atrium research

Research Note

Bimergen Energy – Achieving First Revenue Ahead of Schedule

Nicholas Cortellucci, CFA | Equity Research Analyst | ncortellucci@atriumresearch.ca | 647-391-3314
Luca Perna | Equity Research Associate | lperna@atriumresearch.ca | 647-969-1027

Rating	Target Price
BUY	**$9.50**
Unchanged	*Unchanged*

August 17, 2026

Disseminated on Behalf of Bimergen Energy Corporation

All figures in USD unless otherwise stated

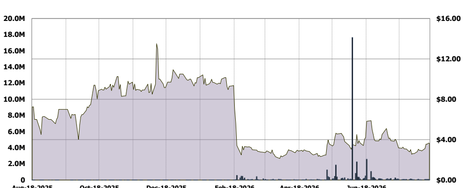
Bimergen Energy Corporation	**BESS:NYSE**
Rating	BUY
Target Price	$9.50
Return to Target	141%

Market Data	
Share Price	$3.95
Average Daily NYSE Volume (K)	88.7
FD ITM Shares (M)	7.4
Market Cap ($M)	$29.3
Cash & Marketable Securities ($M)	$9.4
Debt ($M)	$0.3
Enterprise Value ($M)	$20.2

FYE Dec 31	**2026E**	**2027E**	**2028E**
Revenue ($M)	$18.9	$41.0	$96.0
Gross Margin (%)	59%	61%	62%
Adj. EBITDA ($M)	$4.7	$17.4	$49.4
Adj. EBITDA Margin (%)	25%	42%	52%
Net Income ($M)	($0.7)	$8.7	$31.2
EPS (Basic)	($0.29)	$1.18	$4.22
FCFF ($M)	$1.0	$6.7	$30.9

Valuation	**2026E**	**2027E**	**2028E**
EV/EBITDA	4.3x	1.2x	0.4x
EV/Sales	1.1x	0.5x	0.2x

Please refer to the applicable disclosures on the back page
Source: Atrium Research, CapitalIQ, Company Documents



Bimergen is a U.S.-based independent power producer specializing in the development, ownership, and operation of standalone battery energy storage systems (BESS). Bimergen develops utility-scale and distributed storage projects designed to provide grid reliability, renewable integration, and flexible energy solutions. Bimergen manages the full project lifecycle, including site selection, permitting, engineering, procurement, construction, and operations.

What you need to know:

- Bimergen reported Q2 revenue of $7.9M, its first-ever revenue, coming in well above our expectation of nil, driven by the sale of equity stakes in assets to Cerberus/Frontier Power.
- Adjusted EBITDA was $3.9M and net income was $1.6M; both came in ahead of our estimates of ($1.2M) and ($2.9M), respectively.
- In July, Bimergen closed its 480 MWh ERCOT portfolio (the Redbird and two Texas 10 projects) with Frontier, receiving $6.4M in cash, a future $2.5M milestone payment, and a retained 7.5% equity interest.

This morning, Bimergen Energy Corporation (BESS:NYSE) announced Q2 financial results that were well above our expectations due to the sale of an equity stake in three assets to Frontier Power (recognized as revenue). The quarter marked Bimergen's first revenue, coming in ahead of schedule and our forecasts. We remain excited for the opportunity ahead as the Company focuses on both selling assets to larger players and putting its own projects into operation. **We are maintaining our BUY rating and our $9.50/share target price on BESS.**

Key Highlights

- Revenue of $7.9M vs. our expectation of nil. The revenue was comprised of $6.7M from Cerberus/Frontier Power, $0.9M from Bridgelink Development, and $0.3M from Eos Energy. This represented Bimergen's first-ever revenue.
- BESS has received $11.0M in cash related to these revenues, with an additional $2.6M to be recorded in Q3 related to a third project (closed July 15th). BESS will also receive an additional $2.5M payment upon the JV reaching NTP.
- BESS retained 7.5% ownership in these projects, which was booked as a $500K investment on the balance sheet. Management believes the fair market value to be much higher.
- Gross margins came in at 61%. G&A rose to $3.2M from $0.8M in Q2/25 (mostly due to legal fees and SBC), but declined QoQ from $3.8M in Q1.
- Adjusted EBITDA was $3.9M (36% margin) compared to our estimate of ($1.2M). Net income came in at $1.6M or $0.22/share vs. our estimate of ($2.9M) or ($0.39/share).
- BESS ended the quarter with $9.4M in cash and $0.3M in leases. BESS also had $2.5M in A/R. This compares to its market cap of $29.3M.

