

February 11, 2025

# 1Q FY2025 Earnings Presentation

# Disclaimer

## Forward-Looking Statements

The statements herein and referenced on the Company's 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. In particular, these forward-looking statements include, without limitation, statements regarding the Company's future financial and operational performance, business strategy, growth and leadership position, introduction of new technology, our ability to differentiate our product and optimize our cost structure, liquidity and access to capital and cash flows, anticipated diversification of our geographic mix in the future, guidance relating to revenue, Adjusted EBITDA, Adjusted Gross Profit Margin, and annual recurring revenue for fiscal year 2025, anticipated revenue split in fiscal year 2025 and first half of fiscal year 2025 Adjusted EBITDA, expected revenue growth in fiscal year 2026, expectations relating to gross margins, expectations related to delivering on our customer obligations, backlog, contracted backlog, and pipeline, expectations relating to certain delayed Australian projects, demand for electricity and impact to energy storage, demand for the Company's energy storage solutions, services, and digital applications offerings, our positioning to capture market share with domestic content offering and future offerings, expectations relating to competitive pressures, expected impact and benefits from the Inflation Reduction Act of 2022 (the "IRA") and domestic content guidelines on us and on our customers, potential impact of tariffs and uncertainty around U.S. and foreign trade policy on the Company, the impact of new policies, regulations, and other executive actions from the current U.S. political administration, new products and solutions and product innovation, including anticipated operational performance, pricing, timing, and impact to the Company of such a new product, relationships with new and existing customers and suppliers, future revenue recognition, future capital expenditures and debt service obligations, and projected costs, beliefs, assumptions, 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," "commits," "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 relatively limited operating and revenue history as an independent entity and the nascent clean energy industry; anticipated increasing expenses in the future, and our ability to maintain prolonged profitability; fluctuations of our order intake and results of operations across fiscal periods; potential difficulties in maintaining manufacturing capacity and establishing expected mass manufacturing capacity in the future; risks relating to delays, disruptions, and quality control problems in our manufacturing operations; risks relating to quality and quantity of components provided by suppliers; risks relating to our status as a relatively low-volume purchaser as well as from supplier concentration and limited supplier capacity; risks relating to operating as a global company with a global supply chain; changes in the cost and availability of raw materials and underlying components; failure by manufacturers, vendors, and suppliers to use ethical business practices and comply with applicable laws and regulations; significant reduction in pricing or order volume or loss of one or more of our significant customers or their inability to perform under their contracts; risks relating to competition for our offerings and our ability to attract new customers and retain existing customers; ability to maintain and enhance our reputation and brand recognition; ability to effectively manage our recent and future growth and expansion of our business and operations; our growth depends in part on the success of our relationships with third parties; ability to attract and retain highly qualified personnel; risks associated with engineering and construction, utility interconnection, commissioning and installation of our energy storage solutions and products, cost overruns, and delays; risks relating to lengthy sales and installation cycle for our energy storage solutions; risks related to defects, errors, vulnerabilities and/or bugs in our products and technology; risks relating to estimation uncertainty related to our product warranties; fluctuations in currency exchange rates; risks related to our current and planned foreign operations; amounts included in our pipeline and contracted backlog may not result in actual revenue or translate into profits; risks related to acquisitions we have made or that we may pursue; events and incidents relating to storage, delivery, installation, operation, maintenance and shutdowns of our products; risks relating to our impacts to our customer relationships due to events and incidents during the project lifecycle of an energy storage solution; actual or threatened health epidemics, pandemics or similar public health threats; ability to obtain financial assurances for our projects; risks relating to whether renewable energy technologies are suitable for widespread adoption or if sufficient demand for our offerings do not develop or takes longer to develop than we anticipate; estimates on size of our total addressable market; barriers arising from current electric utility industry policies and regulations and any subsequent changes; risks relating to the cost of electricity available from alternative sources; macroeconomic uncertainty and market conditions; 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 energy storage solutions; 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; severe weather events; increased attention to ESG matters; restrictions set forth in our current credit agreement and future debt agreements; uncertain ability to raise additional capital to execute on business opportunities; risks related to our 2030 Convertible Senior Notes, our ability to obtain, maintain and enforce proper protection for our intellectual property, including our technology; threat of lawsuits by third parties alleging intellectual property violations; adequate protection for our trademarks and trade names; ability to enforce our intellectual property rights; risks relating to our patent portfolio; ability to effectively protect data integrity of our technology infrastructure and other business systems; use of open-source software; failure to comply with third party license or technology agreements; inability to license rights to use technologies on reasonable terms; risks relating to compromises, interruptions, or shutdowns of our systems; changes in the global trade environment; potential changes in tax laws or regulations; risks relating to environmental, health, and safety laws and potential obligations, liabilities and costs thereunder; failure to comply with data privacy and data security laws, regulations and industry standards; risks relating to potential future legal proceedings, regulatory disputes, and governmental inquiries; risks related to ownership of our Class A common stock; risks related to us being a "controlled company" within the meaning of the NASDAQ rules; risks relating to the terms of our amended and restated certificate of incorporation and amended and restated bylaws; risks relating to our relationship with our founders and our continuing equity owners; risks relating to conflicts of interest by our officers and directors due to positions with continuing equity owners; risks related to short-seller activists; we depend on distributions from Fluence Energy, LLC to pay our taxes and expenses and Fluence Energy, LLC's ability to make such distributions may be limited or restricted in certain scenarios; risks arising out of the Tax Receivable Agreement; unanticipated changes in effective tax rates or adverse outcomes resulting from examination of tax returns; risks relating to improper and ineffective internal control over reporting to comply with Sarbanes-Oxley Act; risks relating to changes in accounting principles or their applicability to us; risks relating to estimates or judgments relating to our critical accounting policies; 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, 2024, filed with the Securities and Exchange Commission ("SEC") on November 29, 2024, 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 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 and discussed in the earnings call are certain non-GAAP financial measures, including Free Cash Flow, Adjusted EBITDA, 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 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 fiscal year 2025 Adjusted EBITDA guidance, anticipated Adjusted Gross Profit Margin range for fiscal year 2025, and expected Adjusted EBITDA for first half of fiscal year 2025 to the most directly comparable GAAP financial measures cannot be provided without unreasonable efforts and are 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



# Q1'25 Executive Summary

- BESS market remains strong, led by U.S. demand and our domestic content advantage.
- Our first mover advantage establishing a U.S. supply chain helps mitigate the impacts of geopolitical uncertainty.
- FY 2025 financial guidance lowered primarily due to customer-driven delays in signing certain contracts and to competitive pressures.
- Breakthrough technology offering to be launched on Thursday, Feb 13.

