

February 8, 2024

1Q FY2024 Earnings Presentation

FLUENCE[®]
A Siemens and AES Company

Disclaimer

Forward-Looking Statements

The statements described herein 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 within this presentation, and other statements by management during the earnings call regarding future financial and operational performance, revenue and Adjusted EBITDA guidance for fiscal year 2024, including statements regarding expectations achieving our fiscal 2024 guidance midpoints, anticipated revenue and Adjusted EBITDA for the second fiscal quarter, expected Adjusted Gross Profit Margin for the fiscal year 2024, revenue growth outlook for fiscal year 2024 to fiscal year 2025 and expectations for pipeline conversion, anticipated annual recurring revenue for fiscal year 2024, expected cash usage in 2024, expected timing of fiscal year 2024 revenue split, sufficiency of liquidity for fiscal year 2024 outlook, anticipated timeline of battery module production at our Utah facility, expectations on battery supply for 2024 and 2025, anticipated demand for Fluence's energy storage products and services, expectations relating to our current supply chain strategy, including relationships with new and existing suppliers, expectations regarding qualification for tax incentives under the Inflation Reduction Act of 2022 (the "IRA") for us and on our customers, the Diablo litigation, the execution of the Company's enumerated strategic objectives and prospects, plans and objectives of management. Such statements can be identified by the fact that they do not relate strictly to historical or current facts. When used in this presentation, 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 presentation 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 ability to maintain profitability, our ability to execute projects, our ability to successfully execute our business and growth strategy, including realizing the expected benefits of our partnerships and acquisitions as well as other strategic initiatives we may enter into in the future, our ability to develop new product offerings and services and adoption of such new product offerings and services by customers, increased shipping costs and delays in the shipping of our energy storage products, projects delays and site closures and cost-overruns, failure to build upon our supply chain strategy, failure to receive key components timely for use in our battery module manufacturing, failure to realize potential tax incentives and benefits of the IRA, and other factors set forth under "Risk Factors" in our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, and in other filings we make with the Securities and Exchange Commission 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 presentation. 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.

Non-GAAP Financial Measures

Included in this presentation are certain non-GAAP financial measures, including Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Gross Profit, Adjusted Gross Profit Margin, Operating Expenses, excluding stock compensation expenses, and Operating Expenses, excluding stock compensation expenses as a percentage of revenue, which are designed to complement the financial information presented in accordance with GAAP because management believes such measures are useful to investors. Non-GAAP financial measures are not a substitute for or superior to measures of financial performance prepared in accordance with GAAP and should be not be considered as an alternative to any other non-GAAP metrics, have limitations as analytical tools, and you should not consider them in isolation. We believe that such non-GAAP financial 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.

See the Appendix to this presentation for a reconciliation of the non-GAAP financial measures to the most directly comparable GAAP financial measure, which should be carefully evaluated.

A reconciliation of the Company's 2024 Adjusted EBITDA guidance, anticipated fiscal year 2024 Adjusted Gross Profit Margin, and anticipated second quarter fiscal year 2024 Adjusted EBITDA to the most directly comparable GAAP financial measures cannot be provided without unreasonable efforts and is not provided herein because of the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliations.

In this presentation, the Company relies on and refers to certain industry and market data and statistics obtained from third-party sources which it believes to be reliable. The Company has not independently verified the accuracy or completeness of any such third-party information. This data is subject to change. In addition, this presentation does not purport to be all-inclusive or to contain all of the information that may be required to make a full analysis of the Company. The recipient should make its own evaluation of the Company and of the relevance and adequacy of the information and should make such other investigations as it deems necessary.



Today's Agenda

1 Strategy Update

Julian Nebreda, President & CEO

2 Financial Update

Ahmed Pasha, SVP & CFO

3 Q&A



Q1'24 Performance

- Record order intake of more than \$1.1 billion
- Record contracted backlog of \$3.7 billion
- Total Cash¹ increased to \$477 million as of 12/31, up \$14 million from end of fourth quarter
- Digital AUM increased by 1.5 GW
- Long-term services Cumulative Deployed Attachment Rate⁶ remains >90% as of 12/31/23

Note 1: Total cash includes Cash and cash equivalents + Restricted Cash + Short term investments.

Note 2: Solutions are defined as or have been historically referred to as energy storage products; we believe solutions is more representative of the offering.

Note 3: Calculated in line with revenue recognition basis in \$ for energy storage solutions, based on projects data as of December 31, 2023.

Note 4: Refer to Pipeline definition and Contracted Backlog definition within appendix.

Note 5: Non-GAAP figure. Refer to reconciliation of Adjusted EBITDA to the most directly comparable GAAP financial measure in our appendix.

