

## Risk Factors Comparison 2025-02-28 to 2024-02-28 Form: 10-K

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Our business is subject to numerous risks and uncertainties that you should be aware of in evaluating our business. If any such risks and uncertainties materialize, our business, prospects, results of operations, and financial condition could be materially and adversely affected. The risks described below are not the only risks that we face. Additional risks and uncertainties not currently known to us, or that we currently deem to be immaterial, could also have a material adverse effect on our business, prospects, results of operations, and financial condition. The summary risk factors described below should be read together with the text of the risk factors set forth immediately after the summary risk factors, and both the summary and text of the risk factors should be read together with the other information set forth in this Report, including our consolidated financial statements and the related notes, as well as in other documents that we file with the SEC. Summary of the Material Risks Associated with Our Business

These risks include, but are not limited to, the following:

- **The pace of battery technology development is not predictable. Delays or failures in accomplishing development objectives may postpone or prevent us from generating revenues from the sale of electrolyte or licensing of our cell technology.** ~~Expectations~~ ~~Expectations~~ for when we will achieve various technical and production- level performance objectives depend in large part upon assumptions, estimates, measurements, testing, analyses, and data developed and performed by us, which may be incorrect or flawed.
- **We may not successfully** ~~It will be challenging to develop solid- state battery cells capable of production at volume and with acceptable performance, yields and costs. The pace of development in materials science is often not predictable. Delays or failures in accomplishing particular development objectives may postpone or prevent us from generating revenues from the licensing of our cell technology or sales of our electrolyte.~~ **Solid Power, Inc. | 2023 Form 10- K | 14** • We may not succeed in developing our electrolyte for commercialization or ~~attracting~~ **attract** customers. There is currently no commercial market for sulfide- based **solid** electrolytes and one may never emerge. Even if sulfide- based **solid** electrolytes are commercially adopted, we may not be able to effectively compete in any market. **Solid Power, Inc. | 2024 Form 10- K | 12** • ~~If our cells or~~ **It will be challenging to develop sulfide- based solid electrolyte fail to capable of production at volume and with acceptable perform- performance as expected- , yields, and costs.** • **We have not reached agreement with our partners on economic terms for the commercial sale of electrolyte our- or ability to licensing of our cell technology. As a result, our projections of revenue and other financial results are uncertain.** • **We may not successfully complete develop- development of our cell designs , commercially market, and license our cell technology could be harmed to OEMs or cell manufacturers, or generate material revenue from our cell technology .** • We have only conducted preliminary safety testing on our cells. ~~Our~~ **Any cells using our technology** will require additional and extensive safety testing prior to being installed in EVs . • **If we are unable to attract and retain key employees and qualified personnel, our ability to compete could be harmed.** • **The non- exclusive nature of our agreements exposes us to the risk that our partners may elect to pursue other battery cell technologies or partners .** • We are seeking additional partners with which to collaborate in the development of our technology. Our inability to enter into development relationships with additional partners may impair our ability to control the timing of our development activities, **sell our electrolyte, or** generate licensing revenue , ~~or sell our electrolyte.~~ • ~~If we~~ **fail to do not succeed in developing** ~~develop~~ **develop** solid- state battery cells for commercialization or ~~meeting~~ **meet** certain milestones under certain of our agreements within the required time frames, our partners may terminate the agreements . • ~~The non- exclusive nature of our agreements exposes us to the risk that our partners may elect to pursue other battery cell technologies.~~ • Our business depends on our ability to manage our relationships with existing and future partners, customers, suppliers, and contractors, and we may not **successfully manage** ~~succeed in managing~~ these business relationships . • ~~We have not reached any commercial agreement with our partners on economic terms for the licensing of cell technology or sale of electrolyte. As a result, our projections of revenue and other financial results are uncertain.~~ • The terms of certain agreements permit our partners to share in the intellectual property developed through the research and development efforts under their respective agreements. In certain circumstances, our ability to share developments gained through the course of performance of a particular agreement with our other partners may be limited, and our partners may be able to exploit certain of the intellectual property developed under their respective agreements in ways that are detrimental to us. • ~~If we are unable to attract and retain key employees and qualified personnel, our ability to compete could be harmed.~~ • The battery ~~cell~~ market continues to evolve and is highly competitive, and we may not be successful in competing in this market or establishing and maintaining confidence in our long- term prospects among current and future partners and customers. • We may not be able to accurately estimate future demand for our technology, which could result in a variety of inefficiencies in our business, hinder our ability to generate revenue, and cause us to incur additional costs or experience delays. • We rely heavily on owned and exclusively- licensed intellectual property, including patent rights, trade secrets, copyrights, trademarks, and know- how, and we may be unable to protect and maintain access to these intellectual property rights. • We have not performed exhaustive searches or analyses of the intellectual property landscape of the battery industry and cannot guarantee that our technology, or its ultimate integration into EVs, does not infringe intellectual property rights of third parties. We may need to defend ourselves against intellectual property infringement claims, which may be time- consuming and cause us to incur substantial costs. • Our business plan has yet to be tested, and we may not succeed in executing on our strategic plans, including commercialization. • We are a research and development stage company with a history of financial losses and expect to incur significant expenses and continuing losses for the foreseeable future. ~~Solid Power, Inc. | 2023~~ **2024** Form 10- K | ~~15~~ **13** • We may require additional capital to support business growth, and this capital might not be available on commercially reasonable terms or at all. • **We may be unable to adequately control the costs**

associated with our operations and the components necessary to develop our technology. • If we fail to effectively manage our future growth, we may not be able to market and license the technology and know-how to sell our electrolyte or manufacture our cells or sell our electrolyte. • Our Incorrect estimates or assumptions by management team in the preparation of our consolidated financial statements could adversely impact our reported assets, liabilities, income, revenue, or expenses. • We incur significant expenses and administrative burdens as a limited experience in operating a public company. • Our business could also be adversely impacted if we have deficiencies in our disclosure controls and procedures or internal control over financial reporting as required by SOX. • We incur significant expenses have been, and may in the administrative burdens as a public company. • Future litigation be, subject to lawsuits, regulatory actions, or government investigations and inquiries may which could lead us to incur significant costs or harm our reputation. • The price of our common stock and Warrants could be adversely impacted by sales of substantial amounts of our common stock or Warrants in the public market or the perception that such sales could occur. Risks Related to Development and Commercialization

**Our Commercialization**  
**The pace of battery technology development is not predictable. Delays or failures in accomplishing development objectives may postpone or prevent us from generating revenues from the sale of electrolyte or licensing of our cell technology.** Expectations for when we will achieve various technical and production-level performance objectives depend in large part upon assumptions, estimates, measurements, testing, analyses, and data developed and performed by us, which may be incorrect or flawed. Our expectations for when we will achieve various technical and production objectives reflect our current expectations and estimates. Whether and when we achieve these objectives depend on a number of factors, many of which are outside our control, such as: • the success and timing of our development activities, including our ability to develop electrolyte and cells-cell technologies with our desired qualities and performance metrics and achieve the requisite automotive industry validations; • our success in securing additional development partnerships and the pace of our efforts with each of them; • the extent of consumer acceptance of EVs generally and those deploying our products in particular; • competition, including from established and future competitors in the battery industry or from competing technologies that may be used to power EVs as well as increased competition from China; • unanticipated technical or manufacturing challenges or delays; • difficulties identifying or constructing the necessary manufacturing facilities; • other technological developments that could adversely impact the commercial potential of our technology; • the extent of consumer acceptance of EVs generally and those deploying our products in particular; • competition, including from established and future competitors in the battery industry or from competing technologies that may be used to power EVs; • whether we can obtain sufficient capital when required to build our manufacturing facilities and sustain and grow our business; • adverse developments in our partnership relationships, including termination of our partnerships or changes in our partners' timetables and business plans; • our ability to manage our growth; Solid Power, Inc. | 2023-2024 Form 10-K | 16-14 • our ability to manage our relationships with key suppliers and the availability of the raw materials we need to procure from them; • our ability to retain existing key management, integrate recent new hires, and attract, retain, and motivate qualified personnel; and • the overall strength and stability of domestic and international economies. Unfavorable changes in any of these or other factors beyond our control have impeded, and could continue to impede, our ability to achieve our objectives when planned. We may continue to experience unfavorable changes in factors beyond our control, and such unfavorable changes could have a material adverse effect on our business, prospects, results of operations, and financial condition. Additionally, we cannot predict market reaction or the impact on the price of our common stock and Warrants as we make announcements regarding our achievement, or failure to achieve, our objectives and publicly-disclosed milestones. Negative market reactions could result in volatility in the price of our common stock and Warrants. ~~If~~ We may not successfully develop our electrolyte for commercialization or attract customers. There is currently no commercial market for sulfide-based solid electrolytes and one may never emerge. Even if sulfide-based solid electrolytes are commercially adopted, we may not be able to effectively compete in any market. Our business plan contemplates that we will be challenging sell our electrolyte to Tier 1 battery cell production manufacturers and OEMs. We However, our electrolyte is in the development stage, and we anticipate that our research and development efforts will extend in an iterative process even beyond delivery of our cells to OEMs for validation or electrolyte to customers wishing to incorporate the material into their products. The continuous need to refine and optimize our products will require us to continue to perform extensive and costly research and development efforts. For example, through validation efforts, we have learned, and may continue to learn, from these validation efforts that our cells contain defects or errors that cause the cells not to perform as expected or our electrolyte contains impurities or otherwise does not meet the quality or performance requirements of our customers. Fixing any such problems may require design changes or other research and development efforts, take significant time, and be costly. We cannot guarantee that If our electrolyte fails to perform as expected, we could fail will be able to attract detect and fix any defects or errors lose customers of our electrolyte. Even if we successfully develop our electrolyte for commercialization, there is no established market for sulfide-based solid electrolyte. Our ability to sell our electrolyte to customers will depend on our or their success in developing battery cells which outperform those of traditional lithium-ion batteries. If battery manufacturers do not adopt sulfide-based cell architectures or if markets for sulfide-based solid electrolytes and solid-state battery cells do not develop in the time or to the level we anticipate, we may not be able to find customers to buy our electrolyte. Further Even if sulfide-based electrolytes are commercially adopted, we may have to compete with established companies that may be better capitalized or have more experience, superior products, or stronger relationships with their suppliers and customers. Potential customers may be wary of unproven products or not be inclined to work with less established businesses, and large organizations, including many OEMs, may have significant purchasing power and leverage in negotiating contractual arrangements with us. In addition, large organizations often have lengthy sales cycles, which may increase the risk that we spend substantial time and resources on a customer that ultimately elects not to purchase our products. If we are unable to successfully sell commercial volumes of

