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Zacks Small-Cap Research

Sponsored – Impartial - Comprehensive

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Aptera Motors (SEV-NASDAQ)

SEV: Can Aptera Turn Radical Efficiency into a Viable Business? Initiating Coverage of an Innovative Solar EV Developer.

Aptera Motors' valuation relies on our DCF model with a steep 17% discount rate applied to cash flow. We are assuming that the company's sEV enters the market in 2027 and sales accelerate sharply in 2028 and 2029. Our target valuation is $4.00.

Current Price (06/15/26)	$2.24
Valuation	**$4.00**

OUTLOOK

Aptera Motors appears to be on the verge producing an ambitious EV after years of development, featuring industry-leading efficiency, integrated solar charging, and an extremely lightweight design.

Execution and financing risks remain high. The company must successfully complete validation testing, secure additional capital, and transition from low volume to full commercial production.

If Aptera can convert its large reservation base into deliveries, its unique design could give it a strong foothold in the EV market.

SUMMARY DATA

52-Week High	**$10.84**
52-Week Low	**$1.41**
One-Year Return (%)	**N/A**
Beta	**1.02**
Average Daily Volume (sh)	**301,230**
Shares Outstanding (mil)	**37**
Market Capitalization ($mil)	**$82**
Short Interest Ratio (days)	**N/A**
Institutional Ownership (%)	**N/A**
Insider Ownership (%)	**46.2%**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**N/A**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/A**
P/E using 2026 Estimate	**N/A**
P/E using 2027 Estimate	**N/A**
Zacks Rank	**N/A**

Risk Level	**High**
Type of Stock	**Speculative**
Industry	**EV/Autos**

ZACKS ESTIMATES

Revenue
(in millions of $)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2024	$0.0 A	$0.0 A	$0.0 A	$0.0 A	$0.0 A
2025	$0.0 A	$0.0 A	$0.0 A	$0.0 A	$0.0 A
2026	$0.0 A	$0.0 E	$0.0 E	$0.0 E	$0.0 E
2027	$0.6 E	$1.4 E	$3.0 E	$4.0 E	$9.0 E

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2024					-$1.52 A
2025					-$1.79 A
2026	-$0.32 A	-$0.29 E	-$0.27 E	-$0.26 E	-$1.13 E
2027	-$0.26 E	-$0.26 E	-$0.22 E	-$0.20 E	-$0.93 E

KEY POINTS

➢ Aptera Motors Corp. (NASDAQ: SEV) is building a unique electric vehicle (EV) platform with a highly differentiated design that prioritizes efficiency and aerodynamics above all else while incorporating a unique solar electric vehicle ("sEV") architecture. Traditional EV manufacturers have largely focused on providing the same driver and passenger experience by replacing internal combustion engines with large battery packs, electric motors, and power electronics, but Aptera's approach to vehicle design is centered on lightweight construction, extreme aerodynamic efficiency, and integrating solar charging technology into the vehicle itself. The company envisions a day where commuters in ideal conditions could harness the energy of the sun to power their daily commute of up to 40 miles per day simply by parking a car and converting the sun's rays into stored energy.

➢ Development of the Aptera sEV began in 2005 and the original founders were able to leverage significant support from its community to relaunch the company in 2019 via a successful crowdfunding campaign. We believe that 2026 should prove to be a critical year for the company, as it has produced its first five validation vehicles from its low-volume validation assembly line in California. We are projecting initial deliveries of the Aptera vehicle to early customers in 2027 and full production in 2028.

➢ Since the initial Aptera project was launched nearly 20 years ago, the EV market in the US has evolved from a niche market selling a few thousand vehicles annually to a major component of the US auto market, with sales topping 1.5 million units in 2025, accounting for more than 8% of all vehicles sold last year. This growth has largely been driven by consumer demand for environmentally friendly alternatives to traditional combustion engines and increased access to high-power charging infrastructure around the country.

➢ In our opinion, Aptera is not attempting to meet all demands of all drivers with their electric vehicle. Instead, the company is focused on a smaller subsegment of potential consumers who prioritize energy-efficient transportation, low daily operating cost, and partial energy independence from traditional charging infrastructure. Aptera's three-wheel vehicle could offer an attractive alternative for consumers who desire an enclosed cabin and an EV powertrain but who have relatively short daily commutes or lack access to home charging infrastructure.

➢ The company's most recent iteration has been built with significant support from grassroots investors and by adopting a direct-to-consumer reservation system. The company has reported that almost 50,000 reservations have been placed by consumers who made a $100 deposit with the company. In 2024, the company launched an accelerator program that enabled roughly 2,000 investors to invest $10,000 or more to secure one of the first "launch edition" vehicles. This financing raised nearly $34 million for the company which speaks to the passion supporters have for this project.

➢ Aptera's vehicle, as currently configured, is three-wheeled (two in the front and one in the rear) and is considered by most states to be an autocycle. This classification reduces the hurdles of bringing the vehicle to market as the safety requirements are not as stringent as they are for a traditional automobile. While the vehicle is expected to be classified as an autocycle, the vehicle has been engineered to meet passenger car safety standards. While there is pending Federal legislation that could impact the ability of autocycles to register as street legal vehicles, today this status should accelerate the company's time to market.[1]

➢ Aptera is entering a critical junction in its path to commercialization. The company is likely to need $45 - $50 million of additional funding before finalizing production vehicles for delivery. The company's funding sources are likely to be limited investors should be aware of the possibility of further dilution. There is also some uncertainty around what the final cost of the vehicle will be for customers but the

company appears to still be targeting a $40k price for the launch model. Finding a price that is both profitable for the company and attractive to customers will be a key to the success of Aptera.

➢ Aptera's ability to transition from prototype validation into an EV manufacturer while maintaining financial discipline will be the principal storyline in 2026. If the company can begin customer deliveries, expand production capacity, and demonstrate strong demand beyond early adopters, Aptera could become a unique growth story in a challenging mobility market. We are establishing a valuation target of $4.00 based on our DCF projections, which assumes significant deliveries by the end of the decade.

OVERVIEW

Source: Aptera Motors Corp.

Aptera Motors is a late-development-stage electric vehicle manufacturer focusing on delivering a unique, highly efficient EV. The company's first vehicle is a solar-electric vehicle (sEV) with integrated solar charging and an aerodynamic design, built for customers seeking to minimize their reliance on home charging or existing charging infrastructure. The current iteration of the company emerged after it was relaunched in 2019 by the founders, capitalizing on the second wave of EV investment that piggybacked on Tesla's mainstream success. The original company – founded in 2005 – ceased operations in 2011, when private funding could not be secured to match the terms of a conditional Department of Energy loan. The 2019 relaunch of Aptera was led by the same founding team that started developed the concept in the early 2000's.