Note 6: Orders attachment rate and Cumulative Deployed attachment rate based on MWh; refer to supplemental metric sheet for definition of attachment rates.

Q1'24 Order Intake

\$1.1B

2.7 GWh Solutions², 2.3 GWh Services,
~0.4 GW Digital

Q1'24 Revenue Recognized

\$364M

~1.0 GWh Energy
Storage Solutions³

Contracted Backlog⁴ at 12/31

\$3.7B

\$13.4B Pipeline⁴ as of 12/31

Q1'24 Adjusted EBITDA⁵

-\$18M

Q1'24 GAAP Net Loss \$25.6M

Annual Recurring Revenue (ARR)

\$64M

as of 12/31

Digital AUM at 12/31

17.0 GW

9/30 Digital AUM 15.5 GW



On Track to Deliver on FY'24 Commitments; Focused on Execution



DELIVER PROFITABLE GROWTH

- Reaffirm FY'24 guidance of \$2.7 – 3.3 billion for revenue; \$50-80 million for Adjusted EBITDA¹. Reaffirm FY'24 ARR² target of approximately \$80 million.
- Strong liquidity positions us well to deliver on our growth.



DEVELOP PRODUCTS AND SOLUTIONS THAT OUR CUSTOMERS NEED

- On track for our battery module manufacturing to begin production in Summer 2024 at our Utah facility, which will enable us to provide a product that meets the US 'domestic content' requirements for battery energy storage.



CONVERT OUR SUPPLY CHAIN INTO A COMPETITIVE ADVANTAGE

- Diversity of battery suppliers enabling us to take advantage of favorable terms and battery prices.



USE FLUENCE DIGITAL AS A COMPETITIVE DIFFERENTIATOR AND MARGIN DRIVER

- Strong digital customer retention with 21 contracts renewed during quarter and 0 customer attrition.



WORK BETTER

- Became official signatory member of UN Global Compact



Note 1: Non-GAAP figure. Refer to disclaimer on Non-GAAP Financial Measures for a discussion of why we are unable to reconcile 2024 Adjusted EBITDA guidance to its most directly comparable GAAP financial measure.
Note 2: ARR represents the annualized value of software subscriptions, licensing, long term service agreements, and warranty fee contracts as of the measurement date.