## Revenue

**\$187M**

(0.5 GWh Energy Storage Solutions<sup>1</sup>)

## Adjusted EBITDA<sup>2</sup>

**-\$50M**

Q1'25 GAAP Net Loss -\$57M

## Order Intake

**\$778M**

~3.4 GWh Solutions Contract<sup>3</sup>,  
(~4.3 Gwh Gross Capacity<sup>7</sup>)  
~1.7 GWh Services,  
~3.2 GW Digital

## Backlog<sup>4</sup> at 12/31

**\$5.1B**

~\$21.4B Pipeline<sup>4</sup>  
as of 12/31

## Annual Recurring Revenue (ARR)<sup>5</sup>

**\$106M**

as of 12/31

## Total Cash at 12/31<sup>6</sup>

**\$654M**

**Note 1:** Calculated in line with revenue recognition basis (percentage of completion) in \$ for energy storage solutions, based on project data as of December 31, 2024. **Note 2:** Non-GAAP figure. Refer to reconciliation of Non-GAAP figures to the respective most directly comparable GAAP financial measure in our appendix. **Note 3:** Solutions contract refers to the project's stated capacity that is expected of the asset. **Note 4:** Refer to Pipeline definition and Backlog definition within the appendix. **Note 5:** Refer to ARR definition within the appendix. **Note 6:** Total Cash includes cash and cash equivalents + restricted cash. **Note 7:** Gross Capacity is the amount of capacity that is contracted and will be installed and is oftentimes above the stated capacity or Solutions Contract amount as the Gross Capacity accounts for expected degradation over the project life.



# Lowering FY 2025 Revenue Guidance by \$600 million<sup>(1)</sup>

Now expect FY 2025 Revenue of \$3.1 billion to \$3.7 billion (\$3.4 billion mid-point) vs. previous guidance of \$3.6 billion to \$4.4 billion (\$4.0 billion mid-point)

- \$600 million reduction is due mostly to delays in the expected signing of contracts for three projects in Australia
- Permitting issues have now been resolved or close to resolution and expect to sign these contracts later this year

Midpoint of Revised guidance is approx. 85% covered under the current backlog plus revenue already recognized vs. 80% at this point in 2024

Revised FY 2025 guidance midpoint represents 26% YOY growth from FY 2024



Note 1: Compared to prior guidance midpoint, refer to slide 14



- ✓ Full A/C block solution
- ✓ Industry-leading density
- ✓ Increased availability
- ✓ Lower upfront capital costs
- ✓ Beyond Burn Safety Standard
- ✓ Industry leading cyber security
- ✓ Lower operating costs across project's life

