



## Fluence Energy, Inc. Reports Record \$1.3 Billion Quarterly Order Intake and Record \$4.5 Billion Backlog; Updates Fiscal Year 2024 Guidance

August 7, 2024

ARLINGTON, Va., Aug. 07, 2024 (GLOBE NEWSWIRE) -- Fluence Energy, Inc. (Nasdaq: FLNC) ("Fluence" or the "Company"), a leading global provider of energy storage products and services as well as digital applications for renewables and storage, today announced its results for the three and nine months ended June 30, 2024.

### Financial Highlights for Third Fiscal Quarter ended June 30, 2024

- Revenue of approximately \$483.3 million, which represents a decrease of approximately 10% from the same quarter last year, primarily driven by timing of product deliveries.
- GAAP gross profit margin improved to approximately 17.2%, compared to approximately 4.1% for the same quarter last year, reflecting Company's continued focus on ongoing profit improvement strategies.
- Adjusted gross profit margin<sup>1</sup> improved to approximately 17.5%, compared to approximately 4.4% for the same quarter last year.
- Net income of approximately \$1.1 million, improved from a net loss of approximately \$35 million for the same quarter last year.
- Adjusted EBITDA<sup>1</sup> of approximately \$15.6 million, improved from approximately negative \$27.5 million for the same quarter last year.
- Record quarterly order intake of \$1.3 billion, compared to approximately \$565 million for the same quarter last year.
- Backlog<sup>2</sup> increased to approximately \$4.5 billion as of June 30, 2024, compared to approximately \$3.7 billion as of March 31, 2024.
- Total Cash<sup>3</sup> of approximately \$513.3 million as of June 30, 2024, representing an increase of approximately \$50.6 million from September 30, 2023.
- Net cash provided by operating activities was approximately \$69.2 million in the first nine months of the fiscal year 2024, compared to approximately negative \$160.5 million in the same period last year.
- Free cash flow<sup>1</sup> was approximately \$64.3 million in the first nine months of fiscal year 2024, compared to approximately negative \$162.4 million in the same period last year.
- In August 2024, converted our existing \$400 million ABL facility into a revolving credit facility, providing us \$500 million of additional available liquidity to support our ongoing growth.

### Executive Summary

"We delivered a tremendous quarter highlighted by achieving approximately \$15.6 million Adjusted EBITDA<sup>1</sup>, our highest order intake, and a record backlog of \$4.5 billion," said Julian Nebreda, the Company's President and Chief Executive Officer. "I am pleased to report that we are seeing robust demand globally, highlighted by our U.S. domestic content offering which we will begin delivering at the beginning of 2025, ahead of our competition."

"We continue to execute at a high level as we recently completed the world's third largest battery storage facility for a customer, a monumental achievement. As we look to close out our fiscal year, I am confident in our ability to deliver on our fourth quarter customer obligations, which are projected to be the largest in the Company's history."

Mr. Nebreda continued, "I am delighted to report that we are making substantial progress on each of our strategic objectives detailed below."

### Strategic Objectives

- 1. Deliver Profitable Growth**
  - For the third fiscal quarter of 2024, we delivered approximately \$1.1 million of net income and \$15.6 million of Adjusted EBITDA<sup>4</sup>, representing a 103% and 157% increase from the same period last year, respectively.
  - Delivered year-to-date GAAP gross profit margins of 12.5%.
- 2. Develop Products and Solutions That Our Customers Need**
  - Gridstack Pro product line is on schedule and currently undergoing testing at our Pennsylvania lab, initial deliveries expected in early 2025.
- 3. Convert Our Supply Chain into a Competitive Advantage**
  - Currently on track for start of U.S. battery module production in September 2024 that will enable our products to meet the criteria for U.S. domestic content incentives under the Inflation Reduction Act of 2022 (the "IRA") and the recently published domestic content guidelines.

#### 4. Use Fluence Digital as a Competitive Differentiator and Margin Driver

- As a result of continued growth in our services and digital businesses, we are increasing our Annual Recurring Revenue (ARR) guidance to approximately \$100 million by the end of fiscal year 2024.

#### 5. Work Better

- In July 2024, Fluence expanded its Global Innovation Center in India to include a Digital Service Center and Remote Monitoring and Diagnostics Center. This central hub is intended to provide the necessary infrastructure to serve our growing customer base and provide a platform for our anticipated continued ARR growth.

