and further escalation of trade tensions between the United States and its trading partners, especially China, could result in a global economic slowdown and long- term changes to global trade, including retaliatory trade restrictions that restrict our ability to operate in China. Any alterations to our business strategy or operations made in order to adapt to or comply with any such changes would be time- consuming and expensive, and certain of our competitors may be better suited to withstand or react to these changes . **Our battery materials are sourced primarily from China and we rely on toll manufacturing partners from China for our SiCore batteries. Under its current leadership, the government of China has been pursuing economic reform policies. However, there is no assurance that the Chinese government will continue to pursue such policies, that such policies will be successfully implemented, that such policies will not be significantly altered, or that such policies will be beneficial to our partners in China. China' s regulations affecting the exporting of battery materials**

and batteries can be unpredictable. China has recently implemented significant restrictions on the export of graphite, a key material for traditional lithium-ion batteries. We cannot predict if China will expand such exporting restrictions to other battery materials or to any finished products. Although our battery materials are generally available from multiple suppliers, China is the predominant producer of certain of these materials. If China were to restrict or stop exporting these materials, our ability to obtain such supply may be constrained and we may be unable to obtain sufficient quantities, or obtain supply in a timely manner, or at a commercially reasonable cost, or our toll manufacturers may be unable to export finished batteries that incorporate these materials to us. Constrained supply of battery materials may restrict our ability to manufacture certain of our products and make it difficult or impossible to compete with other battery companies who are able to obtain sufficient quantities of materials from China or other countries. If China were to restrict or stop exporting key materials and / or finished batteries, we may not be able to fulfill customers' orders or we may incur losses when trying to meet our obligations, which may result in our customers seeking alternative batteries, and in turn, we could lose customers and face reputational harm and penalties. Any regulatory changes and changes in United States and China relations, or changes in relations with the United States and any other country where we may source battery materials or batteries in the future, may have a material adverse effect on our partners in China and other such countries which could adversely affect our business, financial condition, results of operations and prospects.

From time to time, we may be involved in legal proceedings and commercial or contractual disputes, which could have an adverse impact on our profitability and financial position. We may be involved in legal proceedings and commercial or contractual disputes that, from time to time, are significant. These are typically claims that arise in the normal course of business including, without limitation, commercial or contractual disputes, including warranty claims and other disputes with potential customers and suppliers, intellectual property matters, personal injury claims, environmental issues, tax matters and employment matters. Furthermore, our predecessor, Kensington Capital Acquisition Corp. IV, was a special purpose acquisition company ("SPAC"). SPACs have been subject to increased regulatory oversight and scrutiny, including from the SEC. Any governmental or regulatory investigation or inquiry related to the Business Combination or otherwise could have a material adverse effect on our business and negatively affect our reputation. It is difficult to predict the outcome or ultimate financial exposure, if any, represented by these matters, and there can be no assurance that any such exposure will not be material. Such claims may also negatively affect our reputation.

**Risks Related to Ownership of Our Common Stock** There can be no assurance that we will be able to comply with the continued listing standards of the NYSE. Our common stock and public warrants are listed on the NYSE under the symbols "AMPX" and "AMPX.W," respectively. If the NYSE delists our securities from trading on its exchange for failure to meet the listing standards and we are not able to list such securities on another national securities exchange, we expect such securities could be quoted on an over-the-counter market. If this were to occur, we and our stockholders could face significant material adverse consequences including:

- a limited availability of market quotations for our securities;
- reduced liquidity for our securities;
- a determination that our common stock is a "penny stock," which will require brokers trading our common stock to adhere to more stringent rules, possibly resulting in a reduced level of trading activity in the secondary trading market for shares of our common stock;
- a limited amount of analyst coverage; and
- a decreased ability to issue additional securities or obtain additional financing in the future.

Anti-takeover provisions in our certificate of incorporation, ~~Bylaws~~ **bylaws** and Delaware law could make an acquisition of us more difficult, limit attempts by stockholders to replace or remove our management and limit the market price of our common stock. Our certificate of incorporation (the "Certificate of Incorporation"), **amended and restated bylaws (the "Bylaws")** and Delaware law contain provisions that could have the effect of rendering more difficult, delaying or preventing an acquisition deemed undesirable by our ~~Board~~ **board of directors**. These provisions include:

