

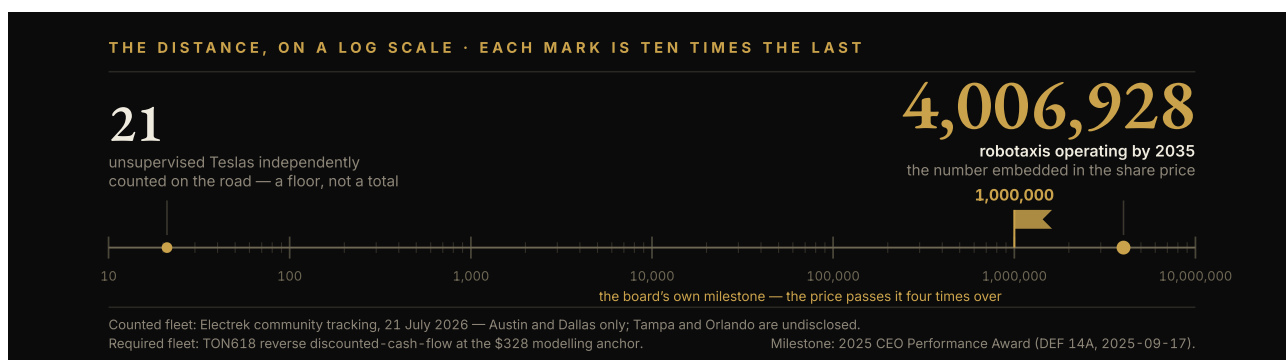
TECH-EQUITY VALUATION · CONSUMER CYCLICAL / AUTOMOBILE MANUFACTURERS

TESLA, INC.

NASDAQ: TSLA

The Price of Two Machines That Do Not Yet Exist

Twenty-one unsupervised Teslas can be counted on public roads. The price requires about four million of them, and 26 million humanoid robots a year, by 2035. **Eighty-six per cent of enterprise value — \$1,088bn, about \$275 of the share price — is the price of those two machines.** The businesses that earn money support \$173bn.



The rule is logarithmic: each mark is ten times the one before it, and the two ends are a factor of roughly 191,000 apart. This report measures that distance.

FV \$69–\$91 VS \$319.69

HORIZON 12–24 MONTHS FOR THE DE-RATE · THE THESIS RESOLVES ON 2027–2028 EVIDENCE

\$69–\$91

TON618 FAIR VALUE PER SHARE

\$319.69

VALUATION ANCHOR —
2026-07-23 CLOSE

–78.4% to –71.5%

IMPLIED RETURN TO FAIR VALUE

This is an out-of-consensus call and we hold it as one. It sits below all but one of the 38 published sell-side targets, which span \$130 to \$600 with a mean of \$425.09. We hold **low confidence in the point estimate** and **high confidence in the arithmetic beneath it**, and those are different claims — the first is a number, the second is a constraint.

Report date 2026-07-24 · **Analyst** TON618 Equity Research · **Edition** Condensed · **Pre-print close** \$374.01 (2026-07-22) · **52-week range** \$297.82–\$498.83 · **Market cap** \$1,262bn · **Enterprise value** \$1,228bn

Valuation anchor is the verified 2026-07-23 close, and every fair-value comparison in this report is made against it. The complete 168-page analysis, with every method, source and sensitivity, is available as the annex, on request.

What twenty-one cars are carrying

It helps to stop thinking of Tesla as one company. The first is a mature car manufacturer: 480,126 vehicles delivered in the second quarter of 2026 — a record second quarter, though short of the all-time quarterly record of 497,099 set in the third quarter of 2025 — and capacity for about 2.4 million a year across three continents without opening a new plant. It generates all of the cash. On the market's own arithmetic it is also worth very little: comparable car companies trade at less than one times annual sales, because making cars is cyclical, capital-hungry and structurally low-return.

The second is not a business yet. It is two programmes — unsupervised robotaxis, and a humanoid robot called Optimus — and it is where essentially all of the market value sits. Twenty-one of the first can be counted on the road. A few hundred of the second were built last year.

Between them sits a third thing that gets less attention than either and deserves more: battery storage deployments up 41% in a year, services up 50% to become the second-largest segment, and 1.48 million active Full Self-Driving subscriptions, up 56%, at roughly 90% gross margins and effectively no cost to acquire the customer, because Tesla already sold them the car. One caution on that subscription figure, because it matters later: Tesla's own footnote says the metric counts both one-off upfront purchases and monthly subscriptions, and excludes free trials. It is not 1.48 million people paying every month.

One story explains almost every line of the accounts

Tesla is deliberately converting a profitable manufacturer into a capital-intensive artificial-intelligence programme, and the cost of that conversion is showing up before any of the benefit. Trailing revenue crossed \$100bn for the first time, at \$103.6bn. Beneath it, everything compresses. Operating margin — the profit left from each dollar of sales after all the costs of running the business — fell from 16.8% in FY2022 to 4.6% in FY2025 to 1.4% in the second quarter of 2026. Return on invested capital, which measures how much profit the company earns on the money it has put to work, is 6.5% against a 12.8% cost of that capital. On the money already spent, Tesla is currently destroying value rather than creating it.