electrolyte, we may be unable to achieve our financial projections, we may not recoup the costs associated with scaling our production of our electrolyte, and our reputation and prospects may be adversely impacted, any one of which could have a material adverse effect on our business, prospects, results of operations, and financial condition. It will be challenging to develop sulfide-based solid electrolyte capable of production at volume and with acceptable performance, yields, and costs. The pace of development in materials science is often not predictable. Delays or failures in accomplishing particular development objectives may postpone or prevent us from generating revenues from the licensing of our cell technology or sales of our electrolyte. Our business depends on our ability to develop produce sulfide-based solid electrolyte at volume and with acceptable performance, yields, and costs. Developing the technology and know-how to produce electrolyte with acceptable performance at scale and cost is extremely challenging. We face significant obstacles to reaching commercial levels of electrolyte production, including: • developing electrolyte that meets the quality and performance requirements of our customers; • understanding optimization requirements for high volume manufacturing equipment; • increasing production capacity through development of a continuous manufacturing process and construction of facilities capable of producing electrolyte on the commercial scale; • securing materials, components, and equipment necessary for commercial production; and Solid Power, Inc. | 2024 Form 10-K | 15 • reducing cost of production. If we are unable to overcome these challenges, we may not achieve commercial levels of electrolyte production. Significant delays in achieving, or failure to achieve, commercial production of our electrolyte could have a material adverse effect on our business, prospects, results of operations, and financial condition. We have not reached agreement with our partners on economic terms for the commercial sale of electrolyte or licensing of our cell technology. As a result, our projections of revenue and other financial results are uncertain. Our agreements provide a framework for our cooperation with our partners, and certain of these agreements contemplate that we will enter into additional arrangements with our partners for the commercial sale of electrolyte or licensing of our cell technology. For example, under the electrolyte supply agreement, we and SK On have agreed, at SK On's option, to make a commercially reasonable effort to enter into a commercial electrolyte supply agreement for commercial battery cell production by SK On. However, we have not reached agreement on key terms for the commercial sale of our electrolyte or licensing of our cell technology with any of our partners, and the structure for realizing the monetary value of our products is unknown. We cannot guarantee that we will be able to agree with our partners on key commercial terms or that any terms will be financially beneficial for us. We may not successfully complete development of our cell designs, commercially license our cell technology to OEMs or cell manufacturers, or generate material revenue from our cell technology. Our cell architecture is inherently complex and incorporates technology and components that have not been used in commercial battery cell production. As with our electrolyte, we expect our research and development efforts to extend in an iterative process even beyond delivery of cells using our technology to OEMs for validation in order to refine and optimize our cell technology. For example, we have learned, and may continue to learn, from validation efforts that our cells contain defects or errors that cause the cells not to outperform --- perform as expected. Fixing any such problems may require design changes or the other lithium-ion batteries currently prevalent in EVs research and development efforts, take significant time, and be costly. Any failure of cells using our technology to perform as expected could harm our ability to commercially license our cell technology as well as sell our electrolyte. We expect to need several additional years of research and development and automotive qualification efforts before our cells using our technology will be advanced enough for us to realize material revenue from licensing agreements for our cell technology or reach commercial levels of sales of our electrolyte materials. Developing the technology and know-how to produce cells at scale and cost, and which meet the performance requirements for wide adoption by OEMs, is extremely challenging. We or our customers must overcome significant hurdles to complete development, validation, and automotive qualification of our cells using prior to being able to license or sell our technology, to any customers. Some of the development hurdles that we need to overcome before licensing or selling our solid-state battery cell technology to customers include including: • meeting the rigorous and challenging specifications required by our customers and ultimately OEMs and battery manufacturers, such as battery life, energy density, abuse and safety testing, charge rate, cycle life, stack pressure, and operating temperature; • increasing the volume, yield, reliability, and uniformity of our cells and cell components; • increasing the size and number of layers of our cells; • developing manufacturing techniques to produce the volume of cells needed for customer applications; • understanding optimization requirements for high volume manufacturing equipment; • designing and engineering packaging to ensure adequate cycle life (i. e., the number of charge and discharge cycle that a battery cell can sustain until its capacity falls below 80 % of the original capacity); and • reducing cost of production. We have encountered, and expect to continue to encounter, engineering challenges and delays as we increase the dimensions and throughput of our cells and cell components. In order to be commercially viable, our cells using our technology will need to be capable of being produced at a high yield without compromising performance, and we or our customers will have to solve related packaging challenges in a way that is scalable and at an acceptable cost. If we or our customers are not able unable to overcome these engineering and mechanical hurdles, we may not succeed in commercially licensing our cell technology. Solid Power, Inc. | 2024 Form 10-K | 16 To generate material revenue from or our selling our electrolyte cell technology, we will also need to identify customers willing to license our cell technology and enter into commercial license agreements. If we fail to bring our cell technology to market on a timely basis, products and technologies developed by others could render our cell technology obsolete or noncompetitive. Even if we complete development and succeed in entering into commercial license agreements, we may not start to generate revenues from such agreements until our customers have retrofitted or constructed and deployed facilities to build our cell designs at scale and we have constructed facilities to produce commercial volumes of our electrolyte. Any delay in development, automotive qualification, manufacturing scale-up, or construction of commercial electrolyte production facilities would delay our time to generate Solid Power, Inc. | 2023 Form 10-K | 17 material --- material revenue and may adversely impact our end-user relationships, including OEMs. Significant

delays in providing **commercial** licenses to our technology or selling our electrolyte could have a..... product recalls, any one of which could have a material adverse effect on our business, prospects, results of operations, and financial condition. We have only conducted preliminary safety testing on our cells. Our **Any** cells **using our technology** will require additional and extensive safety testing prior to being installed in EVs. To achieve acceptance by OEMs and be installed in commercially available EVs, **our any** cells **using our technology** will have to undergo extensive safety testing in addition to the preliminary safety testing we have conducted. We cannot guarantee that such tests will be successful. We have identified, and may continue to identify, different or new safety performance issues during our cell development that have not been present previously. For example, during late 2023 and early 2024, a few EV cells we produced went into thermal runaway during testing. We **have are** **actively working to identify** **identified** the root cause for these performance issues **and are actively working to improve safety performance**, but we cannot guarantee that we will successfully mitigate the problem. We have made, and will continue to make, cell design and manufacturing process changes to **Solid Power, Inc. | 2023 Form 10-K | 18** **address** **address** performance issues, which may lead to delays to or suspension of research and development projects or commercialization and in turn **a material adverse effect on our business, prospects, results of operations, and financial condition**. The non- exclusive nature of our agreements exposes us to the risk that our partners may elect to pursue other battery cell technologies or **partners**. Our **OEM** partners are motivated to develop and commercialize improved battery cell technologies. To that end, our partners have invested, and are likely to continue to invest in the future, in their own development efforts and, in certain cases, in agreements with our current and future competitors. If other technologies are developed more rapidly or are more efficient or effective than ours, our partners may elect to adopt and install a competitor's cell technology or products over ours, which could **have a material adverse effect on our business, prospects, results of operations, and financial condition**. We are seeking additional partners with which to collaborate in the development of our technology. Our inability to enter into development relationships with additional partners may impair our ability to control the timing of our development activities, **sell our electrolyte, or** generate licensing revenue, **or sell our electrolyte**. We have entered into agreements with **three key partners**, BMW, Ford, and SK On. We are actively seeking additional partnerships with other OEMs or **top tier** **Tier 1** battery manufacturers in an effort to diversify our development risk. However, the relationships we have with our **Solid Power, Inc. | 2024 Form 10-K | 17** **existing** **existing** partners and our partners' rights under their respective agreements may deter other OEMs and battery manufacturers from working with us. If we are not successful in establishing partnerships with other OEMs or battery manufacturers, we will remain highly dependent upon our existing **three** **partners**. Because we generally cannot control the pace or extent of our partners' collaborative efforts with us, the **pace** **pace** of our efforts generally must align with that of each partner. **Further, our partners' interests and priorities may not align with our own**. As a result, a failure to diversify may prevent us from controlling the timing at which our technology matures to commercialization and harm our prospects. If we **fail to do not** **succeed in developing** **develop** solid- state battery cells for commercialization or **meeting** **meet** certain milestones under certain of our agreements within the required time frames, our partners may terminate the agreements. We have entered into non- exclusive agreements, including with BMW, Ford, and SK On, to collaborate on the research and development of our cells. The terms of some of these agreements generally require us to continue our research and development of solid- state battery cells and component materials such that our products are capable of being deployed in EVs within the next few years. **We Although we have extended some of these agreements, our products remain in the development stage, and we** cannot guarantee that we will be able to complete research and development in the time frame required by these agreements. If we do not meet these milestones **or agree with our partners to extend or modify the terms of these agreements**, we may not receive **the expected** payments **that would be due to us** under these agreements and our partners may terminate their participation in the agreements without liability to us, which could adversely impact our reputation and prospects. **The non- exclusive nature of our..... of operations, and financial condition**. Our business depends on our ability to manage our relationships with existing and future partners, customers, suppliers, and contractors, and we may not **successfully manage** **succeed in managing** these business relationships. We rely on a number of third parties in connection with development of our technology and performance on our contracts. Our partners, customers, suppliers, and contractors may have economic, business, or legal interests or goals that are inconsistent with ours. As a result, it may be challenging for us to resolve issues that arise in respect of the performance of our contracts, including our agreements with our partners. Any significant disagreements with these third parties may impede our ability to maximize the benefits of our partnerships and perform our contractual obligations and may slow the commercial roll-out of our technology. For example, we **are plan to utilize** **utilizing a partner** **one or more subcontractors** for the design and installation of the SK On Line, and a failure by **a subcontractor** **our partner** to satisfactorily and timely provide services could adversely impact our ability to fulfill our obligations under **the our Line-line Installation** **installation** **Agreement** **agreement** **with SK On**. In addition, if our counterparties are unable or unwilling to meet their economic or other obligations under our agreements, we may be required to fulfill those obligations alone, which could delay our research and development progress - **We have not reached any commercial agreement with our partners on economic terms for the licensing of cell technology or sale of electrolyte**. As a result, our projections of revenue and other financial results are uncertain. Our agreements provide a framework for our cooperation with our partners, and certain of these agreements contemplate that we will enter into additional arrangements with our partners for the purchase and pricing of electrolyte materials for integration into our cell design, as well as licensing our cell technology to cell producers. We have not reached agreement on key commercial terms **Solid Power, Inc. | 2023 Form 10-K | 19** for the licensing of our cell technology or sale of our electrolyte with any of these partners, and the structure for realizing the monetary value of our products is unknown. We cannot guarantee that we will be able to agree with our partners on key commercial terms or that any terms will be financially beneficial for us. The terms of certain agreements permit our partners to share in the intellectual property developed through the research and development efforts under their respective agreements. In certain circumstances, our ability to share developments gained through the course of performance of

