

### Bimergen Energy Corporation

BESS: Capital-Light, Grid-Balancing Operator with an Energy Arbitrage Model

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#### KEY POINTS

- A grid-balancing operator with an energy arbitrage model.** Bimergen develops battery energy storage systems (BESS) assets that store surplus energy during low-demand periods and discharges that energy during peak demand windows, monetizing the spread through energy arbitrage. The company's portfolio consists of 23 development-stage and eight late-stage projects with a cumulative estimated capacity of more than 2 gigawatts.
- US battery storage capacity is projected to grow substantially over the next five years.** Drivers include the rapid buildout of intermittent wind and solar generation requiring flexible storage assets to smooth supply; AI-powered data centers that are straining grid infrastructure; and federal policy that has dramatically improved the return profile of standalone BESS projects.
- Giving new meaning to capital-light.** Bimergen has structured its operations around offtake and tolling agreements that should provide a contracted revenue floor with potential upside participation. Underpinning the entire model is 100% project-level financing, which means capital expenditures are funded at the individual project level and not by Bimergen.
- While the Bimergen business plan has several moving parts, if management executes, the numbers should start to add up quickly.** Importantly, Co-CEO Cole Johnson has a track record that spans the full development life cycle of energy storage project development, including securing capital for early-stage projects, negotiating and qualifying projects for project financing, and acquiring strategic assets. **Near-term catalysts include a binding offtake agreement executed with Goldman Sachs, first commercial operations in ERCOT South, and a notice to proceed (NTP) issued on Project Redbird.**
- The market currently appears to be assigning little credit to Bimergen's more than 2 GW of projects, its strategic partnerships, or its capital-light financing structure.** Our revenue estimates are \$15.5 million, \$75 million, and \$154 million in 2026, 2027, and 2028, respectively, and our EPS estimates are \$0.11, \$1.76, and \$3.53 for 2026, 2027, and 2028, respectively. Based on our forecast, Bimergen is valued at a discount to publicly traded peers on an enterprise value-to-revenue and a price-to-earnings basis.

#### KEY STATISTICS

Ticker:Exchange	BESS:NYSE AM
Current Price	\$2.65
52-Week Range	\$2.06-\$17.12
Average Volume (30-Day)	39,117
Shares Outstanding (MM)	7.1
Market Cap (\$MM)	\$18.7
Fiscal Year-End	December

#### ESTIMATES

EPS	2025A	2026E	2027E	2028E
1Q				
2Q				
3Q				
4Q				
FY	(1.11)A	0.11E	1.76E	3.53E
Revenue (\$MM)	2025A	2026E	2027E	2028E
1Q				
2Q				
3Q				
4Q				
FY		15.5E	75.0E	154.0E
Operating Income (\$MM)	2025A	2026E	2027E	2028E
1Q				
2Q				
3Q				
4Q				
FY	(4.9)A	3.9E	35.9E	71.8E

### COMPANY OVERVIEW

Bimergen Energy Corporation (NYSE American: BESS) is a Newport Beach, California-based independent power producer and project developer dedicated to developing, owning, and operating utility-scale and distributed BESS across the US. The company was formerly known as Bitech Technologies Corporation and rebranded as Bimergen Energy Corporation in February 2025 to better reflect its strategic pivot toward the fast-growing BESS sector.

Bimergen's core business model is that of a grid-balancing operator with an energy arbitrage model. The company develops BESS assets that store surplus energy during low-demand or high-renewable-generation periods and discharges that energy during peak demand windows, monetizing the spread through energy arbitrage, capacity payments, and ancillary grid services, including frequency regulation, voltage support, and emergency backup. Contracts are structured under long-term offtake agreements designed to provide stable, predictable revenue once projects are commissioned.

Bimergen is a management-driven story with significant growth potential contingent on execution. Co-CEO Cole Johnson, who was appointed to his current role in October 2025 and has served as President and Board Director since April 2024, is central to that thesis. Bimergen's initial 23-project pipeline was acquired from an entity controlled by Johnson. He founded C&C Johnson Holdings LLC in 2018, building it into a family office focused on solar and energy storage project development. Over his tenure there, he assembled a track record that spans the full development life cycle: securing capital for early-stage projects, negotiating and qualifying projects for project financing, acquiring strategic assets, and advancing clean energy initiatives across high-priority regional markets. Prior to founding C&C Johnson Holdings, he spent six years as CEO of multiple service companies engaged in building and developing energy infrastructure. His depth of experience across the energy development value chain makes him well-qualified to lead Bimergen's buildout. Complementing his operational expertise, Co-CEO and CFO Bob Brilon brings decades of finance and accounting experience across multiple publicly traded companies, providing the capital markets and compliance infrastructure required to support the company's growth ambitions.

Bimergen entered 2026 with 23 development-stage BESS projects totaling slightly more than 2 gigawatts of cumulative estimated capacity. These projects span Texas—its largest and most advanced market—as well as Arizona, Louisiana, Virginia, and Pennsylvania, providing exposure to four of the most important wholesale power markets in the US: ERCOT, PJM, WECC, and MISO. At full capacity, a 100-MW project (13 of the 23 development-stage projects are slated to generate at least 100 MW) should generate ~\$10 million in revenue and \$5-6 million in EBITDA. In addition, on a gross basis, development fees—estimated at 7-8 cents per watt on 100-MW projects—flow to Bimergen upon project acceptance by financing partners, creating a near-term revenue stream before any project reaches commercial operation. In total, gross development fees related to the 23 projects acquired from Johnson could reach ~\$150 million. Bimergen would retain 56.25% of these development fees (~\$84 million), while an entity controlled by Johnson would receive 43.75%.

In early March 2026, Bimergen expanded its portfolio through the acquisition of eight late-stage 9.9-MW distributed generation (DG) BESS projects from Aggreko's IPP Solutions business, adding 79.2 MW of nameplate capacity in the ERCOT South region and bringing total portfolio capacity to ~2.08 gigawatts. The acquisition was financed through Bimergen's joint venture (JV) with RelyEZ, which will also supply the lithium-based, utility-scale batteries for the projects. The company completed its uplisting to the NYSE American exchange in connection with its February 2026 public offering, an important milestone that broadens its investor base and enhances its access to institutional capital as it advances its development pipeline. The offering raised gross proceeds of \$13.6 million for the company.

### COMPANY DESCRIPTION

Figure 1 shows the four interlocking pillars of Bimergen's business model. The company has structured its operations around secured offtake and tolling agreements that provide a contracted revenue floor with potential for upside participation—a structure familiar to institutional energy infrastructure investors. **Underpinning the entire model is 100% project-level financing, meaning all capital expenditures are funded at the individual project SPV level rather than on the corporate balance sheet, with the goal of minimizing dilution and cash burn at the parent company level.** The \$250 million in committed capital—consisting of \$50 million in mezzanine financing from BESS manufacturer RelyEZ and \$200 million in project equity from a leading European energy company (Cox Energy)—funds the equity tranches across the pipeline, while up to 50% of each project's capex is monetized through investment tax credit (ITC) transfer agreements under the Inflation Reduction Act. Strategic partnerships with Tier 1 technology suppliers, EPC contractors, and utilities round out the execution framework.

**Figure 1: Business Model Overview**

**Owner, Developer & Operator of Utility-Scale BESS Projects**



Source: Bimergen Energy Company Presentation

**Company History**

**1. Origins: From Bitech Mining Corporation to Bimergen Energy Corporation**

Bimergen did not emerge from an organic startup. It was assembled through a structured acquisition that converted an existing public shell—Bitech Mining Corporation—into a clean energy development company virtually overnight. The pivot was made possible by a single transaction: the purchase of **Emergen Energy LLC**, a Delaware LLC.

The deal originated in January 2024, with a letter agreement between Bitech and C&C Johnson Holdings, the entity controlled by Cole Johnson that ultimately became both the seller of Emergen and a major shareholder of the combined company.

**2. The Transition To Bimergen – Structure and Mechanics**

The transaction closed on April 24, 2024. Bitech issued 1,587,300 unregistered shares of its common stock—priced at the \$14.00 closing price on that date—to C&C Johnson Holdings in exchange for 100% of Emergen’s equity interests. The total transaction value was therefore \$22,222,200.

**Key Transaction Terms**

**Consideration:** 1,587,300 unregistered shares at \$14.00/share = \$22.2 million implied value. **Post-closing ownership:** C&C Johnson Holdings received ~31.3% of Bitech’s issued and outstanding shares, making it the controlling shareholder. **Management:** Cole Johnson joined as President and Director of the combined company, and as President of the BESS and Solar divisions. **Accounting treatment:** Classified as an asset acquisition (not a business combination) under FASB 805-10-20, as Emergen had no operating activity at closing. The development projects were recorded as intangible assets with indefinite useful lives, not amortized, but subject to annual impairment testing.

**3. The Inherited Portfolio**

What Bimergen acquired through Emergen was not operating capacity—it was a pipeline. The development projects represent feasibility-stage and early-development-stage assets that had been identified, scoped, and assessed for viability but had not yet entered binding contract or construction phases. The company’s own disclosures note that no binding contracts exist for the development projects pending project-specific financing.

Each project in the portfolio represents a significant body of pre-construction work, including capacity and compatibility feasibility studies, production modeling, curtailment analysis, power flow verification, substation identification, site control negotiation, interconnection analysis, tax abatement review, and permitting scoping. The value of these projects resides entirely in the development work completed to date and the optionality they represent.

#### 4. The Bridgelink Solar Sale

Within six weeks of the acquisition closing, Emergen moved to monetize a portion of the solar portfolio. On May 30, 2024, Emergen entered into a projects sale agreement (PSA) with Bridgelink Development LLC covering ~2.425 GW of greenfield solar projects.

The deal was structured as a milestone-based payment arrangement:

- **\$5,000 per MW (AC)** payable upon each project securing all necessary land rights (~\$12.1 million for the estimated 2,425 MW sold).
- **\$3,000 per MW (AC)** payable upon each project achieving ready-to-build (RTB) status (~\$7.3 million for the estimated 2,425 MW sold).