# Customer Roadshow Showcasing Breakthrough Technology on Feb 13<sup>th</sup>

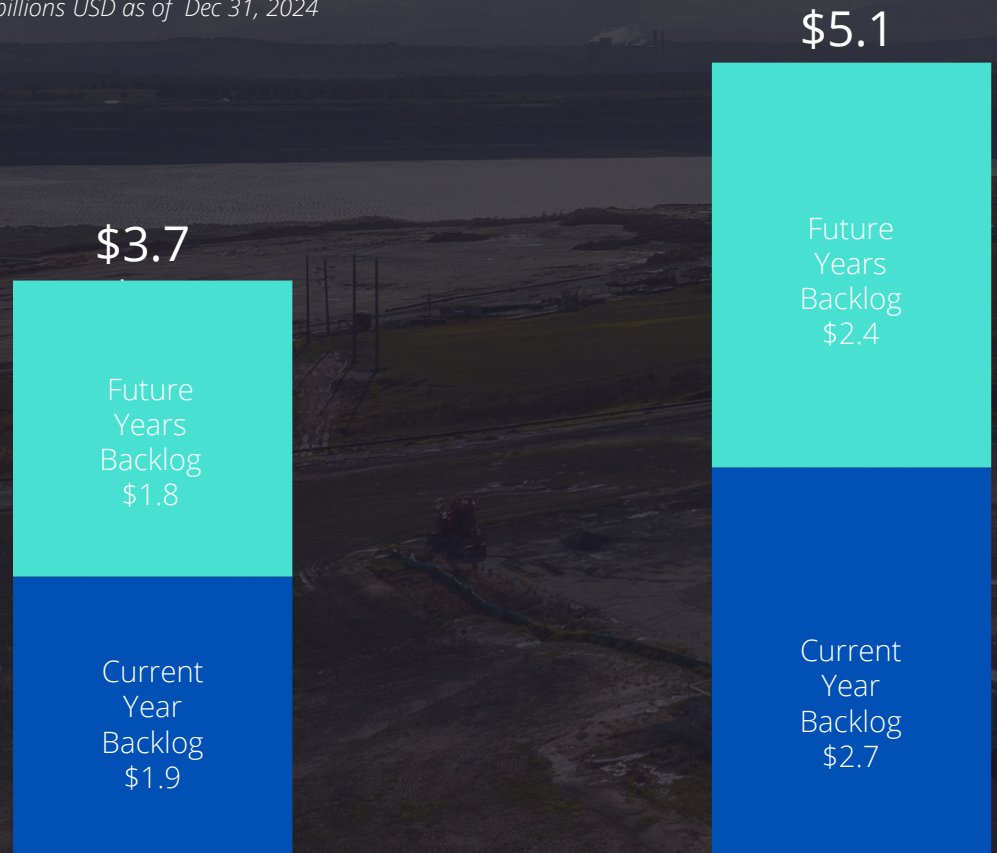


**Breakthrough technology reduces total cost of ownership resulting in maximizing customer return on investment.**



# Record Backlog Grew 38% Year-Over-Year Providing Continued Visibility to Future Revenue

FLNC Chart in billions USD as of Dec 31, 2024



Backlog as of Q1 FY24

Backlog as of Q1 FY25



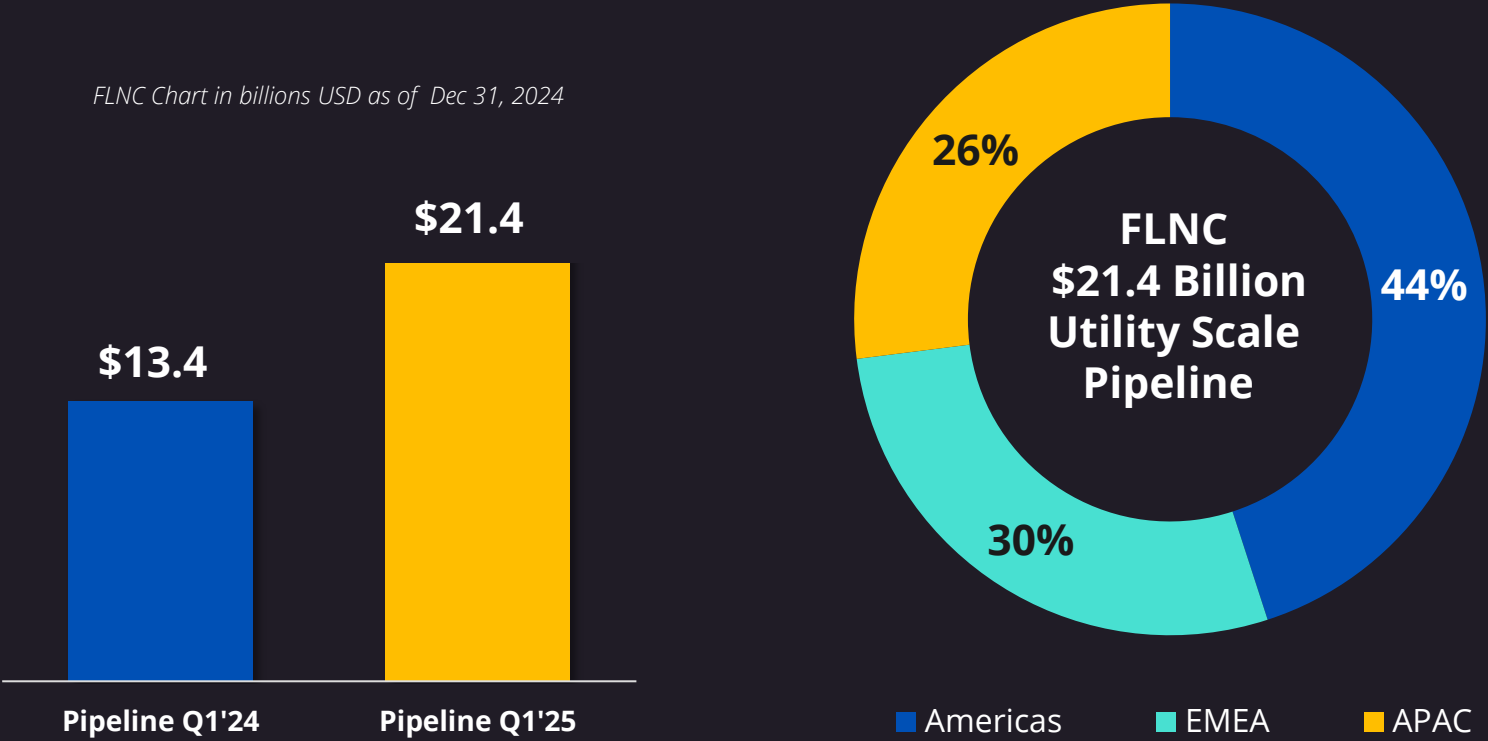
\* Refer to Backlog definition within appendix.



# Robust Global Utility-Scale Pipeline Underpins Strong Growth Outlook

60% Year-Over-Year Pipeline Growth

FLNC Chart in billions USD as of Dec 31, 2024



## PIPELINE

Pipeline **increased nearly \$500M**, to approx. \$21.4B, quarter-to-quarter.

