UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended September 30, 2026
OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to
Commission file number 001-40978

Fluence Energy, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**87-1304612**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
2107 Wilson Boulevard, Suite 900 Arlington, Virginia	**22201**
(Address of Principal Executive Offices)	(Zip Code)

(833) 358-3623
Registrant's telephone number, including area code

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, $0.00001 par value	FLNC	The Nasdaq Global Select Market

Securities registered pursuant to section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of the voting and non-voting common stock held by non-affiliates of the registrant, based upon the closing sale price of a share of the registrant's Class A common stock on March 31, 2026, the last business day of the registrant's most recently completed second fiscal quarter, as reported on the Nasdaq stock market, was approximately $904.6 million. Shares of the registrant's Class A common stock held by each executive officer, director, and each other person who may be deemed to be an affiliate of the registrant, have been excluded from this computation. This determination of affiliate status is not necessarily a conclusive determination for other purposes.

As of November 20, 2026, the registrant had 143,295,698 shares of Class A common stock outstanding and 41,432,781 shares of Class B-1 common stock outstanding.

Documents Incorporated by Reference

Portions of the registrant's Definitive Proxy Statement relating to the 2027 Annual Meeting of Stockholders are incorporated by reference into Part III of this Annual Report on Form 10-K where indicated. Such Definitive Proxy Statement will be filed with the Securities and Exchange Commission within 120 days after the end of the registrant's fiscal year ended September 30, 2026.

Table of Contents

		Page
	Cautionary Statement Regarding Forward-Looking Information	2
Part I		6
Item 1.	Business	7
Item 1A.	Risk Factors	22
Item 1B.	Unresolved Staff Comments	70
Item 1C.	Cybersecurity	70
Item 2.	Properties	71
Item 3.	Legal Proceedings	71
Item 4.	Mine Safety Disclosures	71
Part II		72
Item 5.	Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities	72
Item 6.	[Reserved]	73
Item 7.	Management's Discussion and Analysis of Financial Condition and Results of Operations	74
Item 7A.	Quantitative and Qualitative Disclosures About Market Risk	86
Item 8.	Financial Statements and Supplementary Data	88
Item 9.	Changes in and Disagreements With Accountants on Accounting and Financial Disclosures	141
Item 9A.	Controls and Procedures	141
Item 9B.	Other Information	142
Item 9C.	Disclosure Regarding Foreign Jurisdictions That Prevent Inspection	142
Part III		143
Item 10.	Directors, Executive Officers and Corporate Governance	143
Item 11.	Executive Compensation	143
Item 12.	Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	143
Item 13.	Certain Relationships and Related Transactions, and Director Independence	143
Item 14.	Principal Accountant Fees and Services	143
PART IV		144
Item 15.	Exhibits and Financial Statement Schedules	144
Item 16.	Form 10-K Summary	149
Signatures		150

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Certain statements in this Annual Report on Form 10-K for the fiscal year ended September 30, 2026 (this "Annual Report") contain or may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements other than statements of historical facts contained in this Annual Report are forward-looking statements. In particular, statements regarding our future results of operations and financial condition and liquidity position; our business, growth, and innovation strategy and the efficacy of our products and services to meet evolving needs; future market and industry growth and related opportunities for the Company; our projected operating costs and future capital expenditures; our ability to differentiate our products and optimize our cost structure; our ability to compete; the timing of future revenue recognition, future capital expenditures and debt service obligations; our ability to maintain compliance and meet our obligations under our credit facilities; our ability to access capital or to obtain surety bonds, letters of credit, or other financial assurances when needed; our expected growth and demand for our energy storage solutions, services, and digital application offerings and the industry generally; relationships with new and existing customers and suppliers; our supply chain strategy and future volume and production capacity; the introduction of new energy storage solutions, services, and digital application offerings and adoption of such offerings by customers; our U.S. domestic content strategy; assumptions relating to the Company's tax receivable agreement; our relationships with our Founders, defined herein; expectations relating to backlog, pipeline, contracted backlog, and order intake; expectations relating to legal proceedings; impacts and benefits from the Inflation Reduction Act of 2022 (the "IRA") and related U.S. domestic content guidelines on us and our customers, potential impact of the changes to the IRA pursuant to the One Big Beautiful Bill Act ("OBBBA") and related executive orders and agency guidance on us, our customers, and our suppliers; the implementation and success of our compliance and risk mitigation strategies related to the foregoing regulatory impacts and uncertainty; potential or estimated impact of tariffs and uncertainty around U.S. and foreign trade policy on us, our suppliers, and our customers; potential impact from delays and challenges in ramp up of U.S. contracted manufacturing facilities, including our supplier's Houston manufacturing facility, and the impact on our customers and our operations; our plans for development of additional manufacturing capabilities; and beliefs, assumptions, prospects, plans, and objectives of management, are forward-looking statements. In some cases, you may identify forward-looking statements by terms such as "may," "possible," "will," "should," "expects," "plans," "anticipates," "could," "seeks," "intends," "targets," "projects," "contemplates," "grows," "believes," "estimates," "predicts," "potential," "commits," "would," or "continue" or the negative of these terms or other similar expressions. Accordingly, we caution you that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions, and uncertainties that are difficult to predict. Although we believe that the expectations reflected in these forward-looking statements are reasonable as of the date made, actual results may prove to be materially different from the results expressed or implied by the forward-looking statements.

These forward-looking statements are subject to a number of risks, uncertainties, and other important factors that could cause actual results to differ materially from those in the forward-looking statements, including, but not limited to, manufacturing delays, supply chain disruptions, quality issues, and production constraints; delays, disruptions, cost overruns, and other challenges in developing, delivering, installing, commissioning, and interconnecting energy storage projects; supplier concentration and the limited number of suppliers for critical components; our ability to successfully develop, launch, operate, and support new products, technologies, and software offerings; suppliers' inability to provide components in the required quantities, at the required quality levels, or on the timelines required to meet customer demand; operating as a global company with an international supply chain; increasing supply chain traceability, responsible sourcing, forced labor, human rights, and supply chain diligence requirements; changes in the cost and availability of raw materials and underlying components; the lengthy and resource-intensive sales and installation cycle for energy storage solutions; defects, errors, vulnerabilities, and/or bugs in products and technology; product defects or underperformance resulting in warranty expenses beyond current estimates; current and planned global operations; recent U.S. government actions restricting foreign-produced bulk-power system electric equipment; failure by contract manufacturers, vendors, suppliers, and upstream suppliers to use ethical business practices and comply with applicable laws and regulations; actual or threatened health epidemics, pandemics, or similar public health threats; severe weather events, natural disasters, and the effects of climate change; our ability to obtain financial assurances for projects; anticipated increases in expenses in the future and our ability to achieve or maintain prolonged profitability; restrictions set forth in current and future credit and debt agreements; our uncertain ability to raise additional capital to execute on business opportunities; fluctuations in currency exchange rates; fluctuations in order intake, backlog conversion, operating metrics, and results of operations across fiscal periods; the elimination, modification, or expiration of government incentives or regulations regarding renewable energy and energy storage; changes in the global trade environment, including tariffs; the risk that amounts included in the pipeline, contracted backlog, and remaining performance obligations may not result in revenue, cash flows, or profitability when expected, if at all; a significant reduction in order volume or loss of significant customers or their inability to perform under contracts; competition for offerings and the ability to attract new customers and retain existing ones; maintaining and enhancing reputation and brand recognition; our ability to effectively manage the scale, complexity, and expansion of our business and operations; our ability to attract, retain, develop, and motivate qualified personnel; our growth and project execution depending on the performance of third-party contractors, subcontractors, and service providers; the rapidly evolving and difficult-to-predict markets in which we operate; whether renewable energy technologies are suitable for widespread adoption or if sufficient demand for offerings does not develop or takes longer to develop than anticipated; our estimates on the size of the total

addressable market; macroeconomic uncertainty and market conditions; interest rates or a reduction in the availability of tax equity, project debt capital, or project financing and corresponding effects on customers' ability to finance energy storage systems and demand for energy storage solutions; electricity prices, market structures, regulatory policies, and the availability and cost of alternative energy and reliability solutions; a decline in public acceptance of renewable energy, energy storage, data center, or other large-load projects, or delay, prevention, or increase in the cost of customer projects; increased attention to, and evolving expectations regarding, environmental, social and governance ("ESG") matters; our ability to obtain, maintain, and enforce proper protection for intellectual property, including technology; the threat of claims by third parties alleging intellectual property violations; our having adequate protection for trademarks, trade names, and brands; our ability to enforce intellectual property rights throughout the world; claims that our employees, consultants, or advisors have wrongfully used or disclosed trade secrets of current or former employers or claims asserting ownership of our intellectual property; our patent portfolio; our ability to effectively protect the continuous operation and data integrity of technology infrastructure, data, and other business systems; cybersecurity risks and incidents affecting us and our third-party providers; the use of open-source software; our failure to comply with third-party license or technology agreements; our inability to license third-party intellectual property or technology on reasonable terms; compromises, interruptions, or shutdowns of systems; use of AI technologies; potential changes in tax laws or regulations; barriers arising from existing electric utility industry policies and regulations and any subsequent changes; environmental, health, and safety laws and potential obligations, liabilities, and costs thereunder; actual or perceived failure to comply with data privacy and data security laws, regulations, industry standards, and other requirements relating to the privacy, security, and processing of personal information; operational, legal, regulatory, cybersecurity, privacy, and reputational risks arising from the adoption and use of AI, machine learning, and other emerging technologies; potential future legal proceedings, regulatory disputes, and governmental investigations and inquiries; acquisitions or other strategic transactions made or that may be pursued; ownership of our Class A common stock, including antitakeover provisions in our organizational documents, the absence of current plans to pay regular cash dividends, and our dual class structure; being a "controlled company" within the meaning of the rules of the Nasdaq Stock Market ("Nasdaq"); terms of our amended and restated certificate of incorporation and amended and restated by laws; dilution from future issuances of Class A common stock or LLC Interests (as defined herein) and future sales of such shares; short-seller activists; control by, and our relationship with, our Founders (as defined herein) and Continuing Equity Owners (as defined herein); conflicts of interest by officers and directors due to positions with Continuing Equity Owners; our dependence on distributions from Fluence Energy, LLC to pay 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 related to our indebtedness and the 2030 Convertible Senior Notes; failure to maintain effective internal control over financial reporting to comply with the Sarbanes-Oxley Act; changes in accounting principles or their applicability; and estimates or judgments relating to critical accounting policies; and the factors described under the headings Part I, Item 1A. "Risk Factors" and Part II, Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" in this Annual Report. If one or more events related to these or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may differ materially from what we anticipate. Many of the important factors that will determine these results are beyond our ability to control or predict. Accordingly, you should not place undue reliance on any such forward-looking statements. We qualify all forward-looking statements contained in this Annual Report by these cautionary statements. Any forward-looking statement speaks only as of the date on which it is made, and, except as otherwise required by law, we do not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise. New factors emerge from time to time, and it is not possible for us to predict which will arise. In addition, we cannot assess the impact of each factor 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.

Additionally, our discussion of ESG assessments, goals, and relevant issues herein are informed by various ESG standards and frameworks (including standards for the measurement of underlying data) and the interests of various stakeholders. Any references to "materiality" in the context of such discussions and any related assessment of ESG "materiality" may differ from the definition of "materiality" under various legal regimes, including the federal securities laws for SEC reporting purposes. Furthermore, much of this information is subject to assumptions, estimates, methodologies, or third-party information that is still evolving and subject to change. While these are based on expectations and assumptions believed to be reasonable at the time of preparation, they should not be considered guarantees and in many cases such information and methodologies have not necessarily been verified by us or any third-party, unless otherwise specified. If our approaches to such matters are perceived to fall out of step with common or best practice, or otherwise diverge from stakeholder expectations, we may be subject to additional scrutiny, criticism, regulatory and investor engagement or litigation, any of which may adversely impact our business, financial condition, or results of operations. Similarly, we cannot guarantee strict adherence to standard recommendations, and our disclosures based on any standards may change due to revisions in framework or legal requirements, availability or quality of information, changes in our business or applicable government policies, or other factors, some of which may be beyond our control.

Risk Factors Summary

The following is a summary of the principal risks that could adversely affect our business, operations, financial results and future prospects, plans and objectives of the Company and the trading price of our Class A common stock. This summary should be read in conjunction with the "Risk Factors" section and should not be relied upon as an exhaustive summary of the material risks facing our business.

- risks relating to manufacturing delays, supply chain disruptions, quality issues and production constraints;
- risks associated with the development, delivery, installation, commissioning and interconnection of energy storage projects, cost overruns, and delays;
- risks relating to supplier concentration and the limited number of suppliers for critical components;
- ability to successfully develop, launch, operate, and support new products, technologies, and software offerings;
- risks related to suppliers which are unable to provide components in the required quantities or on timelines required to meet customer demand;
- risks relating to operating as a global company with a global supply chain;
- risks of increasing supply chain traceability and supply chain diligence requirements may increase compliance costs and restrict access to materials;
- changes in the cost and availability of raw materials and underlying components;
- risks relating to the lengthy sales and installation cycle for our energy storage solutions;
- risks relating to defects, errors, vulnerabilities and/or bugs in our products and technology;
- product defects or underperformance resulting in warranty expenses beyond current estimates;
- risks relating to our current and planned global operations;
- recent U.S. government actions restricting foreign-produced bulk-power system electric equipment could affect supply chain, increase costs and delay customer projects;
- failure by contract manufacturers, vendors, and suppliers to use ethical business practices and comply with applicable laws and regulations;
- actual or threatened health epidemics, pandemics or similar public health threats;
- severe weather events;
- ability to obtain financial assurances for our projects;
- risks relating to increased expenses and profitability;
- restrictions set forth in our current credit agreement and future debt agreements;
- uncertain ability to raise additional capital to execute on business opportunities;
- fluctuations in currency exchange rates;
- elimination, or expiration of government incentives or regulations regarding renewable energy and energy storage;
- changes in the global trade environment, including tariffs;
- fluctuations of our order intake, backlog conversion and results of operations across fiscal periods;
- risks relating to pipeline, contracted backlog, and remaining performance obligations;
- significant reduction in our 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 the scale, complexity and expansion of our business and operations;
- ability to attract and retain highly qualified personnel;
- our growth depends in part on the success of our relationships with third-party contractors, subcontractors and service providers;
- the rapidly evolving and difficult-to-predict markets in which we operate;

- 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;
- macroeconomic uncertainty and market conditions;
- risk relating to interest rates or a reduction in the availability of tax equity, project debt capital or project financing in the global financial markets and corresponding effects on customers' ability to finance energy storage systems and demand for our energy storage solutions;
- risks relating to electricity prices, market structures and the cost of alternative energy and reliability solutions;
- decline in public acceptance of renewable energy, energy storage, data center or other large-load projects, or delay, prevent, or increase in the cost of customer projects;
- increased attention to ESG matters;
- 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 throughout the world;
- risks relating to claims that our employees, consultants or advisors have wrongfully used or disclosed trade secrets of current or former employers or claims asserting ownership of our intellectual property;
- risks relating to our patent portfolio;
- ability to effectively protect data integrity of our technology infrastructure, data, and other business systems;
- risks relating to cybersecurity risks and incidents which may result in damage to our brand and reputation, material financial penalties and legal liability;
- 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;
- risks relating to the use of AI technologies;
- risks relating to acquisitions or other transactions we have made or that we may pursue;
- potential changes in tax laws or regulations;
- barriers arising from current electric utility industry policies and regulations and any subsequent changes;
- risks relating to environmental, health, and safety laws and potential obligations, liabilities and costs thereunder;
- actual or perceived failure to comply with data privacy and data security laws, regulations, industry standards, and other requirements relating to the privacy, security, and processing of personal information;
- risks relating to adoption and use of AI machine learning and other emerging technologies;
- risks relating to potential future legal proceedings, regulatory disputes, and governmental inquiries;
- risks relating to ownership of our Class A common stock, including our dual class structure;
- risks related to no current plan to pay dividends on Class A common stock for the foreseeable future;
- risks relating to us being a "controlled company" within the meaning of the Nasdaq rules;
- risks relating to conflicts of interest by our officers and directors due to positions with Continuing Equity Owners;
- risks related to future dilution;
- risks relating to short-seller activists;

- risks relating to our relationship with our Founders and Continuing Equity Owners;
- risks relating to the terms of our amended and restated certificate of incorporation and amended and restated bylaws;
- 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 our indebtedness and the 2030 Convertible Senior Notes;
- 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; and
- risks relating to estimates or judgments relating to our critical accounting policies.

PART I

ITEM 1. BUSINESS

Inception and Organization

Fluence Energy, Inc., a Delaware corporation (the "Company"), was initially formed on June 21, 2021 and completed its initial public offering (the "IPO") on November 1, 2021. We conduct our business operations through Fluence Energy, LLC and its direct and indirect subsidiaries. Fluence Energy, LLC was formed on June 30, 2017 as a joint venture between Siemens Industry, Inc. ("Siemens Industry"), an indirect subsidiary of Siemens AG ("Siemens"), and AES Grid Stability, LLC ("AES Grid Stability"), an indirect subsidiary of The AES Corporation ("AES"), and commenced operations on January 1, 2018. We refer to Siemens Industry and AES Grid Stability as the "Founders" in this Annual Report. As the sole managing member of Fluence Energy, LLC, Fluence Energy, Inc. operates and controls all the business and affairs of Fluence Energy, LLC and its direct and indirect subsidiaries. As a result, Fluence Energy, Inc. consolidates Fluence Energy, LLC and records a non-controlling interest in its consolidated financial statements for the economic interest in Fluence Energy, LLC held by the Founders. Except where the content clearly indicates otherwise, any reference in this Annual Report to "Fluence," "we," "us," "our," or the "Company" refers to Fluence Energy, Inc. and all of its direct and indirect subsidiaries, including Fluence Energy, LLC.

Overview

Fluence is a global market leader delivering intelligent energy storage and optimization software for renewables and storage. Our energy storage solutions and operational services are designed to help create a more resilient grid, from powering the next generation of artificial intelligence ("AI") driven data centers to unlocking the full potential of renewable portfolios.

As of September 30, 2026, we had 8.1 gigawatts ("GW") of energy storage assets deployed and 16.8 GW of contracted backlog across 33 markets in 25 countries with a gross global pipeline of 125.4 GW. As of September 30, 2026, our global operational and maintenance ("O&M") services team was providing services for 6.9 GW of energy storage assets, with a further 10.1 GW of contracted backlog. As of September 30, 2026, we had an aggregate of 24.1 GW of renewable energy assets using Fluence digital offerings and 10.9 GW of contracted backlog related to renewable and energy storage assets using Fluence digital offerings.

Our Industry and Market Opportunity

Our Industry

The utility-scale battery storage industry continues to experience significant growth, driven in part by (i) the global transition toward renewable energy, (ii) increasing focus on grid reliability and resilience, (iii) rising electricity demand, (iv) lithium-ion battery costs, and (v) supportive regulatory frameworks. Energy storage has become an increasingly critical component of modern electricity systems, enabling greater integration of renewable generation, mitigating intermittency challenges, enhancing grid stability, and supporting decarbonization objectives. In the United States, Wood Mackenzie and the American Clean Power Association reported that 18.9 GW of battery storage was installed in calendar year 2025, a 52% increase in power capacity from calendar year 2024; a separate SEIA and Benchmark Mineral Intelligence assessment, using broader segment definitions, estimated 28 GW of U.S. installations in calendar year 2025. Industry-wide, demand for grid-scale energy storage continues to expand as power systems integrate increasing volumes of variable renewable generation, address rising electricity demand and grid constraints, and pursue reliability and decarbonization objectives.

Energy Storage Market Opportunity

We believe the energy storage market is comprised of three main elements:

- ***Energy storage solutions*** — the components (including batteries), professional services, and labor required to manufacture, assemble, and install energy storage systems. The energy storage solutions market is driven by the deployment of new energy storage solutions globally and its addressable market is comprised of the annual spend associated with the manufacturing, delivery, and installation of new energy storage solutions. BloombergNEF reported in its 1H 2026 Energy Storage Market Outlook that global energy storage additions, excluding pumped hydro, reached 112 GW in calendar year 2025 and are forecasted to increase to 158 GW in calendar year 2026. BloombergNEF further forecasts cumulative global energy storage capacity to reach approximately 2.9 TW by the end of calendar year 2036, with annual additions reaching approximately 308 GW in calendar year 2036.

- ***Service*s** — recurring operations and maintenance ("O&M") services and asset management services that support energy storage projects throughout their operating life, including services that asset owners may outsource to third-party providers. The services market is driven by the continued growth of installed energy storage globally, with an addressable market comprising recurring annual service spend across the expanding fleet of energy storage projects.

- ***Digital applications and software*** — cloud-based software that helps asset owners improve asset performance and market participation across their systems and portfolios. These offerings include asset performance management ("APM") software that helps customers monitor, analyze, and optimize asset performance, as well as forecasting and bid optimization software that continuously evaluates market opportunities and optimizes participation across energy and ancillary-service markets based on market conditions, asset constraints, warranties, and customer risk preferences. The digital applications sector is driven by growth in installed energy storage and renewable assets, with an addressable market comprising the total global installed fleet of these assets. The digital applications and software economic model is primarily structured as (i) recurring fixed fees under a software-as-a-service model and, in some cases, (ii) performance-based incentive fees based on the MWs of storage and generation assets on which the offerings are deployed or on specific performance metrics agreed to with customers. As energy storage fleets and renewable generation portfolios expand, our digital offerings can be deployed across these portfolios to improve operational efficiency, support predictive maintenance and lifecycle decision-making, optimize market participation, reduce total cost of ownership, and help customers maximize asset value throughout the lifecycle.

As described above, we believe there are multiple key factors driving continued growth in the energy storage sector, including, but not limited to:

- Renewable Energy Transition: The potential transition from fossil to renewable generation is expected to require significant increases in energy storage capacity to both offset potential grid instability caused by intermittent renewable resources and enable the use of power from renewable generation assets at times when natural resources may be unavailable. We believe energy storage will be essential in managing variations in renewable electricity output.

- Increasing Focus on Grid Reliability and Resilience: Growing capacity constraints on existing power grids that were not designed to support distributed and renewable generation infrastructure or technologies, such as electric vehicles, position energy storage assets as a key solution.

- Rising Electricity Demand: Driven by factors such as the rise of data centers and AI. The surge in demand for electricity increases the need for energy storage systems to support grid stability, manage peak loads and provide reliability to power grids, especially during periods of elevated use. There is significant need for technology solutions that can be deployed in the next five years to keep up with data center build out and energy storage is well suited to be deployed at scale in this timeline. According to a publication from the U.S. Department of Energy in April 2024, electricity demand is forecasted to grow substantially in the United States over the next decade. This is being driven to some extent by the increased demand from data centers and AI. In another report by the U.S. Department of Energy in June 2026, data centers are expected to consume approximately 9.5% to 15.3% of total U.S. electricity by calendar year 2030. We are seeing similar trends of increasing electricity demand in other countries, including those in which we operate. As power demand grows, utilities, independent power producers, commercial customers, and data center operators increasingly require energy storage systems to support reliability, manage peak loads, enhance grid flexibility, and optimize energy costs. Energy storage systems can serve as load, generation, and ancillary service providers, making them particularly well suited for electricity users pursuing co-location, behind-the-meter, backup power, and microgrid strategies. We believe Fluence is well positioned to help customers address these evolving energy needs through our energy storage, services, and digital offerings.

- Lithium-Ion Battery Costs: Growth of the industry and the continued adoption of energy storage solutions by customers is driven by the declining cost of the lithium-ion energy storage hardware, mainly the cost of lithium-ion batteries. Over the past decade, declining battery prices have contributed meaningfully to the growth of the energy storage market. However, the battery supply chain remains subject to volatility in commodity markets and raw material availability. Lithium-ion battery costs generally have declined during recent years, due in part to manufacturing overcapacity and saturation in the market and lower cost of the underlying raw materials. We have experienced increases in lithium carbonate and other commodity prices since late 2025, resulting in higher battery costs in certain periods during fiscal year 2026. Although we believe battery costs will decline over the long term, there can be no assurance that such declines will occur at the pace we expect or at all. Sustained increases in battery or other component costs could negatively impact customer demand, project economics, market growth, the Company's growth, and our operating results.

- Supportive Regulatory Frameworks: Governments across the globe have announced legislation, policies, and initiatives that are supportive of the transition from fossil fuels to low-carbon forms of energy and that support specifically energy storage deployment and development. Such government policies, regulations, legislation, and programs have become increasingly instrumental in stimulating adoption of energy storage solutions across different markets through a variety of methods, including by providing financial support and incentives, including tax incentives, facilitating grid integration, supporting research and development, and establishing favorable regulatory regimes.

Our Products and Services

Our business continues to evolve worldwide and is shaped by the varying ways in which our products can provide economically viable solutions to energy needs in certain markets. Our offerings include energy storage products and solutions, services, and digital applications for energy storage and other power assets. We may refer to our energy storage systems as "energy storage solutions" and use this term interchangeably as it is more reflective of the full offering available and provided to our customers. We may also refer to battery-based energy storage systems, systems, integrated systems, enclosures, and cubes interchangeably. We have repeatedly pioneered new use cases for grid-scale energy storage. Some of the uses we have supported include frequency regulation, generation enhancement, capacity peak power, energy cost control, microgrids/islands, renewable integration, virtual dams, transmission and distribution ("T&D") enhancement, and critical power.

Energy Storage Solutions

We sell configurable energy storage solutions with integrated hardware, software, and digital intelligence. Fluence's energy storage solutions are built on years of development of prior generations, and reflect, among other things, ongoing safety and design improvements. We believe that Fluence's energy storage solutions make it simpler for customers to deploy storage faster and more cost effectively without sacrificing quality and configurability. Our storage technology lays the foundation for better energy storage solutions with industry-leading safety, integrated controls systems, and factory-built, modular building blocks. By pairing the benefits of mass production with the flexibility of a configurable system architecture, we believe we are able to serve the diverse needs of customers around the world from a single, underlying product platform. Our energy storage solutions are optimized for common customer applications but can be configured for specific use cases and requirements. We currently sell the following solutions:

- Smartstack™: Announced during fiscal year 2025, this platform reflects a revolutionary split architecture design, incorporating embedded intelligence and higher energy density compared to traditional AC systems. This architectural design separates critical control systems from battery packs and it combines a comprehensive network of sensors paired with edge computing to deliver real-time insights about all aspects of operation, security, and performance.
- Gridstack Pro® : energy storage solution designed for large-scale front-of-the-meter applications. Gridstack Pro is sold to independent power producers ("IPPs"), developers, utilities, and other generators, and is designed to improve density and system performance. This solution, which includes Gridstack Pro 2000 and 5000 models, combines state-of-the-art battery modules, management systems, and monitoring equipment into a fully unified architecture designed to improve operations and system safety. It includes a system of multiple interoperable enclosures that provide different energy capacities and densities for diverse global project needs. During fiscal years 2025 and 2026, we used our Fluence-designed Battery Packs in our Gridstack Pro 2000 solutions. These battery modules were produced at a contract manufacturer's facility in Utah and incorporated into our Gridstack Pro 2000 U.S. domestic content offering.
- Gridstack®: Energy storage solution designed for front-of-the-meter applications. This solution is sold to IPPs, developers, utilities, and other generators to deliver energy, capacity, and ancillary services in both regulated and deregulated electricity markets globally. Gridstack's industrial strength design is built for demanding front-of-the-meter energy storage applications including, but not limited to, flexible peaking capacity, frequency regulation, and renewable integration.
- Ultrastack®: Designed to meet the critical system requirements of distribution and transmission networks, including stringent requirements around availability, uptime, and information technology ("IT") security, and advanced controls applications that deliver a suite of highly technical grid services, such as synthetic inertia and power oscillation damping.

We are no longer accepting new commercial orders for or marketing Gridstack Pro 2000, or Ultrastack for new projects; we are actively fulfilling all previously executed customer contracts and delivery obligations utilizing these platforms. We expect to complete the physical deployment and commissioning of the majority of these remaining contracted systems during fiscal year 2027 and will continue to perform our long-term service and warranty obligations on the deployed fleet in accordance with our underlying customer agreements.

We continue to evolve our product portfolio to address changing customer requirements, supply-chain dynamics, and market opportunities. Smartstack, our next-generation storage platform, is designed to support a range of customer applications, use cases and regional requirements and is being introduced on a phased basis as product configurations, certifications, supplier readiness, testing, customer qualifications and documentation activities are completed. We expect Smartstack to become an increasingly important component of our storage product portfolio over time. As we continue the transition of portions of our storage portfolio toward Smartstack, we must successfully coordinate product development, certification, contracted manufacturing readiness, supplier qualification, customer acceptance and deployment activities while continuing to support our existing installed base and product offerings.

In addition, each of our energy storage solutions includes Fluence OS, our foundational controls software for safe, reliable operation. Fluence OS provides real-time dispatch and plant control, asset protection, system visibility, cybersecurity, and

integration within a single operating platform. As our energy storage solutions' primary controls platform, Fluence OS manages the system from plant-level commands through physical asset dispatch and supports integration with external grid, EMS, AGC, and operator commands. Fluence OS also enables operators to meet grid requirements and participate in ancillary-service markets through integrated, configurable, and validated controls, supporting applications including frequency response, voltage and reactive power support, automatic dispatch, state-of-charge management, and other grid services.

Advanced safety features in all Fluence storage solutions work together to prevent, detect, and contain thermal events, minimizing damage and downtime. Fluence completes fire testing at the cell, module, unit, and installation levels for all systems. Fire testing incorporates the UL9540A standard and goes beyond industry standards with the purposeful inception of a full-scale fire to measure propagation, safe distances, gas emissions, incident times, and safety practices.

Services

In addition to energy storage solutions, we offer engineering, delivery, operational, maintenance, and performance services designed to help customers maximize system value throughout the asset lifecycle. Our engineering and delivery services support every stage of deployment, from project design and integration through turnkey installation. Our operational and maintenance services are tailored to each customer's business objectives, internal capabilities, performance requirements, and risk profile.

Our service plans provide varying levels of training, maintenance, guarantees, warranties, and support to address our customers' desired level of active system management. Service offerings range from training and remote monitoring to predictive, preventative and reactive maintenance, performance testing, performance guarantees, equipment warranties, spare-parts support, and onsite field services. Base services include continuous remote monitoring and issue notification, while additional service options provide diagnostics, troubleshooting, maintenance, and field response to help customers maintain availability, reliability, and long-term performance.

Digital Application Offerings

Our cloud-based digital applications help energy storage and renewable asset owners manage operational complexity, improve asset performance, and maximize value as their portfolios scale. These offerings include Fluence Nispera, our asset performance management software for monitoring, analyzing, and optimizing the performance of energy storage and renewable assets, and Fluence Mosaic, our forecasting and bid optimization software for evaluating market opportunities and optimizing participation across energy and ancillary-service markets. Together, these capabilities help customers improve operational performance, support lifecycle decision-making, and maximize asset value.

Fluence Mosaic is our forecasting and bid optimization software and services offering for utility-scale energy storage and renewable assets. Mosaic combines probabilistic price forecasting, physical asset modeling, and stochastic optimization to continuously evaluate market opportunities and optimize participation across multiple revenue streams. Mosaic automatically generates market-compliant bids based on market conditions, physical asset constraints, warranty requirements, market rules, and customer risk preferences. Customers can complement Mosaic's optimization software with market strategy guidance and operational support, ranging from expert advisory services to trade implementation and day-to-day market operations. Mosaic is currently available in Australia's NEM, California's CAISO, Texas' ERCOT, and Japan.

Fluence Nispera is our cloud-based APM platform for energy storage and renewable assets. Nispera centralizes operational data, key performance indicators, alarms, dashboards, reporting, and asset-management workflows to help customers identify underperformance, investigate issues, understand performance trends, and make more informed operational decisions. Advanced analytics provide deeper insight into battery health and performance, including State of Health, State of Balance, anomaly detection, forecasting, and predictive alerts. These capabilities help customers identify emerging conditions, understand degradation and battery performance, prioritize issues requiring attention, and inform maintenance, warranty, augmentation, repowering, and lifecycle investment decisions.

Our energy storage technology, Fluence OS controls, lifecycle services and performance guarantees, and digital applications are designed to work together as an integrated set of capabilities. These capabilities are designed to help customers improve operational performance, manage risk, capture market opportunities, and maximize asset value throughout the lifecycle.

Our Growth Strategy

Our growth strategy includes leveraging our global scale, product development, and market share position to help transform the way we power our world for a more sustainable future. We continue to prioritize investment, commercial resources and operational capabilities in selected core markets where we believe we have the greatest opportunities to achieve sustainable and profitable growth, while maintaining a disciplined approach to expansion in emerging markets. Our geographic priorities may

evolve over time based on customer demand, regulatory developments, competitive dynamics, available supply-chain capacity, and expected returns on investment.

The rapid growth of AI, cloud computing and data center infrastructure is increasing demand for reliable power, grid flexibility and energy-storage solutions. We are pursuing opportunities to support data center customers and related market participants through our energy storage, software and services offerings and through strategic relationships across the energy ecosystem. While we believe the long-term market opportunity is significant, the timing, size and conversion of future opportunities remain subject to customer requirements, project development timelines, contracting activity, financing availability, permitting, interconnection and other factors. We also continue to target other customers as the number of IPPs, utilities, and other key energy customers buying battery energy storage solutions continues to grow substantially throughout the world, including as a result of the rising demand for electricity and energy storage resulting from the expansion of data centers and traditionally focused renewable and thermal developers add energy storage to their portfolios.

We intend to continue to develop and innovate to provide energy storage solutions and digital software offerings that aim to solve our customers' energy challenges and expand our services with additional value-add offerings. We also plan to continue to grow our customer base through new product launches and are also focused on expanding our business with standardized offerings that are optimized for each of our sales channels, and on moving towards an organizational structure better designed to support specific customer types, with improved logistics, and with enhanced market focus.

Our Customers

We sell our energy storage solutions, services, and digital offerings to a wide range of customers around the world, including utilities and load-serving entities, IPPs, developers, data center developers, and commercial and industrial ("C&I") customers. In fiscal year 2026, our three largest customers represented approximately 44% of our revenues. In addition, as of September 30, 2026, approximately $435.1 millions of our revenue was with related parties, primarily AES and its affiliates. As of September 30, 2026, the Company had $8.9 billion of remaining performance obligations related to our contractual commitments, which we refer to as our backlog, of which 4% is with AES. As of September 30, 2026, we had a gross global pipeline of 125.4 GW, which includes 81 GW for energy storage solutions and services. Of the energy storage solutions and services global pipeline, United States customers composed the largest portion of our pipeline at 45.7 GW or approximately 56%, with Australia customers following at 14.1 GW or 17%, and Germany customers at 8.4 GW or 10%.

Sustainability

We are a purpose-built, purpose-driven company on a mission to transform the way we power our world for a more sustainable future. Our approach to sustainability is grounded in data-driven accountability and transparency, which is intended to allow us to evaluate our business holistically and prioritize sustainable practices across our operations, from the engineering of our energy storage solutions to supply chain management. Our sustainability program is organized around responsible sourcing, product longevity and circularity, and data-driven improvement. Our ESG Steering Committee is responsible for prioritization and promoting alignment regarding sustainability initiatives and priorities across internal stakeholders. The ESG Steering Committee is currently comprised of five management leaders (our Chief Executive Officer, Chief Financial Officer, Chief Human Resources Officer, Chief Operating Officer, and Chief Legal and Compliance Officer).

During fiscal year 2024, we developed our responsible sourcing framework and implemented it for our key strategic suppliers. In fiscal year 2025, we matured the program by introducing additional supplier self-assessment questionnaires targeted to different industry segments and expanding supplier engagement. Additionally, we have expanded our responsible mineral sourcing program to include critical battery minerals within the scope of our conflict minerals policy and due diligence efforts. We now collect mineral origin information from our suppliers, with increased focus on critical battery minerals, including but not limited to lithium, graphite, cobalt, and copper, in addition to our existing tracking of tin tantalum, tungsten, and gold pursuant to our Conflict Minerals Policy. Our responsible sourcing approach is designed to identify, measure, and mitigate social and environmental risks through supplier support, monitoring, and enforcement including requiring corrective action plans for identified nonconformances and, where necessary, suspension or termination of the supplier relationship. We use supplier selection, engagement, education, assessments, and auditing to advance our responsible sourcing program.

Our expectations of suppliers are formalized in our Supplier Code of Conduct, which is generally aligned with internationally recognized standards, including the United Nations Guiding Principles on Business and Human Rights and

applicable International Labour Organization conventions. We engage independent third parties to conduct supplier audits and site assessments as part of our ongoing conformance monitoring.

Human Capital

We believe our workforce is critical to our success and we strive to create a positive, equitable, and safe work environment. To create a culture of transparency, we maintain a regular cadence of communication from the executive leadership team to our employees, including emails, all hands meetings, Q&A sessions, and employee resource groups with executive sponsors.

As of September 30, 2026, we had approximately 1,746 full-time employees across 16 different countries. None of our employees in the United States are represented by a labor union. As of September 30, 2026, approximately 230 of our employees in Germany were represented by a works council and in the Netherlands, approximately 60 employees were represented by a works council. We have not experienced any employment-related work stoppages, and we consider relations with our employees to be good. As of September 30, 2026, women represent approximately 26% and men represent approximately 73% of our total workforce.

During fiscal year 2026, we launched our first public-facing Global Human Rights Policy. The policy outlines our approach to respecting and supporting internationally recognized human rights across our workforce including topics such as safe working conditions, non-discrimination, freedom of association, responsible recruitment, and protection from forced and child labor. The policy is mandatory and applies to all Fluence directors, officers, employees, contractors, and controlled entities globally.This policy is an important extension of Fluence's SA8000-certified Social Accountability Management System, which is a standard focused on the fair and decent treatment of workers and to which Fluence’s corporate headquarters is certified.

Fluence is committed to supporting the well-being and professional growth of our employees through regionally tailored benefit offerings. Professional development opportunities are offered globally, with centralized tools and training platforms supporting employee learning and career advancement throughout the Company.

Our incentive plans, including our executive compensation programs, are designed to deliver pay for performance and for employees at certain levels and within certain departments at Fluence, we offer annual incentives and long-term compensation to reinforce the alignment between our employees and the Company’s long-term financial and strategic growth.

Fluence is internationally certified to ISO 9001, a quality management standard focused on commitment to customer satisfaction, purpose-driven leadership, and equitable involvement for all employees.

Safety

Safety is a core value and an essential component of our operating model. We are focused on protecting the health and safety of our employees, contractors, and business partners through a global safety management program centered on risk identification, prevention, accountability, and continuous improvement. Our approach integrates safety into daily operations and emphasizes leadership engagement, employee participation, training, audits, and performance monitoring. During fiscal year 2026, we continued to advance our global safety program through enhanced safety governance, expanded use of data analytics, and increased visibility into key safety performance indicators. Our safety management activities included safety training, leadership-led safety engagements, workplace inspections, corrective action management, emergency preparedness initiatives, and ongoing compliance oversight across our operations.

To support ongoing improvement, we expanded the use of enterprise safety dashboards that provide enhanced visibility into organizational safety performance and facilitate data-driven decision-making. These tools enable management to monitor trends, track corrective actions, evaluate safety activities, and identify opportunities to strengthen operational controls and reduce risk. Our focus on safety is further supported through internal audits, management reviews, and oversight of internationally recognized safety management system requirements, including ISO 45001-related activities. We believe that maintaining a strong safety culture and disciplined risk management practices can contribute to operational reliability, employee wellbeing, and long-term business performance.

Manufacturing and Supply Chain

Manufacturing

Mass manufacturing has been and continues to be a cornerstone of our product delivery approach and a key to driving down product cost and delivering at scale. As part of these strategic objectives, we have partnered with third party contract manufacturers to support production across multiple product lines and geographies.

The Company currently utilizes a limited number of key contract manufacturers in South East Asia and in the United States. In September 2022, we established a relationship with a US based contract manufacturer in a new manufacturing facility in Salt Lake City Utah. The Salt Lake facility supported regional domestic deliveries and helped us address previous supply chain

constraints. In 2024 we added a second US based contract manufacturer for expanded manufacturing operations in Arizona. This second contract manufacturer in Arizona commissioned their new facility in 2025 and began scaling production. We continued to use both of these contract manufacturers during fiscal year 2026. In fiscal year 2026, we added a third contract manufacturer and a new facility which began production ramp up in the second quarter of this year. This additional contract manufacturing capacity expands our assembly and production beyond South East Asia in order to meet increasing US and global demand. Certain of our contract manufacturing partners, including the contract manufacturing site in Houston, did not achieve planned production volumes, which affected our ability to deliver projects on schedule. We continue to evaluate additional contract manufacturing capacity both in the United States and in the rest of the world to support expected growth and continuity of production.

As we move into fiscal year 2027, our contract manufacturing operations continue to evolve in response to changing customer requirements, technology advancements, and global supply chain and geopolitical dynamics. We recognize the growing importance of flexible and resilient manufacturing networks. This shift toward a more flexible and distributed manufacturing model is intended to enable us to scale production more efficiently, access specialized capabilities, and respond more rapidly to market fluctuations. We are actively working with our contract manufacturers to implement advanced manufacturing technologies, including automation, digital quality control systems, and integrated planning platforms, to improve throughput, consistency, quality, and traceability. In addition to increasing U.S. domestic contract manufacturer output, we continue to assess opportunities for greater vertical integration where such investments may improve operational efficiency, quality, scalability, supply chain resilience, and long-term competitiveness. As our reliance on contract manufacturing continues, we are also enhancing our oversight and governance frameworks to support compliance with our quality standards, regulatory obligations, and sustainability programs. This includes on-site presence, supplier audits, expanded data-sharing protocols, and collaborative risk management practices.

Supply Chain

Our energy storage business is supported by a strategically diversified and increasingly resilient global supply chain. As demand for grid-scale, data centers and commercial energy storage solutions continues to accelerate, we have expanded our procurement and supplier engagement activities to support continuity, scalability, and innovation across key components, including battery systems, power conversion systems (“Inverters”), medium voltage equipment, and thermal management technologies. Many components and parts of our integrated energy storage solutions are sourced from suppliers and stakeholders from all over the world.

We source lithium-ion battery cells and modules from a mix of Tier 1 global manufacturers, with a focus on suppliers that demonstrate strong ESG compliance and long-term capacity commitments. Our battery supplier base includes existing suppliers in North America and suppliers in Asia. In fiscal year 2026, we entered into a multi-year supply arrangement with one of our battery cell and module suppliers covering cell and module supply from calendar years 2027 through 2031. Battery cells and modules that are produced in the United States help to support our domestic content offering. Inverters are also critical to the performance and grid compatibility of our energy storage systems. We maintain relationships with leading inverter manufacturers in Europe, North America, and Asia. We currently rely on one supplier for US produced inverters and are working to qualify additional suppliers for U.S. production. We continue to source inverters from Asia for projects outside the United States. Effective thermal regulation is furthermore essential for battery performance, safety, and longevity. We procure thermal management components, including liquid cooling systems, heat exchangers, and control units, from specialized vendors with expertise in high-density energy applications. In fiscal year 2026, we expanded our U.S. domestic sourcing footprint to support U.S. based manufacturing initiatives for thermal management systems. These efforts align with our broader strategy to localize critical supply chains and reduce carbon intensity. Medium voltage equipment, including transformers and integrated skids, remain subject to long lead times and limited qualified production capacity, particularly for products certified to U.S. standards.

We believe that regionalization allows Fluence to assemble products in proximity to major markets to minimize material movement, working capital investment, and cost of goods sold. We continue to work to align our procurement strategy with U.S. government initiatives under the OBBBA, the IRA, and Section 45X advanced manufacturing production tax credits (“the AMPC”). We continue to explore additional U.S. based supply arrangements for our future U.S. operations as well as our foreign operations. We believe that continued expansion and emphasis on U.S. domestic content under the IRA, as modified by the OBBBA, will provide Fluence with a competitive advantage. Our procurement operations, however, remain subject to a complex and evolving supply chain and regulatory landscape.

We continue to evaluate and refine our contract manufacturing and sourcing strategy, including the use of regional manufacturing capabilities, U.S. domestic-content solutions and modular product architectures, in order to support customer requirements, improve supply-chain resilience and respond to evolving market conditions.

Additionally, we rely on third-party logistics providers to move and store our products and components, and we maintain logistics network design and governance in-house.

As of the date of this Annual Report, we believe that we have adequate access to our key components to meet the needs of our operations and demand of our customers, although certain components remain subject to the supply constraints described above and as further discussed in Part I, Item 1A. Risk Factors in this Annual Report.

Intellectual Property

The success of our business depends, in part, on our ability to maintain and protect our proprietary technology and intellectual property, some of which include patents, patentable ideas, methods, and technologies, proprietary information, trade secrets, trademarks, copyrights, processes and know-how. We rely primarily on a combination of patent, trademark, copyright, unfair competition, and trade secret laws, as well as confidentiality agreements and procedures and other contractual arrangements with our employees, contractors, and third parties, to establish, maintain, and protect our methods, technology, and proprietary rights.

As of September 30, 2026, we held 191 granted patents worldwide and had 371 patent applications pending with global patent offices. As of September 30, 2026, we also had 122 registered trademarks with global trademark offices. Such trademarks include Fluence, Gridstack, Smartstack, and many other marks. We rely on both registration of our marks as well as common law protection where available.

Additionally, we rely on trade secret protection and confidentiality agreements to safeguard our interests with respect to proprietary know-how and software that are not patented and processes for which patents are difficult to enforce. We believe that many elements of our manufacturing processes involve proprietary know-how, technology, or data that are not covered by patents or patent applications, including technical processes, test equipment designs, algorithms, and procedures. We pursue intellectual property protections that are aligned and advantageous to our business objectives and we require our customers and business partners to enter into confidentiality agreements before we disclose sensitive aspects of our technology or business plans. We may take legal action to prevent third parties from infringing or misappropriating our intellectual property or from otherwise gaining access to our technology. Furthermore, during onboarding, Fluence employees agree to assign all the inventions, designs, and technologies they develop during the course of employment with us, to Fluence.

Fluence also has a series of intellectual property related assignments and licenses with Siemens and AES that were entered into in 2021, including, but not limited to, a patent assignment agreement entered on April 6, 2021, with Siemens pursuant to which Siemens assigned, sold, and transferred to us the entire right, title, and interest in the United States and all other countries, in and to any and all inventions and improvements disclosed in certain identified patent applications, pending patent applications, and granted letter patents.

Additionally, we entered into an intellectual property assignment agreement with AES on September 9, 2021 (the “Patent Transfer Agreement”), whereby AES assigned certain intellectual property to Fluence that we had previously utilized through a license from AES as well as amended Company Name Affix and Trademark License Agreements with each of AES and Siemens, pursuant to which we were granted the right to use the AES and Siemens marks in the Fluence “name affix”, as well as the mark “Siestorage” from Siemens and the use of “AES Energy Storage” from AES. From time to time, we may enter into research and development agreements with our related parties, pursuant to which we may collaborate on evaluating and developing energy storage solutions.

Competition

The energy storage sector is highly competitive and continuously evolving. Our energy storage products, solutions, services, and digital applications are designed to meet the unique demands of the energy industry. The intricacy involved in the design and integration of our offerings underscores their technical complexity. Nevertheless, new companies enter the market continuously and offer products and services that may compete with ours. We remain committed to innovation in the design of our battery energy storage systems and exploring underserved market segments and use cases, many of which present lower levels of competition. We believe that competitive factors in the energy storage market include, but are not limited to:

- safety, reliability, and quality;
- price of energy storage solutions, services, and digital application offerings;
- total cost of ownership;
- ability to obtain and maximize financing based on system and Company performance;
- integration approach (including vertical integration);
- performance guarantees, credit support, and product warranties;
- site density capability;
- alternative duration success;
- shortened delivery, installation, and commissioning time;
- stability in supply chain;
- approach to responsible sourcing and supply chain due diligence;
- historical customer track record (as the market and industry continue to grow);
- experience in the battery energy storage system market of the respective competitor and the leadership team;
- technological expertise and innovation;
- comprehensive, scalable solutions and offerings from a single provider;
- ease of integration;
- brand recognition;
- ability to take advantage of certain government initiatives and tax credits, including those under the IRA and OBBBA;
- size of projects;
- cybersecurity components of energy storage solutions and components; and
- seamless hardware and software-enabled service offerings.

The competitive landscape for battery energy storage is broad and varies significantly across geographies, countries, grid services, and customer segments. As global demand for energy storage accelerates, the industry is experiencing heightened competition from both established players and new entrants. Certain competitors are larger in scale, particularly in certain regions. Additionally, some have greater manufacturing experience and capabilities in developing or acquiring new technologies, have more experience and generating market awareness for their solutions.

Several competitors, especially those with ties to China, benefit from vertically integrated supply chains and state support. Historically, the lithium-ion battery cell supply chain has been heavily concentrated in China, encompassing everything from raw material processing to anode/cathode production and cell manufacturing. This integration has enabled many Chinese competitors to offer energy storage solutions at prices lower than other market participants. If Chinese competitors offer lower prices, bid below cost, or operate at sustained losses, it could negatively affect our pricing flexibility, market share, and overall financial performance.

Our key competitors currently include, but are not limited to, Tesla, Inc., Sungrow, Contemporary Amperex Technology Co., Limited (CATL), LG, Wartsila (including through its new joint venture Valo), and BYD Company Limited. We believe we differentiate ourselves from our competitors through our ability to identify and meet customer needs with customized products, services, and use-case solutions. Our competitive advantage is rooted in delivering strong performance and value, supported by features such as a low total cost of ownership, long-term reliability, a broad range of service offerings, and efficient sales and delivery processes. Additionally, we expect that U.S. policies favoring domestic companies, such as the OBBBA and IRA, will continue to further enhance our competitive position in the U.S. market. Finally, we believe that the launch of Smartstack has successfully differentiated Fluence’s product offering versus standard market solutions, which we plan to continue to build upon.

Regulation and Compliance

Our business operates within a constantly evolving landscape of laws and regulations at the federal, state, regional, local, and international levels. For instance, government policies, regulations, legislation, and programs are instrumental in stimulating adoption of energy storage solutions across different markets through a variety of methods, including by providing financial support and incentives, facilitating grid integration, supporting research and development, and establishing favorable regulatory regimes. In recent years, political and policy instability has impacted global energy markets and related manufacturing. To the extent that any existing government incentives are modified, reduced, eliminated, or are permitted to expire or there is the potential of such modifications, reductions, eliminations or expirations, or there is determination of inapplicability of such government incentives or regulations relating to or mandating or encouraging use of renewable energy and/or energy storage, there have been and there may in future be adverse effects on customer demand and our business.

Additionally, as a global company, our business is impacted by sanctions, tariffs, and other government-imposed trade measures, whether through international agreements or unilateral decisions. Changes in tax laws, trade policies, and government regulation relating to or encouraging use of energy storage have in the past negatively impacted, and could in the future negatively impact, our business operations and financial performance.

In addition, the U.S. and many other countries have laws designed to protect national security or to restrict foreign direct investment. For example, under the U.S. Foreign Investment Risk Review Modernization Act ("FIRRMA"), the Committee on Foreign Investment in the United States ("CFIUS") has the authority to review, block or impose conditions on investments by non-U.S. persons in U.S. companies or real assets deemed critical or sensitive to the United States. Many other jurisdictions have similar laws.

We are also subject to a range of complex U.S. and international laws and regulations, including those related to anti-bribery and corruption, antitrust and competition, and data privacy and security, such as the EU General Data Protection Regulation. We are also subject to various federal, state, local, and international laws and regulations relating to the protection of the environment and occupational health and safety and are subject to government policies or laws intended to protect human rights. For example, in the U.S., we are subject to the requirements of the federal Occupational Safety and Health Act, as amended, and comparable U.S. state laws that protect and regulate employee health and safety as well as comparable international laws that aim to protect and regulate employee health and safety. Changes in or adoption of U.S. domestic policies and policy initiatives, legislation and regulations on a federal, state, and local level as well as changes in or adoption of policies and policy initiatives, regulations and legislation in foreign jurisdictions in which we operate may pose risks or provide opportunities for the Company's business that may impact our future operations and financial condition. For more information about the potential risks of adoption or changes to such policies, legislation and regulations, see Part I, Item 1A. "Risk Factors."

Some of the key energy storage-related legislation, policies, regulations, government incentives, and guidelines that have impacted, and may in the future impact, our business and demand for our offerings are set forth below.

Key U.S. Related Policies, Regulation, and Legislation

IRA and OBBBA

The U.S. Congress is continuously reviewing and passing various proposals, incentives, regulations, and legislation that may support the energy storage industry, including in the form of federal tax credits and other incentives. For example, in August 2022, the United States passed the IRA, which included incentives that supported the adoption of energy storage solutions, including a new "technology neutral" Section 48E investment tax credit (the "ITC") and Section 45Y production tax credit (the "PTC"), the AMPC and changes to the previous Section 48 non-"technology neutral" investment tax credit and Section 45 production tax credit. On July 4, 2025, the OBBBA was signed into law, which significantly modified certain provisions of the IRA, including those related to energy storage. The OBBBA supports energy storage in the United States, as the bill maintained long-term continued availability of the ITC for energy storage projects and the AMPC for domestically manufactured cells, modules, and inverters in energy storage systems. Certain tax credits, notably including the ITC for energy storage, will begin to phase down for projects that start construction (in accordance with Internal Revenue Services ("IRS") guidance) in 2033. The prevailing wage and apprenticeship requirements enacted under the IRA continue to apply under the OBBBA for the project owner to receive the full ITC value, and the credit value can be further increased if the project owner also qualifies for a domestic content bonus credit and energy communities bonus credit. The OBBBA amended the provisions of the domestic content bonus credit for the ITC such that the project owner now must achieve higher minimum domestic content percentage thresholds. In addition, the OBBBA amended the ITC and AMPC establishing Prohibited Foreign Entity ("PFE") restrictions.

The new PFE restrictions apply to virtually all key tax credits under the IRA and come in two forms: (i) for tax years beginning after July 4, 2025, the taxpayer taking the ITC and AMPC tax credit cannot be a PFE and (ii) for ITC projects that start construction in 2026 and after, and AMPC eligible components that are made and sold in the manufacturing facility's tax year that begins after July 4, 2025, the ITC eligible project or AMPC eligible component must source a certain percentage of material from non-PFEs (known as the "Material Assistance Cost Ratio" or "MACR"), and the percentage of material from non-PFEs increases annually over time. The OBBBA includes substantive details regarding PFE restriction compliance requirements and requires U.S. Department of Treasury to issue implementation regulations by December 31, 2026. In preparation for the potential application of PFE restrictions being applied to the energy storage tax credits arising out of the IRA, we developed a compliance strategy intended to address and mitigate risks relating thereto. On February 12, 2026, the IRS published Notice 2026-15 providing initial guidance on determining compliance with the MACR requirements in the OBBBA. This guidance supports our view that our compliance strategy will assist customers seeking to comply with tax credit requirements under Section 48E and Section 45X. The U.S. Department of Treasury has not yet issued guidance related to PFE effective control or proposed or final regulations regarding PFE MACR and effective control restrictions.

We believe we are well positioned to benefit from both the ITC provisions (including the revised domestic content bonus credit thresholds) and the AMPC, via our complete U.S. supply chain of modules, cells, inverters, battery pack, enclosures, and thermal management systems.

Recent U.S. Tariffs and Trade Policies

In May 2024, the U.S. executive administration announced a significant shift in the tariff framework for the energy storage industry. Under the May 2024 structure announced by the U.S. executive administration, the Section 301 tariff rate on battery "parts"–including separators, electrolytes, cans, and electrodes remained at its current 25% level. Further, the Section 301 tariff rate on lithium-ion non-EV batteries imported from China was increased from 7.5% to 25%, effective January 1, 2026. This change specifically targeted "batteries" as defined by U.S. Customs and Border Protection, encompassing integrated battery energy storage systems, modules, and certain types of cells.

In fiscal year 2026, the tariff environment continued to be dynamic for all types of imports into the United States, including on products from China that are used in our energy storage solutions. "Reciprocal" tariffs imposed pursuant to the International Emergency Economic Powers Act ("IEEPA") were invalidated by the Supreme Court of the United States ("SCOTUS") in February 2026. Following the SCOTUS ruling, the U.S. executive administration imposed a new 10% tariff on all global imports under Section 122 of the Trade Act of 1974, which expired on July 24th, and then replaced those tariffs with new tariffs pursuant to a Section 301 investigation related to forced labor practices that became effective on the same day. The new Section 301 forced labor tariffs impose a 10% tariff on all imports from certain countries and a 12.5% tariff on other countries, including China. As of the filing date of this Annual Report, covered imports from China relevant to our energy storage systems are subject to the 25% Section 301 tariff rate on battery-related imports, the 12.5% Section 301 forced labor tariff, and the 3.4% base tariff on battery imports from all countries, excluding Canada and Mexico.

In addition, tariffs that have been imposed by the United States government against other countries have changed, and may in the future increase, decrease, or change, with little to no advance notice. The recent tariff policy changes and continued uncertainty relating to U.S. trade policy and the corresponding response from other foreign countries have impacted and may in the future impact the energy storage market, demand for our energy storage solutions by customers, our business, and results of operations as well as those of our customers, partners, and suppliers. The Company has exposure from the imposition of these new tariffs and from the tariff uncertainty in the global markets, as the Company imports components from overseas, including battery cells from China, into the United States for customers and projects in the United States. We have seen in the past, and may see in the future, impacts to customer contracting activity due to tariff uncertainty.

Furthermore, there are ongoing, and there may be future, investigations into certain additional tariffs on specific imports and trade practices that may result in tariffs and/or more restrictive trade duties and restrictions on components for our energy storage solutions that we import into the U.S. from overseas. For example, the United States Trade Representative initiated a Section 301 tariff investigation related to structural excess capacity and production in manufacturing sectors. That investigation may result in additional tariffs on imports from up to 16 nations, including China. Due to the uncertainty relating to the final outcome of the various ongoing tariff-related investigations and any future investigations, we cannot predict the ultimate impact the outcome of ongoing tariff investigations and any resulting tariffs or other trade actions could have on our business, financial condition, and results of operations.

National Security Related Policy

The U.S. executive administration has taken several actions to restrict certain types of equipment from being sold or imported into the United States for use in electric infrastructure. On August 26, 2026, President Trump signed an Executive Order (an "EO") declaring a national emergency related to foreign-produced equipment in the U.S. bulk-power system under the IEEPA. Among other provisions, the EO prohibits the acquisition, import, transfer, or installation of any foreign-produced bulk-

power system electric equipment where the transaction involves a foreign country or a citizen of a foreign country that is a Covered Foreign Entity ("CFE"). The U.S. Department of Energy was directed to issue implementing regulations on or before December 24, 2026, and it also has the authority to act immediately on individual transactions and equipment. While the EO and forthcoming implementation creates uncertainty for industry stakeholders including Fluence customers, we expect the EO restrictions to be placed on bulk-power system equipment that presents risks of sabotage, subversion, unauthorized access, and malicious remote action. We do not sell products from non-Covered Foreign Entities ("CFEs") for the U.S. market that present those national security risks. Specifically, Fluence energy storage systems for the U.S. market are not fully integrated by a FEOC, PFE or CFE, and, additionally, the controls in our energy storage systems for the US market are non-FEOC/PFE/CFE.