#### Updated Fiscal Year 2024 Guidance

The Company is narrowing its fiscal year 2024 total revenue guidance range to \$2.7 billion to \$2.8 billion (midpoint \$2.75 billion) from the prior range of \$2.7 billion to \$3.3 billion (midpoint \$3 billion). This change reflects signed contracts for which the majority of the associated revenue is now expected to be realized in fiscal 2025. The midpoint of the updated fiscal year 2024 revenue guidance is 100% covered by the Company's current backlog plus revenue recognized year-to-date. Additionally, the Company is narrowing its fiscal year 2024 Adjusted EBITDA<sup>4</sup> range of \$55 million to \$65 million (midpoint \$60 million) from the prior range of \$50 million to \$80 million (midpoint \$65 million). Finally, the Company is raising its fiscal year 2024 ARR guidance to approximately \$100 million from approximately \$80 million.

"Our year-to-date results demonstrate our ability to deliver consistent and profitable growth. Although we have lowered the midpoint of our revenue guidance for fiscal 2024, we expect to achieve gross profit margins at the higher end of our previous 10% to 12% target range for this fiscal year, which should carry through to a strong Adjusted EBITDA result," said Ahmed Pasha, Fluence's Chief Financial Officer. "Furthermore, we appreciate the confidence shown by our relationship banks by committing \$500 million under our revolving credit facility, which provides us additional flexibility to support our industry-leading growth."

The foregoing Updated Fiscal Year 2024 Guidance statement represents management's current best estimate as of the date of this release. Actual results may differ materially depending on a number of factors. Investors are urged to read the Cautionary Note Regarding Forward-Looking Statements included in this release. Management does not assume any obligation to update these estimates.

#### Share Count

The shares of the Company's common stock as of June 30, 2024 are presented below:

	Common Shares
Class B-1 common stock held by AES Grid Stability, LLC	51,499,195
Class A common stock held by Siemens AG	39,738,064
Class A common stock held by SPT Invest Management, Sarl	11,761,131
Class A common stock held by Qatar Holding LLC	14,668,275
Class A common stock held by public	62,726,112
Total Class A and Class B-1 common stock outstanding	180,392,777

#### Conference Call Information

The Company will conduct a teleconference starting at 8:30 a.m. EDT on Thursday, August 8<sup>th</sup>, 2024, to discuss the third fiscal quarter results. To participate, analysts are required to register by clicking [Fluence Energy Q3 Earnings Call Registration Link](#). Once registered, analysts will be issued a unique PIN number and dial-in number. Analysts are encouraged to register at least 15 minutes before the scheduled start time.

General audience participants, and non-analysts are encouraged to join the teleconference in a listen-only mode at: [Fluence Energy Listen - Only Webcast](#), or on [www.fluenceenergy.com](#) by selecting Investors, News & Events, and Events & Presentations. Supplemental materials that may be referenced during the teleconference will be available at: [www.fluenceenergy.com](#), by selecting Investors, News & Events, and Events & Presentations.

A replay of the conference call will be available after 1:00 p.m. EDT on Thursday, August 8<sup>th</sup>, 2024. The replay will be available on the Company's website at [www.fluenceenergy.com](#) by selecting Investors, News & Events, and Events & Presentations.

#### Non-GAAP Financial Measures

We present our operating results in accordance with accounting principles generally accepted in the U.S. ("GAAP"). We believe certain financial measures, such as Adjusted EBITDA, Adjusted Gross Profit, Adjusted Gross Profit Margin, and Free Cash Flow, which are non-GAAP measures, provide users of our financial statements with supplemental information that may be useful in evaluating our operating performance. We believe that such non-GAAP measures, when read in conjunction with our operating results presented under GAAP, can be used to better assess our performance from period to period and relative to performance of other companies in our industry, without regard to financing methods, historical cost basis or capital structure. Such non-GAAP measures should be considered as a supplement to, and not as a substitute for, financial measures prepared in accordance with GAAP. These measures have limitations as analytical tools, including that other companies, including companies in our industry, may calculate these measures differently, reducing their usefulness as comparative measures.

Adjusted EBITDA is calculated from the consolidated statements of operations using net income (loss) adjusted for (i) interest income, net, (ii) income taxes, (iii) depreciation and amortization, (iv) stock-based compensation, and (v) other non-recurring income or expenses. Adjusted EBITDA may in the future also be adjusted for amounts impacting net income related to the Tax Receivable Agreement liability.

Adjusted Gross Profit is calculated using gross profit, adjusted to exclude (i) stock-based compensation expenses, (ii) amortization, and (iii) other non-recurring income or expenses. Adjusted Gross Profit Margin is calculated using Adjusted Gross Profit divided by total revenue.

Free Cash Flow is calculated from the consolidated statements of cash flows and is defined as net cash provided by (used in) operating activities, less purchase of property and equipment made in the period. We expect our Free Cash Flow to fluctuate in future periods as we invest in our business to support our plans for growth. Limitations on the use of Free Cash Flow include (i) it should not be inferred that the entire Free Cash Flow amount is available for discretionary expenditures (for example, cash is still required to satisfy other working capital needs, including short-term investment policy, restricted cash, and intangible assets); (ii) Free Cash Flow has limitations as an analytical tool, and it should not be considered in isolation or as a substitute for analysis of other GAAP financial measures, such as net cash provided by (used in) operating activities; and (iii) this metric does not reflect our future contractual commitments.

