

Faraday Future Intelligent Electric Inc.
Nasdaq CM: FFAI
Flash Report

July 17, 2025

Price (as of close July 16, 2025)

\$2.26

Fola Abimbola, CFA
 Research@EmergingGrowth.com

About the Company

Faraday Future Intelligent Electric Inc. (FFAI) engages in the design, development, manufacture, engineering, distribution, and sale of electric vehicles and related products in the United States. The Company's technology comprises variable platform architecture, a propulsion system, Internet, autonomous driving, and an intelligence system. It offers products, including FF 91 series, the FX 5 series, the FX 6 series, and the FX Super One series. FFAI was formerly known as Faraday&Future Inc. and changed its name to Faraday Future Intelligent Electric Inc. in July 2022.

52-Week Range	\$0.83 – \$21.80
Shares Outstanding	97.6 mil
Insider / Institutional	0.6%/8.47%
Public Float	91.6 mil
Market Capitalization	\$199.1 mil
Total Debt	\$65.4 mil
Debt / Equity	46.7%
ROE (LTM)	-
Book Value / Share	\$1.43
Daily Volume (90-day)	9.5 mil
Fwd. Div. & Yield	-

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FX Super One Going Live: B2C Push Shifts into High Gear.

Faraday Future (FFAI) has entered a critical phase in its commercial rollout strategy with a dual initiative: a countdown to the global launch of the FX Super One MPV on July 17, and the introduction of a retail stockholder perks program via Stockperks. While the perks program may appear cosmetic at first glance, it strategically aligns with FFAI's capital-light, community-centric business model by incentivizing early demand, increasing brand affinity, and accelerating nonbinding preorder conversions, all while activating its most accessible investor base: the public equity market. The FX Super One is positioned as FFAI's first mass-market AI-powered vehicle, aimed at delivering a premium in-cabin tech experience at a more accessible price point than the FF 91. With production targeted for late 2025, this campaign gives the Company a chance to generate customer momentum ahead of deliveries, while also providing visibility into consumer interest, which has thus far been heavily skewed toward the institutional B2B side. Importantly, the July 17 launch is more than just a product reveal; it will be the first litmus test of Faraday's B2C demand potential. A successful unveiling, supported by preorders and positive media reception, could help validate investor optimism and support further equity raises on less dilutive terms. Conversely, muted traction would reinforce skepticism around the viability of Faraday's roadmap, given its capital constraints and long history of delayed timelines. Nonetheless, this retail activation marks a clear inflection point: it is the first coordinated effort to transform speculative retail interest into tangible economic impact either through vehicle sales or equity stickiness.



Investment Thesis

- **Retail-Driven Conversion Funnel:** Tying preorder perks to share ownership builds demand while cultivating investor loyalty, offering Faraday a differentiated path to customer acquisition at low incremental cost.
- **Catalyst Imminence:** The FX Super One's July 17 debut will serve as a near-term sentiment and valuation catalyst, potentially unlocking stronger retail momentum and media visibility.
- **AI + Affordability Positioning:** The FX Super One blends accessible pricing with high-end AI features, offering differentiation.
- **Signal of Execution Confidence:** Tying the campaign to a fixed event date and delivery targets implies growing internal confidence around production readiness and market rollout.

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- **Strengthened Capital Position:** FFAI recently secured \$105 million in financing from a mix of institutional and strategic investors. The funding is expected to support the launch and early production ramp of the FX Super One, while also accelerating development across the FF and FX brands, including AI-integrated systems. This injection of capital enhances execution visibility and reinforces the Company's near-term delivery and innovation roadmap.

Valuation

- **FFAI is still at an early stage of commercialization**, which provides significant upside potential as deliveries scale. Because delivery volumes are generally correlated with market capitalization in the EV sector, increasing unit output over time has the potential to unlock substantial equity value. At a conservative ASP of \$60,000, 5,000 units would generate \$300 million in revenue, supporting a \$600 million enterprise value at a 2x EV/Sales multiple. After adjusting for net debt, this outcome translates to an equity valuation of \$546 million – well above current levels
- **The valuation scales meaningfully with volume:** at 10,000 units, implied equity value rises to \$1.15 billion, and at 25,000 units – still within the expanded capacity of FFAI's vehicle manufacturing facility in Hanford, California – it climbs to nearly \$2.95 billion. These scenarios highlight that even moderate growth in deliveries can lead to outsized increases in valuation, especially if supported by consistent execution and brand traction.
- **Given that U.S.-listed EV peers trade at an average EV/Sales multiple of ~4.3x**, our use of 2x remains conservative, offering further room for re-rating. As Faraday transitions from vision to volume, the market is likely to increasingly price in the upside optionality embedded in its delivery ramp.

Implied Equity Value Based on Different Unit Sales Assumptions

Units Sold	Projected Sales (\$'m)	Enterprise Value @ 2x (\$'m)	Net Debt (\$'m)	Implied Equity Value (\$'m)
5,000	300	600	54	546
10,000	600	1,200	54	1,146
20,000	1,200	2,400	54	2,346
25,000	1,500	3,000	54	2,946

Comparable Company Valuation Summary

Company	Market Cap (\$'m)	Enterprise Value (\$'m)	FY25 Sales (Est.) (\$'m)	EV/Sales
Tesla	1,000,000	977,140	97,060	10.1x
Vinfast	8,350	10,610	3,180	3.3x
Lucid	8,170	6,040	1,430	4.2x
Rivian	18,680	12,820	5,340	2.4x
Polestar	2,430	6,660	4,090	1.6x
			Mean	4.3x
			Median	3.3x

Key Risks

- **Preorder-to-Sale Gap:** Perks only matter if they convert into paid orders; low follow-through could weaken the impact of the campaign and raise fresh doubts.
- **Execution and Delivery Slippage:** Timely production of the FX Super One remains critical especially since perks promise priority delivery to qualifying investors.
- **Investor Perception:** If perceived as a gimmick or distraction from fundamentals, the Stockperks campaign could backfire with institutional investors.
- **Financing Pressure:** Retail activation may build awareness, but capital requirements remain large and urgent; dilution risk is still very present.

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Buy, 30% or greater price appreciation in the next 12 months.

Buy-Extended, near-term EPS and/or revenue horizon is challenging with strong long-term appreciation possibility.

Buy-Emerging, initial stages with low revenue and the potential for large returns with higher risk and volatility.

Hold, perform similar to market.

Sell, 30% or more decline in the next 12 months.

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5-Year Chart

US:FFAI

Volume x