The Federal Communications Commission (the "FCC") has also started to regulate power system equipment. On August 20, 2026, it announced that foreign-produced power inverters that did not already receive FCC equipment authorization, or that required new authorization based on material equipment changes, were added to its covered list. Covered list products are ineligible to receive an FCC equipment authorization without conditional approval from the Department of Homeland Security and Department of War. Products without FCC equipment authorization generally cannot be legally imported, marketed, or sold in the United States. The FCC has since clarified that power inverters that are eligible to receive a Section 45X tax credit are not "foreign-produced" power inverters. Fluence current inverter suppliers for the U.S. market have either (i) already received FCC equipment authorization prior to August 20, 2026 or (ii) are already eligible for the Section 45X tax credit.

State-Level Data Center Policy

State legislatures, governors and public utility commissions in the United States continue to assess new policies to approach the integration of large electric loads, including data centers, on the electric grid. These proposed or enacted actions are inclusive of executive orders, legislation, and large load tariffs designed to meet increasing electric demand from large electric loads while protecting consumers. Some states have also imposed temporary moratoria on data center development while these policies are being contemplated. As data center developers continue to turn to battery storage as an option to meet criteria imposed by these policies, further policy changes impacting large electric load integration may have an impact on the total addressable market for Fluence products.

U.S. Federal Energy Regulatory Commission ("FERC")

FERC has taken several steps over the last decade to facilitate the participation of energy storage in wholesale energy markets and support the broader integration of renewable generation and emerging load growth. For example, in February 2018, FERC issued Order 841, directing regional transmission operators and independent system operators to remove barriers to the participation of storage in wholesale electricity markets and to establish rules to help ensure storage resources are compensated for the services they provide. In September 2020, FERC issued Order 2222, which is intended to enable distributed energy resource aggregations, including behind-the-meter battery storage systems, rooftop solar, electric vehicles, and other distributed resources, to participate in wholesale electricity markets. In July 2023, FERC issued Order 2023, which was intended to reform the generator interconnection process and address significant interconnection queue backlogs across the United States. Among other things, Order No. 2023 adopted a first-ready, first-served cluster study process, imposed more stringent deadlines and study requirements, and incorporated reforms intended to improve interconnection processes for energy storage and hybrid generation projects. Effective implementation of these reforms may help accelerate deployment of renewable energy and energy storage projects by reducing delays and providing greater certainty regarding interconnection timelines and costs. In May 2024, FERC issued Order No. 1920, which requires transmission providers to conduct long-term regional transmission planning and periodically evaluate transmission needs over a 20-year planning horizon. These reforms are intended to support a more reliable and efficient electric grid, facilitate transmission expansion, and accommodate anticipated increases in electricity demand, including demand associated with electrification, industrial growth, data centers, and artificial intelligence workloads, while supporting the integration of renewable generation and energy storage resources. Implementation of Orders No. 2023 and No. 1920 remains ongoing and is subject to regulatory, administrative, and judicial developments.

FERC and other regulatory authorities are also evaluating issues associated with rapidly growing electric load demand, including demand from data centers and other large energy-intensive facilities. In particular, FERC has instructed every organized electricity market in the United States to justify or reform existing rules under which large loads, including data centers, interconnect to the electric grid. How each electricity market responds to this FERC order may have a meaningful impact on data center development and, in turn, the available market for battery energy storage products.

We believe these and other federal regulatory initiatives may support the long-term deployment of utility-scale energy storage by improving market access, facilitating transmission expansion, and reducing barriers to interconnection. However, the timing and ultimate effectiveness of these initiatives remain uncertain and may be affected by future regulatory, legislative, administrative, and/or judicial actions. Regulatory developments relating to transmission planning, interconnection processes, market rules, cost allocation, and large-load integration may influence the pace and location of future generation, transmission, and energy storage investments.

Energy storage products and solutions generally require interconnection approvals from the applicable transmission provider, utility, or other authority having jurisdiction before they can operate. In many jurisdictions, interconnection agreements are based on standardized forms and established regulatory processes that have been approved by the relevant regulatory authorities. As such, no additional regulatory approvals regarding grid interconnection are typically required once interconnection agreements are signed. Nevertheless, interconnection timelines, study requirements, upgrade costs, permitting requirements, and regulatory approvals can vary significantly by jurisdiction and may delay project development, increase project costs, or otherwise adversely affect the deployment of energy storage projects and our business.

The pace of transmission expansion, interconnection reform, and large-load integration may materially affect the development of new generation, data center, and energy storage infrastructure. As electricity demand continues to increase, particularly from data centers and other energy-intensive applications, regulatory actions that facilitate grid expansion and improve interconnection processes may support increased demand for battery energy storage systems and related services. Conversely, continued transmission constraints, interconnection delays, or adverse regulatory developments could slow project development and reduce market opportunities.

U.S. State and Regional Policies

U.S. states and regional transmission service operators (“TSOs”) have various policies designed to support and accelerate adoption of clean and/or reliable renewable energy and battery storage technologies. One or more of the following policies exist within nearly every U.S. state as well as many regional TSOs: utility and/or TSO related capacity, ancillary services, or power purchase agreement procurement requirements or associated tariffs and wholesale market structures that spur project deployment, incentives for project deployment (e.g. tax credits, grants), and policies to streamline project permitting. These policies are driving and accelerating the growth of the utility-scale battery energy storage market across the U.S., although we cannot guarantee when and if we will realize the anticipated benefits of these policies.

Although we generally are not regulated as a utility, federal, state, and local government statutes and regulations concerning electricity heavily influence the market for our energy storage solutions and services. These statutes and regulations, which are continuously modified, often relate to electricity pricing, net metering, incentives, taxation, competition with utilities, and the interconnection of customer-owned electricity generation. Governments, often acting through state utility or public service commissions, also change and adopt different rates and rate tariff structures for industrial, commercial and residential customers on a regular basis. These changes can have a positive or negative impact on our ability to deliver cost savings to customers for the purchase of electricity.

Non-U.S. Energy Storage Related Policies, Regulation, and Legislation

European Union (“EU”) Specific Policies

The regulatory environment in Europe is subject to a complex interplay between legislation from the European Union (“EU”) and national legislation on member state level. This can often result in a fragmentation of the EU’s single market, leading to increased compliance efforts on member state level for EU level legislation on electricity market design, sector specific legislation such as the EU Battery Regulation, energy specific regulation such as energy and climate policy or security related legislation such as the Cyber Resilience Act and other cybersecurity legislation.

Key developments in the EU include the EU's industrial policy initiatives, such as the Net Zero Industry Act ("NZIA") and the proposed Industrial Accelerator Act ("IAA"), which are intended to strengthen European clean technology manufacturing and supply chains, including energy storage. The ultimate impact of these initiatives remains uncertain as implementing measures and related legislation continue to develop.

The EU also continues to strengthen its cybersecurity framework, specifically as it relates to the energy sector. The NIS II Directive broadens cybersecurity and incident reporting obligations for operators of essential and important entities, including

those in the energy sector. A revision of the Cybersecurity Act was proposed by the European Commission in early calendar year 2026 and expected to be finalized in the first half of calendar year 2027, which may impose additional cybersecurity, supply chain, and reporting obligations and could affect procurement and use of certain information and communication technology components within energy storage systems.

European Country Specific Policies

In addition to the EU, country-specific policy developments are shaping the outlook in certain of our European markets and may impact our business. We believe current regulations in Europe are creating a favorable environment for the growth of energy storage technologies by providing financial incentives, policy frameworks, and market access to drive the transition to a clean, renewable energy future. For example, in Germany, proposed reforms relating to grid fees, capacity markets, and permitting may improve the economics and deployment of battery energy storage systems and in the United Kingdom, incentive programs and interconnection reforms are expected to support additional long-duration and utility-scale energy storage development.

Asia Pacific Specific Policies

Countries in the Asia-Pacific region continue to promote energy storage deployment through decarbonization, renewable energy, and grid reliability initiatives. For example, Australia has been supported by federal and state policies designed to facilitate decarbonization, renewable energy integration, and grid reliability. These policies include Australia's legislated emissions reduction targets, state-level renewable energy and storage targets, and energy storage procurement programs such as the New South Wales Long Term Energy Service Agreement, the Federal Capacity Investment Scheme, and the South Australian Firm Energy Reliability Mechanism. These programs have encouraged investment in battery energy storage projects and may create additional opportunities for Fluence's energy storage products, software, and services. Australia has also increasingly adopted policies and market mechanisms that recognize the value of grid-forming battery energy storage systems in providing system strength and inertia services. In addition, ongoing reforms to the National Electricity Market, including the proposed Electricity Services Entry Mechanism ("ESEM"), are intended to support investment in new generation and energy storage resources. These developments may increase demand for Fluence's energy storage solutions; however, the timing, scope, and ultimate implementation of such programs and reforms remain uncertain. Australian policymakers are also evaluating measures to address growing electricity demand from data centers and other large loads, including potential requirements relating to load flexibility and grid reliability. To the extent adopted, such measures may increase demand for energy storage solutions. At the same time, evolving cybersecurity and critical infrastructure regulations, including enhancements to the Security of Critical Infrastructure framework, may increase compliance, operational, and contractual requirements applicable to Fluence and its customers, resulting in increased costs or project execution obligations.

The timing, scope, and ultimate implementation of many of these “Non-U.S. Energy Storage Related Policies, Regulation, and Legislation” remain uncertain and may affect future market opportunities and operational requirements for the Company.

Permits and Approvals

Each of our installations or customer installations must be designed, constructed, and operated in compliance with applicable international, federal, state, and local laws, regulations, codes, standards, ordinances, guidelines, and other requirements. The development and deployment of energy storage systems frequently require numerous governmental and regulatory approvals, including environmental, land use, construction, electrical, fire safety, transportation, operating, and interconnection permits and approvals from the applicable authorities having jurisdiction. To install, commission, and operate our energy storage products and solutions, we, our customers, developers, utilities, EPC contractors, or other project participants, as applicable, must obtain and maintain the permits, approvals, and interconnection rights necessary for project development and operation. The timing and availability of such permits and approvals can vary significantly by jurisdiction and project type and are often subject to evolving regulatory requirements, public review processes, environmental considerations, transmission availability, and utility interconnection studies. We often cannot predict whether, when, or on what terms the permits, approvals, or interconnection rights required for a particular project will be obtained. Delays associated with permitting, environmental review, interconnection studies, transmission upgrade requirements, utility processing times, regulatory proceedings, litigation, community opposition, or other factors have delayed, and may in the future delay, the development, delivery, installation, commissioning, and commercial operation of energy storage projects. In addition, project approvals have been, and may be in the future, conditioned upon requirements that increase project costs, delay project schedules, reduce project economics, and/or otherwise adversely affect the feasibility of a project.

Increased demand for grid interconnection resulting from substantial planned renewable generation, energy storage deployment, electrification initiatives, industrial development, and the growth of data centers and AI-related electricity demand has contributed to transmission constraints and interconnection queue backlogs in certain markets. Although federal, state, and regional regulatory authorities have adopted reforms intended to improve transmission planning and interconnection processes, the timing and effectiveness of such reforms remain uncertain. Any failure to obtain or maintain required permits, approvals, or

interconnection rights, or any material delay in obtaining them, could delay project execution, defer revenue recognition, increase costs, result in project cancellations, expose us to contractual liabilities, and adversely affect our business, financial condition, results of operations, and cash flows.

Continuing Equity Owners

Our "Continuing Equity Owners" are AES Grid Stability, Siemens AG, SPT Holding Sarl ("SPT Holding"), Siemens Pension-Trust e.V. ("SPT e.V."), and Qatar Holding LLC ("QHL"), an affiliate of the Qatar Investment Authority ("QIA"). SPT Holding is a wholly owned subsidiary of SPT e.V. and as such, SPT e.V. may be deemed to share beneficial ownership of the shares of Class A common stock, par value $0.00001 per share, of Fluence Energy, Inc. ("Class A common stock") beneficially owned by SPT Holding. Siemens is an affiliate of SPT e.V. and as such, may be deemed to share beneficial ownership of the shares of Class A common stock beneficially owned by SPT e.V. As of September 30, 2026:

- AES Grid Stability owns (1) 41,432,781 limited liability company interests of Fluence Energy, LLC ("LLC Interests"), representing approximately 22.4% of the economic interest in Fluence Energy, LLC and (2) 41,432,781 shares of Class B-1 common stock, par value $0.00001 per share, of Fluence Energy, Inc. ("Class B-1 common stock"), representing approximately 59.1% of the combined voting power of all of Fluence Energy, Inc.'s common stock;
- Siemens AG owns 19,738,064 shares of Class A common stock, Siemens Pension-Trust e.V. owns 20,462,735 shares of Class A common stock, and SPT Holding Sarl owns 1,231,982 shares of Class A common stock. Siemens AG, Siemens Pension-Trust e.V. and SPT Holding Sarl, collectively represent approximately 11.8 % of the combined voting power of all of Fluence Energy, Inc.'s common stock and approximately 22.4% of the economic interest in Fluence Energy, Inc.; and
- QHL owns 11,801,103 shares of Class A common stock, representing approximately 3.4% of the combined voting power of all of Fluence Energy, Inc.'s common stock and approximately 6.4% of the economic interest in Fluence Energy, Inc.

Since our Continuing Equity Owners have more than 50% of the voting power for the election of directors, we are considered a "controlled company" for the purposes of the Nasdaq rules. As such, we qualify for, and intend to rely on, exemptions from certain corporate governance requirements, including the requirements to have a majority of independent directors on our board of directors, an entirely independent compensation committee or to have director nominations be made, or recommended to the full board of directors, by its independent directors or by a nominations committee that is composed entirely of independent directors.

Corporate Information

We file or furnish periodic reports and amendments thereto, including our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, proxy statements and other information with the Securities and Exchange Commission ("SEC"). In addition, the SEC maintains a website (www.sec.gov) that contains reports, proxy and information statements, and other information regarding issuers that file electronically. Our website is located at https://fluenceenergy.com and our reports, amendments thereto, proxy statements and other information are also made available, free of charge, on our investor relations website at https://ir.fluenceenergy.com as soon as reasonably practicable after we electronically file or furnish such information with the SEC. The information posted on our website is not incorporated by reference into this Annual Report or any of our other securities filings unless specifically incorporated herein by reference.

ITEM 1A. RISK FACTORS

Our business, operations, financial results, and future prospects, plans, and objectives of the Company are subject to various risks and uncertainties, including those described below, that could materially adversely affect our business, results of operations, financial condition, and the trading price of our Class A common stock. You should carefully consider the risks and uncertainties described below, together with all of the other information set forth in this Annual Report, including Part II, Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our Consolidated Financial Statements and related notes included herein, which could materially affect our business, results of operations, financial condition, and the trading price of our Class A common stock. See "Cautionary Statement Regarding Forward-Looking Statements" above.

Risks Related to Our Operations, Supply Chain, and Manufacturing Capabilities

We have experienced, and may continue to experience, manufacturing delays, supply chain disruptions, quality issues, and production constraints that have adversely affected, and may continue to adversely affect, our ability to meet customer demand and execute projects on schedule.

The design, manufacture, testing, and delivery of our energy storage products involve complex processes and require significant technical expertise, sophisticated supply chain management, strict quality controls, and coordination among multiple suppliers, manufacturers, logistics providers, and project stakeholders. As we continue to scale our business, introduce new products and technologies, increase production volumes, and expand into new markets, we have encountered, and may continue to encounter, manufacturing, operational, quality, and execution challenges that have adversely affected, and could in the future, adversely affect our business, financial condition, results of operations, and growth prospects.

Our supply chain manufacturing strategy currently relies on a limited number of key contract manufacturers, spread between the United States and the South East Asia region. Disruptions affecting any of our manufacturing partners have in the past adversely affected, and could in the future adversely affect, our ability to meet customer demand, satisfy contractual commitments, and/or achieve expected production schedules which have impacted, and may in the future impact, our business, reputation, results of operations, ability to meet our publicly announced guidance, and financial condition. Qualifying additional manufacturers can be a lengthy, time-consuming and resource-intensive process, and suitable alternatives may not be available on terms acceptable to us or within required timeframes. We may add contract manufacturers or move production between partners. Moving production to a different contract manufacturer requires the transfer of designs and processes, qualification of production lines, and the ramp up of a new workforce, and has in the past not been completed, and may in the future not be completed, on the expected timeline or at the expected cost. Sharing our product designs with additional partners may also increase the risk of misuse of our intellectual property. Our manufacturing partners have in the past experienced, and may in the future experience, operational difficulties, including, but not limited to, labor shortages, workforce training challenges, equipment failures, production inefficiencies, quality control issues, and/or financial instability. Additionally natural disasters, severe weather events, public health events, and geopolitical disruptions (including due to conflict in the Middle East, as well as between Russia and Ukraine) have in the past, and may in the future disrupt supply chain resilience. Cybersecurity threats remain an ongoing risk for us, our suppliers and our contract manufacturers. Cybersecurity incidents could disrupt manufacturing and supply chain operations, delay deliveries, compromise confidential or proprietary information, increase costs, and materially adversely affect our business, financial condition, and results of operations.

Efforts to increase manufacturing capacity, introduce new production lines, localize supply chains, satisfy domestic content requirements under the OBBBA, or transition to new product platforms have in the past and may in the future result in delays, increased costs, lower yields, production inefficiencies, and/or quality issues. For example, in fiscal year 2025, our contract manufacturer in Arizona encountered delays and inefficiencies in scaling production to meet demand forecasts, which was primarily attributable to labor availability and the long lead times with training their workforce. During fiscal 2026, we experienced production and execution challenges, such as staff shortages at certain manufacturing facilities, including at our Houston contract manufacturing facility. These challenges resulted in lower-than-expected production output, operational inefficiencies, supply chain disruptions, quality-related rework and delays in product deliveries. The lower than expected throughput levels, resulted in increased costs, including liquidated damages and other project-related charges under certain customer contracts, thereby negatively impacting our business and operational results for fiscal year 2026. While we have implemented remediation plans designed to improve production performance, these initiatives may not be successful to the degree we have anticipated or may take longer than anticipated to generate expected results. Continued production challenges have resulted in, and in the future could result in, additional liquidated damages, project delays, increased costs, reduced revenue, reputational harm, and adverse effects on our results of operations.

Some of our contract manufacturers and suppliers are newly established, rapidly expanding, or capital constrained, and some have experienced financial difficulties. Financial difficulties at our contract manufacturers or suppliers have impacted, and could in the future impact, production output.

In 2027, we continue to develop additional domestic manufacturing capabilities in the United States, including battery module manufacturing and assembly operations intended to support our domestic content strategy and customer demand. These initiatives involve risks, including the need to successfully negotiate and manage third party relationships and contracts, if any, with landlords,

contract manufacturers, suppliers, licensors, lessees and/or lessors of any properties, construction contractors, and other third parties. The expanded operation is reliant on and requires intellectual property rights, technical support, permits, and approvals; construction activities; production line equipment installation and commissioning; implementation and validation of manufacturing, warehouse, information technology and cybersecurity systems; the recruitment and training of qualified personnel. Taken together, these initiatives may result in delays, cost overruns, operational inefficiencies, supply chain disruptions, workforce constraints, cybersecurity issues, and/or other challenges that could delay production, increase costs and impair our ability to meet customer schedules. Delays in ramp up may also reduce our ability to benefit from U.S. domestic content related incentives and adversely affect our business, financial condition, results of operations, and cash flows.

As we look to increase production volumes, introduce new products, and seek to improve manufacturing efficiency, we have in the past and may in the future encounter difficulties achieving expected throughput, cost reductions, yields, and/or quality standards. Manufacturing defects, design issues, component failures, workmanship deficiencies, or other quality-related problems could result in product recalls, warranty claims, increased service costs, project delays, contractual disputes, liquidated damages, reputational harm, and additional regulatory scrutiny.

Supply chain disruptions and manufacturing constraints may also delay delivery of critical components necessary to complete customer projects, as we experienced during fiscal year 2026. Such delays have in the past postponed project installation, commissioning, testing, and commercial operation dates, increased project costs, impacted margins, and negatively affected customer relationships. Such delays may in the future have similar impacts. During fiscal year 2026, we also experienced constraints in certain manufacturing windows, component availability, and supply-chain capacity, including with respect to certain inverter and system configurations. Although we maintain access to manufacturing capacity across multiple regions, available capacity is not always interchangeable across products, suppliers, contract manufacturing facilities, geographies, or customer programs. Qualification requirements, certification standards, issues at our facilities, U.S. domestic content requirements, regulatory requirements, customer specifications, logistics constraints, delivery timing requirements, and contractual commitments may restrict our ability to utilize otherwise available capacity. Certain of the foregoing events have restricted our ability to utilize capacity in the past. As a result, constraints affecting specific products, components, manufacturing locations, or customer programs may adversely affect bookings, project execution, revenue recognition, margins, and customer relationships.

Although we continue to invest in manufacturing readiness, quality systems, supplier diversification, operational processes, and supply chain resiliency initiatives, these efforts may not be successful in preventing future disruptions or production challenges. If we are unable to effectively manage our contract manufacturing operations, supply chain relationships, production ramp activities, and/or quality control processes, our business, financial condition, results of operations, cash flows, and growth prospects could be materially adversely affected.

We have experienced, and may continue to experience, delays, disruptions, cost overruns, and other challenges in developing, delivering, installing, commissioning, and interconnecting energy storage projects, which have adversely affected, and could continue to adversely affect, our business, financial condition, and results of operations.

The successful delivery of our energy storage solutions requires the coordination of numerous project participants and activities, including customers, utilities, transmission providers, permitting authorities, engineering firms, construction contractors, suppliers, logistics providers, and regulatory agencies. As a result, our projects are exposed to a variety of risks that have impacted, and may in the future, negatively impact, the cost of project execution, our business, and results of operations.

Although we generally are not regulated as a utility, international, federal, state, and local government laws and regulations concerning electricity heavily influence the market for our energy storage solutions and services. These laws and regulations often relate to electricity pricing, net metering, incentives, taxation, and the rules surrounding the interconnection of customer-owned electricity generation for specific technologies. In the U.S., government authorities frequently modify these statutes and regulations. Governments, often acting through state utility or public service commissions, may change and adopt different requirements for utilities and rates for commercial customers on a regular basis. Changes, or in some cases a lack of change, in any of the laws, regulations, ordinances, or other rules that apply to customer installations and new technology could make it more costly for our customers to install and operate our energy storage products at particular customer project sites, and in turn, could negatively affect our ability to deliver cost savings to customers, thereby making our energy storage solutions and services less appealing to current and potential customers.

Many of our projects require governmental approvals, permits, licenses, environmental reviews, land-use authorizations, building permits, fire safety approvals, and other regulatory consents before installation, commissioning, or commercial operation can occur. The permitting and approval process can be lengthy, complex, expensive, and highly variable across jurisdictions. We cannot predict whether required approvals will be obtained on acceptable terms, within anticipated timeframes, or at all. Permitting authorities may impose conditions that increase project costs, delay schedules, require project modifications, and/or make a project economically unattractive. Unforeseen delays in the review and permitting process have delayed the timing of project execution in the past. In addition, projects may face public opposition, administrative appeals, litigation, environmental challenges, and/or changes in regulatory requirements that further delay development and construction activities.

The successful completion of our projects also depends on our customers' ability to secure financing, obtain site control, complete necessary development activities, satisfy contractual milestones, and coordinate the efforts of other project participants. Delays or failures by customers, utilities, EPC contractors, developers, financing parties, or other third parties may delay project schedules, postpone revenue recognition, increase costs, or result in project cancellations.

In addition, our projects frequently involve complex engineering, procurement, construction, logistics, installation, testing, and commissioning activities. We have in the past experienced, and may in the future experience, project scope modifications, design changes, change orders, unforeseen site conditions, labor shortages, supply chain disruptions, manufacturing delays, equipment failures, contractor performance issues, weather-related impacts, and/or other execution challenges. We have experienced project delays and related liquidated damages during fiscal year 2026 arising from manufacturing, supply chain, logistics, and project execution challenges, which adversely impacted our results of operations. Similar events in the future could result in additional liquidated damages, warranty claims, contractual disputes, reduced margins, delayed revenue recognition, and other liabilities and could impact our results of operations.

The commissioning and commercial operation of our energy storage systems generally requires successful interconnection to the applicable electric grid. Interconnection processes remain challenging in many jurisdictions and frequently involve extensive utility reviews, system impact studies, network upgrade requirements, transmission constraints, and regulatory approvals. Despite ongoing industry and regulatory efforts to improve interconnection processes and address queue backlogs, delays remain common in many markets. In the United States for example, FERC issued Order 2023 in July 2023, to accelerate the process of connecting new energy projects to the grid. Notwithstanding the Order, there continues to be a growing queue of energy projects awaiting approval in the United States. Customers may be unable to obtain timely interconnection approvals, sufficient transmission capacity, required utility consents, or necessary infrastructure upgrades needed to achieve commercial operation on expected timelines. Any delays in our customers' ability to connect with utilities and the grid may delay deliveries of products or the performance of installation-related services, that has in the past and may in the future have an adverse impact on our business and results of operations.

As electricity demand continues to increase, including from data centers and artificial intelligence ("AI") infrastructure, pressure on transmission systems and interconnection queues may continue to increase in certain regions. As a result, projects may experience additional delays associated with transmission availability, utility processing times, network upgrades, or broader grid infrastructure limitations.

Delays in permitting, financing, procurement, manufacturing, construction, installation, commissioning, interconnection, or commercial operation have in the past and may in the future result in delayed project completion, increased project costs, reduced margins, contractual disputes and/or penalties, negatively affect customer relationships, and/or cause our results of operations to vary significantly from period to period. If we are unable to effectively manage these project execution risks, our business, financial condition, results of operations, cash flows, and growth prospects could be materially adversely affected. We have experienced circumstances in which project and product delivery delays, quality issues, and performance shortfalls have damaged customer relationships, required commercial concessions and/or remediation efforts, and reduced the likelihood or timing of follow-on business. We may in the future again experience such circumstances with such accompanying potential impacts to the Company.

We have experienced and may continue to be exposed to risks from supplier concentration and limited number of suppliers for critical components for battery energy storage solutions and the failure of these suppliers to perform as expected could impair our ability to deliver our energy storage solutions to our customers and adversely affect our business.

Our business depends on a limited number of suppliers for batteries, battery cells, enclosures, inverters, power conversion systems, and other critical components used in our energy storage solutions. As a result, we are exposed to risks arising from supplier concentration, limited supplier capacity, component shortages, skilled-labor shortages, quality issues, regulatory and trade restrictions, and supplier performance challenges. Identifying, qualifying, and integrating alternative suppliers is often time-consuming, costly, and operationally complex. Transitioning to new suppliers may require engineering modifications, redesign efforts, additional manufacturing tooling and equipment, product testing, certification and validation, customer approvals, manufacturing adjustments, and qualification of new production processes. For example, we currently rely on a single supplier for inverters produced in the United States, and qualifying an additional U.S. source requires product testing, certification, and the start and ramp up of U.S. production. In addition, certain safety-critical control components used in our products are currently available from a single supplier based on that supplier's proprietary design. As a result, substitute sources of supply may not be available on commercially reasonable terms, within required timeframes, or at all.

In addition, certain of our suppliers also supply products and components to other industries and businesses, including competitors and other businesses engaged in the production of electric vehicles, renewable energy, consumer electronics, data center infrastructure, and other products unrelated to energy storage. These other businesses may be of greater priority to our suppliers. During periods of constrained supply or elevated demand, our suppliers may allocate capacity among customers in a manner that may not align with our needs. Until Fluence is able to establish itself as a significant portion of our suppliers' customer base, we may not be able to secure supply on favorable or preferential terms. Increased electricity demand associated with AI, data center expansion, electrification, and U.S. domestic manufacturing initiatives may further increase competition for critical components and

manufacturing capacity. Suppliers have also sought, and may continue to seek, price increases tied to raw material costs, currency movements, tariffs, and design changes, and we may not be able to pass these increases on to our customers.

As we expand our U.S. domestic content product offerings, we currently rely on a limited number of suppliers capable of meeting applicable domestic sourcing, manufacturing, traceability, and regulatory requirements under the OBBBA. In some instances, we may depend on a single supplier or a small number of suppliers for domestically sourced battery cells or other critical components. The inability of such suppliers to expand capacity, achieve expected production volumes, satisfy quality requirements, maintain financial stability, or comply with contractual obligations could adversely affect our ability to deliver products, meet customer requirements, or qualify for applicable incentives and customer procurement programs and could have corresponding impacts on our results of operations.

Our business depends on our ability to successfully develop, launch, operate, and support new products, technologies, and software offerings, and any failure to do so could adversely affect our business, reputation, and results of operations.

Our growth strategy depends in part on our ability to innovate and commercialize new energy storage technologies, software applications, and related products and services. We continue to invest in new product platforms, battery technologies, battery management systems, power conversion technologies, software and digital applications, cybersecurity capabilities, and other emerging technologies. The development, testing, validation, certification, manufacturing, and deployment of these offerings are complex, costly, and subject to significant technical, operational, regulatory, and commercial risks.

Certain new products and technologies have not performed as expected at times, and this may occur in the future. They have in the past had, and may in the future have, design defects, manufacturing defects, software bugs, cybersecurity vulnerabilities, integration challenges, and/or reliability issues, resulting in an inability to meet customer expectations and requirements regarding performance set forth in the underlying contracts. Such defects may also cause an inability to meet certain applicable safety requirements or regulatory standards. In addition, the introduction of new products often requires coordination across engineering, software development, manufacturing, supply chain, customer success, and growth teams, and any delays or deficiencies in these processes have in the past resulted in, and in the future could result in, increased costs, project delays, liquidated damages, remediation efforts, and/or other liabilities. Moreover, there are different requirements relating to the introduction of new products and the certification process in different geographic jurisdictions.

The successful introduction and commercialization of new products and platform transitions, including Smartstack and future product enhancements, depend on timely product development, testing, certification, supplier readiness, contracted manufacturing qualification, regulatory approvals, documentation, customer acceptance, and deployment activities. Delays, disruptions, or changes in any of these activities have in the past affected, and may in the future affect, our ability to prepare customer proposals, secure bookings, convert opportunities into orders, deliver products on schedule, recognize revenue, and/or achieve anticipated financial results. As we transition portions of our portfolio to new platforms and configurations, we have seen, and expect to continue to see, increased operational complexity, temporary inefficiencies, customer adoption challenges, and risks relating to forecasting, procurement, inventory management, production planning, and project execution.

As we continue to introduce new product generations and features, we have encountered, and may in the future encounter, unanticipated engineering, contracted manufacturing, integration, scalability, cybersecurity, or quality challenges. Design decisions have in the past led to, and may in the future, lead to contracted manufacturing inefficiencies, lower than expected production yields, supply chain constraints, quality issues, higher costs, and/or increased service requirements. Any failure to effectively incorporate manufacturability, scalability, reliability, and lifecycle support considerations into our product development process could impact product launches, increase costs, reduce margins, impair customer satisfaction, and adversely affect our business, results of operations, and financial condition. For example, during fiscal year 2026, we experienced operational and quality challenges when bringing new contract manufacturing facilities online. Specifically, a certain existing contract manufacturing partner that successfully produces our products offshore encountered significant start-up and ramp-up difficulties when establishing their new manufacturing facility in the United States. Because our other manufacturing partners successfully built and maintained these same products during the same period, these localized start-up issues delayed project deliveries and compressed our gross margins. Any future failure by existing or new partners to effectively scale U.S. domestic production could continue to impact our operating results. In addition, we may rely on third-party technology providers, suppliers, and development partners in connection with certain product initiatives, and failures by these parties have in the past and may impair our ability to achieve development timelines, cost targets, or performance objectives.

If we are unable to successfully develop, launch, manufacture, deploy, maintain, and support new products and technologies on a timely and cost-effective basis, or if our products fail to achieve market acceptance or perform as expected, our reputation, customer relationships, competitive position, business, results of operations, and financial condition could be materially adversely affected.

We have experienced, and may continue to experience, situations in which suppliers are unable to provide components in the required quantities, at the required quality levels, or on the timelines required to meet customer demand.

There is risk associated with reliance on a limited number of suppliers, including our ability to obtain sufficient inventory at the level of quality or provenance required to meet customer or regulatory requirements. Because many of the components used in our

energy storage systems are highly specialized and require extensive qualification and testing, our ability to replace an underperforming supplier may be limited. Identifying, qualifying, and integrating alternative suppliers can be costly, time-consuming, and may require product redesigns, engineering validation, customer approvals, regulatory certifications, and manufacturing process changes. As a result, suitable alternative sources of supply may not be available on commercially reasonable terms, within required timeframes, or at all.

If any of our suppliers are unable or unwilling to provide components, parts or products, in the required quantities in a timely manner, at acceptable pricing, or in compliance with applicable quality, technical, U.S. domestic, content, environmental, social, geographic provenance, or other regulatory requirements, our ability to execute projects and satisfy customer commitments could be adversely affected. In addition, we will have limited alternatives for supply, and we may not be able to contract for and receive suitable alternatives in a timely manner, if at all. Such events may cause our customers to cancel orders, subject us to liability and potential litigation and materially adversely affect our customer relationships, reputation, business, prospects, financial condition, and results of operations. Further, these particular risks may increase as market demand for our offerings grows.

Our customers and applicable regulatory regimes increasingly require products that satisfy specified quality, safety, traceability, environmental, social, geographic provenance, and U.S. domestic content requirements. As we continue to expand our U.S. domestic-content offerings and regionalize portions of our supply chain, we may rely on a limited number of suppliers capable of meeting these requirements. In certain cases, we may depend on a single supplier or a small number of suppliers for domestically sourced battery cells or other critical components. Any inability of these suppliers to achieve expected production volumes, maintain quality standards, satisfy regulatory requirements, or meet delivery schedules could adversely affect our ability to fulfill customer commitments, qualify for available incentives, or achieve expected project economics.

We have also engaged, and may continue to engage, new suppliers and suppliers that are expanding manufacturing capacity or entering the energy storage industry. Such suppliers may have limited operating histories, limited history operating in the United States, less-developed production planning capabilities, poor planning, insufficient workforce experience, lower manufacturing yields, or difficulties scaling production while maintaining quality standards. In addition, suppliers may encounter challenges associated with introducing new manufacturing processes, expanding facilities, implementing automation initiatives, or increasing throughput levels. These issues have in the past led to, and may in the future lead to, inconsistent quality, component shortages, delayed deliveries, increased costs, or additional operational disruptions.

To secure favorable pricing, ensure supply availability, and support production planning, we have entered into in the past and may in the future enter into supply arrangements that include minimum volume commitments, inventory reservations, long-term purchasing obligations, or prepayment requirements. These arrangements can increase our working capital requirements and expose us to financial risk if customer demand, project schedules, market conditions, component pricing, or regulatory requirements change, or if suppliers fail to perform as anticipated. Certain of these arrangements require payments to suppliers if our volume of product purchases fall below committed levels.

If our suppliers are unable or unwilling to provide components in the quantities, quality levels, or timeframes required for our business, we have experienced, and may in the future experience, inventory shortages, manufacturing disruptions, project delays, increased costs, reduced margins, contractual disputes, liquidated damages, customer dissatisfaction, and/or reputational harm. Any of these outcomes could materially adversely affect our business, financial condition, results of operations, cash flows, and growth prospects. We have seen adverse impacts to our business and results of operations in the past from suppliers' inadequate performance described herein.

We are a global company and maintain an international supply chain which comes with a number of risks that may impact our business, results of operations, and future growth.

Our energy storage solutions incorporate many components and materials sourced globally, resulting in exposure to international supply chain risks and logistics disruptions. As a result, our business has been and continues to be exposed to a variety of risks arising from global operations, international trade, geopolitical developments and conflicts, transportation networks, changing regulatory frameworks, health pandemics, and disruptions affecting suppliers and logistics providers. In fiscal year 2025 and 2026, we saw significant impacts to our U.S. contracting activity and corresponding impacts to our business due to the uncertainty relating to U.S. tariff and trade policy. Trade and shipping disruptions, delays and factors beyond our suppliers' control, including changes in policy and regulation, have in the past and may in the future have a compounding effect on our business and results of operations. In addition, export controls imposed by countries in which our suppliers operate, including the controls announced by China in October 2025 on certain lithium-ion batteries, battery materials, and related production equipment and technology, the implementation of which China has suspended until January 10, 2027, and restrictions on the use of foreign-produced inverters and other grid-connected equipment, could limit or delay our access to components or increase their cost.

International political, social, or economic instability has in the past and may lead to future disruptions, impacting our supply chain and ability to complete projects in a timely and efficient manner. Uncertain potential actions, policies, and legislation of various government authorities on international and domestic trade, including new or increased tariffs or quotas, border taxes, embargoes, safeguards, duties arising out of various governmental investigations, trade controls, and customs restrictions impact our ability to

manage our costs of production. See the separate risk factor titled "*Changes in the global trade environment, including the imposition of new tariffs, changes to existing tariffs, and related general economic uncertainty, has impacted and may in the future impact our business and operations and has and may in the future adversely affect the amount or timing of our revenues, results of operations, and cash flows in the future*." below for more information about risks relating to the global trade environment.

Other events that could disrupt our global supply chain and result in reduced or delayed supply of materials and components along with potential increased cost relating to such supply include, but are not limited to:

- the imposition of additional trade legislation or regulations and additional duties, tariffs, and other charges on imports and exports;
- changes to the interpretation or enforcement priorities of existing trade or national security laws and regulations and imposition of new national security laws and regulations;
- disruption of manufacturing and supply lines due to stringent government mandated sanctions on production continuity and the movement of goods;
- breaches of supply contracts by suppliers and vendors;
- quotas imposed by bilateral trade agreements;
- foreign currency fluctuations;
- logistics and shipping constraints;
- natural disasters, including but not limited to hurricanes, typhoons, flooding, wildfires, and tornados;
- geopolitical tensions and instability (including conflicts in the Middle East and between Russia and Ukraine);
- public health issues and epidemic diseases, their effects (including any disruptions they may cause) and/or the perception of their effects;
- theft;
- restrictions on the transfer of funds;
- the financial instability or bankruptcy of vendors; and
- significant labor disputes, including labor strikes, work stoppages, and boycotts.

Certain of these events have occurred in the past and adversely impacted, and may in the future materially adversely impact, the Company's operations.

Increasing supply chain traceability, responsible sourcing, forced labor, human rights, and supply chain diligence requirements may increase compliance costs, restrict access to materials, and adversely affect our business.

Many components used in energy storage systems are sourced through complex, multi-tier global supply chains. As a result, there may be limited visibility into the origin and processing of certain materials and components. Various governments, customers, investors, and other stakeholders expect companies to conduct extensive due diligence regarding human rights, labor practices, environmental performance, traceability, and responsible sourcing within their supply chains. Failure by our suppliers or sub-suppliers to comply with applicable legal, regulatory, contractual, and/or customer requirements could expose us to operational disruptions, litigation, regulatory investigations, reputational harm, loss of customers, or restrictions on our ability to import or utilize certain materials or products. For example, numerous laws prohibit importation of goods made with forced labor or compulsory prison labor, including the Tariff Act of 1930, as well as the Uyghur Forced Labor Prevention Act ("UFLPA").

Certain of our suppliers operate and source materials in China, and their presence in our supply chain could present unique risks for us due to risks associated with the UFLPA, as well as the strain in U.S.-China relations, and China's unique regulatory landscape. The UFLPA imposes a presumptive, but rebuttable, ban on the importation of articles, merchandise, apparel, and goods mined, produced, or manufactured wholly or in part in the Xinjiang Uyghur Autonomous Region ("Xinjiang") of the People's Republic of China, or by entities identified by the U.S. government on the UFLPA Entity List. From time to time, U.S. Congressional committees have investigated and called for the inclusion of certain companies that provide materials or components for the battery supply chain to the UFLPA Entity List, which continues to expand to include additional entities. Such a potential listing may adversely impact our ability to source necessary inputs or otherwise adversely impact our operations. Prohibitions on forced labor have also been adopted in other jurisdictions, such as the European Union, and is a topic that will likely be subject to further regulations or prohibitions in the markets we operate within.

These issues could result in a delay or complete inability to import materials (including potentially non-lithium materials), which could result in inventory shortages or greater supply chain compliance costs, particularly to the extent we need to identify new suppliers or to otherwise modify supply chains to address evolving regulatory requirements and/or interpretations. We could also be subject to penalties, such as denial of import eligibility, or fines if our imports are found to have been in violation of the UFLPA or other customs-related laws and regulations. Even if we are not subject to any fines or penalties, any perceived link between our products and Xinjiang, designated entities, or labor practices not in keeping with industry expectations may result in increased costs, affect our business and damage our reputation. Overcoming the UFLPA's presumption can be a time- and information-intensive process, and we may not be able to obtain sufficient information to satisfy decision makers, particularly as in many cases the relevant suppliers are buried multiple layers deep in the supply chain. Xinjiang is the source of a significant amount of raw and refined

materials and components in the global lithium-ion battery supply chain, and there is ongoing scrutiny of this value chain and companies associated therewith, including for human rights and national security concerns. For example, in August 2025, the Department of Homeland Security announced that they were adding copper, lithium, and steel, among others, to the list of priority sectors. Similarly, in July 2026, the U.S. Department of Homeland Security announced a large expansion of the entities present on the UFLPA Entity List, including companies in the copper and aluminum industry. As such, there is a risk that our operations may be impacted by related supply chain disruptions or costs. Moreover, there are also increasing obligations on supply chain diligence on products more generally, such as under the European Union's Batteries Regulation Compliance. Any responsive measures by customers, impacted jurisdictions, other policymakers or otherwise, may have other effects on the global supply chain, the price and availability of traceable minerals and other materials, and could lead to an increase in cost of goods sold, which could have an adverse effect on our business, financial condition, and operating results.

Furthermore, in April 2026, China's State Council promulgated State Council Order No. 834, the Provisions on the Security of Industrial and Supply Chains, which took effect immediately upon publication and, among other things, restricts the conduct of certain supply chain-related investigations and information-gathering activities within China by foreign organizations and individuals. As a number of our suppliers, including battery cell and module suppliers and upstream mineral suppliers, operate or source from China, these regulations may restrict, delay, or increase the cost and complexity of our ability (or that of third parties we engage) to conduct supplier audits, collect supply chain traceability information, or verify compliance with our responsible sourcing program and applicable laws, including the UFLPA and the European Union's Batteries Regulation, for suppliers located in China. These regulations may also create conflicting compliance obligations between Chinese law and other jurisdictions' supply chain due diligence, human rights, or sanctions-related requirements applicable to us or our suppliers. The scope of enforcement of these regulations remains uncertain, and further implementing rules or guidance may be issued. Any actual or perceived inability to complete supplier audits or traceability verification for suppliers located in China, or any conflict between our compliance obligations under these differing legal regimes, could increase our compliance costs, delay our sourcing decisions, affect our relationships with suppliers and customers, and adversely affect our business, results of operations, and reputation.

Significant changes in the cost and/or availability of raw materials that are incorporated into components of our energy storage products could adversely affect our business, results of operations, and future prospects.

We are subject to risk from availability and fluctuating market prices of certain raw materials, including, but not limited to, steel, aluminum, copper, nickel, iron phosphate, graphite, manganese, lithium carbonate, lithium hydroxide, and cobalt. These raw materials form an essential and integral part of our energy storage products. Pricing and availability for these materials is governed in large part by market conditions and fluctuate due to various factors outside of our control, such as global supply and demand imbalances, changes in interest rates, speculative market activities, tariffs, import/export controls, government regulations, and other geopolitical developments.

Changes in supplier pricing, raw-material indices, freight expenses, labor costs, foreign exchange rates, tariffs, trade restrictions, and other cost inputs have in the past required, and may in the future require us, to adjust pricing, revise commercial assumptions, renegotiate customer and supplier arrangements, and/or absorb higher costs. Such changes have in the past affected, and may adversely affect in the future, customer project economics, timelines of sales cycles, conversion rates, our competitiveness, customer decisions, and/or margins. In addition, our pricing and forward-cost assumptions have in the past differed, and may in the future differ, from actual future market conditions, which have, and could, adversely affected profitability on existing or future projects. For example, during fiscal year 2026, our pricing and forward-cost assumptions differed from actual market conditions, eroding our project-level gross margins. Specifically, our forward-cost models did not fully capture volatile pricing curves for battery-grade active materials prior to final contract execution. Because certain of our legacy or fixed-price arrangements lacked Raw Material Index (RMI) indexing protections, we were forced to absorb these cost increases, which compressed our project profitability.

Our revenue growth is directly tied to the continued adoption of energy storage products by our customers, which is influenced in part by the costs of our energy storage systems and related components. As we have not historically been a buyer of raw materials, we have not historically entered into hedging arrangements to mitigate commodity risk. Significant price changes or reduced availability for raw materials underlying our energy storage solutions and components have a deleterious effect on supply chain certainty with potential knock on effects for reduced operating margin, and in turn, could materially harm our business, financial condition, and results of operations. For example, the cost of lithium-ion energy storage hardware has declined in the aggregate in the last decade. However, the markets for batteries, battery materials, and critical minerals remain volatile and subject to rapid change. In fiscal year 2026, we saw significant increases in battery prices due to the rise in the cost of Lithium-ion. While the market for energy storage continues to rapidly evolve, the price for battery products and their respective raw material and other components may not decline or may not decline at the rates we expect. In addition, increasing demand for batteries and critical materials arising from energy storage, electric vehicles, AI infrastructure, data center development, grid modernization initiatives, and broader electrification trends may place additional pressure on global supply chains and increase competition for limited resources. If costs of batteries do not decline long-term and instead remain steady or increase, this could adversely affect our ability to increase our revenue, our order intake, and grow our business. Conversely, rapid declines in battery prices may also create pricing pressure on future contracts and reduce the value of inventory, purchase commitments, and/or previously negotiated pricing arrangements.

Many critical materials and battery-related components are sourced through complex global supply chains. Disruptions involving suppliers, refiners, processors, transportation networks, and/or critical mineral-producing regions may result in shortages, extended lead times, production interruptions, and/or increased procurement costs. Because we generally purchase finished components and battery systems rather than underlying raw materials directly, our ability to mitigate commodity-related risks through hedging or other strategies may be limited. Moreover, we face risks relating to increasing supply chain diligence requirements being implemented both by customers and through various applicable regulations. For more information, see our risk factor titled "*Increasing supply chain traceability, responsible sourcing, forced labor, human rights, and supply chain diligence requirements may increase compliance costs, restrict access to materials, and adversely affect our business*".

If the cost of critical raw materials or battery-related components increases significantly, if supplies become constrained, if sourcing requirements become more restrictive, or if battery and component pricing does not evolve as anticipated, our ability to secure cost-effective supply, maintain expected margins, compete effectively, and execute our business strategy could be materially adversely affected.

The sales and installation cycle of our energy storage solutions is lengthy, resource-intensive, and subject to factors beyond our control, and if we fail to close sales on anticipated timelines, it could adversely affect our business, financial condition, and results of operations.

Our sales and installation cycle is lengthy, resource-intensive, and complex, and highly variable on a project by project basis and across geographic regions. In order to make a sale, we must often provide a significant level of education upfront to prospective new customers regarding the use and benefits of our energy storage solutions and services which may take time and resources away from other matters. The period between initial discussions with a potential customer and the sale of an energy storage solution typically depends on a number of factors, including, but not limited to the potential customer's budget and decision as to the type of financing it chooses to use, as well as the arrangement of such financing and any regulatory changes, anticipated regulatory changes, or changes in market condition that may occur during the sales cycle. Utility-scale energy storage projects typically involve significant capital commitments and often require extensive evaluation by customers, including assessments of project economics, financing arrangements, permitting requirements, interconnection availability, regulatory considerations, technology selection, site suitability, supply chain readiness, contractual terms, and long-term operational requirements. As a result, the period between initial customer engagement and contract execution can extend for many months or longer and may vary significantly from our expectations. Because of the long sales cycle, we previously have expended, and may in the future expend, significant resources without having certainty of generating a sale. In addition, customer investment decisions are often affected by electricity market conditions, interest rates, inflation, availability of project financing, customer capital budgets, transmission and interconnection constraints, permitting timelines, government incentives, trade policies, tariffs, domestic content requirements, and broader macroeconomic and/or geopolitical conditions. Uncertainty relating to any of these factors may cause customers to delay, reduce the scope of, reprioritize, or abandon projects. This lengthy sales cycle subjects us to a number of significant risks over which we have little or no control. If we are unsuccessful in closing sales after expending significant resources, our business, financial condition, and results of operations, have in the past been, and in the future could be, adversely affected.

The sales cycle for many projects has become increasingly influenced by evolving regulatory frameworks, changes in tax incentives, supply chain considerations, domestic manufacturing requirements, and customer efforts to evaluate long-term electricity demand growth associated with data centers, AI applications, electrification initiatives, and other emerging market trends. Customers have in the past delayed, and may in the future delay, procurement decisions pending greater regulatory clarity, financing certainty, interconnection visibility, or market stability.

Because we frequently devote management, engineering, commercial, legal, and technical resources to pursuing opportunities before a contract is executed, we may incur substantial costs without ultimately securing a project award. In addition, opportunities reflected in our pipeline may not result in executed contracts, may be awarded on less favorable terms than anticipated, or may be delayed significantly beyond our expectations. The timing of contract awards can have a significant impact on our order intake, backlog, revenue forecasts, manufacturing planning, and resource allocation.

Our forecasts and operating plans depend on assumptions regarding customer demand, project timing, product availability, pricing, capacity utilization, and the conversion of opportunities into executed contracts. A portion of anticipated future revenue may depend on opportunities that are not yet reflected in backlog and may never result in executed contracts. Customer purchasing decisions, contracting activity, financing availability, permitting, interconnection approvals, product readiness, commercial negotiations, and supply-chain considerations have in the past caused, and may in the future cause, projects and revenue to shift between reporting periods. Inaccurate or incomplete demand information, limited visibility into capacity commitments, and/or differences among commercial, financial, and supply-chain planning assumptions can impair our procurement, contracted manufacturing, inventory, resource-allocation, and financial planning. As a result, our operating results have fluctuated, and may in the future fluctuate, significantly from period to period and differ from our expectations.

If customer procurement cycles lengthen, project development timelines extend, anticipated contract awards are delayed, customer priorities change, financing becomes less available, and/or opportunities fail to convert into executed agreements, our order intake, backlog growth, revenue, profitability, cash flows, and results of operations could be materially adversely affected.

Our energy storage solutions, including components thereof, and underlying technology as well as our digital application offerings could have undetected defects, errors, vulnerabilities, and bugs which could reduce market adoption, cause reputational damage, and expose us to legal claims that could materially and adversely affect our business.

The energy storage solutions we develop are complex and have in the past contained, and may in the future contain, bugs, vulnerabilities, as well as design and manufacturing-related defects and errors. Defective and non-conforming products have a harmful impact on the operational reliability and certainty of our customer projects. Identification, mitigation and corrective actions are important considerations when managing the installation, construction, commissioning and servicing of our customer projects. We have from time to time discovered latent defects in the various component and contingent parts of our energy storage solutions and in the future we may face similar such defects. We have experienced a combination of design defects, defects in workmanship and quality, production errors, and specification shortfalls. As we expand and grow with new stakeholders and technologies, we may face similar non-conformities that will require a collective approach to effectively and efficiently address any such defect and nonconformity concerns with our suppliers and with our contract manufacturers. Defects may exist within the various components and parts sourced from our suppliers or that arise during any manufacturing processes, and quality control programs may not work as intended and may not prevent all, if any of the defects and other issues in our products. Defects may occur in the future which may result in significant expenses or disruptions of our operations. As we continue to improve the features and functionality of our products and technology platforms through updates and enhancements and introduce new designs and product and software offerings to our customers, we may introduce inadvertent additional defects or errors that may not be detected until after deployment. The uniqueness and complexity of our offerings often require input from multiple stakeholders to detect, mitigate and correct any non-conformities, potentially resulting in extending time to fix. If we are unable to prevent or timely and effectively remedy errors, bugs, vulnerabilities, or defects in our offerings, we could potentially suffer reputational damage, increased costs, and potential impact to our customer relationships, any of which could adversely affect our business, prospects, financial condition, results of operations, and cash flows.

The Company's solutions rely on multiple components sourced from third-party suppliers that are integrated into our broader systems and offerings. These components, while individually procured, form an essential part of the overall functionality and performance of our products and services delivered to customers. In the event of a defect or failure in a supplier-provided component, the resulting impact to the Company may be significantly greater than the remedy or recovery available under the supplier's contractual obligations. This is due to the integrated nature of our solutions, where a single component failure can lead to broader system-level issues, customer dissatisfaction, and potential liability exposure that exceeds the value or scope of the defective parts and components. As a result, the Company may face a disproportionate risk profile in comparison to the limited remedies available from suppliers. This misalignment between supplier liability and customer exposure could adversely affect our financial condition, results of operations, and reputation, particularly if such defects lead to warranty claims, service disruptions, or regulatory scrutiny. Defects in design, failure to meet specifications, and workmanship issues therefore have the potential to adversely affect customer satisfaction, market acceptance, and our business reputation. Furthermore, issues and incidents involving our customers or their facilities at which our energy storage solutions are located, including damage from fires, whether or not attributable to our energy storage solutions, has had, and may in the future have, an adverse effect on our reputation and customer relationships and has and may in the future lead to litigation.

On rare occasions, defects in energy storage solutions may impact the lithium-ion batteries that have been incorporated into such solution which may lead to a rapid release of the energy such batteries contain by venting smoke and flames in a manner that can ignite nearby materials as well as other lithium-ion batteries. General negative public perception regarding the suitability of lithium-ion batteries for energy applications or any future incident involving lithium-ion batteries, such as a plant fire, vehicle fire, or other type of fire incident, even if such incident does not involve Fluence, could adversely affect our business and reputation, such as through additional regulations or fire-safety standards being imposed on energy storage projects. Plant fires or other events that result in negative public attention could increase community or agency opposition to new or expanded energy storage or could increase demand for alternative energy storage technologies that have or are perceived to have reduced fire risks.

We have been and may in the future be subject, in the ordinary course of business, to legal claims and potential losses relating to products liability, accidents, acts of God, and other legal claims against us arising out of defects or errors in our energy storage solutions, services, and digital application offerings.

We have not historically manufactured batteries or other components of our energy storage solutions and have historically relied on our component suppliers and contract manufacturers to control the quality of such components; however, in September 2024, we initiated production of the Fluence designed battery modules at our contract manufacturing site in Utah. The Fluence designed battery modules included a new technology agnostic battery management system that allowed Fluence to source battery cells from various battery OEMs for integration into the Fluence-made battery modules. There may be unique defects and errors in these Fluence-made

battery modules and any such unanticipated defects or errors may impact the Company's business and relationship with customers. If we manufacture or produce other Fluence-developed components in the future, we may have greater exposure of any defects relating thereto.

In addition, our digital application offerings may also have bugs or defects incorporated therein and could experience a software anomaly, cybersecurity event, or unplanned downtime, that could result in an unexpected, material adverse event for customers, and may therefore damage our reputation, business, and future prospects.

Any defects, errors, or performance problems in our offerings, or the perception of such, could result in any of the following, each of which could adversely affect our business, financial condition, and results of operations:

- expenditure of significant financial and product development resources, including recalls, in efforts to analyze, correct, eliminate, or work around errors or defects;
- significant re-engineering costs;
- loss of existing or potential customers;
- interruptions or delays in sales;
- delayed or lost revenue;
- delay or failure to attain market acceptance;
- delay in the development or release of new functionality or improvements;
- negative publicity and reputational harm;
- sales credits or refunds;
- security vulnerabilities, data breaches, and exposure of confidential or proprietary information;
- diversion of development and customer service resources;
- breach of warranty claims;
- legal claims and regulatory actions under applicable laws, rules, and regulations; and
- the expense and risk of litigation.

Although we have contractual protections, including indemnification, warranty disclaimers, and limitation of liability provisions, in many of our agreements with customers, resellers, and other business partners, such protections may not be uniformly implemented in all contracts and, where governed, may not fully or effectively protect from claims by customers, resellers, other business partners, or other third parties. Any insurance coverage or indemnification obligations of suppliers may not adequately cover all such claims or cover only a portion of such claims. A successful product liability, warranty, or other similar claim could have an adverse effect on our business, financial condition, and results of operations. In addition, even unsuccessful claims, as well as successful claims, could result in expenditure of funds in litigation, divert management's time and other resources, and cause reputational harm as well as lead to potential loss of existing or future customers.

Our energy storage products and solutions, which are complex, could contain defects, or may not operate at expected performance levels, which may cause us to incur warranty expenses beyond current estimates and could adversely affect our business and results of operations.

We offer standard limited assurance type product warranties, as well as extended service type warranties. Our limited warranties cover defects in materials and workmanship of our products for normal use and service conditions typically between one and five years following commercial operation date or substantial completion depending on the contract. As a result, we bear the risk of warranty claims long after we have sold the product and recognized revenue. Our estimated costs of warranty for previously sold products may change to the extent future products may not be compatible with earlier generation products under warranty. Furthermore, as we are in an evolving, nascent industry, there is a degree of uncertainty regarding estimated warranty costs due to limited data. We have a relatively limited operating history as an independent entity and therefore must project how our solutions will perform over the estimated warranty period and the estimated reserve may have material changes. In addition, under real world operating conditions, which may vary by location and design, as well as environmental conditions, our product may perform in a different way than under standard test conditions or other failure data sets. We depend significantly on our reputation for safety and reliability and high-quality products and services, exceptional customer service, and our brand name to attract new customers and maintain our current customers, and grow our business. If our products and services do not perform as anticipated or we experience unexpected reliability problems or widespread product failures, our brand and market reputation could be significantly impaired and we may lose, or be unable to gain or retain, customers which could impact our business and results of operations.

We have been required to make assumptions and apply judgments, including the durability and reliability of our products, regarding their performance over the estimated warranty period and our anticipated rate of warranty claims. Our assumptions could prove to be materially different from the actual performance of our products, causing us to incur substantial expense to repair or replace defective products in the future. An increase in our estimates of future warranty obligations due to product failure rates, field service obligations, and rework costs incurred in correcting product failures could cause us to increase the amount of warranty obligations and may adversely impact our results of operations. If our warranty reserves are inadequate to cover future warranty claims on our energy storage products, our financial condition and results of operations will be adversely affected. Warranty reserves include

our management's best estimates of the projected costs to repair or to replace items under warranty, which is based on estimated failure rates. Such estimates are inherently uncertain and changes to our historical or projected experience, especially with respect to energy storage products solutions are still in development and which we expect to produce at significantly greater volumes than our past products, may cause material changes to our warranty reserves in the future.

Our current and planned global operations expose us to significant business, financial, regulatory, geopolitical, trade, and other related economic risks which may have a material adverse effect on our business and results of operation.