Robust Utility Scale Market Outlook Driving Strong Demand

Expected 35-40% Year Over Year revenue growth
From FY'24 to FY'25

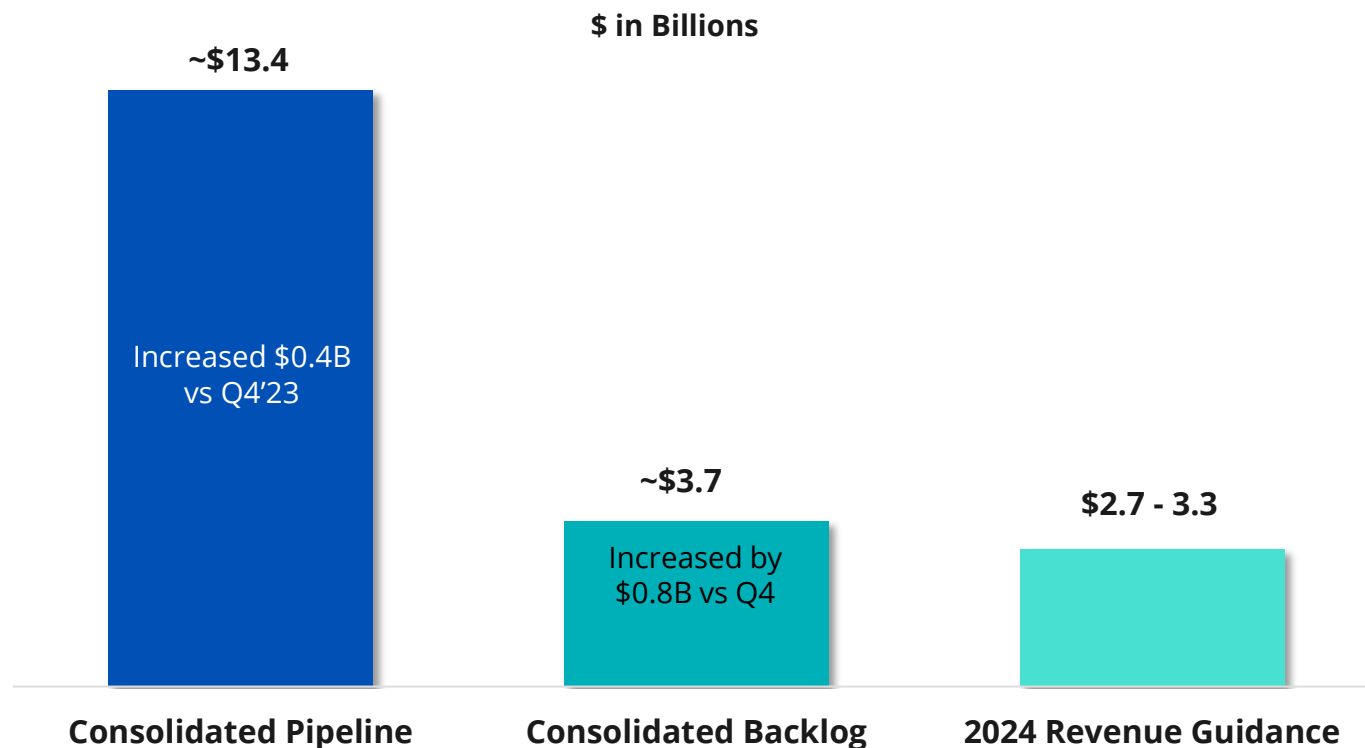


Chart as of December 31, 2023



Note 1: Raw Material Index Price Adjustments
Note 2: FY2024 Revenue Guidance is based on guidance shown on page 13.

Strong Order Intake

Nine consecutive quarters of order intake outpacing revenue recognized showcasing robust growth in utility scale energy storage

Backlog

~80% of FY'24 revenue guidance midpoint is covered by Q1 actual revenue + current contracted backlog attributable to FY'24

All current backlog is no longer subject to RMI¹ adjustments, eliminating any commodity exposure

Sustainable Supply Chain Strategy

Diversity of Component and Battery Suppliers

- Five battery suppliers: China, South Korea, Sweden, USA.

Capacity Agreements

- Multi-year capacity agreements in place to ensure adequate supply and timely deliveries.
- Capacity agreement prices subject to market adjustments.
- Price discovery mechanism in place across multiple suppliers to deliver competitive prices to our customers.
- Minimal take or pay obligations.

Integrated Battery Module Manufacturing

- Expect production of integrated battery module to begin in summer 2024 at Utah facility.
- Expect to qualify for 'Domestic Content' tax credit under IRA Section 45X.

Asset-lite Regional Manufacturing Approach

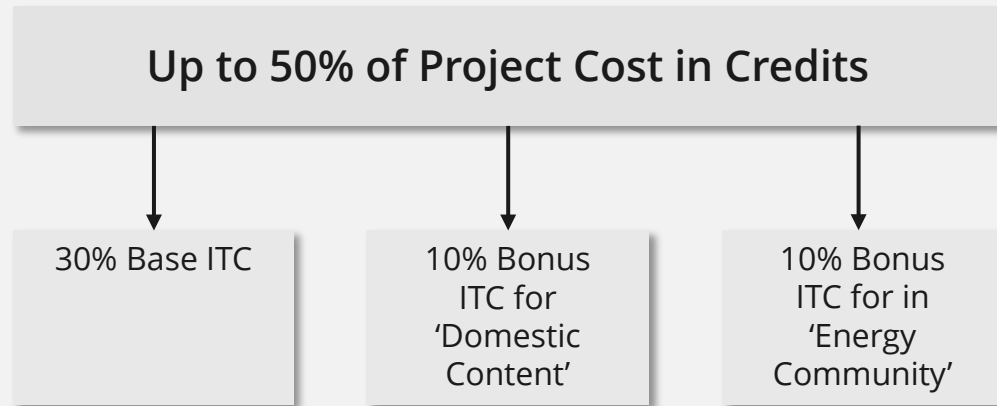
- 2 contract manufacturers: 1 in Vietnam, 1 in U.S. (Utah).
- Opportunity to open additional contract manufacturing facilities in Europe and India.
- Provides more flexibility and agility in scaling; and increases speed to market.
- Improves return on invested capital.



IRA Offers Material Tax Incentives For Energy Storage

Section 48: Investment Tax Credit (ITC)