**Q2-2026, QUARTER ENDED 30
JUNE 2026**

	REPORTED	READ
Revenue	\$28,236M, +26% y/y	Beat: consensus \$26,400M
Non-GAAP EPS	\$0.33	Miss: consensus \$0.53
Gross margin	16.8%	Miss: consensus 19.4%
Operating income / margin	\$398M / 1.4%	-57% y/y
Deliveries	480,126, +25% y/y	Record second quarter
Free cash flow	-\$1,092M	First negative quarter in more than two years
Capital expenditure	\$5,789M, +142% y/y	20.5% of revenue; guided above \$25bn for FY2026 and growing 2-3 years
Regulatory credits	\$146M, -67% y/y	4.2% of automotive gross profit, against 15.3% a year ago
Energy deployments	13.5 GWh, +41% y/y	Segment gross margin 20.4%, or 28.0% excluding a \$240M warranty true-up
Cash and short-term investments	\$43,524M	Net cash \$34,182M against \$9,342M of debt, 97% non-recourse
Share-price reaction	\$374.01 → \$319.69	2026-07-22 close to 2026-07-23 close, the session after the print

Source: Tesla Q2-2026 8-K exhibit 99.1 (2026-07-22), Q2-2026 Form 10-Q (2026-07-23), production and delivery 8-K (2026-07-02); consensus per the data capture of 2026-07-23. All figures company-reported unless stated.

Reported earnings were not operating earnings

Tesla reported GAAP earnings of \$0.32 a share. About \$0.22 of that came from writing up the value of a stake it holds in SpaceX — a paper gain, with no cash attached. Another \$0.08 came from a one-off deferred-tax release in California. **Strip both out and the quarter's reported earnings were roughly two cents a share.** Sixty-four per cent of GAAP net income was earned below the operating line.

We put the company's own answer first, because it is the obvious rebuttal. Tesla states the basis in its 10-Q: the fair value is determined quarterly under ASC 820, the fair-value accounting standard, and is based on market observable inputs. Note 13 records that Tesla 'invested \$2.00 billion in SpaceX common stock (formerly a preferred share investment in xAI) representing an ownership

interest of less than 1%' in March 2026. Our concern survives it. SpaceX is private, so the observable inputs are transaction marks rather than a traded price, and Tesla discloses in the same filing that it is presumed to have significant influence over SpaceX because its own chief executive is also SpaceX's chief executive. Tesla's own management excludes the gain from its adjusted figures, which we think is the right call. The lesson for a reader is simple: with this company, look at operating profit, not reported net income.

The margin did not collapse — Tesla spent it

The quarter was widely reported as a margin collapse. It was not. **Gross profit rose \$873M year over year while operating income fell \$525M.** The entire decline, and more, was operating expense — research and development up 49%, selling and administrative costs up 45%, against deliveries up 25%. Better still, on the extra revenue Tesla added over the past year it earned a higher gross margin than on its existing business once the vanishing emissions credits are stripped out: incremental gross margin ex-credits of 19.3% against a 15.6% base. That is the signature of a business with real operating leverage that has chosen to spend its gains rather than bank them. It is the strongest fact against our own call and we would rather state it plainly than let someone else find it.

HH THE MEASUREMENT

The residual is the security

Our valuation is a sum-of-the-parts — each business valued on its own basis and the pieces added up — run across three scenarios. On the base case, everything that earns money today is worth approximately \$173bn: automotive, services, energy, and the Full Self-Driving subscription. At the \$328 modelling anchor used for the arithmetic below, the market pays \$1,261bn of enterprise value. What is left over is the residual.