We offer and sell our energy storage solutions, services, and digital application offerings globally and have operations and conduct business activities in a number of different countries, including, but not limited to, the United States, the United Kingdom, multiple European Union countries, Chile, Australia, Taiwan, India, Japan, Italy, Poland, Canada, Singapore, the Philippines, and China and may in the future evaluate and take advantage of opportunities to expand into new geographic markets. In particular, we rely significantly on suppliers in China for key energy storage components, including battery cells and modules, and we maintain personnel and engage third parties in China to conduct quality control, factory acceptance testing, and supply chain oversight. We also may from time to time engage in acquisitions of businesses or product lines in those geographic markets we currently have operations in or in other geographic markets that we have not yet penetrated. Operating globally requires significant resources and management attention and subjects us to a variety of risks, relating to, but not limited to, the following:

- conflicting and changing laws, regulations, policies, and permitting processes, including trade, labor, environmental, health, safety, banking, employment, privacy and data protection laws and regulations, as well as tariffs, export quotas, customs duties, and other trade restrictions;
- legal, regulatory, and practical impediments to conducting quality assurance, factory audits, or supply chain traceability in certain jurisdictions, including recent Chinese national security, anti-espionage, and data security regulations that restrict information gathering and foreign auditing activities;
- compliance with U.S. and foreign anti-bribery laws, anti-corruption, anti-money laundering, and similar laws, including the Foreign Corrupt Practices Act of 1977, as amended;
- compliance with potentially conflicting and changing laws of taxing jurisdictions where we conduct business and applicable U.S. tax laws as they relate to international operations, the complexity and adverse consequences of such tax laws and potentially adverse tax consequences due to changes in such tax laws;
- limited or unfavorable intellectual property protection and practical difficulties associated with enforcing our legal rights globally, including the risk of intellectual property theft or involuntary technology transfer;
- geopolitical or economic conditions or uncertainty, which may include war, armed conflict, political instability or unrest, terrorism, natural disasters, and pandemics, as well as heightened political and trade tensions between the United States and China;
- increased complexity and costs, including oversight, management, travel, infrastructure, regulatory compliance, fire-safety compliance, and legal compliance costs, associated with having operations and vendor management activities in many countries;
- increased financial accounting and reporting burdens and complexities;
- changes in diplomatic and trade relationships, including political risk and customer perceptions based on such changes and risks;
- potential unfair or corrupt business practices in certain geographies that may impact our financial results and result in restatements of our consolidated financial statements;
- restrictions on the repatriation of earnings or foreign currency exchange controls;
- customer and sales practices varying region to region, including potentially longer sales cycles, different permitting processes, and differing warranty expectations;
- differing technical standards, existing or future regulatory and certification requirements, including relating to fire safety, and required features and functionality as well as different cost, performance, and compatibility requirements; and
- fluctuations in the value of foreign currencies and global inflation.

In addition, governments increasingly view energy infrastructure, battery supply chains, cybersecurity, and related technologies as matters of national or economic security. As a result, we may be subject to heightened regulatory scrutiny, localization requirements, restrictions on suppliers or technologies, or other policy changes that could increase costs, delay projects, disrupt supply chains, require product redesigns, limit market access, or otherwise adversely affect our business. Any disruption in the operations of our battery cell suppliers in China, or any restrictions on our ability to inspect, verify, and ensure the quality of products manufactured there, could lead to delivery delays, quality defects, warranty claims, or increased component costs. If we are unable to effectively anticipate, manage, and respond to these risks, our business, financial condition, results of operations, cash flows, and growth prospects could be materially adversely affected.

Recent U.S. government actions restricting foreign-produced bulk-power system electric equipment could affect our supply chain, increase our costs, and delay customer projects.

On August 26, 2026, the President of the United States issued Executive Order 14421 (the "Executive Order"), which declares a national emergency relating to the security of the U.S. bulk-power system and broadly prohibits certain transactions involving, or the installation of, foreign-produced bulk-power system electric equipment when the Secretary of Energy determines that the equipment is from a "Covered Foreign Entity" and poses an undue risk to the security or resilience of the bulk-power system. The definition of "Covered Foreign Entity" is based on the U.S. International Traffic in Arms Regulations arms embargo and related sanctions framework and includes, at a minimum, Belarus, Burma, China, Cuba, Iran, North Korea, Syria, and Venezuela, and may include additional countries, potentially including Russia. The scope of the Executive Order and its implementing requirements may depend on future determinations by the Secretary of Energy and other governmental authorities.

The Executive Order defines "bulk-power system electric equipment" broadly to include equipment such as generators, battery energy storage systems, inverters, substations, control rooms, and related equipment. This definition could encompass our battery energy storage systems, as well as components used in those products, particularly when our equipment is deployed by customers on the bulk-power system. The Executive Order could therefore restrict our ability to source components from suppliers in countries that may be covered, including suppliers in Asia, and could increase our costs, require us to qualify alternative suppliers, or result in shortages or delays. China is a significant producer of certain components and rare earth elements used in power generation equipment, and restrictions affecting those inputs could further disrupt our supply chain.

The Secretary of Energy may also impose conditions on the continued use, operation, maintenance, or servicing of covered equipment that was installed before the applicable restrictions, including requirements to replace or remove such equipment. These requirements could affect our customers' existing installations, increase our service and support obligations, result in claims or disputes, and delay or reduce demand for customer projects. Implementing regulations are required within 120 days but have not yet been published, creating uncertainty regarding the scope, timing, enforcement, and practical application of the Executive Order. A similar executive order, Executive Order 13920, was issued in 2020 but was suspended in 2021 without implementing regulations; however, the Executive Order may result in different outcomes, including the adoption of rules or enforcement measures that materially affect our business. Any of these developments could materially and adversely affect our business, financial condition, and results of operations.

Failure by our contract manufacturers, vendors, suppliers, and upstream suppliers to use ethical business practices and comply with applicable laws and regulations, including labor, health, safety, and environmental laws, may adversely affect our business.

We rely on a global network of direct suppliers, contract manufacturers, vendors, logistics providers, and other business partners to source, manufacture, and deliver our energy storage solutions and related offerings. We do not control our contract manufacturers, vendors, or suppliers or upstream suppliers nor their business practices. Accordingly, we cannot guarantee that they follow ethical business practices, such as with respect to child labor, wages and benefits, forced labor, discrimination, safe and healthy working conditions, environmental concerns, and all applicable legal and regulatory requirements relating to the conduct of their businesses. Certain governments, customers, investors, and other stakeholders increasingly expect companies to conduct due diligence regarding responsible sourcing, human rights, labor practices, environmental performance, supply chain traceability, and the origin of raw materials and components. In addition, evolving laws and regulations relating to forced labor, child labor, supply chain transparency and traceability, import restrictions, sustainability reporting, and responsible sourcing may increase compliance obligations and expose us to additional risks arising from the acts or omissions of third parties. If any of our suppliers, contract manufacturers, vendors, or other business partners violate applicable laws or regulations or are alleged to have engaged in unethical, unsafe, environmentally harmful, or otherwise improper business practices, we could experience reputational harm, customer losses, supply disruptions, shipment delays, import restrictions, project delays, increased costs, contractual disputes, investigations, enforcement actions, litigation, fines, or other liabilities. In addition, identifying and qualifying alternative suppliers may be costly and time-consuming and may require redesign, testing, qualification, certification, or customer approval activities. Any actual or perceived failure of our supply chain to satisfy legal, regulatory, customer, or stakeholder expectations relating to responsible sourcing, human rights, environmental practices, sustainability, quality, or traceability could adversely affect our reputation, customer relationships, business, results of operations, and financial condition. For more information, see our risk factor titled "*We are a global company and maintain an international supply chain which comes with a number of risks that may impact our business, results of operations, and future growth.*"

Actual or threatened health epidemics, pandemics, or similar public health threats have had and could in the future have a material adverse effect on our business, outlook, financial condition, results of operations, and liquidity.

The global markets in which we operate were impacted by the COVID-19 pandemic and could in the future be materially adversely affected by other health pandemics, epidemics, or similar public health threats. If our ground operations at project sites, our contract manufacturers' facilities and our suppliers or vendors are affected by epidemics, pandemics or similar public health threats in the future, our supply chain, manufacturing, and product shipments may be delayed, which could adversely affect our business, operations, and customer relationships.

We have encountered and could encounter in the future project delays and resulting liquidated damage claims from customers due to impacts arising from or related to actual or threatened health epidemics, pandemics, similar public health threats on suppliers, customers, or others. The extent to which these events may impact our business as well as their duration and intensity will depend on future developments, which are highly uncertain and cannot be predicted at this time.

The scope and duration of a pandemic, epidemic, or other similar public health threat, including any future resurgences, the pace at which government restrictions, if any, are implemented to contain a virus and then lifted, the impact on our customers and suppliers, the speed and extent to which markets recover from the disruptions caused by a pandemic, epidemic, or other similar public health threat, and the impact of these factors on our business will depend on future developments that are highly uncertain and cannot be predicted with confidence. The impact of a pandemic, epidemic, or other similar public health threat may also exacerbate other risks discussed herein, any of which could have a material adverse effect on our business, results of operations, or financial condition.

Severe weather events, natural disasters, and the effects of climate change are inherently unpredictable and have had and may disrupt our operations and adversely affect our business and results of operations.

Our operations and those of our customers, contract manufacturers, logistics providers, and suppliers face exposure to severe weather events and natural disasters, such as tornadoes, tsunamis, tropical storms (including El Niño, hurricanes and typhoons), earthquakes, windstorms, hailstorms, heat waves, floods, droughts, severe thunderstorms, wildfires, and other fires, which have in the past impacted and could in the future impact our operating results and can cause the operating results to vary significantly from one period to the next. These severe weather events and natural disasters may damage facilities, disrupt manufacturing operations, limit workforce availability, interrupt transportation networks, close ports, delay shipments, affect the availability of critical components and raw materials, delay project construction and commissioning activities, and otherwise disrupt our global operations and supply chain. For example, one of our contract manufacturers' facilities is located in Vietnam and their ability to timely ship out of port is impacted at times by the occurrence of typhoons or other tropical types of storms. During fiscal year 2026, Typhoon Dolphin resulted in vessel disruptions at the Port of Shanghai, contributing to shipment delays for the Company and adversely affecting the timing of certain project deliveries. Similar future severe weather events affecting key manufacturing, logistics, supplier, or customer locations have resulted in, and may in the future result in, project delays, increased costs, contractual liabilities, lost revenue opportunities, or other adverse impacts. The incidence and severity of severe weather conditions and other natural disasters are inherently unpredictable.

Climate change is increasing and is expected to continue to increase the frequency, severity, and duration of certain natural events, such as tornadoes, hurricanes, wildfires, flooding, droughts, hail and ice, droughts, heatwaves, extreme temperatures, wind and thunderstorm events as well as subsequent events. Climate change may also result in chronic physical changes, such as changes to temperature, precipitation patterns, water availability, rising sea levels, and other environmental conditions that may also adversely impact the suitability of certain project sites, disrupt our supply chain and operations, damage critical infrastructure, increase operating and maintenance costs, require additional resiliency investments, or otherwise adversely impact the business of our suppliers, contractors, logistics providers and customers, as well as the Company itself. Evolving market conditions, shifts in global policies on climate change, and the increase in frequency and impact of extreme weather events on critical infrastructure globally as a result of climate change have the potential to disrupt our business and financial condition, the business and financial condition of our suppliers and the business and financial condition of our customers, and may cause us to experience higher attrition, losses and additional costs to maintain or resume operations.

Additionally, climate change may adversely impact the cost, reduce the availability, or limit the scope of coverage of insurance that may be available to us, our suppliers, and to our customers at project sites. Any actions we may take to mitigate our business risks associated with climate change, may require us to incur substantial costs and may not be successful, due to, among other things, the uncertainty associated with the longer-term projections associated with managing climate risks. As a result, severe weather events, natural disasters, and the effects of climate change could materially adversely affect our business, financial condition, results of operations, and cash flows.

Risks Related to Our Financial Condition and Liquidity

We may not be able to obtain letters of credit, surety bonds, or other financial assurances for our projects, if and when needed on favorable terms, if at all, and we may not have sufficient liquidity to satisfy any indemnification obligations thereunder.

Many of our projects require that we issue letters of credit, surety bonds, or other financial assurances or forms of credit support to our customers in order to secure advance payments or guarantee performance under our contracts. Our continued ability to obtain surety bonds, letters of credit, or other financial assurances or forms of credit support depends on our capitalization, working capital, and financial performance. Our ability to issue letters of credit is dependent upon the availability of adequate credit issued by our banks and could be negatively impacted by our compliance with our financial covenants under our current credit agreement and any future debt agreements. Future compliance with such financial covenants may be affected by factors beyond our control, including general or industry-specific economic downturns. With respect to letters of credit under our Revolver (as defined in Part II, Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—

Revolving Credit Facility"), any advance in the event of non-performance under a contract would become a direct obligation of ours and would reduce our cash. With respect to surety bonds, payments by a surety pursuant to a bond in the event of non-performance are subject to reimbursement to the surety by us under a general indemnity agreement. Such indemnification obligations may include the face amount of the surety bond, or portions thereof, as well as other reimbursable items such as interest and certain investigative expenses and legal fees of the surety. Such indemnification obligations would require us to use our cash, cash equivalents or short-term investments, and we may not have sufficient liquidity to satisfy such indemnification obligations. When a contract is complete, the contingent obligation terminates, and letters of credit, surety bonds, or other financial assurances are returned and terminated. Necessary letters of credit, bonding capacity, or other financial assurances may not be available to support future project requirements when needed, and we may not have sufficient liquidity to satisfy any future indemnification obligations relating to these surety bonds. If we are unable to obtain such financial assurances for our projects, when needed, our reputation, business financial condition, and results of operations would be harmed.

We may increase our expenses in the future and we may not be able to achieve or maintain prolonged profitability.

Except for fiscal year 2024, we have historically incurred net losses, including in fiscal year 2026, on an annual basis since our inception. We expect our aggregate costs will increase in the foreseeable future as we continue to invest in increasing our customer base, expanding our operations, investing in research and development of our products and solutions, and operating as a public company, which in turn, may impact our ability to achieve, maintain, or increase profitability. These efforts have in the past been more expensive than anticipated and may prove more expensive than we currently anticipate, and we have not and may not succeed in the future in increasing our revenue sufficiently to offset higher than anticipated expenses.

Operating results for future periods are subject to a number of uncertainties and risks and we cannot assure you that we will maintain, achieve, or increase prolonged profitability. Our ability to maintain, achieve, or increase prolonged profitability in the future depends on a number of factors, including, but not limited to, customer acceptance of our energy storage solutions, services, and digital applications, our ability to obtain components from suppliers on cost-effective terms and on a timely basis, our ability to timely and effectively ramp up production as the Company continues to grow, our ability to maintain and grow our market share and effectively compete against others in the industry, and favorable regulatory conditions, as well as our ability to effectively manage our operating and capital expenditures.

We have encountered and will continue to encounter risks and difficulties frequently experienced by growing companies in new and rapidly changing industries. We expect our operating expenses to continue to increase over the next several years as we continue to hire additional personnel, expand our operations and infrastructure, and continue to expand to reach more customers. Further, we have encountered, and may in the future encounter, unforeseen operating expenses, difficulties, complications, delays, and other factors as we expand our business and execute our business plans, including, but not limited to, factors relating to macroeconomic uncertainties and market conditions, supply chain disruptions, contract manufacturing related delays, and enactment of new government policies and regulations, which may result in losses or a failure to generate profitable growth in future periods. For example, delays in ramping up production at the Company's contract manufacturing facility in Houston constrained our ability in 2026 to convert demand into completed deliveries and revenues, and these operational setbacks represented a reason behind the Company's reduced fiscal 2026 outlook. If our growth rate were to decline significantly or become negative in the future, it could adversely affect our future financial condition and results of operations.

If we are unable to successfully address these risks and challenges as we encounter them, our business, results of operations, and financial condition may be adversely affected. Our failure to maintain prolonged profitability could negatively impact the value of our Class A common stock and the value of our business.

Our current credit agreement imposes, and future debt agreements may impose, certain restrictions that may affect our ability to operate our business and make payments on our indebtedness.

We are party to the Credit Agreement (as defined herein), which contains covenants that, among other things, restrict our ability to incur additional indebtedness; incur liens; sell, transfer, or dispose of property and assets; invest; make dividends or distributions or other restricted payments; and engage in affiliate transactions. In addition, we are required to maintain minimum liquidity, minimum consolidated leverage ratio, and certain other financial requirements relating to the guarantor coverage test on certain applicable dates. See Part II, Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Revolving Credit Facility" for further discussion of the Revolver. The Credit Agreement limits our ability to make certain payments, including dividends or distributions on Fluence Energy, LLC's equity and other restricted payments, provided, however, that payments in respect of certain tax distributions under the Third Amended and Restated Limited Liability Company Agreement of Fluence Energy, LLC and certain payments under the Tax Receivable Agreement are permitted. See Part II, Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Tax Receivable Agreement" for further discussion of the Tax Receivable Agreement. Such restrictions may restrict our current and future operations, particularly our ability to respond to certain changes in our business or industry or take future actions, including raising additional debt or equity financing to operate during general economic or business downturns, to compete effectively, or to take advantage of new business opportunities.

Our ability to meet the restrictive covenants under the Credit Agreement may be impacted by events beyond our control. Our Credit Agreement and related security agreements provide that our breach or failure to satisfy certain covenants constitutes an event of default. Upon the occurrence of an event of default, our lenders could elect to declare all amounts outstanding under their debt agreements with us to be immediately due and payable. In addition, our lenders, to whom we granted a security interest in substantially all of our assets, would have the right to proceed against such assets we provided as collateral pursuant to the Credit Agreement and related security agreements. If our borrowings under our Revolver were to be accelerated, we may not have sufficient cash on hand or be able to sell sufficient collateral to repay outstanding borrowings or be able to borrow sufficient funds to refinance, which would have an immediate adverse effect on our business and operating results. Any such acceleration could potentially cause us to cease operations and result in a complete loss of your investment in our Class A common stock.

Moreover, the Revolver requires us to dedicate a portion of our cash flow from operations to interest payments and other fees, including relating to the issuance of letters of credit thereunder, thereby reducing the availability of cash flow to fund working capital, capital expenditures, and other general corporate purposes; increasing our vulnerability to adverse general economic, industry, or competitive developments or conditions; and limiting our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate or in pursuing our strategic objectives.

We may not be able to raise additional capital to execute on our current or future business opportunities on favorable terms, if at all, or without dilution to our stockholders.

We may seek to raise funds from capital or debt financing, including potentially public and private stock offerings, borrowings under our existing or new credit facilities, or other sources, to execute on our current or future business strategies. Our capital requirements will depend on many factors, including:

- market acceptance of our solutions, services, and digital offerings;
- the revenue generated by sales of our solutions, services, and digital offerings;
- the costs associated with expanding our sales and marketing efforts;
- the expenses we incur in manufacturing and selling our products;
- the costs of developing and commercializing new products or technologies;
- the cost of filing and prosecuting patent applications and defending and enforcing our patents and other intellectual property rights;
- the cost of defending, in litigation or otherwise, any claims that we infringe third-party patents or other intellectual property rights;
- the cost of enforcing or defending against non-competition claims;
- the number and timing of acquisitions and other strategic transactions;
- the costs associated with our planned international expansion; and
- unanticipated general and administrative expenses.

As a result of these factors, we may seek to raise additional capital to, among others:

- provide additional cash reserves to support our operations and growth;
- maintain appropriate product inventory levels;
- continue our research and development and protect our intellectual property rights;
- defend claims, in litigation, cooperate with governmental investigations, or otherwise;
- expand our geographic reach;
- commercialize our new products; and
- acquire companies, assets, and license products or intellectual property or enter into other strategic transactions.

Such capital or financing may not be available on acceptable or commercially reasonable terms, if at all. Furthermore, if we issue equity or debt securities to raise additional capital, our existing stockholders may experience dilution, and the new equity or debt securities may have rights, preferences, and privileges senior to those of our existing stockholders. In addition, if we raise additional capital through collaboration, licensing, or other similar arrangements, it may be necessary to relinquish valuable rights to our products, potential products, or proprietary technologies, or grant licenses on terms that are not favorable to us. If we are unable to rely on our standalone credit quality or utilize such credit support tools like parent company guarantees, letters of credit, or surety bonds going forward, it may impact our ability to sell products or establish customer and supplier relationships going forward. If we cannot raise capital on acceptable terms, we may not be able to develop or enhance our product, service, and digital application offerings, execute our business plan, take advantage of future opportunities, or respond to competitive pressures, changes in our supplier relationships, or unanticipated customer requirements. Any of these events could adversely affect our ability to achieve our development and commercialization goals, which could have a material adverse effect on our business, results of operations, and financial condition.

We are exposed to fluctuations in currency exchange rates, which could negatively affect our operating results.

We operate globally and enter into contracts for energy storage projects in numerous jurisdictions, which are at times and may in the future be denominated in foreign currencies, such as the Euro, the Pound, the Australian Dollar, and the Canadian Dollar, and are therefore subject to fluctuations caused by foreign currency exchange rates. Foreign exchange volatility has in the past been impacted by and may in the future be impacted by geopolitical conflicts, including armed conflicts, trade disputes, inflationary pressures, changes in interest rates, fiscal and monetary policies, sovereign debt concerns, or broader macroeconomic uncertainty. Significant adverse movements in exchange rates could increase our costs, reduce project margins, make our products less competitive in certain markets, adversely affect demand for our offerings, and negatively impact our cash flows and operating results. If our exposure to currency fluctuations increases and we are not able to successfully hedge against all, if any, of the risks associated with currency fluctuations, our operating results could be adversely affected. Furthermore, such currency fluctuations may also adversely impact our ability to accurately predict our future financial results. Therefore, from time to time, we seek to manage our exposure to foreign currency risk relating to these cash flow projects through entering into different types of hedging arrangements designed to reduce such risk exposure. However, our hedging activities may not fully protect us from the effects of currency fluctuations and may expose us to additional risks. Hedging instruments may be unavailable on commercially reasonable terms, may not cover all exposures, may not be effective, or may create accounting volatility. In addition, changes in project timing, scope, customer demand, procurement requirements, manufacturing plans, or other unforeseen business developments may cause actual exposures to differ from those anticipated when hedges were entered into, resulting in gains or losses on hedging instruments that do not offset underlying business exposures. Counterparty credit risk, regulatory developments, and operational challenges in executing our hedging strategies could further limit the effectiveness of these activities.

Furthermore, fluctuations in foreign currency exchange rates may affect the translation of the financial results of our foreign subsidiaries into U.S. dollars, causing period-to-period variability in our reported revenue, earnings, assets, liabilities, and equity. As a result, foreign currency movements could materially and adversely affect our business, financial condition, results of operations, cash flows, and our ability to accurately forecast future performance.

Risks Related to Our Business, Customer Demand, and Growth

Our order intake, backlog conversion, operating metrics, and results of operations have fluctuated, and may fluctuate, significantly from period to period due to, project timing, and other factors, making our future performance difficult to predict.

Our order intake, backlog conversion, operating metrics, revenue, profitability, cash flow, and results of operations are difficult to predict quarter to quarter and have fluctuated in the past, and may fluctuate significantly in the future. Our business has experienced, and may continue to experience, cyclical fluctuations in customer demand, order intake, project awards, and revenue recognition. The timing of customer contract awards, project notices to proceed, equipment deliveries, construction activities, commissioning milestones, and production ramp-ups can vary substantially from period to period and are often outside of our direct control. For example, in fiscal years 2024 through 2026, we experienced higher order intake in the second half of the fiscal year, whereas in fiscal years 2022 through 2023, order intake was more evenly distributed throughout the year. Revenue may also be concentrated in particular periods based on the timing of project execution and the achievement of contractual milestones.

Following contract award, we must design the project, procure equipment and components, coordinate contracted manufacturing capacity, arrange logistics, deliver equipment, and, in certain cases, install and commission the system. Delays at any stage of this process can shift revenue, costs, and cash receipts from one reporting period to another.

These actions must be completed timely to adhere to customer schedules and milestones set forth in underlying customer contracts and to avoid the incurrence of liquidated damages that may arise from the departure from adhering to schedule. Depending on the scope of the project, we may be responsible for the installation of the equipment and commissioning. Delays in projects, from one period to another may cause our results of operations for a particular period to fall below expectations.

The timing of customer purchasing decisions and contract awards may also be affected by a variety of factors, including permitting, commissioning, and interconnection delays, financing availability, supply chain constraints, macroeconomic conditions, geopolitical developments, interest rates, changes in government regulations and incentives, tariff and trade policy uncertainty, and customer-specific business considerations. Because a relatively small number of large projects may account for a significant portion of our anticipated revenue in a particular fiscal period, the delay, modification, rescoping, or cancellation of a single project can have a disproportionate impact on our operating results. Any unexpected delay in proceeding with an active material project or in signing a new material contract has, adversely affected in the past, and could materially adversely affect, our financial performance in a fiscal period. In certain circumstances, our customers may cancel orders before the completion of the transaction. If we experience delays or cancellations in the permitting, approval, commissioning, and installation process or other delays noted above in the future, our business, financial condition, and results of operations have been, and could in the future be, adversely affected.

In addition, we have seen in the past, and may see in the future, a significant portion of our anticipated revenue and cash flow be generated during the second half of a fiscal year, particularly the fourth quarter, due to the timing of customer procurement decisions, project execution schedules, commissioning activities, and revenue-recognition milestones. Because many of our costs are incurred in advance of revenue recognition, delays in project awards, contracted manufacturing, delivery, installation, or commissioning can shift

revenue and cash receipts from one reporting period to another. As a result, period-to-period comparisons of our operating results may not be meaningful and should not be relied upon as indicators of future performance.

In addition, disruptions in global supply chains, manufacturing constraints, including delays in ramp up of production facilities (as experienced at our contract manufacturers' Houston facility in fiscal year 2026), transportation delays, commodity price volatility, tariffs, trade restrictions, severe weather events, public health events, labor shortages, geopolitical conflicts, and delays associated with contract manufacturing facility expansions has in the past affected, and may affect in the future, our ability or the ability of our suppliers and partners to manufacture, deliver, install, and commission energy storage systems on expected timelines and have corresponding impacts on our business and results of operations.

As a result of the factors discussed above, our future financial performance, sales, working capital requirements and cash flow may fluctuate, and our past order intake, operating metrics, and results of operations may not be indicative of future performance. The variability and unpredictability of our operating metrics and operating results have resulted in, and could result in our failure to meet our expectations or those of analysts that cover us or investors with respect to order intake, revenue or other operating or financial results for a particular period. If we fail to meet or exceed such expectations, the market price of our Class A common stock could be adversely impacted.

Our business and customer demand for our offerings depend in part on government incentives and/or regulations relating to or mandating the use of renewable energy and/or energy storage. Changes or potential changes to government incentives or regulations have and could in the future impact demand for our energy storage solutions, which could lead to adverse effects to our business, operating results, and cash flows.

Government bodies in various jurisdictions provide incentives and/or regulations relating to mandating or encouraging use of renewable energy and/or energy storage to owners, end users, distributors, system integrators, and manufacturers of renewable energy and energy storage products and solutions to promote renewable electricity and energy storage in the form of rebates, tax credits, other financial incentives, procurement requirements and market structures. The range and duration of these incentives and regulations varies widely by jurisdiction and type of asset involved. Our customers typically use our energy storage solutions for grid-connected applications wherein power is sold under a power purchase agreement or into an organized electric market. The reduction, elimination, modification, expiration, or determination of inapplicability of government incentives or regulations related to mandating or encouraging the use of grid-connected renewable electricity and/or energy storage or the potential of any such reduction, elimination, modification, expiration, or determination of inapplicability of government incentives or regulations has and may in the future negatively affect the competitiveness of our offerings, the growth of our industry and our business. Such government incentives and/or regulations may expire on a particular date, end when the allocated funding is exhausted or be reduced or terminated as renewable energy adoption rates increase or as a result of legal challenges, changing policies or priorities, the adoption of new statutes or regulations or changes to existing regulations, new regulatory guidance, or the passage of time. Reductions, modification, terminations, or determination of inapplicability of government incentives and/or regulations may occur without warning. Such policies, regulations, and incentives may not continue to exist in current form, or at all. The reduction, modification, elimination, or expiration or the potential of any such reduction, elimination, modification, expiration, of such government incentives or regulations or determination of inapplicability of such government incentives or regulations has impacted and may in the future impact customer demand for our offerings, may lead to a loss of customers and potential customer projects, and has and may in the future harm our business, operating results, and cash flows. From time to time, we may pursue acquisitions or other strategic transactions in order to take advantage of potential incentives. However, any such acquisition or transaction may not be consummated on the timeline we expect or at all, and it may not achieve its intended benefits.

For example, in August 2022, the United States passed the IRA, which included incentives that supported the adoption of energy storage solutions, including a new "technology neutral" Section 48E investment tax credit (the "ITC") and Section 45Y production tax credit (the "PTC"), changes to the previous Section 48 non-"technology neutral" investment tax credit and Section 45 production tax credit, and the Section 45X Advanced Manufacturing Production Tax Credit (the "AMPC"). On July 4, 2025, the OBBBA was signed into law, which significantly modified certain provisions of the IRA, including those related to energy storage. The OBBBA supports energy storage in the United States, as the bill includes long-term continued availability of the ITC for energy storage projects and the AMPC for domestically manufactured cells, modules, and inverters in energy storage systems. Certain tax credits, notably including the ITC for energy storage, will begin to phase down for projects that start construction (in accordance with Internal Revenue Service ("IRS") guidance) after 2033. The prevailing wage and apprenticeship requirements enacted under the IRA continue to apply under the OBBBA for the project owner to receive the full ITC value, and the credit value can be further increased if the project owner also qualifies for a domestic content bonus credit and energy communities bonus credit. The OBBBA amended the provisions of the domestic content bonus credit for the ITC such that the project owner now must achieve higher minimum domestic content percentage thresholds. In addition, the OBBBA amended the ITC and AMPC establishing new Prohibited Foreign Entity ("PFE") restrictions.

The new PFE restrictions apply to virtually all key tax credits under the IRA and come in two forms: (i) for tax years beginning after July 4, 2025, the taxpayer taking the ITC and AMPC tax credit cannot not be a PFE and (ii) for ITC projects that start construction in 2026 and after, and AMPC eligible components that are made and sold in the manufacturing facility's tax year that begins after July 4, 2025, the ITC eligible project or AMPC eligible component must source a certain percentage of material from non-

PFEs (known as “material assistance”), and the percentage of material from non-PFEs increases annually over time. The OBBBA includes substantive details regarding PFE restriction compliance requirements and requires U.S. Department of Treasury to issue implementation regulations by December 31, 2026. There is continuing uncertainty on certain aspects of the OBBBA, guidance, and forthcoming related guidance (including with respect to FEOC restrictions). In the past such uncertainty related to federal tax policy caused certain customers to take an extended period to evaluate, negotiate, and enter energy storage arrangements, which has impacted our business and results of operations. On February 12, 2026, the Internal Revenue Service (IRS) published Notice 2026-15 providing initial guidance on determining compliance with the MACR requirements in the OBBBA. Current uncertainty related to changes imposed by the OBBBA may in the future similarly cause customers to delay contracting decisions or may cause customers to delay or cancel existing projects as they navigate such uncertainty which could have a material negative effect on our business and results of operations.

If we are unable to provide energy storage solutions that qualify our customers of U.S. projects for the ITC (with or without the domestic content bonus credit) under the OBBBA on the timeline and in such quantities that we currently anticipate, then there may be negative impacts to our reputation, ability to compete in the market, demand from our customers, and our financial condition. Our competitors may be able to build a more robust domestic supply chain than us and may be able to offer customers U.S. domestic content products in greater quantity, with better pricing, and on a faster timeline than we may be able to if our production of our battery components in the U.S. (e.g., modules, cells, enclosures, and thermal management systems) is delayed or hindered or otherwise negatively impacted (including through the PFE restrictions under the OBBBA). Such impacts would adversely impact our brand and ability to compete, and in turn would adversely affect our results of operations.

The full impact of the modifications to the tax credits and PFE restrictions in the OBBBA, its accompanying guidance, and potential changes in law that may apply to our business and operations as well as our customers’ and suppliers’ businesses cannot be known with certainty and we may not recognize the full extent of benefits we currently anticipate, which may materially and adversely impact our business, financial condition, and results of operations. We are continuing to evaluate the potential overall impact and applicability of these tax credits, as modified by the OBBBA, and any potential future changes in law on our business and operations.

The international markets in which we operate or may operate in the future have or may in the future put in place policies to promote renewable energy, including energy storage. These incentives and mechanisms vary from country to country. In seeking to achieve growth internationally, we have made and may in the future make investments that, to some extent, rely on governmental incentives and support in a new market. We may not be able to optimize the benefits offered by these incentives or realize the growth that we expect from investments in the incentives, particularly in relation to competitors whose products might benefit disproportionately from these incentives. Governments may not continue to provide sufficient incentives and support to the energy storage industry and the industry in any particular country may suffer significant downturns in the future as the result of changes in public policies or government interest in renewable energy, any of which would adversely affect demand for our energy storage solutions and services.

Several of the rules and regulations we are subject to are not fully defined by the U.S. government at this time, and there are risks related to the interpretations of and assumptions made about such rules and regulations by us and others as a result.

Changes in the global trade environment, including the imposition of new tariffs, changes to existing tariffs, and related general economic uncertainty, has impacted and may in the future impact our business and operations and has and may in the future adversely affect the amount or timing of our revenues, results of operations, and cash flows in the future.

In May 2024, the U.S. executive administration announced a significant shift in the tariff framework for the energy storage industry. Under the May 2024 structure announced by the U.S. executive administration, the Section 301 tariff rate on battery "parts"–including separators, electrolytes, cans, and electrodes remained at its current 25% level. Further, the Section 301 tariff rate on lithium-ion non-EV batteries imported from China were increased from 7.5% to 25%, effective January 1, 2026. This change specifically targeted "batteries" as defined by U.S. Customs and Border Protection, encompassing integrated battery energy storage systems, modules, and certain types of cells. In April 2025, the U.S. executive administration enacted additional tariffs on nearly all types of imports (including those used in our energy storage solutions) from countries around the world, including high tariffs on Chinese imports. Some of these additional tariffs have been modified further since they were imposed in April 2025. As of the filing date of this Annual Report, covered imports from China relevant to our energy storage systems are subject to the 25% Section 301 tariff rate on battery-related imports, the 12.5% Section 301 Forced Labor tariff, and the 3.4% base tariff on battery imports from all countries, excluding Canada and Mexico. In addition, tariffs that have been imposed by the United States government against other countries have changed, and may in the future, increase, decrease, or change with little to no advance notice. The recent tariff policy changes and continued uncertainty relating to U.S. trade policy and the corresponding response from other foreign countries have impacted, and may in the future impact, the energy storage market, demand for our energy storage solutions by customers, our business, and results of operations as well as those of our customers, our contract manufacturers, and suppliers. The Company has exposure from the imposition of these new tariffs and from the tariff uncertainty in the global markets, as the Company imports components from overseas, including battery cells from China, into the United States for customers and projects in the United States. We may see impacts to customer contracting activity if there continues to be uncertainty relating to tariffs. In fiscal year 2025, we experienced paused and delayed customer contracting activity in response to the tariff-related uncertainty, including as a result of the

mutual agreement by the Company with certain customers in the United States to (i) defer entry into new energy storage solutions contracts and (ii) pause active, currently signed contracts under project execution. This impact to customer contracting behavior from the uncertain trade environment has impacted, and may in the future impact, our revenue, business, operating metrics, and results of operations. From time to time, we may pursue acquisitions or other strategic transactions in order to take advantage of potential incentives. However, any such acquisition or transaction may not be consummated on the timeline we expect or at all, and it may not achieve its intended benefits.

In addition, there are ongoing, and there may be future, investigations into certain additional tariffs on specific imports and trade practices that may result in tariffs and/or more restrictive trade duties and restrictions on components for our energy storage solutions that we import into the U.S. from overseas. For example, the United States Trade Representative initiated a Section 301 tariff investigation related to structural excess capacity and production in manufacturing sectors in 2026. That investigation may result in additional tariffs on imports from up to 16 nations, including China. Due to the uncertainty relating to the final outcome of the various ongoing tariff-related investigations and any future investigations, we cannot predict the ultimate impact the outcome of ongoing tariff investigations and any resulting tariffs or other trade actions could have on our business, financial condition, and results of operations.

The steps we have taken to ramp up U.S. domestic production of key products and components of our energy storage solutions in the United States have not always proceeded, and may continue to not proceed, on the anticipated timeline and such steps may not successfully mitigate the impacts of any tariffs or other trade restrictions. We have faced, and we may in the future face, unanticipated costs and delays in developing our U.S. domestic supply chain, including at our Houston contract manufacturing facility, and we may not be able to scale U.S. domestic production to achieve required volumes or quality, as quickly as would be required to avoid a material adverse impact to our business and our results of operations.

In our international markets, similar developments and risks have emerged, or may emerge in the future. For example, in Europe the funding ban for inverters from high-risk countries, which is expected to impact roughly 15% of the European storage market volume directly, may result in customers requiring inverter solutions from non high-risk countries. Depending on the final design of the legislation, we may need to adjust supply chains and manufacturing locations to service such emerging EU-content markets.

Current and future trade policies and restrictions, including tariffs and resulting economic conditions in the markets in which we operate may materially increase costs of certain components and our inventory costs. These factors have impacted, and may in the future materially adversely impact, our strategy, demand for our solutions, our customers, our suppliers, and our contract manufacturers and their respective businesses and operations. Navigating these conditions has required, and may in the future require, significant attention from our management. Any of the foregoing may materially harm our business, prospects, financial condition, and operating results.

Our pipeline, contracted backlog and remaining performance obligations may not result in revenue, cash flows or profitability when expected, if at all.

Information about our pipeline, contracted backlog, and remaining performance obligations included in this Annual Report and our other public disclosures is based on numerous assumptions and limitations, calculated using our internal data which may not provide an accurate indication of our future or expected results as we cannot guarantee that our pipeline or contracted backlog will result in actual revenue in the originally anticipated period, if at all, or will result in meaningful revenue or profitability. Our customers operate in a continuously evolving industry and have based their commitments to us on assumptions about future energy prices, demand levels, and current and anticipated regulatory regimes and tax incentives, including those currently anticipated under the IRA and OBBBA, among other factors. Further, certain customers may need to obtain financing to fulfill their commitments to us. If the market does not grow as expected, the regulatory environment changes, including potential changes to tariffs or other trade restrictions or to the IRA and OBBBA, or customers fail to obtain and maintain necessary levels of financial backing, our pipeline may be adversely affected and customers may fail to satisfy their minimum purchase commitments to us, causing us to fail to realize our anticipated pipeline or contracted backlog. Furthermore, our pipeline or contracted backlog may not generate margins equal to historical operating results or to the expected level guided to by management. Our customers may experience delays that could result in project delays or cancelled orders as a result of external market factors and economic or other factors beyond our or their control. If our pipeline or contracted backlog fails to result in revenue or margins as anticipated or in a timely manner, we could experience a reduction in revenue, profitability, and liquidity. A substantial backlog may also require significant working capital, inventory purchases, contract manufacturing capacity, letters of credit, surety bonds, and other credit support before we recognize revenue or collect cash. Accordingly, growth in backlog may increase future liquidity requirements and execution risk and should not be viewed as assurance of future revenue, cash flow, or profitability.

A significant portion of our revenue comes from only a relatively small number of customers. If there is a significant reduction in business from or loss of one or more of these customers or there is an inability of one of these customers to perform under their contracts with us, it could materially harm our business and negatively impact revenue, business, financial condition, results of operations, and cash flow.

We remain dependent on a relatively small number of customers for the majority of the sales of our energy storage solutions and a small number of customers have historically accounted for a material portion of our total revenue. For the fiscal year ended September 30, 2026, our three largest customers, in the aggregate, accounted for approximately 44% of our annual revenue. Specifically, for the fiscal year ended September 30, 2026, revenue from AES and its affiliates accounted for approximately 19% of our annual revenue. The reduction in order volume or loss of any one of the Company's significant customers, including AES and its affiliates, a significant customer's inability to perform under its respective contracts, including any default in payment, a significant dispute with one of these customers, a significant downturn or deterioration in the business or financial condition of any customers, any delay of contracting processes with customers due to economic uncertainty, or any other event significantly negatively impacting the contractual relationship with one of these customers could have a materially adverse effect on the brand, business, revenues, financial condition, and cash flows of the Company. For the near future, we may continue to derive a significant portion of our total revenue from a small number of customers. Accordingly, loss of a significant customer or a significant reduction in order volume from a significant customer or a change in contracting behavior by a significant customer could materially reduce revenue recognized and operating results in any reporting period compared to prior periods and/or expectations and impact our results of operations and order intake.

In addition, at the time of the IPO, the Company entered into an amended and restated storage core frame purchase agreement with AES Grid Stability, pursuant to which AES Grid Stability and its affiliates may purchase energy storage solutions and related services from us under preferred purchasing conditions. This agreement continues until the earlier of (x) October 27, 2028 and (y) the date on which AES Grid Stability holds less than 10% of the then outstanding voting power. If AES Grid Stability holds at least 20% of the then-outstanding voting power, they must continue to purchase certain of our energy storage offerings exclusively from us. If AES Grid Stability holds at least 10% of the then-outstanding voting power, neither it nor its affiliates will directly or indirectly engage in any of the defined exclusive activities set forth in this agreement, subject to us maintaining certain sales volume requirements. On such date that AES Grid Stability and its affiliates are no longer bound by the exclusivity terms of this agreement, AES may decide to explore different energy storage suppliers and we may see a negative impact to our aggregate order volume and revenues from decreased sales with AES and there may be a corresponding material adverse impact to our business, financial condition, and results of operations. In addition, broader strategic or commercial decisions by AES regarding its engagement with our offerings, or its focus on energy storage more generally, could reduce order volumes or otherwise adversely affect our business, results of operations, and cash flows.

We face intense competition in the markets in which we operate from both established and new competitors. If we are unable to compete, attract new customers, and retain existing customers, our revenue growth, business, and operating results may be adversely affected.

We operate in an intensely competitive business environment for our energy storage solutions, services, and digital application offerings, which is consistently evolving. To increase our revenue and market share, our business strategy depends on our ability to compete, attract new customers, and retain our existing customers. Competition is based on numerous factors, including such factors set forth under Item 1. Business - Competition. Many of our competitors, including certain battery manufacturers and companies headquartered in China and other jurisdictions, may have greater manufacturing scale, lower cost structures, stronger vertical integration, greater financial resources, broader product portfolios, more established customer relationships, and/or greater access to capital than we do. These advantages have allowed, and may in the future allow, competitors to offer more attractive terms to customers, including lower prices, more favorable commercial terms, broader warranties, enhanced performance guarantees, and/or other incentives that we may be unable or unwilling to match. We continue to see increased competitive pressures year after year and continue to expect competition in the energy storage industry to increase primarily due to increased demand from customers and recent regulatory changes and incentives, both domestically and internationally, geared towards encouraging the adoption of increased renewable energy assets as well as energy storage solutions, including as a result of the IRA and the OBBBA in the United States.

Consolidation by other industry participants could further increase their resources and result in competitors with expanded market share, larger customer bases, greater diversified product and service offerings and greater technological and marketing expertise, which may allow them to compete more effectively against us in the future. Moreover, our competitors may have or may develop solutions, services, or digital applications that are superior, more efficient, and more effective compared to our offerings (on a price-to-value basis, operational impact, or otherwise), may offer products with a lower total cost of ownership, or may adapt more quickly to new or emerging technologies or regulatory regimes implemented across the globe.

Our competitors have in the past lowered, and may in the future lower, their sales prices in response to market competition to gain greater market share. Some competitors, particularly in China, with greater vertical integration may be better positioned to control costs, manage supply chains, accelerate product development, and respond to changes in customer requirements or regulatory schemes. Certain competitors may be willing to accept lower or negative margins in selected markets in order to gain market share, establish strategic positions, or support broader commercial objectives. This has hindered, and may in the future hinder. our ability to compete in certain markets, which may lead to reduced net sales and negatively impact our operating results. In response to such competitive pressures, we may also choose to adjust our pricing strategy in certain markets or reduce our margin expectations, which could further affect our financial performance.

In addition, customers are increasingly evaluating providers based on software, controls, optimization capabilities, fleet-level asset management, and their ability to support emerging applications such as AI-driven data centers, hybrid renewable energy systems, and other complex energy infrastructure projects. If we fail to continue innovating, improving our products and services, enhancing our software and digital capabilities, reducing costs, or otherwise adapting to evolving customer needs and market requirements, we may lose market share or experience increased pricing pressure. Increasing competition may also require us to reduce prices, accept lower margins, provide more favorable contractual terms, extend warranty or service commitments, increase credit support obligations, and/or make additional investments, any of which could adversely affect our profitability and cash flows.

There are also several competing alternatives for battery energy storage solutions, as well as non-intermittent energy generation that does not require storage, including but not limited to, pumped hydro, hydrogen, biofuels, thermal, and generation paired with carbon sequestration. If we are unable to convince potential customers of the benefits and superiority of our offerings, effectively differentiate our offerings from our competitors, or if potential or existing customers prefer the offerings of our competitors, we may not be able to effectively implement our growth strategy, which in turn may adversely impact our business.

Additionally, a significant portion of our annual sales in the years since our IPO were direct sales to AES and its affiliates. If we fail to maintain this relationship or if this relationship weakens, or if AES decides to reduce or modify its energy storage activities, it could materially impact our business prospects, financial condition, cash flows, or sales. Our future growth would then be even more reliant on our ability to compete for and retain new customers and our inability to do so would harm our ability to execute our growth strategy and may have a material adverse effect on our business operations and financial position.

Maintaining and enhancing our reputation and brand recognition is critical in a competitive energy storage market. If we are not able to maintain and strengthen our reputation and brand recognition, our business and results of operations may be harmed.

The markets for energy storage solutions, services, and software and digital applications remain highly competitive, and customers increasingly evaluate providers based on operational performance, product quality, safety, reliability, cybersecurity, technological innovation, and execution capabilities. Our reputation and the strength of the Fluence brand are important factors in maintaining existing customer relationships, securing new business opportunities, attracting and retaining qualified employees, and expanding our market position. Related marketing initiatives are becoming increasingly time-consuming and expensive. Our ability to maintain and strengthen the Fluence brand depends heavily on our ability to consistently provide quality offerings to our customers, successfully execute projects, and meet our performance commitments in our underlying contracts with both suppliers and customers.

Our reputation as well as the reputation of our management has been impacted, and may by impacted in the future, by actual or perceived shortcomings in our business, products, services, software offerings, or operations. For example, project delays, manufacturing or supply chain disruptions, quality issues, system underperformance, battery safety events, failures to achieve expected operational or financial outcomes, or difficulties associated with the introduction of new products and technologies could negatively affect customer confidence and market perception of our offerings. In fiscal year 2026, we experienced such project delays, manufacturing disruptions and quality issues, and there were corresponding impacts to the reputation of the Company and the management team. In addition, as energy storage projects continue to increase in size and strategic importance, including projects supporting data centers, any significant operational or execution-related issues could receive substantial public and industry attention and result in disproportionate reputational harm. Our ability to successfully position our brand could also be adversely affected by perceptions of our competitors' energy storage solutions, services, and digital applications. If we do not successfully maintain and strengthen our reputation and brand recognition, our business may not grow as we expect, if at all, and we could lose our relationships with existing customers. This would harm our business, results of operations, and financial condition.

Our reputation may also be adversely affected by negative publicity, litigation, regulatory inquiries or proceedings, allegations regarding environmental, social, governance, labor, human rights, or supply chain practices, or the actions of our suppliers, subcontractors, business partners, customers, employees, executives, or other third parties with whom we do business. Actual or threatened securities class actions, shareholder derivative actions, and other litigation or investigations, regardless of merit or ultimate outcome, has in the past generated, and may in the future generate, negative publicity, increase scrutiny from investors, customers, regulators, and other stakeholders, and divert management time and resources. In addition, evolving stakeholder expectations regarding sustainability, responsible sourcing, cybersecurity, product stewardship, and corporate governance may subject us to heightened scrutiny from customers, investors, regulators, lenders, insurers, and other stakeholders. Any actual or perceived failure to satisfy these evolving, and potentially contradictory, expectations could adversely affect our reputation and commercial opportunities.

Protecting and enhancing our brand may require substantial investments in marketing and these efforts may not be successful, and any damage to our reputation or brand could impair our ability to attract new customers, retain existing customers, enter new markets, maintain strategic relationships, recruit and retain talent, or compete effectively. Moreover, our marketing activities may not yield the anticipated increased revenue, the increased revenue may not offset the expenses we incur as part of any marketing initiatives, and our results of operations could be harmed. If we are unable to maintain and enhance our reputation and brand recognition, our business, results of operations, cash flows, and financial condition could be materially adversely affected.

If we fail to effectively manage the scale, complexity, and expansion of our business and operations, we may be unable to execute our business strategy, meet customer expectations, and adequately address competitive challenges.

We operate in a rapidly evolving and highly competitive market and continue to pursue growth through our offerings and product platforms, as well as across new geographies, customer segments, and end markets. As our business grows, we face increasing operational, technological, financial, regulatory, and organizational complexity. In particular, we must effectively manage larger and more complex projects, global supply chains and contract manufacturing operations, expanding software and digital offerings, cybersecurity requirements, evolving regulatory landscape, and a growing installed asset base requiring ongoing service and support. Continued growth places significant demands on our management, working capital, personnel, systems, internal controls, and operational infrastructure. To support our business, we must continue to attract, develop, and retain qualified personnel, enhance our information technology, project management, and financial systems, strengthen internal controls and processes, and effectively coordinate activities across multiple geographic locations and business functions. Our existing and planned infrastructure, systems, and processes may prove inadequate as our business evolves, and we may be required to make substantial additional investments that could increase costs and disrupt operations.

Our success and ability to further scale our business depends, in part, on our ability to manage expansion and growth in a cost-effective and efficient manner. If we cannot manage our growth and cannot effectively manage the scale and complexity of our business, we may be unable to take advantage of market opportunities, execute our business strategies, or respond appropriately and quickly to competitive pressures. This could also result in project execution challenges, operational inefficiencies, declines in product quality and customer satisfaction, reputational damage, increased costs, difficulties in introducing new offerings, reduce demand for our offerings, or other operational difficulties. Our future operating results depend to a large extent on our ability to manage our continued expansion and growth successfully and capitalize on market opportunities, and any failure to effectively manage expansion and growth could adversely impact our business, results of operations, and reputation.

If we are unable to attract, retain, develop, and motivate qualified personnel, including members of the senior management team and other key employees, our business and ability to compete may be adversely affected.

The Company's success depends on the continued services of our senior management and highly-skilled employees across all levels and departments of our organization to run and grow our business, including employees with expertise in energy storage, software and digital applications, engineering, manufacturing, project execution, and other specialized functions. We have experienced, and we expect to continue to experience, difficulty in attracting and retaining employees with appropriate skills, experience, and qualifications necessary to support our growth strategy and evolving business needs. The challenging markets in which we compete for talent have in the past and may in the future cause us to invest significant amount of cash and equity to attract and retain qualified personnel. In addition, a significant portion of compensation for key senior employees is in the form of stock-related grants. A prolonged depression in our stock price could make it difficult for us to retain key members of management and other senior employees as well as recruit additional qualified personnel and require us to provide additional compensation to remain competitive. Further, many of the companies with which we compete for experienced personnel have greater financial resources than we have or may offer more flexible work arrangements. In addition, if we hire employees from competitors or other companies in related industries, their former employers may attempt to assert that these employees or the Company has breached certain legal obligations, resulting in a diversion of our time and resources.

In addition, ongoing trends in the labor market have exacerbated and may continue to exacerbate the challenges of attracting and retaining talented employees. Differences in demands, expectations, and priorities of the workforce may require us to modify our recruiting and retention and compensation strategies to attract and retain employees. These modifications could have a significant financial impact should we need to, meet higher salary demands, or buy out compensation packages for new hires. If we fail to attract new personnel or fail to retain and motivate our current personnel, including as a result of our incentive structure or otherwise, our business and future growth prospects and ability to compete could be adversely impacted. Continuous turnover could also result in negative brand reputation. As we continue to expand domestically and internationally, we may encounter regional laws that mandate union representation or associates who desire union representation or a collective bargaining agreement. If we are unable to attract and retain qualified associates, or otherwise experience unexpected labor disruptions within our business, we may be materially and adversely affected.

Our success depends largely upon the continued services and leadership of our senior management team and other key senior personnel. Our senior management and other key senior personnel have acquired specialized knowledge and skills with respect to our business, and the loss of any of these individuals could harm our business. From time to time, there may be changes in our senior management team and other key senior personnel, including as a result from the hiring or departure of executives, which could disrupt our business, delay the execution of our strategy, and adversely impact our business. For example, we have recently implemented changes in our executive leadership team and reorganization in an effort to help us improve on operating challenges we have recently faced, and we may continue to experience similar organizational changes in the future. In addition to other leadership changes, and as previously disclosed, on October 30, 2026, our President and Chief Executive Officer, Chief Financial Officer, and Senior Vice President and Chief Customer Success Officer, resigned from the Company leading to appointments to interim and/or new officers, as applicable, as we search for permanent successors. Leadership transitions of this nature may disrupt our business by diverting

management attention, creating uncertainty among employees, customers, lenders, and other stakeholders, and impeding execution of our strategy. Operating under an interim Chief Executive Officer and interim Chief Financial Officer may heighten these risks. Our U.S. employees, including our officers, are not subject to any restrictions that would require them to continue to work for us for any specified period and, therefore, they could terminate their employment with us at any time.

Our growth and ability to successfully execute projects depends in part on the performance of our relationships with third-party contractors, subcontractors, and service providers.

We rely on third-party contractors, subcontractors, and service providers to perform installation, commissioning, construction, logistics, maintenance, and other services necessary to deliver our energy storage solutions. The availability of qualified contractors and skilled labor may be limited, particularly as demand for energy infrastructure projects increases. Currently, the construction industry is experiencing periodic shortages of qualified labor, which has impacted, and may continue to impact, our ability to facilitate some customer installations in a timely and efficient manner. Our work with contractors and/or their subcontractors may also require us to comply with additional rules and policies (including rules unique to our customers regarding third-party contractors), working conditions requirements, site remediation requirements, and other union requirements, which can add unanticipated costs and complexity to a project.

The timeliness, thoroughness, and quality of the installation-related services performed by our general contractors and their subcontractors have not always met our or our customers' expectations or standards and may not do so in the future, and it may be difficult to find and train new contractors that meet our standards at a competitive cost and on a timely basis. Deficiencies in the quality, timeliness, safety, or execution of contractor work have in the past resulted in, and may in the future result in, project delays, cost overruns, performance issues, contractual disputes, liquidated damages, and/or other liabilities. Subpar, unsatisfactory, incomplete, or untimely contractor work for our customers could lead to adverse consequences on our reputation, business and results of operations.

Risks Related to the Clean Energy Industry

The markets in which we operate are rapidly evolving and difficult to predict, which makes it challenging to forecast our future operating results and growth prospects.

We operate in the global energy storage market and clean energy industry, each of which continues to evolve rapidly and is affected by technological innovation, changing customer preferences, regulatory developments, macroeconomic conditions, and competitive dynamics. As a result, our ability to accurately forecast future operating results, customer demand, market adoption rates, project timing, profitability, and long-term growth opportunities is subject to significant uncertainty.

Our future growth depends on numerous factors that are difficult to predict, including the pace of renewable energy deployment, growth in electricity demand, adoption of battery energy storage systems, customer acceptance of our digital applications and services, advancements in competing technologies, availability and cost of batteries and other critical components, transmission availability, interconnection timelines, and the continued development of supportive regulatory and policy frameworks. Market demand may also be affected by changes in commodity prices, capital markets conditions, interest rates, trade policies, tariffs, geopolitical developments, and government incentives, including programs and tax incentives established under the IRA and subsequently modified by the OBBBA.

Demand for energy storage is increasingly influenced by emerging trends that remain subject to uncertainty, including growing electricity consumption associated with data centers, AI applications, electrification initiatives, and new manufacturing facilities. While these trends may create significant opportunities for energy storage deployment, the magnitude, pace, geographic distribution, and duration of such demand growth remain difficult to forecast. In addition, customers may alter investment plans in response to economic conditions, utility planning decisions, transmission constraints, permitting delays, financing availability, or changes in regulatory requirements.

The energy storage industry remains highly competitive and continues to evolve technologically. New products, alternative storage technologies, changes in battery chemistry, shifts in customer requirements, and/or the introduction of competing business models could reduce demand for our products and services or require significant additional investment. Our future success depends in part on our ability to anticipate and respond to these developments, continue to innovate, effectively execute our strategy, and adapt our operations as market conditions evolve. Because many of the assumptions underlying our business plans, forecasts, pipeline estimates, backlog expectations, and growth strategies are based on rapidly changing market conditions, actual results may differ materially from our expectations. If market adoption of energy storage solutions develops more slowly than anticipated, if regulatory frameworks become less favorable, if competitive pressures intensify, or if the energy transition evolves differently than we expect, our business, financial condition, results of operations, cash flows, and growth prospects could be materially adversely affected.

If renewable energy technologies are not suitable for widespread adoption or sufficient demand for our offerings does not develop or takes longer to develop than we anticipate, our sales may decline, and we may be unable to achieve or sustain profitability.

The market for renewable, distributed energy generation is emerging and rapidly evolving, and its future success and trajectory is uncertain and subject to a number of risks. If renewable energy generation proves unsuitable for widespread commercial deployment or if demand for our energy storage solutions, software-enabled services, and digital application offerings fails to develop as currently anticipated, our revenue, market share, and our ability to achieve and/or sustain profitability may be adversely affected. Many factors may influence the widespread adoption of renewable energy generation and demand for our offerings, including, but not limited to, the cost-effectiveness of renewable energy technologies as compared with conventional and competitive technologies, the performance and reliability of renewable energy products as compared with conventional and non-renewable products, fluctuations in economic and market conditions that impact the viability of conventional and competitive alternative energy sources, increases or decreases in the prices of oil, coal and natural gas, continued deregulation of the electric power industry and broader energy industry, policy priorities of different political administrations at the international, federal, state and local level, including the scope of governmental regulations regarding renewable energy generation as well as government regulations regarding oil, coal and natural gas, and the availability or effectiveness of government subsidies and incentives, including from the IRA and OBBBA. The growth of renewable energy generation is relevant to the demand for energy storage because increases in intermittent solar and wind power in many jurisdictions have spurred the demand for energy storage to help maintain reliability and support the integration of solar and wind power into the electrical grid. Additionally, the growth of conventional energy generation and steeply rising electricity demand, particularly from large electricity loads, including AI data centers which often have 99.999% reliability requirements has, independently from renewable energy generation, spurred increasing demand for energy storage. This is because energy storage can be charged by all electricity power generation resources, can discharge the power to serve electricity loads within milliseconds, and can serve as a transmission asset.

The growth and profitability of our business is largely dependent upon the continued decline in the overall cost of battery energy storage. Over the last decade the cost of battery storage products, particularly lithium-ion based battery storage products, have declined significantly. This lower cost has been driven by advances in battery technology, maturation of the battery supply chain, the scale of battery production by the leading manufacturers, and other factors. The growth of sales of our energy storage solutions and related services is dependent upon the continued decrease in the price and efficiency of battery storage products of our component OEM suppliers. In fiscal year 2022, we saw lithium-ion battery prices increase for the first time and as a result, we had to evolve and adopt a different contracting strategy to ensure preservation of margin in such instance. Although for a few years after battery prices decreased, we saw increases again in fiscal year 2026. If for any reason going forward our component OEM suppliers are unable to continue to reduce the price of their components, including, but not limited to batteries, our business and financial condition may be negatively impacted. Additionally, we believe the growth and profitability of our business is increasingly reliant on U.S. domestic supply chains that are still in the early stages of commercial operations. Delays in the construction and ramp up of these U.S. domestic supply chains and U.S. manufacturing or unanticipated increased costs relating to such supply chains has caused and could in the future cause delays to our projects and could result in lower sales, profitability, and potentially canceled contracts. This could harm our relationships with our customers if projects are delayed. In addition, such delays in construction and ramp up of the U.S. domestic supply chains has caused (as with the delays in ramping up production at the Company's contract manufacturing facility in fiscal year 2026) and may in the future adversely impact our results of operations.

If the estimates and assumptions we use to determine the size of our total addressable market are inaccurate, our future growth rate may be affected, and the potential growth of our business could be limited.

