

Tesla, Inc.

NASDAQ: TSLA | Technology and AI | Autonomous Systems / Robotics / EVs

⚠️ SPECULATIVE RATING: Tesla is valued at approximately 170x forward earnings. This report uses a scenario-weighted probability analysis. Loss of capital on the downside scenario is a real possibility. This is not a traditional DCF-led initiation.

RATING	PRICE TARGET	CURRENT PRICE	UPSIDE
SPEC. BUY	USD 430.00	USD 328.58	+30.9%

MARKET CAP	CASH & INVESTMENTS	SHARES OUT.	SHORT INTEREST
~USD 1.30T	USD 43-44B (Q2 2026)	~3.95B	~70-71M shares (~2.5% float)

FWD P/E (NTM)	EV/REV (NTM)	BETA (5Y)	FSD SUBSCRIBERS
~170x	~15x	~1.85	1.48M (Q2 2026, +56% YoY); Cybercab in 7 metros

Report Date: August 10, 2026 | Analyst: Gianfranco Cacciola | Vireo Capital Research

1. INVESTMENT THESIS

Tesla is no longer primarily a car company, and the market has not fully decided what it is instead. At \$327 per share and roughly 170x forward earnings, investors are paying for a future that includes humanoid robots at scale, fully autonomous Cybercabs in dozens of cities, and a vertically integrated AI chip factory producing a terawatt of compute annually. The automotive business, which still generates nearly all of the current revenue, is actually declining. The thesis is not about the cars.

Our base case rests on three developments converging between now and 2028. First, Optimus enters commercial enterprise leasing in late 2026 and begins a slow but genuine ramp through 2027 and 2028. Second, Cybercab achieves meaningful scale in at least five to six U.S. cities with supervised autonomy largely removed. Third, FSD subscribers grow from 1.48 million today to approximately six million by 2028 as the attach rate on new vehicles accelerates and retrofits add volume. None of these require Terafab or Intel 14A to be operational. Terafab is a 2029 story at the earliest, and we treat it as an optionality item rather than a base case driver.

The investment case requires accepting two uncomfortable facts simultaneously. First, near-term financials are deteriorating. Q2 2026 operating margin fell to 1.4% from 4.1% a year ago. Free cash flow was negative \$1.1 billion. Capital expenditures hit \$5.79 billion in a single quarter, up 142% year over year. Second, these numbers are the cost of building the future that justifies the valuation. Whether they produce returns depends entirely on execution over the next 24 to 36 months. That is not a story where the numbers speak for themselves. It is a story where the assumptions matter more than the current financials.

The most important number in the thesis is not revenue or earnings. It is operating margin recovery. Our base case assumes margin bottoms near 2.6% in FY2026E, then recovers to approximately 5% in FY2027E as energy and services mix grows and automotive losses stabilize. If that recovery does not materialize, the current valuation is extremely difficult to defend. If it does materialize faster, helped by Optimus leasing revenue beginning to contribute; the bull case at \$700+ becomes credible.

The bear case is real and needs to be taken seriously. Volume production of Cybercab, Tesla Semi, Megapack 3, and Optimus was removed from the Q2 2026 shareholder letter. BYD delivered 2.26 million BEVs in 2025 versus Tesla's 1.64 million, and BYD's cost structure in China gives it advantages Tesla cannot easily replicate. At 170x forward earnings, any material

disappointment on robotics or autonomy timelines produces a significant drawdown. We assign the bear case a 25% probability and model it at approximately \$150 per share. On a probability-weighted basis, the current valuation at \$327 still leaves upside to our \$430 blended target, but the margin of safety is not wide. Speculative Buy, price target USD 430.