Directly Benefits Customers;
Indirectly Benefits Fluence



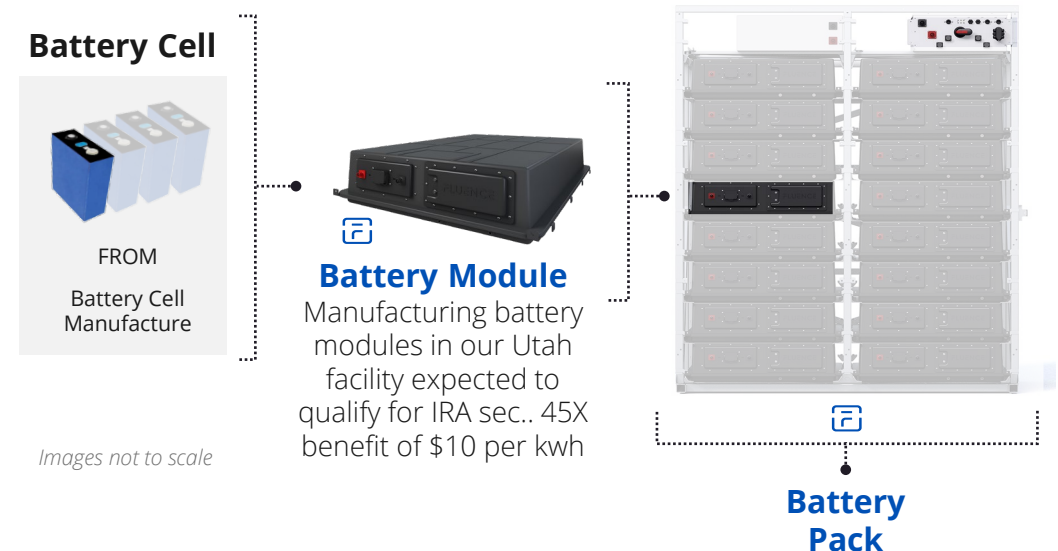
Reduces overall cost of project, making energy storage more attractive for customer

Section 45X: Production Tax Credit (PTC)

Directly Benefits Fluence

\$10 per kWh of Battery Modules
Produced at our Utah Facility

Start of battery module production at Utah facility on schedule for summer 2024



Images not to scale

Potential for Fluence to benefit from higher volume and operating leverage



As a signatory, FLNC will complete an annual Communication on Progress submission, demonstrating progress in working towards the Ten Principles of the Global Compact.



United Nations
Global Compact

FLNC an Official Signatory Member of UN Global Compact

In November 2023, FLNC became an official signatory member of the UN Global Compact ahead of our expected timeline outlined in our 2023 sustainability report.

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First Quarter 2024 Financial Performance

Continued Improvement in Financial Performance

All figures in \$ million, unless specified³

	Q1'23	Q1'24
Revenue	310	364
Adjusted Gross Profit¹	13	38
<i>Adjusted Gross Profit % of Revenue¹</i>	<i>4.2%</i>	<i>10.5%</i>
Operating expenses excluding stock comp¹	(54)	(62)
<i>Operating expenses exc. SC, % of Revenue¹</i>	<i>17.4%</i>	<i>17.0%</i>
Adjusted EBITDA¹	(26)	(18)
GAAP metrics		
Gross Profit	12	36
Net Income (Loss)	(37)	(26)

Note 1: Non-GAAP figure. Refer to Appendix for reconciliation to the most directly comparable GAAP financial measure.