Please refer to the reconciliations of the non-GAAP financial measures to their most directly comparable GAAP financial measures included in tables contained at the end of this release.

The Company is not able to provide a quantitative reconciliation of Adjusted EBITDA guidance for fiscal year 2024 and expected Adjusted Gross Profit Margin for fiscal year 2024 to the nearest respective GAAP measures within this press release because of the uncertainty around certain items that may impact Adjusted EBITDA and Adjusted Gross Profit Margin, including, but not limited to, stock compensation expenses, which are not within our control or cannot be reasonably predicted without unreasonable effort.

## **About Fluence**

Fluence Energy, Inc. (Nasdaq: FLNC) is a global market leader in energy storage products and services, and optimization software for renewables and storage. With a presence in 47 markets globally, Fluence provides an ecosystem of offerings to drive the clean energy transition, including modular, scalable energy storage products, comprehensive service offerings, and AI-enabled optimization software for managing and optimizing renewables and storage from any provider. The Company is transforming the way we power our world by helping customers create more resilient and sustainable electric grids.

For more information, visit our website, or follow us on LinkedIn or X (formerly Twitter). To stay up to date on the latest industry insights, sign up for Fluence's Full Potential Blog.

## **Cautionary Note Regarding Forward-Looking Statements**

The statements contained in this press release and statements that are made on our earnings call that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, without limitation, statements set forth above under "Updated Fiscal Year 2024 Guidance," "Strategic Objectives", and other statements regarding the Company's future financial and operational performance, including, but not limited to, expectations related to long-term gross profit margins, expectations relating to delivering on our customer obligations, our growth and business strategy, liquidity and access to capital and cash flows, expectations relating to backlog, pipeline, and contracted backlog, anticipated demand for the Company's energy storage solutions, services and digital applications, including domestic content products, expected impact and benefits from the IRA and U.S. Treasury domestic content guidelines on the Company and its customers, expected timing of the delivery of our U.S. domestic content offering, anticipated timeline of U.S. battery module production, potential benefits to the Company resulting out of Section 301 tariffs, new products and product innovation, including expected timing of deliveries of Grid Stack Pro, relationships with new and existing customers and suppliers, including opportunities relating to data centers, expected benefits of our new Digital Service Center and Remote Monitoring and Diagnostics Center, current expectations relating to legal contingencies and proceedings, market and industry outlook and related opportunities for the Company, future revenue recognition and estimated revenues, including expectations relating to recognizing delayed contract revenue and revenue growth in fiscal year 2025, future capital expenditures and debt service obligations, and projected costs, prospects, beliefs, assumptions, plans, and objectives of management for future operations. Such statements can be identified by the fact that they do not relate strictly to historical or current facts. When used in this press release, words such as "may," "possible," "will," "should," "expects," "plans," "anticipates," "could," "intends," "targets," "projects," "contemplates," "believes," "estimates," "predicts," "potential" or "continue" or the negative of these terms or other similar expressions and variations thereof and similar words and expressions are intended to identify such forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking.

The forward-looking statements contained in this press release are based on our current expectations and beliefs concerning future developments, as well as a number of assumptions concerning future events, and their potential effects on our business. These forward-looking statements are not guarantees of performance, and there can be no assurance that future developments affecting our business will be those that we have anticipated. These forward-looking statements involve a number of risks, uncertainties (some of which are beyond our control) or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements, which include, but are not limited to, our limited operating and revenue history as an independent entity and the nascent clean energy industry; our history of net losses, we anticipate increasing expenses in the future, and our ability to maintain prolonged profitability; delays, disruptions, and quality control problems in our manufacturing operations; difficulties in establishing mass manufacturing capacity and estimating potential cost savings and efficiencies from anticipated improvements to our manufacturing capabilities; dependence on our existing suppliers and supply chain competition; supplier concentration and capacity; interruption of flow and/or availability of components and materials from international vendors; significant changes in the cost of raw materials and product components; vendor non-compliance with ethical business practices and applicable laws and regulations; loss of significant customers or their inability to perform under their contracts; competition for our offerings and our ability to attract and retain customers; ability to effectively manage our recent and future growth and expansion of our business and operations; ability to maintain and enhance our reputation and brand recognition; success of our relationships with third parties; ability to attract and retain highly qualified personnel; risk related to the construction, utility interconnection, commissioning and installation of our energy storage products, cost overruns, and delays; risks related to defects, errors, vulnerabilities and/or bugs in our products and technology; compromises, interruptions, or shutdowns of our systems; lengthy sales and installation cycle for our products and services and ability to timely close sales; amounts included in our pipeline and contracted backlog may not result in actual revenue or translate into profits; events and incidents relating to storage, delivery, installation, operation, maintenance and shutdowns of our products; risks relating to whether renewable energy technologies are suitable for widespread adoption or if sufficient demand for our hardware and software-enabled services does not develop or takes longer to develop than we anticipate; estimates on size of our total addressable market; barriers arising from electric utility industry policies and regulations; cost of electricity available from alternative sources; risk relating to interest rates or a reduction in the availability of tax equity or project debt capital in the global financial markets and corresponding effects on customers' ability to finance energy storage systems and demand for our products; potential changes in tax laws or regulations, including relating to incentives under the IRA; reduction, elimination, or expiration of government incentives or regulations regarding renewable energy; decline in public acceptance of renewable energy, or delay, prevent, or increase in the cost of customer projects; restrictions set forth in our 2024 Credit Agreement or other debt