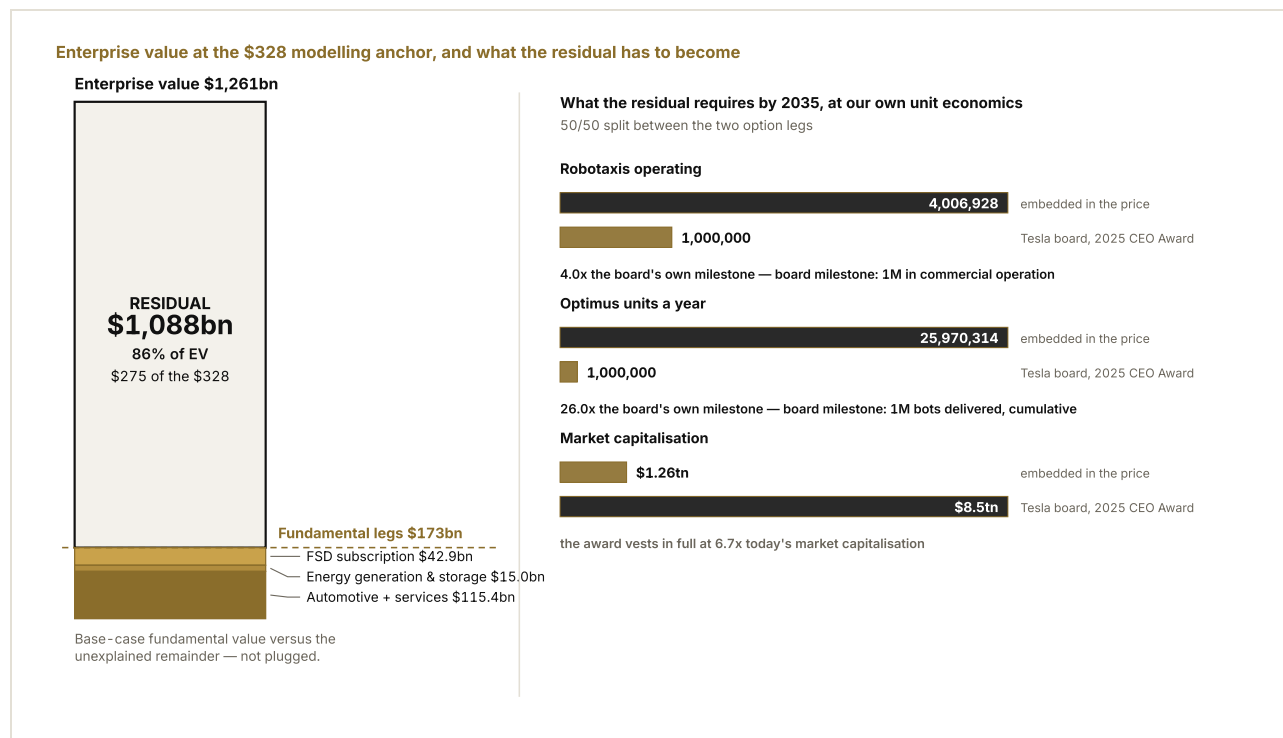
₣ **\$1,088bn** 86% OF ENTERPRISE VALUE

The part of the price nothing yet earns.

Enterprise value at the \$328 modelling anchor is \$1,261bn. Everything that earns money today — automotive, services, energy and the Full Self-Driving subscription — supports \$173bn of it on our base case. The remainder is about \$275 of the share price, and it is not a rounding difference. It is what a buyer is paying for.

The instrument that isolates that residual is a reverse discounted-cash-flow. Normally you forecast a company's future cash and discount it back to a value. A reverse DCF does the opposite: it takes the market price as given and asks what future would have to happen to justify it. It replaces our opinion with the market's, and then asks whether the market's is physically achievable.

EXHIBIT 1 — EMBEDDED EXPECTATIONS: WHAT THE RESIDUAL HAS TO BECOME



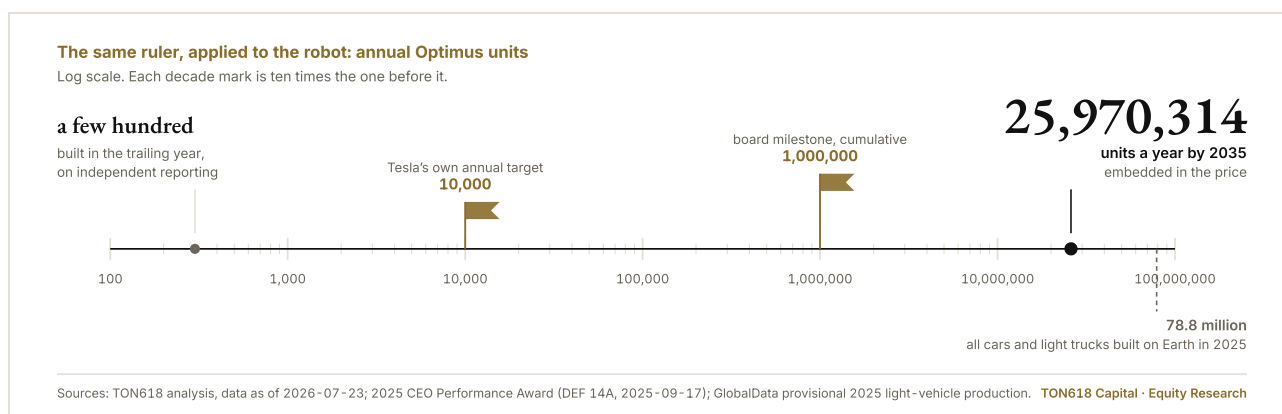
Source: TON618 analysis; data as of 2026-07-23. Left: enterprise value at the modelling anchor, split into the base-case fundamental legs and the residual. Right: the physical output the residual requires by 2035 on this report's own unit economics, against the milestones Tesla's board set in the 2025 CEO Performance Award (DEF 14A, 2025-09-17). Two anchors are used and named throughout: the *valuation anchor* is the verified 2026-07-23 close of \$319.69, against which every fair-value comparison is made; the *modelling anchor* of \$328 is carried inside the reverse-DCF arithmetic for internal consistency. Because it sits above the verified close, anchoring there inflates the residual by 2.6% — that is, it is anti-conservative with respect to our own bearish call. At the valuation anchor the residual is \$1,055bn and \$267 of the share price, and still 86% of enterprise value.

Four million cars, and twenty-six million robots a year

Translate the residual into physical objects, at economics we deliberately set in the bull's favour — \$0.50 of robotaxi operating profit per mile and a 20% Optimus operating margin — and split it evenly between the two programmes. By 2035 Tesla would need to be operating approximately **4.0 million robotaxis** and producing approximately **26 million Optimus units a year**.