Market estimates and growth forecasts are subject to significant uncertainty and are based on assumptions and estimates that may prove to be inaccurate. Even if the markets in which we compete meet our size estimates and forecasted growth, our business could fail to grow at similar rates, if at all. The assumptions relating to our market opportunities include, but are not limited to, the following: (i) the global transition toward renewable energy, (ii) increasing focus on grid reliability and resilience, (iii) lithium-ion battery costs, (iv) rising electricity demand, and (v) supportive regulatory frameworks. Our market opportunities are also based on the assumption that our existing and future offerings will be more attractive to our customers and potential customers than competing products and services. If these assumptions prove inaccurate, our business, financial condition, and results of operations could be adversely affected. For more information regarding our estimates of market opportunity and the forecasts of market growth included herein, see the section entitled Part I, Item 1. "Business."

Macroeconomic uncertainty and market conditions may adversely affect our industry, business, growth, and financial results.

Our business depends on the overall demand for our solutions, services, and digital application offerings and on the economic health and willingness of our customers and potential customers to make capital commitments to purchase our energy storage solutions, services, and digital applications. Macroeconomic or market uncertainty, including increased interest rates, inflation, reduced access to financing, trade restrictions or other policies, or expectations regarding future interest rate cuts by the U.S. Federal Reserve, may cause, and has caused, customers to delay purchasing our energy storage solutions and services or to not purchase at all.

Macroeconomic uncertainty or weakness could result in:

- reduced demand for our solutions, services, and digital offerings as a result of constraints on spending by our customers or changes in contracting behavior by customers;

- delays in customer purchasing decisions, project development activities, contract awards, permitting, financing, construction, and commissioning;
- increased customer requests for contract modifications, pricing concessions, payment term extensions, or project deferments;
- decreased ability to forecast operating results and make decisions about budgeting, planning, and future investments;
- business and financial difficulties faced by our suppliers, contract manufacturers, distributors or other partners, including impacts to material costs, sales, liquidity, ability to continue investing in their businesses, ability to import or export goods, ability to meet development commitments, and manufacturing capability;
- increased overhead and production costs as a percentage of revenue; and
- reductions in anticipated order intake, pipeline, and other operating metrics.

Moreover, adverse macroeconomic conditions may increase the likelihood, severity, or duration of the impact of other risks described in this Annual Report, including risks relating to customer concentration, supply chain disruptions, commodity price fluctuations, project execution, liquidity, trade restrictions, tariffs, governmental incentives, and regulatory changes. As a result, macroeconomic uncertainty, unfavorable market conditions, or prolonged economic weakness could materially adversely affect our business, financial condition, results of operations, cash flows, and growth prospects.

An increase in interest rates or a reduction in the availability of tax equity, project debt capital, or project financing in the global financial markets could make it difficult for customers to finance the cost of a battery energy storage system and could reduce the demand for our energy storage solutions.

Many end users depend on financing to fund the initial capital expenditure required to purchase our energy storage solutions as a result of the significant up-front costs. Customers' ability to attract third-party financing depends on many factors that are outside of our control, including the ability of third parties to utilize tax credits and other government incentives, including under the IRA and OBBBA, interest rate and/or currency exchange fluctuations, their perceived creditworthiness as well as the Company's perceived financial stability, and the condition of credit markets generally. As a result, an increase in interest rates or a reduction in the supply of project debt, project finance, or tax equity financing could reduce the number of customer projects that receive financing or otherwise make it difficult for our customers or their customers to secure the financing necessary to construct a renewable energy system on favorable terms, or at all, and thus lower demand for our products, which could limit our growth or reduce our net sales. In addition, we believe that a significant percentage of end-users construct renewable energy storage systems as an investment, funding a significant portion of the initial capital expenditure with financing from third parties. An increase in interest rates could lower an investor's return on investment, increase equity requirements, or make alternative investments more attractive relative to our energy storage solutions and, in each case, could cause these end users to seek alternative investments, which would have an adverse impact to our business and results of operations.

The economic benefit of our offerings to our customers depends on electricity prices, capacity, market structures, regulatory policies, and the availability and cost of alternative energy and reliability solutions.

The economic benefit of our energy storage solutions to our customers depends in part on electricity prices, capacity, utility rate structures, transmission costs, regulatory policies, and the availability, cost, and performance of alternative energy, generation, transmission, and reliability solutions, including new natural gas, nuclear, renewable, and other power generation resources. Changes in these factors may reduce the economic attractiveness of energy storage and adversely affect customer demand for our products and services. The rates at which electricity is available from a customer's local electric utility company is subject to change and any changes in such rates may affect the relative benefits of our energy storage products. Factors that could influence these rates include the effect of energy conservation initiatives that reduce electricity consumption, construction of additional power generation plants (including nuclear, coal, or natural gas), increasing growth of data centers development and AI, and technological developments by others in the electric power industry. Further, the local electric utility may impose "departing load," "standby", or other charges on our customers in connection with their acquisition of our energy storage products, the amounts of which are outside of our control and which may have a material impact on the overall economic benefit of our energy storage products to and cost analysis for our customers of our energy storage products. Changes in the rates offered by local electric utilities and/or in the applicability or amounts of charges and other fees imposed by such utilities on customers acquiring our energy storage products has and could in the future adversely affect the demand for our energy storage products.

Revenue from any projects we support may be adversely affected if there is a decline in public acceptance or support of renewable energy, energy storage, data center development, or other large-load infrastructure projects, or if regulatory agencies, local communities, or other third parties delay, prevent, or increase the cost of constructing and operating customer projects.

Certain persons, associations, and groups may oppose renewable energy projects, energy storage projects, data centers, transmission infrastructure, or our customers' projects generally, citing concerns regarding land use, water consumption, landscape degradation, environmental impacts, visual effects, noise, electricity usage, impacts on local infrastructure, community development priorities, food scarcity, price increases, or general ideological opposition. In addition, regulations may restrict the development of renewable energy facilities, energy storage systems, data centers, transmission facilities, or other large-load infrastructure in certain jurisdictions. We may also face opposition to data center development and expansion from well-organized local and national groups.,

including local communities, environmental groups, non-governmental organizations and other special interest groups. In some cases, political candidates may run on platforms that oppose data center development or call for increased restrictions, which may increase the likelihood of additional moratoria stricter permitting outcomes, repeal or narrowing of tax benefits, adoption of large-load tariffs or other requirements that allocate grid costs to large customers, prolonged approval processes, or projection level conditions.

In order to develop and operate projects, our customers are often required to obtain environmental permits, land-use approvals, building permits, interconnection rights, and other governmental authorizations. These approvals frequently require environmental studies, public hearings, and comment periods during which individuals, associations, or other stakeholders may object to the project. Such opposition may result in permitting delays, additional conditions, increased costs, permit denials, litigation, or other challenges to project development. In addition, increasing regulatory scrutiny of data center development and other large electrical loads, including concerns regarding electricity demand, grid reliability, water usage, transmission availability, and allocation of utility resources, may result in new permitting requirements, restrictions, moratoria, tariffs, fees, or other regulatory measures that delay, limit, or increase the cost of customer projects. To the extent such actions delay, reduce, or prevent the development of renewable energy, energy storage, data center, or other electricity-intensive projects that utilize or are expected to utilize our products or services, demand for our offerings may be adversely affected. Any such opposition, regulatory action, permitting delay, project cancellation, or increase in project development or operating costs could reduce customer demand for our energy storage solutions and services, delay revenue recognition, and adversely affect our business, financial condition, results of operations, and cash flows.

Increasing attention to, and evolving expectations regarding, environmental, social, and governance ("ESG") matters may impact our business and reputation.

Companies across industries are facing increasing and potential contradictory scrutiny from a variety of stakeholders related to their ESG and sustainability practices. Expectations regarding voluntary ESG initiatives and disclosures may result in increased costs (including but not limited to increased costs related to compliance, stakeholder engagement, contracting, and insurance), changes in demand for certain products, enhanced compliance or disclosure obligations, or other impacts to our business, financial condition, or results of operations.

While we have in past engaged, and may continue to engage, in voluntary initiatives (such as voluntary disclosures, certifications, or goals, among others) to improve the ESG profile of our Company and/or products or to respond to stakeholder expectations, such initiatives may be costly and may not have the desired effect. Expectations around the Company's management of ESG matters continue to evolve rapidly, in many instances due to factors that are out of our control. For example, we may engage in initiatives or make statements based on estimates, assumptions, methodologies, or third-party information that is subsequently determined to be inaccurate or to not align with best practices. Our approaches to such matters may evolve as well, and we cannot guarantee that our approaches will align with the expectations of any particular stakeholder. We may ultimately be unable to complete certain initiatives or targets, either on the timelines initially announced or at all, due to technological, legal, cost, or other constraints, which may be within or outside of our control. If we fail to, or are perceived to fail to, comply with or advance certain ESG initiatives (including the timeline and manner in which we complete such initiatives), we may be subject to various adverse impacts, including reputational damage and potential stakeholder engagement and/or litigation, even if such initiatives are currently voluntary. For example, there have been allegations of greenwashing against companies making ESG claims due to a variety of perceived deficiencies in disclosure, methodology, or performance, including as stakeholder perceptions of sustainability continue to evolve. Due to our involvement in the energy transition may be especially impacted by such criticisms, due to our efforts to position our business plan focusing on helping customers achieve sustainability-related goals and objectives.

There may be increasing levels of regulation, disclosure-related and otherwise, with respect to ESG matters, as well as potential opposition to certain ESG matters. For example, various policymakers, such as the European Union and the State of California (e.g., California's Climate Corporate Data Accountability Act (SB 253) and the Climate-Related Financial Risk Act (SB 261)), have adopted, or are considering adopting rules which will require companies to provide additional disclosures or take other actions related to sustainability. Simultaneously, there are efforts by some stakeholders to reduce companies' efforts on certain ESG-related matters These requirements and policy decisions are not uniform and may even be contradictory, which can increase the cost and complexity of compliance and associated risks. Both advocates and opponents to certain ESG matters are increasingly resorting to a range of activism forms, including media campaigns and litigation, to advance their perspectives. To the extent we are subject to such activism, it may require us to incur costs or otherwise adversely impact our business. This and other stakeholder expectations will may lead to increased costs as well as scrutiny that could heighten all of the risks identified in this risk factor. Additionally, certain of our customers and suppliers are subject to similar expectations, which may augment or create additional risks.

Risks Related to Our Intellectual Property and Technology

If we are unable to obtain, maintain, and enforce adequate protection for our intellectual property or if the scope of our intellectual property protection is not sufficiently broad, our competitors or other third parties may also be able to develop commercialize, and/or receive products or services similar to ours, which could harm our competitive position and business.

Our business depends on proprietary technology and intellectual property, including software, algorithms, hardware and system designs, databases, engineering know-how, trade secrets, confidential information, and other proprietary technology and information, the protection of which is crucial to the success of our business and competitive position. We rely on a combination of patent, trademark, trade-secret, copyright, confidentiality, and invention-assignment agreements, other contractual provisions and internal processes and safeguards to protect our intellectual property and proprietary information. However, our rights under these laws and agreements only afford us limited protection and the actions we take to establish, maintain, and enforce our intellectual property rights may not leave us free from adverse effects. We expect to continue to incur significant costs through growing our internal intellectual property team and in obtaining, maintaining, protecting, and enforcing our intellectual property rights in the United States and other jurisdictions globally. Effective intellectual property protection is expensive to develop and maintain and the aggregate costs of maintaining a portfolio of patents and registered copyrights and trademarks and trade secrets globally in multiple jurisdictions, can be substantial, both in terms of initial and ongoing prosecution and maintenance requirements and the costs of enforcing and defending our rights. Despite our efforts to protect our intellectual property, these measures taken to date cannot guarantee us complete protection from our competitors or from other third parties attempting to copy, reverse engineer, misappropriating, or otherwise obtain and use our intellectual property or developing technologies, products, or services that are similar to ours. If we are unable to adequately protect our intellectual property rights, our competitive position could be harmed, business opportunities and demand for our products, services and digital application offerings could decrease, and our business could be adversely impacted as third parties may be able to commercialize and use technologies, software products and intellectual property that are substantially the same as ours without incurring the development and licensing costs that we have incurred.

Our intellectual property rights could be challenged, invalidated, circumvented, infringed, or misappropriated, and our trade secrets and other confidential information could be disclosed in an unauthorized manner to third parties. Additionally, monitoring unauthorized use of our intellectual property is cumbersome and costly and any steps taken to prevent misappropriation may not successful. In the future, we may seek to enforce our rights against potential infringers, however, the steps we have taken to protect our intellectual property rights still may not prevent actual infringement or misappropriation of our intellectual property. We may not be able to detect unauthorized use of, or take appropriate steps to enforce, our intellectual property rights. We may also have to pursue litigation or other proceedings to enforce our intellectual property rights, which could result in substantial costs and time and diversion of our resources. Our failure to obtain, maintain, protect, and enforce adequate intellectual property rights could materially adversely affect our business, financial condition and results of operations.

Third parties have asserted, and may in the future assert, that our products, services, or technologies infringe, misappropriate or otherwise violate their intellectual property rights, and such claims could adversely affect our business, financial condition, and results of operations.

Technology, internet, advertising, and in general most companies involved with commercially selling products, frequently are subject to claims alleging infringement, misappropriation, dilution, or other violations of intellectual property rights. We may be subject to such claims from competitors, non-practicing entities, and other intellectual property rights holders. As we expand our product and service offerings, develop new technologies and enter additional markets, and as our industry matures, we may face an increased risk of intellectual property claims. Claims may be, and at times have been, asserted by non-practicing entities and other intellectual property rights holders with no product revenue and whose business models make our own intellectual property portfolio less effective as a deterrent against litigation. For example, a patent infringement lawsuit was brought against the Company in May 2026, alleging infringement of four U.S. patents owned by this entity.

As our industry continues to mature and competition increases, third parties may own intellectual property rights that are alleged to cover aspects of our products, services, technologies or business, including alleged rights of which we may not be aware. We may not be aware of all third-party intellectual property rights potentially relevant to our business, including patent applications that have not yet been published. We or our customers may also become subject to additional allegations that our energy storage solutions, services, software, or other technologies infringe, misappropriate or otherwise violate third-party intellectual property rights.

Intellectual property claims, with or without merit, and whether or not it results in litigation, settlement out of court, or is determined in our favor, could be time-consuming and costly to address and resolve, and could divert the time and attention of management and technical personnel from our business and the day-to-day operations. An adverse outcome could result in substantial damages and, in certain circumstances, enhanced damages or attorneys' fees, or could result in an injunction or other restrictions on our ability to offer affected products, services, or technologies. We could also be required to obtain licenses, make royalty or other payments, indemnify customers or other third parties, or modify, redesign or discontinue affected products, services, or technologies. Necessary licenses may not be available on commercially reasonable terms or at all, and we may not be able to develop suitable alternatives without significant cost, delay, or disruption. If we cannot develop or license technology for any allegedly infringing aspect of our business, we would be forced to limit our offerings and may be unable to compete as effectively, if at all. Any of these events could materially adversely affect our competitive position, business, financial condition, and results of operations.

If we are unable to adequately protect our trademarks, trade names, and brands, our brand recognition and competitive position could be harmed.

Our registered and unregistered trademarks trade names, and other brand identifiers may be challenged, infringed, circumvented, declared generic, lapsed, or otherwise determined invalid or unenforceable. Our trademarks, tradenames, and other brand identifiers are important to distinguishing our products and services and maintaining recognition of our brands in the markets in which we operate. Third parties may adopt, use, or seek to register trademarks, trade names, or other brand identifiers that are identical or confusingly similar to ours, which could result in market confusion or impair our ability to use, register, or enforce our marks. We have faced, and may in the future face, claims that our trademarks, trade names, or other brand identifiers infringe or otherwise violate the rights of third parties.

If we are unable to adequately protect our trademark, tradenames, and brands, our brand identity could be weakened, customers or other market participants could become confused regarding the source of products or services, and our reputation and competitive position could be harmed.

We may not be able to obtain, maintain, protect, or enforce our intellectual property rights effectively throughout the world.

We operate in numerous jurisdictions around the world, and protecting our proprietary technology and intellectual property internationally is important to our business. Intellectual property rights are territorial; however, we may not seek or obtain protection for all our intellectual property in every jurisdiction in which we conduct or may conduct business. Filing, prosecuting, maintaining, defending, and enforcing intellectual property rights on our products, services, digital applications, and technologies in every jurisdiction in which we operate or may operate would be immensely expensive and may not be commercially practical.

Competitors or other third parties may use our proprietary technologies in jurisdictions where we have not obtained intellectual property protection to develop and commercialize their own products, services, digital applications, and technologies. Further, such third parties may export otherwise violating products and services to territories where we have protection but enforcement is not as strong as that in the United States. These products, services, digital applications, and technologies may compete with our products, services, digital applications, and technologies, and we may not be effective or sufficient at preventing them from competing. In addition, the laws of some foreign countries do not protect certain proprietary and intellectual property rights to the same extent as the laws of the United States, and many other companies have encountered significant challenges in establishing and enforcing certain of their proprietary and intellectual property rights outside of the United States. These challenges can be caused by the absence or inconsistency of the application of rules and methods for the establishment and enforcement of intellectual property rights outside of the United States. For instance, there is no uniform worldwide policy regarding patentable subject matter or the scope of claims allowable for business methods. As such, we cannot ascertain the degree of future protection that we will have on our technologies, products, services, and digital applications, globally.

In addition, the legal systems of some countries, particularly developing countries, do not favor the enforcement of intellectual property rights to the same degree at the United States. This could make it difficult for us to stop the misappropriation, dilution, infringement, or other violation of certain of our intellectual property rights. Accordingly, we may choose not to seek protection in certain countries, and thus, we will not have the benefit of intellectual property protection in such countries. Proceedings to enforce our intellectual property rights in foreign jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of our business. In addition, our efforts to protect our intellectual property rights in such countries may be inadequate. Changes in intellectual property laws and regulations and the interpretation thereof as well as legal decisions by courts in the United States and foreign countries may affect our ability to obtain, maintain, and enforce our intellectual property rights. Any of the foregoing could harm our competitive position, business, financial condition, results of operations, and prospects.

We may be subject to claims that our employees, consultants, or advisors have wrongfully used or disclosed alleged trade secrets of their current or former employers or claims asserting ownership of what we regard as our own intellectual property.

Many of our employees, consultants, and advisors may have previously worked for, or provided services to, other companies in our industry, including competitors. Although we try to ensure that our employees, consultants, and advisors do not use the proprietary information or know-how of others in their work for us, we may be subject to claims that we or these individuals have used or disclosed intellectual property, including trade secrets or other proprietary information, of any such individual's current or former employer. Litigation may be necessary to defend against these claims and defending such claims could be costly and time-consuming and could divert management and other resources away from our business. If we are unsuccessful defending against such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights, restrictions in our ability to use certain technology or information, personnel, and/or other adverse consequences.

In addition, it is our policy to require our employees and contractors who may be involved in the conception or development of intellectual property to execute agreements assigning such intellectual property to us. However, we have been and may in the future be unsuccessful in executing such an agreement with each party who, in fact, conceives or develops intellectual property that we regard as our own. The assignment of intellectual property rights may not be self-executing, or the assignment agreements may be breached. As a result, we may be forced to bring claims against third parties, or defend claims that they may bring against us, to

determine the ownership of what we regard as our intellectual property. Any of the foregoing could harm our competitive position, business, financial condition, results of operations, and prospects.

If our existing patents expire or are not maintained, or our pending patent applications are not granted or our patent rights are contested, circumvented, invalidated, or limited in scope, we may not be able to prevent others from selling, developing or exploiting competing technologies, products, services, or digital applications, which could have a material adverse effect on our business, prospects, financial condition, results of operations, and cash flows.

Our pending patent applications may not result in issued patents, and we cannot predict the scope of any claims that may ultimately be allowed. Even if our patent applications result in issued patents, these patents may be contested, circumvented, or invalidated in the future. In addition, the rights granted under any issued patents may not provide us with sufficiently broad, commercially meaningful, or complete protection for our technologies and products or provide the competitive advantages that we expect. The claims under any patents that issue from our patent applications may not be broad enough to prevent others from developing competing technologies or products that are similar or that achieve results similar to ours. Competitors may also design around our patents without infringing them. The issuance of a patent to Fluence does not necessarily provide us with the right to practice the patented technology; it gives Fluence the right to exclude others. In addition, third parties may infringe our patents, and enforcing our rights against such infringement may be costly or unsuccessful. All of which may adversely affect our business, prospects, and operating results.

The intellectual property rights of others could also bar us from licensing and exploiting any patents that issue from our pending applications. There are a number of prior art, including patents and pending patent applications owned by competitors, that exist in the fields in which we have developed and are developing our technology. These existing patents and patent applications might have priority over our patent applications and could subject our patents to invalidation or our patent applications to rejection. Specifically, prior art that we or the applicable patent office were not aware of during prosecution could also later be used to challenge the validity of our issued patents. Our issued patents may also be challenged in court, before patent offices or other proceedings and may be determined to be invalid or unenforceable, or their scope narrowed. Finally, in addition to patents with an earlier priority date and patent applications that were filed before our patent applications that may affect the likelihood of issuance of patents we are seeking, any of our existing or future patents may also be challenged by others on grounds that may render our patent applications or issued patents invalid or unenforceable.

Our business depends on our ability to implement improvements to and properly maintain and protect the continuous operation and data integrity of our technology infrastructure, data and other business systems and the inability to do so may have a material adverse effect on our reputation and harm our business prospects, financial conditions, and operating results.

Our business is highly dependent on maintaining effective information and operational technology systems as well as the integrity of the data we use to serve our customers and operate our business. Because of the large amount of data that we collect and manage, it is possible that hardware failures or errors in our systems could result in data loss or corruption or cause the information that we collect to be incomplete or contain inaccuracies that our customers or other parties may regard as significant. If our data were found to be inaccurate or unreliable due to fraud or other error, or if we, or any of the third-party service providers we engage, were to fail to maintain information systems and data integrity effectively, we could experience operational disruptions that may impact our operations and hinder our ability to provide services, establish appropriate pricing, establish reserves, report financial results timely and accurately and maintain regulatory compliance, among other things. If any such failure of our information and operational technology systems or data integrity were to result in the theft, corruption or other harm to the data or operations of our customers, our ability to retain and attract customers may be harmed.

We must continue to invest in long-term solutions that will enable us to anticipate customer needs and expectations, enhance the customer experience, act as a differentiator in the market, and protect against cybersecurity risks and threats.

We and our third-party providers are exposed to cybersecurity risks and incidents which may result in damage to our brand and reputation, material financial penalties, and legal liability, which could in turn materially adversely affect our business, results of operations, and financial condition.

Despite implementation of reasonable security measures designed to prevent cybersecurity threats and manage risks, we are vulnerable to potential harm and damages from computer viruses, natural disasters, fire, power loss, telecommunications failures, personnel misconduct or theft, human error, unauthorized access, physical or electronic security breaches, cyber-attacks (including malicious and destructive code, misconfigurations, “bugs” or other vulnerabilities in commercial software that is integrated into our (or our suppliers’) IT systems, products, or services, social engineering attacks, phishing attacks, ransomware, and denial of service attacks), and other similar disruptions and incidents. Such harm, damages, attacks, security breaches or disruptions may be perpetrated by bad actors internally or externally (including computer hackers, persons involved with organized crime, or foreign state or foreign state-supported actors) and create risks that threaten the confidentiality, integrity, and availability for our (as well as our suppliers’ and our customers’) internal networks, IT infrastructure, operational technology, and other business systems and the data and information they store and process.

Additionally, we are unable to comprehensively apply patches or confirm that measures are in place to mitigate all such vulnerabilities, or that patches will be applied before vulnerabilities are exploited by a threat actor. Cybersecurity threat actors employ a wide variety of methods and techniques that are constantly evolving, increasingly sophisticated, and difficult to detect and successfully defend against. Such methods and techniques, in particular the continued advancement and broader availability of AI may increase the scale, speed, sophistication, and effectiveness of cyberattacks by enabling threat actors to more rapidly identify vulnerabilities, develop or modify malicious code, conduct reconnaissance and social engineering, circumvent security controls, evade detection, and impair forensic analysis. Geopolitical tensions or conflicts, such as Russia's invasion of Ukraine, and heightened tensions in the Middle East, may further heighten the risk of cyber-attacks. We have experienced such cybersecurity incidents in the past, and any future incidents could expose us to claims, litigation, regulatory or other governmental investigations, administrative fines, and potential liability.

Moreover, there can be no assurance that our cybersecurity risk management program and processes, including our policies, controls or procedures, will be fully implemented, complied with or effective in protecting our IT systems and confidential information. Any system failure, accident, or security breach could result in disruptions to our operations. A material breach in the security of our IT systems and operational technology could include the theft of our trade secrets, customer information, human resources information, or other confidential data, including but not limited to personal information. Material breaches could also include denial of service attacks resulting in disruption to our or our supplier's supply chain systems, or targeted attacks against the control plane of remotely serviced battery energy storage systems within our customers' environments, resulting in operational disruption to energy storage or physical damage to batteries.

We and our third-party service providers experience varying degrees of cyberattacks and other security incidents. For example, in June and July 2026, we experienced a cybersecurity incident involving social engineering attacks targeting certain employees in which a threat actor obtained confidential information from certain of our corporate IT systems. We initiated our incident response protocols and notified law enforcement, as well as our employees, customers and suppliers whose confidential information was impacted. Although this incident and prior incidents have not had a material effect on our business operations or financial performance, we cannot guarantee that future cyberattacks and cybersecurity incidents, if successful, will not have a material effect on our business or financial results. To the extent that any disruption or security breach results in the compromise of our products, the control plane of one or more of our serviced customer sites, or a loss or damage to our data, or an inadvertent disclosure of confidential, proprietary personal, or customer information, it could cause significant damage to our reputation, affect our relationships with our customers and strategic partners, lead to claims against us from governments and private plaintiffs (including class actions), and adversely affect our business.

In addition, many governments have enacted laws requiring companies to provide notice of cybersecurity incidents involving certain types of data, including personal information. For example, laws in all 50 U.S. states and in the EU and UK may require businesses to notify regulators and/or individuals whose personal information has been impacted as a result of a data breach or security incident. Complying with such numerous and complex regulations globally in the event of a data breach or security incident would be expensive and difficult, and failure to comply with these regulations could subject us to regulatory scrutiny and additional liability. These laws may be subject to alterations and revisions, and if we fail to comply with our obligations under such laws in the jurisdictions in which we operate, we could be subject to regulatory action and lawsuits (including class actions). We may also have other obligations, for example, under contracts, to notify customers or other counterparties of a security incident, including a data breach. Regardless of our contractual protections, if an actual or perceived cybersecurity breach of security measures, unauthorized access to our system or the systems of the third-party vendors that we rely upon, or any other cybersecurity threat occurs, we may incur liability, costs, or damages, contract termination, our reputation may be compromised, our ability to attract new customers could be negatively affected, and our business, financial condition, and results of operations could be materially and adversely affected. Any compromise of our security could also result in a violation of applicable U.S. domestic and foreign security, privacy or data protection, consumer protection, and other laws, regulatory or other governmental investigations, enforcement actions, and legal and financial exposure, including potential contractual liability. In addition, we may be required to incur significant costs to protect against and remediate damage caused by these disruptions or security breaches in the future. While we carry cyber insurance, we cannot be certain that our coverage will be adequate for liabilities actually incurred, that insurance will continue to be available to us on commercially reasonable terms, or at all, or that any insurer will not deny coverage as to any future claim.

We utilize open-source software, which may pose particular risks to our proprietary software and solutions.

We use open-source software in our offerings and expect to continue to use open-source software in the future. Companies that incorporate open-source software into their solutions and offerings have, from time to time, faced claims challenging the use of open-source software and compliance with open-source license terms. Some licenses governing the use of open-source software contain requirements that we make available source code for modifications or derivative works we create based upon the open-source software, and that we license such modifications or derivative works under the terms of a particular open-source license or other license granting third parties certain rights of further use. By the terms of certain open-source licenses, we could be required to release the source code of our proprietary software, and to make our proprietary software available under open-source licenses to third parties at no cost, if we combine or distribute our proprietary software with open-source software in certain manners. Although we monitor

our use of open-source software, we cannot assure you that all open-source software is reviewed prior to use in our solutions, that our developers have not incorporated open-source software into our solutions, or that they will not do so in the future. Additionally, the terms of many open-source licenses to which we are subject have not been interpreted by U.S. or foreign courts. There is a risk that open-source software licenses could be construed in a manner that imposes unanticipated conditions or restrictions on our ability to market or provide our solutions as currently marketed or provided. Companies that incorporate open-source software into their products have, in the past, faced claims seeking enforcement of open-source license provisions and claims asserting ownership of open-source software incorporated into their product. If an author or other third party that distributes such open-source software were to allege that we had not complied with the conditions of an open-source license, we could incur significant legal costs defending ourselves against such allegations. In the event such claims were successful, we could be subject to significant damages or be enjoined from the distribution of our software. In addition, the terms of open-source software licenses may require us to provide source code that we develop using such open-source software to others on unfavorable license terms. As a result of our current or future use of open-source software, we may face claims or litigation, be required to release our proprietary source code, pay damages for breach of contract, re-engineer our solutions, discontinue making our solutions available in the event re-engineering cannot be accomplished on a timely basis, or take other remedial action. Any such re-engineering or other remedial efforts could require significant additional research and development resources, and we may not be able to successfully complete any such re-engineering or other remedial efforts. Further, in addition to risks related to license requirements, use of certain open-source software can lead to greater risks than use of third-party commercial software, as open-source licensors generally do not provide warranties or controls on the origin of software. Any of these risks could be difficult to eliminate or manage, and, if not addressed, could have a negative effect on our business, financial condition, and results of operations.

If we fail to comply with our obligations under license or technology agreements with third parties, or if we are unable to maintain rights to third-party technology that is important to our business, our business and operations could be adversely affected.

We license certain intellectual property, including patents, technologies, and software from third parties and related parties, including AES and Siemens, some of which are important to the development, operation or commercialization of our products and services. In the future, we may enter into additional agreements that provide us with licenses to valuable intellectual property or technology. If we fail to comply with applicable obligations under our license agreements, we may be required to pay damages, subject to other remedies, and the licensor may have the right to terminate the license. Termination by the licensor could lead to the loss of rights to technology that is important to our products or services, or limitations on our ability to use such technology, could require us to obtain replacement technology, modify our products or services, incur additional costs or experience delays or disruptions. Certain intellectual property that we license is provided to us on a non-exclusive basis, and licensors may thus grant rights in the same technology to our competitors or other third parties, on terms that may be superior to those offered to us, which could place us at a competitive disadvantage. For example, because certain of our rights are licensed from AES and Siemens, changes in their licensing posture, priorities, or support could limit or alter our access to technology critical to our offerings and could have a material adverse effect on our business and results of operations. Moreover, our licensors may own or control intellectual property that has not been licensed to us and, as a result, we may be subject to claims, regardless of their merit, that we are infringing or otherwise violating the licensor's rights. In addition, the agreements under which we license intellectual property or technology from third parties are generally complex, and certain provisions in such agreements may be susceptible to multiple interpretations. The resolution of any contract interpretation disagreement that may arise could narrow what we believe to be the scope of our rights to the relevant intellectual property or technology, or increase what we believe to be our financial or other obligations under the relevant agreement. Any of the foregoing could harm our competitive position, business, financial condition, results of operations, and prospects.

If we cannot license third-party intellectual property or technology on reasonable terms, our ability to develop or commercialize new products, services, and solutions could be adversely affected.

In the future, we may identify additional third-party intellectual property we may need to license in order to engage in our business, including to develop, manufacture, or commercialize new products or services. However, such licenses may not be available on commercially acceptable terms or at all. The licensing or acquisition of third-party intellectual property rights is a competitive area, and several more established companies may pursue strategies to license or acquire third-party intellectual property rights that we may consider attractive or necessary. These established companies may have a competitive advantage over us due to their size, capital resources, and greater development or commercialization capabilities. In addition, companies that perceive us to be a competitor may be unwilling to assign or license rights to us, may grant exclusive rights to others, including other competitors. Even if such licenses are available, we may be required to pay the licensor significant fees, royalties, restrictions or other obligations as a condition of granting a license. Such royalties are a component of the cost of our products or services and may affect the margins on our products and services. In addition, such licenses may be non-exclusive, which could give our competitors access to the same intellectual property licensed to us. If we are unable to enter into the necessary licenses on commercially acceptable terms or at all, if any necessary licenses are subsequently terminated, if our licensors fail to abide by the terms of the licenses, if our licensors fail to prevent infringement by third parties, or if the licensed intellectual property rights are found to be invalid or unenforceable, or if the licensed intellectual property rights expire, our business, financial condition, results of operations, and prospects could be affected Moreover, we could encounter delays and other obstacles in our attempt to develop alternatives. Defense of any lawsuit or failure to obtain any of

these licenses on favorable terms could prevent us from commercializing solutions and services, which could harm our competitive position, business, financial condition, results of operations, and prospects.

If we cannot obtain necessary rights, we may need to develop alternative technologies, modify or redesign affected products or services or pursue other solutions, any of which could require significant time and expense and may not be successful. In some circumstances, we may be unable to develop or commercialize an affected product, service, or technology. Any of these circumstances could harm our competitive position, business, financial condition, and results of operations.

Compromises, interruptions, and shutdowns of our systems, including those managed by third parties, whether intentional or inadvertent, could lead to delays in our business operations and, if significant or extreme, affect our results of operations.

From time to time, our systems require modifications and updates, including by adding new hardware, software, and applications, maintaining, updating, or replacing legacy programs, and integrating new service providers and adding enhanced or new functionality. There are inherent risks associated with modifying or replacing systems, and with new or changed relationships, including accurately capturing and maintaining data, realizing the expected benefit of the change, and managing the potential disruption of the operation of the systems as the changes are implemented. Potential issues associated with implementation of these technology initiatives have previously and could in the future reduce the efficiency of our operations in the short term. The efficient operation and successful growth of our business depends upon functional and efficient systems, including our financial, information and operational technology, and other systems. The failure of our systems and related third-party systems we rely on to perform as designed, or our failure to implement and operate them effectively, could disrupt our business or subject us to liability and thereby may have a material adverse effect on our business, financial condition, results of operations, and prospects.

We utilize AI technologies in connection with our business, which may expose us to operational, reputational and/or other risks.

We use AI, machine learning, and automated decision-making technologies, including proprietary AI and machine learning algorithms and models (collectively, "AI Technologies") throughout our business, and are making significant investments in this area. For example, we use AI Technologies in connection with our proprietary cloud-based software products, Fluence Mosaic and Fluence Nispera. See Part I, Item 1. Our Products and Services for a description of these digital application offerings. As with many technological innovations, there are significant risks involved in developing, maintaining and deploying these technologies and there can be no assurance that the usage of or our investments in such technologies will always enhance our products or services or be beneficial to our business, including our efficiency or profitability.

With respect to our products or services that incorporate AI Technologies, the market for such products and services is rapidly evolving and important assumptions about the characteristics of targeted markets, pricing, sales cycles, cost, performance, and perceived value associated with our services or products may be inaccurate. We cannot be sure that the market will continue to grow or that it will grow in ways we anticipate. In addition, market acceptance and consumer perceptions of products and services that incorporate AI Technologies is uncertain. Our failure to successfully develop and commercialize our products or services involving AI Technologies could depress the market price of our stock and impair our ability to: raise capital; expand our business; provide, improve and diversify our product offerings; continue our operations and efficiently manage our operating expenses; and respond effectively to competitive developments.

In addition to our proprietary AI Technologies, we use AI Technologies licensed from third parties in our technologies and our ability to continue to use such systems at the scale we need may be dependent on access to specific third-party software and infrastructure. We cannot control the availability or pricing of such third-party AI Technologies, especially in a highly competitive environment, and we may be unable to negotiate favorable economic terms with the applicable providers. If any such third-party AI Technologies become incompatible with our solutions or unavailable for use, or if the providers of such models unfavorably change the terms on which their AI Technologies are offered or terminate their relationship with us, our solutions may become less appealing to our customers and our business will be harmed. In addition, to the extent any third party AI Technologies are used as a hosted service, any disruption, outage, or loss of information through such hosted services could disrupt our operations or solutions, damage our reputation, cause a loss of confidence in our solutions, or result in legal claims or proceedings, for which we may be unable to recover damages from the affected provider.

A number of aspects of intellectual property protection in the field of AI and machine learning are currently under development, and there is uncertainty and ongoing litigation in different jurisdictions as to the degree and extent of protection warranted for AI and machine learning systems and relevant system input and outputs. The law is also uncertain across jurisdictions regarding the copyright ownership of content that is produced in whole or in part by generative AI tools. If we fail to obtain protection for the intellectual property rights concerning our AI Technologies, or later have our intellectual property rights invalidated or otherwise diminished, our competitors may be able to take advantage of our research and development efforts to develop competing products which could adversely affect our business, reputation and financial condition.

We may use AI Technologies, including tools provided by third parties, to develop or assist in the development of our own software code. While use of such tools makes our development process more efficient, AI Technologies have sometimes generated content that is "substantially similar" to proprietary or open source code on which the AI tool was trained. If the AI Technologies we use generate code that is too similar to other proprietary code, or to software processes that are protected by patent, we could be subject to intellectual property infringement claims. We may also not be able to anticipate and detect security vulnerabilities in such AI generated software code. If our tools generate code that is too similar to open source code, we risk losing protection of our own proprietary code that is commingled with such code. Finally, to the extent we use third-party AI Technologies to develop software code, the terms of use of these tools may state that the third-party provider retains rights in the generated code.

Risk Factors Related to Legal, Regulatory, and Compliance Matters

Changes in tax laws or regulations could materially adversely affect our business, financial condition, and results of operation.

We operate in numerous jurisdictions and are subject to tax laws in the United States and other countries. Changes in tax rates, tax incentives, tax laws, or tax policies could increase our tax expense or reduce the value of our tax assets. Governments and international organizations continue to change how multinational companies are taxed. The Organization for Economic Cooperation and Development (the "OECD") has developed a global minimum tax framework known as Pillar Two. In January 2026, the OECD released new safe harbors that provide some relief from certain Pillar Two taxes for qualifying U.S.-parented multinational groups. However, these safe harbors do not eliminate all potential tax liabilities or compliance obligations under Pillar Two. Countries continue to adopt and interpret these rules. These developments could increase our tax expense and compliance costs.

The United States has also made significant changes to its tax laws, including through the Inflation Reduction Act (the "IRA") and the One Big Beautiful Bill Act (the "OBBBA"), as well as related regulations and guidance. These laws have changed U.S. international tax rules and have modified certain clean energy tax incentives. We continually evaluate the effect of these changes on our business and financial results. Additional guidance or future changes in law could further affect our tax expense, tax incentives, financial condition, or results of operations.

Because we operate in numerous jurisdictions, tax authorities may disagree about how tax laws apply to us. These disagreements may include whether we are subject to tax in a jurisdiction, how income should be allocated between our affiliates under transfer pricing rules, or how intellectual property should be valued. Tax authorities in different jurisdictions may also seek to tax the same income. These disputes could result in additional taxes, interest, and penalties and could adversely affect our financial condition and results of operations.

Our effective tax rate may vary from period to period. Changes in tax laws, our business, or the geographic mix of our earnings may impact our effective tax rate and tax liabilities. Our tax positions also require us to make judgments and estimates. Changes in these judgments or estimates could affect our tax expense, tax assets and liabilities, and financial results.

Our ability to realize deferred tax assets depends in part on our ability to generate sufficient taxable income in the relevant jurisdictions. Changes in our expected future taxable income, tax laws, or other factors could cause us to record or increase a valuation allowance against our deferred tax assets. This could increase our income tax expense and adversely affect our results of operations.

We are also subject to tax examinations in the United States and other jurisdictions. Tax authorities may take positions that differ from the positions reflected in our tax returns or financial statements. These examinations could result in additional taxes, interest, and penalties. The resolution of a tax examination could also affect our effective tax rate, cash flows, and results of operations.

Existing electric utility industry policies and regulations, and any subsequent changes or new related policies and regulations, may present technical, regulatory, and economic barriers to the purchase and use of energy storage solutions or our digital offerings that may significantly reduce demand for our offerings or harm our ability to compete.

Government regulations and policies concerning the broader electric utility industry, as well as internal policies and regulations promulgated by electric utilities and organized electric markets with respect to fees, practices, and rate design, can influence the market for energy storage products and services. These regulations and policies often affect electricity pricing and the interconnection of generation facilities, and can be subject to frequent modifications by governments, regulatory bodies, utilities, and market operators. For example, changes in fee structures, electricity pricing structures, regional market rules, system permitting, interconnection, and operating requirements can deter purchases of renewable energy products, including energy storage solutions, by reducing anticipated revenues or increasing costs or regulatory burdens for would-be system purchasers. The resulting reductions in demand for energy storage products could harm our business, prospects, financial condition, and results of operations.

On July 16, 2020, the U.S. agency Federal Energy Regulatory Commission ("FERC") issued a final rule amending regulations that implement the Public Utility Regulatory Policies Act ("PURPA"). Among other requirements, PURPA mandates that electric utilities buy the output of certain renewable generators below established capacity thresholds. PURPA also requires that such sales occur at a utility's "avoided cost" rate. FERC's PURPA reforms include modifications (1) to how regulators and electric utilities may establish avoided cost rates for new contracts; (2) that reduce from 20 MW to 5 MW, the capacity threshold above which there is a rebuttable presumption that a renewable-energy qualifying facility has nondiscriminatory market access, thereby removing the

requirement for certain utilities to purchase its output; (3) that require regulators to establish criteria for determining when an electric utility incurs a legally enforceable obligation to purchase from a PURPA facility; and (4) that reduce barriers for third parties to challenge PURPA eligibility. In general, FERC's PURPA 2020 reforms have the potential to reduce prices for the output from certain new renewable generation projects while also narrowing the scope of PURPA eligibility for new projects. These effects could reduce opportunities for PURPA-eligible battery energy storage products, which could have a material adverse effect our business, prospects, financial condition, and results of operations.

FERC is also taking steps to encourage the integration of new forms of generation into the electric grid and remove barriers to grid access, which could have positive impacts on the energy storage industry. For example, on July 28, 2023, FERC issued a final rule, designated as Order No. 2023, to reform procedures and agreements that electric transmission providers use to interconnect new generating facilities to the existing transmission system. The United States Court of Appeals for the D.C. Circuit denied challenges to Order No. 2023 by order dated July 31, 2026, which was upheld. If FERC's final rule does not have its intended effect, this could negatively impact our business, prospects, and results of operations.

With respect to large electric loads, FERC has instructed every organized electricity market in the United States to justify or reform existing rules under which large loads, including data centers, interconnect to the electric grid. How each electricity market responds to this FERC order may have a meaningful impact on data center development and, in turn, the available market for battery energy storage products. State legislatures, state governors and public utility commissions continue to assess new policies to approach the integration of large electric loads, including data centers, on the electric grid. These proposed or enacted actions are inclusive of Executive Orders, legislation, and large load tariffs designed to meet increasing electric demand from large electric loads while protecting consumers. Some states have also imposed temporary moratoria on data center development while these policies are being contemplated. As data center developers continue to turn to battery storage as an option to meet criteria imposed by these policies, further policy changes impacting large electric load integration may have an impact on the total addressable market for Fluence products.

While we are generally not regulated as a utility or a broker-dealer, customers of our digital offerings are often regulated market participants. We could experience scrutiny from regulators on the provision of Fluence Mosaic bid recommendations to our customers and use of such application, the use of Fluence Nispera, and the related technologies by our customers. In Australia, for example, Fluence has helped guide the government's appropriate screening and qualification stages for the use of bidding systems supported by algorithms.

Changes in other current laws or regulations applicable to us or the imposition of new laws, regulations, or policies in jurisdictions in which we do business could have a material adverse effect on our business, financial condition, and results of operations. Any changes to government, utility, or electric market regulations or policies that favor electric utilities or other market participants could reduce the competitiveness of battery energy storage products or our digital offerings and cause a significant reduction in demand for our products and services and adversely impact our growth. In addition, changes in export and import laws and implementing regulations may create delays in the introduction of new products in international markets, prevent our customers from deploying our products internationally or, in some cases, prevent the export or import of our products to certain countries altogether. Any such event could have a material adverse effect on our business, financial condition and results of operations.

We have incurred, and may incur, obligations, liabilities, or costs under environmental, health, and safety laws, which could have an adverse impact on our business, financial condition, and results of operations.

We are required to comply with federal, state, local, and foreign laws and regulations regarding the protection of the environment, health, and safety. We have in the past incurred, and may in the future, incur expenses, or be subject to liability, related to the transportation, storage, or disposal of lithium-ion batteries, or other materials used in our products, including potential permitting obligations, operational requirements, or liabilities associated with the generation, handling, transport or disposal of hazardous materials or hazardous wastes, (including new or expanded definitions of hazardous materials or hazardous wastes, such as per- and polyfluoroalkyl substances ("PFAS")),or associated with air emissions, greenhouse gas emissions, water quality discharges, or other environmental criteria. Adoption of more stringent such laws and regulations in the future, or novel interpretations, increased enforcement or amendments of existing laws, may have adverse impacts on our business and our results of operations or require us to incur substantial costs to come into compliance with these laws and regulations. In addition, violations of, or liabilities under, these laws and regulations may result in restrictions being imposed on our operating activities or in our being subject to adverse publicity, substantial fines, penalties, criminal proceedings, administrative enforcement actions or proceedings, third-party property damage or personal injury claims, cleanup costs, or other costs. Liability under various laws and regulations can be imposed on a joint and several basis and without regard to fault or the legality of the activities giving rise to the claim, including related to past or present contamination of the soil or groundwater associated with leased or owned real property. In addition, future developments such as more aggressive enforcement policies, classification of additional substances as hazardous, or the discovery of presently unknown environmental conditions may require expenditures that could have an adverse effect on our business, financial condition, and results of operations.

Additionally, most existing environmental laws and regulations preceded the introduction of energy storage technology and were adopted to apply to technologies existing at the time, (e.g., large coal, oil, or gas-fired power plants). These laws therefore do not necessarily reflect the realities of new technologies, and as policymakers work to adapt or establish regulatory frameworks or standards that apply to energy storage, we may be subject to various challenges. For example, it is possible that regulators could delay or prevent us from conducting our business in some way pending agreement on, and compliance with, shifting or expanding regulatory requirements. Safety laws and compliance related to energy storage may change over time, including standards related to fire safety and minimizing the risk of starting or being impacted by a fire. Such actions could delay the sale to and installation by customers of energy storage systems, require their modification or replacement, result in fines or trigger claims of performance warranties and defaults under customer contracts. Any of these developments could adversely affect our business, financial performance and reputation.

Any actual or perceived failure to comply with data privacy and data security laws, regulations, industry standards, and other requirements related to the privacy, security, and processing of personal information could have a material adverse effect on our reputation, results of operations, financial condition or have other adverse consequences.

We are subject to various laws, related regulations, industry standards and other requirements involving data privacy and information security. Such laws and regulations relating to data privacy and information security are continuously evolving and subject to potentially differing interpretations. These requirements may be interpreted and applied in a manner that is inconsistent from one jurisdiction to another or may conflict with other rules or our practices. As a result, we cannot guarantee that all of our practices have complied in the past, comply now, or that they will fully comply in the future with all such laws, regulations, requirements, and obligations.

In the United States, there are numerous federal and state data privacy and security laws, rules, and regulations governing the collection, use, storage, sharing, transmission, and other processing of data relating to individuals or "personal information", including federal and state data privacy laws, data breach notification laws, and consumer protection laws. Many state legislatures have adopted legislation that regulates how businesses can process personal information, including measures relating to privacy, and data security. For example, the California Consumer Privacy Act ("CCPA") as amended by the California Privacy Rights Act, requires businesses that process the personal information of California residents to, among other things: provide certain disclosures to California residents regarding the business's collection, use, and disclosure of their personal information; receive and respond to requests from California residents to access, delete, and correct their personal information, or to opt-out of certain disclosures of their personal information; and enter into specific contractual provisions with service providers that process California resident personal information on the business's behalf. The CCPA provides for civil penalties for violations, as well as a private right of action for certain data breaches that result in the loss of personal information. This private right of action has increased the likelihood of, and risks associated with, data breach litigation.

The enactment of the CCPA prompted a wave of similar laws in other states in the United States, which creates a patchwork of overlapping but different state laws. Furthermore, other states, such as New York and Massachusetts, have passed specific laws mandating reasonable security measures for the handling of personal information. Similar privacy laws have been considered or passed in other states, and there remains increased interest in regulating data privacy issues at the federal level. Additionally, the Federal Trade Commission continues to actively enforce against unfair or deceptive practices relating to privacy and data security, adding another layer of regulatory exposure at the U.S. federal level.

Collectively, these developments contribute to an increasingly fragmented and complex U.S. regulatory landscape, requiring significant compliance investments and operational adjustments. If we do not timely make such necessary compliance investments and operational adjustments with new and evolving privacy laws, there may be adverse impacts to our business.

In Europe, we are subject to data protection laws such as the European Union General Data Protection Regulation 2016/679 and applicable national supplementing laws ("EU GDPR") and the United Kingdom General Data Protection Regulation and Data Protection Act 2018 ("UK GDPR"), (the EU GDPR and UK GDPR together referred to as the "GDPR") and the revised Swiss Federal Act on Data Protection (nFADP). The GDPR imposes comprehensive compliance obligations regarding our processing of personal information, including a principle of transparency, accountability, and the obligation to demonstrate compliance through policies, procedures, training and audit, as well as requirements regarding cross-border transfers of personal information out of the European Economic Area ("EEA") and the UK. In relation to such cross border transfers of personal information, we expect the existing legal complexity and uncertainty regarding international personal information transfers to continue. Currently, we have intra-company standard contractual clauses in place for safe transfers out of the EEA as well as Company policies and procedures in place for compliance with GDPR, however, with the regulatory guidance and enforcement landscape in relation to processing of personal information continue to develop, we could suffer additional costs, complaints and/or regulatory investigations or fines; we may have to stop using certain tools and vendors and make other operational changes; we may have to implement alternative data transfer mechanisms under the GDPR and/or take additional compliance and operational measures; and/or the manner in which we provide our services and our business, operations and financial condition could be adversely affected. Since we are under the supervision of relevant data protection authorities in both the EEA and the UK, we may be fined under both the EU GDPR and UK GDPR for the same breach.

We are also subject to evolving EEA and UK privacy laws on cookies, tracking technologies, and e-marketing. Recent European court and regulatory decisions are driving increased attention to cookies and tracking technologies. The Company has put into place technical measures in the EEA and the UK that are in line with applicable requirements regarding marketing, cookies, and tracking technologies, however, if the trend of increasing enforcement by regulators of the strict approach to opt-in consent for all but essential use cases, as seen in recent guidance and decisions, continues, and given the complex and evolving nature of EU, EU Member State and UK privacy laws, this may lead to additional costs, require significant systems changes, may lead customers to demand certain standards due to strict privacy laws, limit the effectiveness of our marketing activities, divert the attention of our technology personnel, adversely affect our margins, and subject us to additional liabilities and there can be no assurances that we will be successful in our compliance efforts.

Beyond Europe and the United States, our global operations are also subject to comprehensive privacy frameworks in the Asia-Pacific region, including, but not limited to, the Singapore Personal Data Protection Act (PDPA), the Philippines Data Privacy Act of 2012, Japan's Act on the Protection of Personal Information (APPI, amended in 2022), Australia's Privacy Act 1988 (currently under reform), India's Digital Personal Data Protection Act (2023, with phased implementation), and Taiwan's Personal Data Protection Act. Each of these regimes imposes distinct compliance obligations and regulatory enforcement risks, and failure to comply may result in fines, sanctions, reputational harm, or operational disruption.

The foregoing laws, regulations, and industry standards may add additional complexity, variation in requirements, restrictions and potential legal risk, require additional investment in resources to compliance programs, could impact strategies and availability of previously useful data, and could result in increased compliance costs and/or changes in business practices and policies. Any failure, or perceived failure, by us to comply with our posted privacy policies or with any federal, state, or international privacy and security laws, regulations, industry standards, or other legal obligations relating to data privacy and information security could adversely affect our reputation, brand, and business, and may result in claims (including class actions), liabilities, regulatory investigations, enforcement notices, assessment notices (for a compulsory audit) proceedings or actions against us by governmental entities or others, or may require us to change our operations (including by ceasing or changing our data processing activities and applying serious additional controls). Any such claims, proceedings, or actions could hurt our reputation, brand and business, force us to incur significant expenses in defense of such proceedings or actions, distract our management, increase our costs of doing business, and result in the imposition of monetary penalties.

The adoption and use of AI machine learning and other emerging technologies could create operational, legal, regulatory, cybersecurity, privacy and reputational risks that may adversely affect our business, financial condition and results of operations.

As we increasingly integrate emerging technologies such as AI and machine learning into our operations, we face the risk associated with compliance of evolving and changing privacy regulations, such as the GDPR's principle of 'privacy by design.' The regulatory framework for AI Technologies is rapidly evolving as many federal, state and foreign government bodies and agencies have introduced or are currently considering additional laws and regulations. Additionally, existing laws and regulations may be interpreted in ways that would affect the operation of our AI Technologies or could be rescinded or amended as new administrations take differing approaches to evolving AI Technologies. As a result, implementation standards and enforcement practices are likely to remain uncertain for the foreseeable future, and we cannot yet completely determine the impact on future laws, regulations, standards, or market perception of their requirements may have on our business and may not always be able to anticipate how to respond to these laws or regulations. Failure to quickly and appropriately incorporate such evolving regulatory requirements into the design and deployment of new technologies could result in significant compliance challenges, potential regulatory scrutiny, and the potential for increased liability. Furthermore, the rapid pace of technological advancement may outstrip our ability to adapt, thereby exposing us to the risk of operational inefficiencies, legal penalties, and reputational harm.

In particular, the European Union's AI Act, adopted in 2024, introduces comprehensive new requirements for the design, development, and deployment of AI systems, with extraterritorial reach. Non-compliance could result in significant fines, restrictions on the use of AI Technologies, and reputational harm. In the United States, the regulatory framework for AI Technologies faces significant uncertainty. At the federal level, Congress has yet to enact meaningful AI legislation. Instead, federal policy on AI has been shaped by a series of executive orders that have shifted priorities and requirements substantially depending on the administration in power. In the absence of federal AI legislation, states have filled the void by enacting laws regulating different aspects of AI Technologies. For example, California has enacted laws and regulations related to AI safety protocols, reporting and transparency, among other AI-related topics and Texas enacted the Texas' Responsible AI Governance Act that prohibits specified harmful uses of AI, and Utah passed the Utah Artificial Intelligence Policy Act, which requires certain disclosures to customers and confirms companies' responsibility for legal violations caused by their AI applications. AI laws have also been passed and are currently being contemplated in numerous other jurisdictions, and AI regulation continues to evolve across multiple jurisdictions, our ability to implement compliant AI solutions in a timely and effective manner will be a critical factor in mitigating future compliance risks. Further, the cost to comply with such laws, regulations, or decisions and/or guidance interpreting existing laws, could be significant and would increase our operating expenses (such as imposing additional reporting obligations regarding our use of AI Technologies). Such an increase in operating expenses, as well as any actual or perceived failure to comply with such laws and regulations, could adversely affect our business, financial condition and results of operations.

From time to time, we may be subject to legal proceedings, regulatory disputes, and governmental investigations and inquiries that could cause us to incur significant expenses, divert our management's attention, and materially harm our business, financial condition, and operating results.

We have been and continue to be subject to claims, lawsuits, government investigations, including the ongoing SEC investigation, consolidated securities class action matter, separate securities class action matter, and other regulatory or legal proceedings that arise out of our operations and business and that cover a wide range of matters, including, among others, intellectual property matters, commercial and contract disputes, insurance and property damage claims, labor and employment claims, personal injury claims, product liability claims, environmental claims, fire safety claims, and warranty claims. In addition, since we are marketing and selling our energy storage products in a evolving market, we have in the past needed, and may in the future need, to seek the amendment of existing regulations or, in some cases, the creation of new regulations, in order to operate our business in some jurisdictions. Such regulatory processes may require public hearings concerning our business, which could expose us to subsequent litigation. Generally, litigation, regulatory proceedings, and government investigations may be protracted and expensive, and may divert management attention and resources and the ultimate results may be difficult to predict. Certain of these matters may include speculative claims for substantial or indeterminate amounts of damages. Any of these actions could expose us to adverse publicity that could harm our reputation and operations and relationships with customers. Unfavorable outcomes or developments relating to proceedings to which we are a party or transactions involving our offerings, such as judgments for monetary damages, injunctions, or denial or revocation of permits, could have a material adverse effect on our business, financial condition, and results of operations. In addition, settlement of claims and outcomes of government investigations could materially adversely also affect our business, financial condition, and results of operations.

Risks Related to Acquisitions

As part of growing our business, we have in the past made acquisitions and expect to continue to evaluate acquisitions and other strategic transactions into the future. If we fail to successfully select, execute, or integrate our acquisitions or other transactions, then our business and operating results could be adversely affected and our stock price could decline.

We continuously evaluate potential acquisitions and strategic transactions to expand commercial production capacity, add new product lines and technologies, gain new sales channels, enter into new sales territories, and expand our market share, and capture certain tax or other incentives. We may not be successful in completing any contemplated strategic transaction and any such strategic transaction may not achieve its intended benefits or have a positive impact on our financial condition or business on the timeline that we expect or at all. Further, acquisitions and strategic transactions involve numerous risks and challenges, including, but not limited to, the following:

- integrating assets, systems, internal controls, products, sales channels, and personnel;
- inability to successfully manage transaction-related strain on our management, operations and financial resources;
- higher than anticipated transaction and integration costs and expenses, and regulatory costs, expenses and scrutiny;
- reliance on third parties to provide transition services for a period of time after closing to ensure an orderly transition of the business or, in the case of a joint venture, to continue operation of the business;
- growing or maintaining revenues to justify the purchase price and the increased expenses associated with transactions;
- entering into territories or markets with which we have limited or no prior experience;
- establishing or maintaining business relationships with customers, vendors, regulators, and suppliers who may be new to us;
- overcoming the employee, customers, vendor, and supplier turnover that may occur as a result of the transaction;
- disruption of, and demands on, our ongoing business as a result of integration activities including diversion of management's time and attention from running the day to day operations of our business;
- unfavorable tax, regulatory or accounting treatment;
- inability to implement uniform standards, disclosure controls and procedures, internal controls over financial reporting, and other procedures and policies in a timely manner, if at all;
- inability to realize the anticipated benefits of or successfully integrate with our existing business the businesses, products, technologies, or personnel;
- failure to appropriately and holistically identify all the problems, liabilities, risks, or other challenges of any transaction, technology or solution at the time of closing;
- changes in tax laws, tax treaties, regulations or interpretations thereof;

- known and unknown liabilities including contract, tax, regulatory or other legal, and other obligations incurred or fines or penalties, for which indemnity obligations, escrow arrangements or insurance may not be available or may not be sufficient to provide coverage; and
- potential post-closing disputes.