Bridgelink paid a \$943,500 non-refundable deposit in June 2024, which Emergen recorded as deferred revenue. No revenue has been recognized from this transaction through December 31, 2025, as the contractual milestone conditions—secured land rights and RTB status—had not yet been satisfied. There is no specified timeframe within which the milestones must be achieved.

The PSA was amended effective December 31, 2024, to restrict Bridgelink's right of return. Projects can only be returned if no milestone payment has been made and the return occurs within seven years of the agreement's effective date. This amendment reduces the uncertainty around Emergen's long-term interest in the sold projects.

#### 5. The Development Infrastructure – PMSA with Energy Independent Partners LLC

A key element of the transaction architecture—and one that reflects the concentration of development expertise in Cole Johnson—is the project management services agreement (PMSA) executed at closing between Bimergen and Energy Independent Partners, an entity owned or controlled by Johnson.

Under the PMSA, Energy Independent Partners is responsible for:

- Assisting with qualifying development projects for financing.
- Obtaining all required permits and securing real property rights to bring projects to RTB status.
- Marketing any project that Emergen elects not to develop or developing and retaining it outside of Emergen.

#### PMSA Fee Summary

**BESS development fees:**  $\$0.035/W \times 1.965 \text{ GW} = \sim\$69 \text{ million}$  (contingent on project-specific financing). **Solar development fees:**  $\$0.035/W \times 1.640 \text{ GW (retained solar)} = \sim\$57 \text{ million}$  (contingent on project-specific financing). **On sale of any project:** Greater of (1) unpaid project fees, or (2) 62.5% of net sale proceeds. **Change of control/Johnson removal:** 62.5% of remaining BESS and solar development fees accelerate and become due within 90 days.

#### 6. What Bimergen is Today

Taken together, the above sequence produced a company with the following defining characteristics as of early 2026:

- **A development-stage clean energy platform** with no operating revenue and no binding project contracts, holding a pipeline of 23 BESS projects (~1.965 GW) and a retained solar portfolio (~1.640 GW) as intangible assets on its balance sheet.
- **A capital-light development model** that outsources day-to-day project development to Energy Independent Partners under the PMSA, with development fees contingent entirely on the company securing project-specific financing.
- **A partially monetized solar portfolio** with ~2.425 GW under a milestone-based PSA with Bridgelink, generating a \$943,500 deposit to date but no recognized revenue pending land and RTB milestone achievement.

### US Battery Storage Market – A Once-In-A-Generation Buildout

The backdrop for Bimergen’s strategy reflects the growing opportunity in the energy sector. US battery storage capacity is projected to grow substantially over the next five years. Texas and California lead on both economics and regulatory support. The drivers are layered and reinforcing: the rapid buildout of intermittent wind and solar generation requires flexible storage assets to smooth supply; AI-powered data centers are straining grid infrastructure in ways utility planners did not anticipate just five years ago; and federal policy—anchored by the Inflation Reduction Act’s ITC for storage—has dramatically improved the return profile of standalone BESS projects.

The US Secretary of Energy has publicly underscored the urgency of grid investment to strengthen grids against blackout and cyber threats—a policy posture that reinforces both the demand for new storage assets and the financial incentives that make them economically viable. For developers like Bimergen, pre-sold tax credits accelerate monetization and project-level debt financing allows the company to build without commensurate equity dilution at the corporate level.

The scale of the buildout is difficult to overstate. According to SEIA/Benchmark Mineral Intelligence, US Energy Storage Market Outlook, the US energy storage industry installed ~58 GWh of new battery capacity in 2025—the largest single year of additions on record. Yet even that milestone understates the trajectory ahead. ACP/Wood Mackenzie estimates the US is projected to install 500 GWh of storage between 2026 and 2031, a 250% increase over the prior five-year period, with annual utility-scale additions expected to double between 2025 and 2030. By 2030, more than 600 GWh of cumulative energy storage capacity is expected to be installed nationwide—a figure that, just a few years ago, would have seemed implausible. Texas is on track to surpass California as the largest energy storage market in the country in 2026.

Layered on top of the renewable integration story is a demand driver that utility planners did not fully model even three years ago: the power appetite of AI-driven data centers. The Lawrence Berkeley National Laboratory projects that data center electricity demand will grow from 176 terawatt-hours in 2023 to between 325 and 580 terawatt-hours by 2028—a potential tripling of load in five years. A single large data center can require as much as 1 GW of power to operate and data center demand broadly is expected to quadruple by 2030, driven by AI and cloud computing. The grid stress this creates is already showing up in wholesale capacity markets: PJM’s capacity market clearing prices for the 2026–2027 delivery year surged to \$329/MW—more than 10 times the \$29/MW clearing price just two delivery years earlier—with rapid data center growth identified as a primary contributing factor. For battery storage developers, this dynamic is unambiguously constructive: data centers represent a new class of behind-the-meter and co-located storage customers that are largely price-insensitive and operationally intolerant of outages. Benchmark Mineral Intelligence estimates that data centers could account for 83% of behind-the-meter commercial and industrial storage deployments by 2030.

The investment community has begun to recognize battery storage as a durable infrastructure asset class, not merely a policy-dependent subsidy trade. The US energy storage industry collectively committed in April 2025 to invest \$100 billion by 2030 to build out the domestic supply chain and procure American-made grid batteries—a commitment that signals long-horizon confidence from both project developers and manufacturers. Norway’s sovereign wealth fund signaled its entry into the battery storage market in early 2026, targeting projects with a minimum investment threshold of ~\$1.2 billion each—a benchmark typically reserved for mature infrastructure categories such as toll roads and airports. At the project economics level, the cost of storage has fallen sharply and is now estimated at ~\$65/MWh—making battery storage directly competitive with traditional peaking power sources. For development-stage companies operating in this space, the convergence of falling system costs, deep federal tax incentives, growing institutional capital appetite, and structurally higher electricity demand creates a project finance environment that is arguably as favorable as it has ever been.

### What Bimergen Does

Bimergen develops BESS farms that serve three primary commercial functions.

1. **Energy arbitrage.** The company stores electricity when prices are low—typically midday when solar generation is abundant—and discharges it during evening peak demand when prices are elevated.
2. **Grid services.** Bimergen’s projects provide frequency regulation, voltage support, and emergency backup power, services that grid operators compensate on contract.
3. **Capacity support.** Projects participate in reserve service markets where grid operators pay for available megawatts, whether or not they are actually dispatched.

The company positions its project sites in close proximity to high-demand load centers—data centers, industrial corridors, population centers—maximizing both grid value and dispatch frequency. The modular nature of DG BESS, particularly the 9.9-MW project template Bimergen has acquired in ERCOT, allows for rapid deployment, scalability, and reduced permitting complexity relative to larger utility-scale projects. Management envisions an eventual role in the data center ecosystem as an end-to-end energy resiliency provider—offering onsite microgrid solutions, demand charge management, and peak shaving for hyperscaler campuses.

### Capital Formation Strategy

Bimergen’s capital formation strategy is structured around project-level financing—meaning debt and equity are raised at the individual project SPV level rather than on the corporate balance sheet—which, if executed as described, would minimize dilution and cash burn at the parent company level. Equity partners invest the 20% equity tranche, project-level debt covers 80%, and ITC monetization (40–50% of capex) is pre-sold to tax equity buyers at 90–97 cents on the dollar, accelerating liquidity ahead of commercial operations. On a gross basis, development fees—estimated at 7–8 cents per watt on 100-MW projects—flow to Bimergen upon project acceptance by financing partners, creating a near-term revenue stream before any project reaches commercial operation. In total, gross development fees related to the 23 projects acquired from Cole Johnson could reach ~\$150 million. Bimergen would retain 56.25% of these development fees (~\$84 million), while an entity controlled by Johnson would receive 43.75%.

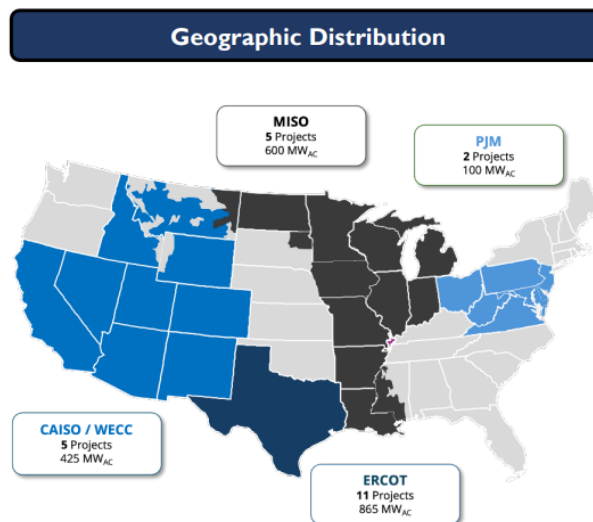
### Project Portfolio and Development Pipeline

Bimergen’s near-term revenue path runs through Texas. The company’s most advanced cluster of projects is concentrated in the ERCOT South region, one of the highest-demand, highest-value nodes in the US power grid. ERCOT South benefits from strong industrial and petrochemical load, relatively favorable interconnection timelines for DG projects under 10 MW, and robust ancillary service markets that reward flexible storage assets.