Bimergen Closes 480 MWh ERCOT Portfolio with Frontier

On July 28th, Bimergen announced that its Redbird BESS Project, a 100 MW / 400 MWh battery storage project, along with two "Texas 10" projects (80 MWh combined), has closed (previously announced in May) with Cerberus Capital Management and its Frontier platform. Bimergen has received $6.4M in cash and will receive an additional $2.5M upon the Redbird project achieving milestones within Frontier's platform, alongside a retained 7.5% equity stake in the projects, representing total consideration of $8.9M across the 480 MWh ERCOT portfolio.

We remind readers that in July, Frontier selected Bimergen's Wildfire BESS Project, a 100 MW / 400 MWh battery storage project in Caldwell County, Texas, for conversion onto its platform. We expect the terms of the Wildfire agreement to be similar to those announced above, being a development fee paid to Bimergen alongside a retained 7.5% economic interest in the project.

Catalysts

- Offtake Agreements – Ongoing
- Project Advancement Updates – Ongoing

Our Take

Q2 marked a pivotal quarter for Bimergen as the Company generated its first-ever revenue and delivered results well ahead of our expectations across every line. While the $7.9M in revenue was primarily driven by the sale of equity stakes to Cerberus/Frontier rather than recurring operations, today's results are strong initial proof of the Company's ability to convert completed development work into cash while still retaining long-term upside.

We are particularly encouraged by the cash conversion, with $11.0M received and a further $2.6M expected in Q3 from the additional project, alongside the $2.5M payment due upon the JV (the project companies held 92.5% by Frontier and 7.5% by Bimergen) reaching NTP. While we do not expect every quarter to look like this, we continue to believe that BESS is undervalued relative to its future cashflow, with the stock trading at 4.3x/1.2x 2026E/2027E EBITDA. We have updated our model to reflect the additional $2.6M in revenue coming in Q3, but have also decreased our estimate for Q4 given that revenue was pulled ahead to Q2; as such, our full year revenue estimate moves up from $16.5M to $18.9M. Our adjusted EBITDA moves up slightly, as we have also increased our G&A assumption. Our target price remains unchanged at $9.50/share based on 9.0x 2027E EBITDA (a discount to the peers below).

Company	Ticker	Mkt Cap	EV	EBITDA Margin	EV/EBITDA			EV/Sales		
				2027E	2026E	2027E	2028E	2026E	2027E	2028E
Vistra Corp.	VST	$49,266	$71,827	33%	9.9x	8.8x	8.1x	3.3x	2.9x	2.7x
Enlight Renewable Energy Ltd	ENLT	$11,632	$17,160	74%	29.1x	19.9x	12.2x	20.8x	14.8x	9.4x
Fluence Energy Inc	FLNC	$1,816	$1,948	3%	N/A	16.7x	10.6x	0.6x	0.5x	0.4x
Eos Energy Enterprises, Inc.	EOSE	$1,446	$2,495	-2%	N/A	N/A	12.0x	8.1x	4.3x	2.3x
Energy Vault Holdings, Inc.	NRGV	$695	$873	2%	N/A	N/A	13.5x	3.1x	2.0x	1.7x
Average				**22%**	**19.5x**	**15.1x**	**11.3x**	**7.2x**	**4.9x**	**3.3x**
Bimergen Energy Corporation	**BESS**	**$29**	**$20**	**42%**	**4.3x**	**1.2x**	**0.4x**	**1.1x**	**0.5x**	**0.2x**