KEY BULL CASE vs. BEAR CASE

KEY BULL CASE	KEY BEAR CASE
Terafab and Intel 14A give Tesla full vertical integration in AI chip production by 2028-2029, eliminating reliance on TSMC and Samsung for next-generation inference processors.	Terafab's high-volume manufacturing timeline is 2029 at the earliest. Intel's 14A is still in PDK 0.5 stage. The bull case depends on execution over a multi-year horizon with many unknowns.
Optimus is the largest addressable market in Tesla's history. Enterprise leasing targeted for late 2026. Even 10,000 units at \$30K revenue generates \$300M, and the model scales non-linearly.	Musk acknowledged Optimus will be 'agonizingly slow' to scale. Volume production language was removed from the Q2 2026 shareholder letter. Timeline risk is real and already visible.
FSD subscriber growth of 56% year over year to 1.48M, with 55%+ attach rate on new North America deliveries, demonstrates real and accelerating monetization of the autonomy stack.	Q2 2026 operating margin fell to 1.4% from 4.1% a year ago. Free cash flow was negative \$1.1 billion. Capex of \$5.79B in a single quarter , up 142% year over year , is absorbing all operating progress.
At 170x forward earnings the stock already prices significant execution. A scenario where Cybercab, Optimus, and Terafab all deliver on schedule would justify meaningfully higher valuations.	BYD delivered 2.26M BEVs in 2025 versus Tesla's 1.64M. Tesla's core automotive business is losing volume share to a competitor with a significantly lower cost structure in China.

2. COMPANY OVERVIEW

Tesla was founded in 2003 and is headquartered in Austin, Texas. It designs and manufactures electric vehicles, energy storage systems, and solar products, while developing autonomous driving software. The business runs across three segments: Automotive, Energy Generation and Storage, and Services and Other. The mix is shifting. Automotive still drives most of the revenue but its share is falling as energy and services compound faster.

The Automotive segment is still the business. FY2025 automotive revenue of \$69.5 billion represented 73% of total revenue, though that share has been declining as energy and services grow. Vehicle deliveries fell to approximately 1.64 million in 2025, down from 1.81 million in 2024, driven by weakening demand in the face of an aging lineup and intensifying Chinese competition. Tesla had a dominant moat in passenger EVs through 2021 that has since narrowed materially. BYD surpassed it globally on volume in 2025.

Energy is the segment most analysts underweight. Revenue grew 26.5% in FY2025 to \$12.8 billion, with storage deployments up 49% to 46.7 gigawatt hours. Q2 2026 gross margin in the segment fell from 39.5% to 20.4% due to a \$240 million legacy-cell warranty charge. Stripping that out, the underlying energy business runs at margins that look nothing like the vehicle business. Megapack is structurally driven by grid-scale storage demand tied to renewable buildout and data center power. That demand is not discretionary.

Services and Other is where the FSD monetization story lives. Q2 2026 services revenue grew approximately 50% year over year to \$4.6 billion. FSD subscribers grew 56% year over year to 1.48 million, with more than 55% of new North America deliveries including FSD subscriptions. Tesla does not disclose FSD revenue separately, but at a \$99 per month subscription rate, 1.48 million subscribers implies roughly \$1.76 billion in annualized recurring revenue , a number that grows directly as subscribers increase. The software margin profile on this revenue is meaningfully better than hardware.

3. INDUSTRY AND COMPETITIVE LANDSCAPE

Tesla competes across three arenas at very different stages of maturity: electric vehicles, where competition has intensified sharply; energy storage, which is growing and less contested; and autonomous systems plus humanoid robotics, which remain early and genuinely uncertain.

In EVs, the competitive position has genuinely deteriorated. BYD sold 2.26 million battery-electric vehicles in 2025 versus Tesla's 1.64 million. BYD's Seagull competes with Tesla's Model 3 at roughly half the price in key markets. Tesla's U.S. market share remains significant at approximately 59% of the domestic EV market, but that share exists within a segment that still represents a minority of total vehicle sales. The moat in EVs is narrowing: Hyundai, GM, and Ford have all improved product quality, and Chinese brands are beginning to export more aggressively into European markets. Tesla's response has been to accelerate the transition away from volume automotive competition toward AI and robotics. That bet may prove correct, but it involves deliberately ceding ground in the core business.

Energy storage is a different story. Megapack has few direct competitors at utility scale in the U.S. market. The IRA's domestic content requirements and the general preference of U.S. grid operators for domestically manufactured storage systems provides a structural advantage. Competitors exist, including Fluence and BYD, but Tesla's manufacturing scale and integration with its Gigafactory supply chain create real cost advantages. If the energy segment continues compounding at 25 to 30% annually, it could represent \$30 billion or more in revenue by FY2028, with margins that look more like software than manufacturing.

Robotics and autonomy are where the analysis becomes genuinely speculative. No company has demonstrated these at commercial scale. Waymo operates the clearest commercial robotaxi service with no safety driver in multiple cities, and its \$126 billion valuation following the February 2026 funding round reflects serious institutional conviction. Figure AI, 1X, and Boston Dynamics are all active in humanoid robotics, but none has demonstrated mass manufacturing capability. Tesla's advantage in this space, if it materializes, is vertical integration, the ability to design the chip, train the model, manufacture the robot, and operate the fleet within a single company. No other entity has that combination. Whether the combination produces a competitive advantage depends on execution.