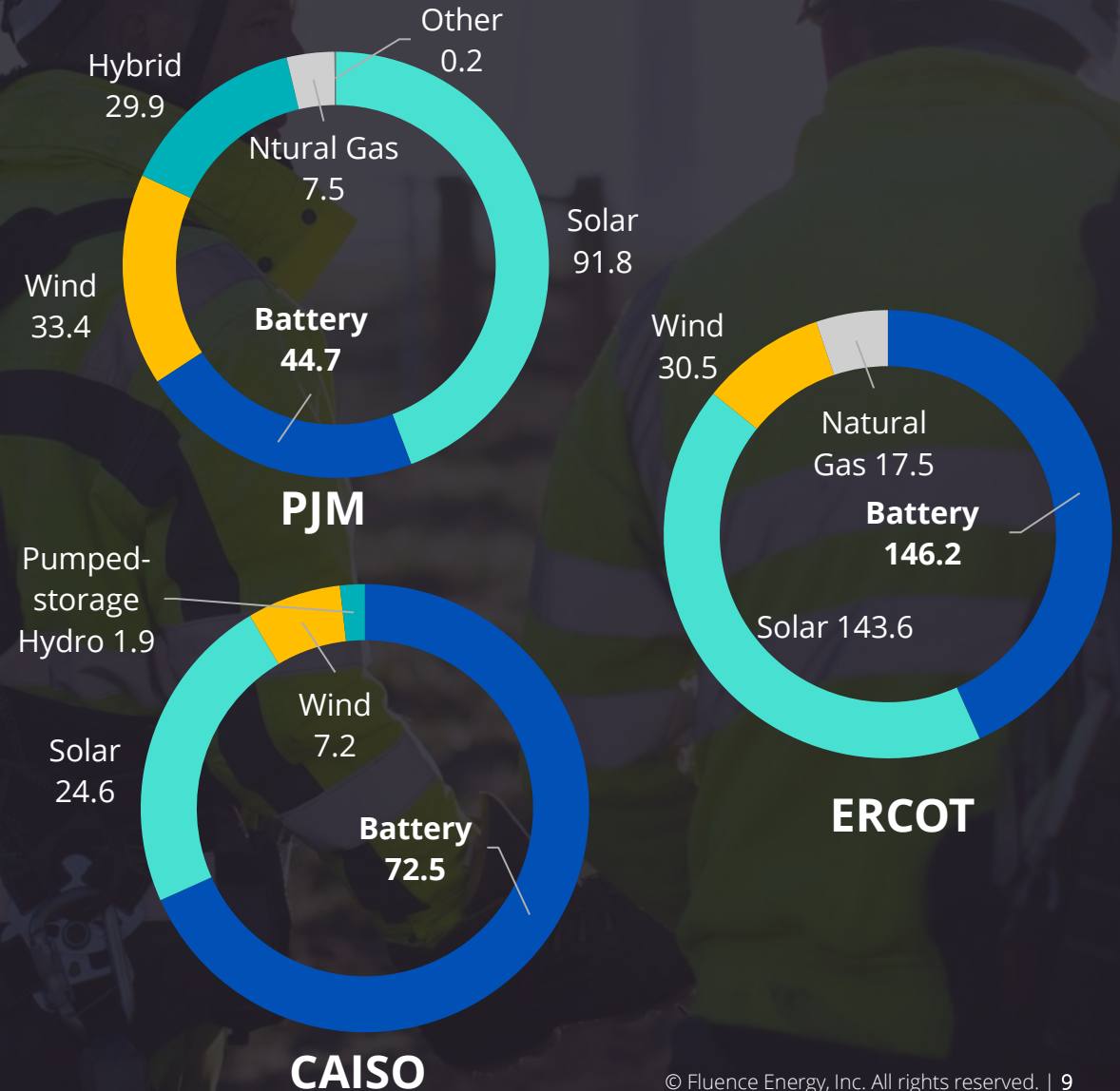


\* Refer to Pipeline definition within appendix.

# BESS Market Remains Robust and is being driven by AI, Data Center Growth, Domestic Manufacturing, and Sector-wide Electrification

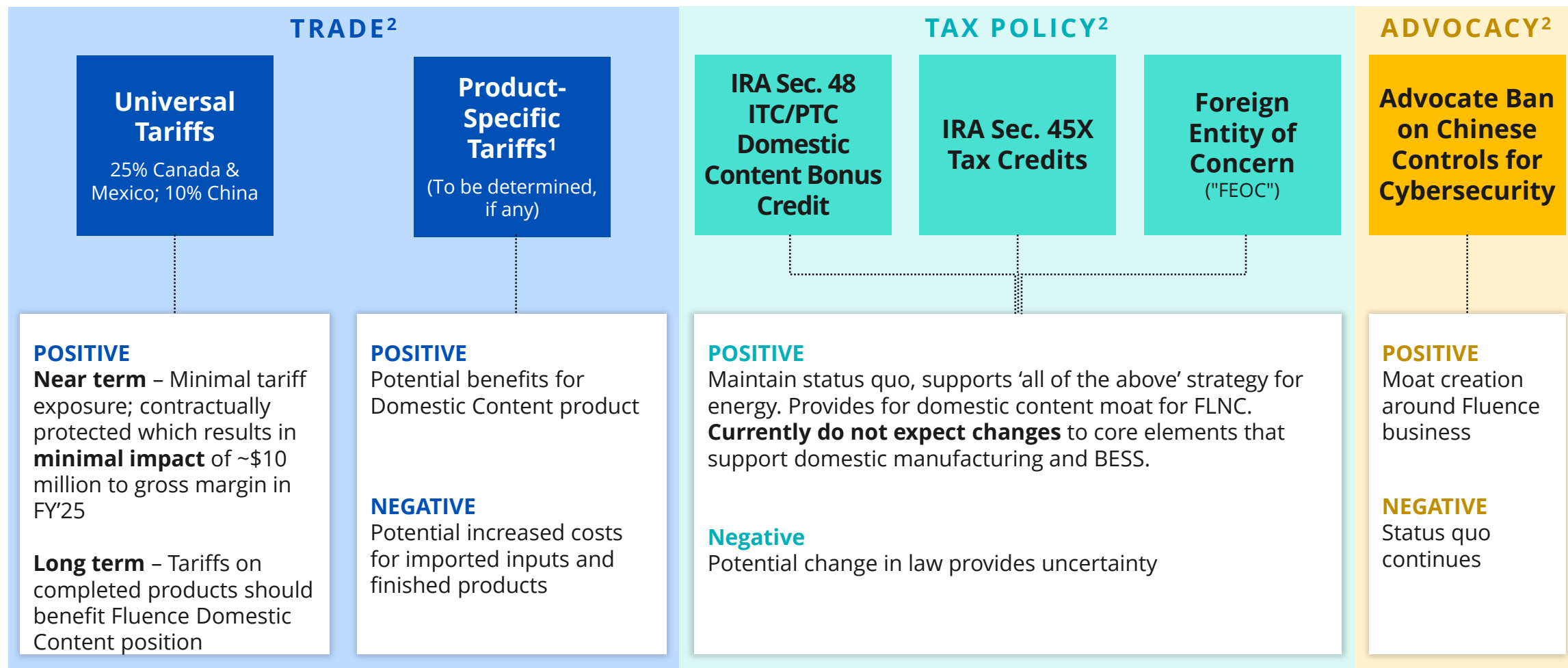
- Expect US power demand to increase to **5,036 TWh** by 2030, which represents a 2.4% CAGR from 2022-2030<sup>1</sup>
- Americas BESS installations grew from 24 Gwh in 2023 to almost 45 Gwh in 2024, representing an **83% increase**<sup>2</sup>
- **Domestic Content** now the primary focus item for U.S. customers

## US BESS Growth Evident in Interconnection Queues (GW)



**Note 1:** Per Goldman Sachs Research "The Push for the 'Green; data center and investment implications". **Note 2:** Per BNEF, the US is the largest market in the region, at 95% of gigawatt deployments, and reaches 250GW/976GWh of energy storage deployments by 2035 as utilities execute on energy storage targets and clean energy goals

# FLNC Sees Minimal Tariff Exposure in 2025; Domestic Content Strategy to Benefit



**Note 1:** Includes AD / CVD investigation on Chinese active anode material. **Note 2:** Disclaimer - information included herein and actual impact on Fluence's business is subject to significant uncertainty and is dependent on many factors which are currently unknown. Please refer to the forward-looking statements disclosure at the beginning of this presentation and risk factors set forth under Item 1A. "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended September 30, 2024, as updated in other filings we make with the SEC from time to time.