- authorizing "blank check" preferred stock, which could be issued by our ~~Board~~ **board of directors** without stockholder approval and may contain voting, liquidation, dividend and other rights superior to our common stock;
- limiting the liability of, and providing indemnification to, our directors and officers;
- prohibiting cumulative voting in the election of directors;
- providing that vacancies on our ~~Board~~ **board of directors** may be filled only by majority of directors then in office of the ~~Board~~ **board of directors**, even though less than a quorum;
- prohibiting the ability of our stockholders to call special meetings;
- establishing an advance notice procedure for stockholder proposals to be brought before an annual meeting, including proposed nominations of persons for election to the ~~Board~~ **board of directors**;
- dividing directorships of our ~~Board~~ **board of directors** into three classes, each to be elected for a term of three years, so that only one class of directorships is up for election at each annual meeting of the stockholders; and
- specifying that special meetings of our stockholders can be called only by a majority of the ~~Board~~ **board of directors**, the chair of the ~~Board~~ **board of directors**, or our Chief Executive Officer.

These provisions may frustrate or prevent any attempts by stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our ~~Board~~ **board of directors**, which is responsible for appointing the members of our management. In addition, because we are incorporated in Delaware, it is governed by the provisions of Section 203 of the **Delaware General Corporation Law (DGCL)**, which generally prohibits a Delaware corporation from engaging in any of a broad range of business combinations with any "interested" stockholder for a period of three years following the date on which the stockholder became an "interested" stockholder. Our Bylaws provide, subject to limited exceptions, that the Court of Chancery of the State of Delaware and the federal district courts of the United States will be the sole and exclusive forum for certain stockholder litigation matters, which could limit our stockholders' ability to obtain a chosen judicial forum for disputes with us or our directors, officers, employees or stockholders. Our Bylaws provide that, unless otherwise consented to by us in writing, the Court of Chancery of the State of Delaware (or, if the Court of Chancery does not have jurisdiction, another State court in Delaware or the federal district court for the District of Delaware) shall, to the fullest extent permitted by law, be the sole and exclusive forum for the following types of actions or proceedings: (i) any derivative action or proceeding brought on behalf of us; (ii) any action asserting a claim of breach of a fiduciary duty owed by, or otherwise wrongdoing by, any of our directors, officers, or other employees to us or our stockholders; (iii) any action arising