agreements we may enter into; uncertain future capital needs and potential need to raise additional funds in the future; ability to obtain, maintain and enforce proper protection for our intellectual property, including our technology; risks related to legal proceedings, regulatory disputes, and government inquiries; risks related to us being a “controlled company” within the meaning of the NASDAQ rules; our relationship with our founders; and other factors set forth under Item 1A. “Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended September 30, 2023, filed with the Securities and Exchange Commission (“SEC”) on November 29, 2023, as updated by our Quarterly Reports on Form 10-Q, and in other filings we make with the SEC from time to time. New risks and uncertainties emerge from time to time and it is not possible for us to predict all such risk factors, nor can we assess the effect of all such risk factors on our business or the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statements. Should one or more of these risks or uncertainties materialize, or should any of the assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. You are cautioned not to place undue reliance on any forward-looking statements made in this press release. Each forward-looking statement speaks only as of the date of the particular statement, and we undertake no obligation to publicly update or revise any forward-looking statements to reflect events or circumstances that occur, or which we become aware of, after the date hereof, except as otherwise may be required by law.

**FLUENCE ENERGY, INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(U.S. Dollars in Thousands, except share and per share amounts)

	<b>Unaudited June 30, 2024</b>	<b>September 30, 2023</b>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 388,242	\$ 345,896
Restricted cash	101,988	106,835
Trade receivables, net	93,497	103,397
Unbilled receivables	96,002	192,064
Receivables from related parties	100,945	58,514
Advances to suppliers	155,648	107,947
Inventory, net	469,934	224,903
Current portion of notes receivable - pledged as collateral	55,251	24,330
Other current assets	42,453	31,074
<b>Total current assets</b>	<b>1,503,960</b>	<b>1,194,960</b>
Non-current assets:		
Property and equipment, net	\$ 13,586	\$ 12,771
Intangible assets, net	58,628	55,752
Goodwill	26,337	26,020
Deferred income tax asset	85	86
Note receivable - pledged as collateral	—	30,921
Other non-current assets	87,357	31,639
<b>Total non-current assets</b>	<b>185,993</b>	<b>157,189</b>
<b>Total assets</b>	<b>\$ 1,689,953</b>	<b>\$ 1,352,149</b>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Accounts payable	\$ 321,880	\$ 65,376
Deferred revenue	409,612	273,164
Deferred revenue with related parties	36,742	110,274
Current portion of borrowings against note receivable - pledged as collateral	53,714	22,539
Personnel related liabilities	41,435	52,174
Accruals and provisions	213,339	175,960
Taxes payable	32,619	29,465
Other current liabilities	15,365	16,711
<b>Total current liabilities</b>	<b>1,124,706</b>	<b>745,663</b>
Non-current liabilities:		
Deferred income tax liability	\$ 5,143	\$ 4,794
Borrowings against note receivable - pledged as collateral	—	28,024
Other non-current liabilities	21,927	17,338
<b>Total non-current liabilities</b>	<b>27,070</b>	<b>50,156</b>
<b>Total liabilities</b>	<b>1,151,776</b>	<b>795,819</b>
Stockholders' Equity:		
Preferred stock, \$0.00001 per share, 10,000,000 shares authorized; no shares issued and outstanding as of June 30, 2024 and September 30, 2023	—	—