# US Supply Chain Key to Enabling FLNC's Domestic Content Leadership & Ability to Provide 100% Non-Chinese Product

Ability to Mix and Match BESS Components Is Unique to FLNC and Enables Customers to Meet IRA Domestic Content Threshold

**Enclosure & DCPM**  
Manufacturing | *Arizona*



**Battery Module** Manufacturing  
& Integration | *Utah*

**Communication Equipment**  
Manufacturing | *Georgia*



**Battery Cell**  
Manufacturing  
*Tennessee*



**Chiller / HVAC**  
Manufacturing | *Illinois*



**Inverter** Manufacturing  
| *South Carolina*

# Today's Agenda

- 1 **Strategy Update**  
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- 3 **Q&A**



# First Quarter 2025 Financial Performance

All figures in \$ million, unless specified<sup>2</sup>

	Q1'24	Q1'25
<b>Revenue</b>	<b>364</b>	<b>187</b>
<b>Adjusted Gross Profit<sup>1</sup></b>	<b>38</b>	<b>23</b>
<i>Adjusted Gross Profit Margin<sup>1</sup></i>	10.5%	12.5%
<b>Operating expenses excluding stock comp (SC)<sup>1</sup></b>	<b>62</b>	<b>71</b>
<i>Operating expenses excl. SC, % of Revenue<sup>1</sup></i>	17%	40.7%
<b>Adjusted EBITDA<sup>1</sup></b>	<b>(18)</b>	<b>(50)</b>
<b>GAAP metrics</b>		
<b>Gross Profit</b>	<b>36</b>	<b>21</b>
<i>Gross Profit Margin</i>	10%	11.4%
<b>Net Income (Loss)</b>	<b>(26)</b>	<b>(57)</b>



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

**Note 2:** May not reconcile to financial statements due to rounding.

## HIGHLIGHTS

- Generated \$187M revenue in Q1, 49% decrease from same quarter last year due to the pronounced backend nature of expected revenue for full year 2025 compared to the revenue distribution seen in full year 2024.
- Delivered 12.5% adjusted gross profit margin<sup>1</sup>, an increase from the same quarter last year of 10.5%.
- Adjusted EBITDA<sup>1</sup> of (\$50M), represents the relatively level nature of our costs on a quarterly basis.

# 2025 Guidance Update

All figures in \$ million,  
unless specified

	<b>FY 2024 Results</b>	<b>Prior FY 2025 Guidance</b>	<b>Updated FY 2025 Guidance</b>
<b>Revenue</b>	\$2,699	\$3,600-\$4,400 Midpoint \$4,000	\$3,100-\$3,700 Midpoint \$3,400
<b>Annual Recurring Revenue (ARR)</b>	\$100	Approximately \$145 by end of FY'25	Approximately \$145 by end of FY'25
<b>Adjusted EBITDA<sup>1</sup></b>	\$78	\$160-\$200 Midpoint \$180	\$70-\$100 Midpoint \$85

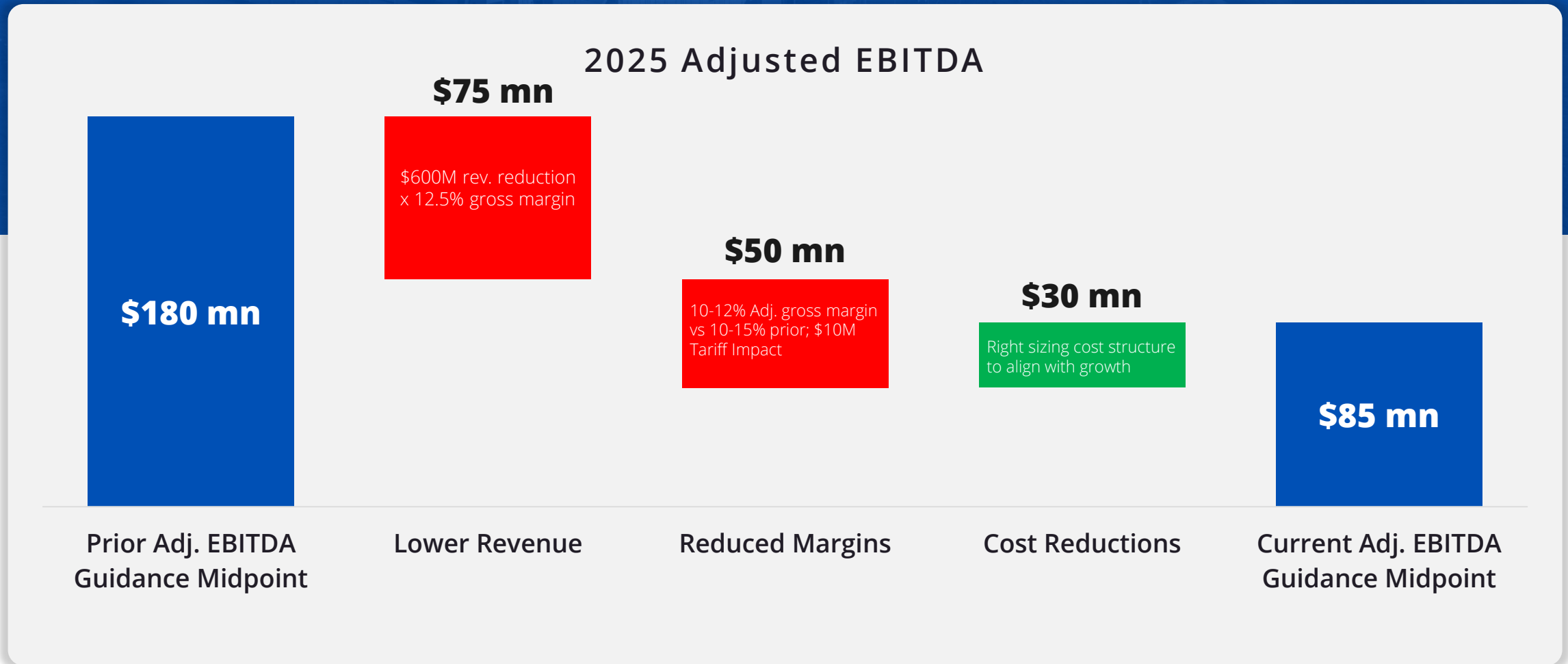


**Note 1:** Non-GAAP figures. Refer to appendix for reconciliation of FY 2024 Adjusted EBITDA to its most directly comparable GAAP financial measure. Refer to disclaimer on Non-GAAP Financial Measures for a discussion of why we are unable to reconcile forward-looking non-GAAP financial measures to their respective most directly comparable GAAP financial measure.