**Figure 2: BESS Pipeline – 23 Projects (~2 GW) with Geographic Distribution**

## BESS Pipeline: 23 Projects (~2GW)

Project Name	Total MW <sub>AC</sub>	Location	Region	ITC
Redbird BESS	100	TX	ERCOT	50%
Wildfire BESS	100	TX	ERCOT	50%
Friendship	60	TX	ERCOT	50%
Ladybird	60	TX	ERCOT	50%
Longhorn	60	TX	ERCOT	50%
Pecan	60	TX	ERCOT	50%
Prickly Pear	60	TX	ERCOT	50%
Yellow Rose	60	TX	ERCOT	50%
Bright Light	60	TX	ERCOT	50%
TPLT I-10 BESS	100	TX	ERCOT	50%
WR Ranch TX BESS I	120	TX	ERCOT	50%
TPL EPE	25	TX	WECC	40%
X-One Solar Ranch I	100	AZ	WECC	40%
Dudden Ranch I	100	AZ	WECC	40%
Aldhra Farm I	100	AZ	WECC	40%
Aldhra Farm 2	100	AZ	WECC	40%
BL PJM BESS I	50	VA	PJM	40%
BL PJM BESS 2	50	PA	PJM	40%
Gibbs Ranch BESS I	120	LA	MISO	40%
Gibbs Ranch BESS 2	120	LA	MISO	40%
TG BESS I	120	LA	MISO	40%
TG BESS 2	120	LA	MISO	40%
Neighbor BESS I	120	LA	MISO	40%
<b>Total</b>	<b>1,965</b>			

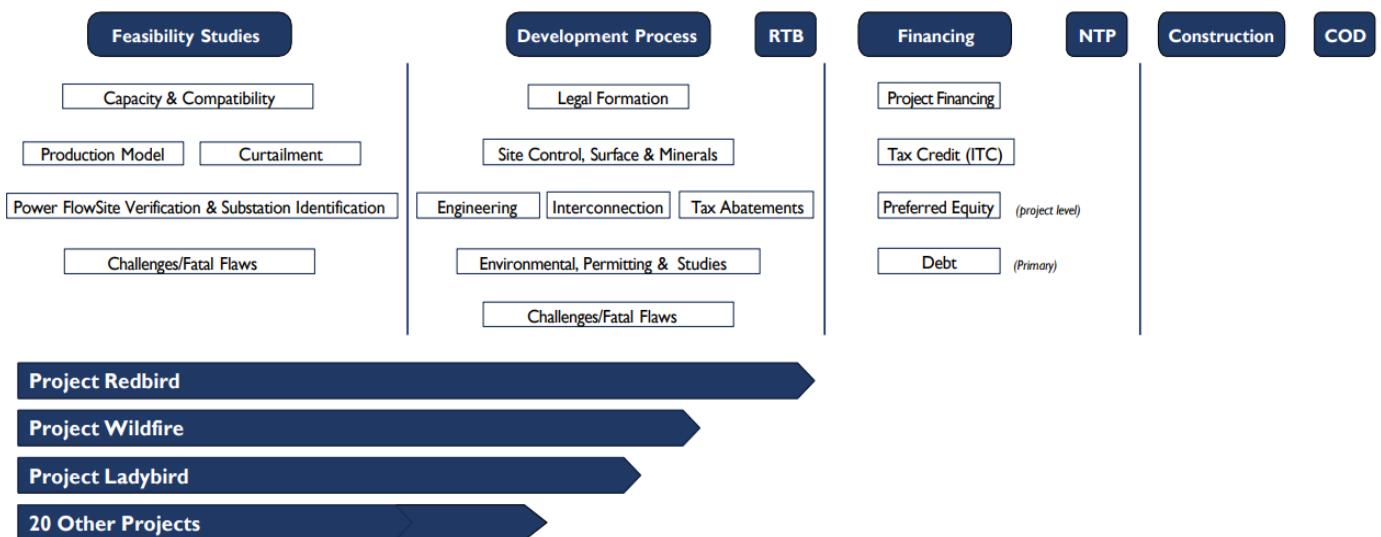


Source: Bimergen Energy Company Presentation

Figure 2 shows the complete named project pipeline alongside its geographic distribution across four US wholesale power markets. The 23 projects total 1,965 MW AC, with ERCOT representing the largest concentration at 11 projects and 865 MW—a strategically sensible focus given Texas’ well-documented grid volatility, high demand for ancillary services, and historically attractive merchant revenue opportunities for storage assets. The CAISO/WECC footprint adds 425 MW across five Arizona projects, benefiting from California’s aggressive clean energy mandates and the desert Southwest transmission corridor buildout. MISO contributes five Louisiana projects at 600 MW and PJM adds two projects at 100 MW in Virginia and Pennsylvania, touching markets that collectively represent the majority of US electricity demand. All 23 projects carry ITC eligibility of either 40% or 50%, reflecting the enhanced adders available under the Inflation Reduction Act for projects sited in designated energy communities or low-income areas—a detail that would meaningfully improve project-level economics and financing attractiveness.

**Figure 3: BESS Development Process & Project Progress**

## BESS Development Process & Progress



RTB = Ready to Build status  
 NTP = Notice to Proceed status (after engaging with construction company)  
 COD = Commercial Operation Date

Source: Bimergen Energy Company Presentation

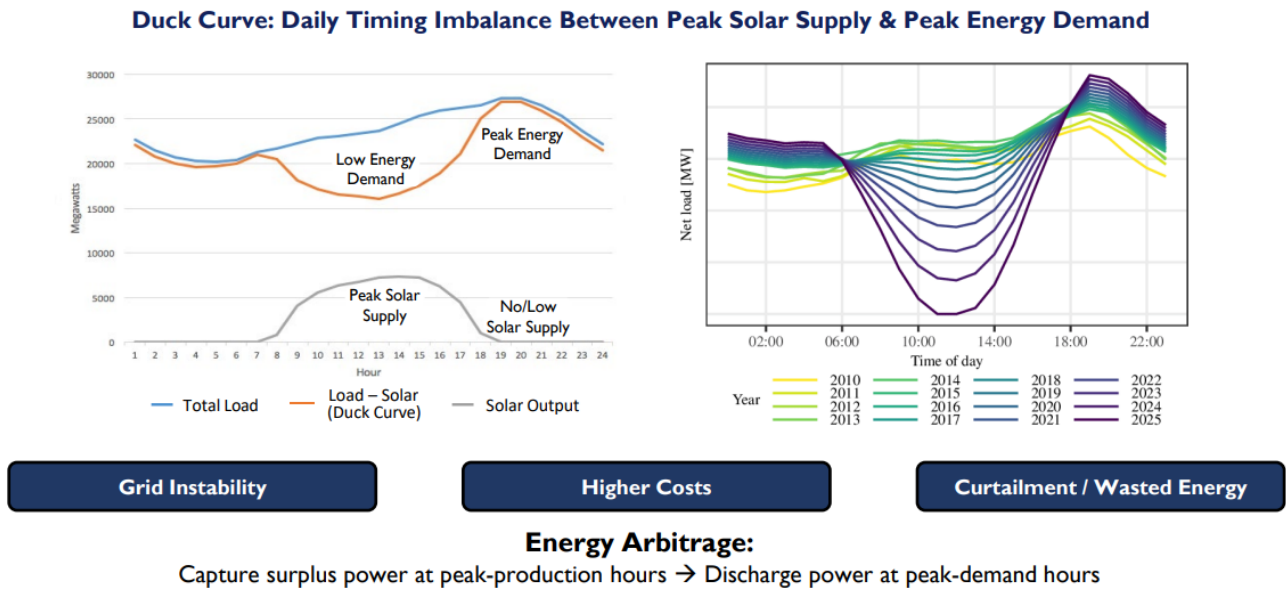
Figure 3 shows the full development life cycle—from feasibility studies through RTB status, financing, NTP, construction, and ultimately commercial operation date (COD)—and overlays where each of Bimergen’s lead projects currently sits within that framework. The feasibility work encompasses capacity and compatibility analysis, production modeling, curtailment assessment, Power Flow/Site verification, and substation identification—a reasonably comprehensive front-end process that, if conducted rigorously, helps screen out projects with fatal interconnection or siting flaws before significant capital is deployed. The development process layer adds legal entity formation, site control, surface and mineral rights, engineering, interconnection applications, tax abatement pursuit, and environmental permitting.

The most significant claim is that Project Redbird and Project Wildfire have both progressed to or near RTB status, with Project Ladybird close behind, and the remaining 20 projects at earlier but advancing stages of development. Reaching RTB on even two 100-MW projects would represent a genuine de-risking milestone, as interconnection approval and site control are among the most time-consuming and uncertain elements of the development process. However, investors should note that RTB is still several steps removed from COD—financing must be secured, NTP issued, and construction completed.

### Macro Environment – The Deepening Duck Curve

**Figure 4: The Deepening Duck Curve – Daily Timing Imbalance Between Peak Solar Supply and Peak Energy Demand**

## Deepening Duck Curve



Source: Bimergen Energy Company Presentation; California ISO Data 2010–2025

Figure 4 shows the fundamental demand driver underpinning Bimergen’s entire business thesis. The duck curve—named for the distinctive shape that emerges when net grid load is plotted across the hours of a day—captures the growing timing mismatch between peak solar generation (midday) and peak electricity demand (evening hours). The left-hand chart shows how total electricity load remains elevated through the evening while solar output collapses after mid-afternoon, creating a pronounced net-load ‘belly’ during peak solar production hours and a steep evening ramp as conventional generation must come online quickly to meet demand. The right-hand chart uses California ISO data from 2010 through 2025 to show how dramatically this phenomenon has intensified over the past 15 years. With each successive year of accelerating solar deployment, the midday trough deepens and the evening ramp steepens.

The practical consequences for grid operators are threefold and all problematic: grid instability as conventional generators struggle to ramp quickly enough to meet the steep evening surge; higher costs as expensive peaker plants are dispatched; and curtailment of surplus solar during peak production hours—effectively wasted zero-carbon energy. Battery energy storage is the most direct and scalable solution to the duck curve problem, with BESS capturing surplus power at peak-production hours and discharging at peak-demand hours. This energy arbitrage model is well-established and increasingly underpins contracted tolling and offtake structures across ERCOT, CAISO, and PJM—the precise markets where Bimergen has concentrated its pipeline. This is not a speculative demand story; grid operators, utilities, and regulators across the country are actively incentivizing BESS deployment to address exactly this problem.

### Recent Developments

**Aggreko Acquisition and ERCOT South Expansion (March 3, 2026).** In early March 2026, Bimergen completed the acquisition of eight late-stage, 9.9-MW DG BESS projects from Aggreko's IPP Solutions business, adding 79.2 MW of nameplate capacity in the ERCOT South region. The acquisition was financed through Bimergen's JV with RelyEZ, which will also supply the lithium-based, utility-scale batteries for the projects. Five of the eight sites are expected to achieve in-service dates in late 2026, with the remaining three following in early 2027. The simultaneous closing of the acquisition and financing—a complex execution feat for a micro-cap developer—underscored the depth of Bimergen's industry relationships and the bankability of late-stage ERCOT South assets.