Those numbers need context to mean anything. Four million robotaxis is roughly 1,150 times Waymo’s entire current driverless fleet, and roughly 191,000 times the number of unsupervised Teslas that community trackers can actually count on the road today, which is about twenty-one. That twenty-one is a floor and not a total: it covers Austin and Dallas as reported by Electrek on 21 July 2026, and Tesla has not said how many cars it has put into Tampa or Orlando. Twenty-six million humanoid robots a year is roughly 33% of all the cars and light trucks built on Earth annually — measured against about 78.8 million units of global light-vehicle production in 2025, on GlobalData’s provisional count — from a company that, on independent reporting rather than company disclosure, built a few hundred robots last year against a target of ten thousand, and has missed its own robot production target every year since 2021.

EXHIBIT 2 — THE SAME RULER, APPLIED TO THE ROBOT



Source: TON618 analysis; data as of 2026-07-23. The horizontal scale is logarithmic: every decade mark is ten times the one before it, so a gap that looks small on the page is a factor of ten on the ground. Today’s output is the independently reported figure, not a company disclosure. The two flags are the targets Tesla and its board set themselves; global light-vehicle production is drawn below the rule because it is a reference, not a Tesla objective.

The whole-company cross-check is the same arithmetic in one line: to justify the modelling anchor, free cash flow must compound at 53% a year, from \$5.8bn today to \$265bn in 2035, and then grow at 3% for ever. That would make Tesla one of the largest cash generators in the world.

THE CROSS-CHECK

Four times the board’s own finish line

The cross-check that carries the most weight is not ours. Tesla’s board has already planted its own flags on this rule, and named the market capitalisation it thought reaching them would be worth.

PLANTED BY TESLA'S BOARD

₧ **1,000,000**
robotaxis in commercial operation — the award's maximum product milestone

₧ **1,000,000**
bots delivered, measured cumulatively rather than annually

₧ **\$8.5tn**
market capitalisation at which the award pays out in full

₧ **\$1.26tn**
market capitalisation today — roughly one seventh of it

WHAT THE PRICE HAS ALREADY PASSED

Tesla's 2025 CEO Performance Award, approved by shareholders in November 2025, defines the company's own top product goals as **one million robotaxis in commercial operation and one million bots delivered**, and pays out in full only at a market capitalisation of **\$8.5tn**.

Today's price embeds roughly **four times the board's own maximum robotaxi milestone**, and an annual Optimus run-rate roughly twenty-six times a milestone the award measures cumulatively — at a market capitalisation of about \$1.26tn, roughly one seventh of the valuation the board attached to getting there.

The disagreement is not between our arithmetic and the market. It is between the market and Tesla's own proxy statement.

Source: 2025 CEO Performance Award as described in the DEF 14A filed 2025-09-17 (accession 0001104659-25-090866), approved by shareholders in November 2025; market capitalisation at the valuation anchor of 2026-07-23. Milestone counts are the award's own definitions; the comparison to today's price is TON618 analysis.

THE OBJECTIONS

Neither objection closes the distance

Two rebuttals arrive before any other, and both are worth testing rather than dismissing.

The first is that the discount rate is too high — that we are being too harsh about risk, which makes future profits look smaller today than they should. So we ran it backwards. Holding our base-case operating forecast fixed and solving for the rate that reproduces the modelling anchor, **the implied cost of equity is approximately 4.7%** — at or marginally above the 4.71% ten-year Treasury yield on 2026-07-23. That is an equity risk premium of essentially zero, against the 4.5% we assume. The solve is reliable to

SURVEY MARKS

4.7% — the cost of equity that reproduces the modelling anchor, against a 4.71% ten-year Treasury on 2026-07-23.

\$55 → \$71 — the simulated median after shifting the whole

about a tenth of a percentage point, not to the basis point, so we state it as essentially zero rather than claiming it is exactly nil. To reach that price you do not need a friendlier discount rate. You need a different company.

The second is that we are simply too pessimistic about robotaxi. So we took our entire range of robotaxi outcomes and shifted it a full standard deviation better — moving the median 2035 fleet from 160,000 vehicles to about 587,000, roughly 168 times Waymo's whole operation today, and improving the profit per mile with it. **The simulated median moved from \$55 to \$71.** The gap cannot be closed by being more optimistic within any reasonable range. It can only be closed by an outcome in the far tail — or by a much lower discount rate, and we publish that grid too, so the disagreement is locatable rather than rhetorical.

robotaxi distribution a full standard deviation better.

587,000 — the 2035 fleet that shift implies, from a base case of 160,000.

\$190 — the probability-weighted value at an 8% cost of equity. Still 41% below the close.

The strongest case for the other side

We are obliged to make the bull argument properly, because it is a serious argument made by serious people.

Start with what is compounding while everyone argues about robots. Three engines are growing right now and none of them is the one the argument is about. Full Self-Driving subscriptions rose 56% to 1.48 million at a record 55% attach rate on new North American deliveries, against only 15.3% penetration of the 9.7 million-vehicle installed fleet — and going from 15% to 40% requires no regulator's permission, no new technology and no new factory. Each 10 percentage points of installed-fleet penetration is roughly \$1.0bn of approximately 90%-margin gross profit with no capital deployed. Services grew 50% to a record \$4,581M of revenue and \$648M of gross profit. Energy deployments grew 41%.