a particular agreement with our other partners may be limited, and our partners may be able to exploit certain of the intellectual property developed under their respective agreements in ways that are detrimental to us. Certain of our agreements provide that, among other things, (i) any intellectual property jointly developed will be owned by both parties, with each party having the right to license that intellectual property to third parties in connection with the development of such party's products, (ii) each party retains sole ownership of previously or independently developed intellectual property, and (iii) the partner receives a license to our solely developed intellectual property under the agreement for use in the partner's products. To the extent that a development we make jointly with one of our partners involves such partner's previously developed intellectual property, we may not be able to use any information gleaned in the course of performance under the agreement with such partner in performance of our other partners' agreements, which could prevent us from scaling the development or deploying it in work with all of our partners. We cannot guarantee that we will maintain the access we need to our partners' intellectual property, any jointly developed intellectual property will be adequately protected, or our partners will not seek to capitalize on jointly developed intellectual property for their sole benefit to the extent permitted by our agreements with them, such as through licensing agreements or other contractual arrangements they may enter with third parties that do not benefit us. Further, in certain of our agreements, we have agreed that our partners would receive certain rights to our intellectual property in certain circumstances, including if we were to fail to perform under commercial agreements that we may enter into in the future or otherwise abandon our business following the execution of such commercial agreements. If those provisions are triggered, certain of our partners may receive perpetual, irrevocable, royalty-free licenses to portions of our intellectual property, which may limit the profitability and competitive advantage offered by our intellectual property and adversely impact our revenue. We are subject to risks relating to **production scale manufacturing of our cells through.....** <sup>20</sup>We are subject to risks relating to the construction and development of facilities for our short-term research and development and long-term **electrolyte** production requirements. Our business plan contemplates that we will construct additional facilities for research and development and commercial electrolyte manufacturing. In the near term, we are working to expand our electrolyte material production capabilities at our existing **Solid Power, Inc. | 2024 Form 10-K | facilities** <sup>18</sup>**facilities through, for example, installation of equipment for continuous manufacturing of electrolyte. We may experience risks and complications associated with engineering and construction, including cost overruns and delays. Delay in the installation of a continuous production line could harm our development efforts and delay the expected expansion of our production capacity**. In the long term, and in connection with potential supply agreements, we will need to construct facilities to produce commercial volumes of our electrolyte. We have not secured a location or obtained the necessary licenses, approvals, permits, or consents for commercial-level electrolyte manufacturing facilities. In connection with constructing these facilities, we will need to identify and acquire the land or obtain leases for suitable locations that are appropriately zoned for activities involving hazardous materials, which will limit where we are able to locate our facilities and may require us to pay a premium for any such real estate. If we fail to do so, or otherwise encounter delays or lose necessary licenses, approvals, permits, consents, or commercial agreements, we could face delays or terminations of construction or development activities. If our planned facilities do not become operable on schedule, or at all, or become inoperable, production of our electrolyte and our business will be harmed. **battery** **Even if we successfully license our cell technology, we are subject to risks relating to production scale manufacturing of our cell cells through partners in the long term** ~~suppliers and OEMs will manufacture our cell designs pursuant to licensing agreements with us.~~ **We aim** ~~A component of our plan is~~ to develop our products **cell technology** in such a way as to enable our manufacturing partners to utilize existing lithium-ion cell manufacturing processes and equipment. While we believe our development of a manufacturing process compatible with existing lithium-ion cell manufacturing lines **could** ~~provide~~ **provide** significant competitive advantages, modifying or constructing these lines for production of our products could be more complicated or present significant challenges to our manufacturing partners that we do not currently anticipate. As with any large-scale capital project, any modification or construction of this nature could be subject to delays, cost overruns, or other complications. Any failure to commence commercial production on schedule would likely lead to additional costs and could delay our ability to generate meaningful revenues. In addition, any such delay could diminish any "first mover" advantage we aim to attain, prevent us from gaining the confidence of OEMs, and open the door to increased competition. Any of the foregoing could hinder our ability to successfully grow our business and achieve a competitive position in the market. Collaboration with third parties to manufacture our cell designs reduces our level of control over the manufacturing process. We could experience delays if our partners do not meet agreed upon timelines or experience capacity constraints. ~~There is risk of potential~~ **Potential** disputes with partners, ~~which~~ could stop or slow cell production, and we could be impacted by adverse publicity related to our partners, whether or not such publicity is related to such partner's collaboration with us. In addition, we cannot guarantee that our suppliers will not deviate from agreed-upon quality standards. Further, any partnerships with international third-party cell manufacturers or OEMs could expose us to the political, legal, and economic risks impacting the regions in which our partners' manufacturing facilities are located, further reducing our control over the production process as we scale manufacturing. ~~We may be~~ **If we are** unable to enter into agreements with cell manufacturers on terms and conditions acceptable to us ~~and, therefore,~~ we may need to contract with other third parties or create our own commercial production capacity. We may not be able to engage other third parties or establish or expand our own production capacity to meet our needs on acceptable terms or at all, and the expense and time required to adequately complete any transition or expansion may be greater than anticipated, which could have a material adverse effect on our business, prospects, results of operations, and financial condition. We rely heavily on complex equipment for our operations, and the production of our technology involves a significant degree of risk and uncertainty in terms of operational performance and costs. We rely heavily on complex equipment for our operations and the production of our **electrolyte and** ~~cells and electrolyte~~. Integrating this equipment into the production of our **electrolyte and** ~~cells and electrolyte~~ is time intensive and requires us to work closely with the equipment providers to ensure that it works properly with our technology. This integration involves a degree of uncertainty and risk and may result in the delay in the scaling up of production