Aptera completed a direct listing of its Class B common stock in October 2025 and the company began trading on the NASDAQ under the ticker symbol SEV at that time.

The company is building a three-wheeled electric vehicle that is classified as an autocycle for most state registrations, which we will discuss later. The company's vehicle leverages lightweight body construction, advanced aerodynamic designs, and solar panels added to the roof, hood, and rear hatch to provide supplemental charging of the vehicle's batteries independently from grid-connected infrastructure. The primary selling point of the company's vehicle is that it will be capable of meeting daily driving needs of commuters with the solar power generated from the integrated panels on the car in ideal conditions.

Despite Aperta's long history of development, the company is still a pre-revenue venture, though the first five validation vehicles have now been produced off its 14-station low-volume assembly line in Carlsbad, CA. The company should continue to progress toward commercial production through the balance of 2026, with initial deliveries taking place in late 2026 or early 2027.

Aptera has focused on designing a simplified vehicle architecture with lower part counts than traditional vehicles manufactured by large OEMs, which the company anticipates will result in lower capital requirements for the assembly process and a simplified production workflow. The company has also built the vehicle with numerous off-the-shelf components to minimize the cost of development and simplify the assembly process. Aptera has elected to use exterior wraps for its vehicle rather than build a traditional paint shop. Automotive paint shops can cost hundreds of millions of dollars and eliminating this option should lower the overall cost of the final Aptera production facility. The confirmation of these assumptions over the next few years will be a key for investors to monitor.

Since the original Aptera concept was pitched more than twenty years ago, Aptera has focused on serving a target market of environmentally aware consumers who are seeking to reduce their reliance on traditional vehicles and control the energy inputs that powers their vehicles. Many EV buyers have become disillusioned by the fact that a significant percentage of electricity obtained from the grid is still derived from non-renewable sources, and by harnessing the power of the sun without a reliance on the grid, customers can completely control the energy source that is used to power their vehicles. A secondary driver of consumer interest seems to be prospective customers who simply want to drive a vehicle that turns heads during their commute, and the Aptera certainly fits that bill.

Figure 1: The Aptera Solar Electric Vehicle

Source: Aptera.us

Aptera has a large contingent of dedicated investors and passionate supporters, but the execution and financial risks facing the company over the next 12-24 months are as great as they've been since the company's relaunch in 2019. The company is likely to remain dependent on external financing for the foreseeable future and the long-term success of the company is dependent on its ability to successfully transition from hand assembly to large-scale commercial production. The shift to full production will also present challenges associated with managing a growing supply chain and pricing its products at a point where demand will exist in the market while also still generating a profit on each delivery.

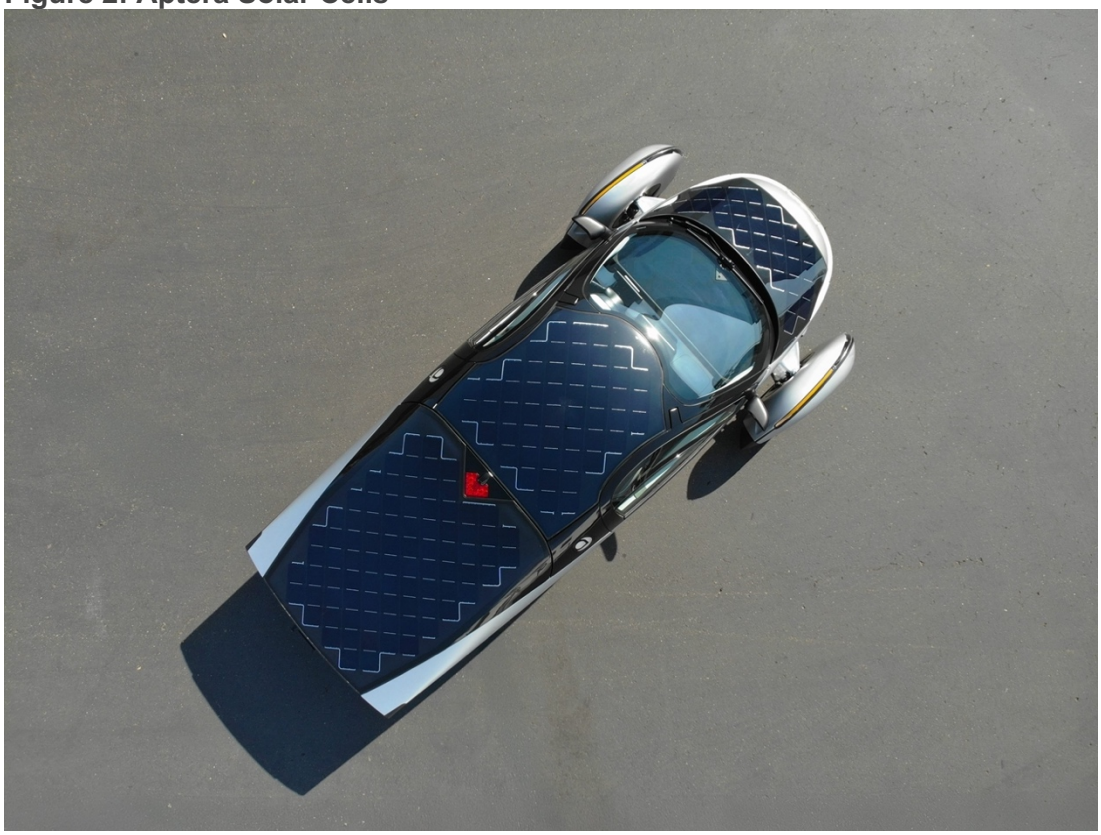
The Aptera Launch Edition sEV

The Aptera "Launch Edition" sEV, as the initial model is being called, is being designed with a focus on efficiency and integrated solar charging to deliver a unique two-seat, autocycle to the market. The company has stated that it believes that its fully charged battery range will be up to 400 miles; solar charging capabilities are designed to provide up to 40 miles of additional capacity per day, while offering:

- level 1 and
- level 2 AC charging and
- level 3 DC charging.

As noted, the Aptera features seating for two (driver and passenger) with a surprisingly large rear storage area that is roughly 7 feet long and provides up to 32.5 cubic feet of capacity. The Aptera's storage capacity more closely resembles that of a small SUV than a coupe, with roughly the same storage capacity as a Subaru Forrester. The vehicle is powered by a front-wheel drive drivetrain that is expected to reach 0- 60 mph in under 6 seconds and ultimately have a top-speed potential of 101 mph.
The solar charging system embedded in the Aptera includes roughly 700W+ of solar cells located on the hood, roof, and rear hatch of the vehicle as shown in Figure 2 below.