The required world may also be less absurd than it sounds, if you pick the right yardstick. Comparing four million robotaxis to today's ride-hailing market makes it look impossible. But if self-driving actually works, the thing it replaces is not Uber — it is car ownership. US vehicles cover roughly 3.29 trillion miles a year (Federal Highway Administration, Highway Statistics 2024, Table VM-1 — all motor vehicles, commercial traffic included). Against that, four million robotaxis at the 55,000 miles each we assume would be roughly 7% of all US driving. That is a large share. It is not an impossible one.

And Tesla is buying this option with money it already has. It holds \$34.2bn of net cash and \$2M of recourse debt, and the chief financial officer said on the Q2-2026 call that Tesla is 'securing certain debt facilities that will give us the capacity to borrow up to \$30 billion'. That capacity is being

arranged, not secured and not drawn — a distinction we make consistently, because it is the difference between money in hand and money discussed. Very few companies could fund a decade-long moonshot without asking shareholders for money.

WHERE THE DISAGREEMENT HONESTLY LIVES

It is the cost of equity, not the operating forecast. Our headline uses segment-differentiated rates averaging to a 12.81% company cost of equity. A reader who believes 8% is right for a company with \$34.2bn of net cash and \$2M of recourse debt is not being unreasonable — and at 8% our probability-weighted value is **\$190 a share**, more than twice our headline number. **It is still 41% below the close.** The discount-rate objection narrows the gap materially; it does not close it.

THE RECORD

Claims, counted against delivery

CLAIMS VERSUS DELIVERY — CONDENSED PANEL

The residual is priced off statements about the future, so the record of past statements is evidence. Every row below is tagged by who produced it: a **company claim** is Tesla's own disclosure, **independently reported** is a third party counting for themselves, **company-published** is a competitor's own research, and an **observed absence** is a question that was not answered in the disclosure set we captured. An absence is the weakest evidence class here and we label it as such rather than treating silence as denial.

WHEN	WHAT WAS PROMISED OR CLAIMED	WHAT HAS BEEN DELIVERED	TAG
2021-2025 (annual)	Annual Optimus production targets, most recently 10,000 units	A few hundred units built in the trailing twelve months; every annual target since 2021 missed — the 2021, 2022, 2023, 2024 and 2025 targets, five in all	INDEPENDENTLY REPORTED
Q2-2026 quarter-end	Robotaxi live in 7 US metros; unsupervised in Texas (Austin, Dallas, Houston) and Florida (Miami, Orlando, Tampa); San Francisco Bay with a safety driver	Community-tracked active unsupervised fleet: approximately 17 in Austin, down from a peak near 25 in late April, and 4 in Dallas — approximately 21 in total. A floor, not a total: Tampa and Orlando counts are undisclosed	COMPANY CLAIM / INDEPENDENTLY REPORTED
To 2026-07-22	380,000+ unsupervised miles with 'zero notable incidents'; weekly unsupervised miles growing double-digit percent week over week	17 automated-driving-system incidents July 2025 to March 2026 (NHTSA Standing General Order) against a Tesla cumulative paid-miles chart reading past approximately 2.4M by end-June 2026 — approximately 1	COMPANY CLAIM / INDEPENDENTLY REPORTED

WHEN	WHAT WAS PROMISED OR CLAIMED	WHAT HAS BEEN DELIVERED	TAG
		per 85,000 to 141,000 miles, against approximately 1 per 500,000 for US human drivers (police-reported)	
Reference 2026-07	Benchmark row — no Tesla claim. Included as the incumbent comparison	Waymo: 3,500+ driverless vehicles, 10+ cities, approximately 500,000 paid trips and 220.6M cumulative rider-only miles through March 2026 — roughly 167x Tesla's fleet floor	COMPANY-PUBLISHED (Waymo) / INDEPENDENTLY REPORTED
Q2-2026	1.48M active FSD subscriptions, +56% y/y; more than 55% attach on new North American deliveries	Subscription count and attach rate are company-reported operating metrics consistent with reported revenue; not independently audited	COMPANY CLAIM
Pending	FSD V15 as the gate to real robotaxi scaling	Approximately 40% of planned improvement merged as of 2026-07-22; unsupervised personal-use timeline not specified	COMPANY CLAIM / OBSERVED ABSENCE
Unspecified	Fremont line targeted at approximately 1,000,000 Optimus units per year	No unit target, no price and no consumer-availability date given on the Q2-2026 call	COMPANY CLAIM / OBSERVED ABSENCE
2026	Affordable / next-generation vehicle	No update given on the Q2-2026 call	OBSERVED ABSENCE