or cause us to incur additional costs. Our current manufacturing facilities require, and we expect that our future manufacturing facilities will require, large-scale machinery. Such machinery may unexpectedly malfunction and require repairs and spare parts to resume operations, which may not be available when needed. Because we do not maintain any redundancies in our research and development facilities, unexpected malfunctions of our production equipment may significantly affect our operational efficiency. In addition, because this equipment has not historically been used to **produce sulfide-based solid electrolytes** or ~~produce sulfide-based solid electrolytes~~, the operational performance and costs associated with this equipment is difficult to predict and may be influenced by factors outside of our control, such as failures by suppliers to deliver necessary components of our products in a timely manner and at prices and volumes acceptable to us; environmental hazards and associated costs of remediation; difficulty or delays in obtaining governmental permits; damages or defects in systems; industrial accidents; and fires, seismic activity, and other natural disasters. **Solid Power, Inc. | 2024 Form 10-K | Problems** ~~19Problems~~ with our manufacturing equipment could result in it not performing to our expectations, the personal injury to or death of workers, loss of production equipment, damage to our manufacturing facilities, monetary losses, delays, unanticipated fluctuations in production, environmental damage, administrative fines, increased insurance costs, and potential legal liabilities, any one of which **Solid Power, Inc. | 2023 Form 10-K | 31** **We rely on government contracts and grants** for a **substantial portion** of this reason, and terminate the agreement. There can be no assurance that we will continue to receive funding under our government contracts and grants in the amounts that we expect or **our** at all. **Further revenue and to partially fund our research and development activities**, and such as a government contractor **contracts** or subcontractor, we must comply with laws, regulations, and contractual provisions relating to the formation, administration, and performance of government contracts and grants **are subject to a number of uncertainties**, which may impose added costs **challenges, and risks**. We currently rely on **government contracts** our business. Although our management team and **grants** for other personnel devote a substantial amount **portion** of time to compliance initiatives, we cannot guarantee that our efforts will be successful. Any failure to comply with such laws, regulations, and provisions or **our revenue** satisfy our obligations under such contracts and grants could lead to **partially fund** termination of contract, civil or **our research** criminal penalties; withholding, delay, or disallowance of payments to us; reimbursement of the government for amounts previously received; claims for damages from our partners; contract price adjustments or refunds; suspension or debarment from obtaining government contracts and **development activities** grants; or non-ordinary course audits and internal investigations, any one of which could have a material adverse effect on our business, prospects, results of operations, and financial condition. Obtaining grant funding and selling to government entities can be highly competitive, expensive, and time consuming, often requiring significant upfront time and expense without any assurance of success. Awards of contracts and grants may be subject to appeals, disputes, or litigation **,and funding reductions or delays could adversely impact public sector demand for our technology**. Further, **Government government** contracts also often contain provisions and are subject to laws and regulations that provide government customers with additional rights and remedies not typically found in commercial contracts. For example, government customers may terminate existing contracts for convenience, with short notice, and without cause. Government contracts may also require work to be performed or products to be manufactured in a particular jurisdiction, include preferential pricing terms, or require us to obtain special certifications. If such certification requirements change or we fail to timely achieve or maintain compliance with applicable requirements, we may be at a competitive disadvantage and disqualified from selling our technology to government or quasi-government entities. **As a government contractor or subcontractor, we must comply with laws, regulations, and contractual provisions relating to the formation, administration, and performance of government contracts and grants, which may impose added costs on our business. Any failure to comply with such laws, regulations, and provisions could lead to claims for damages from our partners, contract price adjustments or refunds, civil or criminal penalties, termination of contract, suspension or debarment from obtaining government contracts and grants, or non-ordinary course audits and internal investigations, any one of which could have a material adverse effect on our business, prospects, results of operations, and financial condition.** In addition to government contracts and grants, we benefit from certain government subsidies and economic incentives, including tax credits, rebates, and other incentives, that support the development and adoption of clean energy technology. We cannot guarantee that government grants, subsidies, and incentives will be available to us at the same or comparable levels in the future. ~~The Executive Order indicated that the government will consider eliminating subsidies that favor EVs.~~ Any reduction, elimination, or discriminatory application of these grants, subsidies, or incentives may require us to seek additional financing, which may not be obtainable on commercially attractive terms or at all **, adversely impact public sector demand for our technology**; and **may** diminish the competitiveness of the battery industry generally or our technology in particular. Any change in our ability to secure these grants, subsidies **,and incentives could have a material adverse effect on our business, prospects, results of operations, and financial condition.** could have a material adverse effect on our business, prospects, results of operations, and financial condition. Substantial increases in the prices for our raw materials and components, some of which are obtained from a limited number of sources where demand may exceed supply, could materially and adversely affect our business. We rely on third-party suppliers for materials, components, and equipment necessary to **produce electrolyte and** develop cells and ~~produce electrolyte~~, including key supplies, such as Li<sub>2</sub>S, NMC, silicon, lithium metal foil, and manufacturing tools. We face risks relating to the timely availability, adequate quality, and consistency 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 tools we need. Further, certain materials and components, including Li<sub>2</sub>S, are not currently produced at a **Solid Power, Inc. | 2024 Form 10-K | scale 20** **scale** we believe necessary to support our proposed commercial operations. If we are unable to enter into commercial agreements with our current suppliers or our replacement suppliers on favorable terms, or these suppliers experience difficulties meeting our requirements, the development and commercial progression of our technology may be delayed. 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 requirements, which may include locating new suppliers if certain issues are discovered. 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. ~~Solid Power, Inc. | 2023 Form 10-K | 21~~Any **Any** disruption in the supply of materials, components, or equipment could temporarily disrupt our research and development activities or production of our **electrolyte or cells or electrolyte** until we obtain the required material. For example, in 2023, we received lower-quality NMC from one of our suppliers, which caused delays in cell production and affected the performance of our cells. Changes in business conditions, unforeseen circumstances, governmental changes, transportation disruptions, and other factors beyond our control or which we do not currently anticipate could also affect our suppliers' ability to deliver components or equipment to us on a timely basis. Currency fluctuations, trade barriers, tariffs, or shortages and other general economic or political conditions may limit our ability to obtain key materials, components, and equipment for our **electrolyte or cells or electrolyte** or significantly increase freight charges, raw material costs, and other expenses associated with our business. ~~We may be unable to adequately..... results of operations, and financial condition.~~ Accidents and severe weather conditions, natural disasters, or other catastrophic events could adversely impact our facilities and operations. Some of our operations involve the manufacture and handling of a variety of explosive and flammable materials, and our research and development activities expose our employees to a number of potential occupational hazards. **We have experienced, and may continue to experience, accidents from time to time.** Among other things, we could experience leaks and ruptures, explosions, fires, transportation accidents involving our products, chemical spills, other discharges or releases of toxic or hazardous substances or gases, and other environmental and workplace safety incidents. For example, our employees could be exposed to toxic hydrogen sulfide as a result of the components we use being exposed to moisture, which could harm our employees, slow or stop production, and result in litigation, fines, increased insurance premiums, and workers' compensation claims. **Any such accident could harm our employees, damage our facilities, or adversely impact our operations. Further, because we do not have redundancies in our research and development facilities, an accident that damages our facilities could significantly disrupt our operations.** Severe weather conditions, natural disasters, and other natural events, such as floods, fires, earthquakes, typhoons, and health pandemics, such as the COVID-19 pandemic, could also affect our facilities and operations. For example, our facilities are located in a region which is affected by fires. In December 2021, the Marshall fire destroyed a significant number of buildings and disrupted a number of businesses in the Louisville, Colorado area. Further, our facilities and operations could also be adversely impacted by other events outside of our control, including power loss, telecommunications failures, cyberattacks, wars, riots, break-ins, and terrorist attacks. **Given that we lack redundancies in our research and development facilities, any damage to our facilities could significantly disrupt our operations.** Damage to our facilities or disruption of our operations could have a material adverse effect on our business, prospects, results of operations, and financial condition. Further, we cannot guarantee that associated losses, claims, or liabilities will be covered by our insurance or any rights of indemnity or contribution that we have against others. We also cannot be sure that our existing insurance coverage will continue to be available on acceptable terms or in sufficient amounts to cover all of our potential losses. A loss that is uninsured or which exceeds policy limits could require us to pay substantial amounts, which could have a material adverse effect on our business, prospects, results of operation, and financial condition. ~~A Solid Power, Inc. | 2023 Form 10-K | 22~~A global pandemic (e. g., COVID-19) and associated responses could disrupt our business and operations. A global pandemic could have significant impact on economic activity and markets throughout the world. For example, the impact of COVID-19, including changes in consumer and business behavior, pandemic fears and market downturns, and restrictions on business and individual activities, created significant volatility in the global economy and led to reduced economic activity. Governmental authorities may implement measures in an attempt to contain a virus, such as travel bans and restrictions, quarantines, shelter-in-place orders, and business shutdowns, which may disrupt supply chains and impact our ability to continue our operations. Various aspects of our business cannot be conducted remotely, including many aspects of the research and development and manufacturing of our products. The extent to which a future pandemic impacts our business, prospects, results of operations, and financial condition will depend on future developments, which are highly uncertain and cannot be predicted, such as the duration and spread of the pandemic, ~~Solid Power, Inc. | 2024 Form 10-K | its 21~~its severity, the actions taken to contain the virus or address its impact, the impact on us and our partners, contractors, suppliers, and customers, and how quickly and to what extent normal economic and operating activities can resume. Risks Related to Industry and Market TrendsThe battery ~~cell~~market continues to evolve and is highly competitive, and we may not be successful in competing in this market or establishing and maintaining confidence in our long-term prospects among current and future partners and customers. The battery ~~cell~~market in which we compete continues to evolve and is highly competitive. To date, we have focused our efforts on our solid-state ~~battery cell technology~~ **technologies, which we believe to be** a promising alternative to conventional lithium-ion battery cell technology. However, lithium-ion battery cell technology has been widely adopted, and **many of** our current competitors have, and future competitors may have, greater resources than we do and may be able to devote greater resources to the development of their current and future technologies. These competitors may also 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, traditional lithium-ion battery manufacturers may continue to reduce cost and expand supply of conventional batteries and, therefore, adversely impact our prospects and ability to sell our products at market-competitive prices with sufficient margins. Many OEMs, **a number of battery technology companies, and other competitors** are researching and investing in solid-state ~~battery cell~~ efforts and, in some cases, in battery cell development and production. **For example, formation of the China All-Solid-State Battery Collaborative Innovation Platform ("CASIP") was announced in 2024. CASIP has government-backed investment funds and intends to have a supply chain for solid state batteries up and running by 2030.** We do not have exclusive relationships with any **Tier 1**