Class A common stock, \$0.00001 par value per share, 1,200,000,000 shares authorized; 129,656,527 shares issued and 128,893,582 shares outstanding as of June 30, 2024; 119,593,409 shares issued and 118,903,435 shares outstanding as of September 30, 2023, respectively	1	1
Class B-1 common stock, \$0.00001 par value per share, 134,325,805 shares authorized; 51,499,195 shares issued and outstanding as of June 30, 2024; \$0.00001 par value per share, 200,000,000 shares authorized; 58,586,695 shares issued and outstanding as of September 30, 2023, respectively	—	—
Class B-2 common stock, \$0.00001 par value per share, 200,000,000 shares authorized; 0 shares issued and outstanding as of June 30, 2024 and September 30, 2023	—	—
Treasury stock, at cost	(9,040)	(7,797)
Additional paid-in capital	627,923	581,104
Accumulated other comprehensive income	1,572	3,202
Accumulated deficit	(199,291)	(174,164)
Total stockholders' equity attributable to Fluence Energy, Inc.	421,165	402,346
Non-Controlling interests	117,012	153,984
Total stockholders' equity	538,177	556,330
Total liabilities and stockholders' equity	<u>\$ 1,689,953</u>	<u>\$ 1,352,149</u>

**FLUENCE ENERGY, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND**  
**COMPREHENSIVE LOSS (UNAUDITED)**  
**(U.S. Dollars in Thousands, except share and per share amounts)**

	Three Months Ended		Nine Months Ended June	
	June 30,		30,	
	2024	2023	2024	2023
Revenue	\$ 328,091	\$ 431,616	\$ 856,125	\$ 1,042,328
Revenue from related parties	155,226	104,735	614,289	502,669
Total revenue	483,317	536,351	1,470,414	1,544,997
Cost of goods and services	400,272	514,531	1,286,803	1,480,324
Gross profit	83,045	21,820	183,611	64,673
Operating expenses:				
Research and development	14,976	9,918	47,843	51,631
Sales and marketing	14,773	10,106	41,271	29,299
General and administrative	45,106	38,145	126,901	101,190
Depreciation and amortization	3,624	2,267	8,589	7,360
Interest income, net	(1,300)	(1,520)	(4,554)	(4,251)
Other expense (income), net	562	(733)	(410)	(8,862)
Income (loss) before income taxes	5,304	(36,363)	(36,029)	(111,694)
Income tax expense (benefit)	4,229	(1,318)	1,328	(2,058)
Net income (loss)	\$ 1,075	\$ (35,045)	\$ (37,357)	\$ (109,636)
Net income (loss) attributable to non-controlling interest	\$ 290	\$ (11,655)	\$ (12,230)	\$ (36,748)
Net income (loss) attributable to Fluence Energy, Inc.	<u>\$ 785</u>	<u>\$ (23,390)</u>	<u>\$ (25,127)</u>	<u>\$ (72,888)</u>
Weighted average number of Class A common shares outstanding:				
Basic	127,910,081	117,456,282	125,273,648	116,368,987
Diluted	184,219,065	117,456,282	125,273,648	116,368,987
Income (loss) per share of Class A common stock:				
Basic	\$ 0.01	\$ (0.20)	\$ (0.20)	\$ (0.63)
Diluted	\$ —	\$ (0.20)	\$ (0.20)	\$ (0.63)
Impact of foreign currency translation and cash flow hedges, net of tax	(2,343)	5,079	(2,311)	25
Total other comprehensive (loss) income	\$ (2,343)	\$ 5,079	\$ (2,311)	\$ 25
Total comprehensive loss	\$ (1,268)	\$ (29,966)	\$ (39,668)	\$ (109,611)
Comprehensive loss attributable to non-controlling interest	(384)	(9,963)	(12,911)	(36,761)
Total comprehensive loss attributable to Fluence Energy, Inc.	<u>\$ (884)</u>	<u>\$ (20,003)</u>	<u>\$ (26,757)</u>	<u>\$ (72,850)</u>