Figure 1: Peer Group Analysis

Why We Like BESS

- BESS has a 2.0 GW portfolio of battery energy storage assets, with management having a long-term goal of reaching 4.0 GW. Of these, we expect 280 MW to become operational by 2028.
- Following its recent financing at $4.00/share, the Company has a net cash balance of $9.0M ($1.20/share), compared to its market cap of $29.3M, providing downside protection given that this cash is not required to advance its projects.
- As a project manager, the Company's economics are capital-light and funded by its partners. In approximation, each 100 MW project will cost $125M in capex, up to 60% of which will be wiped away by investment tax credits, and will generate $11M in annual EBITDA once operational.
- Bimergen has assembled a high-quality ecosystem of leading strategic partnerships to support its growth.
- Management collectively owns 42% of BESS, led by Co-CEO and President Cole Johnson (~24%) and Executive Chairman Benjamin Tran (~15%), providing strong alignment with shareholders.

Tear Sheet

Market Data	
Ticker	BESS:NYSE
Stock Price	$3.95
Rating	BUY
Target Price	$9.50
Upside	141%
Market Cap ($M)	$29.3
Cash ($M)	$9.4
Debt ($M)	$0.3
EV ($M)	$20.2

Capital Structure	
Basic Shares Outstanding (M)	7.4
Warrants (M)	3.6
Options (M)	1.0
FD Shares (M)	12.0
FD ITM Shares (M)	7.4

Ownership	
Cole Johnson, Co-CEO & President	24%
Other Management & Insiders	19%
Retail & Institutions	58%

Financial Estimates	2025A	Q1/26A	Q2/26A	Q3/26E	Q4/26E	2026E	Q1/27E	Q2/27E	Q3/27E	Q4/27E	2027E	2028E
Revenue ($M)	**0.0**	**0.0**	**7.9**	**7.5**	**3.5**	**18.9**	**9.0**	**9.0**	**9.0**	**14.0**	**41.0**	**96.0**
% YoY	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*20%*	*300%*	*117%*	*134%*
Gross Profit ($M)	**0.0**	**0.0**	**4.8**	**4.4**	**2.1**	**11.2**	**5.4**	**5.4**	**5.4**	**8.5**	**24.8**	**59.0**
Gross Margin	*0%*	*0%*	*61%*	*58%*	*59%*	*59%*	*60%*	*60%*	*60%*	*61%*	*61%*	*62%*
Adj. EBITDA ($M)	**(2.5)**	**(1.2)**	**2.9**	**2.7**	**0.4**	**4.7**	**3.6**	**3.6**	**3.6**	**6.7**	**17.4**	**49.4**
EBITDA Margin	*0%*	*0%*	*36%*	*35%*	*11%*	*25%*	*40%*	*40%*	*40%*	*48%*	*42%*	*52%*
Adj. Net Income (Ex. SBC, $M)	(2.5)	(1.2)	2.9	2.4	0.1	4.2	2.6	2.0	1.9	4.2	10.7	32.2
Net Income ($M)	(5.0)	(3.8)	1.6	1.9	(0.4)	(0.7)	2.1	1.5	1.4	3.7	8.7	31.2
EPS (Basic)	(1.11)	(0.71)	0.22	0.25	(0.05)	(0.29)	0.29	0.21	0.19	0.50	1.18	4.22
FCFF ($M)	(0.8)	(2.9)	0.4	(0.4)	1.6	1.0	0.5	2.0	1.9	2.3	6.7	30.9

Figure 2: Tear Sheet

	Q3/26E		Q4/26E		2026E		2027E	
	New	Previous	New	Previous	New	Previous	New	Previous
Revenue ($M)	**$7.5**	$5.0	**$3.5**	$11.5	**$18.9**	$16.5	**$41.0**	$41.0
Gross Margin (%)	**58.0%**	58.0%	**59.1%**	58.5%	**59.4%**	58.4%	**60.6%**	60.6%
Adj. EBITDA ($M)	**$2.7**	$1.7	**$0.4**	$5.5	**$4.7**	$4.8	**$17.4**	$18.6
Net Income ($M)	**$1.9**	$0.7	**($0.4)**	$4.5	**($0.7)**	($1.5)	**$8.7**	$8.8