HIGHLIGHTS

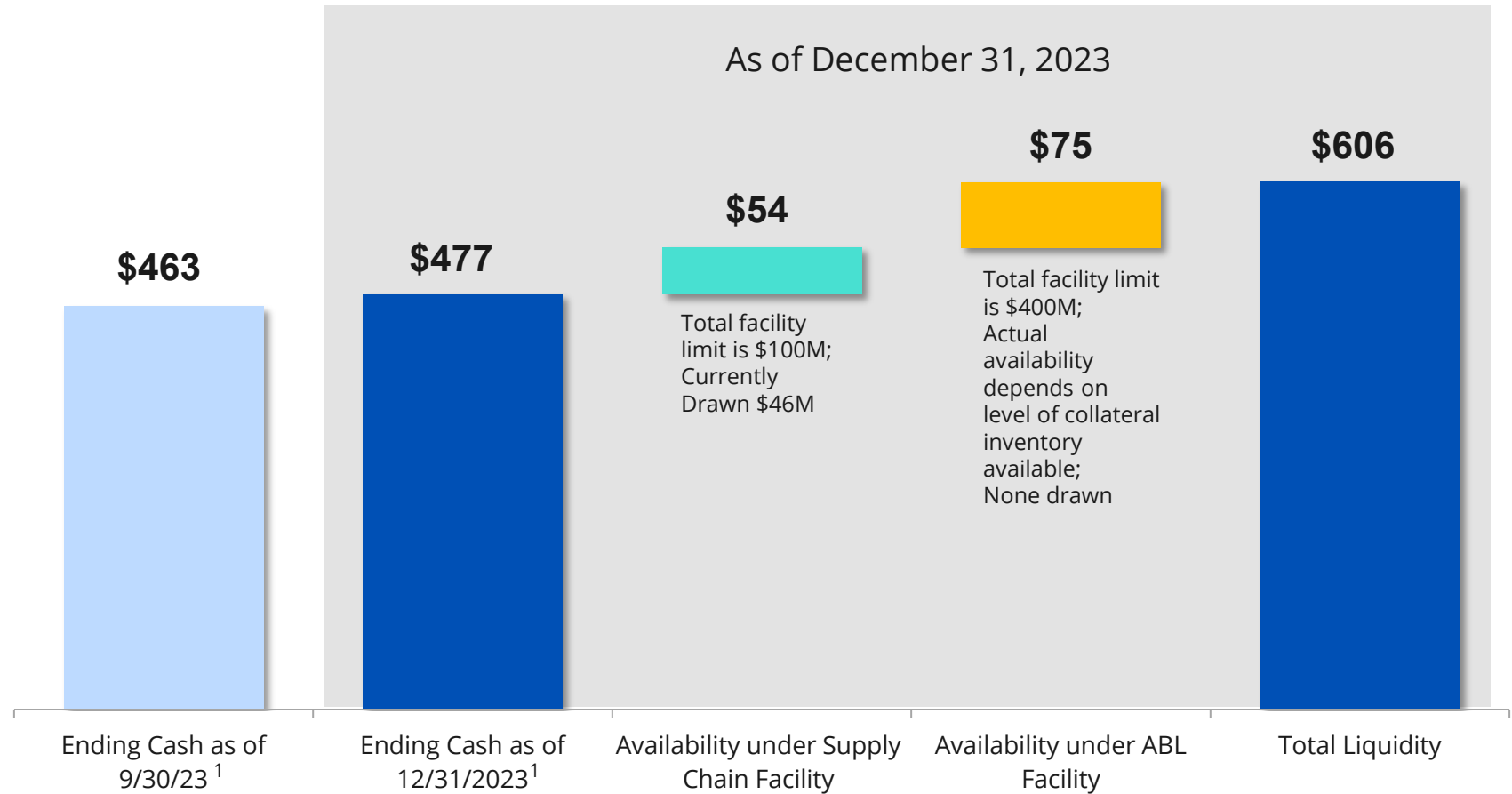
1. 17% YoY revenue growth, reflecting strong demand, and improved execution
2. Second consecutive quarter delivering double-digit gross margins
3. Negative Adjusted EBITDA of \$18M¹ reflects revenue weighting toward the second half and fixed quarterly nature of annual operating cost.

HIGHLIGHTS

- Access to more than \$600 million of liquidity as of Dec 31, 2023
- Ample liquidity to meet business needs under current plan
- 3 consecutive quarters of cash generation
- Increased cash balance ~\$14M from Q4 driven by an improvement in working capital
- ABL remains undrawn, availability of borrow depends on level of collateral inventory

Continuing to Maintain Strong Liquidity

All figures in \$ million, unless specified³



Note 1: Total cash includes Cash and cash equivalents + Restricted Cash + Short term investments.

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Reaffirm FY'24 Guidance

All figures in \$ million, unless specified

	FY 2023	FY 2024 Guidance
Revenue	\$2,218	\$2,700 - \$3,300
Adj. EBITDA ¹	(61)	\$50 - \$80
Annual Recurring Revenue (ARR)	\$57	Approximately \$80 by end of FY'24

Note 1: Non-GAAP figures. Refer to appendix for reconciliation of FY 2023 Adjusted EBITDA and FY 2023 Adjusted Gross Profit Margin to their respective most directly comparable GAAP financial measure. Refer to prior disclaimer on Non-GAAP Financial Measures previously for a discussion of why we are unable to reconcile forward-looking non-GAAP figures to their respective most directly comparable GAAP financial measure.

HIGHLIGHTS

1. Approximately 80% of FY'24 revenue guidance midpoint secured in backlog + Q1 revenue recognized.
2. Continue to expect FY'24 adjusted gross profit margin at ~10-12%¹, up from ~7% in FY'23¹.
3. Reaffirming expected FY'24 revenue split H1 30% / H2 70% due to project timing, expect negative Adj. EBITDA¹ in Q2.
4. Expect 35-40% revenue growth outlook from FY'24 to FY'25 with battery supply secured for both FY'24 and FY'25



Key Takeaways

- 1 Record order intake of **\$1.1 billion** leading to a record backlog of \$3.7 billion, with FY'24 backlog prices and battery costs locked in.
- 2 We have a **sustainable** and resilient supply chain strategy that is a key component of our competitiveness.
- 3 We are **on track** to begin our module manufacturing this summer, and we believe we are in a prime position to capitalize on various incentives from the IRA.
- 4 Falling battery price environment is a **tailwind**; allows more energy storage projects to be penciled in.