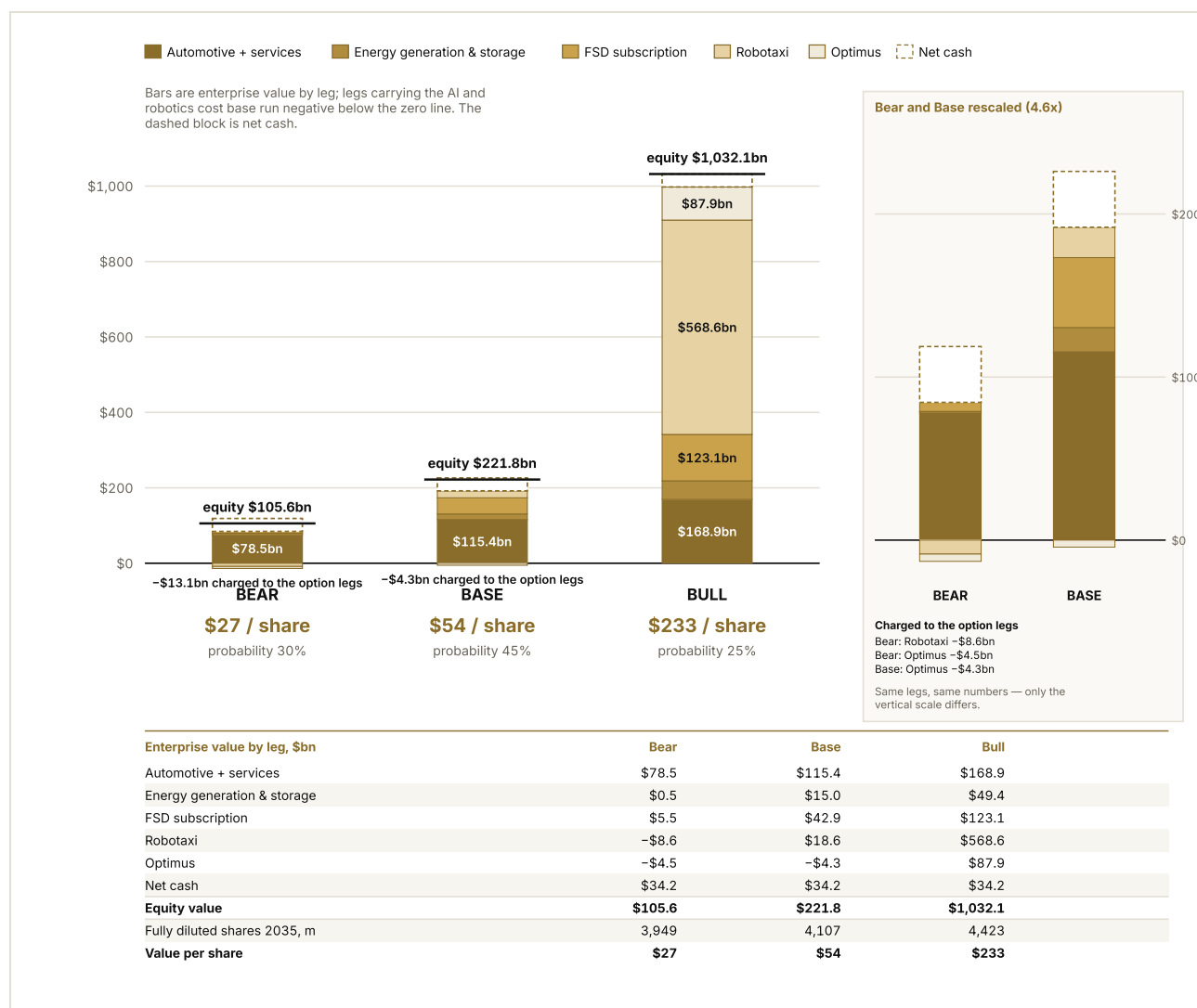
Condensed from the full sixteen-row panel in the annex. Company rows: Q2-2026 shareholder update and earnings call, 2026-07-22. Independent rows: Electrek community tracking, 2026-07-21, and NHTSA Standing General Order data reported 2026-05-15. Waymo figures are Waymo-published.

THE VALUE

Every scenario we can draw lands below the price

Each leg is valued on its own basis and the pieces added up, in each of three scenarios, and each scenario is divided by its own 2035 share count. Option programmes whose modelled investment exceeds their modelled return are charged, not zeroed — which is why two legs run negative.