**battery manufacturer or OEM to sell electrolyte or** provide their future battery cell technologies, and investments made by these **Tier 1 battery manufacturers or OEMs** may result in technological advances earlier than, or superior in certain respect to, the technology we are developing. There are **also** a number of companies seeking to develop alternative approaches to solid-state battery cell technology. ~~We expect competition in battery cell technology and EVs to intensify due to increased demand for these vehicles and a regulatory push for EVs, continuing globalization, and consolidation in the worldwide automotive industry.~~ As new companies and larger, existing vehicle and battery manufacturers enter the solid-state battery cell space, we may lose any perceived or actual technological advantage we may have in the marketplace and suffer a decline in our market position. The battery industry also competes with other emerging or evolving technologies, such as natural gas, advanced diesel, and hydrogen-based fuel cell powered vehicles. Developments in alternative technologies or improvements in battery technologies made by competitors may adversely impact the sales, pricing, and gross margins of our products. As technologies change, we will attempt to upgrade or adapt our products to continue to provide products with the latest technology. However, our products may become obsolete or our research and development efforts may not be sufficient to adapt to changes in or to create the necessary technology to effectively compete. If we are unable to keep up with competitive developments, including if competing technologies achieve lower prices or other emerging technologies enjoy greater policy support, our competitive position and growth prospects may be harmed. Similarly, if we fail to accurately predict and ensure that our solid-state battery cell technology **technologies** ~~addresses~~ **address** customers' changing needs or emerging technological trends, or if our customers fail to achieve the benefits expected from our **cells technologies**, our business will be harmed. We must continue to commit significant resources to developing our technology in order to establish a competitive position, and these commitments must be made without knowing whether our investments will result in products customers will accept. We cannot guarantee that we will successfully identify customer requirements and develop and bring our **electrolyte or** cell technology ~~or electrolyte~~ to market on a timely basis, or that products and technologies developed by others will not render our ~~cells or electrolyte~~ **or cell technology** obsolete or noncompetitive, any one of which could have a material adverse effect on our business, prospects, results of operation, and financial condition. ~~Solid Power, Inc. In 2023 Form 10-K 23~~ In addition, **Tier 1 battery manufacturers, OEMs**, and other customers may be less likely to **purchase our electrolyte or** license our cell designs ~~and/or incorporate our electrolyte~~ if they are not convinced that our business will succeed in the long term. Similarly, suppliers and other third parties may 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 instill and maintain confidence among current and future partners, customers, suppliers, analysts, ratings agencies, and other parties in our long-term financial viability and prospects. Maintaining such confidence may be complicated by certain factors, including those that are largely outside of our control, such as: • **delays in or impediments to completing or achieving our research and development goals;** • our limited operating history; • market unfamiliarity with our products; **Solid Power, Inc. | 2024 Form 10-K | 22** • ~~delays in or impediments to completing or achieving our research and development goals;~~ • unexpected costs that **Tier 1 battery manufacturer, OEM**, and other potential partners may be required to incur to scale manufacturing, delivery, and service operations to meet demand for EVs containing our technology or products; • competition and uncertainty regarding the future of EVs; • the development and adoption of competing technologies that are less expensive and / or more effective than our products; and • our eventual production and sales performance compared with market expectations. Our future growth and success are dependent upon consumers' willingness to adopt EVs. Our growth and future demand for our products are highly dependent upon the adoption by consumers of alternative fuel vehicles in general and EVs in particular. The market for new energy vehicles is still rapidly evolving, characterized by changing technologies, competitive pricing and factors, evolving government regulation and industry standards, and changing consumer demands and behaviors. **For example, the federal government may seek to eliminate subsidies that favor EVs, which could adversely impact demand for our technology.** If the market for EVs in general does not develop as expected, or develops more slowly than expected, our business, prospects, results of operation, and financial condition could be materially and ~~adversely~~ **adversely** affected. We may not be able to accurately estimate future demand for our technology, which could result in a variety of inefficiencies in our business, hinder our ability to generate revenue, and cause us to incur additional costs or experience delays. It is difficult to predict future demand for our technology and appropriately budget for our expenses, and we may have limited insight into trends that may emerge and affect our business. We anticipate being required to provide forecasts of our demand to our suppliers prior to the scheduled delivery of products to our customers. Currently, there is no historical basis for making judgments on the demand for our technology or our ability to develop, manufacture, and deliver our products. If we overestimate our requirements, our suppliers may have excess inventory, which could indirectly increase our costs. If we underestimate our requirements, our suppliers may have inadequate inventory, which could interrupt manufacturing of our 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 the specific supplier, contract terms, and demand for each component at a given time. If we fail to order sufficient quantities of product components in a timely manner, the delivery of our products to our customers could be delayed, which could have a material adverse effect on our business, prospects, results of operation, and financial condition. ~~Solid Power, Inc. | 2023 Form 10-K | 24~~ **Risks** Related to Intellectual Property We rely heavily on owned and exclusively- licensed intellectual property, including patent rights, trade secrets, copyrights, trademarks, and know-how, and we may be unable to protect and maintain access to these intellectual property rights. Our success depends on our ability to protect and maintain our intellectual property rights, and we may not be able to prevent unauthorized use of our owned and exclusively- licensed intellectual property. We rely on a combination of the intellectual property protections afforded by patent, copyright, trademark, and trade secret laws in the United States and other jurisdictions, as well as license agreements and other contractual protections, to establish, maintain, and enforce rights and competitive advantage in our technology. In addition, we seek to protect our intellectual property rights through non- disclosure 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 intellectual property rights, third parties, including our vendors, partners, customers, and consultants, have and may in the future attempt to copy or otherwise obtain and use our intellectual property without our consent or may decline to license or defend necessary intellectual property rights to us on terms favorable to our business. ~~Further~~ ~~In addition~~, our technology and intellectual property may be subject to theft or compromise via more indirect routes. For example, our products or components thereof may be reverse engineered by partners, customers, or other third parties, which could result in infringement of our patents or theft of our know-how or trade secrets. Detecting and addressing 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 sufficient. Any enforcement efforts we undertake, including litigation, could require involvement of the licensor, be time-consuming and expensive, and divert management's attention. Additionally, existing intellectual property laws and contractual remedies may not provide the protection needed to safeguard our intellectual property. For example, a significant portion of our patent rights have been obtained through exclusive licenses. Because we do not own those patent rights, we have less control over their maintenance and enforcement, which may limit our ability to maintain any competitive advantage those patent rights provide. Failure to adequately protect our owned and exclusively-licensed intellectual property may result in our ~~competitors using our intellectual property to offer.....~~ ~~S. patents will be issued.~~ ~~Solid Power, Inc. | 2023-2024 Form 10-K | 25~~ ~~We~~ ~~23~~ ~~competitors using our intellectual property to offer products, loss of our competitive advantage, and harm to our reputation and could have a material adverse effect on our business, prospects, results of operations, and financial condition.~~ We have not performed exhaustive searches or analyses of the intellectual property landscape of the battery industry and cannot guarantee that our technology, or its ultimate integration into EVs, does not infringe intellectual property rights of third parties. We may need to defend ourselves against intellectual property infringement claims, which may be time-consuming and cause us to incur substantial costs. Others, including our competitors, may hold or obtain intellectual property rights that would prevent, limit, or interfere with our ability to make, use, develop, sell, license, lease, or market our technology or products. From time to time, we may receive inquiries from third parties relating to whether we are infringing their intellectual property rights and third parties may seek court declarations that they are not infringing upon our intellectual property rights. The defense of infringement claims may divert management's attention, and we may incur significant expenses in addressing these matters. If we are determined to have infringed upon a third party's intellectual property rights, we may be required to: · cease selling, leasing, incorporating, or using products that incorporate the challenged intellectual property; · pay substantial damages; · materially alter our research and development activities and proposed production processes; · obtain a license from the holder of the intellectual property right, which may not be available on commercially reasonable terms or at all; or · redesign our ~~cells~~ ~~products~~ at significant expense. We license patents and other intellectual property from third parties and 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 as permitted by our license agreements, but our rights to indemnification may depend on a number of factors, such as our use of the technology and whether we choose to retain control over conduct of the litigation. If our rights to indemnification are unavailable or insufficient to cover our costs and losses, future infringement claims could have a material adverse effect on our business, prospects, results of operations, and financial condition. ~~adverse effect on our business, prospects, results of operations, and financial condition.~~ There are risks to our intellectual property based on our international business operations. 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 the United States, and our intellectual property rights may not be as strong or as easily enforced outside of the United States. Efforts to protect against the unauthorized use of our intellectual property outside of the United States may be unsuccessful. Our international business operations may also expose us to material risks of theft of our technology and other intellectual property, including technical data, business processes, production processes, formulas, data sets, or other sensitive information. Conducting business in certain jurisdictions, housing our technology and other intellectual property abroad, and licensing our technology to foreign partners may increase our exposure to these risks. Our patent applications may not result in issued patents, and our patent rights may be contested, circumvented, invalidated, or limited in scope. Our patent portfolio includes patent applications. If our patent applications do not result in issued patents, the disclosures in those applications would become available to the public and we may be unable 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 our patent applications will result in patents being issued or that our patents, and any patents that may be issued to us, will afford us adequate protection against competitors with similar technology. Others have numerous patents and pending patent applications in the same fields as our technology and may claim priority, which could prevent us from obtaining a particular patent. Our existing patents and patent applications, including those we have exclusively licensed, could be challenged on the basis that they are otherwise invalid or unenforceable. Patent applications filed in foreign countries may be subject to laws, rules, and procedures that differ from those of the United States, and we cannot guarantee that foreign patent applications related to issued U.S. patents ~~will be issued.~~ ~~Solid Power, Inc. | 2024 Form 10-K |~~ ~~Risks~~ ~~24~~ ~~Risks~~ Related to Our Limited Operating History Our business plan has yet to be tested, and we may not succeed in executing on our strategic plans, including commercialization. As a research and development stage company, we face a number of difficulties normally encountered by new enterprises, including substantial risks and expenses in the course of establishing or entering new markets, organizing operations, and undertaking marketing activities. The likelihood of our success must be considered in light of these difficulties and the competitive environment in which we operate. There is 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 challenges frequently experienced by early commercial stage companies, including scaling up our infrastructure and ~~managing our~~ 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 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. If actual results differ from our estimates or we adjust our estimates in future periods, our business, prospects, results of operations, and financial condition could be materially and adversely affected. Furthermore, our financial performance in one period may not be indicative of financial performance in future periods. We are a research and development stage company with a history of financial losses and expect to incur significant expenses and continuing losses for the foreseeable future. We incurred an operating loss of approximately \$ 88-105.9-3 million for the year ended December 31, 2023-2024 and an accumulated deficit of approximately \$ 82-181.9-2 million from our inception in 2012 through December 31, 2023-2024. We believe that we will continue to incur operating losses each quarter until the significant sale of our electrolyte or production of our cell designs or sale of our electrolyte begins. Development in materials sciences is not linear, and the pace of our efforts will depend in significant part on the level of engagement and extent of resources devoted to these efforts by our partners, making it difficult to predict when we will begin to recognize material revenues from our technology. **In addition, we currently rely on a limited number of customers for a significant portion of our revenue. The loss of any of our major customers may increase our operating losses and have a material adverse effect on our business, prospects, results of operations, and financial condition.** The rate at which we will incur losses may be significantly higher in future periods as we, among other things, continue to incur significant expenses in connection with the design, development, and manufacturing of our technology; expand our research and development activities; invest in additional research and development and manufacturing facilities and capabilities; build up inventories of raw materials and other components; commence 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. We may require additional capital to support business growth, and this capital might not be available on commercially reasonable terms or at all. Our expectations regarding our capital needs are dynamic, changing, and subject to various risks and uncertainties, including those described herein. For example, our budgets assume, among other things, that our development timeline progresses as planned and our corresponding expenditures are consistent with current expectations, but our timeline and expectations been derived based on **internal estimates and** discussions with our key partners only and do not factor in the possibility of additional partnerships. Further, our capital expenditures and operating and development requirements have increased materially as we **accelerate further** our research and development efforts, scale up production operations with our partners, and incur expenses as a public company, including insurance, financial reporting, legal, and audit costs. As we continue our progress toward commercialization, we expect that our operating expenses will **continue to increase substantially**. We may need additional capital before we recognize material revenues, which may not be available on commercially reasonable terms or at all. As a result, we may need to access the debt and equity capital markets to obtain additional financing in the future. Our ability to obtain additional financing will be subject to a number of factors, including: ● **market conditions**; ● the level of success we have experienced with our research and development programs; ● our operating performance; **Solid Power, Inc. | 2024 Form 10- K | 25 ● market conditions**; ● investor sentiment; and ● our ability to incur additional debt in compliance with any agreements governing our then- outstanding debt. 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, preferences, or privileges senior to the rights of our then- 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, we may be forced to take actions to reduce our capital or operating expenditures, including by not seeking potential acquisition opportunities, eliminating redundancies, or reducing or delaying our production facility expansions, any one of which could have a material adverse effect on our business, prospects, results of operations, and financial condition. We may be unable to adequately control the costs associated with our operations and the components necessary to develop our technology. We require significant capital to develop our technology. **As we develop our technologies and scale our operations, we expect to continue to incur significant expenses, including those relating to research and development, raw material procurement, leases, sales, and distribution as we build our brand and market our technology and general and administrative costs as we scale our operations.** Our ability to become profitable in the future will depend on our ability to successfully develop and market our **products electrolyte and cells** as well as our ability to control our costs. If we are unable to efficiently design, appropriately price, and sell and distribute our **technology products**, our anticipated margins, profitability, and prospects would be adversely impacted. **Our business** If we are unable to attract and **prospects** retain key employees and qualified personnel, **including** our ability to **compete control costs**, could be harmed. Our success depends on **adversely impacted by changes in macroeconomic conditions, such as changes in administration, inflation, interest rates, slower growth** our **or ability to attract recession, tariffs, international conflicts, trade disputes, sanctions,** and **retain government efforts to stimulate our or stabilize** executive officers, key employees, and other **the qualified personnel, and our operations economy. Changes in macroeconomic conditions** could be severely disrupted if **happen rapidly, and we may fail** lost their services. We continue to **prevent** be highly dependent on the services of our **or executive officers limit our losses or exposures.** If we fail to effectively manage our future growth, we may not be able to market and license the technology and know- how to **sell our electrolyte or** manufacture our cells or sell our electrolyte. We intend to use our cash on hand to **expand execute on** our operations significantly **near- term objectives**, which include **driving electrolyte innovation** with a view toward **accelerating our research and performance through feedback from cell** development activities and **positioning customers, continuing to execute on** our company for potential commercialization of our technology. In connection with **electrolyte development roadmap, ramping electrolyte sampling and identifying long- term customers, executing on** these