**FLUENCE ENERGY, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)**  
(U.S. Dollars in Thousands)

	<b>Nine Months Ended June 30,</b>	
	<b>2024</b>	<b>2023</b>
<b>Operating activities</b>		
Net loss	\$ (37,357)	\$ (109,636)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	10,395	7,739
Amortization of debt issuance costs	1,420	457
Inventory provision (benefit)	15,467	(1,097)
Stock-based compensation	18,386	21,440
Deferred income taxes	295	(1,276)
Changes in operating assets and liabilities:		
Trade receivables, net	4,811	(66,036)
Unbilled receivables	97,076	(17,315)
Receivables from related parties	(42,424)	55,432
Advances to suppliers	(46,999)	(8,142)
Inventory	(257,916)	145,982
Other current assets	(35,381)	5,192
Other non-current assets	(8,029)	(30,984)
Accounts payable	256,264	(139,244)
Deferred revenue with related parties	(73,564)	(155,534)
Deferred revenue	131,073	168,024
Accruals and provisions	37,139	(83,518)
Taxes payable	1,913	12,004
Other current liabilities	22,425	24,593
Other non-current liabilities	(25,838)	11,432
<b>Net cash provided by (used in) operating activities</b>	<b>69,156</b>	<b>(160,487)</b>
<b>Investing activities</b>		
Proceeds from maturities of short-term investments	—	111,674
Payments for purchase of investment in joint venture	—	(5,013)
Capital expenditures on software	(8,606)	(7,284)
Purchase of property and equipment	(4,838)	(1,877)
<b>Net cash (used in) provided by investing activities</b>	<b>(13,444)</b>	<b>97,500</b>
<b>Financing activities</b>		
Class A common stock withheld related to settlement of employee taxes for stock-based compensation awards	(1,243)	(1,618)
Debt Issuance Costs	(5,004)	—
Payments for acquisitions	(3,892)	—
Proceeds from exercise of stock options	4,372	6,030
Proceeds from borrowing against note receivable - pledged as collateral	—	48,176
<b>Net cash (used in) provided by financing activities</b>	<b>(5,767)</b>	<b>52,588</b>
Effect of exchange rate changes on cash and cash equivalents	632	(3,226)
Net increase (decrease) in cash, cash equivalents, and restricted cash	50,577	(13,625)
Cash, cash equivalents, and restricted cash as of the beginning of the period	462,731	429,721
Cash, cash equivalents, and restricted cash as of the end of the period	<u>\$ 513,308</u>	<u>\$ 416,096</u>
<b>Supplemental Cash Flows Information</b>		
Interest paid	\$ 2,178	\$ 955
Cash paid for income taxes	\$ 1,719	\$ 928

**Reclassifications**

Certain prior period amounts have been reclassified to conform to the current period presentation.

Interest income of \$3.0 million and \$7.7 million for the three and nine months ended June 30, 2023, respectively, were reclassified from other expense (income), net to interest income, net on the condensed consolidated statement of operations and comprehensive loss. The reclassification had no impact on income (loss) before income taxes or net income (loss) for any period presented.

Accounts payable with related parties of \$2.5 million and Accruals with related parties of \$3.7 million as of September 30, 2023, were reclassified from Deferred revenue and payables with related parties to Accounts payable and Accruals and provisions, respectively, on the condensed consolidated balance sheet. The reclassification had no impact on the total current liabilities for any period presented. Corresponding reclassifications were also

reflected on the condensed consolidated statement of cash flows for the nine months ended June 30, 2023. The reclassifications had no impact on cash provided by (used in) operations for the period presented.

Provision on loss contracts, net of \$8.6 million for the nine months ended June 30, 2023, was reclassified to current accruals and provisions on the condensed consolidated statement of cash flows. The reclassification had no impact on cash provided by (used in) operations for the period presented.

**FLUENCE ENERGY, INC.**  
**KEY OPERATING METRICS (UNAUDITED)**

The following tables present our key operating metrics as of June 30, 2024 and September 30, 2023. The tables below present the metrics in either Gigawatts (GW) or Gigawatt hours (GWh). Our key operating metrics focus on project milestones to measure our performance and designate each project as either “deployed”, “assets under management”, “contracted backlog”, or “pipeline”.

	June 30, 2024	September 30, 2023	Change	Change %
<b>Energy Storage Products and Solutions</b>				
Deployed (GW)	4.5	3.0	1.5	50%
Deployed (GWh)	11.6	7.2	4.4	61%
Contracted Backlog (GW)	6.6	4.6	2.0	43%
Pipeline (GW)	24.3	12.2	12.1	99%
Pipeline (GWh)	77.5	34.2	43.3	127%

<i>(amounts in GW)</i>	June 30, 2024	September 30, 2023	Change	Change %
<b>Service Contracts</b>				
Assets under Management	3.7	2.8	0.9	32%
Contracted Backlog	3.6	2.9	0.7	24%
Pipeline	22.8	13.7	9.1	66%

<i>(amounts in GW)</i>	June 30, 2024	September 30, 2023	Change	Change %
<b>Digital Contracts</b>				
Assets under Management	18.3	15.5	2.8	18%
Contracted Backlog	6.7	6.8	(0.1)	(1%)
Pipeline	30.1	24.4	5.7	23%

The following table presents our order intake for the three and nine months ended June 30, 2024 and 2023. The table is presented in Gigawatts (GW):

<i>(amounts in GW)</i>	Three Months Ended June 30				Nine Months Ended June 30			
	2024	2023	Change	Change %	2024	2023	Change	Change %
<b>Energy Storage Products and Solutions</b>								
Contracted	1.6	0.4	1.2	300%	3.7	1.6	2.1	131%
<b>Service Contracts</b>								
Contracted	0.4	0.1	0.3	300%	2.0	1.2	0.8	67%
<b>Digital Contracts</b>								
Contracted	0.6	1.0	(0.4)	(40)%	4.0	4.4	(0.4)	(9)%

**Deployed**

Deployed represents cumulative energy storage products and solutions that have achieved substantial completion and are not decommissioned. Deployed is monitored by management to measure our performance towards achieving project milestones.