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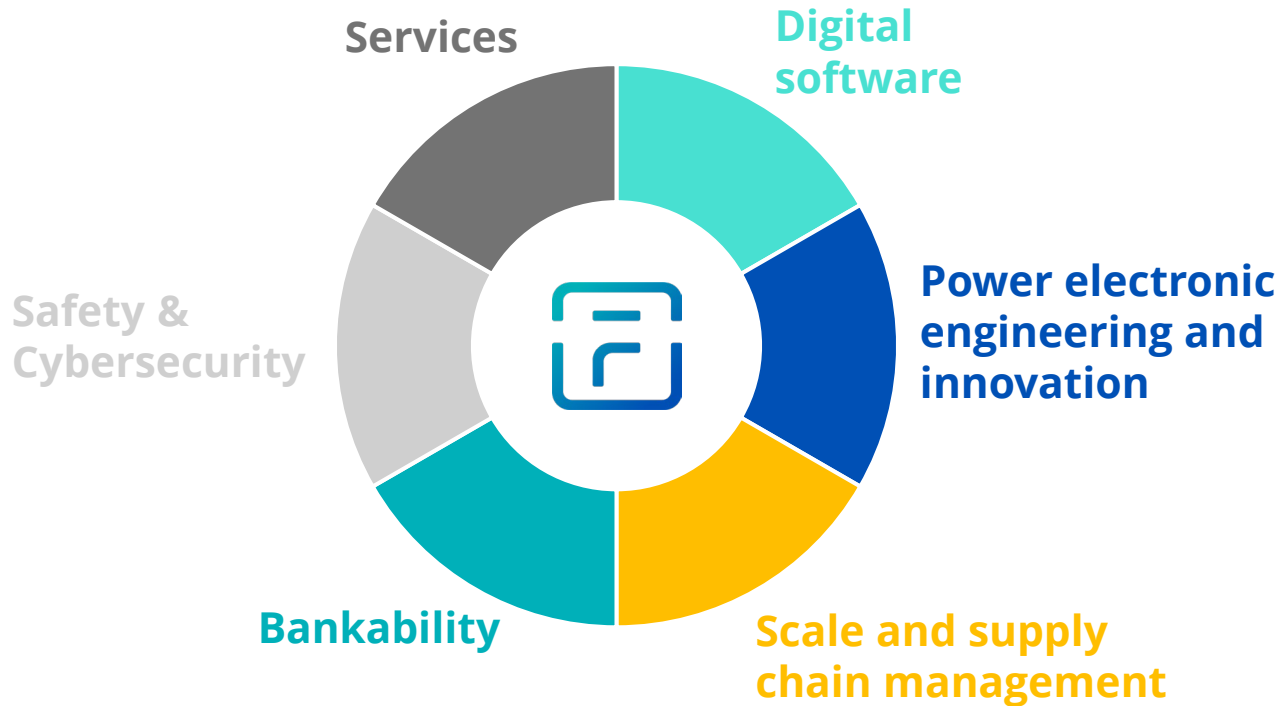
3 Q&A