**TruGrid EPC Contract Award (March 19, 2026).** Just over two weeks after completing the Aggreko acquisition, Bimergen awarded the engineering, procurement, and construction (EPC) contract for the initial 40-MW/80-MWh phase to TruGrid, a specialist in energy storage and solar construction. The eight Texas projects span Port Lavaca, Corpus Christi, Victoria, and McAllen—a geographically distributed ERCOT South footprint designed to serve multiple grid nodes. TruGrid's scope covers all engineering activities as well as civil, structural, and electrical construction. The rapid transition from acquisition to EPC award reflects the late-stage nature of the acquired assets and management's priority of converting development assets into operating assets with minimum delay.

**Redbird 100 MW / 400 MWh — JDA Acceptance and Technology Selection (February 24, 2026).** Bimergen's flagship Redbird project has been formally approved for participation under the company's joint development agreement (JDA) framework and has selected Eos Energy Enterprises' (NASDAQ: EOSE) Z3™ zinc-based battery technology. The Eos Z3™ is notable for its long cycle life, domestic manufacturing credentials, IRA-compliant US supply chain, and suitability for four-hour discharge durations that maximize value in energy arbitrage and capacity markets. The JDA structure enables milestone-based capital deployment, reducing upfront cash requirements while advancing the project toward NTP.

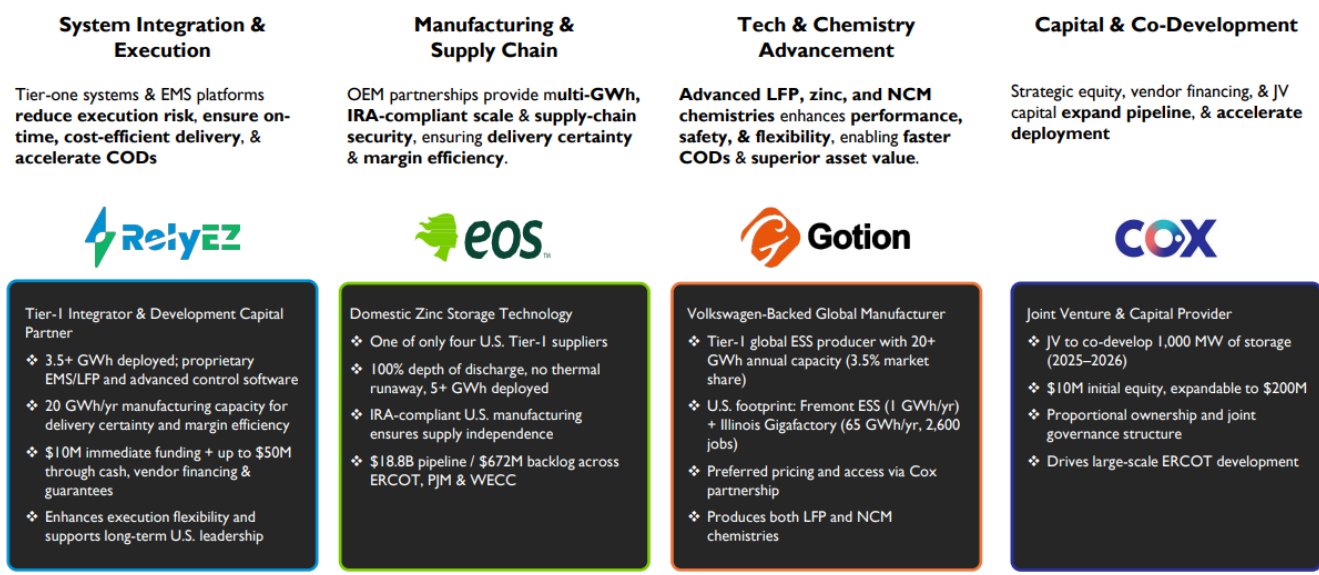
**\$200-Million Equity Commitment from European Strategic Partner (October 2025).** In October 2025, Bimergen announced a \$200-million equity commitment from an undisclosed (at the time) leading European energy generation and transmission company (Cox Energy). The committed capital is intended to serve as the equity tranche in project capital structures, with the remainder expected to be sourced as project-level debt from global financial institutions. This commitment is significant as it validates the quality of Bimergen's development pipeline in the eyes of a sophisticated institutional counterparty and structurally de-risks the financing path for near-term projects.

**NYSE American Listing and \$13.6-Million Public Offering (February 2026).** Bimergen priced an underwritten public offering of common stock and warrants at \$4.00 per unit in February 2026, raising gross proceeds of \$13.6 million. The concurrent uplisting to NYSE American under the symbol BESS provides improved market visibility, a broader institutional investor base, and enhanced access to future capital market transactions.

**Strategic Partnerships**

**Figure 5: Strategic Partnerships — System Integration, Manufacturing, Technology, and Capital**

**Strategic Partnerships**



Source: Bimergen Energy Company Presentation

Figure 5 shows Bimergen’s key partnerships across four functional pillars: System Integration & Execution (**RelyEZ**), Manufacturing & Supply Chain (**Eos Energy**), Tech & Chemistry Advancement (**Gotion**), and Capital & Co-Development (**Cox**). Together, these relationships are designed to address the four most critical execution risks in BESS project development: (1) the ability to integrate and commission complex systems on time; (2) access to IRA-compliant battery supply at scale; (3) chemistry optionality to meet project-specific technical requirements; and (4) the equity and JV capital needed to fund a multi-gigawatt pipeline without overwhelming the corporate balance sheet.

**RelyEZ** is a Shenzhen-headquartered battery energy storage integrator and one of the largest BESS providers in China, with more than 3.5 GWh of deployed capacity, proprietary energy management software, and 20 GW per year of manufacturing capacity. The company serves as Bimergen’s Tier 1 system integrator and co-development capital partner, providing both technical execution capability—including EMS/LFP software and full project commissioning services—and up to \$50 million in mezzanine financing through the JV structure. Under the JV agreements, RelyEZ will initially hold an 80% ownership interest in each project-level SPV, with Bimergen retaining the remaining 20%. RelyEZ’s integration experience and balance sheet support address two of the most critical execution risks in utility-scale BESS development. Investors should nonetheless be aware that the foreign entity of concern (FEOC) provisions of the One Big Beautiful Bill Act (OBBBA) introduce potential ITC eligibility questions for projects developed through this structure—an area the company will need to navigate carefully as its pipeline advances toward construction-ready status. Management has not yet provided detailed public disclosure on its approach to FEOC compliance and this remains an area warranting continued monitoring.

**EOS** is one of the most strategically relevant players in the US long-duration energy storage landscape and a meaningful reference point for the broader BESS ecosystem in which Bimergen operates. Eos designs, manufactures, and markets zinc-based long-duration energy storage systems through its proprietary Znyth™ technology—a non-flammable, non-precious earth chemistry purpose-built for utility-scale, microgrid, and commercial and industrial applications supporting four to 16 or more hours of discharge duration. The company has been on an aggressive scaling trajectory: Eos closed 2025 with \$624.6 million in cash, a \$701.5 million backlog representing 2.8 GWh, and

issued 2026 revenue guidance of \$300–400 million. Building on that momentum, Eos reported preliminary 1Q26 revenue of \$56–57 million, citing record shipments and continued progress on operational scaling. Underpinning Eos’ capital structure is a high-profile strategic relationship with Cerberus Capital Management, one of the world’s largest alternative investment firms. Cerberus structured a \$315-million financing package comprising a \$210.5-million delayed draw term loan—milestone-linked to Eos’ operational performance—and a \$105-million revolving credit facility, a structure that effectively made Cerberus both a lender and a strategic partner with a meaningful equity stake tied to execution. Cerberus’ senior managing director and Eos board member described the firm as “all-in” on helping Eos execute on its rapidly growing global pipeline and backlog—a level of institutional conviction that speaks to the long-duration storage market’s maturation as a serious infrastructure asset class. For Bimergen, the Eos trajectory illustrates both the scale of opportunity available to BESS developers with credible technology and capital partners, and the high bar the market sets for execution.

**Figure 6: Battery Technology Comparison – Lithium-Ion vs. EOS Z3 Zinc**

Category	Lithium-ion (LFP) — dominant technology	EOS Z3 Zinc (Znyth) — emerging alternative
Chemistry	Lithium iron phosphate (LFP) or NMC	Zinc-bromine aqueous hybrid cathode
Electrolyte	Organic solvent — flammable	Aqueous (water-based) — non-flammable
Round-trip efficiency	90–95% (industry leading)	84–88% avg; peaks 89.5% (2025 field data)
Energy density	High — compact footprint per MWh	Lower — larger land footprint required
Optimal discharge duration	1–4 hours (short-duration sweet spot)	3–12 hours (long-duration strength)
Depth of discharge	~80–90% — capacity degrades at 100% DoD	100% — no degradation penalty
Cycle life	3,000–6,000 cycles typical	3M+ cycles proven on chemistry; 20-yr rated
Rated lifespan	10–15 years (capacity fade over time)	20–25 years rated
Fire & safety	Thermal runaway risk — high-profile fires (e.g., Moss Landing 2025)	Non-flammable — zero thermal runaway risk
Siting & permitting	Increasing regulatory scrutiny near populated areas post-fires	Simpler — no fire suppression systems required
Key raw materials	Lithium, cobalt (NMC) — scarce, geopolitically concentrated	Zinc — abundant, low-cost, domestically available
Supply chain / FEOC	High FEOC risk — China dominates cell manufacturing	Low risk — IRA-compliant US manufacturing (PA)
Manufacturing maturity	Fully mature — global gigafactories at scale	Early-stage ramp — 1 automated line operational 2025
Cost per kWh	~\$100/kWh and falling rapidly	Higher than LFP currently; declining with scale
Recyclability	Complex, costly — specialized process required	100% recyclable — simple established process
Proven at utility scale	Yes — dominant tech, >90% of global BESS deployments	Not yet — largest deployments are microgrid / early utility pilots
ITC / IRA eligibility	Eligible but FEOC compliance increasingly challenging post-2025	Fully IRA-compliant domestic content through 2033
Best use case	Short-duration arbitrage, frequency regulation, 2–4 hr grid services	Long-duration arbitrage, load shifting, 4–12+ hr applications

Source: EOS Energy Enterprises SEC filings, company disclosures, industry research. Green = advantage for that technology; Red = disadvantage.