-- **the efforts SK On Agreements, and we anticipate hiring, retaining remaining fiscally disciplined, and training personnel; establishing manufacturing plants and other facilities; and implementing administrative infrastructure, systems, and processes.** That said, our management team has considerable discretion in the application of the funds available to us. We may invest these funds in a manner that does not improve our ability to market and license the technology and know-how to manufacture our cells or sell our electrolyte and ultimately results in a significant, or any, **Solid Power, Inc. | 2023 Form 10-K | 27return--** **return** for our stockholders. In addition, pending their use, we may invest our cash on hand in a manner that does not produce income or that loses value. Failure to effectively manage our growth could have a material adverse effect on our business, prospects, results of operations, and financial condition. **Our management team has limited experience in operating a public company. Our management team has limited experience in the management of a public company and may not successfully or effectively manage being a public company subject to significant regulatory oversight and reporting obligations under federal securities laws. 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, either of which could put us at a disadvantage relative to our competitors. We may not succeed in establishing, maintaining, and strengthening our brand, which could adversely impact customer acceptance of our technology. Our business and prospects depend on our ability to develop, maintain, and strengthen our brand. The battery industry is intensely competitive, and we may not be successful in building, maintaining, and strengthening our brand. Our Some of our** current and potential competitors, including many cell manufacturers and OEMs around the world, have greater name recognition, broader customer relationships, and substantially greater marketing resources than we do. If we do not develop and maintain a strong brand, we may lose the opportunity to build a critical mass of customers, which could adversely impact customer acceptance of our technology and have a material adverse effect on our business, prospects, results of operations, and financial condition.

**Risks Related to Finance and Accounting** Incorrect estimates or assumptions by management in the preparation of our consolidated financial statements could adversely impact our reported assets, liabilities, income, revenue, or expenses. The preparation of our consolidated financial statements requires management to make critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, stockholders' equity, revenue, income, and expenses during the **Solid Power, Inc. | 2024 Form 10-K | reporting 26reporting** periods. Incorrect estimates and assumptions by management could result in reported amounts that are overstated or understated and have a material adverse effect on our business, prospects, results of operations, and financial condition. **We incur significant expenses and administrative burdens as a public company. As a public company, we are subject to the reporting requirements of the Exchange Act, SOX, stock exchange listing requirements, and other applicable securities rules and regulations. These rules and regulations require us to incur significant legal, accounting, and financial compliance costs. In addition, advocacy efforts by stockholders and third parties may prompt additional governance and reporting requirements. Our management team and other personnel devote a substantial amount of time to compliance initiatives. Our compliance efforts may not be successful and may divert management's attention from other business concerns and harm our business, financial condition, and results of operations.** Our business could also be adversely impacted if we have deficiencies in our disclosure controls and procedures or internal control over financial reporting as required by SOX. Pursuant to Section 404 of SOX, we are required to conduct annual assessments on the effectiveness of our internal control over financial reporting. These assessments require disclosure of any material weaknesses identified in our internal control over financial reporting, and we may not always be able to conclude, within the prescribed timeframe or at all, that our internal control over financial reporting is effective. During the course of our review and testing, we may identify deficiencies, including material weaknesses, and be unable to remediate them before we must provide required reports. If we identify one or more material weaknesses, stockholders may lose confidence in the reliability of our financial statements and the price of our common stock and Warrants may decline. The existence of a material weakness could also limit our ability to prevent or detect a misstatement of our accounts or disclosures, which could result in a material misstatement of our consolidated financial statements. We cannot guarantee that efforts to remediate a material weakness will ultimately have the intended effects to permit us to timely file our quarterly and annual reports with the SEC, and we may become subject to litigation or investigations by the SEC or other regulatory authorities. If we are unable to timely file periodic reports or maintain compliance with applicable stock exchange listing requirements, stockholders may lose confidence in our financial reporting, the price of our common stock and Warrants may decline, our common stock and Warrants may be subject to delisting, and we may become subject to litigation or investigations by the SEC or other regulatory authorities. We cannot guarantee that the measures we take will be sufficient to avoid potential future deficiencies or material weaknesses. **Solid Power, Inc. We may not realize the anticipated benefits of our transactions with a strategic partner in the Republic of Korea and issuance of stock to two individuals who provide services to this partner. | On October 21, 2023-2024, we entered into a series of transactions with a strategic partner in the Republic of Korea, including a \$ 400,000 investment for a 20 % equity interest in the partner, loans of approximately \$ 5.6 million to the partner, and receipt a warrant to purchase an additional 20 % equity interest in the partner. See Note 11 of our audited financial statements included in this Report for more information. We cannot guarantee that we will receive amounts owed by the partner on time or at all. Additionally, in connection with this series of transactions, we issued shares of common stock to two individuals who provide services to the partner to incentivize these individuals to provide services that directly and indirectly benefit us. Form- For example, we are utilizing the partner 10-K | 28** We incur significant expenses and administrative burdens as a public company. As a public company, we are subject to the reporting requirements **installer for installation** of the Exchange Act, SOX, **SK On Line. There can be no assurance that our issuance of shares of common stock exchange listing requirements, to such individuals will provide the desired incentives. If the individuals fail to provide**