pursuant to any provision of the DGCL or our Certificate of Incorporation or our Bylaws; (iv) any action to interpret, apply, enforce or determine the validity of our Certificate of Incorporation or our Bylaws; or (v) any other action asserting a claim that is governed by the internal affairs doctrine, in all cases subject to the court having jurisdiction over indispensable parties named as defendants. This provision would not apply to suits brought to enforce a duty or liability created by the Exchange Act or any other claim for which the U. S. federal courts have exclusive jurisdiction. The Bylaws further provide that, unless otherwise consented to by us in writing, the federal district courts of the United States will be the sole and exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. Any person or entity purchasing or otherwise acquiring any interest in our securities shall be deemed to have notice of and consented to this provision. This choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum of its choosing for disputes with us or any of our directors, officers, other employees or stockholders, which may discourage lawsuits with respect to such claims. There is uncertainty as to whether a court would enforce such provisions, and the enforceability of similar choice of forum provisions in other companies' charter documents has been challenged in legal proceedings. It is possible that a court could find these types of provisions to be inapplicable or unenforceable, and if a court were to find the choice of forum provision contained in the Bylaws to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our business, operating results and financial condition. Concentration of ownership among our executive officers, directors and affiliates may prevent new investors from influencing significant corporate decisions. As of December 31, ~~2022~~ **2023**, our executive officers and directors as a group beneficially own approximately ~~15.13~~ **5.0** % of the common stock outstanding. Additionally, certain of our executive officers and directors own interests in Amprius Holdings, which owns approximately ~~77.73~~ **4** % of our common stock outstanding **as of December 31, 2023**, and certain of our directors are members of Amprius Holdings' board of directors. As a result, these stockholders are able to exercise a significant level of control over all matters requiring stockholder approval, including the election of directors, any amendment of the Certificate of Incorporation and approval of significant corporate transactions. This control could have the effect of delaying or preventing a change of control or changes in our management and will make the approval of certain transactions difficult or impossible without the support of these stockholders and of their votes. We will incur significant increased expenses and administrative burdens as a public company, which could have an adverse effect on our business, financial condition and results of operations. As a public company, we face increased legal, accounting, insurance, administrative and other costs and expenses that Legacy Amprius did not face as a private company. The Sarbanes- Oxley Act of 2002 (the " Sarbanes- Oxley Act "), including the requirements of Section 404, as well as rules and regulations subsequently implemented by the SEC, the Dodd- Frank Wall Street Reform and Consumer Protection Act of 2010 and the rules and regulations promulgated and to be promulgated thereunder, the **PCAOB- Public Company Accounting Oversight Board** and the securities exchanges, impose additional reporting and other obligations on public companies. The development and implementation of the standards and controls necessary for us to achieve the level of accounting standards required of a public company in the United States may require costs greater than expected. It is likely that we will expand our employee base and hire additional employees to support our operations as a public company, which will increase our operating costs in future periods. Compliance with public company requirements has increased costs and made certain activities more time- consuming. A number of these requirements require us to carry out activities Legacy Amprius had not done previously. For example, our ~~Board~~ **board of directors** has committees that did not exist on the Legacy Amprius board of directors, and we have adopted new internal controls and disclosure controls and procedures. In addition, we are incurring expenses associated with SEC reporting requirements. Furthermore, if any issues in complying with those requirements are identified (for example, if the auditors identify a material weakness or significant deficiency in the internal control over financial reporting), we could incur additional costs rectifying those issues, and the existence of those issues could adversely affect our reputation or investor perceptions of us. As a public company, it is also more expensive to obtain director and officer liability insurance. The additional reporting and other obligations imposed by these rules and regulations have and will continue to increase legal and financial compliance costs and the costs of related legal, accounting and administrative activities. These increased costs will require us to spend money that could otherwise be used on our research and development programs and to achieve strategic objectives. Advocacy efforts by stockholders and third parties may also prompt additional changes in governance and reporting requirements, which could further increase costs. We do not expect to declare any dividends in the foreseeable future. We do not anticipate declaring any cash dividends to holders of our common stock in the foreseeable future. Consequently, investors may need to rely on sales of their shares after price appreciation, which may never occur, as the only way to realize any future gains on their investment. If securities or industry analysts do not publish or cease publishing research or reports about us, our business, or our market, or if they change their recommendations regarding our securities adversely, the price and trading volume of our securities could decline. The trading market for our securities will be influenced by the research and reports that industry or securities analysts may publish about us, our business, market or competitors. If any of the analysts who may cover us change their recommendation regarding our common stock adversely, or provide more favorable relative recommendations about our competitors, the price of our common stock and warrants would likely decline. If any analyst who may cover us were to cease coverage of us or fail to regularly publish reports on us, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline. We qualify as an " emerging growth company " and a " smaller reporting company " within the meaning of the Securities Act, and if we take advantage of certain exemptions from disclosure requirements available to emerging growth companies or smaller reporting companies, this could make our securities less attractive to investors and may make it more difficult to compare our performance with other public companies. We qualify as an " emerging growth company " as defined in Section 2 (a) (19) of the Securities Act, as modified by the **JOBS- Jumpstart Our Business Startups Act (the " Jobs Act ")**. As such, we are eligible for and intend to take advantage of certain exemptions from various reporting requirements applicable to other public companies that are not emerging growth companies for as long as