As part of pursuing an acquisition or other transaction, we may also significantly revise our capital structure or operational budget, including through issuing common stock that would dilute the ownership percentage of our stockholders, assuming or incurring liabilities or debt, utilizing a substantial portion of our cash resources to pay for the acquisition, or significantly increasing operating expenses. In addition, our effective tax rate in any particular quarter may also be impacted by acquisitions or other transactions. Following the closing of an acquisition or other transaction, we may also have disputes with the seller, counterparty or regulators regarding contractual requirements and covenants, purchase price adjustments, contingent payments, regulatory restrictions or indemnifiable losses. Any such disputes may be time consuming and distract management from other aspects of our business. In addition, if we increase the pace or size of transactions, we will have to expend significant management time and effort into the transactions and integrations, and we may not have the proper human resources bandwidth to ensure successful integrations and accordingly, our business could be harmed or the benefits of transactions we pursue may not be realized. Any of the foregoing can have a material adverse impact on our business, results of operations, stock price, or financial condition.

Risks related to Ownership of our Class A Common Stock

Certain provisions of Delaware law and antitakeover provisions in our organizational documents could delay or prevent a change of control.

Certain provisions of Delaware law, our amended and restated certificate of incorporation, amended and restated bylaws, and our Stockholders Agreement dated October 27, 2021 by and among Fluence Energy, LLC, Fluence Energy, Inc., and the Stockholders (as defined therein) (the "Stockholders Agreement") may have an antitakeover effect and may delay, defer, or prevent a merger, acquisition, tender offer, takeover attempt, or other change of control transaction that a stockholder might consider in its best interest, including those attempts that might result in a premium over the market price for the shares held by our stockholders. These provisions provide for, among other things:

- the ability of our board of directors to issue one or more series of preferred stock;
- advance notice for nominations of directors by stockholders and for stockholders to include matters to be considered at our annual meetings;
- certain limitations on convening special stockholder meetings;
- prohibit cumulative voting in the election of directors;
- that certain provisions of amended and restated certificate of incorporation may be amended only by the affirmative vote of at least 66 2/3% of the voting power represented by our then-outstanding common stock;
- the right of each of the AES Related Parties, Siemens Related Parties, and the QIA Related Parties (each as defined in the Stockholders Agreement) to nominate certain of our directors;
- the shares of our Class B-1 common stock held by AES entitles them to five votes per share on all matters presented to our stockholders generally; and
- the consent rights of the Continuing Equity Owners in the Stockholders Agreement.

These antitakeover provisions could make it more difficult for a third party to acquire us, even if the third party's offer may be considered beneficial by many of our stockholders. As a result, our stockholders may be limited in their ability to obtain a premium for their shares.

In addition, we have opted out of Section 203 of the General Corporation Law of the State of Delaware ("DGCL"), but our amended and restated certificate of incorporation provides that engaging in any of a broad range of business combinations with any "interested" stockholder (any stockholder with 15% or more of our voting stock) for a period of three years following the date on which the stockholder became an "interested" stockholder is prohibited, subject to certain exceptions.

Because we have no current plans to pay regular cash dividends on our Class A common stock for the foreseeable future, you may not receive any return on investment unless you sell your Class A common stock for a price greater than that which you paid for it.

We do not anticipate paying any regular cash dividends on our Class A common stock in the foreseeable future. Any decision to declare and pay dividends in the future will be made at the discretion of our board of directors and will depend on, among other things, general and economic conditions, our results of operations and financial condition, our available cash and current and anticipated cash needs, capital requirements, contractual, legal, tax and regulatory restrictions, and such other factors that our board of directors may deem relevant. In addition, our ability to pay dividends is, and may be, limited by covenants of any future outstanding indebtedness we or our subsidiaries incur. Therefore, any return on investment in our Class A common stock is solely dependent upon the appreciation of the price of our Class A common stock on the open market, which may not occur.

The dual class structure of our common stock may adversely affect the trading market for our Class A common stock. We cannot predict the effect our multiple class structure may have on the market price of our Class A common stock.

We cannot predict whether our multi-class structure will result in a lower or more volatile market price of our Class A common stock, in adverse publicity or other adverse consequences. Certain stockholder advisory firms and large institutional investors may prefer companies that do not have multiple share classes or may have investment guidelines that preclude them from investing in companies that have multiple share classes. In addition, certain index providers have previously implemented, and may in the future determine to implement, restrictions on including companies with multiple class share in certain of their indices. For example, FTSE Russell requires that more than 5% of a company's voting rights be held by unrestricted shareholders for the company to be eligible for inclusion in its indices, including the Russell U.S. indices. In addition, from July 2017 to April 2023, S&P Dow Jones Indices excluded companies with multiple share classes from the S&P Composite 1500 (composed of the S&P 500, S&P MidCap 400 and S&P SmallCap 600). Although S&P Dow Jones Indices has since reversed this policy, and FTSE Russell has modified its requirements for certain large initial public offerings, we cannot assure you that these or other index providers will not adopt or reinstate similar restrictions in the future. Indices have discretion to reassess and implement such policies with respect to multi-class differing voting right structures. Under any such policies, our dual class capital structure would make us ineligible for inclusion in any of these indices. Any exclusion from stock indices could result in a less active trading market for our Class A common stock. Any actions or publications by stockholder advisory firms or institutional investors critical of our corporate governance practices or capital structure could also adversely affect the value of our Class A common stock.

We are a "controlled company" within the meaning of the Nasdaq rules and, as a result, qualify for, and intend to rely on, exemptions from certain corporate governance requirements. You may not have the same protections afforded to stockholders of companies that are subject to such corporate governance requirements.

Our Continuing Equity Owners have more than 50% of the voting power for the election of directors, and, as a result, we are considered a "controlled company" for the purposes of the Nasdaq rules. As such, we qualify for, and intend to rely on, exemptions from certain corporate governance requirements, including the requirements to have a majority of independent directors on our board of directors, an entirely independent compensation committee or to have director nominations be made, or recommended to the full board of directors, by its independent directors or by a nominations committee that is composed entirely of independent directors. The corporate governance requirements and, specifically, the independence standards are intended to ensure directors who are considered independent are free of any conflicting interest that could influence their actions as directors.

Accordingly, you may not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of the Nasdaq rules. Our status as a controlled company could make our Class A common stock less attractive to some investors or otherwise harm our stock price.

Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware will be the sole and exclusive forum for certain stockholder litigation matters, and the federal district courts of the United States shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, employees, or stockholders.

Our amended and restated certificate of incorporation provides (A) (i) any derivative action or proceeding brought on behalf of the Company, (ii) any action asserting a claim of breach of a fiduciary duty owed by any current or former director, officer, other employee, or stockholder of the Company to the Company or the Company's stockholders, (iii) any action asserting a claim arising pursuant to any provision of the DGCL, our amended and restated certificate of incorporation or our amended and restated bylaws (as either may be amended or restated) or as to which the DGCL confers jurisdiction on the Court of Chancery of the State of Delaware or (iv) any action asserting a claim governed by the internal affairs doctrine of the law of the State of Delaware shall, to the fullest extent permitted by law, be exclusively brought in the Court of Chancery of the State of Delaware or, if such court does not have subject matter jurisdiction thereof, the federal district court of the State of Delaware; and (B) the federal district courts of the United States shall, to the fullest extent permitted by law, be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. Notwithstanding the foregoing, the exclusive forum provision shall not apply to claims seeking to enforce any liability or duty created by the Exchange Act. The choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, or other employees, which may discourage such lawsuits against us and our directors, officers, and other employees. Alternatively, if a court were to find the choice of forum provision contained in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our business, results of operations, and financial condition. Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock shall be deemed to have notice of and consented to the forum provisions in our amended and restated certificate of incorporation.

Our amended and restated certificate of incorporation provides that the doctrine of "corporate opportunity" does not apply with respect to any director or stockholder who is not employed by us or our subsidiaries.

The doctrine of corporate opportunity generally provides that a corporate fiduciary may not develop an opportunity using corporate resources, acquire an interest adverse to that of the corporation or acquire property that is reasonably incident to the present or prospective business of the corporation or in which the corporation has a present or expectancy interest, unless that opportunity is first presented to the corporation and the corporation chooses not to pursue that opportunity. The doctrine of corporate opportunity is intended to preclude officers or directors or other fiduciaries from personally benefiting from opportunities that belong to the corporation. Our amended and restated certificate of incorporation provides that the doctrine of "corporate opportunity" will not apply with respect to any of our Continuing Equity Owners, any of our directors who are employees or affiliates of the Continuing Equity Owners, or any director or stockholder who is not employed by us or our subsidiaries, except as provided in our amended and restated certificate of incorporation. Any of the foregoing persons therefore, has no duty to communicate or present corporate opportunities to us, and has the right to either hold any corporate opportunity for their (and their affiliates') own account and benefit or to recommend, assign or otherwise transfer such corporate opportunity to persons other than us, including to any director or stockholder who is not employed by us or our subsidiaries, and will not be liable to us or to our stockholders for breach of any fiduciary duty by reason of any of these activities.

As a result, the Continuing Equity Owners, and any of our directors nominated by them that are not employed by us or our subsidiaries, are not prohibited from operating or investing in competing us in the energy storage business, including as a result of acquiring a company that operates an energy storage business. Due to the significant resources of our Continuing Equity Owners, including their intellectual property (all of which our Continuing Equity Owners retain and certain of which they license to us under applicable intellectual property license agreements), financial resources, name recognition and know-how resulting from the previous management of our business, our Continuing Equity Owners could have a significant competitive advantage over us should any of them decide to utilize these resources to engage in the type of business we conduct, which may in turn cause our operating results and financial condition to be materially adversely affected.

You may be diluted by future issuances of additional Class A common stock or LLC Interests in connection with our incentive plans, acquisitions, or otherwise; future sales of such shares in the public market, or the expectations that such sales may occur, could lower our stock price.

The sale of shares of our Class A common stock in the public market, or the perception that such sales could occur, could harm the prevailing market price of shares of our Class A common stock. These sales, or the possibility that these sales may occur, also might make it more difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate.

As of September 30, 2026, we had a total of 143,209,610 shares of Class A common stock outstanding. Of the outstanding shares, 89,975,726 shares held by public investors are freely tradable without restriction or further registration under the Securities Act. Any shares of Class A common stock held by our affiliates are eligible for resale pursuant to Rule 144 under the Securities Act, subject to the volume, manner of sale, holding period and other limitations of Rule 144.

In addition, we, Fluence Energy, LLC and the Founders are party to the Third Amended and Restated Limited Liability Agreement of Fluence Energy, LLC, dated October 27, 2021, as may be amended from time to time (the "Fluence Energy, LLC Agreement") under which Founders (or certain permitted transferees thereof) were granted the right (subject to the terms of the Fluence Energy, LLC Agreement) to have their LLC Interests redeemed from time to time at our election (determined solely by our independent directors (within the meaning of the rules of the Nasdaq) who are disinterested), newly-issued shares of our Class A common stock on a one-for-one basis or a cash payment from the sale of newly issued shares of Class A common stock equal to a volume weighted average market price of one share of Class A common stock for each LLC Interest so redeemed, in each case, in accordance with the terms of the Fluence Energy, LLC Agreement; provided that, at our election (determined solely by our independent directors (within the meaning of the rules of the Nasdaq) who are disinterested), we may effect a direct exchange by us of such Class A common stock or such cash, as applicable, for such LLC Interests. The Founders may exercise such redemption right, subject to certain exceptions, for as long as their LLC Interests remain outstanding. As of the date of this Annual Report, AES Grid Stability maintains ownership of 41,432,781 LLC Interests, and may in the future exercise its redemption rights pursuant to the Fluence Energy, LLC Agreement which the Company may choose to settle through the issuance of 41,432,781 shares of our Class A common stock. The market price of shares of our Class A common stock could decline as a result of these redemptions or exchanges or the perception that a redemption or exchange any subsequent sale could occur, which might make it more difficult for holders of our Class A common stock to sell such stock in the future at a time and at a price that they deem appropriate.

In addition, there are outstanding vested options to acquire shares of Class A common stock pursuant to equity incentive awards issued previously pursuant to the 2020 Unit Option Plan of Fluence Energy, LLC (the "Existing Equity Plan"). Finally, we have reserved 16,200,000 shares of Class A common stock for issuance under the Fluence Energy, Inc. Amended and Restated 2021 Incentive Award Plan (the "A&R Incentive Plan") and there were 9,230,181 shares still available for grant under the A&R Incentive Plan as of September 30, 2026. Any Class A common stock that we issue under the A&R Incentive Plan or other equity incentive

plans that we may adopt in the future as well as exercise of the outstanding options under any of equity plans would be dilutive to Class A common stockholders.

In the future, we may also issue securities in connection with investments, acquisitions, strategic transactions, or capital raising activities, which could constitute a material portion of our then-outstanding shares of Class A common stock. Further in connection with the completion of the IPO, we entered into a Registration Rights Agreement with certain of the Continuing Equity Owners. Any such issuance of additional securities or any exercise of registration rights or the prospect of any such sales, could materially impact the market price of our Class A common stock and could impair our ability to raise capital through future sales of equity securities.

Short sellers may engage in manipulative activity intended to drive down the market price of our Class A common stock, which has and could in the future result in related governmental and regulatory scrutiny, among other effects.

Short selling is the practice of selling securities that the seller does not own but rather has borrowed or intends to borrow from a third party with the intention of later buying lower priced identical securities to return to the lender. Accordingly, it is in the interest of a short seller of our Class A common stock for the price to decline. At any time, short sellers may publish, or arrange for the publication of, opinions or characterizations that are intended to create negative market momentum. Short selling reports can cause increased volatility in an issuer's stock price, and result in regulatory and governmental inquiries. For example, on February 22, 2024, as previously disclosed, a short seller report was published which contained certain allegations against the Company (the "Short Seller Report"). In response to the Short Seller Report, the Audit Committee of our board of directors completed an internal investigation, with the assistance of outside counsel and forensic accountants, into the allegations in the Short Seller Report. We, after consultation with the Audit Committee, believe that the internal investigation demonstrated that the allegations of wrongdoing contained in the Short Seller Report are without merit. We have been informed that the SEC is conducting a formal investigation and asking for certain information regarding our financial reporting. We are fully cooperating with the SEC's investigation. Based on the information requested by the SEC, we believe that the SEC is reviewing the Company's revenue recognition practices, a previously disclosed material weakness in internal controls, capitalization of internal-use software costs, as well as certain service contracts with related parties. These areas were the subject of assertions in the Short Seller Report and were included in the Audit Committee's internal investigation. Any inquiries or investigations conducted by a governmental organization or other regulatory body, such as the ongoing SEC investigation, or any internal investigation, such as the one conducted by our Audit Committee, could result in a material diversion of our management's time and result in substantial cost and, in the event of an adverse finding, could have a material adverse effect on our business and results of operations. In addition, any perceived or actual failure by us to comply with applicable laws, rules, regulations, and standards could have a significant impact on our reputation and expose us to legal risk and potential criminal and civil liability.

Risks Related to Our Existing Shareholders

We are controlled by the Continuing Equity Owners, whose interests may differ from those of our public stockholders.

As of September 30, 2026, the Continuing Equity Owners control approximately 74.3% of the combined voting power of our common stock through their ownership of both Class A common stock and Class B-1 common stock. The Continuing Equity Owners have the ability to substantially influence our corporate management and affairs through their ownership, including, subject to applicable law, and the voting arrangements, to elect a majority of the members of our board of directors. The directors so elected have the ability to control actions to be taken by our board of directors, including amendments to our amended and restated certificate of incorporation and amended and restated bylaws and approval of significant corporate transactions, including mergers and sales of substantially all of our assets, and, subject to the terms of our indebtedness and applicable rules and regulations, to approve the issuance of additional stock, implement stock repurchase programs, declare dividends and make other decisions. It is possible that the interests of the Continuing Equity Owners may in some circumstances conflict with our interests and the interests of our other stockholders, including you. For example, the Continuing Equity Owners may have different tax positions from us, especially in light of the Tax Receivable Agreement, that could influence our decisions regarding whether and when to dispose of assets, whether and when to incur new or refinance existing indebtedness, and whether and when we should terminate the Tax Receivable Agreement and accelerate its obligations thereunder. In addition, the determination of future tax reporting positions and the structuring of future transactions may take into consideration the Continuing Equity Owners' tax or other considerations, which may differ from the considerations of us or our other stockholders.

Certain of our officers and directors may have actual or potential conflicts of interest because of their positions with our Continuing Equity Owners.

As of the filing of this Annual Report, Ricardo Falú, Letitia ("Tish") Mendoza, Stephen Coughlin, Peter Chi-Shun Luk, Stephan May, and Fahad Al-Darwish serve on our board of directors and are employed by and have retained their positions with AES, Siemens, or QIA, or any of their respective affiliates, as applicable. These individuals' holdings in and compensation from the relevant Continuing Equity Owners or their affiliates may be significant for some of these persons. Their positions at AES, Siemens, or QIA or their respective affiliates, their compensation from AES, Siemens, or QIA or their respective affiliates, and the ownership of any equity or outstanding equity awards in AES, Siemens, or QIA or their respective affiliates may create the appearance of conflicts of interest when these individuals are faced with decisions that could have different implications for our Continuing Equity Owners than the decisions have for us.

We rely on our access to our Founders' brands and reputation for establishing and building relationships with customers, and on our strategic relationships with our Founders.

We believe the association with our Founders has and continues to contribute to our establishing and building relationships with our customers due to the Founders' recognized brands and products, as well as resources such as their intellectual property and access to other third parties' intellectual property. Any perceived loss of our Founders' scale, capital base, and financial strength, or any actual loss or reduction in the Founders' ownership of the Company in the future, may prompt business partners to reprice, modify, or terminate their relationships with us. In addition, our Founders' reduction of their ownership of the Company may cause some of our existing agreements and licenses to be terminated.

In addition, our relationship with our Founders is critical to our business operations and strategic direction. Any decisions they make or changes in their plans regarding their involvement with us, including changes in their strategic priorities, business focus, or investment levels, could materially impact our business operations, financial condition, and growth prospects. As significant stakeholders, their actions could influence our strategic decisions, access to resources, and market perception. Any reduction in their support or changes in their business strategies could adversely affect our business.

Third parties may seek to hold us responsible for liabilities of our Founders, which could result in a decrease in our income.

Third parties may seek to hold us responsible for our Founders' liabilities. If those liabilities are significant and we are ultimately held liable for them, we cannot assure that we will be able to recover the full amount of our losses from our Founders.

We may be required to pay additional taxes as a result of partnership tax audit rules.

Partnerships may be required to pay additional U.S. income taxes as a result of partnership audits. U.S. federal income tax laws provide that audit adjustments to partnership-related items generally are determined at the partnership level. Subject to certain exceptions and elections, any resulting imputed underpayment may be assessed and collected from the partnership. As a result, Fluence Energy, LLC, or any subsidiary treated as a partnership for U.S. federal income tax purposes, could be required to pay taxes, interest, and penalties resulting from audit adjustments. As a direct or indirect owner of these entities, we could bear a portion of the economic cost of such amounts. This could include amounts attributable to periods before our IPO.

If we were deemed to be an investment company under the Investment Company Act of 1940, as amended (the "1940 Act"), including as a result of our ownership of Fluence Energy, LLC, applicable restrictions could make it impractical for us to continue our business as contemplated and could have a material adverse effect on our business.

Under Sections 3(a)(1)(A) and (C) of the 1940 Act, a company generally will be deemed to be an "investment company" for purposes of the 1940 Act if (1) it is, or holds itself out as being, engaged primarily, or proposes to engage primarily, in the business of investing, reinvesting or trading in securities, or (2) it engages, or proposes to engage, in the business of investing, reinvesting, owning, holding, or trading in securities and it owns or proposes to acquire investment securities having a value exceeding 40% of the value of its total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis. We do not believe that we are an "investment company," as such term is defined in either of those sections of the 1940 Act.

We and Fluence Energy, LLC conduct our operations and intend to continue to conduct our operations so that we will not be deemed an investment company. As the sole managing member of Fluence Energy, LLC, we will control and operate Fluence Energy, LLC. On that basis, we believe that our interest in Fluence Energy, LLC is not an "investment security" as that term is used in the 1940 Act. However, if we were to cease participation in the management of Fluence Energy, LLC, or if Fluence Energy, LLC itself becomes an investment company, our interest in Fluence Energy, LLC could be deemed an "investment security" for purposes of the 1940 Act. If it were established that we were an unregistered investment company, there would be a risk that we would be subject to monetary penalties and injunctive relief in an action brought by the SEC, that we would be unable to enforce contracts with third parties and that third parties could seek to obtain rescission of transactions undertaken during the period it was established that we were an unregistered investment company. If we were required to register as an investment company, restrictions imposed by the 1940 Act, including limitations on our capital structure and our ability to transact with affiliates, could make it impractical for us to continue our business as contemplated and could have a material adverse effect on our business.

Risks Related to Our Organizational Structure

Our principal asset is our interest in Fluence Energy, LLC. As a result, we depend on distributions from Fluence Energy, LLC to pay our taxes and expenses, including amounts due under the Tax Receivable Agreement. Various limitations and restrictions may affect Fluence Energy, LLC's ability to make these distributions.

We are a holding company with no material assets other than our LLC Interests. We have no independent source of revenue or cash flow. Our ability to pay taxes and operating expenses, and to pay dividends in the future, depends on the financial results and cash flows of Fluence Energy, LLC. Fluence Energy, LLC may not generate enough cash to make distributions to us. State law, debt instruments, and other contractual restrictions may also limit distributions. The Credit Agreement restricts certain payments, including dividends and distributions.

Fluence Energy, LLC is treated as a partnership for U.S. federal income tax purposes and generally is not subject to entity-level U.S. federal income tax. Instead, its taxable income is allocated to holders of LLC Interests, including us. We incur income taxes on our allocable share of that income. Under the Fluence Energy LLC Agreement, Fluence Energy, LLC must make tax distributions to holders of LLC Interests, subject to various limitations and restrictions. Tax distributions may not be required in certain circumstances, including when Fluence Energy, LLC does not have sufficient cash available to make those distributions. As managing member, we intend to cause Fluence Energy, LLC to make cash distributions sufficient to fund all or part of the holders' tax obligations on allocated taxable income and to cover our operating expenses, including payments under the Tax Receivable Agreement. If we lack sufficient funds to pay taxes or other liabilities or to fund our operations, including obligations under the Tax Receivable Agreement, we may need to borrow. Additional borrowing could materially and adversely affect our liquidity and financial condition and subject us to lender restrictions. If we fail to make timely payments under the Tax Receivable Agreement, the unpaid amounts generally will be deferred and accrue interest. Nonpayment for a specified period, however, may constitute a material breach and accelerate the amounts due. If Fluence Energy, LLC lacks sufficient funds to make distributions, our ability to declare and pay cash dividends will also be restricted or impaired.

Tax distributions paid to us may exceed our tax liabilities because of (1) differences between the net taxable income allocated to us and to other equity holders of Fluence Energy, LLC, (2) the lower tax rate applicable to corporations compared with individuals, and (3) anticipated tax benefits from future redemptions or exchanges of LLC Interests by the Founders, payments under the Tax Receivable Agreement, and certain other transactions. Our board of directors will determine how to use any accumulated excess cash. Those uses may include payments under the Tax Receivable Agreement. We are not required to distribute this or other available cash to our stockholders. Cash distributions to us, or our retention of cash, will not result in adjustments to the redemption or exchange ratio or price for LLC Interests and corresponding shares of Class B-1 or Class B-2 common stock. If we do not distribute excess cash as dividends on our Class A common stock, we may retain it or lend some or all of it to Fluence Energy, LLC or its subsidiaries. This could increase the value of our Class A common stock relative to the value of LLC Interests. Holders of LLC Interests may benefit from cash balances or loan receivables if they later acquire shares of Class A common stock in exchange for their LLC Interests or otherwise exercise redemption or exchange rights, even though they previously participated in distributions that created the excess cash.

The Tax Receivable Agreement with the Founders requires us to make cash payments for certain tax benefits we may realize, and we expect those payments to be substantial.

We are party to a Tax Receivable Agreement with Fluence Energy, LLC and the Founders. Under the agreement, we must pay the Founders 85% of the tax benefits, if any, that we actually realize or, in certain circumstances, are deemed to realize from (1) increases in our share of the tax basis of assets of Fluence Energy, LLC and its subsidiaries resulting from redemptions or exchanges of LLC Interests by the Founders and certain distributions or deemed distributions by Fluence Energy, LLC, and (2) certain other tax benefits arising from payments under the Tax Receivable Agreement. Fluence Energy, Inc., not Fluence Energy, LLC, is obligated to make these payments. We expect to fund these payments with distributions from Fluence Energy, LLC. If we cannot make payments as they become due, the unpaid amounts generally will be deferred and accrue interest. Nonpayment for a specified period, however, may constitute a material breach and accelerate the amounts due. Fluence Energy, Inc. expects to retain the remaining 15% of any realized cash tax benefits. Cash tax benefits are calculated by comparing Fluence Energy, Inc.'s actual income tax liability with the liability it would have had without the tax basis adjustments resulting from redemptions or exchanges and without the Tax Receivable Agreement.

On June 30, 2022, Siemens Industry, Inc. redeemed all 58,586,695 of its LLC Interests in Fluence Energy, LLC under the LLC Agreement. An equal number of shares of Fluence Energy, Inc. Class B-1 common stock, par value $0.00001 per share, were canceled (the "Siemens Redemption"). On December 8, 2023, AES Grid Stability redeemed 7,087,500 LLC Interests, and an equal number of Class B-1 shares were canceled (the "First AES Redemption"). On May 15, 2026, AES Grid Stability redeemed 10,066,414 LLC Interests, and an equal number of the Company's Class B-1 shares were canceled (the "Second AES Redemption" and, together with the First AES Redemption, the "AES Redemptions").

The tax basis adjustments resulting from the Siemens Redemption and the AES Redemptions, together with our possible use of certain tax attributes, are expected to result in substantial payments under the Tax Receivable Agreement. The AES Redemptions may result in future tax savings of $202.6 million. Siemens and AES will be entitled to receive payments under the Tax Receivable Agreement equal to 85% of that amount, or $175.6 million, assuming, among other things, that (1) we have sufficient taxable income to fully use the tax benefits, (2) Fluence Energy, LLC can fully depreciate or amortize its assets, and (3) applicable tax law does not materially change. These payments do not depend on the Founders continuing to own an interest in us.

The timing and amount of future payments under the Tax Receivable Agreement could vary significantly. We expect to fund ordinary course payments with cash flow from our subsidiaries' operations, available cash, or borrowings under current or future debt agreements. The required future cash payments may be substantial. However, the timing of such payment is uncertain. Payments to the Founders will not be available for reinvestment in our business. They generally will reduce our available cash flow and could substantially harm our liquidity. Our payment obligations could also make us a less attractive acquisition target, particularly to an acquirer that cannot use some or all of the related tax benefits. The actual tax basis increase, our use of the resulting tax benefits, and the amount and timing of payments will depend on several factors. These include the timing of redemptions or exchanges by the Founders; the price of our Class A common stock at the time of an exchange; whether and to what extent a redemption or exchange is taxable; the gain recognized by the Founders; the amount and timing of taxable income allocated to or otherwise generated by us; the portion of payments treated as imputed interest; and the applicable federal and state tax rates

Our organizational structure, including the Tax Receivable Agreement, provides certain benefits to the Founders that holders of our Class A common stock will not receive to the same extent.

Under the Tax Receivable Agreement, we pay the Founders 85% of the tax benefits, if any, that we actually realize or, in certain circumstances, are deemed to realize from (1) increases in our share of the tax basis of assets of Fluence Energy, LLC and its subsidiaries resulting from future redemptions or exchanges of LLC Interests by the Founders and certain distributions or deemed distributions by Fluence Energy, LLC, and (2) certain other tax benefits arising from payments under the agreement. We retain the remaining 15% of those benefits. This arrangement and other aspects of our organizational structure may adversely affect the future trading market for our Class A common stock.

In certain circumstances, payments under the Tax Receivable Agreement may be accelerated or may significantly exceed the actual benefits we realize from the related tax attributes.

Our payment obligations under the Tax Receivable Agreement may be accelerated if (1) we materially breach a material obligation and the Founders elect early termination, (2) certain mergers, asset sales, business combinations, or changes of control occur after the IPO and the Founders elect early termination, or (3) we elect early termination. In each case, our obligations, or those of our successor, would be calculated using specified assumptions. These include the assumption that we would have sufficient taxable income to fully use all potential future tax benefits covered by the agreement.

We could therefore be required to make an immediate cash payment equal to the present value of the anticipated future tax benefits, calculated using specified assumptions. The payment could occur well before we realize any of those benefits. We could also be required to pay the Founders more than the specified percentage of the benefits we ultimately realize. These obligations could

substantially harm our liquidity and could delay, defer, or prevent certain mergers, asset sales, business combinations, or changes of control. We may be unable to fund or finance these obligations. If our cash resources are insufficient because of timing differences or otherwise, we may need to incur debt. If we cannot make timely payments, the unpaid amounts generally will be deferred and accrue interest. Nonpayment for a specified period, however, may constitute a material breach and accelerate the amounts due.

We will not be reimbursed for payments made under the Tax Receivable Agreement if the related tax benefits are disallowed.

Payments under the Tax Receivable Agreement are based on tax reporting positions that we determine. The IRS or another tax authority may challenge some or all of the tax basis increases, other tax benefits, or related tax positions we claim, and a court may uphold the challenge. If an audit of us or our subsidiaries is reasonably expected to materially affect the Founders' rights or obligations under the agreement, we must notify the Founders, keep them reasonably informed, allow them a reasonable opportunity to provide information and other input, and consider that input in good faith. The Founders' interests in a challenge may differ from or conflict with our interests and those of our stockholders. They may exercise their related rights in a manner adverse to those interests. If a tax benefit for which we have made a payment is later disallowed, we will not be reimbursed. Instead, the excess payment will be netted against future payments otherwise due to the applicable Founder. We may not determine that an excess payment was made until years after the original payment. If a taxing authority challenges one of our positions, we cannot reduce future payments until the challenge is finally resolved. The excess payment may also exceed the future payments available for offset. The U.S. federal income tax rules governing these benefits are complex and fact-specific, and the IRS or a court may disagree with our positions. As a result, payments under the Tax Receivable Agreement could significantly exceed the actual cash tax savings we realize from the related tax attributes. .

Unanticipated changes in effective tax rates or adverse tax examination outcomes could harm our results of operations and financial condition.

We are subject to tax in U.S. federal, state, local, and foreign jurisdictions. Our future effective tax rates may be volatile or adversely affected by factors including:

- the allocation of expenses to and among jurisdictions;
- changes in the valuation of deferred tax assets and liabilities;
- the expected timing and amount of releases of tax valuation allowances;
- the tax effects of stock-based compensation;
- costs related to intercompany restructurings;
- changes in tax laws, tax treaties, regulations, or their interpretation; or
- lower-than-expected earnings in jurisdictions with lower statutory tax rates and higher-than-expected earnings in jurisdictions with higher statutory tax rates.

We may also be audited by U.S. federal, state, local, and foreign tax authorities with respect to income, sales, and other taxes. Adverse audit outcomes could harm our results of operations and financial condition.

Risks Related to the 2030 Convertible Senior Notes

Our indebtedness and liabilities could limit the cash flow available for our operations, expose us to risks that could adversely affect our business, financial condition, and results of operations and impair our ability to satisfy our obligations under the 2030 Convertible Senior Notes.

In December 2024, the Company issued $400.0 million aggregate principal amount of 2.25% convertible senior notes due 2030 (the “2030 Convertible Senior Notes”) and as of September 30, 2026, we had approximately $400.0 million of indebtedness outstanding under the 2030 Convertible Senior Notes. Further as of September 30, 2026, we had $188.2 million letters of credit outstanding and no cash borrowings outstanding under the Revolver. All borrowings and obligations under the Revolver will be effectively senior to our obligations under the 2030 Convertible Senior Notes to the extent of the value of the assets securing such borrowings and obligations, and structurally senior to the 2030 Convertible Senior Notes as the 2030 Convertible Senior Notes are not guaranteed by Fluence Energy, LLC, a borrower under the Revolver.

We may also incur additional indebtedness to meet future financing needs. Our indebtedness could have significant negative consequences for our security holders and our business, results of operations, and financial condition by, among other things:

- making it more difficult for us to satisfy our obligations with respect to our 2030 Convertible Senior Notes and our other debt;
- limiting our ability to obtain additional financing to fund future working capital, capital expenditures, acquisitions, or other general corporate requirements;
- requiring a substantial portion of our cash flows to be dedicated to debt service payments instead of other purposes, thereby reducing the amount of cash flows available for working capital, capital expenditures, acquisitions, and other general corporate purposes;

- increasing our vulnerability to adverse economic and industry conditions;
- exposing us to the risk of increased interest rates to the extent any of our borrowings are at variable rates of interest;
- limiting our flexibility in planning for and reacting to changes in the industry in which we compete;
- placing us at a disadvantage compared to other, less leveraged competitors; and
- increasing our cost of borrowing.

Any additional indebtedness we incur will heighten the potential for the consequences discussed above and could negatively impact our credit ratings, if any, in the future.

Our business may not generate sufficient funds, and we may otherwise be unable to maintain sufficient cash reserves, to pay amounts due under our indebtedness, including the 2030 Convertible Senior Notes, and our cash needs may increase in the future. In addition, the Revolver contains restrictions that limit future indebtedness that we may incur and contains financial and other restrictive covenants that limit our ability to operate our business, raise capital, or make payments under our other indebtedness. If we fail to comply with these covenants or to make payments under our indebtedness when due, then we would be in default under that indebtedness, which could, in turn, result in that and our other indebtedness becoming immediately payable in full.

We conduct all of our operations through our subsidiaries, including Fluence Energy, LLC, and may not be able to receive dividends or other distributions in needed amounts from our subsidiaries; Fluence Energy, Inc. is a holding company.

We conduct all of our operations through our subsidiaries, including Fluence Energy, LLC; Fluence Energy, Inc. is a holding company. Accordingly, payment of interest or repayment of principal on our indebtedness, including the 2030 Convertible Senior Notes, is significantly dependent on the generation of cash flow by our subsidiaries and their ability to make such cash available to us, by dividend, interest payment on debt they owe to us (including interest payments on the 2.25% Intercompany Convertible Subordinated Note due 2030 issued by Fluence Energy, LLC to Fluence Energy, Inc., dated December 12, 2024 (the "Intercompany Convertible Note")), debt repayment, or otherwise. None of our subsidiaries have guaranteed or will guarantee the 2030 Convertible Senior Notes and our subsidiaries will not have any obligation to pay amounts due on the 2030 Convertible Senior Notes or to make funds available for that purpose. Noteholders are not entitled to rights under the Intercompany Convertible Note. Fluence Energy, LLC's failure to make interest payments thereunder will not itself constitute a default or event of default under the indenture governing the 2030 Convertible Senior Notes. We have pledged our interest in the Intercompany Convertible Note to secure our obligations under the Revolver, and the Intercompany Convertible Note is subordinated in right of payment to Fluence Energy, LLC's obligations under the Revolver and its other senior indebtedness. Our subsidiaries may not be able to, or may not be permitted to, make distributions to enable us to make payments in respect of our indebtedness, including the 2030 Convertible Senior Notes. Each subsidiary is a distinct legal entity, and, under certain circumstances, legal and contractual restrictions may limit our ability to obtain cash from our subsidiaries. While the agreement governing our Revolver limits the ability of certain of our subsidiaries to incur restrictions on their ability to pay dividends or make other intercompany payments to us, these limitations are subject to qualifications and exceptions. Additionally, the agreement governing our Revolver limits the ability of Fluence Energy, LLC to pay dividends or make other distributions to us, and substantially limits our ability to prepay or repay the principal amount of the 2030 Convertible Senior Notes with cash, upon conversion, maturity or otherwise. Furthermore, other holders of LLC Interests are entitled to participate pro rata with Fluence Energy, Inc. in dividends from Fluence Energy, LLC. In the event that we do not receive distributions from our subsidiaries, we may be unable to make required principal and interest payments on our indebtedness, including the 2030 Convertible Senior Notes.

Higher interest rates could increase the cost of refinancing our indebtedness and could cause our debt service obligations to increase significantly.

The current high interest rate environment could adversely impact us. If interest rates remain at their current elevated levels or continue to increase, this could adversely impact our ability to refinance existing indebtedness or obtain additional debt financing on acceptable terms or at all. In addition, we expect this refinancing effort will, and future debt refinancings may, increase our debt service obligations as we refinance lower interest rate debt with higher interest rate debt.

The conditional conversion feature of the 2030 Convertible Senior Notes, if triggered, may adversely affect our financial condition and results of operations.

In the event the conditional conversion feature of the 2030 Convertible Senior Notes is triggered, noteholders will be entitled to convert the 2030 Convertible Senior Notes at any time during specified periods at their option. If one or more holders elect to convert their 2030 Convertible Senior Notes, we may, to the extent permitted by, and subject to compliance with the terms of, the agreement governing the Revolver and our other indebtedness in existence at such time, settle a portion or all of our conversion obligation through the payment of cash, which could adversely affect our liquidity.

The issuance or sale of shares of our Class A common stock, or rights to acquire shares of our Class A common stock, could depress the trading price of our Class A common stock and the 2030 Convertible Senior Notes.

We may conduct future offerings of our Class A common stock, preferred stock, or other securities that are convertible into or exercisable for our Class A common stock to finance our operations, fund acquisitions, or for other purposes. The sale of shares of our Class A common stock or other securities that are convertible into or exercisable for our Class A common stock in the public market, or the perception that such sales could occur, could harm the prevailing market price of shares of our Class A common stock. These sales, or the possibility that these sales may occur, also might make it more difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate. In addition, upon conversion of the 2030 Convertible Senior Notes, we will pay consideration that consists of cash, shares of our Class A common stock, or a combination of cash and shares of our Class A common stock (together with cash in lieu of any fractional shares, if applicable), at our election. These factors could also make it more difficult for us to raise additional funds through future offerings of our shares of Class A common stock or other securities. We have also reserved 16,200,000 shares of our Class A common stock for issuance under the A&R Incentive Plan.

The Indenture governing the 2030 Convertible Senior Notes does not restrict our ability to issue additional equity securities. If we issue additional shares of our Class A common stock or rights to acquire shares of our Class A common stock, if any of our existing stockholders sells a substantial amount of our Class A common stock, or if the market perceives that such issuances or sales may occur, then the trading price of our Class A common stock, and, accordingly, the 2030 Convertible Senior Notes may significantly decline. In addition, our issuance of additional shares of Class A common stock will dilute the ownership interests of our existing common stockholders, including noteholders who have received shares of our Class A common stock upon conversion of their 2030 Convertible Senior Notes, and any Class A common stock issued upon conversion of the 2030 Convertible Senior Notes may dilute the interests of our existing common stockholders.

The accounting method for the 2030 Convertible Senior Notes could adversely affect our reported financial condition and results.

The accounting method for reflecting the 2030 Convertible Senior Notes on our balance sheet, accruing interest expense for the 2030 Convertible Senior Notes and reflecting the underlying shares of our Class A common stock in our reported diluted earnings per share may adversely affect our reported earnings and financial condition.

In accordance with applicable accounting standards, the 2030 Convertible Senior Notes are reflected as a liability on our balance sheets, with the initial carrying amount equal to the principal amount of the 2030 Convertible Senior Notes, net of issuance costs. The issuance costs are treated as a debt discount for accounting purposes, which will be amortized into interest expense over the term of the 2030 Convertible Senior Notes. As a result of this amortization, the interest expense that we expect to recognize for the 2030 Convertible Senior Notes for accounting purposes will be greater than the cash interest payments we will pay on the 2030 Convertible Senior Notes, which will result in lower reported income.

In addition, the potential dilutive shares underlying the 2030 Convertible Senior Notes are reflected in our diluted earnings per share using the "if converted" method. The denominator of diluted earnings per share for the 2030 Convertible Senior Notes is determined by multiplying the principal amount of the 2030 Convertible Senior Notes by the applicable conversion rate for the reporting period. The after-tax interest expense associated with the 2030 Convertible Senior Notes is added back to the numerator of the diluted earnings per share calculation for these purposes. However, if reflecting the 2030 Convertible Senior Notes in diluted earnings per share in this manner is anti-dilutive, then the shares underlying the 2030 Convertible Senior Notes will not be reflected in our diluted earnings per share. The application of the if-converted method may reduce our reported diluted earnings per share, and accounting standards may change in the future in a manner that may adversely affect our diluted earnings per share.

Furthermore, if any of the conditions to the convertibility of the 2030 Convertible Senior Notes is satisfied, then we may be required under applicable accounting standards to reclassify the liability carrying value of the 2030 Convertible Senior Notes as a current, rather than a long-term liability. This reclassification could be required even if no noteholders convert their 2030 Convertible Senior Notes and could materially reduce our reported working capital.

Provisions in the 2030 Convertible Senior Notes and the Indenture governing the 2030 Convertible Senior Notes could delay or prevent an otherwise beneficial takeover of us.

Certain provisions in the 2030 Convertible Senior Notes and its Indenture could make a third-party attempt to acquire us more difficult or expensive. For example, if a takeover constitutes a "fundamental change", then noteholders will have the right to require us to repurchase their 2030 Convertible Senior Notes for cash. In addition, if a takeover constitutes a "make-whole fundamental change" (as defined in the Indenture), then we may be required to temporarily increase the conversion rate. In either case, and in other cases, our obligations under the 2030 Convertible Senior Notes and the Indenture could increase the cost of acquiring us or otherwise discourage a third party from acquiring us or removing incumbent management, including in a transaction that noteholders or holders of our Class A common stock may view as favorable.

The capped call transactions may affect the value of the 2030 Convertible Senior Notes and our Class A common stock.

In connection with the 2030 Convertible Senior Notes, we entered into privately negotiated capped call transactions with certain financial institutions (the "option counterparties"). The capped call transactions cover, subject to customary adjustments, the number of shares of our Class A common stock underlying the 2030 Convertible Senior Notes. The capped call transactions are expected to

offset the potential dilution and/or offset any cash payments we are required to make in excess of the principal amount of converted 2030 Convertible Senior Notes, as the case may be, as a result of conversion of the 2030 Convertible Senior Notes, with such offset subject to a cap.

We have been advised that, in connection with establishing their initial hedges of the capped call transactions, the option counterparties or their respective affiliates entered into various derivative transactions with respect to our Class A common stock and/or purchased shares of our Class A common stock.

In addition, the option counterparties and/or their respective affiliates may modify their hedge positions by entering into or unwinding various derivatives with respect to our Class A common stock and/or purchasing or selling our Class A common stock or other securities of ours in secondary market transactions following the pricing of the 2030 Convertible Senior Notes and prior to the maturity of the 2030 Convertible Senior Notes (and are likely to do so (i) during any observation period related to a conversion of the 2030 Convertible Senior Notes or following any redemption or fundamental change repurchase of the 2030 Convertible Senior Notes, (ii) following any other repurchase of the 2030 Convertible Senior Notes if we unwind a corresponding portion of the capped call transactions in connection with such repurchase and (iii) if we otherwise unwind all or a portion of the capped call transactions). This activity could also cause or avoid an increase or a decrease in the market price of our Class A common stock.

We are subject to counterparty risk with respect to the capped call transactions.

The option counterparties are financial institutions, or their affiliates, and we will be subject to the risk that one or more of the option counterparties may default or otherwise fail to perform, or may exercise certain rights to terminate, their obligations under the capped call transactions. Our exposure to the credit risk of the option counterparties is not secured by any collateral.

Global economic conditions have in the past resulted in the actual or perceived potential failure or financial difficulties of many financial institutions. If an option counterparty to one or more capped call transactions becomes subject to insolvency proceedings, we will become an unsecured creditor in those proceedings with a claim equal to our exposure at the time under such transactions. Our exposure will depend on many factors but, generally, our exposure will increase if the market price or the volatility of our Class A common stock increases. In addition, upon a default or other failure to perform, or a termination of obligations, by an option counterparty, such option counterparty may fail to deliver the shares of common stock required to be delivered to us under the capped call transactions and we may experience adverse tax consequences and more dilution than we currently anticipate with respect to our Class A common stock. We can provide no assurances as to the financial stability or viability of any of the option counterparties.

In addition, the capped call transactions are complex, and they may not operate as planned. For example, the terms of the capped call transactions may be subject to adjustment, modification or, in some cases, renegotiation if certain corporate or other transactions occur. Accordingly, these transactions may not operate as we intend if we are required to adjust their terms as a result of transactions in the future or upon unanticipated developments that may adversely affect the functioning of the capped call transactions.

Risk Factors Related to Accounting Matters

Failure to maintain effective internal control over financial reporting could have a material adverse effect on our business, financial condition, results of operations, and stock price and may adversely affect investor confidence in our company and, as a result, the value of our Class A common stock and your investment.

Section 404 of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"), requires us to evaluate the effectiveness of our internal controls over financial reporting as of the end of each fiscal year, including a management report assessing the effectiveness of our internal controls over financial reporting, and a report issued by our independent registered public accounting firm on that assessment. Our ability to comply with the annual internal control reporting requirements will depend on the effectiveness of our financial reporting and data systems and controls across our company. We expect these systems and controls to require additional investment as we become increasingly more complex and our business grows. To effectively manage this complexity, we will need to continue to maintain and revise our operational, financial. and management controls, and our reporting systems and procedures. Certain weaknesses or deficiencies or failures to implement required new or improved controls, or difficulties encountered in the implementation or operation of these controls, could harm our operating results and cause us to fail to meet our financial reporting obligations, or result in material misstatements in our financial statements, which could adversely affect our business and reduce our the stock price of our Class A common stock. When evaluating our internal control over financial reporting, we have identified, and we may in the future identify additional material weaknesses that we may not be able to remediate in a timely manner.

Any future material weakness in our internal control over financial reporting could result in an increased probability of fraud, the potential loss of customers, litigation from our stockholders, reduction in our ability to obtain financing, and require additional expenditures to remediate. Our failure to implement and maintain effective internal control over financial reporting could result in errors in our financial statements that could result in loss of investor confidence in the accuracy and completeness of our financial reports and a decline in our stock price, and we could be subject to sanctions or investigations by the SEC or other regulatory authorities.

If we are not able to adhere to the requirements of Section 404 of the Sarbanes-Oxley Act with adequate compliance, our independent registered public accounting firm may issue an adverse opinion due to ineffective internal controls over financial reporting, and we may be subject to sanctions or investigation by regulatory authorities, such as the Nasdaq or SEC. As a result, there could be a negative reaction in the financial markets due to a loss of confidence in the reliability of our financial statements. In addition, we may be required to incur costs in improving our internal control system and the hiring of additional personnel. Any such action could negatively affect our results of operations and cash flows.

Changes in accounting principles or their application to us could result in unfavorable accounting charges or effects, which could adversely affect our operating results and prospects.

We prepare our financial statements in accordance with accounting principles generally accepted in the United States. The accounting for our business is subject to change based on the evolution of our business model, interpretations of relevant accounting principles, enforcement of existing or new regulations, and changes in policies, rules, regulations, and interpretations, of accounting and financial reporting requirements of the SEC or other regulatory agencies. A change in any of these principles or guidance, or in their interpretations or application to us, may have a significant effect on our reported results, as well as our processes and related controls, and may retroactively affect previously reported results, which may negatively impact our financial statements, which may in turn adversely affect our prospects. It is difficult to predict the impact of future changes to accounting principles and accounting policies over financial reporting, any of which could adversely affect our results of operations and financial condition and could require significant investment in systems and personnel.

If our estimates or judgments relating to our critical accounting policies are based on assumptions that change or prove to be incorrect, our operating results could fall below our publicly announced guidance or the expectations of securities analysts and investors, resulting in a decline in the market price of our Class A common stock.

The preparation of our financial statements in conformity with accounting principles generally accepted in the United States requires us to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent liabilities as of the date of the financial statements and the reported amount of revenues and expenses during the reporting period. We base estimates and assumptions on historical experience and on various other factors that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets, liabilities, equity, revenue, and expenses that are not readily apparent from other sources. We may make estimates regarding activities for which the accounting treatment is still uncertain. Actual results could differ from those estimates. If our assumptions change or if actual circumstances differ from our assumptions, our operating results may be adversely affected and could fall below our publicly announced guidance or the expectations of securities analysts and investors, resulting in a decline in the market price of our Class A common stock.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

Cybersecurity Risk Management

We manage our cybersecurity risks through an information security management system (ISMS) that falls under our overarching integrated management system (IMS) for quality and safety. Our cybersecurity risk management program and supporting ISMS focus our efforts on reducing residual risks to our critical assets. The materiality of these risks drives the selection of appropriate controls and the prioritization of the projects and operational tasks of our cybersecurity teams.

Our approach to controlling these risks is designed and assessed based on our selection and implementation of certain controls from the National Institute of Standards and Technology (NIST) Cyber Security Framework (CSF). This does not imply that we meet any particular technical standards, specifications, or requirements, only that we use the NIST CSF as a guide to help us identify, assess, and manage cybersecurity risks relevant to our business. These controls are implemented to help us identify our critical assets and systems, protect them through preventative measures, detect attempts to compromise their confidentiality, integrity, and availability, respond to attacks by containing their progression and notifying relevant parties, and recover effectively if successfully compromised.

Key elements of our cybersecurity risk management program include but are not limited to: authentication and authorization procedures, employee security awareness training, logging and monitoring procedures, network segmentation requirements, in transit and at rest encryption of certain data we deem sensitive, periodic vulnerability scanning, periodic control validation through penetration testing, periodic phishing attack simulations, production change control requirements, periodic tabletop exercises, and written incident response plans. We also use external service providers, where appropriate, to assess, test or otherwise assist with aspects of our security processes. We maintain a third-party risk management process for key service providers based on our assessment of their criticality to our operations and respective risk profile.

Based on information available as of the date of this Report, we have not identified any known risks from cybersecurity threats, including as a result of any previous cybersecurity incidents, that have materially affected or are reasonably likely to materially affect Fluence. We face risks from cybersecurity threats that, if realized, are reasonably likely to materially affect us, including our operations, business strategy, results of operations, or financial condition. For more information on potential cybersecurity risks, please see Part I, Item 1A "Risk Factors" for the risk factor entitled "*We and our third-party providers are exposed to cybersecurity risks and incidents which may result in damage to our brand and reputation, material financial penalties, and legal liability, which could in turn materially adversely affect our business, results of operations, and financial condition."*

Cybersecurity Governance

Our cybersecurity program and supporting ISMS are governed by our Cybersecurity Steering Committee, which includes our Chief Information Officer ("CIO") and is comprised of other members of our management team, including individuals from our finance, supply chain, product, customer success, growth, information technology ("IT"), and legal departments. The Cybersecurity Steering Committee convenes quarterly to review the ISMS, identify new material risks and potential treatment plans that are recorded in our cybersecurity risk register, and review the overall health of security key risk indicators, technical key performance indicators, and roadmaps for the expected delivery of new and updated controls.

Cybersecurity oversight and related risk-management activities are currently led by the CIO, who has more than 20 years of experience in information technology, cybersecurity governance, and enterprise-risk management. The CIO has implemented defense-in-depth cybersecurity frameworks and controls aligned with industry standards such as COBIT and ITIL and has regularly reported on cybersecurity risks and mitigation activities to boards of directors and audit committees throughout his career. Management is informed about cybersecurity risks through ongoing monitoring and reporting processes, including real-time incident dashboards, periodic risk assessments, and collaboration with internal and external cybersecurity experts. The CIO provides updates on cybersecurity risks, incident response readiness, and mitigation efforts to executive leadership and Fluence's board of directors through the Audit Committee as part of the Company's enterprise-risk-management program.

Our Chief Information Security Officer ("CISO"), in coordination with our CIO to whom the CISO reports, leads our approach to assessing and managing cybersecurity-related risks. We have a written cybersecurity incident escalation process overseen by senior leadership, and when senior leadership deems appropriate, a cross-functional materiality committee is convened comprised of certain members of management who assess potential disclosure obligations, including whether an incident is material and whether incidents must be reported to the SEC and/or the appropriate authorities.

While Fluence's board of directors oversees all enterprise risks, the Audit Committee of our board of directors has primary responsibility for overseeing cybersecurity risks and management's implementation of our cybersecurity risk management program. The Audit Committee receives quarterly updates from the CIO. These updates typically cover topics such as: overview of significant cybersecurity incidents that have occurred since the last update, overview of residual cybersecurity risks to our critical business assets, recent investments in our cybersecurity program, and relevant cybersecurity operational metrics. The Audit Committee will report updates regarding cybersecurity to the Board, as it deems appropriate.

Our management team takes steps to stay informed about and monitor efforts to prevent, detect, mitigate, and remediate cybersecurity risks and incidents through various means, which may include: briefings from internal security personnel; threat intelligence and other information obtained from governmental, public or private sources, including external consultants engaged by us; and alerts and reports produced by security tools deployed in our environment.

ITEM 2. PROPERTIES

Our corporate headquarters is in Arlington, Virginia, and consists of approximately 22,000 square feet of office space. We lease our corporate headquarters. We also lease offices or co-working spaces in Alpharetta, Georgia, Houston, Texas, London, United Kingdom, Amsterdam, The Netherlands, Erlangen and Berlin, Germany, Zurich, Switzerland, Salerno, Italy, Bengaluru and New Delhi, India, Singapore, Taipei, Taiwan, Minhang District, Shanghai, Tokyo, Japan, Manila, Philippines, and Melbourne and Sydney, Australia. Our Erlangen office includes an energy storage testing facility.

In addition to our office and co-working spaces, we also lease another facility in East Huntingdon Township, Pennsylvania, which is primarily for product staging and storage and research and development activities.

We believe that our existing properties are in good condition and are sufficient and suitable for the conduct of our business for the foreseeable future. To the extent our needs change as our business grows, we expect that additional space and facilities will be available.

We have gone through rigorous certification processes at several of our offices and are actively pursuing additional certification at others. The corporate office space in Arlington is ISO 9001 and ISO 45001 certified and the testing facility in Erlangen is ISO 9001, ISO 14001, and ISO 45001 certified (quality, environmental and safety certifications, respectively). Our Melbourne office is ISO 9001

certified and ISO 45001, and our U.S. Arlington office is SA8000 certified which is a standard of ethical and decent working conditions.

ITEM 3. LEGAL PROCEEDINGS

From time to time, we may be involved in litigation, government investigations, or other regulatory or legal proceedings relating to claims that arise out of our operations and business that cover a wide range of matters, including, but not limited to, securities litigation, intellectual property matters, commercial and contract disputes, insurance and property damage claims, labor and employment claims, personal injury claims, product liability claims, environmental claims, fire safety claims, and warranty claims. Currently, there are no claims or proceedings against us that we believe will have a material adverse effect on our business, financial condition, results of operations, or cash flows. However, the results of any current or future litigation, government investigations, or other regulatory or legal proceedings cannot be predicted with certainty, and regardless of the outcome, we may incur significant costs and experience a diversion of management resources as a result of claims, litigation, government investigations, and other regulatory or legal proceedings.

For a description of our material pending legal contingencies, please see "Note 15 - Commitments and Contingencies", to the consolidated financial statements included elsewhere in this Annual Report.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information

Our Class A common stock has been listed on the Nasdaq Global Select Market under the symbol "FLNC" since October 28, 2021. Prior to that date, there was no public market for our Class A common stock.

Our Class B-1 common stock and Class B-2 common stock are not traded in any public market.

Holders

As of November 16, 2026, there were 12 stockholders of record of our Class A common stock, one holder of our Class B-1 common stock, and no holders of our Class B-2 common stock. The actual number of holders of our Class A common stock is greater than this number of record holders and includes stockholders who are beneficial owners but whose shares are held in street name by brokers and other nominees.

Dividends

We have never declared or paid any cash dividends on our capital stock. We currently intend to retain all available funds and any future earnings to fund the development and growth of our business, and therefore we do not anticipate declaring or paying any cash dividends on our Class A common stock in the foreseeable future. Holders of our Class B-1 and Class B-2 common stock are not entitled to participate in any dividends declared by our board of directors.

Furthermore, because we are a holding company, our ability to pay cash dividends on our Class A common stock depends on our receipt of cash distributions from Fluence Energy, LLC and, through Fluence Energy, LLC, cash distributions and dividends from our other direct and indirect subsidiaries.

Assuming Fluence Energy, LLC makes distributions out of earnings and profits (other than tax distributions and other distributions to pay expenses) to its members in any given year, we currently expect, subject to the determination of our board of directors, to pay dividends on our Class A common stock out of the portion of such distributions remaining after our payment of taxes, Tax Receivable Agreement payments and expenses, and subject to Delaware law. Our ability to pay dividends has historically been restricted by our then-existing credit agreements and is currently restricted under our Credit Agreement, and may similarly be restricted by the terms of any future credit agreement or any future debt or preferred equity securities of us or our subsidiaries. Any future determination as to the declaration and payment of dividends, if any, will be at the discretion of our board of directors and subject to compliance with contractual restrictions and covenants in the agreements governing our future indebtedness. Any such determination will also depend upon our business prospects, results of operations, financial condition, cash requirements and availability, and other factors that our board of directors may deem relevant.

Securities Authorized for Issuance under Equity Compensation Plans

Information regarding securities authorized for issuance under our equity compensation plans is incorporated herein by reference to Item 12, "Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters" of Part III of this Annual Report.

Recent Sales of Unregistered Equity Securities

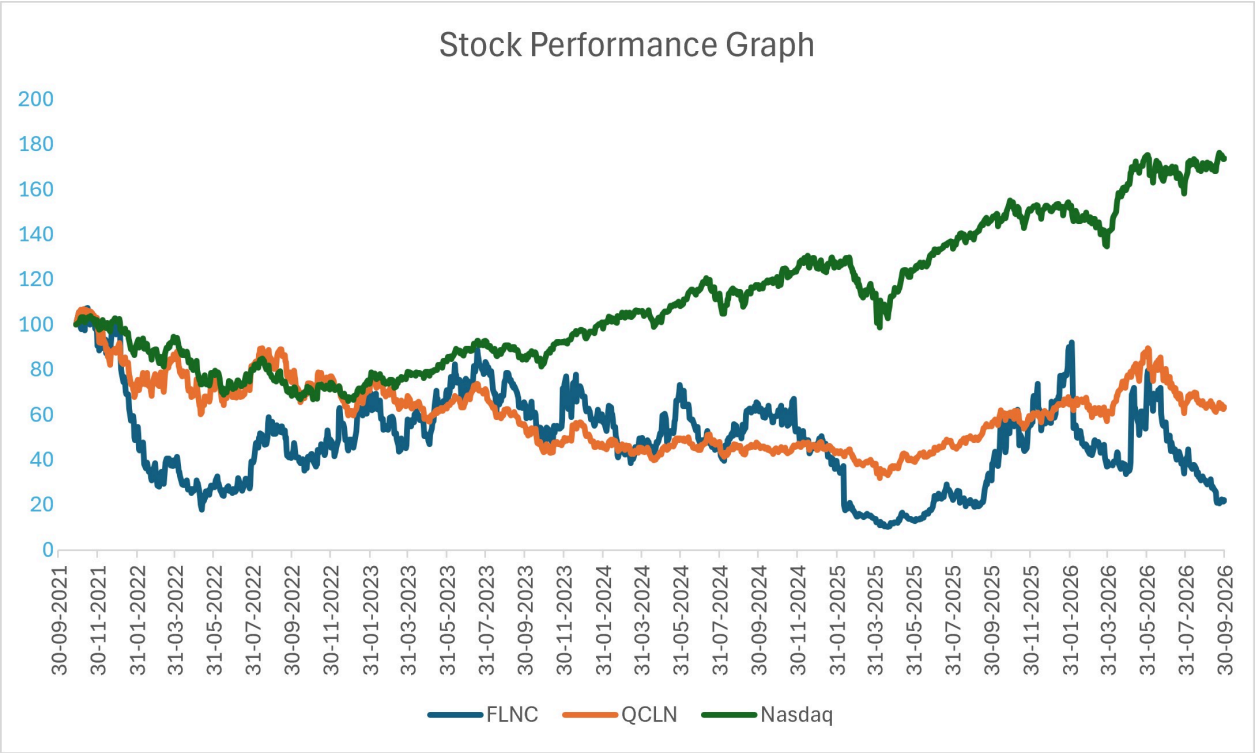
There were no unregistered sales of our equity securities during the fiscal year ended September 30, 2026, that were not otherwise disclosed in a Quarterly Report on Form 10-Q or a Current Report on Form 8-K.