services that directly and indirectly benefit us or the partner prioritizes other customers ahead of applicable securities rules and regulations. These rules and regulations require us to incur significant legal, our accounting, and financial compliance costs. In addition, advocacy efforts by stockholders and third parties may prompt additional governance and reporting requirements. Our management team and other personnel devote a substantial amount of time to compliance initiatives. Our compliance efforts may not be successful and may divert management's attention from other business concerns and harm our business, prospects, results of operations, and financial condition could be harmed, and results of operations. We maintain cash deposits in excess of federally insured limits. Adverse developments affecting financial institutions, including bank failures, could adversely impact our liquidity and financial performance. We maintain domestic cash deposits in Federal Deposit Insurance Corporation, or FDIC, insured banks that exceed the FDIC insurance limits. The failure of a bank, or other adverse conditions in the financial or credit markets impacting financial institutions at which we maintain balances, could adversely impact our liquidity and financial performance. Bank failures; events involving limited liquidity, defaults, non-performance, or other adverse developments that affect financial institutions; or concerns or rumors about such events may lead to liquidity constraints. For example, on March 10, 2023, Silicon Valley Bank failed and was taken into receivership by the FDIC. We cannot guarantee that our deposits in excess of the FDIC or other comparable insurance limits will be backstopped by the U. S. or applicable foreign government, or that any bank or financial institution with which we do business will be able to obtain needed liquidity from other banks or government institutions or by acquisition in the event of a failure or liquidity crisis. **Solid Power, Inc. | 2024 Form 10- K | Our 27**Our ability to utilize any net operating losses or tax credit carryforwards to offset taxable income may be subject to certain limitations. Section 382 of the Internal Revenue Code limits the ability of a corporation that undergoes an "ownership change" to use its pre-change net operating losses to offset future taxable income. An "ownership change" generally means a greater than 50 percentage point change (by value) in a corporation's equity ownership by certain stockholders over a three-year period. If we have experienced an ownership change at any time since our incorporation, we may be subject to these limitations on our ability to utilize our net operating losses 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. Changes in tax law or regulations could suspend the use of net operating losses or tax credits, possibly with retroactive effect. As a result, if we earn net taxable income, we could be unable or limited in our ability to use net operating losses and other tax attributes to offset such taxable income, which could result in increased future income tax liabilities. Similar provisions of state tax law may also limit our use of accumulated state tax attributes. **Solid Power, Inc. | 2023 Form 10- K | 29****Risks -- Risks Related to Legal and Regulatory Compliance****Future Compliance****We litigation have been, and may in the future be, subject to lawsuits**, regulatory actions, or government investigations and inquiries may which could lead us to incur significant costs or harm our reputation. From time to time, we have been, and may become involved in significant litigation, regulatory actions, or government investigations and inquiries as well as legal proceedings and investigations arising in the normal course of business, such as commercial or contractual disputes; indemnity or warranty claims; disputes with potential customers, former employees, and suppliers; intellectual property matters; personal injury claims; environmental issues; tax matters; and employment matters. **For example, on December 3, 2024, two purported stockholders filed a putative class action against the former officers and directors of Decarbonization Plus Acquisition Corporation III ("DCRC"), including Erik Anderson; Riverstone Holdings, LLC; and related sponsors and entities (the "Hamilton Defendants"). The Hamilton Defendants have demanded indemnification and advancement of defense costs from us, and we could be liable for the legal fees, defense costs, judgments, and / or settlement fees incurred by certain of the Hamilton Defendants. See Note 14 of our audited financial statements included in this Report for more information.** Further, if we are successful in our commercialization efforts, we may become subject to product liability claims if our products do not perform as expected or malfunction. The defense of lawsuits, regulatory actions, or government investigations and inquiries may divert our management's attention, and we may incur significant expenses in addressing these matters. In the future, we may be required to pay damages or settlements or become subject to injunctions or other equitable remedies, and such claims or liabilities may not be covered by our insurance or by any rights of indemnity or contribution that we have against others. Although we maintain insurance in amounts we believe to be adequate, we may incur claims or liabilities for which we are not insured or that exceed the amount of our insurance coverage. The outcome of litigation, regulatory actions, and government investigations and inquiries is often difficult to predict, and future litigation, regulatory actions, or government investigations and inquiries could have a material adverse effect on our business, prospects, results of operations, and financial condition. Additionally, even if unsuccessful, a lawsuit, regulatory action, or government investigation could generate substantial negative publicity about our technology and business, inhibit commercialization of our products, and impede our ability to secure additional insurance coverage on commercially acceptable terms or at reasonable costs, any one of which could have a material adverse effect on our business, prospects, results of operations, and financial condition. We are subject to substantial regulation, and changes to, or failure by us to comply with, these regulations could have a material adverse effect on our business, prospects, results of operations, and financial condition. Our technology is subject to substantial regulation under international, federal, state, and local laws, including export control laws and other trade regulations, and we incur significant costs in complying with these regulations as we develop and work to commercialize our technology. The U. S. government has made and continues to make significant changes in U. S. trade policy and has taken certain actions that could adversely impact U. S. trade, including imposing tariffs on certain goods imported into the United States, increasing scrutiny on foreign direct investment, and modifying export control laws applicable to certain technologies. In retaliation, other countries have implemented, and continue to evaluate, additional trade controls on a wide range of U. S. products and companies. Sustained uncertainty about, or worsening of, current global economic conditions and further escalation of trade tensions between the United States and its trading partners could result in a global economic slowdown and changes to global trade. Compliance with, and monitoring of, applicable regulations may be difficult, time-consuming, and costly. The nature and extent of any changes in

regulations, and their impact on our business, may be unpredictable, and certain of our competitors may be better suited to withstand or react to these changes. Any changes in the laws and regulations to which we or our partners, contractors, **Solid Power, Inc. | 2024 Form 10-K | 28** suppliers, or customers are subject, or any changes in enforcement, administration, or interpretation of such laws or regulations, could interfere have a material adverse effect on our business, prospects, results of operations, and financial condition. We are also subject to laws affecting our operations outside of the United States, including anti- bribery laws, anti- corruption laws, anti- money laundering, and export control laws. For example, our products — including our cells and related technology — are or may in the future be subject to trade and export control laws and regulations in the United States and other jurisdictions where we do business. As a result, an export license may be required to export or re- export our products and technology to certain countries or end- users or for certain end- uses or such export, re- export, or end uses may be prohibited. Obtaining the necessary export license for a particular sale or offering may not be possible or may be time- consuming and may result in the delay or loss of sales opportunities. Additionally, the FCPA prohibits bribery of foreign public officials, government employees, and political parties and requires public companies in the United States to keep books and records that accurately and fairly reflect their transactions. We may leverage third parties to sell our products and conduct our business abroad, and we or such third parties may interact with officials and employees of government agencies or state- owned or- affiliated entities. Regulators in the United States and a number of other countries have expanded their focus on enforcement of anti- bribery, anti- corruption, and export control laws in recent years. While we have implemented policies and procedures designed to ensure compliance by us and our personnel with the FCPA and other applicable anti- bribery, anti- corruption, anti- money laundering, and export control laws, such policies and procedures may not be effective in all instances to prevent violations. Any determination that we have violated these laws could subject us to, among other things, civil and criminal penalties, significant fines, profit disgorgement, injunctions on future conduct, securities litigation, suspension or disbarment **Solid Power, Inc. | 2023 Form 10-K | 30** from -- **from** government contracts, and loss of export privileges, any one of which could have a material adverse effect on our business, prospects, results of operations, and financial condition. Responding to any investigation or action may also divert our management' s attention, and we may incur significant expenses in defending an investigation or action. Additionally, we and our partners, contractors, suppliers, and customers are subject to numerous international, federal, state, and local environmental health and safety laws and regulations **that, including those pertaining to management, storage, transportation and disposal of chemicals and wastes; emissions and contamination; and land use, fire code, and zoning. These laws and regulations** may require us or our partners, contractors, suppliers, or customers to obtain permits; comply with procedures or restrictions; or incur significant capital, operating, and other costs associated with compliance. For example, our manufacturing process creates regulated air emissions, and we are required to utilize emissions control technology as a result. Our facilities are also subject to environmental permitting requirements, and permitting agencies with discretionary authority may refuse to issue required permits or impose costly permit conditions. Such actions could increase the cost, or lengthen the timeline, of developing additional manufacturing facilities. Future changes in permitted uses or conflicts with non- governmental organizations regarding the use of land for our manufacturing facilities could delay or prevent us from building additional research and development and manufacturing facilities, which could have a material adverse effect on our business, prospects, results of operations, and financial condition. Further, we rely on third- party contractors to ensure compliance with certain laws and regulations, including those relating to the disposal of wastes. If we are unable to secure contractors for key supply chain and disposal services, we could incur increased costs for compliance with environmental health and safety laws and regulations. Any determination that we or our contractors have violated these laws and regulations could subject us to, among other things, civil and criminal penalties, other liabilities under such laws and regulations, and liabilities for any impacts to human health or natural resources, any one of which could have a material adverse effect on our business, prospects, results of operations, and financial condition. We may be adversely impacted by a disruption or failure of our information technology infrastructure, data security breach, or failure to comply with privacy laws. Our information technology infrastructure is critically important to our business operations. We rely heavily on a host of computer software and hardware systems, including our financial, accounting, and other data processing systems and the systems of third- party service providers. These information technology systems, many of which are managed by third parties or used in connection with shared service centers, may be susceptible to damage, disruptions, or shutdowns due to factors outside of our control, such as failures during the process of upgrading or replacing software, databases, or components thereof; maintenance or security issues or errors; issues with migration of applications to the “ cloud; ” power outages; hardware or software failures; cyberattacks and other cyber incidents; telecommunication failures; denial of service; user errors; or natural disasters, terrorist attacks, or other catastrophic events. Some of our information technology systems are not fully redundant, and our disaster recovery planning cannot account for all eventualities. We and our third- party service providers face various security threats on a regular basis, including ongoing cybersecurity threats to and attacks on our and their information technology infrastructure. Cyberattack techniques change often, may not immediately be recognized, and can originate from a wide variety of sources. There has been an increase in the frequency, sophistication, and ingenuity of the data security threats we and our service providers face. We have experienced threats to our data and systems, and existing measures may not prevent or limit the impact of a future incident. Any unauthorized access to or acquisition of data belonging to us or our partners, contractors, suppliers, customers, or employees could result in loss or theft of confidential **Solid Power, Inc. | 2024 Form 10-K | 29** information **information** or intellectual property, financial loss or misappropriation of funds, a disruption of our business, damage to our reputation and competitive position, and exposure to regulatory intervention and fines, and other liability, any one of which could have a material adverse effect on our business, prospects, results of operations, and financial condition. Additionally, if our partners, contractors, suppliers, and customers experience a breach or system failure, their business could be disrupted, which could result in a disruption in our supply chain or our research and development activities. We incur significant costs in building and maintaining our information technology infrastructure; protecting against or