## HIGHLIGHTS

- 1 Approx. 85% of midpoint of updated FY'25 revenue guidance is covered by backlog + YTD revenue recognized; guidance updated primarily due to delays in contracts being awarded in Australia.
- 2 Currently expect 10-12% adjusted gross profit margin<sup>1</sup> for FY'25, which has been lowered primarily as a result of competitive pressures and approx. \$10M of tariff impact.
- 3 Anticipate FY'25 revenue split 15% H1 / 85% H2. Thus, expect negative Adjusted EBITDA<sup>1</sup> in H1.
- 4 Expect revenue growth of 30%+ in FY'26 starting from updated FY'25 guidance midpoint.

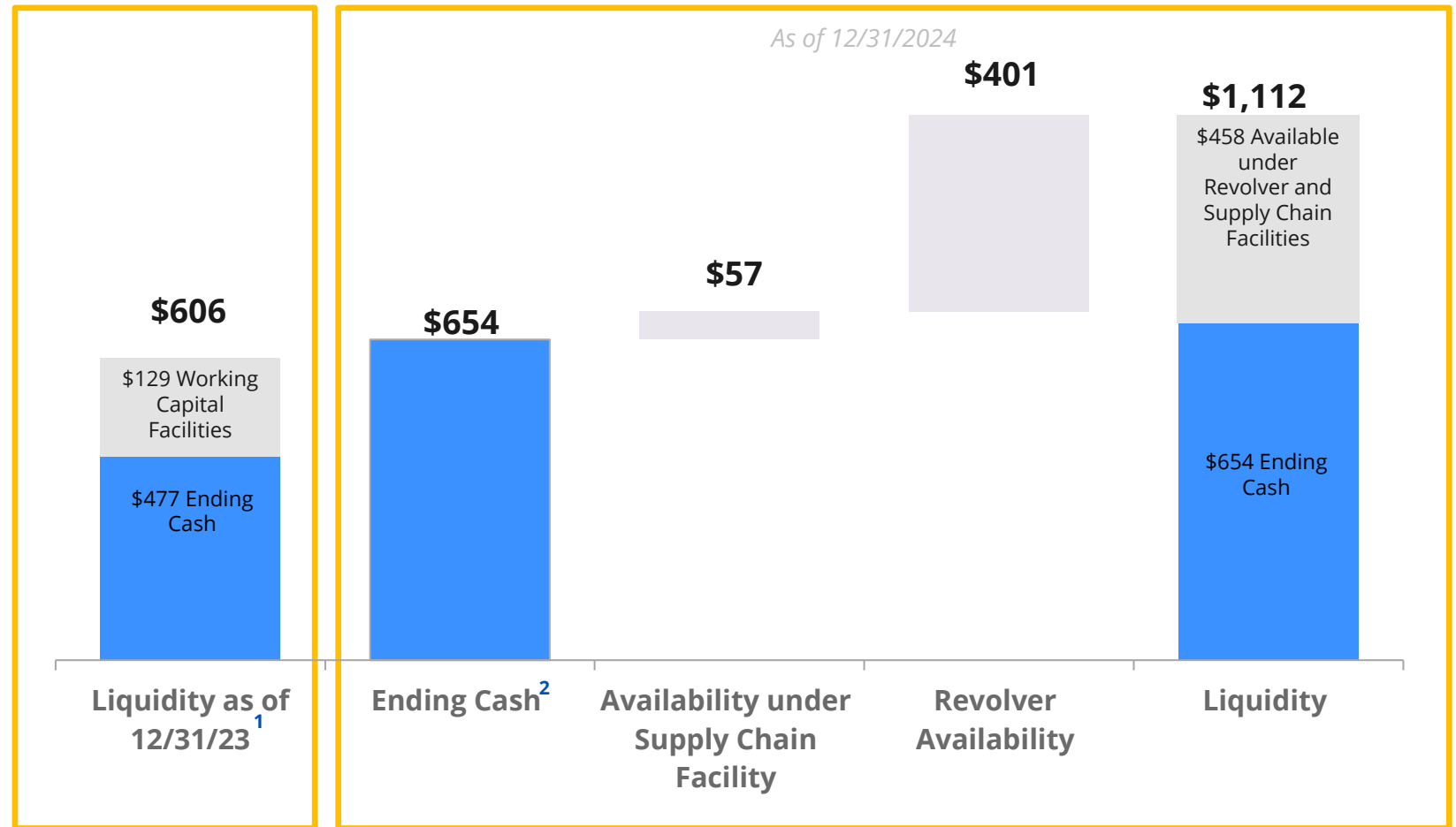
# Implementing Targeted Action Plan to Mitigate Impact on Adj. EBITDA of Contract Delays and Lower Margins





# Solid Liquidity Profile; Significantly Improved From Prior Year

All figures in \$ million, unless specified



**Note 1:** Liquidity is defined as Cash and cash equivalents + Restricted Cash + capacity available under our working capital credit facilities. **Note 2:** Ending cash includes Cash and cash equivalents + Restricted Cash



# Key Takeaways

1

Adjusting fiscal year guidance to reflect primarily contract delays and some competitive pressures; we are taking proactive steps with a **new platform coming out soon**

2

BESS Market remains robust, driven by rising demand and highlighted by US market where we have a **competitive advantage** with domestic content

3

Our **first mover advantage** establishing a U.S. supply chain helps mitigate the impacts of geopolitical uncertainty

4

We believe that our strategy of **rapid innovation** can provide our customers with a secure route to value and returns to our shareholders



# Today's Agenda

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# Appendix



# Definitions

Item	Definition
<b>Backlog</b>	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.
<b>Pipeline</b>	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.
<b>Contracted Backlog</b>	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.
<b>Deployed</b>	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.
<b>Assets Under Management</b>	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.
<b>Contracted/Order Intake</b>	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.
<b>BESS</b>	Acronym for battery energy storage system
<b>APM</b>	Acronym for asset performance management platform
<b>Annual Recurring Revenue (ARR)</b>	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.