Figure 3: Estimate Revisions

Disclosures

Analyst Certification
Each authoring analyst of Atrium Research whose name appears on this report certifies that: (i) the views expressed in this research report accurately reflect the authoring analyst's personal, independent, and objective views about any and all of the subject securities or issuers; (ii) no part of the authoring analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in this report; (iii) to the best of the authoring analyst's knowledge, they have not received material non-public information about the issuer; (iv) the analyst does not own, directly or indirectly, common shares, options, warrants, or any other securities of the issuer under coverage, nor do they have any financial interest in the issuer; (v) the analyst adheres to the CFA Institute's guidelines for analyst independence, where applicable, and complies with FINRA Rule 2241 regarding research analyst independence; and (vi) this report belongs to the CFA Institute.

Atrium Research Ratings System
BUY: The stock is expected to generate returns of over 20% over the next 24 months.
HOLD: The stock is expected to generate returns of 0-20% over the next 24 months.
SELL: The stock is expected to generate negative returns over the next 24 months.
NOT RATED (N/R): Atrium does not provide research coverage on the respective company.

COVERED COMPANIES
55

Risks of Ratings: All ratings involve risks, and stock prices may not perform as expected due to market volatility, company-specific risks, or other factors. Investors should carefully consider these risks before making investment decisions. Past performance is not indicative of future results.

About Atrium Research
Atrium Research provides institutional quality company sponsored research on public equities in North America. Our investment philosophy takes a 3-5 year view on equities currently being overlooked by the market. Our research process emphasizes understanding the key performance metrics for each specific company, trustworthy management teams, and an in-depth valuation analysis. For further information on our team, please visit https://www.atriumresearch.ca/team.

General Information
Atrium Research Corporation (ARC) has created and distributed this report. This report is a general discussion of the merits and risks of a security or securities only, was prepared for general circulation, is not in any way meant to be tailored to the needs and circumstances of any recipient and does not provide investment recommendations specific to individual investors. As such, the securities discussed in this report may not be suitable for all investors and investors must make their own investment decisions based upon their specific investment objectives and financial situation, utilizing their own financial advisors as they deem necessary.

This report is based on information we considered reliable; we have not been provided with any material non-public information by the company (or companies) discussed in this report. We do not represent that this report is accurate or complete and it should not be relied upon as such; further any information in this report is subject to change without any formal or type of notice provided. Investors should consider this report as only one factor in their investment decisions; this report is not intended as a replacement for investor's independent judgment.

ARC is not a registered broker-dealer in the United States or Canada and does not offer investment banking services. ARC (and its employees) do not own, trade or have a beneficial interest in the securities of the companies we provide research services for and does not serve as an officer or Director of the companies discussed in this report. ARC does not make a market in any securities. This report is not disseminated in connection with any distribution of securities and is not an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal.

ARC does not make any warranties, expressed or implied, as to the results to be obtained from using this information and makes no express of implied warranties for particular use. Anyone using this report assumes full responsibility for whatever results they obtain. This report does not constitute a personal recommendation or take into account any financial or investment objectives, portfolio holdings, strategy, financial situations or needs of individuals. This report has not been prepared for any particular individual or institution. As such, any advice or recommendation in this report may not be suitable for a particular recipient. ARC assumes recipients of this report are capable of evaluating the information contained herein and of exercising independent judgment. A recipient of this report should not make any investment decision without first considering whether any advice or recommendation in this report is suitable for the recipient based on the recipient's particular circumstances and, if appropriate or otherwise needed, seeking professional advice, including tax advice. ARC does not perform any suitability or other analysis to check whether an investment decision made by the recipient based on this report is consistent with a recipient's investment objectives, portfolio holdings, strategy, financial situation, or needs. Past performance is not an indication or guarantee of future results, future returns are not guaranteed, and loss of original capital may occur. By providing this report, ARC does not accept any authority, discretion, or control over the management of the recipient's assets. Any action taken by the recipient of this report, based on the information in the report, is at the recipient's sole judgment and risk. The recipient must perform his or her own independent review of any prospective investment. Neither ARC nor any person employed by ARC accepts any liability whatsoever for any direct or indirect loss resulting from any use of its research or the information it contains.