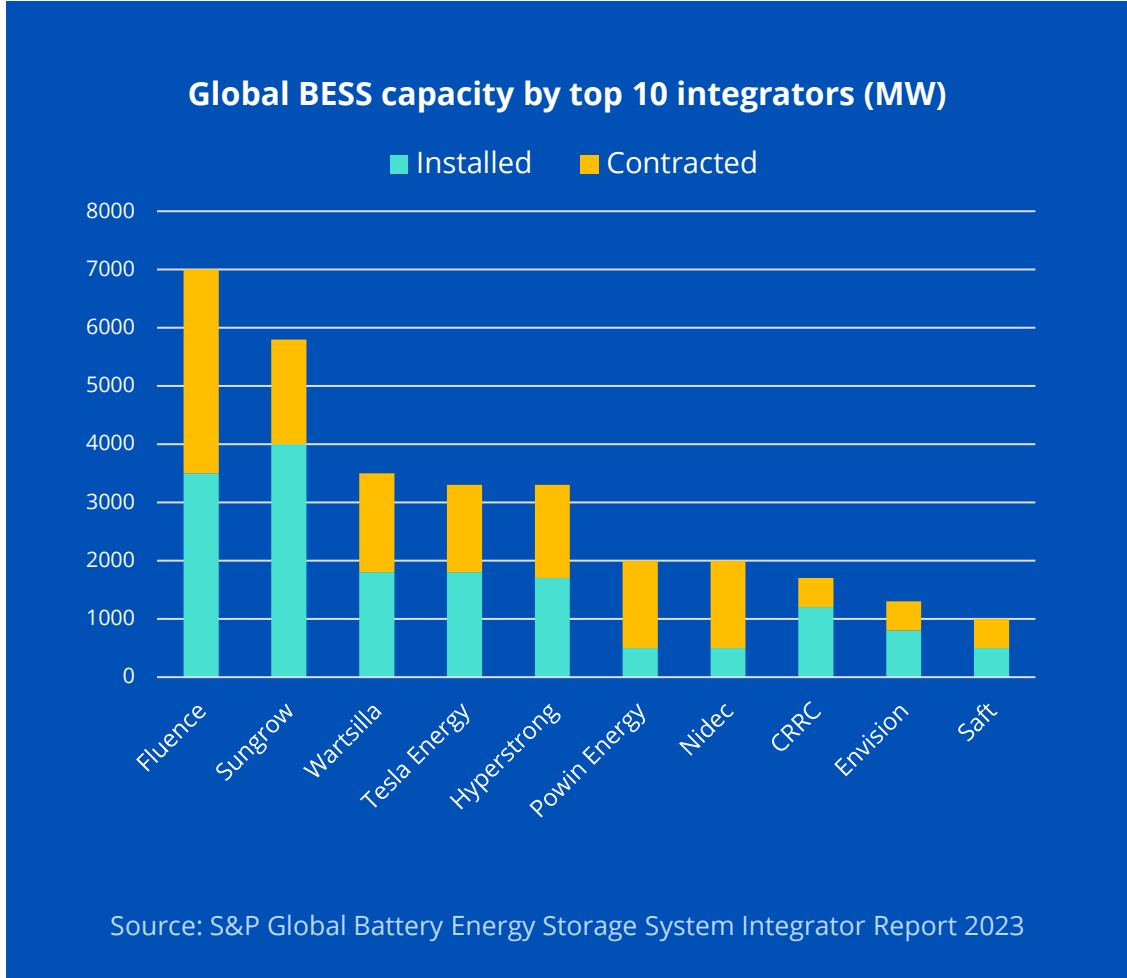
Appendix



FLNC is the Preferred Choice for Utility Scale BESS Integration



FLNC's competitive advantage is fortified by the collective offering of these features



Definitions

ITEM	DEFINITION
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.
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.
Deployed	Represents cumulative energy storage products and solutions that have achieved substantial completion and are not decommissioned.
Assets Under Management	Assets under management for service contracts represents our long-term service contracts with customers associated with our completed energy storage 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. Not limited to energy storage solutions delivered by Fluence. Assets under management for digital software represents contracts signed and active (post go live).
BESS	Acronym for battery energy storage system
APM	Acronym for asset performance management platform
Annual Recurring Revenue (ARR)	ARR represents the annualized value of software subscriptions, licensing, long term service agreements, and warranty fee arrangements as of the measurement date.

Note 1: Additional definitions provided in supplemental metric sheet posted on the investor relations website at <https://fluenceenergy.com/ir>.



Non-GAAP Financial Measures & Reconciliations¹

(\$ in millions)	Q1'23	Q4'23	Q1'24
GROSS PROFIT	12.0	76.3	36.4
ADD:			
STOCK-BASED COMPENSATION	0.9	0.8	1.2
AMORTIZATION ^(a)	-	0.3	0.4
OTHER EXPENSES ^(c)	0.2	0.5	-
ADJUSTED GROSS PROFIT	13.1	77.9	38.0
ADJUSTED GROSS PROFIT PERCENTAGE OF REVENUE	4.2%	11.6%	10.5%

(\$ in millions)	Q1'23	Q4'23	Q1'24
OPERATING EXPENSES			
RESEARCH AND DEVELOPMENT	19.2	14.7	15.5
SALES AND MARKETING	8.8	11.8	10.7
GENERAL AND ADMINISTRATIVE	31.3	35.1	37.7
DEPRECIATION AND AMORTIZATION	2.4	2.5	2.5
LESS: STOCK-BASED COMPENSATION ^(d)	7.6	4.7	4.4
OPERATING EXPENSES EXCLUDING STOCK COMPENSATION	54.1	59.4	62.0
OPERATING EXPENSES EXCLUDING STOCK COMPENSATION PERCENTAGE OF REVENUE	17.4%	8.8%	17.0%

(\$ in millions)	Q1'23	Q4'23	Q1'24
NET INCOME (LOSS)	(37.2)	4.8	(25.6)
ADD:			
INTEREST INCOME, NET	(0.7)	(1.1)	(2.0)
INCOME TAX EXPENSE (BENEFIT)	(0.6)	6.6	(1.2)
DEPRECIATION AND AMORTIZATION	2.4	2.8	2.9
STOCK-BASED COMPENSATION ^(b)	8.5	5.5	5.6
OTHER EXPENSES ^(c)	1.5	1.2	2.0
ADJUSTED EBITDA	(26.1)	19.8	(18.3)
REVENUE	310.5	673.0	364.0
ADJUSTED EBITDA PERCENTAGE OF REVENUE	(8%)	3%	(5%)

Note 1: May not reconcile to financial statements due to rounding.