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

# Non-GAAP Financial Measures & Reconciliations<sup>1</sup>

(\$ in millions)	FY23	Q1'24	Q2'24	Q3'24	Q4'24	FY24	Q1'25
<b>GROSS PROFIT</b>	141.0	36.4	64.2	83.0	157.5	341.1	21.2
Gross Profit Margin %	6.4%	10.0%	10.3%	17.2%	12.8%	12.6%	11.4%
Add:							
Stock-based Compensation <sup>(B)</sup>	4.2	1.2	1.1	0.8	0.9	4.1	0.9
Amortization <sup>(A)</sup>	0.8	0.4	0.6	0.8	0.9	2.7	1.3
Other Expenses <sup>(C)</sup>	0.9	-	-	-	-	-	-
<b>ADJUSTED GROSS PROFIT</b>	<b>146.9</b>	<b>38.0</b>	<b>65.9</b>	<b>84.6</b>	<b>159.3</b>	<b>347.9</b>	<b>23.4</b>
Adjusted Gross Profit Margin %	6.6%	10.5%	10.6%	17.5%	13.0%	12.9%	12.5%

(\$ in millions)	FY23	Q1'24	Q2'24	Q3'24	Q4'24	FY24	Q1'25
<b>OPERATING EXPENSES</b>							
Research And Development	66.3	15.4	17.4	15.0	18.3	66.2	17.2
Sales And Marketing	41.1	10.7	15.8	14.8	22.6	63.9	18.2
General And Administrative	136.3	37.7	44.1	45.1	46.1	173.0	36.7
Depreciation And Amortization	9.8	2.5	2.5	3.6	2.8	11.4	2.8
Less: Stock-based Compensation <sup>(B)(D)</sup>	22.8	4.4	5.5	5.3	4.6	19.8	4.4
<b>OPERATING EXPENSES EXCLUDING STOCK COMPENSATION</b>	<b>230.8</b>	<b>62.0</b>	<b>74.3</b>	<b>73.2</b>	<b>85.2</b>	<b>294.7</b>	<b>70.5</b>
Operating Expenses Excluding Stock Compensation (% of Revenue)	10.4%	17.0%	11.9%	15.1%	6.9%	10.9%	37.7%

(\$ in millions)	FY23	Q1'24	Q2'24	Q3'24	Q4'24	FY24	Q1'25
<b>NET INCOME (LOSS)</b>	(104.8)	(25.6)	(12.9)	1.1	67.7	30.4	(57.0)
Add:							
Interest Income, Net	(5.4)	(2.0)	(1.2)	(1.3)	(1.1)	(5.7)	(0.8)
Income Tax Expense (Benefit)	4.5	(1.2)	(1.7)	4.2	7.9	9.2	(1.7)
Depreciation and Amortization	10.7	2.9	3.1	4.4	4.1	14.5	4.5
Stock-Based Compensation <sup>(B)</sup>	26.9	5.6	6.6	6.1	5.5	23.9	5.3
Other Expenses <sup>(C)</sup>	6.7	2.0	-	1.1	2.8	5.8	-
<b>ADJUSTED EBITDA</b>	<b>(61.4)</b>	<b>(18.3)</b>	<b>(6.1)</b>	<b>15.6</b>	<b>86.9</b>	<b>78.1</b>	<b>(49.7)</b>
<b>REVENUE</b>	<b>2218.0</b>	<b>364.0</b>	<b>623.1</b>	<b>483.3</b>	<b>1228.1</b>	<b>2699</b>	<b>186.8</b>
<b>ADJUSTED EBITDA (% OF REVENUE)</b>	<b>(2.8%)</b>	<b>(5.0%)</b>	<b>(1.0%)</b>	<b>3.2%</b>	<b>7.1%</b>	<b>2.9%</b>	<b>(26.6%)</b>

	Year to Date figures				
(\$ in millions)	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25
Net Cash Provided by (Used In) Operating Activities	19.4	90.3	69.1	79.7	(211.2)
Less:					
Purchase Of Property And Equipment	(1.5)	(2.5)	(4.8)	(8.1)	(2.1)
<b>FREE CASH FLOW</b>	<b>17.9</b>	<b>87.8</b>	<b>64.3</b>	<b>71.6</b>	<b>(213.3)</b>

**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) Amount for FY23 mostly includes costs related to the restructuring plan from November 2022. Amounts for FY24 primarily relate to costs related to restructuring and severance, costs related to the termination of the 2021 Revolving Credit Agreement and Amendment No. 3 to the ABL Credit Agreement, costs related to the December 2023 secondary offering and expenses related to the Tax Receivable Agreement. (D) Amount considered for operating expenses calculation is only the OpEx portion of Stock-based Compensation expense.