Issuer Purchases of Equity Securities

None.

Performance Graph

The following graph compares the total stockholder return from October 28, 2021, the date on which our Class A common stock commenced trading on the Nasdaq Global Select Market through September 30, 2026 of (i) our Class A common stock, (ii) the NASDAQ Clean Edge Green Energy Index Fund (QCLN), and (iii) the NASDAQ Composite Index. The stock performance graph assumes an initial investment of $100 on October 28, 2021.



The comparison in this performance graph is based on historical data and is not intended to be indicative of future performance. The performance graph shall not be deemed "soliciting material" or to be "filed" with the SEC for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities under that Section, and shall not be deemed to be incorporated by reference into any of the Company's filings under the Securities Act.

ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following Management's Discussion and Analysis of Financial Condition and Results of Operations provides information that management believes is relevant to an assessment and understanding of our audited consolidated financial statements and results of operations and should be read in conjunction with the financial statements and related notes included elsewhere in this Annual Report. This discussion may contain forward-looking statements based upon current expectations that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various important factors, including those set forth under Part I, Item 1A. "Risk Factors" and the section entitled "Cautionary Statement Regarding Forward-Looking Information" and in other parts of this Annual Report. The discussion of changes in our financial condition and results of operations from the fiscal year ended September 30, 2025 to the fiscal year ended September 30, 2024 is included in Part II, Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the year ended September 30, 2025 filed with the SEC on November 25, 2025. Our historical results are not necessarily indicative of the results that may be expected for any periods in the future.

Upon the completion of our IPO and a series of organization transactions (collectively with the IPO, the "Transactions") on November 1, 2021, Fluence Energy, Inc. became a holding company whose sole material assets are the limited liability interests in Fluence Energy, LLC (the "LLC Interests"). All of our business is conducted through Fluence Energy, LLC, together with its subsidiaries, and the financial results of Fluence Energy, LLC are consolidated in our financial statements. Except where the context clearly indicates otherwise, "Fluence," "we," "us," "our," or the "Company" refers to Fluence Energy, Inc. and its subsidiaries.

Our fiscal year begins on October 1 and ends on September 30. References to "fiscal year 2024", "fiscal year 2025" and "fiscal year 2026" refer to the fiscal years ended September 30, 2024, September 30, 2025 and September 30, 2026, respectively.

Key Factors, Trends, and Uncertainties Affecting our Performance

We believe that our performance and future success depend on several factors that present significant opportunities for us but also pose risks and challenges, including those discussed below and in Part I, Item 1A. "Risk Factors" within this Annual Report. See also subsections "Our Industry and Market Opportunity", "Our Growth Strategy", "Manufacturing", "Supply Chain", "Government Regulation and Compliance", and "Competition" under Part I, Item 1. "Business" of this Annual Report for additional discussion of certain key factors, trends and uncertainties that may affect our performance.

Legal Proceedings and Legal Contingencies

The results of any current or future litigation, government investigations, or other regulatory or legal proceedings to which we are a party cannot be predicted with certainty, and regardless of the outcome, we may incur significant costs and experience a diversion of management resources as a result of claims, litigation, government investigations, and other regulatory or legal proceedings.

For a description of our material pending legal contingencies, please see "Note 15 - Commitments and Contingencies," to the audited consolidated financial statements included elsewhere in this Annual Report.

Key Operating Metrics

The following tables present our key operating metrics for the fiscal years ended September 30, 2026 and 2025. 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”.

	Fiscal Year Ended September 30,			
	2026	2025	Change	Change %
Energy Storage Products				
Deployed (GW)	8.1	6.8	1.3	19.1 %
Deployed (GWh)	20.8	17.8	3.0	16.9 %
Contracted backlog (GW)	16.8	9.1	7.7	84.6 %
Pipeline (GW)	44.5	35.7	8.8	24.6 %
Pipeline (GWh)	169.4	122.0	47.4	38.9 %

	Fiscal Year Ended September 30,			
(amounts in GW)	2026	2025	Change	Change %
Service Contracts				
Assets under management	6.9	5.6	1.3	23.2%
Contracted backlog	10.1	7.0	3.1	44.3%
Pipeline	36.5	29.4	7.1	24.1%

	Fiscal Year Ended September 30,			
(amounts in GW)	2026	2025	Change	Change %
Digital Contracts				
Assets under management	24.1	22.0	2.1	9.5%
Contracted backlog	10.9	12.1	(1.2)	(9.9%)
Pipeline	44.4	63.7	(19.3)	(30.3%)

The following table presents our order intake for the fiscal years ended September 30, 2026 and 2025. The table is presented in Gigawatts (GW):

	Fiscal Year Ended September 30,			
(amounts in GW)	2026	2025	Change	Change %
Energy Storage Products and Solutions				
Contracted	9.0	3.4	5.6	164.7 %
Service Contracts				
Contracted	4.4	4.5	(0.1)	(2.2)%
Digital Contracts				
Contracted	6.9	6.6	0.3	4.5 %

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. In general, we start providing maintenance, monitoring, or other operational services after the storage product projects are completed. 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. 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. Even if our pipeline generates revenue, it may not generate margins equal to our historical operating results. Among other factors, our pipeline may be impacted by customer project delays or cancelled orders as a result of external market factors and economic or other factors beyond our control. If our pipeline fails to result in revenue or margins as anticipated or in a timely manner, we could experience a reduction in anticipated revenue, profitability, and liquidity.

Key Components of Our Results of Operations

The following discussion describes certain line items in our consolidated statements of operations.

Total Revenue

We generate revenue from battery-based energy storage solutions, service agreements with customers to provide operational services related to battery-based energy storage solutions, and from digital application contracts. Fluence enters into contracts with utilities and load-serving entities, IPPs, developers, data center developers, and C&I customers.

We derive the majority of our revenue from selling battery-based energy storage solutions. Generally, we must design the project, as each energy storage solution is customized depending on a customer's energy needs, procure the major equipment, obtain manufacturing slots from our contract manufacturers, coordinate the logistics, and assemble the solution prior to delivery and installation at our customer project sites. The Company recognizes revenue over time when we have enforceable right to payment for work performed to date and the solution, in its completed state, does not have an alternative use to the Company.

Our revenue from selling battery-based energy storage solutions is affected by volume fulfilled, which is dependent on customer schedules and demand, changes in price, which is primarily dependent on the cost of lithium-ion energy storage hardware, and mix of products and solutions purchased by our customers.

Cost of Goods and Services

Cost of goods and services consists primarily of product costs, including purchased materials and supplies, as well as costs related to shipping, customer support, product warranty, and personnel. Personnel costs in cost of goods and services include both direct labor costs as well as costs attributable activities related to the transformation of raw materials or component parts into finished goods or

the transportation of materials to the customer. Cost of goods and services are recognized when services are performed or when goods are included in our measure of progress as progress relevant costs, which is when they are restricted to, a specific customer's project.

Our product costs are affected by the underlying cost of raw materials, such as lithium-ion, and components to our solutions including inverters. Our product costs are also affected by technological innovation, economies of scale resulting in lower supply costs, and improvements in production processes and automation. We do not currently hedge against changes in the price of raw materials as we do not directly purchase raw materials; instead, we buy the components of energy storage products from our suppliers and we rely on our suppliers to hedge the underlying raw materials.

Gross Profit and Gross Profit Margin

Gross profit and gross profit margin may vary from quarter to quarter and are primarily affected by our volume fulfilled, product prices, product costs and project execution.

Operating Expenses

Operating expenses consist of research and development, sales and marketing and general and administrative expenses as well as depreciation and amortization. Personnel-related expenses are the most significant component of our operating expenses and include salaries, stock-based compensation, and employee benefits.

Research and Development Expenses

Research and development expenses consist primarily of personnel-related costs across our global research and development ("R&D") centers for engineers engaged in the design and development and testing of our integrated products and technologies and costs of materials and services procured for research and development projects. Engineering competencies include data science, machine learning, software development, network and cybersecurity, battery systems engineering, industrial controls, UI / UX, mechanical design, power systems engineering, certification, and more. R&D expenses also support two product testing labs located across the globe: a system-level testing facility in Pennsylvania that is used for quality assurance and the rapid iteration, testing, and launching of new Fluence energy storage technology and products, and a testing facility located in Erlangen, Germany. We have established an additional Hardware in the Loop testing facility, which is co-located with our technical team in Bangalore, India. We expect R&D expenses to generally increase in future periods to support our growth and as we continue to invest in R&D activities that are necessary to achieve our technology and product roadmap goals. These expenses may vary from period to period as a percentage of revenue, depending primarily upon when we choose to make more significant investments.

Sales and Marketing Expenses

Sales and marketing expenses consist primarily of personnel-related expenses, including salaries, stock-based compensation, employee benefits and factoring discounts on receivables sold. We have and intend to continue to expand our sales presence and marketing efforts to additional countries in the future.

General and Administrative Expenses

General and administrative expenses consist primarily of personnel-related expenses, including salaries, stock-based compensation, and employee benefits, for our executives, finance, human resources, information technology, engineering and legal organizations that do not relate directly to the sales or research and development functions, as well as travel expenses, facilities costs, bad debt expense, and fees for professional services. Professional services consist of audit, legal, tax, insurance, information technology, and other costs.

Depreciation and Amortization

Depreciation consists of costs associated with property, plant, and equipment ("PP&E") and amortization of intangibles consisting of patents, licenses, developed technology, and capitalized software over their expected period of use. We expect that as we increase both our revenues and the number of our general and administrative personnel, we will invest in additional PP&E to support our growth resulting in additional depreciation and amortization.

Interest Expense, net

Interest expense, net consists primarily of interest expense net of interest income. Interest income consists of interest earned on cash deposits, interest earned on tax and tariff refunds, and interest on customer notes receivables. Interest expense consists primarily of interest on borrowings against notes receivable pledged as collateral interest on the 2030 Convertible Senior Notes, unused line fees and commitment fees related to credit facilities, and amortization of debt issuance costs.

Other Income, net

Other income, net primarily consists of expense or income from foreign currency exchange gains and losses on monetary assets and liabilities, factoring income from sale of receivables. and income or expense due to estimated payments to be made to related parties under the Tax Receivable Agreement, dated October 27, 2021, by and among Fluence Energy, Inc., Fluence Energy, LLC, Siemens Industry, Inc. and AES Grid Stability, LLC (the "Tax Receivable Agreement").

Income Tax (Benefit) Expense

We are subject to U.S. federal, state, and foreign income taxes with respect to our allocable share of taxable income or loss of Fluence Energy, LLC. In addition to income tax expense, we will incur payment obligations under the Tax Receivable Agreement, which could be significant over time. We will receive a portion of any distributions made by Fluence Energy, LLC. Cash received from such distributions will first be used to satisfy the Company's tax liabilities and then to make payments required under the Tax Receivable Agreement.

Net (Loss) Income

Net (loss) income may vary from year to year and is primarily affected by our gross profit and operating expenses as defined above.

Results of Operations

Comparison of the Fiscal Year Ended September 30, 2026 to the Fiscal Year ended September 30, 2025

The following table sets forth our operating results for the periods indicated.

	Fiscal Year Ended September 30,			
in thousands	**2026**	**2025**	**Change**	**Change %**
Total revenue	$ 2,334,064	$ 2,262,830	$ 71,234	3.1%
Cost of goods and services	2,268,538	1,967,045	301,493	15.3
Gross profit	65,526	295,785	(230,259)	(77.8)
Gross profit margin %	2.8 %	13.1 %		
Operating expenses:				
Research and development	96,583	86,217	10,366	12.0
Sales and marketing	94,485	79,489	14,996	18.9
General and administrative	151,220	163,068	(11,848)	(7.3)
Depreciation and amortization	16,143	13,348	2,795	20.9
Interest expense, net	2,219	4,110	(1,891)	(46.0)
Other income, net	(20,442)	(5,375)	(15,067)	280.3
Loss before income taxes	(274,682)	(45,072)	(229,610)	509.4
Income tax (benefit) expense	(820)	22,917	(23,737)	NM
Net loss	$ (273,862)	$ (67,989)	$ (205,873)	302.8%

NM - Not meaningful

Total Revenue

Total revenue increased by $71.2 million, or 3.1%, in the fiscal year ended September 30, 2026, as compared to the fiscal year ended September 30, 2025. The increase in total revenue for the fiscal year ended September 30, 2026 was mainly attributable to an increase in revenue from our battery-based energy storage products and solutions which was primarily driven by increased volumes of our solutions projects fulfilled, partially offset by liquidated damages incurred due to project delays. In the current period, the majority of the fulfillments related to newer offerings, Gridstack Pro and Smartstack solutions, whereas in the prior period the majority of fulfillments were Gridstack solutions. Notwithstanding, volume was less than expected, primarily due to certain of our contract manufacturers, including the contract manufacturer in Houston, not achieving planned production volumes, which affected our ability to deliver projects on schedule. The shortfall in production was the primary driver for liquidated damages incurred due to project delays.

Cost of Goods and Services

Cost of goods and services increased by $301.5 million, or 15.3%, in the fiscal year ended September 30, 2026, as compared to the fiscal year ended September 30, 2025. The increase in cost of goods and services for the fiscal year ended September 30, 2026 was primarily attributable to an increase in costs from our battery-based energy storage products and solutions due to (i) increased volumes of our solutions projects fulfilled as described above (ii) cost overruns primarily related to deployment of newer solutions offerings, including various cost increases incurred on certain solutions projects produced in the U.S. and (iii) increased estimated total contract costs on certain projects due to increases in battery prices, changes in scope and delays. The increase in cost of goods and services was partially offset by the IEEPA tariff refunds.

Gross Profit and Gross Profit Margin

Gross profit decreased by $230.3 million, or 77.8%, in the fiscal year ended September 30, 2026, as compared to the fiscal year ended September 30, 2025. The decrease in gross profit and margin for the fiscal year ended September 30, 2026 was primarily due to (i) liquidated damages incurred due to project delays as described above in "Revenue",(ii) cost overruns primarily related to deployment of newer solutions offerings, including various cost increases incurred on certain solutions projects produced in the U.S., and (iii) increased estimated total contract costs on certain projects due to increases in battery prices, changes in scope and delays, partially offset by the IEEPA tariff refunds as described above in "Cost of goods and services."

Research and Development Expenses

Research and development increased by $10.4 million, or 12.0% in the fiscal year ended September 30, 2026, as compared to the fiscal year ended September 30, 2025. The increase in research and development expenses for the fiscal year ended September 30, 2026 was primarily attributable to a $15.7 million increase in expenditures for materials and supplies and consulting services related to Gridstack Pro and Smartstack, partially offset by a $4.1 million decrease in salaries and personnel-related expenses, including stock-based compensation, due to a shift in workforce composition, driven by lower U.S.-based headcount and increased utilization of personnel in lower-cost international locations.

Sales and Marketing Expenses

Sales and marketing expenses increased by $15.0 million, or 18.9%, in the fiscal year ended September 30, 2026, as compared to the fiscal year ended September 30, 2025. The increase in sales and marketing expenses for the fiscal year ended September 30, 2026 was primarily attributable to (i) an $7.4 million increase in salaries and personnel-related expenses, including stock-based compensation, due to an increase in headcount to support our growth and an increase in accrued annual cash bonus expenses and sales commissions, (ii) a $4.4 million increase in sales and marketing-related consulting services, advertising, and other activities.

General and Administrative Expenses

General and administrative expenses decreased by $11.8 million, or 7.3%, in the fiscal year ended September 30, 2026, as compared to the fiscal year ended September 30, 2025. The decrease in general and administrative expenses for the fiscal year ended September 30, 2026 was primarily attributable to (i) a $9.5 million decrease in salaries and personnel-related expenses, including stock-based compensation, due to a shift in workforce composition, driven by lower U.S.-based headcount and increased utilization of personnel in lower-cost international locations and (ii) a $4.6 million decrease in severance costs.

Depreciation and Amortization

Depreciation and amortization increased by $2.8 million, or 20.9%, in the fiscal year ended September 30, 2026, as compared to the fiscal year ended September 30, 2025, primarily attributable to an increase in amortization of capitalized software.

Interest Expense, Net

Interest expense, net decreased by $1.9 million, or 46.0% in the fiscal year ended September 30, 2026, as compared to the fiscal year ended September 30, 2025, primarily attributable to $3.5 million of interest income associated with the sales tax refund received from the state of Arizona, partially offset by a $2.2 million increase in interest expense recognized for the 2030 Convertible Senior Notes (as defined below).

Other Income, Net

Other income, net increased by $15.1 million, or 280.3%, in the fiscal year ended September 30, 2026, as compared to the fiscal year ended September 30, 2025. The increase in other income, net was primarily attributable to an $18.1 million net increase in favorable foreign currency exchange gains on monetary assets and liabilities period over period.

Income Tax (Benefit) Expense

Income tax expense decreased by $23.7 million resulting in a benefit in the fiscal year ended September 30, 2026, as compared to the fiscal year ended September 30, 2025. The decrease was primarily driven by income tax benefits in Germany and the United Kingdom and lower income tax expense in Australia, partially offset by higher U.S. withholding tax expense.

Net Loss

Net loss increased by $205.9 million, or 302.8%, in the fiscal year ended September 30, 2026, as compared to the fiscal year ended September 30, 2025. The increase is primarily attributable to (i) a decrease in "Gross profit" and (ii) an increase in "Sales and marketing expenses," partially offset by (i) a decrease in "Income tax expense" and (ii) an increase in "Other income, net," each as described above.

Non-GAAP Financial Measures

This section contains references to certain non-GAAP financial measures, including Adjusted EBITDA, Adjusted Gross Profit, Adjusted Gross Profit Margin, and Free Cash Flow.

Adjusted EBITDA is calculated from the consolidated statements of operations using net income (loss) adjusted for (i) interest expense (income), net, (ii) income taxes, (iii) depreciation and amortization, (iv) stock-based compensation, and (v) other non-recurring income or expenses. Adjusted EBITDA also includes amounts impacting net income related to estimated payments due to related parties pursuant to the Tax Receivable Agreement.

Adjusted Gross Profit is calculated from the consolidated statement of operations using gross profit, adjusted to exclude (i) stock-based compensation expenses, (ii) depreciation and 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, adjusted to exclude purchases made under supply chain financing arrangements, less repayments of obligations under supply chain financing arrangements and 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.

These non-GAAP measures are intended as supplemental measures of performance and/or liquidity that are neither required by, nor presented in accordance with, U.S. generally accepted accounting principles ("GAAP"). 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.

These non-GAAP measures should not be considered in isolation or as substitutes for performance measures calculated in accordance with GAAP and may not be comparable to similar measures presented by other entities. Readers are cautioned that these non-GAAP measures should not be construed as alternatives to other measures of financial performance calculated in accordance with GAAP. These non-GAAP measures and their reconciliation to GAAP financial measures are shown below. With respect to Free Cash Flow, limitations on its use include that (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 operating activities; and (iii) this metric does not reflect our future contractual commitments.

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

	Fiscal Year Ended September 30,	
in thousands	**2026**	**2025**
Net loss	$ (273,862)	$ (67,989)
Add (deduct):		
Interest expense, net	2,219	4,110
Income tax (benefit) expense	(820)	22,917
Depreciation and amortization	41,738	29,343
Stock-based compensation[(a)]	15,403	19,650
Other non-recurring expenses[(b)]	12,478	11,424
Adjusted EBITDA	$ (202,844)	$ 19,455

(a) Includes incentive awards that will be settled in either shares or cash.
(b) Amount for the fiscal year ended September 30, 2026 includes approximately $2.6 million in severance costs related to restructuring, $4.5 million for legal and consulting fees related to the evaluation of potential strategic transactions, $4.8 million of impairment expense related to an equity method investment and long-lived assets, and $0.5 million for secondary offering expenses. Amount for the fiscal year ended September 30, 2025 includes approximately $11.8 million in severance costs related to restructuring, $0.9 million of impairment expense related to equity method investment and $1.2 million in income as a result of a reduction in our Tax Receivable Agreement liability.

	Fiscal Year Ended September 30,	
in thousands	**2026**	**2025**
Total revenue	$ 2,334,064	$ 2,262,830
Cost of goods and services	2,268,538	1,967,045
Gross profit	65,526	295,785
Gross profit margin %	2.8%	13.1%
Add:		
Stock-based compensation[(a)]	1,234	2,597
Depreciation and amortization	17,588	9,936
Other non-recurring expenses[(b)]	4,861	1,220
Adjusted Gross Profit	$ 89,209	$ 309,538
Adjusted Gross Profit Margin %	3.8%	13.7%

(a) Includes incentive awards that will be either settled in shares or cash.
(b) Amount for the fiscal year ended September 30, 2026 includes $0.5 million in severance costs related to restructuring and $4.4 million of impairment expense related to long-lived assets. Amount for the fiscal year ended September 30, 2025 includes $1.2 million in severance costs related to restructuring.

	Fiscal Year Ended September 30,	
in thousands	**2026**	**2025**
Net cash used in operating activities	$ (370,827)	$ (145,538)
Add: Purchases under supply chain financing arrangements	198,053	—
Less: Repayments of obligations under supply chain financing arrangements	(85,460)	—
Less: Purchase of property and equipment	(20,194)	(14,884)
Free Cash Flow	$ (278,428)	$ (160,422)

Liquidity and Capital Resources

Since inception and through September 30, 2026, our principal sources of liquidity have been the proceeds from our IPO, our cash and cash equivalents from operations, short-term borrowings, borrowings available under our debt agreements, proceeds from the issuance of the 2030 Convertible Senior Notes (as defined below), supply chain financing, capital contributions from AES Grid Stability, LLC ("AES Grid Stability") and Siemens Industry, Inc ("Siemens Industry") and proceeds from the investment by QIA Florence Holdings, LLC, an affiliate of Qatar Holding LLC in 2021, and proceeds from sale of accounts receivable.

We believe our existing cash and cash equivalents and anticipated cash flows from operations, in addition to our supply chain financing arrangements, and availability under our Revolver (as defined below), will be sufficient to meet our expense and capital requirements for at least the next 12 months following the filing of this Annual Report.

Our capital requirements, and ability to generate cash flow, have been and may in the future vary materially from those planned and will depend on many factors, including our rate of revenue growth, the timing and extent of our growth initiatives, our introduction of new products, services, and digital application offerings and related costs and expenses, and overall regulatory and macroeconomic conditions, including, among others, factors relating to inflation, interest rate environment, impacts of tariffs and trade restrictions, labor shortages, supply chain disruptions, changing consumer behavior, increased competition, and pandemics. To the extent that current and anticipated future sources of liquidity are insufficient to fund our future business activities and cash requirements, we may be required to seek additional equity or debt financing. The sale of additional equity would result in additional dilutions to our stockholders. The incurrence of additional debt financing would result in debt service obligations and the instruments governing such debt could provide for operating and financing covenants that would restrict our operations. If we are unable to raise additional capital or generate cash flows necessary to expand our operations and invest in continued innovation, we may not be able to compete successfully, which would harm our business, operations, and financial condition.

2030 Convertible Senior Notes

In December 2024, the Company issued $400.0 million aggregate principal amount of 2.25% convertible senior notes due 2030. The 2030 Convertible Senior Notes were issued pursuant to, and are governed by, an indenture, dated as of December 12, 2024,

between the Company and UMB Bank, National Association, as trustee (the "Indenture"). In connection with the 2030 Convertible Senior Notes, the Company purchased capped calls with certain financial institutions pursuant to capped call confirmations (collectively the "Capped Calls"). For further discussion of the 2030 Convertible Senior Notes and the Capped Calls, refer to "Note 13 - Convertible Senior Notes, Net" to our consolidated financial statements included elsewhere in this Annual Report.

Supply Chain Financing

We provide certain of our suppliers with access to two different supply chain financing programs through two different third-party financing institutions. For further discussion of the Company's supply chain financing programs, refer to "Note 19 - Supply Chain Financing" to our consolidated financial statements included elsewhere in this Annual Report.

Shelf Registration Statement

On May 12, 2026, we filed an automatic shelf registration statement on Form S-3 with the SEC (the "Form S-3") which became effective upon filing and will remain effective through May 12, 2029, subject to our continued eligibility to use such form. The Form S-3 allows us to offer and sell from time to time Class A common stock, preferred stock, depository shares, debt securities, warrants, purchase contracts or units comprised of any combination of these securities for our own account and allows certain selling stockholders to offer and sell a remaining 94,666,665 shares of Class A common stock in one or more offerings.

The Form S-3 is intended to provide us flexibility to conduct registered sales of our securities, subject to market conditions, and our future capital needs. The terms of any future offering under the Form S-3 will be established at the time of such offering and will be described in a prospectus supplement filed with the SEC prior to the completion of any such offering.

Revolving Credit Facility

On August 6, 2024, Fluence Energy, Inc. entered into Amendment Number Three to the existing asset-based syndicated credit agreement by and among Fluence Energy, LLC, as parent borrower, the Company, as parent, the other borrowers party thereto, the other guarantors party thereto, the lenders party thereto, and Citibank, N.A., as administrative agent (as successor to Barclays Bank PLC) (such agreement, as so amended, the "2024 Credit Agreement") converting the outstanding asset-based lending facility into a senior secured cash flow revolving credit facility in an initial aggregate principal amount of up to $500.0 million (the "Revolver"). On March 31, 2026, we entered into Amendment Number Four ("Amendment No. 4") to the 2024 Credit Agreement (such agreement, as so amended by Amendment No. 4, the "Credit Agreement"), which, among other things, (i) extends the "Trigger Date" under the Credit Agreement from December 31, 2025 to December 31, 2026, (ii) extends the minimum liquidity covenant of $150.0 million through December 31, 2026, and (iii) moves the initial test date of the consolidated leverage ratio covenant from January 1, 2026 to January 1, 2027. Following the entry into Amendment No. 4, the Credit Agreement now requires the borrowers to post $50.0 million in cash collateral if the Total Revolving Extensions of Credit exceed $450.0 million. Capitalized terms used in this subsection that are not otherwise defined are defined in the Credit Agreement.

The Revolver is secured by (i) a first priority pledge of the Company's equity interests in Fluence Energy, LLC and Fluence Energy Global Production Operation, LLC, (ii) first priority security interests in substantially all tangible and intangible personal property of the Company, Fluence Energy, LLC, Fluence Energy Global Production Operation, LLC and certain of its foreign subsidiaries, in each case, subject to customary exceptions and limitations, and (iii) a pledge of the Company's equity interests in certain of its foreign subsidiaries and security interests in certain assets of such foreign subsidiaries. For greater discussion of the Company's Revolver and Credit Agreement, as may be amended from time to time, refer to "Note 12 - Debt" to our consolidated financial statements included elsewhere in this Annual Report and incorporated herein.

Sale of Receivables under Master Receivables Purchase Agreement

On February 27, 2024, Fluence Energy, LLC entered into the Master Receivables Purchase Agreement, by and among Fluence Energy, LLC and any other seller from time to time party thereto, as sellers and servicers, and Credit Agricole Corporate and Investment Bank ("CACIB"), as purchaser, of certain receivables on an uncommitted basis (the "MRPA"). The MRPA provides that the outstanding amount of all purchased receivables under the MRPA will not exceed $75.0 million, with sublimits for each account debtor and for certain kinds of receivables. The MRPA contains other customary representations and warranties and covenants. Refer to "Note 20 - Sale of Receivables" to our consolidated financial statements included elsewhere in this Annual Report and incorporated herein.

Master Drafts Sale Agreement

On October 7, 2025, Fluence Energy, LLC entered into a Master Drafts Sale Agreement ("MDSA"), by and among Fluence Energy, LLC as seller and CACIB as purchaser. Pursuant to the MDSA, Fluence Energy, LLC may sell negotiable drafts or bills of exchange (the "Drafts") identified in Purchase Requests to CACIB, and CACIB may agree to purchase the Drafts on an uncommitted basis. Each Draft represents unconditional payments owed to Fluence Energy, LLC by its customers. Refer to "Note 20 - Sale of Receivables" to our consolidated financial statements included elsewhere in this Annual Report and incorporated herein.

Credit Support and Reimbursement Agreement

We are party to an Amended and Restated Credit Support and Reimbursement Agreement, dated June 9, 2021, with The AES Corporation ("AES") and Siemens Industry (the "Credit Support and Reimbursement Agreement") whereby they may, from time to time, agree to furnish credit support to us in the form of direct issuances of credit support to our lenders or other beneficiaries or through their lenders' provision of letters of credit to backstop our own facilities or obligations. Currently, the Company has outstanding performance guarantees issued pursuant to the terms of the Credit Support and Reimbursement Agreement by AES and Siemens Industry and their respective affiliates that guarantee Fluence's performance obligations with certain Fluence customers. Guarantees are also issued by AES and Siemens Corporation, pursuant to the terms of the Credit Support and Reimbursement Agreement, in connection with a supplier chain financing program (as described in greater detail above).

Tax Receivable Agreement

In connection with the IPO, we entered into the Tax Receivable Agreement with Fluence Energy, LLC and Siemens Industry and AES Grid Stability (together, the "Founders"). Under the Tax Receivable Agreement, we are required to make cash payments to the Founders equal to 85% of the tax benefits, if any, that we actually realize, or in certain circumstances are deemed to realize, as a result of (1) the increases in our share of the tax basis of assets of Fluence Energy, LLC and its subsidiaries resulting from any redemptions or exchanges of LLC Interests from the Founders and certain distributions (or deemed distributions) by Fluence Energy, LLC; and (2) certain other tax benefits arising from payments under the Tax Receivable Agreement. The payment obligation under the Tax Receivable Agreement is an obligation of Fluence Energy, Inc. and not of Fluence Energy, LLC. We expect to use distributions from Fluence Energy, LLC to fund any payments that we will be required to make under the Tax Receivable Agreement. To the extent we are unable to make timely payments under the Tax Receivable Agreement for any reason, such payments generally will be deferred and will accrue interest until paid; provided, however, that nonpayment for a specified period may constitute a material breach of a material obligation under the Tax Receivable Agreement resulting in the acceleration of payments due under the Tax Receivable Agreement. Fluence Energy, Inc. expects to benefit from the remaining 15% of cash tax benefits, if any, it realizes from such tax benefits. For purposes of the Tax Receivable Agreement, the cash tax benefits will be computed by comparing the actual income tax liability of Fluence Energy, Inc. to the amount of such taxes that Fluence Energy, Inc. would have been required to pay had there been no such tax basis adjustments of the assets of Fluence Energy, LLC or its subsidiaries as a result of redemptions or exchanges and had Fluence Energy, Inc. not entered into the Tax Receivable Agreement.

On June 30, 2022, Siemens Industry, Inc. exercised its redemption right pursuant to the terms of the Third Amended and Restated Limited Liability Agreement of Fluence Energy, LLC, dated October 27, 2021, as may be amended from time to time (the "LLC Agreement") with respect to its entire holding of 58,586,695 LLC Interests of Fluence Energy, LLC, together with the corresponding cancellation of an equivalent number of shares of our Class B-1 common stock, par value $0.00001 per share ("Class B-1 common stock"). On December 8, 2023, AES Grid Stability exercised its redemption right pursuant to the terms of the LLC Agreement with respect to 7,087,500 LLC Interests of Fluence Energy, LLC, together with the corresponding cancellation of an equivalent number of shares of our Class B-1 common stock. On May 15, 2026, AES Grid Stability exercised its redemption right pursuant to the terms of the LLC Agreement with respect to 10,066,414 LLC Interests of Fluence Energy, LLC, together with the corresponding cancellation of an equivalent number of shares of our Class B-1 common stock.

The redemptions resulted in increases in the tax basis of the assets of Fluence Energy, LLC and certain of its subsidiaries. The increases in tax basis and tax basis adjustments increases (for tax purposes) the depreciation and amortization deductions available to Fluence Energy, Inc. and, therefore, may reduce the amount of U.S. federal, state, and local tax that Fluence Energy, Inc. would otherwise be required to pay in the future, although the Internal Revenue Service may challenge all or part of the validity of that tax basis, and a court could sustain such a challenge.

As a result of the tax basis adjustment of the assets of Fluence Energy, LLC and its subsidiaries upon the redemptions and our possible utilization of certain tax attributes, the payments that we may make under the Tax Receivable Agreement will be substantial. The redemptions may result in future tax savings of $206.6 million, thereby entitling the Founders to receive payments under the Tax Receivable Agreement equaling 85% of such amount, or $175.6 million; assuming, among other factors, (i) we will have sufficient taxable income to fully utilize the tax benefits; (ii) Fluence Energy, LLC is able to fully depreciate or amortize its assets; and (iii) there are no material changes in applicable tax law. The payments under the Tax Receivable Agreement are not conditioned upon continued ownership of us by the Founders. Although the timing and extent of future payments could vary significantly under the Tax Receivable Agreement, we anticipate funding payments from the Tax Receivable Agreement from cash flow from operations of our subsidiaries, available cash or available borrowings under any future debt agreements.

With the exception of a payment made of $0.3 million liability under the Tax Receivable Agreement as of September 30, 2026, we have determined it is not probable payments under the Tax Receivable Agreement will be made, given the projected inability to fully utilize the related tax benefits over the term of the agreement. Therefore, the Company has not recognized the remaining liability. Should we determine that the additional Tax Receivable Agreement payment is probable, a corresponding liability will be recorded and as a result, our future results of operations and earnings could be impacted as a result of these matters.

Commitments, Contingencies, and Off-Balance Sheet Arrangements

As of September 30, 2026, the Company had outstanding bank guarantees, parent guarantees, letters of credit, and surety bonds issued as performance security arrangements for a large number of customer projects. In addition, we have a limited number of parent company guarantees and letters of credit issued as payment security to certain vendors. The Company also has certain battery purchase obligations and spending requirements under our master supply agreement with suppliers. We are also party to both assurance and service-type warranties for various lengths of time. Refer to "Note 15 - Commitments and Contingencies" in our audited consolidated financial statements included elsewhere in this Annual Report for more information regarding our contingent obligations, including off-balance sheet arrangements, and legal contingencies.

Historical Cash Flows

The following table summarizes our cash flows from operating, investing, and financing activities for the periods presented.

	Fiscal Year Ended September 30,			
in thousands	**2026**	**2025**	**Change**	**Change %**
Net cash used in operating activities	$ (370,827)	$ (145,538)	$ (225,289)	154.8 %
Net cash used in investing activities	(64,100)	(29,799)	(34,301)	115.1 %
Net cash provided by financing activities	107,128	356,880	(249,752)	(70.0)%

Net cash flows used in operating activities was $370.8 million for the fiscal year ended September 30, 2026, compared to net cash used in operating activities of $145.5 million for the fiscal year ended September 30, 2025, representing an increase of $225.3 million in net cash used in operating activities. The increase was mainly due to an increase of $205.9 million in net loss. Below we describe in more detail the cash flows used in operating activities for each period:

- Net cash flows used in operating activities of $370.8 million for the fiscal year ended September 30, 2026, was primarily due to (i) net loss of $273.9 million, (ii) increases in inventory of $513.5 million due to cash expenditures on inventory, and (iii) increases in advances to suppliers of $122.4 million. These cash outflows were partially offset by (i) increases in deferred revenue, inclusive of related parties, of $288.9 million, due to timing of various customer project billings and cash collections in accordance with contract milestone payment schedules, (ii) net positive effects of changes in current accruals and provisions of $108.4 million and changes in other non-current liabilities of $100.9 million.

- Net cash flows used in operating activities of $145.5 million for the fiscal year ended September 30, 2025, were primarily due to (i) net loss of $68.0 million, (ii) increases in inventory of $278.7 million due to cash expenditures on inventory, and (iii) decreases in accounts payable of $119.2 million and current accruals and provisions of $93.6 million due to the timing of purchases and payments to various vendors. These cash outflows were partially offset by increases in deferred revenue, inclusive of related parties, of $403.6 million, due to timing of various customer project billings and cash collections in accordance with contract milestone payment schedules.

Net cash flows used in investing activities were $64.1 million for the fiscal year ended September 30, 2026 which were primarily due to (i) issuance of the $30.0 million note receivable, (ii) purchases of property and equipment of $20.2 million, and (iii) capital expenditures on software and other of $17.6 million.

Net cash flows used in investing activities were $29.8 million for the fiscal year ended September 30, 2025 which were primarily due to capital expenditures on software of $14.9 million and purchases of property and equipment of $14.9 million.

Net cash flows provided by financing activities were $107.1 million for the fiscal year ended September 30, 2026, which were primarily due to $198.1 million of purchases under the supply chain financing arrangements, partially offset by (i) $85.5 million repayments of obligations under the supply chain financing arrangements and (ii) $4.3 million principal payments on finance leases.

Net cash flows provided by financing activities were $356.9 million for the fiscal year ended September 30, 2025, which were primarily due to the proceeds received from the issuance of the 2030 Convertible Senior Notes of $400.0 million, partially offset by (i) premiums paid for the purchases of the Capped Calls of $29.0 million and (ii) payments for the debt issuance costs of $12.1 million primarily related to the 2030 Convertible Senior Notes.

Critical Accounting Policies and Use of Estimates

Our financial statements have been prepared in accordance with GAAP. In the preparation of these financial statements, we consider an accounting judgment, estimate or assumption to be critical when (1) the estimate or assumption is complex in nature or requires a high degree of judgment and (2) the use of different judgments, estimates, and assumptions could have a material impact on the consolidated financial statements. We believe that the accounting policies discussed below are critical to understanding our historical and future performance, as these policies relate to the more significant areas involving management's judgments and estimates.

Revenue Recognition - Sale of Energy Storage Products and Solutions

The Company enters into contracts with utilities and load-serving entities, IPPs, developers, data center developers, and C&I customers to design and build battery-based energy storage products. Generally, we must design the project, as each storage solution is customized depending on the customer's energy needs, procure the major equipment, obtain manufacturing slots from our contract manufacturers, coordinate the logistics, and assemble the solution prior to delivery and installation at our customer project sites. These actions must be completed timely to adhere to customer schedules and milestones. Depending on the scope of the project we may be responsible for the installation of the equipment. After the equipment is installed, we are responsible for commissioning. The Company recognizes revenue over time when we have enforceable right to payment for work performed to date and the solution, in its completed state, does not have an alternative use to the Company. Revenue is recognized using the percentage of completion ("POC") method based on actual cost incurred as a percentage of total estimated contract costs. Standard inventory materials (including batteries, enclosures, chillers, and others, which are assembled into "integrated systems") are included in our measure of progress when they are restricted to a specific customer's project such that we no longer have the ability to direct their use for other purposes. Contract costs include all direct material and labor costs related to contract performance. As the cost of the assembled integrated system comprise a substantial portion of the total estimated contract costs, our pattern of revenue recognition may vary materially from period to period. Our judgment on when costs should be included in the measure of progress may have a material impact on revenue recognition.

Since the revenue recognition of these contracts depends on estimates, which are assessed continually during the term of the contract, recognized revenues and profit are subject to revisions as the contract progresses to completion. The cumulative effects of revisions of estimated total contract costs and revenues, together with any contract reserves which may be deemed appropriate, are recorded in the period in which they occur. Due to the uncertainties inherent in the estimation process, it is reasonably possible that these estimates will be revised in a different period. The Company determines the transaction price based on the consideration expected to be received which includes estimates of variable consideration that are included in the transaction price in accordance with ASC 606. The transaction price identified is allocated to each distinct performance obligation to deliver a good or service based on the relative standalone selling prices. For our energy storage products and solutions, services, and digital applications contracts where there are multiple performance obligations in a single contract or we sign separate contracts at or near the same time with the same customer that meet the criteria for combination, the Company allocates the transaction price to the various obligations in the contract based on the relative standalone selling price. Standalone selling prices are estimated based on estimated costs plus margin taking into consideration pricing history and market factors. Generally, our revenues recognized are not sensitive to the Company's determination of standalone selling prices. We assess any variable consideration using an expected value method which computes a weighted average amount based on a range of potential outcomes. Variable consideration is included in the transaction price only to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty is resolved. Estimating variable consideration requires certain estimates and assumptions, including whether and by how much a project will be delayed or if we will not meet certain performance specifications per the contract.

Our contracts generally provide our customers the right to liquidated damages ("LDs") against Fluence in the event specified milestones are not met on time or equipment is not delivered according to contract specifications. Liquidated damages are accounted for as variable consideration and the contract price is reduced by the expected LD amount when recognizing revenue. The existence and measurement of LDs may also be impacted by our judgments about the probability of favorable outcomes of customer disputes involving whether certain events qualify as force majeure or the reason for the events that caused project delays. Variable consideration for liquidated damages is estimated using the expected value method.

Fluence may incur additional costs to execute on the performance of a contract. When this happens, we typically attempt to recover these costs via a change order with the customer. When this fact pattern occurs, it can create a timing difference between when we have incurred the cost versus when we record the proportionate revenue, since costs are recognized immediately when incurred and the revenue is recognized based upon the transaction price, which is usually increased upon signing a respective change order with the customer.

When shipping and handling activities are performed after the customer obtains control of the product, we elect to account for shipping and handling as activities to fulfill the promise to transfer the product.

Revenue is recorded net of any taxes assessed on and collected from customers, which are remitted to the governmental authorities.

Customer payments are due upon meeting certain milestones as defined in the contract, which are generally consistent with contract-specific phases of a project.

Pre-contract costs with no future benefit are expensed in the period in which they are incurred. Generally, pre-contract costs are not material.

Refer to "Note 2 - Summary of Significant Accounting Policies and Estimates" to our consolidated financial statements included elsewhere in this Annual Report for further discussion of other accounting policies and estimates including income taxes, goodwill, and loss contracts.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

Market risk is the potential loss that may result from market changes associated with our business or with an existing or forecasted financial transactions. We are exposed to various market risks in the ordinary course of our business which are discussed below. We monitor our underlying market risk exposures on an ongoing basis and believe that we can modify or adapt any hedging or related market risk strategies as needed. The disclosures presented in this Item 7A are based upon a number of assumptions; actual effects may differ. The safe harbor provided in Section 27A of the Securities Act and Section 21E of the Exchange Act shall apply to the disclosures contained in this Item 7A. For further information regarding market risk, see Part I, Item 1A. "Risk Factors" titled "*Significant changes in the cost and/or availability of raw materials that are incorporated into component pieces of our energy storage products could adversely affect our business, results of operations, and future prospects," and "We are exposed to fluctuations in currency exchange rates, which could negatively affect our operating results", and "An increase in interest rates or a reduction in the availability of tax equity, project debt capital, or project financing in the global financial markets could make it difficult for customers to finance the cost of a battery energy storage systems and could reduce the demand for our energy storage solutions"*.

Credit Risk

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a loss to us. Our counterparties for sale of our energy storage products and solutions are customers including conglomerates, utilities / load-serving entities, independent power producers, developers, and C&I customers in the United States and other countries. A loss of one or more of our significant customers, including AES and its affiliates, their inability to perform under their contracts, or their default in payment could harm our business and negatively impact revenue, results of operations, and cash flows. Credit policies have been approved and implemented to govern our portfolio of counterparties with the objective of mitigating credit losses. These policies establish guidelines, controls, and limits to manage credit risk within approved tolerances by mandating an appropriate evaluation of the financial condition of existing and potential counterparties, monitoring agency credit ratings, and by implementing credit practices that limit exposure according to the risk profiles of the counterparties. In addition, customers are required to make milestone payments based on their project's progress. We may also, at times, require letters of credit, parent guarantees, cash collateral, or other credit support when deemed necessary.

Our overall exposure may be affected positively or negatively by macroeconomic factors or regulatory changes that impact our counterparties to one extent or another. Currently, management does not anticipate a material adverse effect in our financial position or results of operations as a consequence of counterparty non-performance. We continuously monitor the creditworthiness of all our counterparties.

Foreign Currency Risk

Our reporting currency is the U.S. dollar, while certain of our current subsidiaries have other functional currencies, reflecting their principal operating markets. Fluctuations in currency exchange rates between the U.S. dollar and the Euro, the British pound, the Australian dollar, the Canadian Dollar, and the Swiss Franc in our current foreign markets could create significant fluctuations in earnings and cash flows. We use foreign currency forward contracts and may designate these instruments as cash flow hedges to manage our exposure to the foreign currency impact of intercompany sales of inventory to regional entities by our centralized procurement entity. To date, we have not had material exposure to foreign currency fluctuations, and a hypothetical 10% increase or decrease in the foreign currency exchange rates in comparison to the value of the U.S. dollar would not have a material effect on our operating results.

Commodity Price Risk

We are subject to risk from fluctuating market prices of certain commodity raw materials, including steel, aluminum and lithium, that are used in the components from suppliers that are inputs into our products. Prices of these raw materials may be affected by

supply restrictions or other logistic costs market factors from time to time. As we are not the direct buyer of these raw materials, we do not enter into hedging arrangements to mitigate commodity risk. Significant price changes for these raw materials could reduce our margin if suppliers increase component prices and we are unable to recover such increases from our customers and could harm our business, financial condition, and results of operations.

Interest Rate Risk

We are exposed to interest rate risk in connection with borrowings under the Revolver, which bears interest at floating rates. Pursuant to the Credit Agreement, borrowings bear a variable interest rate based on the Alternate Base Rate, Term SOFR Rate, Adjusted EURIBOR Rate, or Daily Simple RFR, plus applicable margin (each as defined in the Credit Agreement). As of September 30, 2026, there are no cash borrowings under the Revolver.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

	Page
Report of Independent Registered Public Accounting Firm (Ernst & Young, LLP, Tysons Virginia, Auditor Firm ID:42)	89
Consolidated Financial Statements for the fiscal years ended September 30, 2026, 2025 and 2024	
Consolidated balance sheets	92
Consolidated statements of operations	94
Consolidated statements of comprehensive income (loss)	95
Consolidated statements of changes in stockholders' equity	96
Consolidated statements of cash flows	99
Notes to consolidated financial statements	101

INDEX TO FINANCIAL STATEMENT SCHEDULES

	Page
Schedule I	136
Schedule II	140

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Fluence Energy, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Fluence Energy, Inc. (the Company) as of September 30, 2026 and 2025, the related consolidated statements of operations, comprehensive income (loss), changes in stockholders' equity and cash flows for each of the three years in the period ended September 30, 2026, and the related notes and financial statement schedules listed in the Index at Item 8 (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at September 30, 2026 and 2025, and the results of its operations and its cash flows for each of the three years in the period ended September 30, 2026, in conformity with U.S. generally accepted accounting principles. .

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of September 30, 2026, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated November 23, 2026 expressed an unqualified opinion thereon. .

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Revenue Recognition – Transfer of Control

Description of the Matter

As described in Note 4 to the consolidated financial statements, the Company recognized $2,235 million of revenue from the sale of battery-based energy storage solutions. Revenue from these sales is recognized over time based upon the percentage of completion based on costs incurred as a percentage of total estimated contract costs. Costs of standard inventory materials, assembled into integrated systems as part of the energy storage solution that could be used interchangeably on other projects are included in the measure of progress when they are restricted to the specific customer project. Due to the significance of these costs, the inclusion of such costs in the measure of progress has a material impact on revenue recognition.

Auditing the Company's revenue recognition for certain contracts required more extensive audit procedures due to the complexity created by the contract terms, which involves determining whether the costs associated with integrated systems are appropriately included in the measure of progress in the Company's percentage of completion calculation based upon the terms of the contracts.

How We Addressed the Matter in Our Audit	We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company's revenue recognition process. For example, we tested management's controls regarding the evaluation of contract terms. To evaluate whether the timing of when costs associated with integrated systems were appropriately included in the measure of progress, our audit procedures included reviewing the customer contracts, including any change orders, to understand the terms impacting when the integrated systems were determined to be specific to the customer's project. We also obtained confirmation from customers of the contractual terms of the contract.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2018.

Tysons, Virginia

November 23, 2026

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Fluence Energy, Inc.

Opinion on Internal Control over Financial Reporting

We have audited Fluence Energy, Inc.'s internal control over financial reporting as of September 30, 2026, based on criteria established in Internal Control —Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Fluence Energy, Inc. (the Company) maintained, in all material respects, effective internal control over financial reporting as of September 30, 2026, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the 2026 consolidated financial statements of the Company and our report dated November 23, 2026 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Tysons, Virginia
November 23, 2026

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

	September 30,	
	2026	**2025**
Assets		
Current assets:		
Cash and cash equivalents	$ 352,810	$ 690,768
Restricted cash	25,702	23,862
Trade receivables, net	298,834	272,820
Unbilled receivables	320,882	239,594
Receivables from related parties	119,769	200,748
Advances to suppliers	248,855	126,778
Inventory, net	968,616	455,015
Other current assets	109,774	54,671
Total current assets	2,445,242	2,064,256
Non-current assets:		
Property and equipment, net	42,563	50,320
Intangible assets, net	65,542	63,403
Goodwill	27,669	28,584
Deferred income tax asset, net	4,214	4,046
Other non-current assets	154,241	146,391
Total non-current assets	294,229	292,744
Total assets	$ 2,739,471	$ 2,357,000
Liabilities, and stockholders' equity		
Current liabilities:		
Accounts payable	$ 373,501	$ 321,004
Deferred revenue	978,137	640,457
Deferred revenue with related parties	26,134	79,916
Personnel related liabilities	33,577	31,850
Accruals and provisions	353,436	246,235
Taxes payable	20,621	30,317
Other current liabilities	127,416	20,590
Total current liabilities	1,912,822	1,370,369
Non-current liabilities:		
Deferred income tax liability	1,257	9,530
Convertible senior notes, net	392,624	390,804
Other non-current liabilities	136,735	37,449
Total non-current liabilities	530,616	437,783
Total liabilities	2,443,438	1,808,152
Commitments and Contingencies (Note 15)		
Stockholders' equity:		
Preferred stock, $0.00001 per share, 10,000,000 share authorized; no shares issued and outstanding as of September 30, 2026 and 2025	—	—
Class A common stock, $0.00001 par value per share, 1,200,000,000 shares authorized; 144,218,388 shares issued and 143,209,610 shares outstanding as of September 30, 2026; 132,014,571 shares issued and 131,164,365 shares outstanding as of September 30, 2025	1	1
Class B-1 common stock, $0.00001 par value per share, 134,325,805 shares authorized; 41,432,781 shares issued and outstanding as of September 30, 2026; $0.00001 par value per share, 134,325,805 shares authorized; 51,499,195 shares issued and outstanding as of September 30, 2025	—	—
Class B-2 common stock, $0.00001 par value per share, 200,000,000 shares authorized; no shares issued and outstanding as of September 30, 2026 and 2025	—	—
Treasury stock, at cost	(13,135)	(10,213)
Additional paid-in capital	671,637	627,956

Accumulated other comprehensive income	15,534	11,613
Accumulated deficit	(405,416)	(199,762)
Total stockholders' equity attributable to Fluence Energy, Inc.	268,621	429,595
Non-controlling interest	27,412	119,253
Total stockholders' equity	296,033	548,848
Total liabilities and stockholders' equity	$ 2,739,471	$ 2,357,000

The accompanying notes are an integral part of these consolidated financial statements

FLUENCE ENERGY, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(U.S. Dollars in Thousands, except per share amounts or share amounts)

	Fiscal Year Ended September 30,		
	2026	2025	2024
Revenue	$ 1,898,930	$ 1,705,209	$ 1,601,563
Revenue from related parties	435,134	557,621	1,096,999
Total revenue	2,334,064	2,262,830	2,698,562
Cost of goods and services	2,268,538	1,967,045	2,357,482
Gross profit	65,526	295,785	341,080
Operating expenses:			
Research and development	96,583	86,217	66,195
Sales and marketing	94,485	79,489	63,842
General and administrative	151,220	163,068	172,996
Depreciation and amortization	16,143	13,348	11,426
Interest expense (income), net	2,219	4,110	(5,676)
Other income, net	(20,442)	(5,375)	(7,276)
(Loss) income before income taxes	(274,682)	(45,072)	39,573
Income tax (benefit) expense	(820)	22,917	9,206
Net (loss) income	$ (273,862)	$ (67,989)	$ 30,367
Net (loss) income attributable to non-controlling interest	$ (68,208)	$ (19,675)	$ 7,651
Net (loss) income attributable to Fluence Energy, Inc.	$ (205,654)	$ (48,314)	$ 22,716
Weighted average number of Class A common shares outstanding			
Basic	136,358,177	130,307,162	126,180,011
Diluted	136,358,177	130,307,162	184,034,832
(Loss) income per share of Class A common stock			
Basic	$ (1.51)	$ (0.37)	$ 0.18
Diluted	$ (1.51)	$ (0.37)	$ 0.13

The accompanying notes are an integral part of these consolidated financial statements

FLUENCE ENERGY, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(U.S. Dollars in Thousands)

	Fiscal Year Ended September 30,		
	2026	2025	2024
Net (loss) income	$ (273,862)	$ (67,989)	$ 30,367
(Loss) gain on foreign currency translation, net of tax	(6,072)	15,595	(598)
Gain (loss) on cash flow hedges, net of tax	10,896	3,108	(6,276)
Actuarial gain (loss) on pension liabilities, net of tax	272	73	(211)
Total other comprehensive income (loss)	5,096	18,776	(7,085)
Total comprehensive (loss) income	$ (268,766)	$ (49,213)	$ 23,282
Comprehensive (loss) income attributable to non-controlling interest	$ (67,033)	$ (14,352)	$ 5,608
Total comprehensive (loss) income attributable to Fluence Energy, Inc.	$ (201,733)	$ (34,861)	$ 17,674

The accompanying notes are an integral part of these consolidated financial statements

FLUENCE ENERGY, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(U.S. Dollars in Thousands, except Shares)

	Class A Common Stock		Class B-1 Common Stock					Treasury Stock			
	Shares	Amount	Shares	Amount	Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Shares	Amount	Non-Controlling interest	Total stockholders' equity and members' deficit
Balance at September 30, 2023	118,903,435	$ 1	58,586,695	$ —	$ 581,104	$ (174,164)	$ 3,202	689,974	$ (7,797)	$ 153,984	$ 556,330
Net Income	—	—	—	—	—	22,716	—	—	—	7,651	$ 30,367
Stock-based compensation	997,721	—	—	—	23,855	—	—	—	—	—	$ 23,855
Class A common stock withheld related to settlement of employee taxes for stock-based compensation awards	(96,074)	—	—	—	—	—	—	96,074	(1,663)	—	$ (1,663)
Effect of AES Grid Stability redemption of Class B-1 common stock for Class A common stock	7,087,500	—	(7,087,500)	—	21,428	—	—	—	—	(21,428)	$ —
Effect of remeasurement of non-controlling interest due to other share transactions	354,134	—	—	—	3,129	—	—	—	—	(3,129)	$ —
Proceeds from exercise of stock options	2,175,081	—	—	—	5,335	—	—	—	—	—	$ 5,335
Loss on foreign currency translation, net of tax	—	—	—	—	—	—	(411)	—	—	(187)	$ (598)
Actuarial loss on pension liabilities, net of tax	—	—	—	—	—	—	(151)	—	—	(60)	$ (211)
Loss on cash flow hedges, net of tax	—	—	—	—	—	—	(4,480)	—	—	(1,796)	$ (6,276)
Balance at September 30, 2024	129,421,797	$ 1	51,499,195	$ —	$ 634,851	$ (151,448)	$ (1,840)	786,048	$ (9,460)	$ 135,035	$ 607,139

	Class A Common Stock		Class B-1 Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income	Treasury Stock		Non-Controlling interest	Total stockholders' equity
	Shares	Amount	Shares	Amount				Shares	Amount		
Balance at September 30, 2024	129,421,797	$ 1	51,499,195	$ —	$ 634,851	$ (151,448)	$ (1,840)	786,048	$ (9,460)	$ 135,035	$ 607,139
Net loss	—	—	—	—	—	(48,314)	—	—	—	(19,675)	$ (67,989)
Stock-based compensation	920,873	—	—	—	19,540	—	—	—	—	—	$ 19,540
Class A common stock withheld related to settlement of employee taxes for stock-based compensation awards	(64,158)	—	—	—	—	—	—	64,158	(753)	—	$ (753)
Effect of remeasurement of non-controlling interest due to other share transactions	—	—	—	—	1,430	—	—	—	—	(1,430)	$ —
Proceeds from exercise of stock options	885,853	—	—	—	2,170	—	—	—	—	—	$ 2,170
Purchases of capped calls related to convertible senior notes	—	—	—	—	(29,000)	—	—	—	—	—	$ (29,000)
Cash Distribution to AES	—	—	—	—	(1,035)	—	—	—	—	—	$ (1,035)
Gain on foreign currency translation, net of tax	—	—	—	—	—	—	11,185	—	—	4,410	$ 15,595
Actuarial gain on pension liabilities, net of tax	—	—	—	—	—	—	52	—	—	21	$ 73
Gain on cash flow hedges, net of tax	—	—	—	—	—	—	2,216	—	—	892	$ 3,108
Balance at September 30, 2025	131,164,365	$ 1	51,499,195	$ —	$ 627,956	$ (199,762)	$ 11,613	850,206	$ (10,213)	$ 119,253	$ 548,848

	Class A Common Stock		Class B-1 Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Treasury Stock		Non-Controlling interest	Total stockholders' equity
	Shares	Amount	Shares	Amount				Shares	Amount		
Balance at September 30, 2025	131,164,365	1	51,499,195	—	627,956	(199,762)	11,613	850,206	(10,213)	119,253	548,848
Net loss	—	—	—	—		(205,654)	—	—	—	(68,208)	(273,862)
Stock-based compensation	1,085,430	—	—	—	15,403		—	—	—		15,403
Class A common stock withheld related to settlement of employee taxes for stock-based compensation awards	(158,572)	—	—	—	—	—	—	158,572	(2,922)	—	(2,922)
Effect of AES Grid Stability redemption of Class B-1 common stock for Class A common stock	10,066,414	—	(10,066,414)	—	23,428	—	—	—	—	(23,428)	—
Effect of remeasurement of non-controlling interest due to other share transactions	—	—	—	—	1,380	—	—	—	—	(1,380)	—
Proceeds from exercise of stock options	1,051,973	—	—	—	3,470	—	—	—	—		3,470
Loss on foreign currency translation, net of tax	—	$ —	—	—	$ —	$ —	$ (4,889)	—	$ —	$ (1,183)	$ (6,072)
Actuarial gain on pension liabilities, net of tax	—	$ —	—	—	$ —	$ —	$ 211	—	$ —	$ 61	$ 272
Gain on cash flow hedges, net of tax	—	$ —	—	—	$ —	$ —	$ 8,599	—	$ —	$ 2,297	$ 10,896
Balance at September 30, 2026	143,209,610	$ 1	41,432,781	—	$ 671,637	$ (405,416)	$ 15,534	1,008,778	$ (13,135)	$ 27,412	$ 296,033

The accompanying notes are an integral part of these consolidated financial statements

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

	Fiscal Year Ended September 30,		
	2026	2025	2024
Operating activities			
Net (loss) income	$ (273,862)	$ (67,989)	$ 30,367
Adjustments to reconcile net (loss) income to net cash (used in) provided by operating activities:			
Depreciation and amortization	41,738	29,343	14,482
Amortization of debt issuance costs	5,127	4,217	3,091
Impairment of long-lived assets	4,353	—	—
Inventory provision	(22)	6,959	23,972
Stock-based compensation	15,403	19,540	23,855
Deferred income taxes	(8,054)	6,351	(6,719)
Changes in operating assets and liabilities:			
Trade receivables	(27,707)	(56,715)	(114,577)
Unbilled receivables	(80,982)	(68,045)	24,747
Receivables from related parties	80,977	161,780	(303,963)
Advances to suppliers	(122,372)	49,113	(64,258)
Inventory	(513,474)	(278,729)	21,731
Other current assets	(16,288)	20,413	(10,986)
Other non-current assets	(20,586)	(86,819)	(28,100)
Accounts payable	55,036	(119,228)	370,124
Deferred revenue with related parties	(53,774)	41,725	(72,201)
Deferred revenue	342,706	361,903	(9,796)
Current accruals and provisions	108,423	(93,586)	160,206
Taxes payable	(9,728)	(27,891)	22,799
Other current liabilities	1,372	(58,305)	18,185
Other non-current liabilities	100,887	10,425	(23,274)
Net cash (used in) provided by operating activities	(370,827)	(145,538)	79,685
Investing activities			
Capital expenditures on software and other	(17,592)	(14,915)	(10,860)
Purchase of property and equipment	(20,194)	(14,884)	(8,115)
Issuance of note receivable	(30,000)	—	—
Proceeds from sale of equity method investment	3,686	—	—
Net cash used in investing activities	(64,100)	(29,799)	(18,975)
Financing activities			
Class A common stock withheld related to settlement of employee taxes for stock-based compensation awards	(2,922)	(753)	(1,663)
Proceeds from issuance of 2030 Convertible Senior Notes	—	400,000	—
Purchases of Capped Calls related to 2030 Convertible Senior Notes	—	(29,000)	—
Proceeds from exercise of stock options	3,470	2,170	5,335
Distribution to AES Grid Stability	—	(1,035)	—
Principal payments on finance leases	(4,309)	(2,370)	—
Payments of debt issuance costs	(1,704)	(12,132)	(8,456)
Purchases under supply chain financing arrangements	198,053	—	—
Repayments of obligations under supply chain financing arrangements	(85,460)	—	—
Payments for acquisitions	—	—	(3,892)
Net cash provided by (used in) financing activities	107,128	356,880	(8,676)
Effect of exchange rate changes on cash and cash equivalents	(8,319)	14,381	3,941
Net (decrease) increase in cash and cash equivalents	(336,118)	195,924	55,975

Cash, cash equivalents, and restricted cash as of the beginning of the period	714,630	518,706	462,731
Cash, cash equivalents, and restricted cash as of the end of the period	$ 378,512	$ 714,630	$ 518,706
Supplemental disclosure of cash flow information			
Interest paid	$ 15,904	$ 9,296	$ 3,022
Cash paid for income taxes	$ 23,699	$ 19,043	$ 2,661

The accompanying notes are an integral part of these consolidated financial statements

1. Organization and Operations

Fluence Energy, Inc., a Delaware corporation (the "Company"), was formed on June 21, 2021. We conduct our business operations through Fluence Energy, LLC and its direct and indirect subsidiaries. Fluence Energy, LLC was formed on June 30, 2017 as a joint venture between Siemens Industry, Inc. ("Siemens Industry"), an indirect subsidiary of Siemens AG ("Siemens"), and AES Grid Stability, LLC ("AES Grid Stability"), an indirect subsidiary of The AES Corporation ("AES"), and commenced operations on January 1, 2018. We refer to Siemens Industry and AES Grid Stability as the "Founders" in this Annual Report on Form 10-K for the fiscal year ended September 30, 2026 (this "Report").