COMPARABLE COMPANY ANALYSIS

Company	Ticker	Mkt Cap	Rev (TTM)	Gross Margin	Fwd P/E	EV/Rev (NTM)	Notes
Tesla	TSLA	~\$1.30T	\$94.8B	~18%	~170x	~15x	Subject company; includes auto, energy, services
Waymo (Alphabet)	GOOG	~\$2.5T (parent)	N/D	N/D	N/M	N/M	Private valuation ~\$126B post Feb 2026 round; robotaxi leader
BYD	BYDDF	~\$120B	~\$100B+	~17%	~20x	~1x	Largest BEV volume globally; 2.26M BEVs in 2025
Nvidia	NVDA	~\$3.5T	~\$130B	~75%	~35x	~25x	AI chip benchmark; Tesla is building toward this margin profile
Figure AI	Private	~\$39B est.	N/D	N/D	N/M	N/M	Humanoid competitor; BMW Spartanburg pilot

Market data as of August 10, 2026. Traditional automotive multiples are not applicable to Tesla given its AI/robotics valuation premium. Waymo private valuation from Alphabet Q1 2026 investor materials. Figure AI valuation estimate from last known funding round.

4. FINANCIAL ANALYSIS

The financial picture requires separating what is currently true from what the investment requires to be true. Revenue declined 3% in FY2025. Operating margin has fallen from 9.2% in FY2023 to 4.6% in FY2025 and is heading lower in FY2026. Free cash flow went negative in Q2 2026 for the first time in several years. None of those are encouraging trends. The thesis requires believing they are temporary.

Q2 2026 illustrates the tension clearly. Total revenue grew 26% year over year to \$28.24 billion, a genuinely strong top-line result driven by energy storage deployments up 41% and services revenue up approximately 50%. But operating expenses grew

47% year over year, producing an operating margin of 1.4%. Capital expenditures of \$5.79 billion in a single quarter more than doubled year over year. Revenue is growing; profitability is not keeping pace. That gap is either a temporary cost of building infrastructure that generates future returns, or evidence that the capital requirements of Tesla's ambitions outpace its ability to generate cash from the current business. The resolution of that question is the investment.

The balance sheet is not the concern. Cash, equivalents, and short-term investments stood at approximately \$43 to \$44 billion at the end of Q2 2026. Total debt was approximately \$9.1 billion. Net cash of roughly \$34 to \$35 billion, combined with the company's access to capital markets at its current market capitalization, gives Tesla the financial runway to sustain elevated capex for multiple years without a liquidity crisis. The risk is not insolvency. The risk is that the capex does not produce the returns that justify the current valuation.

FSD subscriber growth deserves specific attention. Active subscribers grew from approximately 0.65 million in FY2024 to 1.1 million in FY2025 to 1.48 million in Q2 2026, with the Q2 attach rate exceeding 55% of new North America deliveries. At the current \$99 per month pricing, that subscriber base implies approximately \$1.76 billion in annualized recurring revenue. If subscribers reach six million by FY2028, our base case, implied annualized FSD revenue approaches \$7 billion. That number does not yet appear prominently in consensus models, which tend to roll FSD into the broader automotive revenue line.

FINANCIAL SUMMARY

Metric	FY2023A	FY2024A	FY2025A	FY2026E	FY2027E	FY2028E
Total Revenue (USD B)	\$96.8	\$97.7	\$94.8	~\$115B	~\$140B	~\$175B
YoY Revenue Growth %	+19%	+1%	-3%	~+21%	~+22%	~+25%
Automotive Revenue (USD B)	\$82.4	\$77.1	\$69.5	~\$82B	~\$90B	~\$100B
Energy Revenue (USD B)	\$6.0	\$10.1	\$12.8	~\$16B	~\$22B	~\$30B
Services & Other (USD B)	\$8.3	\$10.5	\$12.5	~\$17B	~\$28B	~\$45B
Gross Profit (USD B)	\$17.7	\$17.7	\$17.1	~\$19B	~\$25B	~\$36B
Gross Margin %	18.3%	18.1%	18.0%	~16.5%	~18%	~21%
Operating Income (USD B)	\$8.9	\$7.1	\$4.4	~\$3B	~\$7B	~\$15B
Operating Margin %	9.2%	7.3%	4.6%	~2.6%	~5%	~8.5%
GAAP Net Income (USD B)	\$15.0	\$7.3	\$3.9	~\$1.5B	~\$5B	~\$12B
Adj. EPS (Diluted, USD)	\$3.12	\$1.84	\$1.08	~\$0.55	~\$1.38	~\$3.20
Free Cash Flow (USD B)	\$4.4	\$3.6	\$3.6	~\$(5)B	~\$(2)B	~\$5B
Capital Expenditures (USD B)	\$8.9	\$11.0	\$14.9	~\$25B+	~\$20B	~\$15B
Cash & Investments (USD B)	\$29.1	\$36.6	\$37.2	~\$43B	~\$40B	~\$45B
Active FSD Subscribers (M)	N/D	~0.65M	~1.1M	~2.0M	~3.5M	~6.0M