we continue to be an emerging growth company, including (i) the exemption from the auditor attestation requirements with respect to internal control over financial reporting under Section 404 (b) of the Sarbanes- Oxley Act, (ii) the exemptions from say- on- pay, say- on- frequency and say- on- golden parachute voting requirements and (iii) reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements. As a result, our stockholders may not have access to certain information they may deem important. We will remain an emerging growth company until the earliest of (i) the last day of the fiscal year in which the market value of our common stock that are held by non- affiliates exceeds \$ 700 million as of June 30 of that fiscal year, (ii) the last day of the fiscal year in which we have total annual gross revenue of \$ 1. 235 billion or more during such fiscal year (as indexed for inflation), (iii) the date on which we have issued more than \$ 1 billion in non- convertible debt in the prior three- year period or (iv) December 31, 2027. In addition, Section 107 of the JOBS Act also provides that an emerging growth company can take advantage of the exemption from complying with new or revised accounting standards provided in Section 7 (a) (2) (B) of the Securities Act as long as we are an emerging growth company. An emerging growth company can therefore delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected not to opt out of such extended transition period and, therefore, we may not be subject to the same new or revised accounting standards as other public companies that are not emerging growth companies. Investors may find our common stock less attractive because we rely on these exemptions, which may result in a less active trading market for our common stock and its price may be more volatile. Additionally, we qualify as a “ smaller reporting company ” as defined in Item 10 (f) (1) of Regulation S- K. Smaller reporting companies may take advantage of certain reduced disclosure obligations, including, among other things, providing only two years of audited financial statements. We expect to remain a smaller reporting company until the last day of the fiscal year in which (i) the market value of our common stock held by non- affiliates exceeds \$ 250, 000, 000 as of the prior June 30, or (ii) our annual revenues exceeded \$ 100, 000, 000 during such completed fiscal year and the market value of our common stock held by non- affiliates exceeds \$ 700, 000, 000 as of the prior June 30. To the extent we take advantage of such reduced disclosure obligations, comparison of our financial statements with other public companies may be difficult or impossible. Sales of a substantial number of shares of our securities in the public market could occur at any time. For example, we have certain registration right obligations with respect to ~~105-100, 680-828, 194-672~~ shares of our common stock constituting approximately ~~96-88.46~~ % of our issued and outstanding ~~Common common Stock stock~~ as of December 31, ~~2022-2023~~ (assuming the exercise in full of all of the warrants registered thereunder), as well as the shares underlying the remainder of our public warrants. These sales, any future sales of a substantial number of shares of our securities in the public market or the perception in the market that the holders of a large number of shares intend to sell shares, could reduce the market price of our securities. Despite such a decline in the public trading price, certain securityholders may still experience a positive rate of return on the securities they purchased due to the lower price that they purchased their shares compared to other public investors and be incentivized to sell securities when others are not. Additionally, we have filed a registration statement to register shares ~~served-reserved~~ for future issuance under our equity compensation plans and the ~~14,216,131~~ shares issuable upon exercise of the options outstanding under the **Amprius Technologies, Inc. 2016 Equity Incentive Plan , which were an aggregate of 13, 636, 700 shares of common stock as of December 31, 2023**. Subject to applicable securities laws ~~and~~ the satisfaction of any vesting ~~restrictions- restriction~~ and the ~~expiration or waiver of the lock- up restrictions contained in our bylaws~~, the shares issued thereunder will be available for immediate resale in the public market. Further, we have filed a **prospectus supplement relating to our offering and resale- sale** registration statement covering the resale by BRPC II **of up to \$ 100. 0 million** of shares of our common stock ~~under that we may issue to BRPC II from time to time during the Sales term of the Purchase Agreement~~. The purchase price for the shares that we may sell to BRPC II in the **Committed Equity- Sales Agents in the At Market** Financing will fluctuate based on the price of our common stock. Depending on market liquidity at the time, sales of such shares may cause the trading price of our common stock to fall. If and when we do sell shares to **BRPC II the Sales Agents**, **they may resell after BRPC II has acquired the shares subject to, BRPC II may resell all, some, or none of those- the terms and conditions of the Sales Agreement** ~~shares at any time or from time to time in its discretion~~. Therefore, sales to **BRPC II the Sales Agents made** by us could result in substantial dilution to the interests of other holders of our common stock. Additionally, the sale of a substantial number of shares of our common stock to **BRPC II the Sales Agents**, or the anticipation of such sales, could make it more difficult for us to sell equity or equity- related securities in the future at a time and at a price that we might otherwise wish to effect sales ~~. As of December 31, 2022, approximately 89. 1 % of our outstanding shares of common stock are subject to lock- up restrictions. Sales of our common stock following the expiration of these lock- up restrictions or pursuant to the exercise of registration rights may make it more difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate. These sales could also cause the market price of our common stock to decline if such equity holders sell or are perceived by the market as intending to sell any such securities, and make it more difficult for you to sell your shares of common stock at a time and price that you deem appropriate~~. We may issue additional shares of common stock under an employee incentive plan (including the 2022 Equity Incentive Plan and the Employee Stock Purchase Plan), or may issue preferred stock. Any such issuances would dilute the interest of our stockholders and likely present other risks. We may issue a substantial number of additional shares of common stock under our employee incentive plan (including the 2022 Equity Incentive Plan ~~(the " 2022 Plan" )~~ and the Employee Stock Purchase Plan ~~(the " ESPP" )~~) or we may issue preferred stock. The issuance of additional securities: • may significantly dilute the equity interests of our investors; • may subordinate the rights of our stockholders if preferred stock is issued with rights senior to those afforded our common stock; • could cause a change in control if a substantial number of securities are issued, which may affect, among other things, our ability to use our net operating loss carry forwards, if any, and could result in the resignation or removal of our present officers and directors; and • may adversely affect prevailing market prices for our common stock and / or warrants. Risks Related to Our Warrants The likelihood that warrant holders will exercise the warrants and any cash proceeds that we would receive is dependent upon the market price of our common stock. If the