Fluence Energy, Inc. is a holding company whose sole material assets are the limited liability company interests (the "LLC Interests") in Fluence Energy, LLC. All of our business is conducted through Fluence Energy, LLC, together with its subsidiaries, and the financial results of Fluence Energy, LLC are consolidated in our financial statements. Fluence Energy LLC is taxed as a partnership for federal income tax purposes and, as a result, its members, including Fluence Energy, Inc., pay income taxes with respect to their allocable shares of its net taxable income. As of September 30, 2026, Fluence Energy, LLC had subsidiaries operating in Germany, Australia, Philippines, Chile, the Netherlands, the United States, India, Singapore, United Kingdom, Canada, Taiwan, Ireland, Japan, Italy, and Switzerland. Except where the context clearly indicates otherwise, "Fluence," "we," "us," "our," or the "Company" refers to Fluence Energy, Inc. and all of its direct and indirect subsidiaries, including Fluence Energy, LLC.

The Company's fiscal year begins on October 1 and ends on September 30. References to "fiscal year 2024," "fiscal year 2025," and "fiscal year 2026" refer to the fiscal years ended September 30, 2024, September 30, 2025 and September 30, 2026 respectively.

The Company's chief operating decision maker ("CODM") is its Chief Executive Officer. The Company's CODM reviews financial information on a consolidated basis for purposes of making operating decisions, allocating resources, and evaluating financial performance. As such, the Company has determined that it operates in one operating segment, which corresponds to one reportable segment. The CODM uses gross margin, earnings before interest, taxes, depreciation and amortization ("EBITDA"), and consolidated net income (loss) to assess performance for the Company, monitor budget versus actual results, and determine how to allocate resources. The Company has concluded that consolidated net income (loss) as reported in the consolidated statements of operations is the measure of segment profit or loss. There are no other expense categories regularly provided to the CODM that are not already included in the primary financial statements herein.

Secondary Offering and AES Redemption of LLC Interests

On December 8, 2023, AES Grid Stability, Siemens Pension-Trust e.V. ("Siemens Pension Trust"), and Qatar Holding LLC ("QHL" and together with AES Grid Stability and Siemens Pension Trust in such context, the "Selling Stockholders") closed an underwritten public offering (the "Offering") of 18,000,000 shares of Class A common stock by the Selling Stockholders. In conjunction with the Offering, AES Grid Stability exercised its redemption right pursuant to the terms of the LLC Agreement with respect to 7,087,500 LLC Interests held by AES Grid Stability, together with the corresponding cancellation of an equivalent number of shares of Class B-1 common stock of the Company (the "AES Redemption"). The Company elected to settle the AES Redemption through the issuance of 7,087,500 shares of the Company's Class A common stock. All of the 7,087,500 shares issued to AES Grid Stability in connection with the AES Redemption were sold in the Offering. The Company did not sell any of its shares of Class A common stock in the Offering and the Company did not receive any proceeds from the Offering. The impact of the change in ownership interest did not result in a change in control. The AES Redemption was accounted for as an equity transaction and the carrying amount of the non-controlling interest has been adjusted.

On May 15, 2026, AES Grid Stability, SPT Holding, SARL, and Qatar Holding LLC(collectively, the "Selling Stockholders") closed an underwritten public offering (the "Offering") of 23,000,000 shares of the Company's Class A common stock par value $0.00001 per share ("Class A common stock") by the Selling Stockholders. The Company did not sell any shares in the Offering and did not receive any proceeds from the sale of shares by the Selling Stockholders. Pursuant to the terms of the Company's Registration Rights Agreement, dated as of November 1, 2021, by and among the Company and the Original Equity Owners (as defined therein), the Company paid approximately $0.5 million in certain expenses of the Selling Stockholders related to the Offering, while the Selling Stockholders paid all applicable underwriting discounts and commissions.

In conjunction with the Offering, AES Grid Stability exercised its redemption right under the Third Amended and Restated Limited Liability Agreement of Fluence Energy, LLC, dated October 27, 2021, as may be amended from time to time (the "LLC Agreement"), with respect to 10,066,414 LLC Interests, together with the corresponding cancellation of an equivalent number of shares of the Company's Class B-1 common stock par value $0.00001 per share (the "AES Redemption"). The Company elected to settle the AES Redemption through the issuance of 10,066,414 newly issued shares of Class A common stock and settlement occurred on May 15, 2026.

The AES Redemption increased the beneficial ownership interest of the Company in Fluence Energy, LLC to 77.54% as of May 15, 2026. The impact of the change in ownership interest did not result in a change in control. The transaction was accounted for as an equity transaction and the carrying amount of non-controlling interest has been adjusted.

2. Summary of Significant Accounting Policies and Estimates

Principles of Accounting and Consolidation

The accompanying consolidated financial statements are prepared in accordance with U.S. generally accepted accounting principles (U.S. GAAP) and under the rules of the U.S. Securities and Exchange Commission (the "SEC"). The accompanying consolidated financial statements include the accounts of Fluence Energy, Inc. and its subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

Non-Controlling Interest

As the sole managing member of Fluence Energy, LLC, Fluence Energy, Inc. operates and controls all the business and affairs of Fluence Energy, LLC and, through Fluence Energy, LLC and its direct and indirect subsidiaries, conducts the Company's business. Fluence Energy, LLC is a variable interest entity, of which Fluence Energy, Inc. beneficially owns a 77.56% interest as of September 30, 2026. For accounting purposes, Fluence Energy, Inc. is considered the primary beneficiary and therefore consolidates the results of Fluence Energy, LLC and its direct and indirect subsidiaries. The table below summarizes the ownership structure at the end of each respective period:

	September 30,	
	2026	2025
Controlling Interest Ownership	77.56 %	71.81 %
Non-Controlling Interest Ownership (AES)	22.44 %	28.19 %

Use of Estimates

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the accompanying consolidated financial statements and accompanying notes. Actual results could differ materially from those estimates. Items subject to such estimates and assumptions include: the relative fair value allocations to contingencies with multiple elements, the carrying amount and estimated useful lives of long-lived assets; impairment of goodwill, intangible assets, and long-lived assets; valuation allowances for inventories; deferred tax assets; revenue recognized under the percentage of completion ("POC") method; transaction price estimates with variable consideration; accrued bonuses; and various project related provisions including, but not limited to, estimated losses and warranty obligations.

Cash, Cash Equivalents, and Restricted Cash

Cash and cash equivalents include cash on-hand and highly liquid investments readily convertible to cash, with an original maturity of 90 days or less when purchased.

Cash restricted for use as a result of financing or other obligations is classified separately as restricted cash. If the purpose of restricted cash relates to acquiring a long-term asset, liquidating a long-term liability, or is otherwise unavailable for a period longer than one year from the balance sheet date, the restricted cash is included in "other non-current assets." Otherwise, restricted cash is included as a separate line item on the Company's consolidated balance sheets.

The Company typically retains cash for operations within one or more bank accounts. Our U.S. bank accounts may hold cash in excess of the FDIC limit of $250,000. As a result, we are subject to concentration risk associated with the underlying custodial banks with whom deposits of cash and cash equivalents in excess of the FDIC limits are held. If access to any bank accounts is delayed or suspended indefinitely, it could have a material adverse impact on the Company's ability to meet its financial obligations required for operations.

The following table provides a reconciliation of cash, cash equivalents, and restricted cash at the end of each respective period as shown in the Company's consolidated balance sheets.

	September 30,	
in thousands	**2026**	**2025**
Cash and cash equivalents	$ 352,810	$ 690,768
Restricted cash	25,702	23,862
Total cash, cash equivalents and restricted cash shown in the statements of cash flows	$ 378,512	$ 714,630

Restricted cash consisted of the following:

	September 30,	
in thousands	**2026**	**2025**
Collateral for credit card program	$ 6,223	$ 6,112
Collateral for outstanding bank guarantees	8,596	7,309
Collateral for surety program	10,738	10,370
Term deposits	145	71
Total restricted cash	$ 25,702	$ 23,862

Receivables

Trade receivables represent actual billings that are generally due within 30 days from the invoice date, and do not bear interest. Unbilled receivables represent the excess of revenues recognized over billings to date on certain contracts. Receivables are carried at amounts billed, less any reserves for credit losses, if any. The Company periodically assesses collectability of accounts receivable and records an expected credit loss for the estimated uncollectible amount when deemed appropriate. As of September 30, 2026 and 2025, reserve for credit losses was approximately $0.7 million.

Advances to Suppliers

Advances are given to suppliers based on the contract terms of respective agreements and are presented on a separate line on the consolidated balance sheets. These advances are recovered through the receipt of goods and services mainly used in the production of energy storage products.

Leases

The Company accounts for its leases in accordance with ASC 842, *Leases*. The Company leases offices, warehouses, and production lines. Leases are categorized at their commencement date and lease-related assets and liabilities are recognized for all leases with an initial term of greater than 12 months. The Company evaluates renewal options at commencement and on an ongoing basis and includes options that are reasonably certain to exercise in its expected lease terms when classifying leases and measuring lease liabilities. The Company's incremental borrowing rate is used to determine the present value of the lease payments over the lease term for leases, as these leases typically do not have a stated borrowing rate. The Company's lease agreements do not contain any material residual value guarantees or material restrictive covenants. Refer to "Note 8 - Leases" in these consolidated financial statements for our policies and disclosures related to leases.

Foreign Currency Transactions

An entity's functional currency is the currency of the primary economic environment in which the entity operates and is generally the currency in which the entity generates and expends cash. The reporting currency of the Company is the U.S. dollar. For all Fluence subsidiary entities whose functional currency is not in U.S. Dollar, the balance sheet is translated into US Dollar using the rates in effect at the end of each period. The income statement is translated using the exchange rate in effect on the transaction date. Translation adjustments are included as a separate component on the consolidated statement of comprehensive income (loss). Foreign currency transaction gains and losses are a result of the effect of exchange rate changes on transactions denominated in currencies other than the functional currency of the respective subsidiary entity. Transaction gains and losses are recognized in "Other (income) expense, net" in the consolidated statements of operations.

Business Combinations

A business combination is an acquisition of a business from an entity not under common control and is accounted for using the acquisition method. Identifiable assets acquired and liabilities assumed are recognized at fair value on the acquisition date. Goodwill is calculated as the excess of the fair value of the consideration transferred over the fair value of the net assets recognized and represents

the future economic benefits arising from the other net assets acquired that could not be individually identified and separately recognized. Fair value measurements may require us to make significant estimates and assumptions. A measurement period, which could be up to one year from the date of the acquisition, exists to identify and measure the assets acquired and liabilities assumed. During the measurement period, provisional amounts may be recognized, and those amounts may subsequently be prospectively adjusted to reflect any new information about facts and circumstances that existed at the acquisition date that, if known, would have affected the measurement of these amounts. At the end of the measurement period, any subsequent changes would not be recognized under the acquisition method but would instead follow other accounting principles, which would generally impact earnings.

Revenue and Cost Recognition

The Company's revenue recognition policy included herein is based on the application of ASC 606. As of September 30, 2026, the Company's revenue was generated primarily from sale of energy storage products and solutions, providing operational services related to energy storage products, and digital applications. We may refer to our energy storage products as "energy storage solutions" throughout these consolidated financial statements and use this term interchangeably as it is more reflective of the full offering available and provided to our customers.

Revenue from Sale of Energy Storage Products and Solutions: The Company enters into contracts with utilities and load-serving entities, IPPs, developers, data center developers, and C&I customers to design and build battery-based energy storage products and solutions. Generally, we must design the project, as each storage solution is customized depending on the customer's energy needs, procure the major equipment, obtain manufacturing slots from our contract manufacturers, coordinate the logistics, and assemble the solution prior to delivery and installation at our customer project sites. These actions must be completed timely to adhere to customer schedules and milestones. Depending on the scope of the project, we may be responsible for the installation of the equipment. After the equipment is installed, we are responsible for commissioning. The Company recognizes revenue over time when we have enforceable right to payment for work performed to date and the solution, in its completed state, does not have any alternative use to the Company. Revenue is recognized using the POC method based on actual cost incurred as a percentage of total estimated contract costs. Standard inventory materials (including batteries, enclosures, chillers, and others, which are assembled into "integrated systems") are included in our measure of progress when they are restricted to a specific customer's project such that we no longer have the ability to direct their use for other purposes. Contract costs include all direct material and labor costs related to contract performance. As the cost of the assembled integrated systems comprise a substantial portion of the total estimated contract costs, our pattern of revenue recognition may vary materially from period to period. Our judgment on when costs should be included in the measure of progress may have a material impact on revenue recognition.

Since the revenue recognition of these contracts depends on estimates, which are assessed continually during the term of the contract, recognized revenues and profit are subject to revisions as the contract progresses to completion. The cumulative effects of revisions of estimated total contract costs and revenues, together with any contract reserves which may be deemed appropriate, are recorded in the period in which they occur. Due to the uncertainties inherent in the estimation process, it is reasonably possible that these estimates will be revised in a different period.

The Company determines the transaction price based on the consideration expected to be received which includes estimates of variable consideration that are included in the transaction price in accordance with ASC 606. The transaction price identified is allocated to each distinct performance obligation to deliver a good or service based on the relative standalone selling prices. For our energy storage products and solutions, services, and digital applications contracts where there are multiple performance obligations in a single contract or we sign separate contracts at or near the same time with the same customer that meet the criteria for combination, the Company allocates the transaction price to the various obligations in the contract based on the relative standalone selling price. Standalone selling prices are estimated based on estimated costs plus margin taking into consideration pricing history and market factors. Generally, our revenues recognized are not sensitive to the Company's determination of standalone selling prices.

We assess any variable consideration using an expected value method which computes a weighted average amount based on a range of potential outcomes. Variable consideration is included in the transaction price only to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty is resolved. Estimating variable consideration requires certain estimates and assumptions, including whether and by how much a project will be delayed or if we will not meet certain performance specifications per the contract.

Our contracts generally provide our customers the right to liquidated damages ("LDs") against Fluence in the event specified milestones are not met on time or equipment is not delivered according to contract specifications. Liquidated damages are accounted for as variable consideration and the contract price is reduced by the expected LD amount when recognizing revenue. The existence and measurement of LDs may also be impacted by our judgments about the probability of favorable outcomes of customer disputes involving whether certain events qualify as force majeure or the reason for the events that caused project delays. Variable consideration for LDs is estimated using the expected value method.

Fluence may incur additional costs to execute on the performance of a contract. When this happens, we typically attempt to recover these costs via a change order with the customer. When this fact pattern occurs, it can create a timing difference between when we have incurred the cost versus when we record the proportionate revenue, since costs are recognized immediately when incurred and the revenue is recognized based upon the transaction price, which is usually increased upon signing a respective change order with the customer. For the fiscal years ended September 30, 2026 and 2025, we recognized $2.6 million and $5.5 million, respectively, in revenue from changes in transaction prices during the period, in which the performance obligations were substantially satisfied in previous periods.

When shipping and handling activities are performed after the customer obtains control of the product, we elect to account for shipping and handling as activities to fulfill the promise to transfer the product.

Revenue is recorded net of any taxes assessed on and collected from customers, which are remitted to the governmental authorities.

Customer payments are due upon meeting certain milestones as defined in the contract, which are generally consistent with contract-specific phases of a project.

Pre-contract costs with no future benefit are expensed in the period in which they are incurred. Generally, pre-contract costs are not material.

Revenue from Services: The Company also enters into long-term service agreements with customers to provide operational services related to battery-based energy storage products and solutions. The services include extended warranty, maintenance, monitoring, and other services. The Company accounts for the services as separate performance obligations from the battery-based energy storage products and solutions. The extended warranty services are typically considered a separate performance obligation from the maintenance, monitoring and other services. We typically recognize revenue ratably over the terms of the services using a straight-line recognition method. The Company believes using a time-based method to measure progress is appropriate as the performance obligations are satisfied evenly over the terms of services. Revenue is recognized for each of the performance obligations by dividing the allocated transaction price over the service period.

Some of the agreements also provide a commitment to perform augmentation activities which would typically be represented by installation of additional batteries, and other components as needed, to compensate for partially lost capacity due to degradation of batteries over time. The obligation to perform augmentation activities can take the form of either maintaining battery capacity above a given threshold for a stated term while others provide a fixed number of augmentations over a contract term. Augmentation arrangements that require us to maintain battery capacity above an established thresholds for a given term may be considered service-type warranties depending on the contract terms. These represent a stand-ready obligation in which the customer benefits evenly over time, of which we recognize revenue for these arrangements using a straight-line recognition method. Alternatively, augmentation arrangements that require us to perform a fixed number of augmentations over a contract term follow the POC revenue recognition method. Since these arrangements require a fixed number of augmentations we must perform, we use the pattern of cost as a proxy to identify when our obligations are satisfied and to recognize revenue.

Revenue from Digital Applications: The Company provides access to proprietary cloud-based Software-as-a-Service (“SaaS”) offerings through several market facing applications. These applications currently include Fluence Mosaic and Fluence Nispera. Fluence Mosaic is an intelligent bidding software for utility-scale storage and renewable assets, helping to enable customers to optimize asset trading in wholesale electricity markets. Fluence Mosaic is currently available in the NEM (Australia), CAISO (California), ERCOT (Texas), and Japan markets. Fluence Nispera is an asset performance management software that helps customers monitor, analyze, forecast, and optimize the performance of their renewable energy assets. Fluence Nispera is an AI-driven utility-scale asset performance management platform that supports portfolios of energy storage, solar, and wind assets. Customers do not receive legal title or ownership of the applications as a result of these arrangements. The use of the Fluence digital software applications is separately identifiable from other promises that the Company offers to its customers. As such, Fluence digital applications are accounted for as separate performance obligations when combined with other Fluence products, solutions, and services. We consider access to the platform and related support services in a customer contract to be a series of distinct services which comprise a single performance obligation because they are substantially the same and have the same pattern of transfer. We recognize revenue over time using a straight-line recognition method.

Deferred Revenue: Deferred revenue represents the excess billings to date over the amount of revenue recognized to date. The timing and the amount we bill our customer is based on achieving milestones as defined in the contract with the customer.

Loss Contracts: A contract becomes a loss contract when its estimated total costs are expected to exceed its total revenue. The Company accrues the full loss expected in the period a loss is identified which is recorded in “Accruals and provisions” and “Cost of goods and services” on the Company’s consolidated balance sheets and consolidated statements of operations, respectively.

Cost of Goods and Services: Cost of goods and services consists primarily of product costs, including purchased materials and supplies, as well as costs related to shipping, customer support, product warranty and personnel. Personnel costs in cost of goods and

services includes both direct labor costs as well as costs attributable to any individuals whose activities relate to the transformation of raw materials or component parts into finished goods or the transportation of materials to the customer. Cost of goods and services are recognized when services are performed or when goods are included in our measure of progress as progress relevant costs, which is when they are restricted to a specific customer's project.

Inventory, Net

Inventory primarily consists of integrated systems, batteries and related equipment, enclosures, inverters, and spare parts which are used in ongoing battery storage product and solutions projects. Inventory is stated at the lower of cost or net realizable value with cost being determined by the specific identification method. Costs include cost of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The Company periodically reviews its inventory for potential obsolescence and write down of its inventory, as appropriate, to net realizable value based on its assessment of usefulness and marketability conditions.

Software Development Costs

Our software development costs primarily relate to three categories: (i) internal-use software development costs, (ii) hosting arrangements which are service contracts, and (iii) external-use software development costs. We capitalize costs incurred to purchase or develop software for internal use and software to be sold or leased externally.

Internal-use software development costs are capitalized during the application development stage in accordance with ASC 350-40, *Internal-Use Software*. These capitalized costs are reflected in "Intangible assets, net" on the consolidated balance sheets and are amortized over the estimated useful life of the software. Our internal-use software relates to our (i) SaaS customer offerings and is amortized to "Cost of goods and services" and (ii) internally developed solutions and are amortized to "Depreciation and amortization." The useful life of our internal-use software development costs is generally 3 to 5 years.

As of September 30, 2026, 2025 and 2024, the Company capitalized $10.4 million, $8.8 million, and $8.9 million respectively, of internal-use software.

Software development costs associated with hosting arrangements are capitalized during the application development stage. These are generally cloud-computing arrangements that are service contracts. The capitalized costs are reflected in "Other non-current assets" on the consolidated balance sheets and are amortized to "General and administrative" once ready for intended use over the estimated useful life of the hosted software. The useful life of our software development costs associated with hosting arrangements is generally the period the Company expects to benefit from its right to access the hosted software plus consideration for any renewal or cancellation periods, which is generally 5 to 7 years.

As of September 30, 2026, 2025 and 2024, the Company capitalized $4.3 million, $12.7 million and $37.4 million respectively, of software development costs related to hosting arrangements.

External-use software development costs developed to be sold or leased externally are capitalized upon the establishment of technological feasibility for a product in accordance with ASC 985-20, *Software to be Sold or Leased Externally*. These software development costs are reflected in "Intangible assets, net" on our consolidated balance sheets and amortized to "Cost of goods and services" on a product basis by the greater of the straight-line method over the estimated economic life of the product or the ratio that current gross revenues for a product bear to the total current and anticipated future gross revenues for that product. The useful life of our external-use software development costs is generally 5 years.

As of September 30, 2026, 2025 and 2024, the Company capitalized $6.4 million, $5.5 million and $2.3 million, respectively, of external-use software to be sold.

Impairment of Long-Lived Assets

The Company evaluates the recoverability of its property and equipment and intangible assets whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. The assets are considered impaired when their future undiscounted cash flows are less than the carrying value and fair value is less than their carrying value. Impairment charges are calculated as the difference between the discounted expected future cash flows, or other accepted valuation techniques to determine fair value, and the assets' carrying amount at the date of the triggering event.

Intangible Assets

Intangible assets are stated at their historical cost and amortized on a straight-line basis over their expected useful lives. Intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable.

Operating Expenses

Operating expenses include research and development, sales and marketing, general and administrative expenses, and depreciation and amortization. Research and development expenses consist of personnel-related costs across our global research and development ("R&D") centers for engineers engaged in the design and development and testing of our integrated products and technologies and costs of materials and services procured for research and development projects. Sales and marketing expenses consist primarily of personnel-related expenses, including salaries, stock-based compensation, employee benefits and factoring discounts on receivables sold. General and administrative expenses consist primarily of personnel-related expenses, including salaries, stock-based compensation, and employee benefits, for our executives, finance, human resources, information technology, engineering and legal organizations that do not relate directly to the sales or research and development functions. General and administrative expenses also consist of travel expenses, facilities costs, information technology costs, bad debt expense, and fees for professional services. Professional services consist of audit, legal, tax, insurance, information technology, and other costs. Depreciation consists of costs associated with property, plant, and equipment ("PP&E") and amortization of intangibles consisting of patents, licenses, developed technology and capitalized software over their expected period of use.

Advertising Costs

Advertising costs are expensed as incurred. Advertising expenses were $7.4 million, $4.3 million, and $3.3 million for the fiscal years ended September 30, 2026, 2025 and 2024 respectively.

Income Taxes

The Company is subject to federal, state, and foreign income taxes. The Company accounts for income taxes under ASC 740, Income Taxes. Deferred tax assets and liabilities are recognized for temporary differences between the financial reporting and tax bases of assets and liabilities. They are measured using enacted tax rates expected to apply when those differences reverse. Fluence Energy, LLC is treated as a partnership for U.S. federal income tax purposes. Accordingly, the Company is subject to tax on its allocable share of Fluence Energy, LLC's taxable income or loss. The Company recognizes the benefit of uncertain tax positions when it is more likely than not that the position will be sustained upon examination. Interest and penalties related to income taxes are recorded as a component of income tax expense. The preparation of income tax returns requires management to make estimates and interpretations of tax laws. These estimates and interpretations may be challenged by taxing authorities and could result in additional taxes, interest, and penalties.

Government Incentives and Grants

The Company has determined that it is entitled to the Section 45X Advanced Manufacturing Production Tax Credit (the "AMPC") provided by the Inflation Reduction Act of 2022 ("IRA") (which went into effect in 2023), as modified by the One Big Beautiful Bill Act ("OBBBA") (which went into effect in 2025). The Company recognizes the AMPC tax credits as a reduction to the related ''Cost of goods and services'', when there is reasonable assurance that the Company will be able to claim the credits (i.e., upon recognition of revenue and cost of goods and services related to the sold eligible equipment). In the fiscal years ended September 30, 2026 and 2025, the Company recognized a reduction to ''Cost of goods and services'' of $24.5 million and $6.1 million, respectively.

Fair Value Measurements

The fair value of the Company's financial assets and liabilities reflects management's estimate of amounts that the Company would have received in connection with the sale of the assets or paid in connection with the transfer of the liabilities in an orderly transaction between market participants at the measurement date. In connection with measuring the fair value of its assets and liabilities, the Company seeks to maximize the use of observable inputs and to minimize the use of unobservable inputs. The following fair value hierarchy, defined by ASC 820, *Fair Value Measurements*, is used to classify assets and liabilities based on the observable inputs and unobservable inputs used to value the assets and liabilities:

Level 1—Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2—Pricing inputs are other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date. Level 2 inputs include those financial instruments that are valued using models or other valuation methodologies. These models are primarily industry-standard models that consider various assumptions, including quoted prices, time value, volatility factors, and current market and contractual prices for the underlying instruments, as well as other relevant economic measures. Substantially all of these assumptions are observable in the marketplace throughout the full term of the instrument, can be derived from observable data or are supported by observable levels at which transactions are executed in the marketplace.

Level 3—Pricing inputs include significant inputs that are generally less observable from objective sources. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value from the perspective of a market participant. The Company does not have significant recurring Level 3 fair value measurements.

The Company's cash equivalents include cash on hand and highly liquid investments readily convertible to cash, with an original maturity of 90 days or less when purchased. Fair value of cash equivalents approximates the carrying amount. The carrying amounts of trade receivables, accounts payable and short-term debt obligations approximate fair values due to their short maturities.

The fair value of the Company's foreign currency derivatives is measured on a recurring basis by comparing the contracted forward exchange rate to the current market exchange rate. The foreign currency derivatives are categorized as Level 2 in the fair value hierarchy, as the inputs to the derivative pricing model are generally observable and do not contain a high level of subjectivity. Refer to "Note 21 – Derivatives and Hedging" for details regarding the Company's derivatives and hedging activities.

The Company estimates the fair value of its 2030 Convertible Senior Notes (defined below) using commonly accepted valuation methodologies and market-based risk measurements that are directly observable, such as unadjusted quoted prices in markets that are not active (Level 2). Refer to "Note 13 – Convertible Senior Notes, Net" for further details.

Derivatives and Hedging

The Company records all derivatives at their gross fair values on the consolidated balance sheets. The accounting for the gains or losses resulting from changes in the fair value of derivatives depends on the intended use of the derivatives, whether the Company has elected to designate a derivative in a hedging relationship and apply hedge accounting and whether the hedging relationship has satisfied the criteria necessary to apply hedge accounting.

Derivatives designated and qualifying as a hedge of the exposure to variability in expected future cash flows, or other types of forecasted transactions, are considered cash flow hedges. The gains or losses from designated cash flow hedges are deferred in accumulated other comprehensive income and subsequently reclassified into earnings in the period that the hedged forecasted transaction affects earnings. The gains or losses will be presented in the same income statement line item as the earnings effect of the hedged item. The effectiveness of cash flow hedges is assessed at inception and quarterly thereafter. The change in fair value of the components excluded from the assessment of effectiveness are recognized in current period earnings. The changes in fair value of derivatives that are not designated for hedge accounting are recognized in current period earnings.

Convertible Senior Notes, Net

In December 2024, the Company issued $400.0 million aggregate principal amount of 2.25% convertible senior notes due 2030 (the "2030 Convertible Senior Notes"). The Company accounts for its 2030 Convertible Senior Notes as a liability in their entirety, measured at amortized cost. Debt issuance costs incurred in connection with the issuance of the Company's 2030 Convertible Senior Notes are reflected in the consolidated balance sheets as a direct deduction from the carrying amount of the outstanding 2030 Convertible Senior Notes. These costs are amortized using the effective interest rate method over the terms of the 2030 Convertible Senior Notes and are included within interest expense on the consolidated statements of operations.

In connection with the issuance of the 2030 Convertible Senior Notes, the Company entered into privately negotiated capped call transactions with certain financial institutions (the "option counterparties"). The capped call transactions are generally expected to offset the potential dilution to the Company's Class A common stock upon any conversion of the 2030 Convertible Senior Notes and/or offset any cash payments the Company is required to make in excess of the principal amount of converted notes, with such reduction and/or offset subject to a cap. Refer to "Note 13 – Convertible Senior Notes, Net" for further details.

Recent Accounting Standards Adopted

The following table presents accounting standards adopted in 2026:

Standard	Description	Date of adoption	Effect on the financial statements and other significant matters
Accounting Standards Update ("ASU") No. 2025-12: Codification Improvements	ASU 2025-12 makes updates for a broad range of Topics arising from technical corrections, unintended application of the Codification, clarifications, and other minor improvements. The amendments affect a wide variety of Topics in the Codification and apply to all reporting entities within the scope of the affected accounting guidance.	As of the three months ended December 31, 2025.	Issue 20: Clarify Guidance for the Transfer of Receivables from Contracts with Customers was early adopted by the Company and applied on the Company's sale of receivables. Refer to "Note 20 – Sale of Receivables" for further details.
ASU No. 2023-09: Income Taxes (Topic 740): Improvements to Income Tax Disclosures	ASU 2023-09 adopts certain amendments to improve the effectiveness of income tax disclosures, including jurisdictional information, by requiring (1) consistent categories and greater disaggregation of information in the rate reconciliation, and (2) income taxes paid, disaggregated by jurisdiction.	As of the three months ended September, 2026.	The Company adopted ASU 2023-09 on a prospective basis for the fiscal year ended September 30, 2026. The adoption of this standard did not have an impact on the Company's consolidated financial statements. The standard requires enhanced income tax disclosures in the notes to the consolidated financial statements. Refer to "Note 14 - Income Taxes" for more information.

Recent Accounting Standards Not Yet Adopted

The following table presents accounting standards not yet adopted:

Standard	Description	Required date of adoption	Effect on the financial statements and other significant matters
ASU No. 2024-03: Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses	ASU 2024-03 requires disclosure of qualitative and quantitative information about certain costs and expenses in the notes to the financial statements on an interim and annual basis. ASU No. 2025-01: Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date, was subsequently issued and clarified the effective date of ASU 2024-03.	ASU 2024-03 is effective for the Company's annual report for fiscal year ending September 30, 2028 and interim periods within that annual reporting period.	The Company is evaluating the impact this guidance will have on its disclosures.
ASU No. 2025-05: Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets	ASU 2025-05 amends ASC 326-20 to provide a practical expedient (for all entities) and an accounting policy election (for all entities, other than public business entities, that elect the practical expedient) related to the estimation of expected credit losses for current accounts receivable and current contract assets that arise from transactions accounted for under ASC 606.	ASU 2025-05 is effective for the Company's annual report for fiscal year ending September 30, 2027 and interim periods within that annual reporting period.	The Company is evaluating the impact this guidance will have on its disclosures.
ASU No. 2025-06: Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software	ASU 2025-06 makes targeted improvements to ASC 350-40 and amends certain aspects of the accounting for and disclosure of software costs under ASC 350-40. The amendments supersede the guidance on Web site development costs in ASC 350-50 and relocate that guidance, along with the recognition requirements for development costs specific to Web sites, to ASC 350-40.	ASU 2025-06 is effective for the Company's annual report for fiscal year ending September 30, 2029 and interim periods within that annual reporting period.	The Company is evaluating the impact this guidance will have on its disclosures.
ASU No. 2025-09: Derivatives and Hedging (Topic 815): Hedge Accounting Improvements	ASU 2025-09 amends certain aspects of the hedge accounting guidance in ASC 815. The amendments are intended to more closely align hedge accounting with the economics of an entity's risk management activities.	ASU 2025-09 is effective for the Company's annual report for fiscal year ending September 30, 2028 and interim periods within that annual reporting period.	The Company is evaluating the impact this guidance will have on its disclosures.
ASU No. 2025-10: Government Grants (Topic 832): Accounting for Government Grants Received by Business Entities	ASU 2025-10 adds guidance to ASC 832 on the recognition, measurement, and presentation of government grants. In the absence of such guidance, many for-profit entities historically have analogized to other GAAP, including IAS 20 or ASC 958-605, when accounting for government grants. In developing the ASU's recognition and measurement framework, the FASB largely leveraged the guidance in IAS 20.	ASU 2025-10 is effective for the Company's annual report for fiscal year ending September 30, 2030 and interim periods within that annual reporting period.	The Company is evaluating the impact this guidance will have on its disclosures.

ASU No. 2025-11: Interim Reporting (Topic 270): Narrow-Scope Improvements	ASU 2025-11 improves the guidance in Topic 270, Interim Reporting, by improving the navigability of the required interim disclosures and clarifying when that guidance is applicable. The amendments also provide additional guidance on what disclosures should be provided in interim reporting periods and add to Topic 270 a principle that requires entities to disclose events since the end of the last annual reporting period that have a material impact on the entity.	ASU 2025-11 is effective for the Company's interim reports within fiscal year ending September 30, 2029.	The Company is evaluating the impact this guidance will have on its disclosures.
ASU No. 2025-12: Codification Improvements	ASU 2025-12 makes updates for a broad range of Topics arising from technical corrections, unintended application of the Codification, clarifications, and other minor improvements. The amendments affect a wide variety of Topics in the Codification and apply to all reporting entities within the scope of the affected accounting guidance.	ASU 2025-12 is effective for the Company's annual report for fiscal year ending September 30, 2028 and interim periods within that annual reporting period. Early adoption is permitted in both interim and annual reporting periods, and the Company may elect to early adopt the amendments on an issue-by-issue basis.	Issue 20 was early adopted by the Company and applied for the Company's sale of receivables. The Company is evaluating the impact of other Issues in this guidance will have on its disclosures.

3. (Loss) Income per Share

As of September 30, 2026, the Company has two classes of common stock outstanding, Class A and Class B-1. (Loss) Income per share is calculated and reported under the "two-class" method. The "two-class" method is an earnings allocation method under which (loss) income per share is calculated for each class of common stock considering both distributions declared or accumulated and participation rights in undistributed earnings as if all such loss had been distributed during the period.

Basic (loss) income per share of Class A common stock is computed by dividing net (loss) income attributable to Class A common stockholders by the weighted average number of shares of Class A common stock outstanding during the period. Diluted (loss) income per share of Class A common stock is computed by adjusting the net (loss) income available to Class A common stockholders and the weighted average shares of Class A common stock outstanding to give effect to potentially dilutive securities. Shares of our Class B-1 common stock are not entitled to receive any distributions or dividends. When an LLC Interest of Fluence Energy, LLC is redeemed for cash or Class A common stock by a Founder who holds shares of our Class B-1 common stock, such Founder will be required to surrender a share of Class B-1 common stock, as the case may be, which we will cancel for no consideration. In the event of cash settlement, the Company is required to issue new shares of Class A common stock and use the proceeds from the sale of these newly-issued shares of Class A common stock to fully fund the cash settlement. Therefore, we did not include shares of our Class B-1 common stock in the computation of basic loss per share.

In periods in which we have a loss, diluted loss per share is equal to basic loss per share because the effect of potentially dilutive securities would be antidilutive.

The following table presents the potentially dilutive securities that were excluded from the computation of diluted (loss) income per share:

	Fiscal Year Ended September 30,		
	2026	2025	2024
Class B-1 common stock	41,432,781	51,499,195	—
Shares underlying the conversion option in the 2030 Convertible Senior Notes	18,738,880	18,738,880	—
Outstanding pre-IPO options issued pursuant to the 2020 Unit Option Plan	1,204,811	2,211,860	511,756
Outstanding restricted stock units ("RSUs")	1,490,406	2,232,320	1,103,968
Outstanding performance share units ("PSUs")	874,796	901,516	300,387
Outstanding non-qualified stock options ("NQSOs")	577,809	469,893	162,419
Outstanding restricted stock ("Nispera equity")	—	—	49,171

Basic and diluted (loss) income per share of Class A common stock for the fiscal year ended September 30, 2026, 2025 and 2024 respectively, have been computed as follows:

	Fiscal Year Ended September 30,								
	2026			2025			2024		
In thousands, except share and per share amounts	Loss	Shares	$ per Share	Loss	Shares	$ per Share	Income	Shares	$ per Share
Basic (loss) income per Share									
Net (loss) income attributable to Fluence Energy, Inc.	$ (205,654)	136,358,177	$ (1.51)	$ (48,314)	130,307,162	$ (0.37)	$ 22,716	126,180,011	$ 0.18
Effect of Dilutive Securities							—	—	
Class B-1 common stock	—	—		—	—		2,105	52,835,363	
Pre-IPO options	—	—		—	—		—	3,799,239	
Phantom units	—	—		—	—		—	105,468	
RSUs	—	—		—	—		—	826,469	
PSUs	—	—		—	—		—	71,535	
NQSOs	—	—		—	—		—	318	
Nispera equity	—	—		—	—		—	216,429	
Diluted (loss) income per Share									
Net (loss) income attributable to Fluence Energy, Inc.	$ (205,654)	136,358,177	$ (1.51)	$ (48,314)	130,307,162	$ (0.37)	$ 24,821	184,034,832	$ 0.13

4. Revenue from Contracts with Customers

Our revenue is primarily derived from sales of our energy storage products and solutions. The following table presents the Company's revenue disaggregated by revenue type:

	Fiscal Year Ended September 30,		
in thousands	2026	2025	2024
Revenue from sale of energy storage products and solutions	$ 2,235,192	$ 2,172,360	$ 2,648,013
Revenue from services	91,654	84,439	45,353
Revenue from digital applications and solutions	7,218	6,031	5,196
Total	$ 2,334,064	$ 2,262,830	$ 2,698,562

The following table presents the Company's revenue disaggregated by geographical region. Revenues are attributed to regions based on location of customers:

	Fiscal Year Ended September 30,		
in thousands	2026	2025	2024
Americas (North, Central and South America)[(a)]	$ 1,385,510	$ 1,305,941	$ 1,593,003
APAC (Asia Pacific)	565,258	348,573	579,255
EMEA (Europe, Middle-East and Africa)	383,296	608,316	526,304
Total	$ 2,334,064	$ 2,262,830	$ 2,698,562

(a) Revenue from United States of America was $1,131.3 million, $877.3 million and $1,442.0 million for fiscal years 2026, 2025 and 2024, respectively.

Customer Concentration

For the fiscal year ended September 30, 2026, our top three customers, in the aggregate, accounted for approximately 44% of total revenue.

For the fiscal years ended 2025 and 2024, our top two customers, in the aggregate, accounted for approximately 41% and 50% of total revenue, respectively.

Deferred revenue

The following tables provide information about deferred revenue from contracts with customers:

	September 30,		
in thousands	2026	2025	2024
Deferred revenue beginning of period	$ 640,457	$ 274,499	$ 273,164
Additions	906,843	587,933	224,423
Revenue recognized related to amounts that were included in beginning balance of deferred revenue	(487,187)	(221,975)	(223,088)
Deferred revenue end of period	$ 1,060,113	$ 640,457	$ 274,499

	September 30,		
in thousands	2026	2025	2024
Deferred revenue from related parties beginning of period	$ 79,916	$ 38,162	$ 110,274
Additions	17,710	71,710	37,382
Revenue recognized related to amounts that were included in beginning balance of deferred revenue	(71,492)	(29,956)	(109,494)
Deferred revenue from related parties end of period	$ 26,134	$ 79,916	$ 38,162

As of September 30, 2026 and 2025, $82.0 million and $0.0 million of deferred revenue was included in other non-current liabilities on the consolidated balance sheet, respectively.

Remaining performance obligations

The Company's remaining performance obligations ("backlog") represent the unrecognized revenue value of its contract 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 contract commitments and the backlog may fluctuate with currency movements. In addition, the Company's customers have the right, under some circumstances, to terminate contracts or defer the timing of its services and their payments to the Company.

As of September 30, 2026, the Company had $8.9 billion of remaining performance obligations related to our contractual commitments, of which we expect to recognize in revenue approximately 37% in the next 12 months, with the remainder recognized in revenue in periods thereafter.

5. Inventory, Net

Inventory consisted of the following:

	September 30, 2026			September 30, 2025		
In thousands	Cost	Provision	Net	Cost	Provision	Net
Integrated systems, batteries and other equipment	$ 977,652	$ (31,995)	$ 945,657	$ 463,493	$ (30,891)	$ 432,602
Spare parts	22,992	(33)	$ 22,959	22,415	(2)	22,413
Total	$ 1,000,644	$ (32,028)	$ 968,616	$ 485,908	$ (30,893)	$ 455,015

6. Other Current Assets

Other current assets consisted of the following amounts:

	September 30,	
In thousands	2026	2025
Taxes recoverable, tax credits and tariff refunds [(a)]	$ 36,146	$ 15,186
Prepaid expenses	14,868	21,667
Prepaid insurance	745	2,538
Current portion of recoverable warranty costs from suppliers	13,321	8,585
Note receivable [(b)]	30,000	—
Other	14,694	6,695
Total	$ 109,774	$ 54,671

[(a)] Includes receivables outstanding related to the invalidated International Emergency Economic Powers Act ("IEEPA") tariffs which have been filed with the U.S Customs & Border Protection ("CBP") as of September 30, 2026. We have filed for $57.0 million in refunds, which has been accepted by the CBP. As of September 30, 2026, the Company has received payments of $54.4 million and has $2.6 million outstanding to be received.

[(b)] On May 5, 2026, the Company entered into a $30.0 million promissory note (the "Note") with one of its suppliers, pursuant to which the Company provided a working capital loan to the supplier in connection with a master supply agreement for the purchase of battery cells. The Note bears interest at 5% per annum, which is payable in arrears on each repayment date and at maturity. Principal is repayable in three installments of $10.0 million on October 31, 2026, January 31, 2027, and April 30, 2027, with a stated maturity date of April 30, 2027.

7. Property and Equipment, Net

Property and equipment are stated at amortized cost and consisted of the following:

	September 30, 2026			September 30, 2025		
In thousands	Cost	Accumulated Depreciation	Net	Cost	Accumulated Depreciation	Net
Machinery and Equipment	$ 60,957	$ 34,792	$ 26,165	$ 25,574	$ 10,612	$ 14,962
Construction in Progress	11,808	—	11,808	8,128	—	8,128
IT Equipment	11,170	8,741	2,429	10,109	6,735	3,374
Furniture and Fixtures	2,037	1,532	505	1,915	1,336	579
Leasehold Improvements	4,616	3,014	1,602	3,261	2,066	1,195
Right-of-use assets – finance leases	—	—	—	24,814	2,757	22,057
Other	2,583	2,529	54	2,524	2,499	25
Total	$ 93,171	$ 50,608	$ 42,563	$ 76,325	$ 26,005	$15 $ 50,320

Total depreciation expense was $24.6 million, $11.3 million and $5.6 million for the fiscal years ended September 30, 2026, 2025 and 2024, respectively.

Property and equipment are depreciated over the estimated useful lives of the respective assets on a straight-line basis. The range of estimated lives for the respective assets is as follows:

Machinery and equipment	up to 10 years
IT equipment	3 years
Furniture and fixtures	5 years
Leasehold Improvements	10 years, or lease term if shorter
Other	5 years

8. Leases

ASC 842 requires lessees to recognize assets and liabilities for most leases. The Company determines if an arrangement is a lease at contract inception. A lease exists when a contract conveys to the customer the right to control the use of an identified asset for a period of time in exchange for consideration. The definition of a lease embodies two conditions: (1) there is an identified asset in the contract, and (2) the customer has the right to control the use of the identified asset. Lessees are required to classify leases as either

finance or operating leases. This classification will determine whether lease expense is recognized based on an effective interest method or on a straight-line basis over the term of the lease.

The Company's right-of-use assets and lease liabilities primarily relate to offices and warehouses. On May 31, 2025, the Company entered into a finance lease agreement for the U.S. battery module production line in Utah. The production line was initially classified as a finance lease under ASC 842. During the fiscal year ended September 30, 2026, the Company completed the lease payments and obtained title to the production line. As of September 30, 2026, the asset has been reclassified to machinery and equipment. Refer to "Note 7 – Property and Equipment, Net" for further details. This presentation had no impact on the total carrying amount of property and equipment, net.

The Company's leases generally have remaining lease terms of one year to eight years. Certain of the Company's leases contain renewal, extension, or termination options. The Company assesses each option on an individual basis and will only include options reasonably certain of exercise in the lease term. The Company generally considers the base term to be the term provided in the contract. None of the Company's operating lease agreements contain material options to purchase the leased property, material residual value guarantees, or material restrictions or covenants.

The Company does not recognize a lease liability or right-of-use asset on the balance sheet for short-term leases. Instead, the Company recognizes short-term lease payments as an expense on a straight-line basis over the lease term. A short-term lease is defined as a lease that, at the commencement date, has a lease term of 12 months or less and does not include an option to purchase the underlying asset that the lessee is reasonably certain to exercise. Leases (with terms greater than twelve months) are recorded on the consolidated balance sheets at the present value of the minimum lease payments not yet paid. As the Company's leases do not provide an implicit rate, the Company generally uses its incremental borrowing rate based on the estimated rate of interest for collateralized borrowing over a similar term of the lease payments at commencement date to calculate the present value of future lease payments. Certain leases include payments that are based solely on an index or rate. These variable lease payments are included in the calculation of the ROU asset and lease liability and are initially measured using the index or rate at the lease commencement date. Other variable lease payments, such as payments based on use and for property taxes, insurance, or common area maintenance that are based on actual assessments are excluded from the ROU asset and lease liability and are expensed as incurred. In addition to the present value of the future lease payments, the calculation of the ROU asset also includes adjustments for lease incentives, deferred rent, lease prepayments and initial direct costs of obtaining the lease, such as commissions.

Certain lease contracts contain nonlease components such as maintenance and utilities. The Company has made an accounting policy election, as allowed under ASC 842-10-15-37, to capitalize both the lease component and nonlease components of its contracts as a single lease component for its right-of-use assets. This election applies at the asset class level.

The amounts of assets and liabilities and other information for our operating and finance leases are as follows:

		September 30,	
In thousands	**Balance Sheet Caption**	**2026**	**2025**
Right-of-use assets:			
Operating leases	Other non-current assets	$ 17,752	$ 11,256
Finance leases	Property and equipment, net	—	22,057
Total right-of-use assets		$ 17,752	$ 33,313
Lease liabilities:			
Operating leases	Other current liabilities	$ 7,704	$ 6,789
	Other non-current liabilities	11,754	5,044
Finance leases	Other current liabilities	—	3,492
	Other non-current liabilities	—	—
		$ 19,458	$ 15,325

Components of total lease cost for the fiscal years ended September 30, 2026, 2025, and 2024 were as follows:

	Fiscal Year Ended September 30,		
in thousands	**2026**	**2025**	**2024**
Lease cost			
Finance lease cost:	$ 6,460	$ 2,849	$ —
Amortization of right-of-use assets	6,376	2,757	—
Interest on lease liabilities	84	92	—
Operating lease cost	9,514	6,608	3,326
Short-term and variable lease cost	8,940	6,169	3,789
Total lease cost	$ 24,914	$ 15,626	$ 7,115

Supplemental information related to the Company's operating leases for the fiscal years ended September 30, 2026, 2025 and 2024 was as follows:

	Fiscal Year Ended September 30,		
in thousands	**2026**	**2025**	**2024**
Cash paid for amounts included in the measurements of lease liabilities	$ 8,221	$ 6,250	$ 3,003
Right-of-use assets obtained in exchange for new operating lease liabilities	$ 16,402	$ 8,642	$ 6,536
Weighted average remaining lease term	3.2 years	2.7 years	4.0 years
Weighted average discount rate	6.43 %	6.63 %	6.96 %

Supplemental information related to the Company's finance leases for the fiscal years ended September 30, 2026 and 2025 was as follows:

	Fiscal Year Ended September 30,	
in thousands	**2026**	**2025**
Cash paid for amounts included in the measurements of lease liabilities	$ 4,393	$ 2,462
Operating cash flows	$ 84	$ 92
Financing cash flows	$ 4,309	$ 2,370
Right-of-use assets obtained in exchange for new finance lease liabilities	$ 828	$ 5,861
Weighted average remaining lease term	0.0 years	0.8 years
Weighted average discount rate	— %	5.60 %

Total remaining lease payments under the Company's operating leases for each of the succeeding years are as follows (in thousands):

Year Ended September 30,	**Operating Leases**
2027	$ 8,319
2028	5,937
2029	3,556
2030	1,259
2031	1,284
Thereafter	1,400
Total lease payments	21,755
Less: Interest	(2,297)
Present value of lease liabilities	$ 19,458

9. Intangible Assets, Net

Intangible assets are stated at amortized cost and consist of the following:

in thousands	Weighted Average Estimated Useful Lives	September 30, 2026 Cost	September 30, 2026 Accumulated Amortization	September 30, 2026 Net	September 30, 2025 Cost	September 30, 2025 Accumulated Amortization	September 30, 2025 Net
Patents and licenses	15 years	$ 28,974	$ (16,869)	$ 12,105	$ 28,856	$ (14,911)	$ 13,945
Developed technology	12 years	31,021	(13,283)	17,738	31,932	(10,910)	21,022
Customer Relationship	7 years	5,384	(3,824)	1,560	4,825	(3,035)	1,790
Tradenames/Trademarks	8 years	5,337	(4,847)	490	5,379	(4,640)	739
Capitalized internal-use software	4 years	34,670	(14,719)	19,951	24,674	(7,966)	16,708
Capitalized software to be sold	5 years	17,482	(3,784)	13,698	11,109	(1,910)	9,199
Total		$ 122,868	$ (57,326)	$ 65,542	$ 106,775	$ (43,372)	$ 63,403

Intangible assets are amortized over the estimated useful lives of the respective assets on a straight-line basis. Total amortization expense was $14.0 million, $12.7 million, and $9.1 million for the fiscal years ended September 30, 2026, 2025, and 2024, respectively. The amortization expense included $8.6 million, $6.2 million, and $2.9 million for capitalized software for the fiscal years ended September 30, 2026, 2025, and 2024, respectively.

Total future amortization expense for finite-lived intangible assets was estimated as follows:

In thousands	Future Amortization Expenses
2027	$ 15,301
2028	11,275
2029	7,051
2030	5,468
2031	4,854
Thereafter	7,648
Subtotal	$ 51,597
Internally developed software projects in process	13,945
Total	$ 65,542

10. Goodwill

Goodwill is assessed for impairment annually each year on the first day of the Company's fourth quarter, or when impairment indicators exist. No impairment was recognized for the fiscal years ended September 30, 2026, 2025 and 2024.

The following table presents the goodwill activity:

In thousands	September 30, 2026	September 30, 2025
Goodwill, Beginning of the period	$ 28,584	$ 27,482
Foreign currency adjustment	(915)	1,102
Goodwill, End of the period	$ 27,669	$ 28,584

11. Accruals and Provisions

Accruals mainly represent milestones not yet invoiced for inventory such as, but not limited to, batteries, integrated systems, and inverters. Generally, according to master supply agreements between the Company and suppliers of our inventory, vendor invoices are issued according to contracted billing schedules with certain milestones invoiced after delivery, upon full installation and commissioning of the equipment at substantial completion and final completion project stages. Accruals and provisions consisted of the following:

	September 30,	
In thousands	**2026**	**2025**
Accruals	$ 269,274	$ 203,433
Accruals with related parties	1,665	6,353
Provisions for expected project losses	57,564	15,684
Current portion of warranty accrual	24,933	20,765
Total	$ 353,436	$ 246,235

12. Debt

Revolving Credit Facility

On August 6, 2024, Fluence Energy, Inc. entered into Amendment Number Three ("Amendment No. 3") to the asset-based syndicated credit agreement by and among Fluence Energy, LLC, as parent borrower, the Company, as parent, the other borrowers party thereto, the other guarantors party thereto, the lenders party thereto, and Citibank, N.A., as administrative agent (as successor to Barclays Bank PLC) (such agreement, as so amended, the "2024 Credit Agreement") converting the outstanding asset-based lending facility into a senior secured cash flow revolving credit facility in an initial aggregate principal amount of up to $500.0 million (the "Revolver"). On March 31, 2026, we entered into Amendment Number Four (“Amendment No. 4”) to the 2024 Credit Agreement (such agreement, as so amended by Amendment No. 4, the “Credit Agreement”). Capitalized terms used in this subsection that are not otherwise defined are defined in the Credit Agreement.

The Revolver is secured by (i) a first priority pledge of the Company's equity interests in Fluence Energy, LLC and Fluence Energy Global Production Operation, LLC, (ii) first priority security interests in substantially all tangible and intangible personal property of the Company, Fluence Energy, LLC, Fluence Energy Global Production Operation, LLC and certain of its foreign subsidiaries, in each case, subject to customary exceptions and limitations, and (iii) a pledge of the Company's equity interests in certain of its foreign subsidiaries and security interests in certain assets of such foreign subsidiaries.

The Credit Agreement sets forth that (i) loans comprising each ABR Borrowing shall bear interest at the Alternate Base Rate plus 2.00%, (ii) loans comprising each Term Benchmark Borrowing shall bear interest at the Term SOFR Rate or the Adjusted EURIBOR Rate, as applicable, plus 3.00%, and (iii) the loans comprising each RFR Borrowing shall bear interest at the Daily Simple RFR plus 3.00%, in each instance subject to customary benchmark replacement provisions including, but not limited to, alternative benchmark rates, customary spread adjustments with respect to borrowings in foreign currencies and benchmark replacement conforming changes. Fluence Energy, LLC is required to pay to the lenders a commitment fee on the average daily unused portion of the commitments through maturity, which shall accrue at the rate of 0.50% per annum. The Credit Agreement provides for a cash draw sublimit of $150.0 million as well as a letter of credit sublimit in the amount of $500.0 million if certain conditions are met.

The Credit Agreement contains customary covenants for this type of financing, including, but not limited to, covenants that restrict our and certain of our subsidiary’s ability to: incur indebtedness; incur liens; sell, transfer, or dispose of property and assets; make investments or acquisitions; pay dividends, make distributions or other restricted payments; and engage in affiliate transactions. The Credit Agreement limits our ability to make certain payments. Following the entry into Amendment No. 4, the Credit Agreement now requires the borrowers to post $50.0 million in cash collateral if the Total Revolving Extensions of Credit exceed $450.0 million.

In addition, Amendment No. 4 extended the Trigger Date under the Credit Agreement from December 31, 2025 to December 31, 2026. From the time of entry into Amendment No. 3 through the time of entry into Amendment No. 4, we were required to maintain (i) Total Liquidity of no less than $150.0 million through and including December 31, 2025, (ii) from January 1, 2026 and thereafter, (a) Total Liquidity of no less than $100.0 million and (b) Consolidated Leverage Ratio as of the last day of any Measurement Period not to exceed 3.50:1.00, and (iii) certain other financial requirements on certain dates. Pursuant to the changes to the Credit Agreement upon entry into Amendment No. 4 on March 31, 2026, we are now required to maintain (i) Total Liquidity of no less than $150.0 million through and including December 31, 2026, (ii) from January 1, 2027, and thereafter, (a) Total Liquidity of no less than $100.0 million and (b) Consolidated Leverage Ratio as of the last day of any Measurement Period not to exceed 3.50:1.00, and (iii) certain other financial requirements on certain dates. Such covenants are tested on a quarterly basis and upon the occurrence of other certain restricted payments, the incurrence of indebtedness, certain dispositions, and other specified transactions. As of September 30, 2026, we were in compliance with all such covenants.

The Credit Agreement contains customary events of default for this type of financing. If an event of default occurs with respect to a borrower, the lenders will be able to, among other things, terminate the commitments immediately, cash collateralize any outstanding letters of credit, declare any loans outstanding to be due and payable in whole or in part, and exercise other rights and remedies. The maturity date and the date of termination of lending commitments under the Credit Agreement is November 22, 2027. As of September 30, 2026, there are no cash borrowings under the Revolver, and there are $188.2 million letters of credit outstanding under the Revolver, with remaining availability of $311.8 million, net of letters of credit issued.