**Key insight.** Lithium-ion wins on efficiency, energy density, cost, and proven scale. EOS Z3 zinc wins on safety, duration flexibility, supply chain independence, depth of discharge, and rated lifespan. The round-trip efficiency gap (5–7 percentage points) is the critical variable for energy arbitrage projects—every point of lost efficiency directly reduces spread capture on every charge/discharge cycle and compounds over the project’s lifetime.

**BESS context.** EOS Z3’s non-flammable aqueous chemistry and IRA-compliant domestic US manufacturing are meaningful differentiators as lithium-ion faces increasing fire-related siting restrictions (e.g., Moss Landing, CA 2025) and FEOC compliance challenges.

**Gotion** is one of the world’s largest lithium-ion battery manufacturers and a prominent supplier of BESS globally, making it a relevant reference point for the BESS supply chain landscape in which Bimergen operates. Gotion ranked fifth globally in power battery installations in 2025, installing 53.5 GWh and achieving a 4.5% global market share—an 82.5% Y/Y increase in installed capacity. The company is backed by Volkswagen, which holds ~25% of its equity, and has been aggressively pursuing a US manufacturing presence, including a \$2-billion battery production facility in Manteno, Illinois, with planned annual production capacity of 10 GWh of battery packs and 40 GWh of lithium-ion battery cells targeting both EV and energy storage markets.

**Cox Energy** is a vertically integrated global renewable energy utility headquartered in Madrid, Spain, and the strategic equity partner that Bimergen identified in its October 2025 announcement as “a leading European energy generation and transmission company”—a characterization consistent with Cox’s profile, though the company was not named by name in the formal press release. Cox has a portfolio reaching 4 GW of installed capacity in development, construction, and operation, distributed across Spain, Latin America—including Chile, Mexico, Colombia, Brazil, Panama, and Guatemala—and Africa, including Morocco and South Africa. With an installed base of 3.6 GW across Latin America, Spain, and Africa, Cox focuses on renewable energy projects spanning photovoltaics,

solar thermal, and biofuels, and has been expanding its capabilities in storage systems, including molten salt and BESS, to improve the efficiency and dispatchability of its renewable generation portfolio. Cox is listed on both the Bolsa Institucional de Valores (BIVA) in Mexico and the BME Growth Exchange in Spain, giving it a dual public market profile spanning both of Bimergen's key geographies. Under the terms of the binding agreement with Bimergen's subsidiary Emergen Energy, the equity partner committed an initial \$10 million to support pre-construction and early-stage development activities, with total equity commitments of up to \$200 million anticipated as projects advance toward construction-ready status—capital intended to represent 10–20% of total project funding, with the balance expected from project-level debt. From Bimergen's perspective, the Cox relationship provides not just capital but the implicit credibility of a seasoned international renewable energy operator with direct experience navigating project finance, grid interconnection, and offtake structures across multiple markets—precisely the institutional backing that a development-stage US BESS developer needs to attract permanent construction financing.

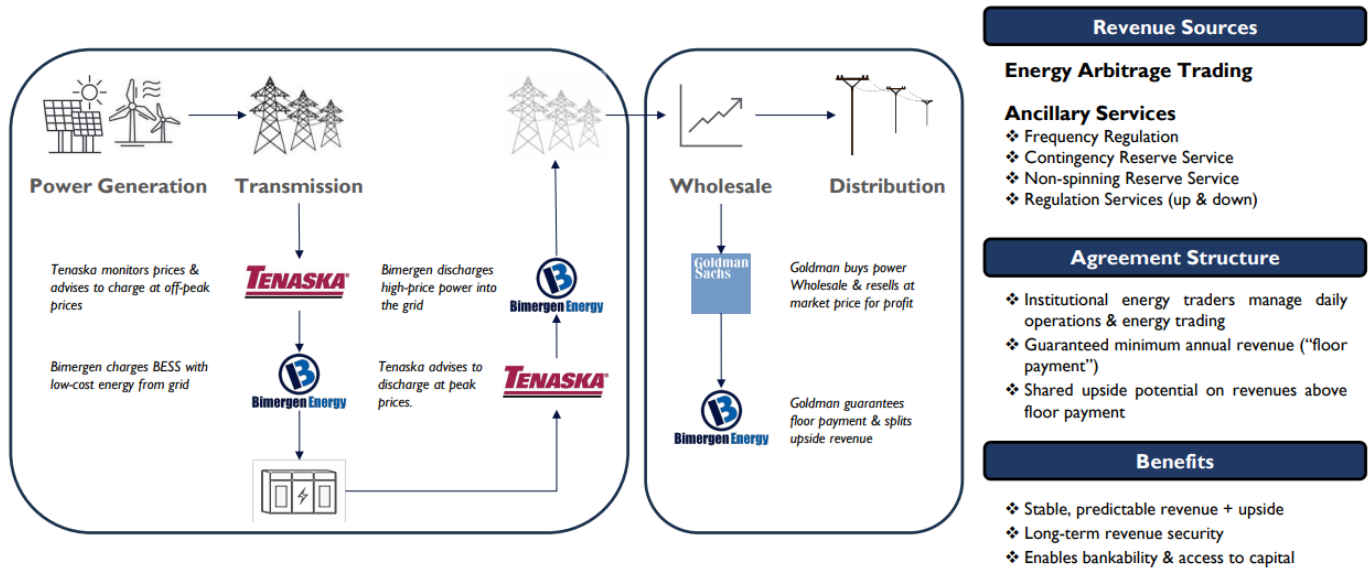
### Revenue Architecture – Tolling and Offtake Agreements

Figure 7 shows the revenue architecture that Bimergen intends to deploy across its operating project portfolio. The structure involves two marquee counterparties: Tenaska, one of the largest independent energy companies in the US with decades of power marketing experience; and Goldman Sachs, with a substantial energy trading operation. In the described arrangement, Tenaska monitors electricity prices in real time and will advise Bimergen on optimal charge/discharge timing—buying low-cost energy from the grid during off-peak hours and discharging high-price power during peak windows. Goldman Sachs would then purchase power at wholesale and guarantee a minimum annual revenue 'floor payment' to Bimergen, **with upside sharing on revenue above the floor**. Layered on top of the core energy arbitrage revenue are ancillary services streams—frequency regulation, contingency reserve, non-spinning reserve service, and regulation services (up and down)—which in markets like ERCOT and PJM can contribute meaningfully to overall project revenue and improve financing terms.

The combination of a guaranteed floor payment plus upside participation is a well-understood structure in energy infrastructure that, when backed by creditworthy counterparties, can provide the revenue certainty that project lenders require to underwrite non-recourse debt. However, the relationships with both Tenaska and Goldman Sachs are currently non-binding—meaning the revenue waterfall depicted in Figure 7 exists as a conceptual framework rather than an executed contract. Nonetheless, we expect formal contracts with both parties to be finalized in the near term. Executive Chairman Benjamin Tran described the Goldman relationship in a recent fireside, "Goldman Sachs offers a floor price agreement—it guarantees the revenue for our energy arbitrage. For any upside above that floor, especially in extreme summer or winter demand spikes, we share that revenue 50/50. This business model is very stable because at least we guarantee the revenue and the useful life is between 15 to 20 years." The conversion of this structure from non-binding to contractually executed remains an important near-term catalyst for Bimergen.

**Figure 7: Scheduling and Long-Term Tolling Agreement Structure — Tenaska and Goldman Sachs**

### Scheduling and Long-Term Tolling Agreements



Source: Bimergen Energy Company Presentation

### Investment Tax Credits — A Critical Value Driver

The ITC is a dollar-for-dollar reduction in federal income tax liability equal to a percentage of project capital cost, claimed in the year a project is placed into commercial service. A 100-MW battery project costing \$125 million that qualifies for a 50% ITC generates \$62.5 million in credits. Because most developers lack sufficient tax liability to absorb credits directly, they sell them to tax equity investors—a mechanism made more accessible by the IRA’s Section 6418 transferability provisions, allowing outright cash sales at 90–97 cents on the dollar. This pre-sold tax credit monetization provides a powerful near-term liquidity mechanism that can meaningfully accelerate project financing timelines. For Bimergen, with 40–50% ITC eligibility claimed across its pipeline, ITC transfer proceeds represent a potentially transformative capital source—but only if the underlying projects and their supply chains qualify, which depends critically on the FEOC status of battery suppliers RelyEZ and Gotion.

#### Executive Summary

The Inflation Reduction Act of 2022 fundamentally restructured the federal tax incentive landscape for battery energy storage, extending the ITC to standalone BESS projects for the first time. Under the current governing statute—Section 48E, effective for projects placed in service on or after January 1, 2025—a qualifying utility-scale BESS project can claim a baseline 30% ITC, with the potential to stack adders and reach as high as 50–70%. The dominant risk to credit eligibility in 2026 is not the credit’s survival (BESS was spared from the accelerated phaseout applied to wind and solar), but rather the FEOC rules introduced by the OBBBA, signed July 4, 2025. Given China’s near-total dominance of the global battery supply chain, these restrictions introduce substantial compliance complexity for any project beginning construction.

#### 1. The Pre-IRA Baseline

Prior to the IRA, standalone BESS projects were categorically excluded from the Section 48 ITC. Storage was only eligible when installed in conjunction with a new solar generation facility and only to the extent the storage system was charged at least 80% by that co-located solar facility—grid-charged storage received nothing.

This constraint severely limited both the business case for standalone storage development and the pool of capital available to finance it. The IRA removed these limitations entirely, creating an independent credit pathway for any qualifying energy storage technology regardless of whether it is paired with generation or grid connected.