remediating breaches, incidents, and disruptions; and monitoring and complying with evolving and complex data privacy regulations, which costs may increase over time. We are subject to a variety of laws and regulations regarding privacy, data protection, and data security, and many jurisdictions require companies to notify individuals, regulatory authorities, and others of security breaches involving certain types of data. We may expend significant resources to notify third parties of a breach, and our insurance coverage may not be sufficient to cover claims or liabilities related to a breach or incident. Further, we may be unable to comply with changes in data privacy regulations in the necessary timeframe or at reasonable cost, and any failure or alleged or perceived failure to comply with applicable data privacy regulations could result in regulatory investigations and proceedings, fines and other liability, and damage to our reputation. **Solid Power, Inc. | 2023..... of operations, and financial condition.** Changes in relevant tax laws or regulations, an adverse interpretation of these items by tax authorities, or changes to our obligations as a result of expanded business operations could adversely impact our effective tax rate and tax liability. We are subject to income, withholding, and other tax obligations in the United States and the Republic of Korea and may become subject to taxation in additional international, state, and local jurisdictions with respect to income, operations, and subsidiaries related to those jurisdictions. Our future effective tax rates may fluctuate widely. Our effective tax rate in a given financial reporting period may be materially impacted by a variety of factors, such as the composition of operating income by tax jurisdiction; changes in deferred tax assets and liabilities, application of accounting and tax standard, and our pre- tax operating results; and new or revised tax legislation. Additionally, we record tax expense based on our estimates of future payments, which may include reserves for uncertain tax positions in multiple tax jurisdictions, and valuation allowances related to certain net deferred tax assets. At any one time, many tax years may be subject to audit or examination by various taxing jurisdictions, and the results of these audits, examinations, and negotiations with taxing authorities may affect the ultimate settlement of these issues. Increases in our effective tax rate and tax liability could have a material adverse effect on our business, prospects, results of operations, and financial condition. Risks Related to our Common Stock and the Warrants The price of our common stock and Warrants could be adversely impacted by sales of substantial amounts of our common stock or Warrants in the public market or the perception that such sales could occur. Sales of a substantial number of shares of our common stock in the public market could occur at any time. These sales, or the perception in the market that the holders of a large number of shares intend to sell shares, could reduce the price of our common stock and Warrants. **We Solid Power, Inc. | 2023 Form 10- K | 32** We have registered shares reserved for future issuance under our equity incentive compensation plans. Subject to the satisfaction of applicable vesting restrictions, the shares issued thereunder will be available for immediate resale in the public market. We may not realize the anticipated benefits of our stock repurchase program, and any failure to repurchase shares of our common stock may adversely impact the price of our common stock. On January 23, 2024, we announced that our Board approved a stock repurchase program authorizing us to purchase up to \$ 50 million of our outstanding common stock. Under the repurchase program, we may purchase shares of our common stock from time to time on the open market, in unsolicited negotiated transactions, or in any manner that complies with the provisions of Rule 10b- 18 of the Exchange Act. The repurchase program expires December 31, 2025. **As of December 31, 2024, we have repurchased approximately \$ 9. 07 million of our common stock under the repurchase program.** The timing and amount of any **future** purchases under the repurchase program will depend on a number of factors, such as the price of our common stock, economic and market conditions, and corporate and regulatory requirements. If we do not purchase **the full amount of** shares of our common stock **authorized** under the repurchase program, our reputation, investor confidence, and the price of our common stock may be adversely impacted. The existence of the repurchase program could cause the price of our common stock to be higher than it otherwise would be and potentially reduce the market liquidity for our common stock. Further, we cannot guarantee that any purchases under the **Solid Power, Inc. | 2024 Form 10- K | repurchase 30** repurchase program will enhance long- term stockholder value. For example, the price of our common stock may decline below the levels at which we purchase such shares, and short- term fluctuations in the price of our common stock could reduce the effectiveness of the repurchase program. Purchasing shares of our common stock under the repurchase program will also reduce the amount of cash we have available to fund capital expenditures, investments in strategic initiatives, other operating requirements, and further share repurchases, and we may fail to realize the anticipated benefits of the repurchase program. If securities or industry analysts do not publish, or publish inaccurate or unfavorable, research about us, our business, or our market, or if they adversely change their recommendations regarding our common stock, the price and trading volume of our common stock and Warrants could decline. The trading market for our common stock and Warrants is influenced by the research and reports that industry or securities analysts may publish about us, our business, our market, or our competitors. If any of these analysts adversely change their recommendation regarding our common stock, or provide more favorable relative recommendations about our competitors, the price of our common stock and Warrants could decline. If any of these analysts cease coverage or fail to regularly publish reports on us, we could lose visibility in the financial markets, which could cause the price or trading volume of our common stock and Warrants to decline. The issuance of additional shares of common stock under our equity incentive compensation plans or employee stock purchase plan or shares of preferred stock would dilute the interest of our stockholders and may present other risks. We may issue a substantial number of additional shares of common stock under our equity incentive compensation plans or employee stock purchase plan and we may also issue preferred stock. The issuance of additional shares of common stock or shares of preferred stock: ● may significantly dilute the equity interests of our existing stockholders; ● would subordinate the rights of holders of common stock 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 shares of our common stock 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 impact the price of our common stock and Warrants. **Solid Power, Inc. | 2023 Form 10- K | 33** Delaware -- **Delaware** law and provisions in our **second amended and restated certificate of incorporation (our “**Second A & R Charter **”)** and **amended and restated bylaws (our “**Bylaws **”)** might delay, discourage, or prevent a change in control of the Company or changes in our

management, thereby depressing the price of our common stock and Warrants. We are a Delaware corporation, and the anti-takeover provisions of the **Delaware General Corporation Law (“DGCL”)** may discourage, delay, or prevent a change in control by prohibiting us from engaging in a business combination with an interested stockholder for a period of three years after the date of the transaction in which the person became an interested stockholder, even if a change of control would be beneficial to our existing stockholders. In addition, provisions of our Second A & R Charter and Bylaws may make the acquisition of us more difficult, deter hostile takeovers, or delay or prevent changes in our management. Among other things, these provisions: ● provide advance notice procedures with regard to stockholder nominations of candidates for election as directors or other stockholder proposals to be brought before meetings of our stockholders, which may discourage our stockholders from bringing certain matters before meetings of our stockholders; ● provide the Board the ability to authorize issuance of preferred stock, which makes it possible for the Board to issue, without stockholder approval, preferred stock with voting or other rights or preferences that could impede the success of any attempt to change control of Solid Power; ● provide for a classified Board with staggered three-year terms, with each class as nearly equal in number as possible; ● prohibit stockholder action by written consent, which forces stockholder action to be taken at an annual or special meeting of stockholders; **Solid Power, Inc. | 2024 Form 10-K | 31** ● provide that certain provisions of our Second A & R Charter can only be amended or repealed by the affirmative vote of the holders of at least 66 2 / 3 % in voting power of the outstanding shares of our common stock entitled to vote thereon, voting together as a single class; ● provide that certain provisions of our Bylaws can be altered or repealed by (i) the Board or (ii) our stockholders upon the affirmative vote of 66 2 / 3 % of the voting power of our common stock outstanding and entitled to vote thereon, voting together as a single class; ● provide that only the Board (pursuant to a majority vote) or the Chairperson of the Board may call a special meeting of stockholders; and ● designate Delaware and federal courts as the exclusive forum for certain disputes. Our Bylaws designate the Court of Chancery of the State of Delaware as the exclusive forum for certain types of actions and proceedings that may be initiated by our stockholders, which could limit stockholders’ ability to obtain a favorable judicial forum for disputes with us or our directors, officers, employees, or agents. Our Bylaws provide that, unless we consent in writing to the selection of an alternative forum, to the fullest extent permitted by law, 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 be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of Solid Power, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, stockholder, officer or other employee of Solid Power to us or our stockholders, (iii) any action arising pursuant to any provision of the DGCL or our Second A & R Charter or Bylaws (as either may be amended from time to time), or (iv) any action asserting a claim governed by the internal affairs doctrine, except for, as to each of (i) through (iv) above, any claim as to which such court determines that there is an indispensable party not subject to the jurisdiction of such court (and the indispensable party does not consent to the personal jurisdiction of such court within ten days following such determination), which is vested in the exclusive jurisdiction of a court or forum other than such court or for which such court does not have subject matter jurisdiction. ~~Solid Power, Inc. | In- | 2023 Form 10-K | 34~~ In addition, our Bylaws provide that, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States of America will be the sole and exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act **of 1933, as amended (the “Securities Act”)**, against any person in connection with any offering of our securities, including, without limitation and for the avoidance of doubt, any auditor, underwriter, expert, control person, or other defendant. Pursuant to the Exchange Act, claims arising thereunder must be brought in federal district courts of the United States of America. The choice of forum provision in our Bylaws may limit a stockholder’s ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, employees, or agents, which may discourage lawsuits with respect to such claims. However, our stockholders will not be deemed to have waived (and cannot waive) our compliance with federal securities laws and the rules and regulations thereunder. If a court were to find the choice of forum provision in our Bylaws to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could have a material adverse effect on our business, prospects, results of operations, and financial condition. There can be no assurance that the **our publicly-traded warrants (the “Public Warrants”) or warrants sold in a private placement as part of our initial public offering or acquired through a conversion of a working capital loan (the “Private Placement Warrants” and, together with the Public Warrants, the “Warrants”)** will ever be in the money, and they may expire worthless. The exercise price for the Warrants is \$ 11. 50 per share of common stock. There can be no assurance that the Warrants will ever be in the money prior to their expiration, and as such, the Warrants may expire worthless. We may amend the terms of the Warrants in a manner that may be adverse to holders with the approval of the holders of at least 50 % of the then- outstanding Public Warrants (or, if applicable, 65 % of the then- outstanding Public Warrants and 65 % of the then- outstanding Private Placement Warrants, voting as separate classes). Our Warrants were issued in registered form under our warrant agreement with Continental Stock Transfer & Trust Company which provides that the terms of the 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 other changes. However, if an amendment would adversely and differently affect either the Public Warrants or Private Placement Warrants, the approval of 65 % of the then- outstanding Public Warrants and 65 % of the then- outstanding Private Placement Warrants, voting as **Solid Power, Inc. | 2024 Form 10-K | separate 32 separate** classes, is required. Accordingly, we may amend the terms of the Warrants in a manner adverse to a holder if holders of at least 50 % of the then- outstanding Public Warrants (or, if applicable, 65 % of the then- outstanding Public Warrants and 65 % of the then- outstanding Private Placement Warrants, voting as separate classes) approve of such amendment. Although our ability to amend the terms of the Warrants with approval of the holders of at least 50 % of the then- outstanding Public Warrants (or, if applicable, 65 % of the then- outstanding Public Warrants and 65 % of the then- outstanding Private Placement Warrants, voting as separate classes) 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 stock (at a ratio different than initially provided), shorten the exercise period, or decrease the number of shares of our common stock purchasable upon exercise of a Warrant. Solid Power, Inc. | ~~2023-2024~~ Form 10-K | 35-33