Source: Tesla 10-K/10-Q SEC filings, Q1 and Q2 2026 earnings releases. FY2026E–FY2028E: Vireo Capital Research estimates. Estimates are subject to material uncertainty given Tesla's transition from automotive to AI/robotics revenue mix. FY2023 GAAP net income includes \$5.9B one-time tax benefit.

5. VALUATION

A standard DCF does not produce a number that corresponds to where Tesla trades. Tesla is burning cash today, and a five-year discounted cash flow model anchored to current financials will produce a number well below where the stock trades. Applying a 12% WACC to FY2026E free cash flow of approximately negative \$5 billion, recovering toward \$5 billion by FY2028E and \$12 billion by FY2030E, produces an intrinsic value in the \$80 to \$120 range depending on terminal assumptions. The market is not pricing that version of Tesla.

The appropriate methodology is scenario-weighted probability analysis. We build three scenarios: bull, base, and bear. We assign probabilities reflecting our assessment of execution likelihood, and derive a blended target from the probability-weighted implied values. The bull case at 30% probability assumes Optimus enterprise leasing reaches meaningful scale by 2028, Cybercab operates in ten or more cities, FSD subscribers grow to eight million, and margins recover toward 22%. We apply a 25x EV/Revenue multiple to \$220 billion in FY2028E revenue, implying a value above \$700 per share. The base case at 45% probability assumes slower Optimus ramp, five to six Cybercab cities, six million FSD subscribers, and 8.5% operating margins. We apply a 15x EV/Revenue multiple to approximately \$175 billion in FY2028E revenue, implying approximately \$430. The bear case at 25% probability assumes Optimus fails to achieve enterprise scale, Cybercab faces regulatory delays, auto volumes continue declining, and capex burden impairs the cash position. We apply a 7x EV/Revenue multiple to approximately \$120 billion in revenue, implying approximately \$150.

The probability-weighted blended target is approximately \$430, representing approximately 30.9% upside from the August 10 close of \$328.58; the scenario math produces ~\$441 which we conservatively round to \$430. The key sensitivity is the bear case probability weight. Moving from 25% to 35% bear probability reduces the blended target to approximately \$360. Moving to 40% bear probability takes it below \$330, which is near flat from current levels. The margin of safety is not wide, and investors should size positions accordingly.

The Terafab and Intel 14A partnership is not in the base case valuation. High-volume manufacturing on 14A is not expected until 2029, with risk production in 2028 at earliest. Intel's PDK is at version 0.5 as of mid-2026, with version 0.9 targeted for October 2026. This is genuine optionality. If Terafab delivers at the \$119 billion total investment scale Musk has described, it represents an entirely different company than what we are valuing today. We treat it as a call option on a future state, not a discounted cash flow item.

SCENARIO-WEIGHTED VALUATION

Scenario	Probability	2028E Revenue	Terminal Margin	Implied Value	Key Assumption
Bull Case	30%	\$220B+	22%+	USD 700+	<i>Optimus enterprise leasing at scale by 2028; Cybercab in 10+ cities; Terafab on schedule; FSD 8M+ subs; margin recovery to 22%</i>
Base Case	45%	\$175B	8.5%	USD 430	<i>Optimus ramp slower than guided; Cybercab in 5-6 cities; FSD 6M subs; gross margin recovery to 21% by 2028; capex normalizing</i>
Bear Case	25%	\$120B	3%	USD 150	<i>Optimus fails to achieve enterprise scale; regulatory delays on Cybercab; auto volume continues declining; capex burden impairs cash position</i>
BLENDED TARGET	100%			~USD 430	$30\% \times \$700 + 45\% \times \$430 + 25\% \times \$150 = \sim \430 +31% from Aug 10 close of \$328.58

6. CATALYSTS

The most immediate test is Q3 2026 earnings, scheduled for October 28. Q2 operating margin fell to 1.4% and capex hit \$5.79 billion in a single quarter. If Q3 shows any margin recovery, driven by lower capex or improving energy margins, it validates that Q2 was a trough. Commentary on Optimus production rate matters more to the stock than vehicle delivery numbers.

