

Q1 2025

QuantumScape describes PowerCo (Volkswagen Group) as its key anchor customer and strategic industrial partner, highlighting deepening collaboration and joint efforts to industrialize the Cobra separator process for large-scale cell production. The company frames the relationship as central to its commercialization strategy, with joint teams working on equipment automation and efficiency, and PowerCo positioned as the lead launch partner for QSE-5 field testing in 2026. While milestone payments are not explicitly detailed in this quarter, the partnership is emphasized as a catalyst for both technical progress and future commercial inflows, with the licensing/IP model and customer payments noted as potential sources to further extend the company's cash runway. The overall tone is one of close alignment and mutual progress toward scale-up and commercialization milestones.

Q2 2025

In Q2 2025, QuantumScape provides much greater detail on milestone payments from PowerCo, announcing an expanded deal with up to \$131 million in new payments over two years for joint commercialization activities, in addition to the legacy \$130 million prepayment tied to further technical milestones and full license execution. The first milestone payment (over \$10 million) was achieved and invoiced in Q3 for work already performed, though it is not expected to be recognized as revenue but will improve the bottom line (accounting treatment under review). The company frames these payments as a significant extension of its cash runway (now projected into 2029), and as validation of its capital-light, licensing-focused business model. The PowerCo partnership is now described as both broader (covering up to 85 GWh, including non-VW customers) and deeper, with joint teams on site and a clear path to further milestone and licensing payments as technical and commercial progress continues.