### 2. Governing Statute – Section 48e

For BESS projects placed in service on or after January 1, 2025, the applicable credit is **Section 48E – the Clean Electricity Investment Tax Credit**. This replaced the legacy Section 48 Energy Credit as the governing statute for new projects. The transition is meaningful: Section 48E is technology-neutral, meaning it does not enumerate eligible technologies by name but instead extends the credit to any energy storage technology that qualifies. Projects that began construction before 2025 may still rely on Section 48 if applicable.

**Eligibility window.** Storage projects beginning construction before 2033 remain eligible for the 48E ITC in full. The credit begins to phase out in 2034, under the original IRA schedule, and terminates in 2035—a significantly more favorable treatment than the accelerated wind and solar phaseout imposed by the OBBBA.

### 3. Credit Rate Structure

The 48E ITC is not a flat rate. It is structured as a base credit with a prevailing wage & apprenticeship (PWA) multiplier and a series of stackable adders. Understanding this architecture is essential to accurate project-level modeling.

**Figure 8: Credit Rate Structure**

Qualification Scenario	ITC Rate
Base rate only (no PWA, no adders)	6%
Meets PWA requirements	30%
PWA + Domestic content adder	40%
PWA + Energy community adder	40%
PWA + Domestic content + energy community	50%
PWA + all adders (including low-income communities)	Up to 70%

Source: Water Tower Research

#### 3a. PWA – The Critical Unlock

For any project of 1 MW or greater, the credit defaults to a 6% base rate. Meeting the PWA requirements is what triggers the 5x multiplier to 30%. Specifically, projects must:

- Pay all laborers and mechanics no less than the applicable prevailing wage rates as determined by the Department of Labor during construction, alteration, and repair throughout the life of the project.
- Employ apprentices from registered apprenticeship programs for a qualifying percentage of total labor hours. The apprenticeship percentage increases over time.

Projects under 1 MW are exempt from PWA requirements and receive the full 30% without compliance. This creates a meaningful structural distinction between small commercial/community projects and utility-scale deployments.

#### 3b. Domestic Content Adder (+10 percentage points)

Projects meeting domestic content criteria receive a 10-percentage-point increase to the ITC—bringing a PWA-compliant project from 30% to 40%. However, this adder is effectively out of reach for most grid-scale BESS projects today. The IRS assigned battery cells a cost percentage of 52% in the most recent elective safe harbor guidance. Since battery cells are almost universally sourced from Chinese manufacturers, the domestic content threshold cannot be met unless a project uses US-manufactured cells—which remain in very limited supply.

That supply constraint, however, is changing rapidly. One of the more consequential and underappreciated shifts in the US energy sector is the accelerating pivot by automotive OEM battery manufacturers away from EV production and toward stationary storage—a trend driven directly by the policy incentive structure that governs the domestic content adder. The OBBBA preserved the full ITC for BESS projects through 2033 while simultaneously removing EV consumer incentives, creating a powerful pull toward domestic ESS cell production. LG Energy Solution in Michigan and AESC in Tennessee—both of which spent more than a decade making EV batteries in the US—retooled existing lines for ESS production in 2025. SK Battery America in Georgia and Samsung SDI in Indiana have announced plans to follow in 2026 and Ford has announced plans to repurpose EV manufacturing capacity for stationary storage entirely. The policy logic is self-reinforcing: the IRA’s structure tied the \$7,500 EV credit to strict upstream materials sourcing requirements while linking the storage ITC to domestic content, which initially drove EV-focused OEMs to localize US manufacturing—and FEOC compliance requirements are now accelerating that divergence further. **The**

**practical result is a rapidly expanding pool of domestically manufactured, FEOC-compliant battery cell capacity purpose-built for the BESS market. For developers, this means the 40% domestic content adder—largely inaccessible today—is becoming a realistic near-term planning assumption as gigafactory capacity comes online through 2026 and 2027.**

### 3c. Energy Community Adder (+10 percentage points)

An additional 10% adder is available for projects located in an “energy community”, defined as:

- Brownfield sites.
- Census tracts (or adjoining tracts) where a coal mine closed after December 31, 1999, or a coal-fired power plant was retired after December 31, 2009.
- Areas with significant employment or local tax revenue historically tied to coal, oil, or natural gas extraction, processing, transport, or storage.

This adder is practically accessible for BESS projects given the breadth of qualifying geography across former fossil fuel regions. Many high-value interconnection points in the US grid overlap with energy community designations, making site selection a meaningful lever in project economics.

### 3d. Low-Income Communities Adder (+10–20 percentage points)

An additional bonus of 10–20% is available for qualifying solar or wind facilities in low-income communities or on Tribal land. For pure standalone BESS, this adder is not directly available; it applies primarily to co-located projects. It is included here for completeness as it is relevant to hybrid storage-plus-generation structures.

## 4. Monetization Mechanisms

Prior to the IRA, tax credit monetization for energy projects required a tax equity investor—typically a large financial institution with sufficient federal tax liability to absorb the credit. The IRA introduced two new mechanisms that have substantially expanded the universe of potential financiers.

### 4a. Transferability

Taxable project owners can sell their 48E ITC to an unrelated third party in exchange for cash. The buyer need not be a traditional tax equity investor and does not need to have any project ownership stake.

This mechanism has created an active credit transfer market, with buyers typically paying between \$0.90 and \$0.97 on the dollar for BESS ITCs depending on project risk, seller credit quality, and market conditions. For developers without large tax liabilities, transferability effectively converts a non-cash credit into immediate liquidity, which can be deployed toward additional projects or used to reduce project-level debt.

### 4b. Direct Pay (Elective Pay)

Tax-exempt entities—including state and local governments, Tribal governments, rural electric cooperatives, the Tennessee Valley Authority, and certain nonprofits—can elect direct pay, treating the credit as an overpayment of tax and receiving it as a cash refund from the IRS. **Important caveat:** For projects of 1 MW or greater electing direct pay, domestic content compliance is mandatory to avoid a “haircut” on the payable amount. As of 2026, non-compliant projects receive zero via direct pay—effectively barring tax-exempt entities from monetizing the credit unless domestic content requirements are met or a statutory exception applies.

## 5. The FEOC/PFE Rules – The Dominant Risk Factor

The most significant policy development affecting BESS tax credit eligibility in 2026 is not the credit itself, but the FEOC restrictions introduced by the OBBBA, signed July 4, 2025. While BESS avoided the accelerated phaseout applied to wind and solar, the FEOC rules introduce new eligibility gatekeeping tied to supply chain provenance and beneficial ownership.

### What Is a Prohibited Foreign Entity (PFE)?

PFE status can be triggered by any of the following connections to a FEOC (primarily China, Russia, Iran, and North Korea):

- Direct or indirect equity ownership above specified thresholds.
- Debt holdings that confer significant economic rights.
- Rights to appoint covered officers or board members.

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- Effective operational or financial control.
- Receiving “material assistance” from a PFE-type entity for project components or services.

### 5a. The Material Assistance Cost Ratio

To qualify for the 48E ITC, a project must now demonstrate that a minimum percentage of total project costs come from non-PFE sources. This threshold tightens every year.

**Figure 9: Minimum Percentage of Total Project Costs**

Construction Start Year	Min. Non-PFE Project Costs	Min. Non-PFE Component Costs
2026	55%	45%
2027	60%	50%
2028	65%	55%
2029	70%	60%
2030+	75%	65%

Source: Water Tower Research

**Missing these thresholds does not reduce the credit—it eliminates it entirely.** There is no partial credit for partial compliance.

### 5b. The Recapture Risk

The OBBBA includes a 10-year recapture provision. If a project makes certain payments to a PFE for services or components after the project is placed in service—including routine maintenance, software licensing, or equipment replacement—the government can claw back the full 48E credit. This requires developers and asset owners to build ongoing supply chain monitoring into their O&M programs, not just at the point of financial close.

### 5c. The Practical Challenge

Chinese manufacturers currently control the processing of the vast majority of battery-grade lithium, cobalt, and graphite globally, and dominate battery cell production. This means:

- Most BESS projects using commercially available cells today face material exposure under the FEOC rules.
- Public company developers and investors face a verification problem: it is extremely difficult, and in some cases impossible, to confirm non-PFE status with certainty under the equity and debt ownership restrictions when shares trade freely on public markets.
- Market participants are adapting through specialized contracting, supply chain certification protocols, and insurance products—but key interpretive questions remain open pending further Treasury and IRS guidance.

## 6. Phase-Out Timeline

BESS received materially better treatment under the OBBBA than other clean energy technologies. The comparison is worth understanding clearly.

**Figure 10: Phase-Out Timeline**

Technology	Credit Phaseout Begins	Terminal Date
Wind & Solar	2027 (for projects PIS after 2027)	Effectively 2028
BESS / Energy Storage	2034	2035
Hydropower & Geothermal	2034	2035

Source: Water Tower Research

The 2034–2035 phaseout horizon gives BESS projects a long enough runway that credit duration is not a structuring constraint. Projects beginning construction through 2032 should be well-positioned to capture the full ITC before any reduction applies.

### Competitive Analysis

The US utility-scale BESS market is competitive and increasingly well-capitalized, but it is also sufficiently large—and growing rapidly enough—to support multiple business models. Against a backdrop of record installations and a projected 250% increase in deployments over the next five years, developers plan to add ~24 GW of utility-scale battery storage to the US grid in 2026 alone, compared with a record 15 GW added in 2025—creating ample runway for developers of all sizes. Bimergen occupies a distinct position as a pure-play domestic BESS developer and owner-operator at the smaller end of the market capitalization spectrum, giving investors concentrated exposure to the US storage buildout without the diversification inherent in larger integrated utilities or diversified energy companies. The North American BESS market was valued at ~\$20.8 billion in 2025 and is projected to reach ~\$49.3 billion by 2031, growing at a CAGR of ~15%—a market trajectory consistent with the 16-fold expansion in installed capacity projected by 2030, and one that should, in theory, create multiple paths to value realization for well-positioned developers, even smaller ones, provided they can execute.