EXHIBIT 3 — SUM OF THE PARTS BY SCENARIO: WHERE THE VALUE SITS, AND WHERE IT IS CHARGED



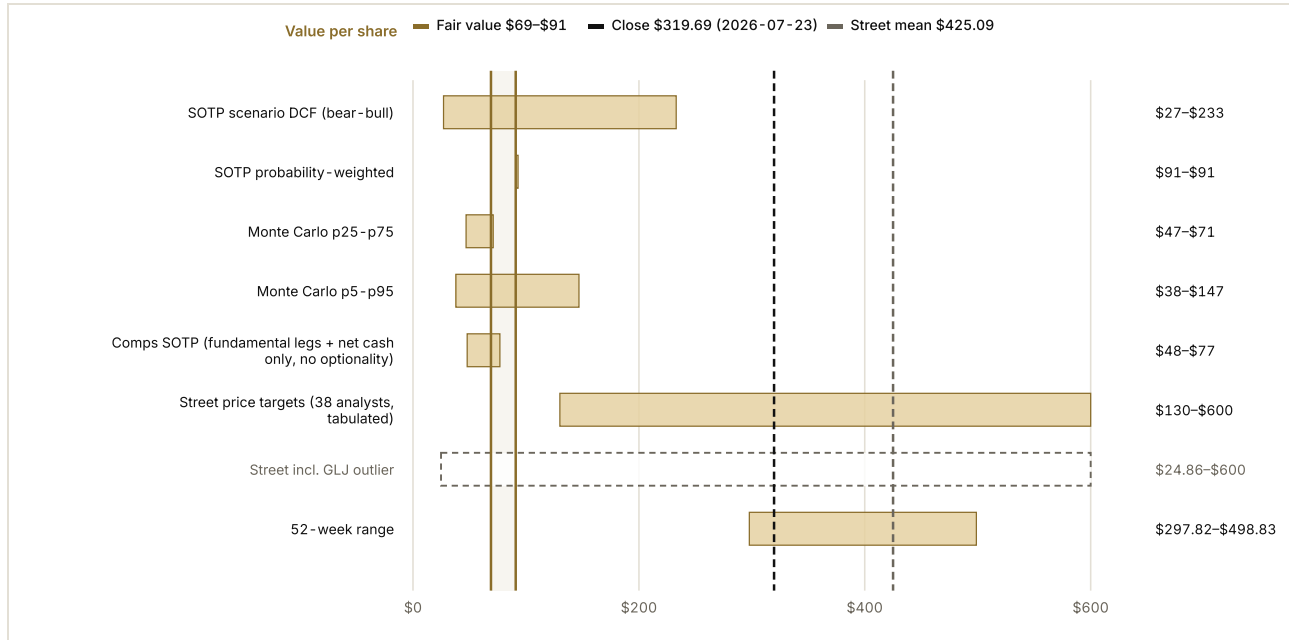
Source: TON618 analysis; data as of 2026-07-23. Enterprise value by leg in each scenario, plus net cash, divided by that scenario's own 2035 fully diluted share count — which carries the 2025 CEO award dilution, hard-linked to the scenario outcome. Negative legs are option programmes whose modelled investment exceeds their modelled return in that scenario; they are charged, not zeroed. The inset rescales the bear and base panels so their legs remain legible against the bull.

The scenario triad

SCENARIO	VALUE / SHARE	PROBABILITY	RETURN FROM \$319.69	WHAT IT ASSUMES
Bear	\$27	30%	-91.6%	Auto volumes flat to down, automotive gross margin ex-credits stalls near 15.5%, both option legs charged
Base	\$54	45%	-83.1%	2.64M deliveries by 2035, automotive gross margin ex-credits recovers to 19%, robotaxi reaches 160,000 vehicles
Bull	\$233	25%	-27.1%	Robotaxi reaches 1.5M vehicles at 60,000 miles each and \$0.85 of operating profit per mile; Optimus reaches scale
Probability-weighted	\$91	100%	-71.5%	The headline price target
Simulation mean / median	\$69 / \$55	—	-78.4% / -82.8%	40,000-draw correlated Monte Carlo; interquartile range \$47-\$71, 90% interval \$38-\$147

One structural feature distinguishes this triad from a typical bear call: every scenario, including the bull, produces a fair value below the current price. The disagreement with the market is therefore not about which scenario obtains. It is about whether the scenario set is drawn wide enough on the right — which is precisely the objection tested above.

EXHIBIT 4 — FOOTBALL FIELD: VALUE PER SHARE BY METHOD



Source: TON618 analysis; data as of 2026-07-23. Bars are each method's low and high. Fair value, the valuation anchor close and the Street mean are drawn as reference lines. The dispersion in the Street range is itself informative and dissolves most of the apparent disagreement: the \$130 underweight targets are approximately our no-optionality fundamental floor of \$48-\$77 plus a modest option premium, and the \$500-\$600 targets are approximately the full-optionality valuation. The Street is not arguing about the car business. It is arguing about what the residual is worth. So are we.

Two observations would reverse this call

Both are observable within twelve to eighteen months, and neither requires us to be persuaded of anything.



An independently counted active unsupervised fleet in the thousands rather than the tens, accompanied by a published third-party safety record. Not a company mileage chart — a count somebody else can make.



A first external Optimus unit shipping at a disclosed price. Not a demonstration, not an internal deployment: a customer, a price and a date.

A rising share price is not one of them. Six further developments would require revision rather than reversal, and all of them are tracked in the annex.

HH THE RISKS

Where this call is most likely to be wrong

#	RISK	LIKELIHOOD	MAGNITUDE	SCORE
1	Robotaxi scales materially faster than the verified footprint implies, and our fleet distribution is wrong. This is the risk to our call. A one-standard-deviation upward shift in the whole distribution lifts the median only to \$71, so this risk requires a far-tail outcome rather than merely optimism	MEDIUM (25–30%)	VERY HIGH — \$120 per share of modelled swing; the bull leg alone is \$569bn of enterprise value	CRITICAL
2	Multiple compression — a de-rating of the residual. This is the mechanism our call depends on, and the 22–23 July repricing removed roughly \$54 of it in one session	HIGH (underway)	VERY HIGH — \$275 per share and 86% of enterprise value is residual at the modelling anchor	CRITICAL
3	Key-person concentration in Elon Musk. The chief executive simultaneously leads the merged SpaceX/xAI entity; there is no disclosed succession plan for the autonomy roadmap	LOW-MEDIUM per year, HIGH cumulatively	VERY HIGH — the entire optionality narrative, the compute strategy and the capital plan are personally sourced	CRITICAL
4	The capital cycle impairs cash generation for longer than modelled. Capex is guided above \$25bn and growing two to three years; Q2 capex was 20.5% of revenue against 10.6% a year earlier	HIGH (guided)	HIGH — base-case cumulative free cash flow of –\$8bn across 2026–2030; bear case –\$23bn	HIGH
5	Optimus never reaches external scale. Every annual target since 2021 missed; a few hundred units built against a 10,000-unit target	HIGH (45% failure weight in the simulation)	MEDIUM — the base-case leg is already –\$4bn of enterprise value, so failure costs little from here; the risk is asymmetric to the upside	MEDIUM