**Assets Under Management**

Assets under management for service contracts represents our long-term service contracts with customers associated with our completed energy storage system products and solutions. We start providing maintenance, monitoring, or other operational services after the storage product projects are completed. In some cases, services may be commenced for energy storage solutions prior to achievement of substantial completion. This is not

limited to energy storage solutions delivered by Fluence. Assets under management for digital software represents contracts signed and active (post go live). Assets under management serves as an indicator of expected revenue from our customers and assists management in forecasting our expected financial performance.

### Contracted Backlog

For our energy storage products and solutions contracts, contracted backlog includes signed customer orders or contracts under execution prior to when substantial completion is achieved. For service contracts, contracted backlog includes signed service agreements associated with our storage product projects that have not been completed and the associated service has not started. For digital applications contracts, contracted backlog includes signed agreements where the associated subscription has not started.

We cannot guarantee that our contracted backlog will result in actual revenue in the originally anticipated period or at all. Contracted backlog may not generate margins equal to our historical operating results. We have only recently begun to track our contracted backlog on a consistent basis as performance measures, and as a result, we do not have significant experience in determining the level of realization that we will achieve on these contracts. Our customers may experience project delays or cancel orders as a result of external market factors and economic or other factors beyond our control. If our contracted backlog fails to result in revenue as anticipated or in a timely manner, we could experience a reduction in revenue, profitability, and liquidity.

### Contracted/Order Intake

Contracted, which we use interchangeably with "order intake", represents new energy storage product and solutions contracts, new service contracts and new digital contracts signed during each period presented. We define "Contracted" as a firm and binding purchase order, letter of award, change order or other signed contract (in each case an "Order") from the customer that is received and accepted by Fluence. Our order intake is intended to convey the dollar amount and gigawatts (operating measure) contracted in the period presented. We believe that order intake provides useful information to investors and management because the order intake provides visibility into future revenue and enables evaluation of the effectiveness of the Company's sales activity and the attractiveness of its offerings in the market.

### Pipeline

Pipeline represents our uncontracted, potential revenue from energy storage products and solutions, service, and digital software contracts, which have a reasonable likelihood of contract execution within 24 months. Pipeline is an internal management metric that we construct from market information reported by our global sales force. Pipeline is monitored by management to understand the anticipated growth of our Company and our estimated future revenue related to customer contracts for our battery-based energy storage products and solutions, services and digital software.

We cannot guarantee that our pipeline will result in actual revenue in the originally anticipated period or at all. Pipeline may not generate margins equal to our historical operating results. We have only recently begun to track our pipeline on a consistent basis as performance measures, and as a result, we do not have significant experience in determining the level of realization that we will achieve on these contracts. Our customers may experience project delays or cancel orders as a result of external market factors and economic or other factors beyond our control. If our pipeline fails to result in revenue as anticipated or in a timely manner, we could experience a reduction in revenue, profitability, and liquidity.

### Annual Recurring Revenue

ARR represents the net annualized contracted value including software subscriptions including initial trial, licensing, long term service agreements, and extended warranty agreements as of the reporting period. ARR excludes one-time fees, revenue share or other revenue that is non-recurring and variable. The Company believes ARR is an important operating metric as it provides visibility to future revenue. It is important to management to increase this visibility as we continue to expand. ARR is not a forecast of future revenue and should be viewed independently of revenue and deferred revenue as ARR is an operating metric and is not intended to replace these items.

## FLUENCE ENERGY, INC. RECONCILIATION OF GAAP TO NON-GAAP MEASURES (UNAUDITED)

The following tables present non-GAAP measures for the periods indicated.

(\$ in thousands)	Three Months Ended June 30,				Nine Months Ended June 30,			
	2024	2023	Change	%	2024	2023	Change	%
Net income (loss)	\$ 1,075	\$ (35,045)	\$ 36,120	103 %	\$ (37,357)	\$ (109,636)	\$ 72,279	66 %
Add:								
Interest income, net(a)	(1,300)	(1,520)	220	(14) %	(4,554)	(4,251)	(303)	7 %
Income tax expense (benefit)	4,229	(1,318)	5,547	421 %	1,328	(2,058)	3,386	165 %
Depreciation and amortization	4,423	2,758	1,665	60 %	10,395	7,851	2,544	32 %
Stock-based compensation(b)	6,140	5,677	463	8 %	18,405	21,417	(3,012)	(14) %
Other non-recurring expenses(c)	1,033	1,965	(932)	(47) %	3,017	5,439	(2,422)	(45) %
<b>Adjusted EBITDA</b>	<b>\$ 15,600</b>	<b>\$ (27,483)</b>	<b>\$ 43,083</b>	<b>157 %</b>	<b>\$ (8,766)</b>	<b>\$ (81,238)</b>	<b>\$ 72,472</b>	<b>89 %</b>

(a) Interest income, net for the three and nine months ended June 30, 2023 have been recast to conform with current period presentation as described above under "Reclassifications".