Figure 2: Aptera Solar Cells



Source: Aptera.us/media-room

The Aptera's coefficient of drag is reported to be approximately 0.13, which would be significantly better than even the most efficient production vehicles on the market today. For reference, the Lucid Air is considered the most efficient production vehicle today with a coefficient of drag of 0.197. The total length of the Aptera sEV is roughly 177 inches, which is a little shorter than the Tesla Model 3, but the unique wheel placement outside of the frame on the front of the vehicle means that the front wheel width is roughly 88 inches, which is slightly larger than most large sedans currently on the market. The company has noted, though, that given the gull-wing style of its door opening, the car should still fit easily inside a standard 108-inch parking space.

While the vehicle is expected to be classified as an autocycle in nearly every state, vehicle has been engineered to meet passenger car safety standards. The Aptera sEV will have front and rear foam-filled impact zones, a safety cell paired with metallic subframes to protect occupants, two front airbags, anti-lock brakes, and four cameras to enhance driver and passenger safety.

Given the very low energy needs anticipated for the Aptera, the company predicts it will use roughly 1/3 the energy of a traditional EV. As we will discuss later, the company's performance, solar charging capacity, and range claims have yet to be independently verified by customers, and that will be one of the major milestones investors will be monitoring in 2026-27.

The company has not updated pricing since it noted in 2025 that the launch edition was expected to be priced at $40,000. While this is in the middle of the previously stated price range ($28,000-$55,000), it is higher than we think some early backers expected. Certain inputs have almost certainly increased in price as a result of global inflation and trade actions but battery costs have likely improved for the company in the past few years (as technology has improved and prices have fallen across the industry). We believe the company is still finalizing many vendor relationships, so the final pricing is unlikely to be known until Aptera nears delivery of its first vehicles.

HISTORY

While the publicly traded version of Aptera was only recently founded in 2019, it is worth noting that many of the parties running the current public company were engaged in the founding of Aptera roughly two decades ago as well.

Aptera was founded by Steve Fambro, Chris Anthony, and Michael Johnson in 2005 and raised more than $20 million from several major VC firms and corporate venture arms, including Google and Idealab, to bring their three-wheeled vehicle to the market. By 2009-2010, the founding team had moved on to other projects and the company pivoted to a design for a four-wheeled vehicle in order to be eligible for a large Department of Energy loan. The DoE loan of $150 million was contingent upon the company separately raising $80 million from private investors. In December 2011, Aptera announced that it could not raise the funds necessary to qualify for the loan, the company's intellectual property was sold and the business liquidated.

In 2012, Zhejiang Jonway Group acquired the IP of Aptera from creditors, and the company planned to operate two subsidiaries – Zaptera USA and Aptera USA. However, by 2014, this business had ceased operations.

In 2019, Chris Anthony and Steve Fambro relaunched Aptera, and the company demonstrated a prototype just over a year later. As a result, the company elected to take $100 customer deposits for the vehicle, and they received 3,000 deposits within a week. The company ultimately raised over $130 million from investors and crowdfunding supporters who invested for the right to purchase an early production edition of the vehicle.

Production forecasts have slipped from 2021 to 2026, but the company still completed a direct listing on the NASDAQ in October 2025, and Aptera Motors Corp. began trading under the ticker SEV.

As of March 31, 2026, the company had grown to nearly 60 full-time employees.

Figure 3: Aptera Manufacturing

Source: Aptera.us/media-room

THE APTERA sEV

The Aptera sEV turns heads thanks to its unique design and integrated solar panels, but ultimately the car is principally an exercise in maximizing the efficient transfer of energy from its battery pack to the powertrain to propel the vehicle down the road. The "Launch Edition" vehicle is expected to be powered by a 44 kWh battery pack. Based on various reports we've seen, it is believed that the battery pack will consist of six modules located underneath the main cabin, which is part of the vehicle's overall design to lower its center of gravity. The company has indicated that its 44 kWh battery pack will have a range of 400 miles per charge. Despite having a smaller battery pack than market leaders like the Tesla Model 3 (64 kWh), the company believes that

- the aerodynamics of the vehicle
- its low overall weight (roughly half the weight of a Model 3) and
- the reduced rolling resistance of a three-wheeled vehicle

will enable it to achieve greater real-world range than similarly powered EVs.

As we've noted the company has reported that its coefficient of drag is just 0.13, which compares favorably to even the most efficient EVs and is significantly better than the most popular vehicles like the Honda Civic (0.26-0.30) and the Ford F-150 (0.40-0.44).

Solar charging is the second major differentiator for the Aptera sEV versus traditional EVs, and the company has integrated up to 700 watts of solar cells across the roof, hood, and rear hatch. In June, the company hinted that perhaps it may be updating the rear hatch solar configuration which could add another 10-12 solar cells or perhaps up to 40 watts of additional capacity to the vehicle, but this has not been formally confirmed. Under ideal conditions, the company believes the solar cells could generate enough energy to add up to 40 miles of range per day. The real-world performance of the vehicle's solar generating capacity may not be known until the initial production vehicles are in the hands of owners.

According to Aptera's latest vehicle specifications, the Aptera's charging options include a standard 110/120V household outlet, Level 2 220/240V home charging, and DC fast charging. The standard household outlet would provide roughly 13 miles of range per hour of charging according to the company's estimates. Level 2 higher-voltage charging is typically associated with homeowners who wish to fully charge their vehicles at home, as it requires hardwiring a circuit into the home's electrical panel. Level 2 charging could add up to 60 miles of range per hour of charging. There may have been internal debate at Aptera about the need for a DC fast-charging option, as the company initially did not include it in the Launch Edition. However, we believe that there is fairly significant overlap between Aptera reservation holders and current EV owners, and the widespread adoption of DC fast charging in the past decade has conditioned many owners to expect this option. After hearing feedback from the company's reservation holders, the company elected to include this option, which could provide nearly a full charge to the Aptera in just over an hour.

In addition to focusing on building a highly aerodynamic vehicle, the company has been hyper focused on building a light vehicle as well to improve overall efficiency. Vehicle weight is always a consideration for EVs when the battery pack alone can account for 25-30% of the vehicle's total weight. Aptera has elected to build its frame using carbon fiber sheet molding, which can be press-molded, rather than the more typical vehicle construction that would include stamped steel and welding. The lighter frame and enhanced aerodynamics of the Aptera vehicle resulted in a smaller battery pack required to achieve the Launch Edition's estimated 400-mile range. Ultimately, the vehicle's total weight of approximately 2,200 pounds is nearly half that of many market-leading EVs, thanks to the design, materials, and battery pack selected by Aptera's team. The overall vehicle weight is roughly the same as a modern Mitsubishi Mirage or and about 40% less than the Tesla Model 3.

As a result of the lightweight configuration of the vehicle, the lower rolling resistance of the vehicle's three tires versus four standard tires on a traditional automobile, and aggressive aerodynamics of the vehicle, Aptera's management believes that it will achieve efficiency of 8-10 miles of range per kWh, which again compares favorably to leading EVs like the Tesla Model 3 which gets 4-5 miles of range per kWh.