**Disclaimer:** 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.



# Domestic Content Strategy Further Supported by Updated BESS Safe Harbor Table<sup>1</sup>

## HIGHLIGHTS

New Guidelines			Prior Guidelines		
Category	Manufactured Product Components	Safe Harbor %	Category	Manufactured Product Components	Safe Harbor %
Battery Pack/ Module	<ul style="list-style-type: none"> <li>• <b>Cells</b></li> <li>• Packaging</li> <li>• Production</li> </ul>	<b>52%</b> 5.6% 8%	Battery Pack/ Module	<ul style="list-style-type: none"> <li>• <b>Cells</b></li> <li>• Packaging</li> <li>• Thermal Management System</li> <li>• Battery Management System</li> <li>• Production</li> </ul>	<b>38%</b> 3.3% 4.9% 5.2% 21.1%
Inverter/ Converter	<ul style="list-style-type: none"> <li>• Printed Circuit Board Assemblies</li> <li>• Thermal Management System for Inverter</li> <li>• Electrical Parts</li> <li>• Enclosure &amp; Skids</li> <li>• Production</li> </ul>	1.4% 0.4% 0.5% 0.4% 1.9%	Inverter/ Converter	<ul style="list-style-type: none"> <li>• Printed Circuit Board Assemblies</li> <li>• Electrical Parts</li> <li>• Climate Control</li> <li>• Enclosure</li> <li>• Production</li> </ul>	1.7% 0.6% 0.4% 0.6% 1.9%
Battery Container/ Housing	<ul style="list-style-type: none"> <li>• Enclosure</li> <li>• Battery Management System</li> <li>• Thermal Management System for Battery Container/Housing</li> <li>• Production</li> </ul>	14.8% 7.4% 5.6% 2%	Battery Container/ Housing	Battery Racks and Metal Enclosure Production	15.8% 6.5%
Steel or iron reinforcing products in foundation		N/A	Steel or iron reinforcing products in foundation		N/A
Total Domestic Content %		100%	Total Domestic Content %		100%

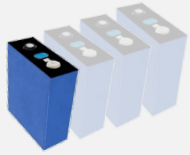
- 1 Domestic content strategy enables FLNC to provide 100% non-Chinese product
- 2 FLNC's competitive advantage in domestic content has resulted in US customer base doubling year-over-year
- 3 Recent guidance published by US Treasury indicates Co-located projects must be treated separately (i.e. Co-location solar and storage individually must qualify for domestic content)
- 4 US Treasury updated its Safe Harbor Table which now places a larger premium on domestically manufactured cells (updated to 52% from 38%), thus further benefiting FLNC's strategy



Note 1: US Department of the Treasury

# Fluence Battery Pack

Enables easier implementation of integrated solutions while commoditizing battery cells



**Battery Cell**

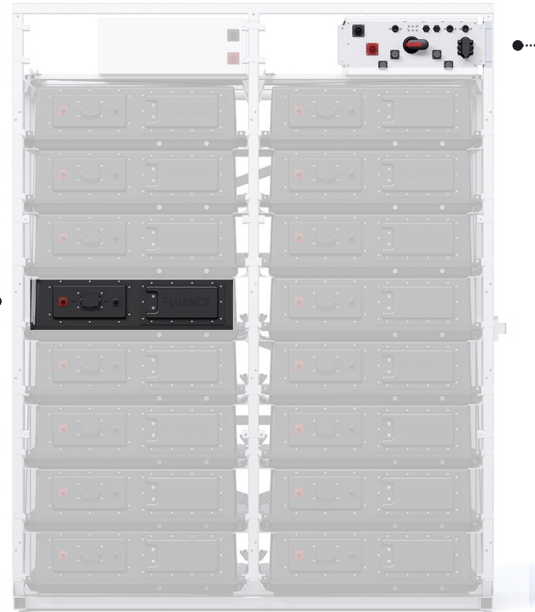
FROM  
AESC

- Cell Supplier 2
- Cell Supplier 3
- Cell Supplier 4
- Cell Supplier 5



## Battery Module

Manufacturing battery modules in our Utah facility expected to qualify for IRA sec.. 45X benefit of \$10 per kwh



## Battery Pack

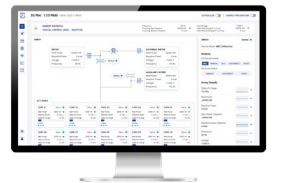


## DCPM

The "brains" of the Pack System, the DCPM collects battery data for communication with Fluence OS and use by cloud-based software, Fluence Mosaic and Fluence Nispera.



## Fluence Mosaic



## Fluence OS



## Fluence Nispera



## Gridstack Pro Enclosure

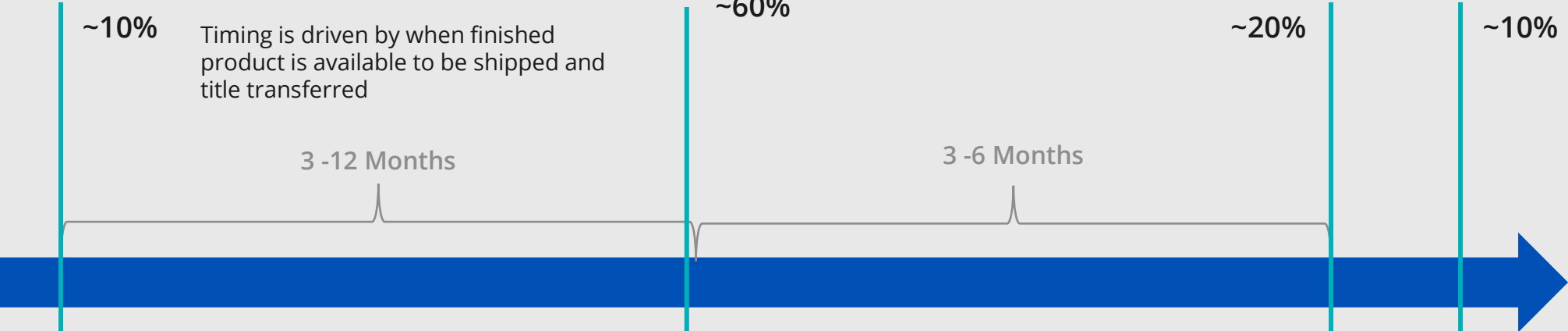
Pre-populated enclosure housing 3 x Fluence Battery Packs



Images not to scale

# Rule of Thumb for Percentage of Completion Revenue Recognition Highlights ~70%+ of Contract Value Recognized Within 3-12 Months

**Percentage of Contract Recognized as Revenue**



**Project Milestone**

Contract signed & 'Notice to Proceed' Issued by Customer; battery price locked in

Fulfillment or delivery of major equipment can occur anytime within 12 months of NTP

Substantial completion of project achieved

Final completion of project achieved



Note: The above timeline is not happening in all contracts and is not a promise or indication of how on contracting or revenue recognition works in all cases. There are contracts that operate outside of the above parameters.