A named Optimus enterprise customer would change the conversation. Management has guided to external leasing revenue beginning in late 2026, but the thesis remains entirely unvalidated by commercial evidence. A signed contract with a logistics company, warehouse operator, or manufacturer gives analysts something concrete to model. It does not prove the ramp works, but it moves the story from roadmap to reality.

Cybercab is operating across seven U.S. metro areas including Austin, Dallas, Houston, Miami, and Tampa with unsupervised operations. Bay Area vehicles still use safety drivers under a California TCP permit. The next meaningful step is a city that actually matters at commercial scale. Separately, Cybercab production has begun at Gigafactory Texas with installed annual capacity of over 125,000 units, and Tesla decommissioned its Model S and Model X lines at Fremont to make way for Optimus production. That is a real manufacturing commitment, not a roadmap item. San Francisco, Los Angeles, or New York. Each successful launch without a safety driver removes a regulatory hurdle and narrows the gap between Tesla's robotaxi ambitions and Waymo's established operations. The regulatory path is not guaranteed, but each approved city materially raises the base case probability.

Terafab is not in our base case valuation, but Intel's 14A milestones matter to sentiment. PDK 0.9 is targeted for October 2026. Each milestone in Intel's 14A development, PDK 0.9 completion and risk production commencement in 2028, brings Terafab's timeline closer to reality. While the manufacturing impact is not felt until 2029 at earliest, investor sentiment around the Terafab thesis is sensitive to Intel's execution. A major setback on 14A would be a headwind; successful PDK milestones would be a tailwind.

7. RISKS TO OUR THESIS

Volume production language for Optimus was removed from the Q2 2026 shareholder letter. Musk described the ramp as 'agonizingly slow' and acknowledged that 'almost everything is new.' That is not a minor caveat. A robotic manufacturing ramp is categorically harder than an automotive one, and Tesla has no track record at commercial scale for robotics. Our base case requires Optimus enterprise revenue beginning in 2026 or early 2027. Every quarter that slides pushes the bear case probability higher and compresses the blended target.

The auto business is funding everything else. FY2025 deliveries fell to 1.64 million from 1.81 million in FY2024, and BYD's cost structure in China is structurally lower than Tesla's. If U.S. market share erodes gradually rather than catastrophically, the segment generates less cash to fund the AI and robotics capex. Our model assumes automotive revenue stabilizes and begins recovering in FY2027. That assumption is not aggressive, but it depends on the refreshed Model Y and next-generation vehicles arriving on time and finding demand. Neither is guaranteed.

\$5.79 billion in capex in a single quarter is a rate that would exhaust the cash position inside three years if it continued. It will not continue at that level, but the FY2026 guidance of over \$25 billion is already approximately three times historical. The \$43 to \$44 billion cash position buys time. What it cannot buy is the right to run at this pace indefinitely without producing Optimus or Cybercab revenue. If both disappoint on timeline, equity issuance becomes necessary. Dilution at the current market cap is survivable but it signals the thesis is not working.

Waymo spent years working through California regulators before receiving driverless commercial approval. Tesla faces the same process in every new city, and a high-profile incident in any autonomous vehicle fleet, not just Tesla's, could trigger federal intervention that pauses the whole industry. A twelve to twenty-four month delay on Cybercab city expansion does not break the thesis, but it raises the bear case probability weight and compresses the blended target meaningfully. This risk is harder to model than execution risk but should not be discounted.

8. ESG NOTE

The Optimus thesis is built on replacing human workers at scale. Tesla has published no workforce transition policy or community impact framework covering that deployment, and institutional ESG frameworks are increasingly focused on automation-driven labor displacement as a governance risk. At the scale Musk describes, regulatory attention becomes inevitable. That risk is not yet reflected in how most analysts discuss the stock. On the environmental side, EVs, Megapack, and solar are genuinely positive businesses with real carbon credentials that need no qualification here.