CROWDFUNDING AND RECENT FINANCINGS

Aptera has largely financed its current operations through very successful crowdfunding programs and a reservation system. The company began accepting $100 reservations in December 2020 and as of 12/31/2025, the company had roughly 49,000 reservation holders.

Between January 2023 and January 2024, Aptera ran a promotional program that allowed investors to secure a priority reservation slot for one of the initial vehicles produced. The company ran an auction to determine individual investor placement in the queue. The company sold 2,000 of the delivery positions for an average investment of more than $20,000 per position or at least $40 million. The company ran a second delivery position sale in 2025 for investors willing to invest at least $5,000 and offered another 1,000 delivery slots under this agreement. In total Aptera has raised over $130 million from its crowdfunding efforts, making it one of the most successful crowdfunding campaigns ever.

In October 2025, Aptera established an equity line of credit to for up to $75 million with New Circle Principle Investments. This provides a significant source of additional liquidity for the company and the ultimate dilutive impact on shareholders will depend upon the share price if the company elects to utilize this facility.

Between mid-November and January 2026, the company utilized this line of credit to raise $3 million. In January 2026, the company issued 4.5 million shares and 4.5 million warrants with an exercise price of $2.00 for $9 million.

In March 2026, the Company entered an agreement with some holders of the January warrants where the holders exercised warrants to purchase 3.17 million shares for roughly $6.3 million or $2.00/share. The company issued 4.75 million new warrants to the holders who exercised the January warrants with an exercise price of $3.50/share.

In total, the company raised just over $17 million in the first quarter of 2026 from the issuance of shares and the exercise of warrants. As of May 2026, the company reported 24.6 million class B shares and 12.0 million class A shares (convertible into the publicly tradable class B shares) so we estimate that the total share count today is roughly 36.7 million shares.

HISTORY OF SOLAR VEHICLES

While it is far from commonplace to see a car driving down the street with integrated solar panels, the concept of solar-powered vehicles or solar panels embedded into the roof, hood, and rear hatch of a car has been around for more than four decades. Early demonstrations of integrated solar technology in vehicles were largely focused on experimental vehicles built for specific “solar races” held annually to increase the public’s awareness of solar power and to further innovation in the auto industry by improving the efficiency of all vehicles.

The GM Sunraycer and the technical information gathered from its use on open roads influenced GM’s later development of the EV1, which is widely regarded as the first mass-produced electric vehicle from a major automaker.

Various solar car races were the only real application of integrated solar technology in a car until 2010, when Toyota added a solar roof option. Initially, this solar option could only power a cabin ventilation system designed to help the car cool off when interior temperatures rose. Later generations of the Toyota Prius, including the current models, have included the solar roof as an option that can now provide additional power to the traction battery, adding 1-3 miles of range per day, up to a maximum of about 6 miles in ideal conditions.

Sono Motors emerged in around 2016 with an electric vehicle concept that embedded solar cells throughout the body panel on the hood, roof, and doors. The company claimed that its vehicle would achieve meaningful additional range from supplemental solar charging, up to 20 miles per day in ideal conditions. After numerous delays and challenges in raising financing, Sono ended its passenger vehicle program in 2023 and pivoted toward adding solar to buses and existing auto fleets.

During this period, Aptera also re-emerged and launched a crowdfunding campaign to bring a solar-powered vehicle to the US market.

A European startup, Lightyear, launched a hand-built luxury solar EV in 2022 called the Lightyear 0, which claimed over 1,000 W of solar capacity on its large vehicle roof. Despite being significantly less efficient than the Aptera sEV, the Lightyear still claimed to provide over 40 miles of supplemental range per day because it had a larger number of solar cells than the Aptera vehicle. Like Sono, Lightyear faced financial challenges, and the company pivoted from solar vehicles to providing solar technology to partners.

Several leading brands, including Mercedes-Benz and Toyota, have begun offering solar-enhanced versions of their vehicles, but these are not yet mainstream options.

NATURAL BUYERS OF AN APTERA sEV

One of the major questions for any investor in new technology that is attempting to redefine a market is, “Who is going to buy this product and what problem does it solve?”

The primary market and the longest supporters of the Aptera concept have been solar enthusiasts, principally based in the Southwest of the US, who have seen the benefits of solar power firsthand for the past 30 years and recognize that the energy of the sun can be harnessed for more uses than just powering data centers.

The most logical users of the Aptera vehicle would be commuters with relatively short commutes in areas with high insolation or a large number of clear, sunny days, to generate power for the vehicle even when it’s not connected to standard charging infrastructure. Imagine a commuter who travel 10-20 miles roundtrip per day, who parks at home and at work in an uncovered parking lot. For this commuter, in theory, the daily operating costs of an Aptera sEV could be $0 when compared to $3-$6/per day if they are using 0.5-1.0 gallons of gasoline per day in a high gas tax state like California.

We also believe there are many potential customers who are always on the cutting edge of technological innovation and will be very interested in the look and performance of the Aptera sEV. The same people that lined up for the chance to buy a Tesla Roadster in 2008 will likely leap at the chance to drive a two-seater that looks like it traveled through a time machine from 2050.

While being environmentally responsible has taken a back seat in much of the US, there is still a strong contingent of potential buyers who prioritize the environmental impact of a purchase and the impact of daily use of a vehicle on the environment. An electric vehicle that potentially does not need to connect to the grid for recharging appears to be a message that resonates with many potential buyers.

We think one relatively large group of potential buyers of an Aptera sEV would be apartment-dwellers in the Southwest who do not have access to traditional public transportation and cannot install home charging platforms for a traditional EV.

Finally, we believe there is a pool of potential buyers who are simply not interested in driving another 4-door sedan or small SUV and want a vehicle that truly stands out from the crowd. The unique styling and design of the Aptera vehicle will certainly make it stand out from the crowd on the highway. It is difficult to quantify the impact of these buyers who are driven to turn-heads but we would remind investors that Tesla began with a limited production of Roadsters sports cars before eventually shifting to more traditional sedans and SUVs.

COMPETITIVE LANDSCAPE

The competitive landscape for Aperta's vehicle is ever evolving, yet the company seems well positioned today.

In the past few years, several of the purest comparable companies to Aptera have shifted their business model or exited the industry to a large degree.

- Sono Motors – pivoted to solar retrofits
- Lightyear – pivoted to supplying solar equipment to other manufacturers.

While this raises questions about the viability of a highly efficient, two-seater, three-wheeled sEV, it also reduces the number of market alternatives for buyers seeking integrated solar in their vehicle.