(b) Includes incentive awards that will be settled in shares and incentive awards that will be settled in cash.

(c) Amount for the three months ended June 30, 2024 includes \$1.0 million in severance costs related to restructuring. Amount for the three months ended June 30, 2023 included \$2.0 million in severance costs and consulting fees related to the restructuring plan from November 2022. Amount for



the nine months ended June 30, 2024 includes approximately \$1.0 million in severance costs related to restructuring, \$1.2 million of costs related to the termination of the Revolving Credit Agreement and \$0.8 million in costs related to the Offering. Amount for the nine months ended June 30, 2023 included \$5.4 million in severance costs and consulting fees related to the restructuring plan from November 2022.

(\$ in thousands)	Three Months Ended June 30,			Change %	Nine Months Ended June 30,			Change %
	2024	2023	Change		2024	2023	Change	
Total revenue	\$ 483,317	\$ 536,351	\$ (53,034)	(10)%	\$ 1,470,414	\$ 1,544,997	\$ (74,583)	(5)%
Cost of goods and services	400,272	514,531	(114,259)	(22)%	1,286,803	1,480,324	(193,521)	(13)%
Gross profit	83,045	21,820	61,225	281%	183,611	64,673	118,938	184%
Gross profit margin %	17.2%	4.1%			12.5%	4.2%		
Add:								
Stock-based compensation(a)	824	1,208	(384)	(32)%	3,204	3,364	(160)	(5)%
Amortization(b)	770	491	279	57%	1,776	491	1,285	262%
Other non-recurring expenses(c)	—	108	(108)	(100)%	—	436	(436)	(100)%
<b>Adjusted Gross Profit</b>	<b>\$ 84,639</b>	<b>\$ 23,627</b>	<b>\$ 61,012</b>	<b>258%</b>	<b>\$ 188,591</b>	<b>\$ 68,964</b>	<b>\$ 119,627</b>	<b>173%</b>
<b>Adjusted Gross Profit Margin %</b>	<b>17.5%</b>	<b>4.4%</b>			<b>12.8%</b>	<b>4.5%</b>		

(a) Includes incentive awards that will be settled in shares and incentive awards that will be settled in cash.

(b) Amount relates to amortization of capitalized software included in cost of goods and services.

(c) Amount for the three and nine months ended June 30, 2023 included \$0.1 million and \$0.4 million, respectively in severance costs related to the restructuring plan from November 2022.

(\$ in thousands)	Nine Months Ended June 30,			
	2024	2023	Change	Change %
Net cash provided by (used in) operating activities	\$ 69,156	\$ (160,487)	\$ 229,643	143%
Less: Purchase of property and equipment	(4,838)	(1,877)	(2,961)	(158)%
<b>Free Cash Flow</b>	<b>\$ 64,318</b>	<b>\$ (162,364)</b>	<b>\$ 226,682</b>	<b>140%</b>

<sup>1</sup> Non-GAAP Financial Metric. See the section titled "Non-GAAP Financial Measures" for more information regarding the Company's use of non-GAAP financial measures, as well as a reconciliation to the most directly comparable financial measure stated in accordance with GAAP.

<sup>2</sup> Backlog represents the unrecognized revenue value of our contractual commitments, which include deferred revenue and amounts that will be billed and recognized as revenue in future periods. The Company's backlog may vary significantly each reporting period based on the timing of major new contractual commitments and the backlog may fluctuate with currency movements. In addition, under certain circumstances, the Company's customers have the right to terminate contracts or defer the timing of its services and their payments to the Company.

<sup>3</sup> Total Cash includes Cash and cash equivalents + Restricted Cash.

<sup>4</sup> Non-GAAP Financial Metric. See the section titled "Non-GAAP Financial Measures" for more information regarding the Company's use of non-GAAP financial measures, as well as a reconciliation to the most directly comparable financial measure stated in accordance with GAAP.

Analyst Contact Lexington May, Vice President Finance & Investor Relations +1 713-909-5629 Email: InvestorRelations@fluenceenergy.com Media Contact Shayla Ebsen, Director of Communication +1 605-645-7486 Email: media.na@fluenceenergy.com