9. MANAGEMENT AND OWNERSHIP

No other large-cap company has its CEO simultaneously running three other major entities, two of which are directly intertwined with the investment thesis. Terafab is a joint venture between Tesla and SpaceX. The Intel 14A chips will serve Tesla vehicles, Optimus robots, SpaceX data centers, and xAI infrastructure. Capital, talent, and strategic priority flow across these organizations in ways that are not transparent from the outside. Musk's conviction is the reason these bets exist at all. It is also the concentration risk. If his attention shifts, or if his political activities create reputational pressure that spills onto Tesla specifically, the stock is exposed in a way that has no precedent in the S&P 500.

Musk owns approximately 13% of shares outstanding. That is real skin in the game, but it also means any forced selling creates headline risk. The board has approved compensation arrangements and related-party transactions with SpaceX and xAI that have drawn shareholder criticism and legal challenge. These are not new concerns, and the stock has absorbed them for years. But they represent governance risks that would be disqualifying at most other companies. Investors in Tesla have always accepted this tradeoff implicitly. The question is whether the tradeoff remains acceptable as the capital commitments scale.

CFO Vaibhav Taneja has kept \$43 to \$44 billion in cash on the balance sheet while absorbing \$25 billion in annual capex. That is not nothing. Lars Moravy, VP of Vehicle Engineering, is the person most directly accountable for whether Cybercab and Optimus actually ramp. Both slipped out of 2026 volume production guidance in the Q2 shareholder letter. That slip deserves attention because manufacturing execution is the one area where Tesla has historically been slower than promised, and both products are harder to manufacture than anything the company has built before.

MANAGEMENT TEAM

Name	Role	Background
Elon Musk	CEO and Product Architect	Founder of SpaceX and co-founder of Tesla. Simultaneously CEO of SpaceX, xAI, and X. His simultaneous leadership of Terafab, Optimus, and Cybercab creates significant execution dependency on one individual. Also holds approximately 13% of Tesla shares outstanding.
Vaibhav Taneja	CFO	Became CFO in August 2023 following Zach Kirkhorn's departure. Previously served as Tesla's Chief Accounting Officer. Has overseen the capex acceleration to \$25B in 2026 while maintaining a \$43B cash position.
Lars Moravy	VP of Vehicle Engineering	Leads vehicle program execution including Cybercab, Tesla Semi, and next-generation EV platforms. Responsible for the manufacturing ramps that have faced the most execution risk in 2026.

Insider Ownership: ~13% (Musk) | Institutional Ownership: ~44% | Short Interest: ~70-71M shares (~2.5% of float) | Dividend: None

10. CONCLUSION

The case for Tesla is not a current financials story. Operating margin is falling, free cash flow turned negative in Q2 2026, and the automotive business that generates most of today's revenue is losing volume share to BYD. Investors who need current earnings to justify a valuation should not own Tesla at 170x forward P/E.

The valuation section laid out the three scenarios in detail. What the conclusion adds is simpler: this is one of the few stocks where the bear case is genuinely asymmetric to the downside, the base case requires believing in multiple unproven technologies simultaneously, and the bull case is enormous if even one of them works ahead of schedule. At \$328.58, the probability-weighted math still produces upside to \$430. But the margin of safety is not wide, and the 25% bear probability at \$150 is real. Own it with appropriate sizing. Speculative Buy, price target USD 430.

ANALYST CERTIFICATION

I, Gianfranco Cacciola, certify that the views expressed in this report accurately reflect my personal views about Tesla, Inc. (NASDAQ: TSLA) and its securities. I have not received and will not receive direct or indirect compensation related to the specific recommendations expressed herein. This report represents my independent analysis based on publicly available information.

SPECULATIVE INVESTMENT DISCLAIMER

This report covers a speculative investment. Tesla, Inc. is valued at approximately 170x forward earnings and is undertaking a multi-year capital program with uncertain returns. Investors could lose a substantial portion of their investment in a bear scenario. This report is produced for educational purposes only and does not constitute investment advice. Vireo Capital Research is a student-led equity research organization. All financial data sourced from Tesla SEC filings, Q1 and Q2 2026 earnings releases, and publicly available market data as of August 10, 2026. Forward-looking estimates are Vireo Capital Research projections and are subject to significant uncertainty. Consult a licensed financial advisor before investing.