Broadly, we would likely consider all battery-electric and plug-in hybrid electric vehicles to be the primary competition for the Aptera sEV. However, in reality, a prospective buyer of a Tesla Model 3 or Hyundai Ioniq 5 is seeking an all-purpose vehicle that can carry up to 5 passengers, and they are not the core target market for Aptera.

The small-car/commuter-car market, consisting of vehicles like the Toyota Prius Prime (PHEV priced between $35-$40k), the revamped 2027 Mini Cooper E, and a host of other small EVs, is likely to offer alternatives for customers looking for a small commuting vehicle.

Interestingly, in October 2025, Toyota announced funding for the FT-ME, a very short (98 inches) two-seat EV with a solar roof capable of adding 12-18 miles of range to the car's battery. However, with a standard range of just 60 miles, this would be much more a city-only vehicle. It is not expected, however, that Toyota will attempt to bring this car to the US market.

While the EV market has grown dramatically since the original Aptera concept was launched, we think that the people most committed to that vision are looking for something "different" than the standard black sedan or SUV. For that reason, despite the fact that there are nearly endless electric options for drivers simply looking for an EV, driving something truly unique like the Aptera is not an experience that can be replaced with a generic EV.

While we believe that straight substitution is unlikely for most potential buyers of the Aptera sEV, we would note that this assumes that the current pricing holds firm. The company has not updated its expected pricing in the past 12 months or so, and if pricing climbs materially above $40k for the Launch Edition, we think some portion of supporters could seek alternatives.

We would note that some people have pointed out that it may be simpler, and certainly more proven in the marketplace, to have a large solar array at your home, home energy storage like a Tesla Powerwall, and a traditional EV in your garage. While this is not a perfect alternative to the Aptera vehicle, we do recognize that for some customers who want a 4-door sedan, this solution would check many of the same boxes as an sEV from Aptera.

Finally, we do not expect an influx of Chinese EVs in the US in the near term due to high tariffs, but low-priced, high-quality Chinese EVs are impacting markets around the globe. It is too early to say which Chinese EV manufacturer becomes dominant over the next five years, but BYD and Geely are making strong pushes into every market with highly competitive products. While their products are unlikely to affect US demand, they could affect some price-conscious global buyers.

COMPETITIVE ADVANTAGE

The EV market in the US has matured a great deal since the original Aptera concept was pitched to potential customers and investors in 2005. Even since the company's relaunch in 2019, the market has shifted dramatically from a niche category that accounted for less than 2% of total passenger vehicle sales in 2019 to roughly 8% of all vehicle sales in 2025. However, simply offering an electric vehicle does not ensure a strong competitive position in the auto market in 2026.

We believe that Aptera's true advantage in the marketplace will be derived from a combination of factors including:

1. The extreme efficiency of the vehicle
2. Solar integration
3. Passionate backers
4. The WOW factor

As we've discussed, the three-wheel design, carbon fiber body, aggressive aerodynamic design, and smaller battery pack have led it to claim it will use roughly 100 Wh per mile, or travel 10 miles per kWh, which is at least double the most efficient EVs on the market today. This level of efficiency is a critical piece of the Aptera story, and confirmation of this claim will likely strengthen investor and customer interest in the vehicle.

The company's solar integration is truly a point of differentiation in the market, with only a handful of vehicles offering it today. With the shift in business models at Sono Motors and Lightyear, no company on the market is attempting to bring a vehicle with 700 watts of integrated solar capacity to market. The only real alternatives today are specific models from Hyundai and Toyota that offering 180-200 watts of solare capacity. Solar integration and the ability to generate electricity to power the car's batteries independently of the grid remain powerful competitive advantages with some customers, particularly those with short daily commutes.

It is unlikely that Aptera would be where it is today without the support of its very passionate crowdfunding network. Both the financial backing they have provided and the evangelizing they continue to do for the brand have advanced the company further along its development than you might expect for a team of less than 60 people that has spent less than $200 million developing a new vehicle. We think the feedback from the nearly 50,000 reservation holders has also helped the company respond rapidly to market demand.

Finally, we think one underappreciated aspect of the Aptera story is the desire of some people to drive a car that makes people stop and ask, "What is ***THAT***?". There are countless small SUVs and sedans on the road, but when you see a truly unique vehicle, everyone takes note of it even if it costs less than a standard pickup truck. The Aptera will undoubtedly turn many heads, particularly in its target markets in the Southwestern United States.

While it's hard to say that a company that has yet to deliver a vehicle to a customer has a competitive advantage in a market where companies sell hundreds of thousands of cars, we think these factors offer Aptera investors a glimpse of the company's possible future positioning.

US AUTO AND EV INDUSTRY OUTLOOK

The US auto market is facing a number of challenges that have not been present in recent years. The post-pandemic surge in vehicle purchases (and leases) pulled forward a great deal of demand that is still working through the system. Additionally, consumer confidence in the US remains low, new-car prices continue to rise due to higher input costs, and consumers are holding onto their vehicles for longer periods.

As a result, the US auto market is forecast to effectively tread water for the next year or two with total annual deliveries around 16 million units before slowly climbing toward 17 million units at the end of the decade. It's worth noting that, despite a significantly smaller population, the US averaged more than 17 million vehicles sold each year from 2015-2019.

The near-term outlook for the EV market is even more challenging in the US, where sales have fallen sharply in 2026 due to the elimination of the EV Federal Tax Credit in 2025. Sales were down 23% in April 2026 compared with the prior year, and the overall projection is for a roughly 15% drop for the full year. Long-range forecasts now predict that EVs will hold a smaller share of the overall market by 2030 than previously forecast. Earlier in the 2020s, it was projected that as a result of tax incentives, consumer preferences, and state/Federal mandates, close to 50% of vehicle sales would be EVs at the end of the decade. The latest estimates we've seen for EV penetration rates still have EVs more than doubling their market share to 25% by the end of the decade. Still, much of that will likely depend on the model production from some of the largest manufacturers and many of these manufacturers have been signaling a shift away from pure BEVs toward more plug-in hybrids and traditional internal combustion engines.

While the company has indicated that it will take longer to complete international homologation and its focus is clearly on the US right now, we would note that several markets in the EU and Asia already have EV penetration rates that are north of 25% (several are above 40%), and the growth in these markets is not slowing for EVs. Northern European countries that have strong EV demand are unlikely to be a good market for the company given their limited solar power generation capacity, but several Asian markets, such as Vietnam, India, and the world's largest EV market – China – could eventually be significant opportunities for Aptera.

THE PATH TO COMMERCIAL DELIVERIES FOR APTERA

In March 2026, the company completed the first vehicle on its low-volume "validation assembly line," a major step forward from its previous hand-built vehicles toward building a standard assembly line. By May, the company had produced five vehicles on this assembly line.