market price for our common stock is less than \$ 11. 50 per share, in the case of our private warrants and public warrants, or \$ 12. 50 per share, in the case of our **warrants issued as part of units in a private placement (the “PIPE warrants”)**, we believe warrant holders will be unlikely to exercise their warrants. There is no guarantee that the warrants will be in the money following the time they become exercisable and prior to their expiration, and as such, the warrants may expire worthless. We may redeem unexpired public warrants prior to their exercise at a time that is disadvantageous to the warrant holders, thereby making the public warrants worthless. We have the ability to redeem outstanding public warrants or PIPE warrants at any time after they become exercisable and prior to their expiration, at a price of \$ 0. 01 per warrant, provided that the last reported sales price of our common stock equals or exceeds \$ 18. 00 per share (as may be adjusted), in the case of the public warrants, or \$ 20. 00 per share (as may be adjusted), in the case of the PIPE warrants, for any 20 trading days within a 30- trading day period ending on the third trading day prior to the date on which we send the notice of redemption to public warrant or PIPE warrant holders and provided certain other conditions are met. If and when the public warrants or PIPE warrants become redeemable by us, we may exercise our redemption right even if we are unable to register or qualify the underlying securities for sale under all applicable state securities laws. As a result, we may redeem the public warrants or PIPE warrants as set forth above even if the holders are otherwise unable to exercise the public warrants or PIPE warrants. Redemption of the outstanding public warrants or PIPE warrants could force holders (i) to exercise public warrants or PIPE warrants and pay the exercise price therefor at a time when it may be disadvantageous, (ii) to sell public warrants or PIPE warrants at the then- current market price when holders might otherwise wish to hold public warrants or PIPE warrants or (iii) to accept the nominal redemption price that, at the time the outstanding public warrants or PIPE warrants are called for redemption, may be substantially less than the market value of the public warrants or PIPE warrants. We may amend the terms of the warrants in a manner that may be adverse to holders of warrants with the approval by the holders of at least 50 % of the then outstanding warrants. As a result, the exercise price of warrants could be increased, the exercise period could be shortened and the number of shares of common stock purchasable upon exercise of a warrant could be decreased, all without warrant holder approval. The public warrants and private warrants were issued in registered form under the respective warrant agreements. The Warrant Agreement, dated as of March 1, 2022 (the “Warrant Agreement”), by and among us and Continental Stock Transfer & Trust Company, provides that the terms of the public warrants and private warrants may be amended without the consent of any holder to cure any ambiguity or correct any defective provision but requires the approval by the holders of at least 50 % of the then outstanding public warrants to make any change that adversely affects the interests of the registered holders of public warrants and, solely with respect to any amendment to the terms of the private warrants or any provision of the Warrant Agreement with respect to the private warrants, 50 % of the number of the then outstanding private warrants. The Warrant Agreement, dated as of September 14, 2022 (~~the “PIPE Warrant Agreement”~~), by and among us and Continental Stock Transfer & Trust Company, provides that the terms of the PIPE warrants may be amended without the consent of any holder to cure any ambiguity or correct any defective provision but requires the approval by the holders of at least 50 % of the then outstanding PIPE warrants to make any change that adversely affects the interests of the registered holders of PIPE warrants. Accordingly, we may amend the terms of the warrants in a manner adverse to a holder if holders of at least 50 % of such then- outstanding warrants approve of such amendment. Although our ability to amend the terms of the warrants with the consent of at least 50 % of such then- outstanding warrants is unlimited, examples of such amendments could be amendments to, among other things, increase the exercise price of the warrants, convert the warrants into cash or shares, shorten the exercise period or decrease the number of shares of common stock issuable upon exercise of a warrant. The warrants are exercisable for common stock, which would increase the number of shares eligible for future resale in the public market and result in dilution to our stockholders. As of December 31, ~~2022~~ **2023**, outstanding warrants to purchase an aggregate of 47, 720, ~~836~~ **736** shares of common stock are exercisable in accordance with the terms of the warrant agreement governing those securities. The exercise price of the private warrants and public warrants is \$ 11. 50 per share, and the exercise price of the PIPE warrants is \$ 12. 50 per share. To the extent the warrants are exercised, additional shares of common stock will be issued, which will result in dilution to the holders of common stock and increase the number of shares eligible for resale in the public market. Shares of common stock issuable pursuant to the warrants are not subject to lock- up restrictions. As such, once the warrants are exercised, the holder of such shares issuable upon the exercise of the warrants will be able to resell the shares to the market, subject to other applicable laws. Sales of substantial numbers of such shares in the public market or the fact that such warrants may be exercised could adversely affect the market price of our common stock. Further, there is no guarantee that the warrants will ever be in the money prior to their expiration, and as such, such warrants may expire worthless.