This report contains "forward-looking" statements. Forward-looking statements regarding the Company and/or stock's performance inherently involve risks and uncertainties that could cause actual results to differ from such forward-looking statements. Such statements involve a number of risks and uncertainties such as competition, market demand, and the company's (and management's) ability to correctly forecast financial estimates. As a result, the actual results, events, performance or achievements of the financial product may be materially different from those expressed or implied in such statements. Please see the Company's MD&A "Risk Factors" Section for a more complete discussion of company specific risks for the company discussed in this report. Any opinion or estimate constitutes the preparer's best judgment as of the date of preparation, and is subject to change without notice. ARC assumes no obligation to maintain or update this report based on subsequent information and events.

ARC has been paid a cash compensation of US$22,500 from Bimergen Energy Corporation for 12-months of research coverage. This report was disseminated on behalf of Bimergen Energy Corporation. ARC retains full editorial control over its research content. ARC does not have investment banking relationships and does not expect to receive any investment banking driven income. ARC reports are primarily disseminated electronically and, in some cases, printed form. Electronic reports are simultaneously available to all recipients in any form. This report or any portion hereof may not be copied, reprinted, sold, or redistributed or disclosed by the recipient or any third party, by content scraping or extraction, automated processing, or any other form or means, without the prior written consent of ARC. Any unauthorized use is prohibited. Neither ARC nor any of its respective directors, officers or employees is responsible for guaranteeing the financial success of any investment, or accepts any liability whatsoever for any direct, indirect or consequential damages or losses arising from any use of this report or its contents.

To receive future reports on covered companies please visit https://www.atriumresearch.ca/research or subscribe on our website.

This report has been prepared independently of any issuer of securities mentioned herein and not as agent of any issuer of securities. No ARC personnel have authority whatsoever to make any representations or warranty on behalf of the Company. Any comments or statements made herein are those of ARC.

The information contained herein is not, and under no circumstances is to be construed as, an offer to sell securities described herein, or solicitation of an offer to buy securities described herein, in Canada or any province or territory thereof. Any offer or sale of the securities described herein in Canada will be made only under an exemption from the requirements to file a prospectus with the relevant Canadian securities regulators, if applicable, and only by a dealer properly registered under applicable securities laws or, alternatively, pursuant to an exemption from the dealer registration requirement in the relevant province or territory of Canada in which such offer or sale is made. The information contained herein is under no circumstances to be construed as investment advice in any province or territory of Canada and is not tailored to the needs of the recipient. To the extent that the information contained herein references securities of an issuer incorporated, formed or created under the laws of Canada or a province or territory of Canada, any trades in such securities must be conducted through a dealer registered in Canada. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed judgment upon this research report, the information contained herein or the merits of the securities described herein, and any representation to the contrary is an offence.

Past performance is not a guide for future results, future returns are not guaranteed, and loss of original capital may occur. Neither ARC nor any person employed by ARC accepts any liability for any direct or indirect loss resulting from the use of this report or its contents. This report contains "forward-looking" statements regarding the company and/or stock's performance. Such statements involve risks and uncertainties that could cause actual results to differ materially from those projected. These risks include, but are not limited to, competition, technology shifts, market demand, and the company's (and management's) ability to accurately forecast financials. For a complete discussion of company-specific risks, please see the company's SEC filings, including the "Risk Factors" section of its most recent Form 10-K or 10-Q.

The information contained in this report is intended to be viewed only in jurisdictions where it may be legally viewed and is not intended for use by any person or entity in any jurisdiction where such use would be contrary to local regulations or which would require any registration requirement within such jurisdiction. In the United States, this report is distributed in compliance with SEC and FINRA regulations, including FINRA Rule 2241. Recipients in the United States should be aware that ARC is not a U.S.-registered broker-dealer.