We believe the company is looking to have a small fleet of up to 10 vehicles to test on-road performance, install software, and gather real-world solar collection data. We expect a second batch of 5 vehicles to be produced this summer to bring the fleet to 10.

These vehicles will have to undergo fairly rigorous testing to ensure battery performance in extreme heat environments (both in controlled testing and outdoors), HVAC system testing, brake performance testing, and crash testing.

At this point, we believe the company is working on production and assembly workflows and tooling, principally, with more intensive testing planned for the second half of 2026.

The company is also likely working diligently to align its supply chains to ensure it can ramp production when customer deliveries begin. Finally, the company will have to pursue regulatory self-certification and EPA certification before establishing delivery processes and support for customers.

THE BURDEN OF HIGH EXPECTATIONS

If Aptera's timelines are accurate, the company will likely have vehicles in customers' driveways in the next 6-12 months, meaning its previous statements on vehicle range, solar charging capacity, and the actual price of its vehicle will be readily available for anyone to see.

Range: The company has consistently said that the vehicle will have a fully charged range of 400 miles, despite the launch edition operating with just a 44 kWh battery pack, because the vehicle's efficiency will be nearly twice that of its nearest competitors. We will be curious to see how the vehicle performs in slow-speed commuter scenarios, where the vehicle's aerodynamics and lightweight design may not deliver the same efficiency gains as on the highway, and how customers respond if the range is less than expected.

Solar Charging: The company's claim that its solar cells can generate enough power to provide ***"up to 40 miles"*** of driving range per day may be the most debated statistic in the EV market today. Solar power is no longer a mystery to many customers and investors. Most calculations related to solar power generation are well known today, and we have well-established historical data on solar insolation, cloud cover, and panel efficiency. The "up to 40 miles per day" figure assumes optimal solar angle, limited cloud cover, minimal shading from trees or buildings, and cars parked in the Southwestern US.

One of the risks we see for Aptera is that it may meaningfully outperform existing EVs in efficiency and deliver impressive solar generating capacity, but the real-world performance is still a bit of an unknown. If the best-case data previously discussed by Aptera's management (Range: up to 400 miles, solar charging: up to 40 miles/day), is validated by early users it could materially improve the market's opinion of the Aptera sEV and increase awareness of the vehicle among the general public.

Finally, the company has been relatively quiet recently on pricing during the current round of global inflation but we think the company is working hard to control costs and hit its $40,000 target for the launch vehicle.

APTERA HAS ADMITTEDLY BEEN HERE BEFORE

While we currently anticipate Aptera's first commercial deliveries in early 2027, we must recognize that Aptera has been in this position before. There have been several examples over the past five years where the company was "just 9-12 months from delivery".

- In 2020, the company said it would manufacture 300+ cars in 2021 if they raised $25 million. [2]
- In 2021, the company said it was targeting beginning production in 2022 [3].
- In 2024, the company elected to replace its drivetrain, further delaying production.[4]
- In 2025, Aptera indicated that customer deliveries were to begin in late 2025. [5]

Based on the latest management communication, the company believes it still needs an additional $45-$50 million to complete validation, testing, and factory tooling for production. Investors and long-term supporters have expressed concern that the company always seems to be just a little short of funding to begin production. While the company has access to an equity line of credit that could provide nearly all the required funding, doing so would likely result in significant dilution.

CAPITAL STRUCTURE

As we've discussed, we believe the total number of shares outstanding is roughly 12.0 million Class A shares and 24.6 million Class B shares. The company's Class A shares are convertible into Class B (the trading stock on the NASDAQ) on a 1-for-1 basis. Additional options and warrants are outstanding at various exercise prices, but most of these are currently out of the money.

Figure 4: Holders of Aptera Motors Corp.

	Class A	Class B	% of total outstanding shares
Chris Anthony	5,000,000		13.6%
Steve Fambro	5,000,000		13.6%
Michael Johnson Properties		5,025,776	13.7%
Patrick H. Quilter Trust	1,908,000		5.2%
Total Class A & B shares outstanding			36,654,564

Source: Company filings

Importantly, the Class A common stock is entitled to one vote per share, while the public Class B shares are not entitled to vote.

With effectively 99% of the voting stock controlled by three individuals, Class B holders will need to recognize that they will have little to no say in several important matters, including board representation and approving financings. This concentration of voting control increases the risk that Class B holders could experience dilution as the company raises additional funds to bring its vehicle to market.

RECENT NEWS

➢ In April 2026, the company settled a previously filed lawsuit with Zaptera USA. In 2024, Zaptera sued Aptera, alleging that Aptera infringed on patents Zaptera claimed it had purchased from Aptera when the original business was liquidated in 2011. Under the terms of the settlement, Aptera agreed to issue 105,000 shares of Class B stock and warrants to purchase up to an additional 210,000 shares.

➢ In May, the company announced that it had completed the assembly of its first five validation vehicles on a structured low-volume assembly line. This announcement marked a significant milestone for the company as it moves Aptera from the prototype development stage to validating its manufacturing and assembly processes.

➢ A March 2026 article in Autoweek stated that the Aptera production line "can make 80 to 100 cars a day when it's up to speed." [6], but that was not a direct quote from the company or management. The company has stated in the past that it does anticipate being able to produce 20,000 vehicles annually when its current facility is operating at high volume. Assuming 50 weeks of production annually, it yields weekly production of 400 vehicles or roughly 80 vehicles per day with a 5 day production schedule.

RECENT FINANCIAL RESULTS

In May, Aptera reported the results of the company's first quarter of operations. As a pre-revenue company, the quarter's results focused largely on expense management and investments in components, safety testing, and final engineering of the Aptera vehicle.

The company's total net loss declined by $5.3 million from the fourth quarter of 2026 to ($10.2) million, largely due to lower stock-based compensation (non-cash) allocated to G&A in the quarter. When comparing non-GAAP adjusted income (loss), the company's loss decreased by roughly $2.5 million in the quarter as a result of tighter spending controls. We feel that excluding non-cash stock compensation charges and a one-time charge related to the settlement of the Zaptera lawsuit, the $6 million cash burn in the quarter is likely the low point for cash burn, as staffing has increased by more than 50% over the past year.

A cash burn of roughly $2 million per month, with cash balances of $17.7 million at 12/31/26, gives the company roughly 9 months of cash runway. As the company has noted, it will need $45 - $50 million to reach production, and we will discuss our assumptions for share issuance to meet that funding need in the valuation section below.

The company's balance sheet as reported at 3/31/26 remains weak despite the most recent capital raise in the first quarter. Cash and equivalents were roughly 45% of total assets at the end of the quarter, but, as we've noted, the company likely does not have sufficient funds to operate through 2027 at its current burn rate. The company's relatively small, fixed asset base – just $17.6 million of property and equipment on the balance sheet, despite having raised $140 million from investors - speaks to the early stage of Aptera's development.