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

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

(c) Amounts for the three months ended December 30, 2023, include costs related to the termination of the Revolving Credit agreement and costs related to the secondary offering. Amounts for the three months ended December 30, 2022, include costs related to the restructuring plan, including severance. Costs related to the COVID-19 pandemic and the Cargo Loss Incident, which the Company had historically excluded from Adjusted EBITDA, are no longer excluded. All periods presented have been recast in order to make the non-GAAP financial measure comparable period over period.

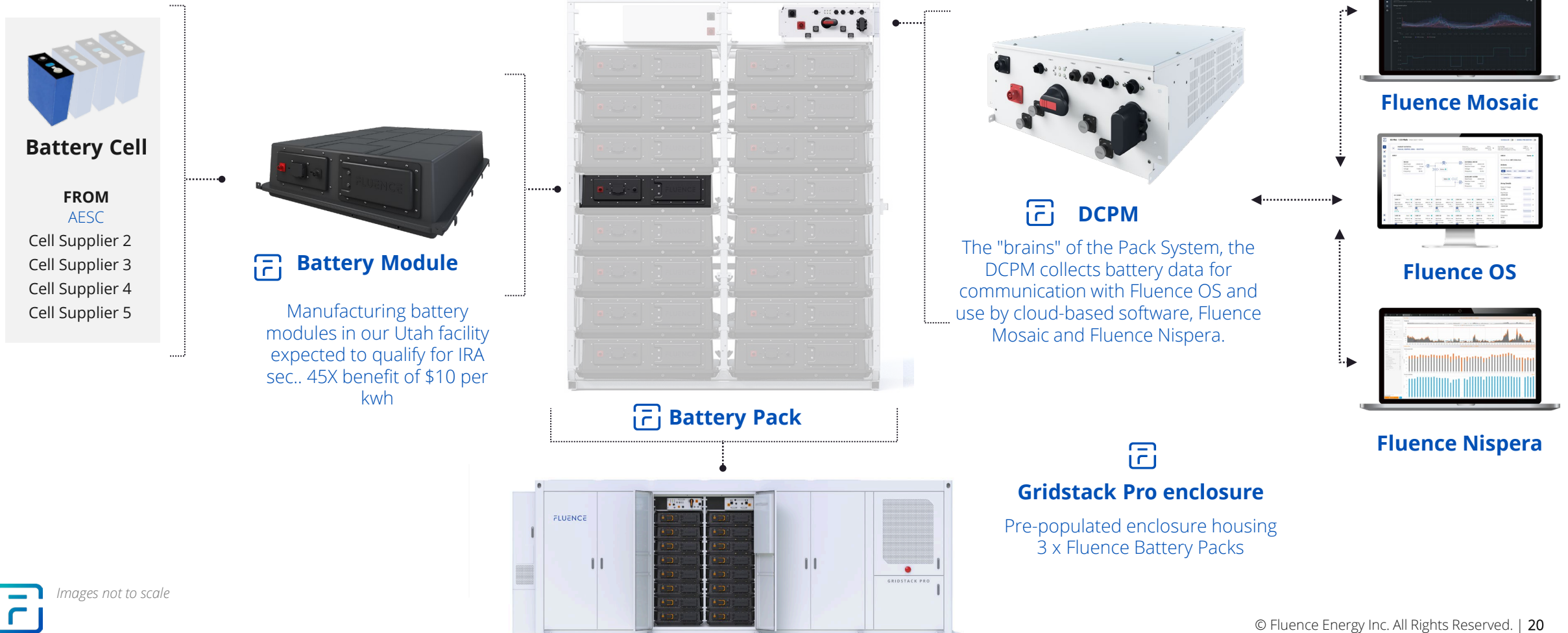
(d) Amount considered for operating expenses calculation is only the OpEx portion of Stock-based Compensation expense.

Note: For more information on adjustments to non-GAAP financial measures, please refer to the corresponding period's respective investor presentations and earnings releases available on the Fluence Investor Relations website at <https://ir.fluenceenergy.com/> for reconciliations to the most directly comparable GAAP financial measures and related footnotes; provided, that costs related to the Covid-19 pandemic and the cargo loss incident are no longer excluded from the Company's non-GAAP results beginning the period ended June 30, 2023 and the periods presented herein have been recast from historical presentation accordingly.



Fluence Battery Pack

Enables easier implementation of integrated solutions while commoditizing battery cells



Upcoming Events

February 8, 2024

Q1 Earnings Call

March 5, 2024

BofA Conference NYC

March 18-22, 2024

S&P Global CERAAweek Houston

May 2024

Q2 Earnings Call

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