Top five of twelve by likelihood × magnitude score; the full register, the value-at-risk table and the leverage and liquidity analysis are in the annex. Magnitude is expressed as an effect on the \$91 probability-weighted fair value unless stated otherwise.

Also carried in the full register and material to a reader of this summary: related-party entanglement (\$0.22 of \$0.32 of Q2 GAAP EPS was an unrealised mark on a Musk-controlled private company, and \$318M — 10.1% — of Q2 energy-segment revenue was a related-party Megapack sale to SpaceX); dilution (shares outstanding up 22.8% in eighteen months, with up to approximately 12% more on full vesting of the 2025 CEO award); regulatory or safety action on unsupervised operation; and demand erosion after the expiry of the US EV credit.

Disclosures & Data Integrity

Report date 2026-07-24 · Data as-of 2026-07-23

OWNERSHIP STATEMENT

the Fund holds no position in TSLA as of the report date, and TSLA is not a Fund holding or a BTC-correlated instrument

Price and date convention

Report date: 24 July 2026. Two anchors are used and they are named throughout. The valuation anchor is \$319.69, the verified close of 23 July 2026, and every fair-value comparison in the report is made against it. The modelling anchor is \$328, carried inside the reverse-DCF arithmetic for internal consistency; because it sits above the verified close, anchoring there is conservative with respect to upside.

Reference prices, each labelled with its session: \$374.01 close, 22 July 2026 (pre-print). \$319.69 close, 23 July 2026 (post-print; day open \$341.00, day low \$315.74, VWAP \$325.30, on 115.6M shares, approximately 2.6x normal volume). \$313.03 close, 24 July 2026. 52-week range \$297.82–\$498.83.

MATERIAL CORRECTION ON THE RECORD: the 23 July 2026 data capture recorded an intra-session print of \$330.16 at 13:47Z on 23 July 2026. That was not a closing price. Verified end-of-day data establishes the close at \$319.69. All conclusions in this report use the verified close.

Sources, assumptions and limitations

Every figure in this report traces to a dated source in the manifest of the 23 July 2026 data capture (snapshot 2026-07-23-134744). Primary sources are Tesla's Q2-2026 Form 10-Q (accession 0001628280-26-049270), the Q2-2026 8-K and shareholder deck (0001628280-26-049213), the 2025 DEF 14A (0001104659-25-090866) and the CEO Form 4 (0001104659-26-075213), together with FY2021–FY2025 statements, verified end-of-day price data, the FRED ten-year Treasury series and a verified media sweep for the independently reported rows. Where a figure is derived rather than disclosed it is labelled as such and its method stated; where a needed disclosure does not exist it is flagged as a gap rather than estimated. The full source-and-evidence log, the fifteen-row key-assumptions log, the disclosed limitations and the glossary are reproduced unabridged in the annex and are not summarised here.

Two limitations bear directly on the figures a reader of this condensed edition will quote. First, the 4.5% equity risk premium is an analyst assumption rather than a market-implied measurement, and it is the single input with the most leverage on the output; the cost-of-equity grid is published in full in the annex so the disagreement is arithmetic rather than rhetorical. Second, unlike the comparable snapshot for another issuer, this data capture contains no stored per-leg cash-flow schedules, so the sum-of-the-parts leg values cannot be re-derived from code. What was independently reproduced in the quality-assurance pass is stated in the annex: all sum-of-the-parts sums, share-count divisions and the scenario weighting to \$91; all six reverse-DCF embedded-expectations figures to within 0.05%; the 53.0% free-cash-flow growth rate; the enterprise-value bridge; and the 2035 revenue build in all three cases.

This condensed edition selects from and does not add to the audited section set. No figure, method, scenario, probability or conclusion differs from the full analysis; where the full analysis carries a caveat on a figure, the caveat is carried here with it.

Standard disclosures

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Version and change log

VERSION	DATE	CHANGE
1.0	2026-07-24	Initial publication. Data capture 2026-07-23-134744. Valuation anchored on the verified 2026-07-23 close of \$319.69; reverse-DCF arithmetic carried at the \$328 modelling anchor and restated at all verified prices. A pre-publication verification pass was completed against the Q2-2026 10-Q, the Q2-2026 8-K and shareholder deck, the DEF 14A and the CEO Form 4. No valuation input, model output, fair-value range or recommendation was changed by that pass.

Annex. The complete 168-page analysis — eighteen sections covering the business model, moat, proprietary technology, five-year financial statement analysis, unit economics, the gearing map, the operating forecast, the intrinsic and relative valuations, the full risk register, catalysts, ESG and governance, and the unabridged source, assumption and limitation logs — is available as the annex, on request.

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