MANAGEMENT

Chris Anthony – Co-CEO – Mr. Anthony was part of the original Aptera founding team in 2006 and has been with the current operating company since 2019. Mr. Anthony served as the founder and CEO of Flux Power, a lithium battery company, from 2009 to 2019, and as the founder and CEO of Epic Boats from 2002 to 2018.

Steve Fambro – Co-CEO – Mr. Fambro was also part of the founding team at the original Aptera company and has been with the current company since 2019. Mr. Fambro has held leadership positions in several clean energy ventures and companies focusing on the renewable energy market. Mr. Fambro founded an indoor food production firm, which he led from 2010 to 2015.

Tom DaPolito – Interim CFO – Mr. DaPolito joined the company in October 2025 as the company’s interim CFO after advising the company as a consultant since 2023. Mr. DaPolito has held senior level financial and operations roles at a number of firms including Take-Two Interactive (NASDAQ: TTWO) and Monster Worldwide. Mr. DaPolito also served as the CFO at Fit Pay, Inc., and ran investor communications that led to the company’s acquisition by Garmin Ltd (NYSE: GRMN).

Tony Kirton – Chairman of the Board – Mr. Kirton joined the company’s board of directors in 2025 and has had extensive experience in leadership roles in the automotive industry. Mr. Kirton has held senior positions at Audi, Volkswagen and BMW South Africa.

VALUATION

Aptera is still a pre-revenue, development-stage EV company, and the market is severely discounting its prospects given the challenges other EV manufacturers have encountered during the transition from prototyping to production. Retail investors remain focused on the company's ability to deliver vehicles to customers in 2026. While we do think that is a possibility that the company delivers a small number of vehicles in 2026, we are more focused on the prospect of the first wave of meaningful production rolling off the production line in 2027. We are projecting a meaningful ramp in production from 2027 to 2028, with more than a 10-fold increase in deliveries from 225 units to more than 3,000. Given the financial commitments many potential buyers have already made to Aptera by purchasing reservation slots, we are fairly confident the initial production units will find buyers quickly.

In the US auto market with 16 – 17 million units sold annually, if Aptera can capture even a very small percentage of the overall market and less than half a percent of the overall EV market in 2030, the opportunity for Aptera is significant given that the company has designed its vehicle to be profitable at a lower sales price than many new EVs in the market.

Our model will likely need to be updated frequently over the next 12 – 18 months as important factors such as production timelines, component costs, vehicle prices, and initial customer demand come into sharper focus. We also assume that the company will be able to successfully access capital to fund operations through the second half of 2028, when we expect it could turn cash flow positive.

By the end of the decade, we predict that the company could be a self-sufficient EV manufacturer owning a small but profitable niche of the US Auto market. We currently use a fairly high discount rate of 17% in our model to discount future cash flows, given the large number of production milestones that must be achieved before low-volume production can begin. As the company achieves these milestones, we could adjust the discount rate in our model, potentially positively impacting our valuation target.

Based on our assumptions that the company can realize significant annual deliveries by the end of the decade and an assumption that, based on the company's manufacturing model, it will achieve higher-than-industry-average margins, and applying a 17% discount to future cash flows yields our initial target valuation for Aptera of $4.00/share. Several factors, including but not limited to production timelines, financing, and consumer demand, will impact this valuation, and we will adjust it accordingly as we refine the model.

RISKS

Aptera Motors is facing several operational, regulatory, and financial risks, including but not limited to:

➢The company has incurred significant losses since its inception, and there remains a great deal of uncertainty around the company's profit margins when it begins selling vehicles. The company will need significant additional financing to begin producing vehicles for sale, and in the absence of that funding, its ability to continue as a going concern will be at risk.

➢After many years of development, the company has completed 5 validation vehicles for testing, but the company has still not produced any vehicles for sale, roughly seven years after its relaunch. The company will need to complete its production tooling, validation, and self-certification to launch the vehicle in late 2026 or early 2027. Further delays would erode likely impact investor and customer confidence in the company.

➢High-volume auto manufacturing is very challenging, and several auto startups have failed to navigate the transition from prototype developer to full-scale manufacturing successfully. The company's shift to manufacturing will include several operational and execution risks.

➢The company is likely to finance its operations until it can achieve cash flow breakeven through further equity issuance, which will likely dilute the company's existing holders of equity.

➢The company faces a risk that some portion of its large number of customer reservations will not convert to completed deliveries. The changing specifications on the Launch Edition and the actual sales price will likely determine the degree to which reservations convert to sales.

➢It is unclear at this point how widely accepted the three-wheeled design of the Aptera will be, when consumers have likely only driven traditional 4-wheeled vehicles.

➢The company has frequently cited the sEV's anticipated range and solar generating capacity in optimal conditions, but this data has yet to be independently verified by testers or consumers. If the real-world experience of drivers is significantly different from what was previously stated, it could impact end demand.

1 https://www.thebikerlawyers.com/federal-bill-autocycle-motorcycle-definition-slingshot/

2 https://uploads.wefunder.com/uploads/company_attachment/file/51975-bwe45xy9axlVOuR2TcC7FPGT/Wefunder_Investor_Presentation_v2.pdf

3 https://electrek.co/2021/10/28/an-up-close-look-at-the-aptera-sevs-and-interview-with-co-founder-chris-anthony/

4 https://www.youtube.com/watch?v=6LDbRvoa7pU

5 https://www.autoexpress.co.uk/news/365559/aptera-solar-car-ready-shine-road-ps32k

6 https://www.autoweek.com/news/a70592597/aptera-claims-production-by-year-end/?utm_source=chatgpt.com

PROJECTED INCOME STATEMENT

Aptera Motors Corp.