The public comp set spans a wide range of business models, market caps, and execution stages, and is worth mapping carefully. At the large-cap end, Vistra Corp. (NYSE: VST) is the most instructive illustration of what BESS looks like inside a scaled, diversified IPP. Vistra owns and operates utility-scale battery storage across California, Texas, and Illinois—including the Moss Landing facility, which was among the world’s largest BESS installations before a January 2025 fire took it offline—and has guided toward 2026 EBITDA of \$6.8–7.6 billion, underpinned primarily by its nuclear and natural gas fleet rather than storage. VST’s scale and AI-driven power demand tailwinds are real, but its storage exposure is a small component of a much larger enterprise—making it a market context reference rather than a direct comp. Fluence Energy (NASDAQ: FLNC) is a closer operational analog: a global BESS integrator and software platform that reported \$2.3 billion in revenue for FY25 and issued guidance of \$3.2–3.6 billion for its current fiscal year, with more than 30 GWh of its pipeline now comprising data center projects—more than 80% of which originated during 4Q25 alone. That data point confirms that the AI-driven demand signal described in the market overview is already reshaping order books in real time. Enlight Renewable Energy (NASDAQ: ENLT) offers another instructive angle: a global renewable IPP with a 20-GW multi-technology portfolio and 35.8 GWh of energy storage capacity, reporting \$582 million in full-year 2025 revenue and issuing 2026 guidance of \$755–785 million—the kind of scale and contracted revenue visibility that commands premium valuation multiples. SOLV Energy (NASDAQ: MWH), which IPOed in February 2026, provides the most recent market read on investor appetite for storage infrastructure, operating as a utility-scale solar and BESS EPC provider with \$2.5 billion in projected 2025 revenue.

At the other end of the spectrum, companies like Eos Energy Enterprises (NASDAQ: EOSE) and ESS Tech (NYSE: GWH) are technology suppliers rather than asset owners or developers—Bimergen is actually an Eos customer via the Redbird JDA, itself evidence of the company’s ability to attract leading technology partners even at its current stage of development. Stem Inc. (NYSE: STEM) occupies an intermediate position, having pivoted away from capital-intensive project work toward AI-enabled software and services for clean energy asset management, with an emerging own-and-operate IPP strategy—a trajectory that illustrates both the difficulty of scaling a development-stage BESS business and the optionality available to companies that can establish a software moat. Ameresco (NYSE: AMRC) is a more distant reference point—an energy services company rather than a regulated utility or pure-play developer—but its active BESS development and EPC work, including the 200-MWh Nucor facility in Arizona, reflects the broadening universe of companies competing for project opportunities in this space. Bloom Energy (NYSE: BE), while not a BESS company in the traditional sense, is a useful valuation reference for development-stage clean energy IPPs navigating the transition from technology provider to asset owner.

Among independent pure-play BESS developer-operators, Jupiter Power is the most instructive comparable. Jupiter is a private, EnCap Investments-backed developer and operator of utility-scale battery storage projects with one of the largest operating portfolios in the US. In January 2026, Jupiter closed a \$500-million corporate credit facility to support its US BESS project pipeline—a financing milestone that reflects the kind of institutional capital access that, as Norway’s sovereign wealth fund entry into the asset class signals, is increasingly flowing toward storage infrastructure at scale. Jupiter has more than 2,500 MWh in operation or under construction, with an active presence in ERCOT, the same primary market Bimergen is targeting and the market on track to become the largest energy storage market in the country in 2026. Jupiter’s trajectory—from greenfield developer to well-capitalized multi-GWh operator—is a useful roadmap for what successful execution looks like in this space, and a reminder of the capital intensity required to get there.

Broad Reach Power, another EnCap-backed Texas-focused BESS developer and operator, represents a similar archetype. Broad Reach has built a significant ERCOT-centric standalone battery portfolio, executing rapidly across multiple projects with a merchant revenue model focused on energy arbitrage and ancillary services—the same revenue stack Bimergen targets, and one that benefits directly from the kind of wholesale capacity price dislocation already visible in markets like PJM. Both Jupiter and Broad Reach have benefited from deep private equity sponsorship, which has allowed them to move through development and into operations without the capital

constraints facing publicly listed micro-cap developers. Their success validates the ERCOT standalone BESS business model; the question for Bimergen is whether it can replicate the execution with a substantially thinner capital cushion and no established operating history.

Enfinity Global is another relevant peer—a renewable energy company with an active BESS development program in Texas. In January 2025, Enfinity announced the expansion of its BESS portfolio with two new Texas projects expected to commence construction in 2025, with a combined capacity of 425 MW, targeted specifically at AI and manufacturing load growth—precisely the demand dynamic that Lawrence Berkeley National Laboratory projects will drive a potential tripling of data center electricity consumption by 2028. Enfinity's dual solar-plus-storage and standalone BESS approach in Texas mirrors the market dynamics Bimergen is navigating.

Within the micro-cap independent power producer space, Bimergen's 2.0-GW development pipeline, multi-market presence across ERCOT, PJM, WECC, and MISO, and contract-backed revenue model represent a differentiated value proposition. The company's stated target of \$400 million in annual revenue at full 2.0-GW buildout provides a credible reference point for the potential scale of the business if execution milestones are achieved—a figure that would represent meaningful participation in a domestic market projected to reach \$49.3 billion by 2031. Key competitive considerations include interconnection queue dynamics (DG projects under 10 MW have historically faced shorter ERCOT timelines), battery supply chain stability and FEOC compliance—an area where the accelerating pivot by automotive OEM battery manufacturers toward domestic ESS production is gradually improving the outlook—and the ability to attract and retain EPC partners for concurrent project execution.

A useful valuation framework is to compare Bimergen's implied value per MW of pipeline with transaction multiples observed in the broader BESS developer market. Late-stage BESS development assets in ERCOT have transacted in a range of \$50,000–150,000 per MW depending on stage, interconnection status, and contracted offtake certainty. At its current market cap of ~\$20 million and a 2.0+ GW total pipeline, Bimergen implies a value of ~\$10,000 per MW—a steep discount even to early-stage development assets, though one that reflects the binary risk profile of a pre-commercial micro-cap issuer operating in a market where the cost of storage has fallen to ~\$65/MWh and institutional capital is increasingly available to developers who can demonstrate credible execution.

## FINANCIAL OVERVIEW

We would note that given the number of variables inherent in a development-stage BESS platform of this complexity—including project financing timelines, interconnection queue progression, offtake negotiation outcomes, EPC execution, battery supply chain dynamics, and the evolving FEOC compliance landscape—precise financial modeling carries meaningful uncertainty, and these projections are best understood as a well-constructed framework for appreciating the potential scale of the business under a disciplined execution scenario.

Bimergen's financial model reflects the significant earnings power embedded in its 31-project development pipeline (including the eight recently acquired from Aggreko), with revenue projected to ramp from \$15.5 million in 2026 to \$264 million by 2029 as projects are systematically brought online—six in 2026 (four from Aggreko), nine in 2027 (four from Aggreko), eight in 2028, and eight in 2029. The trajectory is underpinned by a straightforward and defensible revenue architecture: each 100-MW project is expected to generate ~\$10 million in operating revenue in its first full year of operation (to Bimergen), a figure consistent with prevailing ERCOT merchant storage economics, while development fees—calculated at 7-8 cents per watt on a 100-MW project—provide an additional and earlier-stage income stream that begins to flow before projects reach commercial operation. Gross margin is projected in the 53–58% range, reflecting the relatively lean cost structure of an asset-owning IPP once projects are stabilized and operating margin expands meaningfully as fixed G&A costs are leveraged across a growing revenue base—reaching 46.6% by 2027 and 45.7% by 2028 (the margin decline in 2028 reflects a greater mix of operating revenue versus development fees, which carry a higher margin). The path to profitability is near term: the model projects net income of \$1.4 million in 2026, accelerating to \$22.4 million in 2027, \$44.8 million in 2028, and \$77.1 million in 2029, with EPS progressing from \$0.11 to \$6.07 over the same period. EBITDA follows a similarly compelling arc, reaching \$38.1 million in 2027, \$77.3 million in 2028, and \$131.8 million in 2029—metrics that, if achieved, could drive a fundamental re-rating of the business from its current development-stage valuation. Note that our projections take into account all fees that will be owed to Co-CEO Cole Johnson and/or companies that he is affiliated with. These include 43.75% of development fees paid related to the 23 projects acquired in 2024 and ongoing fees equal to \$3.5 million per 100 MW for services provided. We have also assumed about \$1 million in maintenance, scheduling, and insurance fees per \$10 million of revenue to Bimergen.

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**Figure 11: Income Statement (\$ mlns.)**

	<u>2025A</u>	<u>2026E</u>	<u>2027E</u>	<u>2028E</u>	<u>2029E</u>
Development Fees -- Gross	-	15.0	30.0	44.0	44.0
Operating Revenue	-	<u>0.5</u>	<u>45.0</u>	<u>110.0</u>	<u>220.0</u>
Revenue	-	15.5	75.0	154.0	264.0
Cost of Revenue	-	<u>6.6</u>	<u>33.1</u>	<u>70.3</u>	<u>125.3</u>
Gross Profit	-	8.9	41.9	83.8	138.8
Gross Margin %	-	57.5%	55.8%	54.4%	52.6%
<b>Operating Expenses</b>					
General & Administrative	4.9	5.0	6.0	12.0	18.0
Total Opex	<u>4.9</u>	<u>5.0</u>	<u>6.0</u>	<u>12.0</u>	<u>18.0</u>
Operating Income (Loss)	(4.9)	3.9	35.9	71.8	120.8
Operating Margin %	-	25.2%	47.8%	46.6%	45.7%
<b>EBITDA</b>					
		3.9	38.1	77.3	131.8
Interest Expense	0.0	2.0	6.0	12.0	18.0
Other Income (Expense), net	0.0	-	-	-	-
Pre-Tax Income (Loss)	(5.0)	1.9	29.9	59.8	102.8
Income Tax Benefit (Expense)	<u>-</u>	<u>(0.5)</u>	<u>(7.5)</u>	<u>(14.9)</u>	<u>(25.7)</u>
Net Income (Loss)	(5.0)	1.4	22.4	44.8	77.1
<b>Fully Dilute Shares (Millions)</b>					
	4.5	12.7	12.7	12.7	12.7
Earnings Per Share	\$ (1.11)	\$ 0.11	\$ 1.76	\$ 3.53	\$ 6.07

Source: Water Tower Research

## VALUATION

A hallmark of our research at WTR is that we do not offer specific stock recommendations and/or stock price targets. Our purpose is to help educate our readers about a company and some of the factors that we believe can be relevant to their choices about when and if to invest in a particular issue.

Bimergen is a pre-revenue project developer best evaluated on the basis of its pipeline value and the execution milestones that would bridge development assets to operating cash flows. The company's current enterprise value of ~\$23 million stands in significant contrast to the theoretical revenue potential of its 2.0+ GW pipeline—a gap that reflects both the early-stage nature of the assets and the substantial execution risks inherent in energy project development for a company of this size.

Near-term ERCOT South projects (79.2 MW from the Aggreko acquisition plus initial Redbird work) are meaningfully de-risked relative to the broader pipeline by virtue of their late-stage status, financed acquisition, and executed EPC contract. As these assets approach ISDs in late 2026 and early 2027 and begin generating contracted revenue and development fees, the market should have clearer evidence to re-rate the pipeline. **The critical catalysts are: (1) binding offtake and tolling agreements executed with Goldman Sachs and Tenaska; (2) first commercial operations in ERCOT South; and (3) NTP issued on Redbird.**

**Figure 12: Comparables**

Company	Ticker	Recent Price	Enterprise Value	Revenue				EV/Revenue			
				2025A	2026E	2027E	2028E	2025E	2026E	2027E	2028E
Bimergen	BESS	\$ 2.86	21.6	-	15.5	75.0	154.0	--	1.4	0.3	0.1
Enlight	ENLT	\$ 81.87	16,709.2	582.0	775.0	1,141.0	1,767.0	28.7	21.6	14.6	9.5
EOSE	EOSE	\$ 7.16	4,333.6	114.0	323.0	657.0	1,178.0	38.0	13.4	6.6	3.7
Fluence	FLNC	\$ 13.54	2,535.6	2,263.0	3,362.0	4,048.0	4,756.0	1.1	0.8	0.6	0.5
Vistra Energy	VST	\$163.46	78,028.8	17,738.0	23,348.0	25,739.0	26,588.0	4.4	3.3	3.0	2.9
Average								18.1	8.1	5.0	3.3

Source: Factset

Company	Ticker	Recent Price	Enterprise Value	Earnings Per Share				Price-to-Earnings Ratio			
				2025A	2026E	2027E	2028E	2025E	2026E	2027E	2028E
Bimergen	BESS	\$ 2.86	21.6	\$ (1.11)	\$ 0.11	\$ 1.76	\$ 3.53	(2.6)	26.0	1.6	0.8
Enlight	ENLT	\$ 81.87	16,709.2	\$ 1.00	\$ 0.45	\$ 0.64	\$ 2.28	81.9	181.9	127.9	35.9
EOSE	EOSE	\$ 7.16	4,333.6	\$ (3.96)	\$ (0.74)	\$ (0.03)	\$ 0.51	(1.8)	NM	NM	14.0
Fluence	FLNC	\$ 13.54	2,535.6	\$ 0.27	\$ (0.07)	\$ 0.23	\$ 0.61	50.1	NM	58.9	22.2
Vistra Energy	VST	\$163.46	78,028.8	\$ 2.18	\$ 8.63	\$ 11.17	\$ 13.34	75.0	18.9	14.6	12.3
Average								40.5	75.6	50.8	17.0

Source: Factset and Water Tower Research Estimates

## Discount to Peers

Figure 12 shows the optionality embedded in Bimergen’s current valuation. On an EV/Revenue basis, Bimergen trades at 1.4x 2026E and just 0.3x 2027E—a discount to the peer group average of 8.1x and 5.0x, respectively, and well below even Fluence (0.8x 2026E), the most directly comparable pure-play BESS integrator in the group. The discount persists on a forward basis, with Bimergen implying just 0.1x 2028E EV/Revenue against a peer average of 3.3x. The P/E comparison is similarly instructive. Bimergen’s 2026E P/E of 26x looks elevated in isolation, but by 2027E, it drops to just 1.6x and 0.8x in 2028E. By contrast, Eos Energy (EOSE) carries an enterprise value of more than \$4 billion despite still losing money through 2027E, a valuation that suggests investor willingness to pay for a scaled domestic manufacturing platform with a multi-GWh backlog. Enlight Renewable Energy (ENLT), an asset-owning IPP, trades at nearly 22x 2026E EV/Revenue and more than 180x 2026E P/E, underscoring the premium the market assigns to contracted, operating renewable energy assets with institutional sponsorship. **The bottom line is at ~\$22 million in enterprise value, Bimergen appears to be priced as a development-stage option on its pipeline, a valuation that assigns minimal credit to the company’s 2.0+ GW of projects, its strategic partnerships, or its federal tax credit eligibility. For investors with appropriate risk tolerance, that optionality could be attractive.**

## MANAGEMENT

**Cole W. Johnson — Co-Chief Executive Officer & President.** Cole Johnson serves as Co-CEO and President, responsible for overall business strategy, project development, and partnership execution across Bimergen’s US portfolio. He is the public face of the company’s recent growth initiatives and deal announcements. Investors should be aware that Johnson’s affiliated entity, EIP, is entitled to ~\$69 million in development fees—roughly triple Bimergen’s current total asset base—plus 62.5% of any project sale proceeds. This related-party arrangement is disclosed in the 10-K but is not highlighted in company marketing materials.

**Robert J. Brilon — Co-Chief Executive Officer, Chief Financial Officer & Treasurer.** Bob Brilon serves as Co-CEO, CFO, and Treasurer, with responsibility for capital markets strategy, project financing, and financial oversight. His dual role reflects the company’s current stage, where capital formation and financial structuring are as central to value creation as project development.

**Benjamin Tran — Executive Chairman of the Board.** Benjamin Tran serves as Executive Chairman and is the founding figure in the company’s evolution from Bitech Technologies to Bimergen Energy. He assembled the initial team of energy storage experts and energy policy researchers in early 2022, recognizing the growing gap between clean energy ambition and grid reality. Tran entered the BESS sector in April 2024 by acquiring a large portfolio of projects totaling approximately two gigawatts, with the vision of bridging the energy arbitrage gap by balancing rates and reducing carbon emissions. He views the company’s name as emblematic of its dual core capabilities—bimodal

# INITIATION OF COVERAGE REPORT

## MOBILITY & INDUSTRIAL TECHNOLOGY

energy management (rate optimization) and local modular energy systems—and envisions Bimergen’s long-term role as an end-to-end energy resiliency provider for data centers and hyperscaler campuses, offering onsite microgrid solutions, demand charge management, fast-response backup power, and performance-based contracting models.

### RISKS

**Execution and development risk.** All 23 BESS projects are development-stage. There is no guarantee that any project will achieve commercial operation on schedule, within budget, or at all. Interconnection delays, permitting challenges, EPC contractor performance, and supply chain disruptions could each materially push out ISD timelines.

**FEOC and ITC eligibility risk.** This is among the most material risks. Both RelyEZ—the JV partner that holds 80% ownership of every project SPV—and Gotion are Chinese-headquartered entities. RelyEZ’s parent is Shenzhen Yuanxin Energy Storage Technology Co., Ltd., backed by Chinese venture capital. Under FEOC rules established under the Inflation Reduction Act, battery components sourced from FEOC-linked entities can disqualify projects from the entire ITC—not just the domestic content bonus. If RelyEZ or Gotion are classified as FEOCs, Bimergen’s foundational assumption of 40–50% ITC eligibility across its pipeline may be materially impaired. The 10-year post-commissioning recapture window adds further exposure.

**Non-binding key agreements.** Goldman Sachs and Tenaska are presented prominently in company marketing materials. Their conversion to executed contracts is one of the most important catalysts and the single most important unresolved risk.

**Related-party conflicts.** Cole Johnson’s affiliated entity EIP is entitled to ~\$69 million in development fees plus 62.5% of project sale proceeds.

**GridSpan milestone and deferred revenue refund risk.** The \$3.56 million in advance payments carries a contractual refund obligation tied to project milestones due June 30, 2026. Failure to meet this milestone could create a liquidity event at the corporate level.

**Market and pricing risk.** Revenue projections are sensitive to wholesale power price dynamics in ERCOT and other markets. Texas has experienced significant price volatility that can be favorable for arbitrage but creates revenue unpredictability without robust contract structures.

**Policy and regulatory risk.** ITC benefits are contingent on continued federal policy support. Changes to the Inflation Reduction Act, Treasury guidance on FEOC definitions, or state/FERC-level regulatory changes affecting interconnection rules could adversely affect project returns and timelines.

**Liquidity and micro-cap risk.** Average trading volume of ~16,000 shares per day and a ~\$20 million market capitalization place Bimergen squarely in micro-cap territory. Exit liquidity at scale may be constrained and price volatility disproportionate to fundamental developments is likely.

**Operational scale and team risk.** With three to seven employees, Bimergen is highly dependent on its Co-CEO leadership team and relies extensively on outside partners to execute its project pipeline.

### ABOUT THE ANALYST



**Eric Goldstein**

Managing Director – Mobility & Industrial Technology

Eric Goldstein is Managing Director covering Mobility & Industrial Technology at Water Tower Research. He brings more than 25 years of experience across equity research, portfolio management, and investor relations, with deep expertise in automotive and industrial sectors.

Before joining Water Tower Research, Eric led Investor Relations at Fisker Inc. and SES AI Corporation, where he was responsible for financial communications, investor outreach, and capital markets strategy. Earlier in his career, he served as Vice President of Investor Relations at Magna International and spent over a decade managing an automotive and industrial equity fund at FNY Capital Management.

Eric began his career on Wall Street as an equity research analyst and held senior roles at firms including Bear Stearns, SAC Capital, and Salomon Brothers. He earned his Bachelor of Science in Finance from New York University.

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