6/15/26

(USD in 000's; December Year-End)	2024A	2025A	Mar 1Q26A	June 2Q26E	Sept 3Q26E	Dec 4Q26E	2026E	Mar 1Q27E	June 2Q27E	Sept 3Q27E	Dec 4Q27E	2027E
Sales	-	-	-	-	-	-	-	$ 600	$ 1,402	$ 3,012	$ 4,026	**9,040**
% change (yoy)												
Cost of Revenues	-	-	-	-	-	-	-	510	1,164	2,470	3,261	7,405
Gross Profit	-	-	-	-	-	-	-	90	238	542	765	1,635
Gross Profit Margin								**15.0%**	**17.0%**	**18.0%**	**19.0%**	**18.1%**
Operating Expenses:												
General, selling and adminstrative	20,090	26,768	4,427	4,604	4,788	4,980	18,799	5,129	5,334	5,548	5,714	21,725
Research and Development	17,031	21,342	5,905	6,141	6,387	6,642	25,075	6,709	6,756	6,789	6,813	27,067
Total operating expenses	37,121	48,110	10,332	10,745	11,175	11,622	43,874	11,838	12,090	12,337	12,527	48,793
Operating Income (Loss)	**(37,121)**	**(48,110)**	**(10,332)**	**(10,745)**	**(11,175)**	**(11,622)**	**(43,874)**	**(11,748)**	**(11,852)**	**(11,795)**	**(11,762)**	**(47,157)**
Other income	2,214	4,203	138	0	0	0	138	0	0	0	0	0
Net Loss	**(34,907)**	**(43,907)**	**(10,194)**	**(10,745)**	**(11,175)**	**(11,622)**	**(43,736)**	**(11,748)**	**(11,852)**	**(11,795)**	**(11,762)**	**(47,157)**
EPS reported	**(1.52)**	**(1.79)**	**(0.32)**	**(0.29)**	**(0.27)**	**(0.26)**	**(1.13)**	**(0.26)**	**(0.26)**	**(0.22)**	**(0.20)**	**(0.93)**
Net Loss Reported	**(34,907)**	**(43,907)**	**(10,194)**	**(10,745)**	**(11,175)**	**(11,622)**	**(43,736)**	**(11,748)**	**(11,852)**	**(11,795)**	**(11,762)**	**(47,157)**
Stock-based compensation	14,766	24,313	3,356	3,557	3,664	3,957	14,535	4,036	3,915	3,719	3,348	15,019
Depreciation and amortization	498	566	187	198	204	220	810	243	267	293	308	1,111
EBITDA Adjusted (excl stock comp)	**(19,643)**	**(19,028)**	**(6,651)**	**(6,990)**	**(7,307)**	**(7,444)**	**(28,392)**	**(7,469)**	**(7,670)**	**(7,782)**	**(8,107)**	**(31,027)**
Diluted Shares (weighted average)	**23,037**	**24,493**	**32,146**	**37,021**	**41,464**	**44,719**	**38,837**	**45,166**	**45,617**	**54,741**	**57,752**	**50,819**

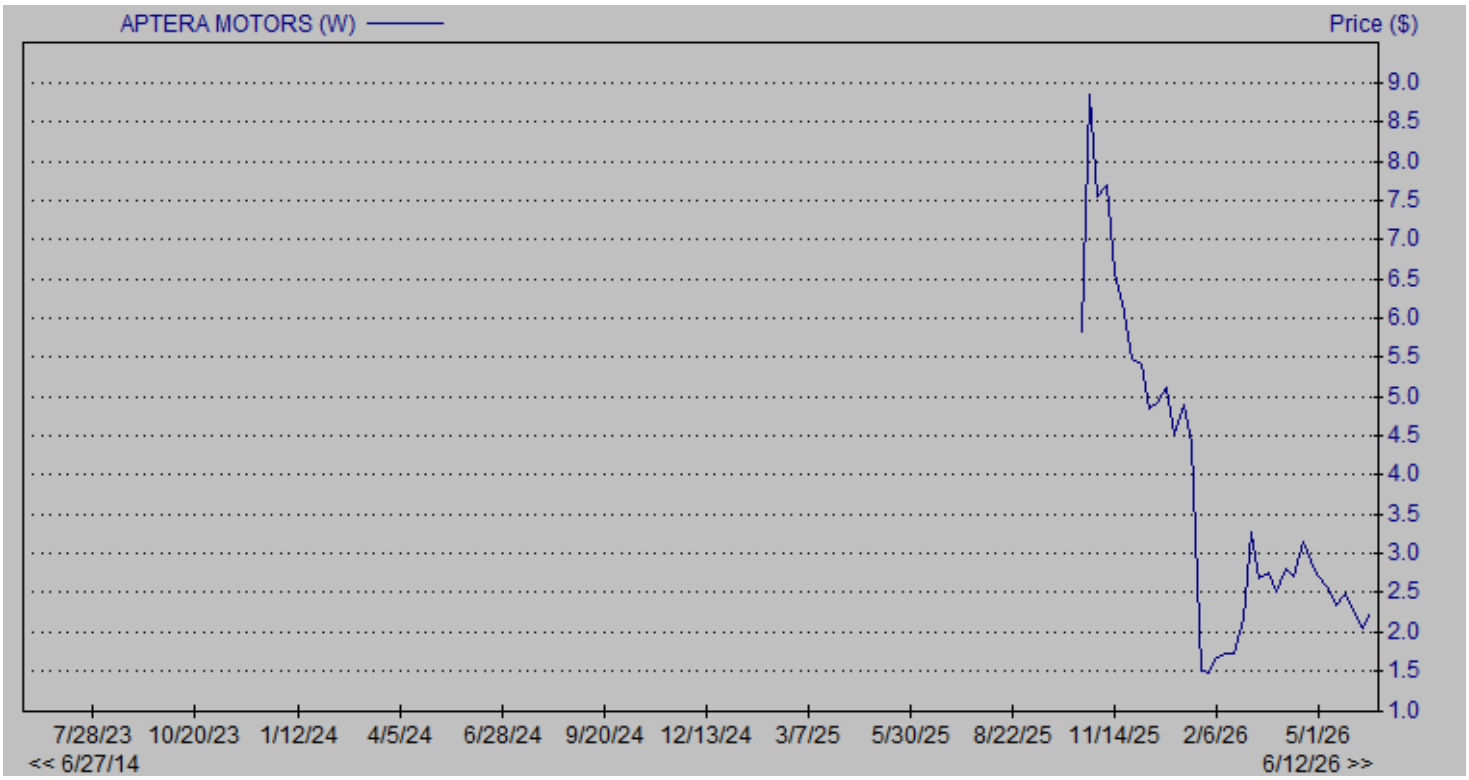
Source: Zacks SCR, Brian Lantier, Company Filings

BALANCE SHEET

Aptera Motors Corp.
Balance Sheet in US Dollars
3/31/26

(USD in 000s)	
Assets	
Current Assets	
Cash and Cash Equivalents	17,721
Prepaids and other	492
Total current assets	18,213
Deposits and other long-term assets	1,050
Property and equipment, net	17,604
Right of use assets - operating lease, net	2,116
Total Assets	**38,983**
Liabilities	
Current Liabilities	
Accounts payable	620
Accrued liabilities	2,308
Unearned reservation fees	4,083
Current portion of operating lease liabilities	1,099
Total current liabilities	8,110
Operating lease liability, net of current portion	1,214
Other long-term liabilities	15
Total Liabilities	**9,339**
Shareholder's Equity	
Class A Common Stock (voting)	1
Class B Common Stock (non-voting)	3
Additional Paid-in Capital	361,153
Accumulated Deficit	(331,513)
Shareholder's Equity	**29,644**
Total Liabilities & Equity	**38,983**
Source: Company filings	

HISTORICAL STOCK PRICE



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