13. Convertible Senior Notes, Net

2030 Convertible Senior Notes

In December 2024, the Company issued $400.0 million aggregate principal amount of 2.25% convertible senior notes due 2030. These 2030 Convertible Senior Notes were issued pursuant to, and are governed by, an indenture, dated as of December 12, 2024, between the Company and UMB Bank, National Association, as trustee (the "Indenture"). The net proceeds from the issuance of the 2030 Convertible Senior Notes were $389.4 million, net of $10.6 million of debt issuance costs.

The 2030 Convertible Senior Notes are senior unsecured obligations of the Company and accrue interest at a rate of 2.25% per year, payable semi-annually in arrears, on June 15 and December 15 of each year, beginning on June 15, 2025. The 2030 Convertible Senior Notes will mature on June 15, 2030, unless earlier converted, redeemed, or repurchased. The 2030 Convertible Senior Notes have an initial conversion rate of 46.8472 shares of the Company's Class A common stock per $1,000 principal amount of 2030 Convertible Senior Notes, which represents an initial conversion price of approximately $21.35 per share of the Company's Class A common stock. The conversion rate is subject to customary adjustments upon the occurrence of certain events but will not be adjusted for any accrued and unpaid interest. If a "make-whole fundamental change" (as defined in the Indenture) occurs, then the Company will in certain circumstances increase the conversion rate for a specified period of time.

Prior to the close of business on the business day immediately preceding March 15, 2030, holders of the 2030 Convertible Senior Notes will have the right to convert their 2030 Convertible Senior Notes only upon satisfaction of one or more of the following conditions:

(1) during any calendar quarter (and only during such calendar quarter) commencing after the calendar quarter ended on March 31, 2025, if the last reported sale price per share of the Company's Class A common stock exceeds 130% of the conversion price for each of at least 20 trading days (whether or not consecutive) during the 30 consecutive trading days ending on, and including, the last trading day of the immediately preceding calendar quarter;

(2) during the five consecutive business days immediately after any 10 consecutive trading day period (the "measurement period") if the 'trading price' per $1,000 principal amount of the 2030 Convertible Senior Notes for each trading day of the measurement period was less than 98% of the product of the last reported sale price per share of the Company's Class A common stock on such trading day and the conversion rate on such trading day;

(3) upon the occurrence of specified corporate events, as set forth in the Indenture; or

(4) if the Company calls any or all the 2030 Convertible Senior Notes for redemption, but only with respect to such 2030 Convertible Senior Notes called for redemption.

On or after March 15, 2030, holders may convert their 2030 Convertible Senior Notes at any time until the close of business on the second scheduled trading day immediately before June 15, 2030.

Upon conversion, the Company may satisfy its conversion obligation by paying or delivering, as the case may be, cash, shares of the Company's Class A common stock, or a combination of both, at the Company's election, in the manner and subject to the terms and conditions provided in the Indenture.

The 2030 Convertible Senior Notes will be redeemable, in whole or in part (subject to the partial redemption limitation described in the Indenture), at our option at any time, and from time to time, on or after December 20, 2027 and on or before the 50th scheduled trading day immediately before the maturity date, at a cash redemption price equal to the principal amount of the 2030 Convertible Senior Notes to be redeemed, plus accrued and unpaid interest, if any, to, but excluding, the redemption date, but only if (i) the 2030 Convertible Senior Notes are "freely tradable" (as defined in the Indenture), and all accrued and unpaid additional interest, if any, has been paid in full, as of the date we send the related redemption notice; and (ii) the last reported sale price per share of our Class A common stock exceeds 130% of the conversion price on (1) each of at least 20 trading days, whether or not consecutive, during the 30 consecutive trading days ending on, and including, the trading day immediately before the date the Company sends the redemption notice for such redemption; and (2) the trading day immediately before the date the Company sends such redemption notice. In addition, calling any 2030 Convertible Senior Note for redemption will constitute a make-whole fundamental change with respect to that 2030 Convertible Senior Note, in which case the conversion rate applicable to the conversion of that 2030 Convertible Senior Note will be increased in certain circumstances if it is converted after it is called for redemption.

No sinking fund is required to be provided for the 2030 Convertible Senior Notes. If a "fundamental change" (as defined in the Indenture) occurs prior to the maturity date of the 2030 Convertible Senior Notes, holders may require the Company to repurchase all or a portion of their 2030 Convertible Senior Notes at a cash repurchase price equal to 100% of the principal amount of the 2030 Convertible Senior Notes to be repurchased, plus any accrued and unpaid interest to, but excluding, the "fundamental change repurchase date" (as defined in the Indenture).

The 2030 Convertible Senior Notes are accounted for as a liability in their entirety, measured at amortized cost. The debt issuance costs for the 2030 Convertible Senior Notes are amortized to interest expense using the effective interest method over the term of the 2030 Convertible Senior Notes, with an effective interest rate of 2.80%.

The following table presents the net carrying value and fair value of the 2030 Convertible Senior Notes as of September 30, 2026:

In thousands	Principal Amount	Unamortized Debt Issuance Costs	Net Carrying Amount	Fair Value	
				Amount	Leveling
2030 Convertible Senior Notes	$ 400,000	$ (7,376)	$ 392,624	$ 303,952	Level 2

The fair value was determined based on the quoted prices of the 2030 Convertible Senior Notes in an inactive market on the last traded day of the fiscal year ended September 30, 2026 and has been classified as Level 2 in the fair value hierarchy.

The following table presents the interest expense recognized related to the 2030 Convertible Senior Notes:

In thousands	Fiscal Year Ended September 30,	
	2026	2025
Coupon interest	$ 9,000	$ 7,200
Amortization of debt issuance costs	1,820	1,426
Total	$ 10,820	$ 8,626

Capped Call Transactions

In connection with the 2030 Convertible Senior Notes, the Company has entered into privately negotiated capped call transactions with option counterparties pursuant to capped call confirmations (collectively the "Capped Calls"). The premiums paid for the purchases of the Capped Calls were $29.0 million . The Capped Calls have an initial strike price of approximately $21.35 per share, subject to certain adjustments, which corresponds to the initial conversion price of the 2030 Convertible Senior Notes. The Capped Calls have an initial cap price of $28.74 per share, subject to certain adjustments substantially similar to those applicable to the corresponding 2030 Convertible Senior Notes. The Capped Calls cover, subject to anti-dilution adjustments, approximately 18.7 million shares of the Company's Class A common stock.

The Capped Calls are generally expected to offset the potential dilution to the Company's Class A common stock upon any conversion of the 2030 Convertible Senior Notes and/or offset any cash payments the Company is required to make in excess of the principal amount of any converted 2030 Convertible Senior Notes, with such reduction and/or offset subject to a cap.

The Capped Calls are separate transactions and are not part of the terms of the 2030 Convertible Senior Notes. As the Capped Calls qualify for a scope exception from derivative accounting for instruments that are both indexed to the Company's own stock and classified in stockholders' equity, the Capped Calls are not accounted for as derivatives and the premiums paid for the purchases of the Capped Calls were recorded as a reduction to the "Additional paid-in capital."

14. Income Taxes

The following table presents the components of income (loss) before income tax (in thousands):

in thousands	Fiscal Year Ended September 30,		
	2026	2025	2024
Domestic	$ (213,854)	$ (121,163)	$ (33,983)
Foreign	(60,828)	76,091	73,556
Income (loss) before income taxes	$ (274,682)	$ (45,072)	$ 39,573

The major components of income tax expense/(benefit) were as follows:

	Fiscal Year Ended September 30,		
in thousands	2026	2025	2024
Current income tax expense:			
Federal	$ —	$ —	$ —
State	192	—	—
Total domestic [1]	192	165	1,948
Foreign	4,672	14,343	13,700
Deferred income tax expense (benefit):			
Federal	—	—	—
State	—	—	—
Total domestic [1]	—	—	—
Foreign	(8,017)	6,293	(6,719)
Withholding income tax expense:			
Domestic	—	—	—
Foreign	2,333	2,115	277
Total income tax expense	$ (820)	$ 22,917	$ 9,206

(1) ASU 2023-09 was adopted prospectively. For fiscal years 2025 and 2024, domestic income tax expense is presented as previously reported and was not disaggregated between federal and state.

Effective October 1, 2025, the Company adopted ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, on a prospective basis. Accordingly, the rate reconciliation and income taxes paid disclosures for fiscal year 2026 are presented in accordance with ASU 2023-09, and the comparable disclosures for fiscal years 2025 and 2024 are presented as previously reported.

The following table summarizes a reconciliation of the U.S. statutory federal income tax rate to the Company's effective tax rate for fiscal year 2026:

	Fiscal Year Ended September 30, 2026	
in thousands	Amount	Percent
Income tax expense (benefit) computed at U.S. federal statutory rate	$ (57,683)	21.0 %
State and local income taxes, net of federal income tax effect	192	(0.1)%
Foreign tax effects	11,999	(4.4)%
Effect of changes in tax laws or rates enacted in the current period	—	— %
Effect of cross-border tax laws		
Subpart F	(192)	0.1 %
Tax credits	—	— %
Changes in valuation allowances	39,532	(14.4)%
Nontaxable or nondeductible items		
Section 45X advanced manufacturing production credit	(4,137)	1.5 %
Losses attributable to noncontrolling interests not subject to tax	11,524	(4.2)%
All other items, net	(646)	0.2 %
Changes in unrecognized tax benefits	—	— %
Other Adjustments	(1,408)	0.5 %
Income tax expense (benefit) / effective tax rate	(820)	0.3 %

In fiscal year 2026, the effective tax rate differs from the U.S. statutory tax rate of 21% primarily due to continued U.S. pre-tax losses that are fully offset with a valuation allowance, losses attributable to the noncontrolling interests in Fluence Energy, LLC that are not subject to tax at the Company level, and valuation allowances recorded against deferred tax assets in Germany and the Netherlands.

The change in valuation allowance in the reconciliation reflects a $39.5 million increase in the valuation allowance on U.S. federal deferred tax assets recorded through income tax expense. Movements in valuation allowances relating to foreign jurisdictions are presented within foreign tax effects. Movements in valuation allowances relating to state jurisdictions are presented within state

and local income taxes. State taxes in Texas made up the majority (greater than 50 percent) of the tax effect in the state and local income taxes category.

Losses of Fluence Energy, LLC attributable to the noncontrolling interests held by the Founders are not subject to income tax at the Company level, and no tax benefit is recognized for them.

Foreign tax effects were as follows:

	Fiscal Year Ended September 30, 2026	
in thousands	**Amount**	**Percent**
Germany		
Foreign rate differential	$ (4,576)	1.6 %
Valuation allowance	10,845	(3.9)%
Return to provision adjustments	(5,559)	2.0 %
All other items, net	(308)	0.1 %
Netherlands		
Valuation allowance	7,185	(2.6)%
All other items, net	(1,364)	0.5 %
Other foreign jurisdictions	5,776	(2.1)%
Total foreign tax effects	$ 11,999	(4.4)%

Prior to the adoption of ASU 2023-09, the Company presented the following reconciliation of the U.S. statutory federal income tax rate to the Company's effective tax rate for fiscal years 2025 and 2024:

	Fiscal Year Ended September 30,	
in thousands	**2025**	**2024**
Statutory rate	21.0 %	21.0 %
State taxes	2.9 %	(1.9)%
Rate change	(34.2)%	52.6 %
Flow-through losses	(15.2)%	3.3 %
Foreign rate differential	(13.0)%	14.3 %
Withholding taxes	(4.7)%	0.7 %
Valuation allowance	1.4 %	(118.6)%
Permanent differences	(13.1)%	(12.2)%
U.S. tax on foreign earnings	2.0 %	50.6 %
Return to provision adjustments	3.7 %	14.2 %
Other items, net	(1.6)%	(0.7)%
Effective tax rate	(50.8)%	23.3 %

In fiscal year 2025, the effective tax rate differed from the U.S. statutory tax rate of 21% primarily due to profitability in foreign jurisdictions with statutory tax rates higher than the U.S. and continued U.S. pre-tax losses that are fully offset with a valuation allowance.

Income taxes paid, net of refunds received, for fiscal year 2026 were as follows:

	Fiscal Year Ended September 30, 2026
in thousands	**Amount**
Federal	$ —
State	126
Foreign	
Australia	16,279
India	4,514

Other foreign jurisdictions, individually less than 5%		2,780
Total foreign		23,573
Total income taxes paid, net of refunds received	$	23,699

Income taxes paid, net of refunds received, were $19.0 million and $2.7 million for fiscal years 2025 and 2024, respectively.

Deferred income tax is generated by Fluence Energy, Inc. and its foreign subsidiaries and is comprised of the following:

	September 30,	
in thousands	**2026**	**2025**
Deferred Tax Assets		
Inventory	$ 176,434	$ 147,457
Investment in Fluence Energy, LLC	379,258	311,957
Deferred revenue	64,638	35,804
Tax loss carryforwards	112,465	66,641
Unrealized foreign exchange losses	4,593	5,301
Share-based compensation	3,523	3,450
Other deferred tax assets	12,115	4,957
Total deferred tax assets	753,026	575,569
Valuation allowance	(492,141)	(367,323)
Net deferred tax assets	260,885	208,246
Deferred Tax Liabilities		
Trade receivables	(30,236)	(8,698)
Intangible assets	(3,796)	(3,676)
Accrued and other liabilities	(215,768)	(192,983)
Unrealized foreign exchange gains	(7,435)	(7,950)
Other deferred tax liabilities	(699)	(423)
Total deferred tax liabilities	(257,934)	(213,730)
Total net deferred tax assets (liabilities)	$ 2,951	$ (5,484)

The Company has not recorded a deferred tax liability on outside-basis differences related to its investments in foreign subsidiaries because the Company intends to indefinitely reinvest the earnings and other amounts associated with those investments in its foreign operations. Determination of the amount of the unrecognized deferred tax liability is not practicable because the tax consequences that would result from a remittance or other recovery of those investments depend on the amount, timing, manner, and jurisdiction of any such future transaction, as well as the tax attributes available at that time.

Foreign net operating loss carryforwards were approximately $254.8 million and $215.6 million as of September 30, 2026 and 2025, respectively, of which approximately $31.4 million will expire between fiscal year 2027 and fiscal year 2036. Federal and state net operating loss carryforwards were approximately $425.3 million as of September 30, 2026, comprising $274.3 million of federal and $151.0 million of state carryforwards, and approximately $208.9 million as of September 30, 2025, comprising $115.9 million of federal and $93.1 million of state carryforwards. The federal and state carryforwards are attributable to Fluence Energy, Inc., a corporate entity which became the holding company of Fluence Energy, LLC upon its initial public offering on November 1, 2021. The federal net operating losses have an unlimited carryforward period. Approximately $124.3 million of the state net operating losses will expire between fiscal year 2032 and fiscal year 2046.

As of September 30, 2026 and 2025, the Company had recorded a valuation allowance of $492.1 million and $367.3 million, respectively. Based on the weight of available evidence, including cumulative losses, the Company concluded that it is more likely than not that the net deferred tax assets of Fluence Energy, Inc. and its subsidiaries in Germany, the Netherlands, Switzerland, and Taiwan will not be realized, and has recorded a valuation allowance against those deferred tax assets.

The net increase in the valuation allowance of $124.8 million in fiscal year 2026 is due to a $48.2 million increase recorded through equity, a $77.6 million increase recorded through income tax expense related to current year activity in jurisdictions with full valuation allowances, and a $1.0 million decrease related to currency translation and other adjustments. A future reversal of $2.5 million of the valuation allowance on deferred tax assets as of September 30, 2026 would be accounted for as an increase in equity. For fiscal year 2025, the net decrease in the valuation allowance was $9.9 million.

As of September 30, 2026 and 2025, the Company had no unrecognized tax benefits. The Company remains subject to examination by U.S. federal, state, and foreign taxing authorities for open tax years, except for Germany for 2018 through 2020, which have been permanently closed to further examination. The Company recognizes interest and penalties related to unrecognized tax benefits as a component of income tax expense.

15. Commitments and Contingencies

Guarantees, Commitments, Letters of Credit, and Surety Bonds

As of September 30, 2026, the Company had outstanding bank guarantees, parent company guarantees, letters of credit, and surety bonds issued as performance security arrangements associated with a number of our customer projects. In addition, we have a limited number of parent company guarantees and letters of credit issued as payment security to certain vendors. These contractual commitments are all accounted for off-balance sheet. In the event that we fail to perform under a project backstopped by such credit support, the customer or vendor, respectively, may demand performance and/or payment, as applicable, pursuant to the terms of the project contract or vendor contract and applicable credit support instrument from the Company, surety, or bank, as the case may be. Our relationship with our sureties is such that we will indemnify the sureties for any damages and expenses they incur in connection with any of the bonds they issue on our behalf and we may be required to post collateral to support the bonds. With respect to letters of credit, in the event of non-performance under a contract, direct obligations to repay the banks may arise. The Company expects that its performance and payment obligations secured by these bank guarantees, parent company guarantees, letters of credit, and surety bonds will generally be completed in the ordinary course of business and in accordance with the applicable contractual terms.

The following table summarizes our contractual obligations as of September 30, 2026. Amounts presented in the following table represent the Company's current undiscounted exposure to guarantees, commitments, letters of credit, and surety bonds and the range of maximum undiscounted potential exposure. The maximum exposure is not reduced by the amounts, if any, that could be recovered under the recourse or collateralization provisions in the guarantees, commitments, letters of credit, and surety bonds.

Contractual Obligations		**Amount** *(in $ millions)*	**Number of Agreements**	**Maximum Exposure Range for Each Agreement** *(in $ millions)*
Guarantees and commitments	$	6,314	116	0 - 438
Letters of credit under bilateral credit facilities		6	4	0 - 3
Letters of credit under Revolver		188	48	0 - 28
Surety bonds		710	76	0 - 79
Total	$	7,218	244	

Purchase Commitments

The Company has commitments for minimum volumes or spend under master supply agreements with our vendors. The majority of the commitments are for purchases of battery cells and modules. Liquidated damages apply if the minimum purchase volumes or spend are not met. The following table presents our future minimum purchase commitments by fiscal year, primarily for battery cells and modules, and liquidated damages, if the minimum purchase volumes or spend are not met, as of September 30, 2026.

in thousands		**Purchase Commitments**		**Liquidated Damages**
2027	$	888,437	$	79,825
2028		1,002,099		122,730
2029		455,073		98,551
2030		353,500		63,000
2031 and thereafter		—		—
Total	$	2,699,109	$	364,106

The Company makes advance payments as capacity guarantees pursuant to purchase agreements with certain suppliers. These advances are recovered through the receipt of goods and services mainly used in the production of energy storage products. As of September 30, 2026, $53.3 million is recorded within “Advances to suppliers” and $26.7 million is recorded within “Other non-current assets” on the consolidated balance sheets related to capacity guarantees.

During the fiscal year ended September 30, 2026, the Company entered into a long-term supply arrangement with a battery supplier that includes a commitment to pay $188.7 million in non-refundable deposits for production capacity and other supply-chain benefits. As of September 30, 2026, $173.7 million of the commitment will be paid during fiscal year 2027, with the remaining $15.0 million due in fiscal year 2028.

Product Performance Guarantees

Typical energy storage products and solutions contracts and long-term service agreements contain provisions for performance liquidated damages payments if the energy storage solution fails to meet the guaranteed performance thresholds at completion of the project or throughout the service agreement period.

Warranties

The Company provides both assurance and service-type warranties to its customers. The Company recognizes revenue for service-type warranties, which are referred to as extended warranties, using a straight-line approach over the service period.

The Company provides assurance-type warranties, apart from the service-type warranties described above, related to the successful operation of battery-based energy storage solutions which typically extend from one to five years, beginning at the commercial operation date or substantial completion date, depending on the contract terms. The warranties are considered assurance-type warranties which provide a guarantee of quality of the products. The Company records an estimate of future warranty cost over the period of construction, consistent with transfer of control and revenue recognition. Additionally, we accrue estimated liability cost of specific reserves or recalls when they are probable and estimable if identified. Warranty expense is recorded as a component of "Cost of goods and services" in the Company's consolidated statements of operations.

The Company's assurance-type warranties are often backed by supplier covered warranties for major original equipment manufacturers (OEMs) such as batteries and inverters, which is included in our estimated warranty liability. For warranty obligations covered by supplier warranties, the Company records a corresponding asset for the contractually recoverable amounts due to the fact that the contracts are enforceable, the suppliers are financially viable, and we have a history of satisfying claims with our suppliers. The asset is recorded within "Other current assets" and "Other non-current assets" on the consolidated balance sheets.

As of September 30, 2026 and 2025, the Company accrued the below estimated warranty liabilities, respectively:

	September 30,	
In thousands	**2026**	**2025**
Warranty balance, beginning	$ 51,807	$ 40,242
Warranties issued and assumed in period	22,641	22,409
Change in estimates	1,034	3,173
Net changes in liability for warranty expirations, costs incurred, and foreign exchange impact	(10,612)	(14,017)
Warranty balance, ending	$ 64,870	$ 51,807
Less: Recoverable warranty costs from suppliers	37,209	23,578
Warranty balance, net of recoverable warranty costs from suppliers, at end of period	$ 27,661	$ 28,229

The key inputs and assumptions used to estimate our warranty liability are: (1) the expected failure rate, representing the number of units projected to fail or require repair; and (2) the per unit cost to repair or replace, including shipping, labor, and equipment costs.

The assurance warranty liability and related warranty asset are reviewed quarterly and may be adjusted based on actual results, performance trends, or other qualitative factors. These estimates are subject to uncertainty, and differences between the actual failure rates or replacement costs and our assumptions may result in material changes.

Legal Contingencies

From time to time, the Company may be involved in litigation, government investigations, and other regulatory or legal proceedings relating to claims that arise out of our operations and business and that cover a wide range of matters, including, but not limited to, securities litigation, intellectual property matters, commercial and contract disputes, insurance and property damage claims, labor and employment claims, torts and personal injury claims, product liability claims, environmental claims, fire safety claims, and warranty claims. The Company accrues for litigation and claims when it is probable that a liability has been incurred and the amount of loss can be reasonably estimated. It is reasonably possible that some matters could have an unfavorable result to the Company and could require the Company to pay damages or make expenditures in amounts that could be material.

2021 Overheating Event at Customer Facility

As we previously reported, on September 4, 2021, a 300 MW energy storage facility owned by one of our customers experienced an overheating event. Fluence served as the energy storage technology provider and designed and installed portions of the facility, which was completed in the fiscal year ended September 30, 2021. The customer alleged that Fluence was partially liable for the incident, and Fluence denied those allegations. No formal legal proceedings were commenced. Following the incident, the customer made substantial changes to the facility's fire suppression system without Fluence's involvement. In December 2025, the matter was settled for an immaterial amount by the Company in conjunction with its insurers and subcontractors on confidential terms. The settlement includes a full release of the claims against the Company and no admission of responsibility or ultimate liability by the Company for the 2021 incident. As reported by the customer, it has other pending issues with the facility related to a more recent incident in January 2025 that have resulted in litigation against the customer and others, but not Fluence. Notwithstanding the December 2025 settlement with the customer, we may be subject to legal and regulatory proceedings relating to these matters or other similar proceedings arising in the ordinary course of our business. The outcome of these proceedings is inherently uncertain, and we cannot predict the timing or resolution of any such matters.

2023 Project-Related Litigation

In October 2023, Fluence filed a complaint in the Superior Court of California, Contra Costa County, against Diablo Energy Storage, LLC, Empire Business Park, LLC, the Bank of New York Mellon and others, seeking approximately $37.0 million in damages arising from the supply and construction of an energy storage facility for the defendants, including for the defendants' nonpayment of contractual amounts owed. On or about November 10, 2023, Defendant Diablo Energy Storage, LLC filed a cross-complaint against Fluence, seeking a minimum of $25.0 million of alleged damages and disgorgement of all compensation received by Fluence for the project, in the amount of approximately $230.0 million. The disgorgement claim was based upon an alleged deficiency in Fluence's contractor license. In December 2025, Fluence obtained a court dismissal of Diablo's $230.0 million disgorgement claim. Fluence denies the other allegations in the cross-complaint and intends to vigorously defend against them and to enforce our claims against the defendants. We are currently not able to estimate the impact, if any, that this litigation may have on our reputation or financial results, or on market adoption of our products and solutions.

SEC Investigation

On February 22, 2024, as previously disclosed, a short-seller report was published about the Company (the "Short Seller Report"). In response to the Short Seller Report, the Audit Committee of the Company's Board of Directors completed an internal investigation, with the assistance of outside counsel and forensic accountants, into the allegations in the Short Seller Report. The Company has been informed that the SEC is conducting a formal investigation and asking for certain information regarding our financial reporting. The Company is fully cooperating with the SEC's investigation. While we are unable to predict the likely outcome of this matter or the potential cost, exposure or duration of the process, based on the information we currently possess, we do not expect the total potential cost to be material to our financial condition.

Securities Class Actions

On March 11, 2025, a putative federal securities class action complaint captioned *Abramov v. Fluence Energy, Inc. et al.* (Case No. 1:25-cv-00444) was filed in the United States District Court, Eastern District of Virginia, against the Company and certain of the Company's executive officers. On April 15, 2025, a putative federal securities class action complaint captioned *Kramer v. Fluence Energy, Inc. et al.* (Case No. 1:25-cv-00634) was filed in the United States District Court, Eastern District of Virginia, against the Company, certain of the Company's current and former executive officers, AES Grid Stability, and AES. Both actions purported to be brought on behalf of a purported class of stockholders, and asserted violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and Rule 10b-5 promulgated thereunder. The complaints sought unspecified damages and other relief. On May 30, 2025, the United States District Court, Eastern District of Virginia ordered the consolidation of the *Abramov* and *Kramer* cases, captioned the consolidated matter *In re Fluence Energy, Inc. Securities Litigation* (Case No. 1:25-cv-00444-PTG-IDD) and appointed a lead plaintiff and lead counsel. The court-appointed lead plaintiff subsequently filed a consolidated complaint that asserts claims under Sections 10(b) and 20(a) of the Exchange Act, and Rule 10b-5 promulgated thereunder against the Company, AES Grid Stability, AES, and certain of the Company's former and current executive officers. The consolidated complaint seeks unspecified damages and other relief. The defendants filed motions to dismiss the consolidated complaint on July 11, 2025. On March 31, 2026, the United States District Court, Eastern District of Virginia granted the defendants' motion to dismiss the consolidated complaint in its entirety, without prejudice. The order granting the defendants' motion to dismiss provides that the plaintiffs may file an amended complaint within 14 days of the date of issuance of the forthcoming memorandum opinion.

On September 28, 2026, a putative federal securities class action complaint captioned *Hatweek v. Fluence Energy, Inc. et al.* (Case No. 1:26-cv-08475) was filed in the United States District Court, Southern District of New York, against the Company, Julian Nebreda, our former President and Chief Executive Officer, and Ahmed Pasha, our former Senior Vice President and Chief Financial Officer. This action is purported to be brought on behalf of a purported class of stockholders, and asserted violations of Sections 10(b) and 20(a) of the Exchange Act and Rule 10b-5 promulgated thereunder. The complaint seeks unspecified damages and other relief. The Company believes the claims in this complaint are without merit and intends to defend this matter vigorously.

Shareholder Derivative Actions

On March 25, 2025, a purported stockholder, Raffi Elmajian, filed a shareholder derivative complaint captioned *Elmajian v. Nebreda et al.* in the United States District Court, Eastern District of Virginia (Case No. 1:25-cv-521) against current and former officers and directors of the Company, naming the Company as a nominal defendant. On April 3, 2025, a purported stockholder, Diaa Al Amad, filed a second shareholder derivative complaint captioned *Al Amad v. Nebreda et al.* in the United States District Court, Eastern District of Virginia (Case No. 1:25-cv-577) against current and former officers and directors of the Company, naming the Company as a nominal defendant. Both derivative complaints allege claims under Section 14(a) of the Exchange Act and Rule 14a-9 promulgated thereunder, and breaches of fiduciary duties, among other claims. The actions purport to be brought derivatively on behalf of the Company and seek damages and other various relief. On April 22, 2025, the United States District Court, Eastern District of Virginia ordered the consolidation of the Elmajian and Al Amad cases, captioned *In re Fluence Energy, Inc. Shareholder Derivative Litigation* (Case No.: 1:25-cv-00521). On July 21, 2025, the United States District Court, Eastern District of Virginia

ordered a stay on all proceedings and deadlines in the consolidated derivative matter until resolution of the consolidated securities class action detailed above.

On January 16, 2026, a purported stockholder, Jung Jae Hyung, filed a shareholder derivative complaint captioned *Hyung v. Nebreda et al.* in the United States District Court for the District of Delaware (Case No. 1:26-cv-00050) against current and former officers and directors of the Company, naming the Company as a nominal defendant and seeking unspecified damages and other relief. On March 9, 2026, the United States District Court for the District of Delaware ordered a stay on all proceedings and deadlines in this matter until resolution of the consolidated securities class action detailed above.

On July 21, 2026, a purported stockholder, Evan Levitan, filed a Verified Stockholder Derivative Complaint captioned *Levitan v. The AES Corporation et al.* in the Court of Chancery of the State of Delaware against certain of the Company's current and former executive officers and directors, as well as certain other entities, naming the Company as a nominal defendant (the "Levitan Complaint"). The Levitan Complaint asserts claims for breach of fiduciary duties, unjust enrichment, and aiding and abetting breach of fiduciary duties, and seeks unspecified damages and other relief.

On November 19, 2026, a purported stockholder, Diaa Al Amad, filed a shareholder derivative complaint captioned Al Amad v. Nebreda et al. in the United States District Court for the Eastern District of Virginia (Case No. 1:26-cv-03830) against current and former officers and directors of the Company, naming the Company as a nominal defendant. The complaint alleges claims for breaches of fiduciary duties, unjust enrichment, violations of Section 14(a) of the Securities Exchange Act of 1934, among other claims, and seeks unspecified damages and other relief.

We believe the shareholder derivative actions described above are without merit and intend to defend against them vigorously.

IP Infringement Matter

On May 22, 2026, GridScale Solutions, LLC filed a complaint against The AES Corporation and Fluence Energy, Inc. in the United States District Court for the Eastern District of Virginia, captioned GridScale Solutions, LLC v. The AES Corporation and Fluence Energy, Inc., Case No. 1:26-cv-01403. The complaint alleges direct, induced and willful infringement of four U.S. patents relating to power conversion, inverter control, active filtering and microgrid operation. The complaint identifies certain of the Company's grid-scale battery energy storage systems and associated control products as accused products and seeks unspecified monetary damages, including enhanced damages, ongoing royalties, attorneys' fees, costs and other relief. The Company filed an answer denying the material allegations and asserting counterclaims. The litigation is ongoing, and the Company intends to vigorously defend against the claims. At this stage of the proceedings, the Company is unable to predict the outcome of the matter or reasonably estimate the amount or range of any possible loss.

16. Related Party Transactions

Related parties are primarily represented by AES and Siemens, their respective subsidiaries, and other entities under common control, and other entities in which Siemens and AES have significant influence. As of September 30, 2026, AES holds 41,432,781 shares of Class B-1 common stock of Fluence Energy, Inc. and Siemens beneficially owns an aggregate of 41,432,781 shares of Class A common stock of Fluence Energy, Inc.

Sales and Procurement Contracts with Related Parties

The Company signs back-to-back battery-based energy storage solution and related service contracts with AES, Siemens, their respective subsidiaries, other entities under common control, and other entities in which Siemens and AES have significant influence (collectively referred to as affiliates) in relation to execution of the affiliates' contracts with external customers and also signs direct contracts with affiliates. The Company also signs consortium agreements to partner with affiliates to deliver battery-based energy storage products and related service contracts to external customers. When performing our obligations pursuant to such contracts, we may, from time to time, enter into related change orders or settlements with our related parties and their affiliates.

The Company also provides consulting services to AES whereby Fluence will advise and in some cases provide support to AES on procurement, logistics, design, safety, and commissioning of certain of their projects. Revenue from consulting services is classified as "Revenue from sale of energy storage products and solutions" in the Company's Disaggregation of revenue table in "Note 4 - Revenue from Contracts with Customers." Revenue from the consulting services is primarily recognized ratably over time based on a project specific period of performance in which we expect the performance obligation to be fulfilled. For the fiscal year ended September 30, 2026, 2025 and 2024, we have recognized $0.3 million, $7.7 million and $8.0 million, respectively, in revenue from consulting services with related parties.

Revenue from contracts with affiliates is included in "Revenue from related parties" on the Company's consolidated statements of operations.

In addition, the Company purchases materials and supplies from its affiliates and records the costs in "Cost of goods and services" on the Company's consolidated statements of operations.

Service Agreements

For the fiscal years ended September 30, 2026, 2025 and 2024, the Company has received a limited scope of consulting services from Siemens Advanta, a subsidiary of Siemens AG, and limited treasury services related to executing trades for derivative contracts from AES.

The costs of consulting services are recorded in "Cost of goods and services" or "General and administrative expenses" depending on the scope or nature of the underlying project. The other administrative service agreements are recorded in "General and administrative expenses" on the Company's consolidated statement of operations.

Guarantees

Fluence paid performance guarantee fees to its affiliates in exchange for guaranteeing Fluence's performance obligations under certain contracts with Fluence's customers, which are based on the affiliates' weighted-average cost for bank guarantees and their per annum cost with a reasonable markup. These guarantees are provided pursuant to the Amended and Restated Credit Support and Reimbursement Agreement, dated June 9, 2021, with AES and Siemens Industry (the "Credit Support and Reimbursement Agreement") whereby they may, from time to time, agree to furnish credit support to us in the form of direct issuances of credit support to our lenders or other beneficiaries or through their lenders' provision of letters of credit to backstop our own facilities or obligations. The guarantee fees are included in "Cost of goods and services" on Fluence's consolidated statements of operations.

Refer to "Note 19 - Supply Chain Financing" for details of the related party guarantees associated with the supply chain financing program.

Balance Sheet Related Party Transactions

The following table presents the components of receivables from related parties and payables to related parties on the Company's consolidated balance sheets:

	September 30,	
in thousands	**2026**	**2025**
Accounts receivable	$ 11,421	$ 26,615
Unbilled receivables	108,348	174,133
Total receivables from related parties	119,769	200,748
Advances to suppliers	4,984	9,603
Accounts payable	1,983	4,985
Deferred revenue	26,134	79,916
Accruals and provisions	1,665	6,353
Other current liabilities	2,416	301

Receivables, deferred revenue, accounts payables, accruals and provisions and other current liabilities with related parties are unsecured and settlement of these balances occurs in cash. No provision has been made related to the receivables from related parties.

Revenue and Expenses

The following table presents the related party transactions that are included the Company's consolidated statements of operations for the periods indicated:

	Fiscal Year Ended September 30,		
in thousands	**2026**	**2025**	**2024**
Revenue[(a)]	$ 435,134	$ 557,621	$ 1,096,999
Cost of goods and services[(b)]	18,380	80,482	50,653
Research and development	162	31	192
Sales and marketing	92	—	123
General and administrative	3,168	2,061	6,113
Other (income) expense, net[(c)]	—	(1,206)	(571)

(a) Revenue from AES and its affiliates was $434.4 million, $555.1 million, and $1,082.3 million for the fiscal years ended September 30, 2026, 2025 *and* 2024*, respectively.*
(b) Represent purchases from related parties that are included in cost of goods and services and are not associated with the revenue listed in the table above.
(c) For the fiscal year ended September 30, 2025, represents impact on other income as a result of a reduction of our Tax Receivable Agreement liability. For the fiscal year ended September 30, 2024, represents factoring income of $2.1 million from a subsidiary of AES related to receivables sold under the Master Receivable

Purchase Agreement ("MRPA"). The corresponding cost paid to the purchaser is not considered a related party transaction. Pursuant to the MRPA, Fluence Energy, LLC may sell certain receivables for any of our customers that choose to participate in the program. Refer to "Note 20 - Sale of Receivables" under "Master Receivables Purchase Agreement" for more details. This is offset by $1.5 million of expense due to estimated payments due to related parties under the Tax Receivable Agreement.

17. Employee Benefit Plan

The Company maintains a 401(k) plan covering all eligible U.S. payroll employees. The 401(k) plan provides that eligible employees may make contributions subject to IRS limitations. Under terms of the 401(k) plan, the Company matches an employee's contributions at a rate of 100% up to 5% of the employee's annual eligible earnings as defined in the 401(k) plan. For the fiscal years ended September 30, 2026 and 2025, the Company contributed approximately $5.9 million and $6.1 million to the 401(k) plan, respectively.

18. Stock-Based Compensation

The Option Plan

In 2020, Fluence Energy, LLC established the 2020 Unit Option Plan (the "Option Plan") under which employees, directors, and consultants, were originally granted non-qualified options to purchase Class A-1 units of Fluence Energy, LLC. As of September 30, 2021, the Company determined that achievement of the performance conditions related to awards granted under the Option Plan was not probable and therefore, no expense was recognized for the non-qualified options during the fiscal year ended September 30, 2021. The completion of the IPO on November 1, 2021 resulted in achievement of the performance condition for the majority of the underlying awards granted under the Option Plan. In connection with the IPO, the non-qualified options were converted into non-qualified stock options to purchase shares of Class A common stock of Fluence Energy, Inc. Non-qualified stock options under the Option Plan have a contractual term of ten years from the date of grant and an exercise price of $2.45. The Company estimated the fair value of the awards using the Black-Scholes option-pricing model. The outstanding awards will continue to be governed by the Option Plan. The Option Plan is accounted for as an equity plan. The Company will not grant any further awards under the Option Plan.

The following table summarizes the unit option activity under the Option Plan:

	Number of options	Weighted average exercise price per option	Weighted average remaining contractual term (years)
Outstanding as of October 1, 2025	2,211,860	$ 2.45	5.37
Exercised	(994,967)	2.45	
Forfeited	(12,082)	2.45	
Outstanding and exercisable as of September 30, 2026	1,204,811	$ 2.45	4.32

The total intrinsic value of the stock options outstanding under the Option Plan during the fiscal year ended September 30, 2026 was $6.3 million. As of September 30, 2026, the Option Plan had no unrecognized stock compensation expense.

The total intrinsic value of the stock options issued under the Option Plan that were exercised during the years ended September 30, 2026, 2025 and 2024, was $5.2 million, $7.4 million and $40.0 million, respectively.

2021 Stock-Based Compensation Plan

During the fiscal year ended September 30, 2021, the Company established the 2021 Incentive Award Plan (the "2021 Incentive Plan") which reserved 9,500,000 shares of Class A common stock of Fluence Energy, Inc. for issuance to management, other employees, consultants, and board members of the Company. On March 12, 2026, at the 2026 annual meeting of stockholders of the Company, the stockholders approved the amended and restated 2021 Incentive Award Plan (the "A&R Incentive Plan"), which increased the number of shares of Class A common stock authorized for issuance thereunder by an additional 6,700,000 shares. The A&R Incentive Plan governs both equity-based and cash-based awards, including incentive stock options, non-qualified stock options, restricted stock, PSUs, and RSUs. Stock-based awards currently issued pursuant to the A&R Incentive Plan that are expected to be settled by issuing shares of Class A common stock are recorded as equity awards. The Company accounts for forfeitures as they occur.

Restricted Stock Units

RSUs granted under the A&R Incentive Plan vest ratably at one-third annually on the anniversary of the grant date over a three-year period pursuant to the terms of their applicable award agreements. The Company generally expenses the grant date fair value of the awards on a straight-line basis over each of the three separately vesting tranches within a given grant. There is no contractual term on the RSUs granted under the A&R Incentive Plan. The Company estimated the fair value of the awards using the market value of our Class A common stock on the grant date. The market value of our Class A common stock is calculated using the closing price of

our Class A common stock on the date of grant. The following table summarizes activity under the 2021 Incentive Plan for the fiscal year ended September 30, 2026:

	Number of RSUs	Weighted Average Grant Date Fair Values
Outstanding as of October 1, 2025	2,232,320	$ 16.41
Granted	710,555	18.89
Vested	(1,065,728)	16.26
Forfeited	(386,741)	17.58
Outstanding as of September 30, 2026	1,490,406	$ 17.40

The granted RSUs generally vest in three equal annual installments. Total compensation cost related to non-vested awards not yet recognized as of September 30, 2026, was $8.5 million and is expected to be recognized over a weighted average period of 0.8 years.

Non-Qualified Stock Options

During the fiscal year ended September 30, 2026, the Company granted 230,440 non-qualified stock options, exercisable for Class A common stock under the A&R Incentive Plan, with a weighted average exercise price of $17.43. Non-qualified stock options under the A&R Incentive Plan have a contractual term of ten years from the date of grant. The Company estimated the fair value of the awards using the Black-Scholes option-pricing model. The non-qualified stock options granted under the A&R Incentive Plan vest ratably at one-third annually on the anniversary of the grant date over a three-year period pursuant to the terms of their applicable award agreements. The Company generally expenses the grant date fair value of the awards on a straight-line basis over each of the three separately vesting tranches within a given grant.

	Number of Options	Weighted average exercise price per share	Weighted average remaining contractual term (years)
Outstanding as of October 1, 2025	469,893	$ 18.12	8.88
Granted	230,440	17.43	4.11
Vested	(57,006)	18.12	
Forfeited	(65,518)	17.32	
Outstanding as of September 30, 2026	577,809	17.94	3.18

The total intrinsic value of the non-qualified stock options outstanding during the fiscal year ended September 30, 2026 was nil. Total compensation cost related to non-vested awards not yet recognized as of September 30, 2026 totaled $1.8 million, and is expected to be recognized over a weighted average period of 1.0 year.

There were 182,221 non-qualified stock options issued under the A&R Incentive Plan that are exercisable as of September 30, 2026 and 2025. The number of options expected to vest is equal to the number of options granted, which reflects no expected forfeiture.

Performance Share Units

During the fiscal year ended September 30, 2026, the Company granted 536,325 PSUs settleable for Class A common stock under the A&R Incentive Plan. The Company has three rounds of PSU grants under the A&R Incentive Plan outstanding, the first commencing at the start of fiscal year 2024, the second commencing at the start of fiscal year 2025 and the third commencing at the start of fiscal year 2026. The PSUs for the 2024-2026 performance cycle, the 2025-2027 performance cycle and the 2026-2028 performance cycle are earned based on (i) the achievement of two financial performance metrics: cumulative Adjusted EBITDA (65% weight) and cumulative revenue (35% weight), over a two-year performance period beginning October 1st in the year of grant through September 30th in the second year after grant, and (ii) service-based vesting based on continued employment from the date of grant through September 30th in the third year after grant. The performance targets for cumulative revenue and cumulative Adjusted EBITDA are set by the Company's Board of Directors and the Board's Compensation and Human Resources Committee. PSUs are considered fully vested when both the performance and service based requirements are met in accordance with the vesting requirements and will be settled in Class A common stock no more than 60 days after the end of the third fiscal year. The awards can be paid out in a range of 50% to 200%, with 0% paid out for below-threshold performance, based on the achievement of the performance criteria and upon continued service through the performance period. The Company estimated the fair value of the awards using the market value of our Class A common stock. The market value is calculated using the closing price of our Class A common stock on the date of grant. The Company monitors the achievement of the performance criteria and expenses ratably the grant date fair

value of the awards probable to vest over the requisite service period. If there are changes to the amount of probable awards to vest based on achievement of performance criteria, the related stock-based compensation expense may be significantly increased or reduced in the period that our estimate changes.

	Number of Units	Weighted Average Grant Date Fair Values
Outstanding as of October 1, 2025	901,516	$ 17.77
Granted	536,325	19.10
Vested	(19,894)	16.07
Forfeited	(543,151)	19.79
Outstanding as of September 30, 2026	874,796	17.37

As of September 30, 2026, 874,796 PSUs previously issued remained outstanding and have no unrecognized stock compensation expense.

Stock-based compensation expense

The stock-based compensation expense was recorded as follows (in thousands):

	Fiscal Year Ended September 30,		
in thousands [(a)]	2026	2025	2024
Cost of goods and services	$ 1,234	$ 2,597	$ 4,079
Research and development	593	972	2,309
Sales and marketing	2,850	1,792	1,486
General and administrative	10,726	14,289	16,001
Total stock-based compensation expense	$ 15,403	$ 19,650	$ 23,875

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

19. Supply Chain Financing

The Company provides certain of our suppliers with access to a supply chain financing program through a certain third-party financing institution (the "SCF Bank"). This program allows the Company to seek extended payment terms up to 120 days with our suppliers and allows our suppliers to monetize their receivables prior to the payment due date, subject to a discount. The Company does not pledge any assets as collateral under this program. Once a supplier elects to participate in the program and reaches an agreement with SCF Bank, the supplier chooses which individual invoices to sell to the SCF Bank. The Company then pays SCF Bank on the applicable due date. The Company has no economic interest in a supplier's decision to sell an underlying receivable to SCF Bank. The agreements between our suppliers and SCF Bank are solely at their discretion and are negotiated directly between those two parties. Our suppliers' ability to continue using such agreements is primarily dependent upon the strength of our financial condition and guarantees issued by AES and Siemens Corporation, a subsidiary of Siemens, pursuant to the terms of the Credit Support and Reimbursement Agreement. As of September 30, 2026, AES and Siemens Corporation issued guarantees of $50.0 million each, for a total of $100.0 million, to SCF Bank on our behalf. The Company's outstanding obligations confirmed as valid under its supplier financing program for periods ended September 30, 2026 and September 30, 2025, are as follows:

In thousands	September 30, 2026	September 30, 2025
Obligations outstanding at the beginning of the period	$ —	$ 81,289
Invoices issued during the period	—	63,316
Invoices paid during the period	—	(144,605)
Obligations outstanding at the end of the period	$ —	$ —

As of September 30, 2026, no suppliers were actively participating in the supply chain financing program. The Company had no outstanding obligations confirmed as valid under the program as of September 30, 2026 and September 30, 2025.

The Company entered into a new $150.0 million supply chain financing arrangement (the "New SCF Facility") with a third-party financial institution (the "New SCF Bank") on August 8, 2025, which was subsequently increased to $185.0 million effective June 11, 2026. This New SCF Facility allows the Company to seek extended payment terms with our suppliers and allows our suppliers to monetize their receivables prior to the payment due date, subject to a discount. Such sales are at the sole discretion of the supplier, and on terms and conditions that are negotiated between the supplier and the New SCF Bank. The Company is not a party to the

arrangement between its suppliers and the New SCF Bank and the Company has no economic interest in a supplier's decision to sell an underlying receivable to the New SCF Bank. The Company does not provide secured legal assets or other forms of guarantees under this arrangement, nor do any of the Company's affiliates. Under the New SCF Facility, we are required to maintain a liquidity ratio of 2:1 as of the last day of each calendar month. Liquidity ratio is defined as the ratio of (i) liquidity to (ii) the sum of (x) the aggregate outstanding notional amount of all receivables, bills of exchange or similar negotiable instruments purchased by the original SCF Bank under the existing supply chain financing arrangement described above and (y) the aggregate outstanding notional amount of payables outstanding under this New SCF Facility. Liquidity under the New SCF Facility includes the Company's cash and cash equivalents and aggregate availability under the Company's committed credit facilities, including the Revolver.

The Company's outstanding obligations confirmed as valid under its supplier financing program for periods ended September 30, 2026 and September 30, 2025, are as follows:

In thousands	September 30, 2026	September 30, 2025
Obligations outstanding at the beginning of the period	$ —	$ —
Invoices issued during the period	249,032	—
Invoices paid during the period	(128,663)	—
Obligations outstanding at the end of the period	$ 120,369	$ —

As of September 30, 2026, three suppliers participated in the New SCF Facility. As of September 30, 2026, the Company had outstanding obligations of $120.4 million confirmed as valid under the program with payment terms ranging from 45 days to 180 days. Outstanding payments owed under the program with payment terms of 120 days or less are recorded within "Accounts payable" on the consolidated balance sheets, whereas amounts with payment terms exceeding 120 days are recorded within "Other current liabilities."

As of September 30, 2026, the Company had $112.6 million of obligations outstanding under the New SCF Facility presented within "Other current liabilities" on the consolidated balance sheets.

20. Sale of Receivables

Master Receivables Purchase Agreement

On February 27, 2024, Fluence Energy, LLC entered into a Master Receivables Purchase Agreement ("MRPA"), by and among Fluence Energy, LLC and any other seller from time to time party thereto, as sellers and servicers, and Credit Agricole Corporate and Investment Bank ("CACIB"), as purchaser. Pursuant to the MRPA, Fluence Energy, LLC may sell certain receivables (the "Purchased Receivables") to CACIB from time to time, and CACIB may agree to purchase the Purchased Receivables in each case, on an uncommitted basis. The MRPA provides that the outstanding amount of all purchased receivables under the MRPA will not exceed $75.0 million, with sublimits for each account debtor and for certain kinds of receivables. The MRPA contains other customary representations and warranties and covenants. There were no transactions for the fiscal year ended September 30, 2026.

Master Drafts Sale Agreement

On October 7, 2025, Fluence Energy, LLC entered into a Master Drafts Sale Agreement ("MDSA"), by and among Fluence Energy, LLC as seller and CACIB as purchaser. Pursuant to the MDSA, Fluence Energy, LLC may sell negotiable drafts (the "Drafts") identified in purchase requests to CACIB, and CACIB may agree to purchase the Drafts on an uncommitted basis. Each Draft represents unconditional payments owed to Fluence Energy, LLC by its customers. For the fiscal year ended September 30, 2026, the Company sold receivables to CACIB under the MDSA for net proceeds of $39.4 million. At the date of the true sale, the receivables were derecognized in their entirety from the consolidated balance sheet and the proceeds are reflected in operating cash flows on the consolidated statements of cash flows.

21. Derivatives and Hedging

Certain of the Company's foreign operations expose the Company to fluctuations of foreign exchange rates. These fluctuations may impact the value of the Company's cash receipts and payments in terms of the functional currency of the transacting party. The Company's primary exposure results from the foreign currency impact of intercompany sales of inventory to regional entities by the Company's centralized procurement entity. These intercompany sales are denominated in the functional currency of the regional entities, primarily the Euro, the British Pound and the Australian dollar, while the functional currency of the centralized procurement entity is the U.S. dollar. This introduces foreign exchange risk on the revenues recorded for such intercompany sales. The Company

enters into foreign currency forward contracts to manage its exposure to fluctuations in foreign exchange rates. These contracts are entered into with large, reputable financial institutions that are monitored for counterparty credit risks.

For the Company's foreign currency forward contracts that are designated and qualify as cash flow hedges, the gains or losses on the effective portion of such hedges are recorded in accumulated other comprehensive income and subsequently reclassified in the period during which the hedged transaction affects earnings within revenue in the consolidated statements of operations (i.e., when control of the inventory is passed to third-party customers and revenue is recognized). The change in fair value of the components excluded from the assessment of effectiveness, including changes in the spot-forward differential and counterparty non-performance risk, will also be recognized within revenue in the consolidated statements of operations.

The Company currently also has foreign currency forward contracts that are not designated as hedges and the changes in fair value of such derivatives are recognized in current period earnings.

Cash Flow Hedges

The fair value of the Company's cash flow hedges as well as their classification on the consolidated balance sheets as of September 30, 2026 and 2025 are as follows:

	September 30, 2026				
In thousands	Notional Value	Other Current Assets	Other Current Liabilities	Other Non-Current Assets	Other Non-Current Liabilities
Foreign currency forward contracts	$ 285,222	$ 8,276	$ —	$ 479	$ —

	September 30, 2025				
In thousands	Notional Value	Other Current Assets	Other Current Liabilities	Other Non-Current Assets	Other Non-Current Liabilities
Foreign currency forward contracts	$ 80,269	$ 155	$ 1,493	$ —	$ —

The gains or (losses) resulting from changes in fair value of the Company's cash flow hedges recognized in accumulated other comprehensive (loss) income for the fiscal years ended September 30, 2026, 2025 and 2024 are as follows:

	Fiscal Year Ended September 30,		
In thousands	2026	2025	2024
Foreign currency forward contracts, net of tax	$ (6,450)	$ 4,018	$ (7,394)

The gains or (losses) recognized within "Revenue" in the consolidated statements of operations with respect to the Company's cash flow hedges for the fiscal years ended September 30, 2026, 2025 and 2024 are as follows:

	Fiscal Year Ended September 30,		
In thousands	2026	2025	2024
Foreign currency forward contracts	$ (15,225)	$ 2,883	$ (8,544)

The following table details the changes in the cumulative impact of the gain (loss) on derivatives designated for hedge accounting for the fiscal years ended September 30, 2026 and 2025:

In thousands	September 30, 2026	September 30, 2025
Beginning balance	$ (3,168)	$ (6,276)
Gain (loss) recognized in accumulated other comprehensive income (loss)	(6,450)	4,018
Amount reclassified from accumulated other comprehensive income (loss) into earnings	17,346	(910)
Ending balance	$ 7,728	$ (3,168)

SCHEDULE I. CONDENSED FINANCIAL INFORMATION OF THE REGISTRANT

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

	September 30,	
	2026	2025
Assets		
Current assets:		
Cash and cash equivalents	$ 21	$ 371
Accounts receivable - related party	3,158	6,464
Other receivables	—	68
Tax receivable	119	49
Total current assets	3,298	6,952
Non-current assets:		
Long-term notes receivable - related party	400,000	400,000
Investment in subsidiaries	528,858	727,297
Total non-current assets	928,858	1,127,297
Total assets	$ 932,156	$ 1,134,249
Liabilities, and stockholders' equity		
Current liabilities:		
Accounts payable	121	119
Accounts payable - related party	4,015	6,657
Accruals and provisions	2,625	2,625
Other current liabilities - related party	—	301
Total current liabilities	6,761	9,702
Non-current liabilities:		
Convertible senior notes, net	392,624	390,804
Total non-current liabilities	392,624	390,804
Total liabilities	399,385	400,506
Commitments and Contingencies (Note 3)		
Stockholders' Equity:		
Preferred stock, $0.00001 per share, 10,000,000 shares authorized; no shares issued and outstanding as of September 30, 2026 and 2025	—	—
Class A common stock, $0.00001 par value per share,1,200,000,000 shares authorized; 144,218,388 shares issued and 143,209,610 shares outstanding as of September 30, 2026; 132,014,571 shares issued and 131,164,365 shares outstanding as of September 30, 2025	—	—
Class B-1 common stock, $0.00001 par value per share, 134,325,805 shares authorized; 41,432,781 shares issued and outstanding as of September 30, 2026; 51,499,195 shares issued and outstanding as of September 30, 2025	—	—
Class B-2 common stock, $0.00001 par value per share, 200,000,000 shares authorized; no shares issued and outstanding as of September 30, 2026 and 2025	—	—
Treasury stock, at cost	(13,135)	(10,213)
Additional paid-in capital	943,664	939,433
Distribution from Fluence Energy, LLC	13,135	10,213
Contribution to Fluence Energy, LLC	(21,281)	(17,811)
Accumulated deficit	(389,612)	(187,879)
Total stockholders' equity	532,771	733,743
Total liabilities, stockholders' equity	$ 932,156	$ 1,134,249

The accompanying notes are an integral part of these condensed financial statements.

SCHEDULE I. CONDENSED FINANCIAL INFORMATION OF THE REGISTRANT

FLUENCE ENERGY, INC.
CONDENSED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)
(PARENT COMPANY ONLY)
(U.S. Dollars in Thousands)

	Fiscal Year Ended September 30,		
	2026	2025	2024
Revenue	$ —	$ —	$ —
Revenue from related parties	—	—	—
Total Revenue	—	—	—
Operating expenses:			
General and administrative	1,472	1,401	1,837
Interest expense, net	1,807	1,417	—
Other expense (income), net	14	(1,209)	1,507
Equity in net (loss) income of subsidiaries	(202,361)	(46,540)	28,008
(Loss) income before income taxes	(205,654)	(48,149)	24,664
Income tax expense	—	165	1,948
Net (loss) income	$ (205,654)	$ (48,314)	$ 22,716
Net income (loss) attributable to non-controlling interest	—	—	—
Net (loss) income attributable to Fluence Energy, Inc.	$ (205,654)	$ (48,314)	$ 22,716
(Loss) gain on foreign currency translation, net of tax	(4,889)	11,185	(411)
Gain (loss) on cash flow hedges, net of tax	8,599	2,216	(4,480)
Actuarial gain (loss) on pension liabilities, net of tax	211	52	(151)
Total other comprehensive income (loss)	3,921	13,453	(5,042)
Total comprehensive (loss) income	$ (201,733)	$ (34,861)	$ 17,674

The accompanying notes are an integral part of these condensed financial statements.

SCHEDULE I. CONDENSED FINANCIAL INFORMATION OF THE REGISTRANT

FLUENCE ENERGY, INC.
CONDENSED STATEMENTS OF CASH FLOWS
(PARENT COMPANY ONLY)
(U.S. Dollars in Thousands)

	Fiscal Year Ended September 30,		
	2026	2025	2024
Operating activities			
Net income (loss)	$ (205,654)	$ (48,314)	$ 22,716
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Equity in net income (loss) of subsidiaries	202,361	46,540	(28,008)
Amortization of debt issuance costs	1,820	1,426	
Stock-based compensation expense	761	701	821
Changes in operating assets and liabilities:			
Other receivables	68	375	(75)
Accounts receivable - related party	3,306	(6,464)	—
Taxes receivables	(70)	(49)	—
Accounts payable	1	44	74
Accounts payable - related party	(2,642)	3,854	1,142
Accruals and provisions	—	2,551	74
Taxes payable	—	(1,955)	1,949
Other non-current liabilities - related party	—	(1,507)	1,507
Other current liabilities - related party	(301)	301	—
Net cash (used in) provided by operating activities	(350)	(2,496)	200
Investing activities			
Purchase of LLC interests in Fluence Energy, LLC	—	(400,000)	—
Net cash used in investing activities	—	(400,000)	—
Financing activities			
Distributions from Fluence Energy, LLC	2,922	42,974	1,663
Class A common stock withheld related to settlement of employee taxes for stock-based compensation awards	(2,922)	(752)	(1,663)
Proceeds from exercise of stock options	3,470	2,170	5,335
Contributions to Fluence Energy, LLC	(3,470)	(2,170)	(5,335)
Purchases of Capped Calls related to 2030 Convertible Senior Notes	—	(29,000)	—
Proceeds from issuance of 2030 Convertible Senior Notes, net	—	400,000	—
Payments of debt issuance costs	—	(10,622)	—
Net cash provided by financing activities	—	402,600	—
Effect of exchange rate changes on cash and cash equivalents	—	—	—
Net (decrease) increase in cash and cash equivalents	(350)	104	200
Cash, cash equivalents, as of the beginning of the period	371	267	67
Cash, cash equivalents, as of the end of the period	$ 21	$ 371	$ 267

The accompanying notes are an integral part of these condensed financial statements.

SCHEDULE I. CONDENSED FINANCIAL INFORMATION OF THE REGISTRANT

FLUENCE ENERGY, INC.
NOTES TO CONDENSED FINANCIAL STATEMENTS
(PARENT COMPANY ONLY)
(U.S. Dollars in Thousands)

1. Organization and Operations

Fluence Energy, Inc., a Delaware corporation (the "Parent Company"), was formed on June 21, 2021. We conduct our business operations through Fluence Energy, LLC and its direct and indirect subsidiaries. Fluence Energy, Inc. became a holding company whose sole material assets are the limited liability interests ("LLC Interests") in Fluence Energy, LLC. All of our business is conducted through Fluence Energy, LLC, together with its direct and indirect subsidiaries. Fluence Energy, LLC is treated as a partnership for federal income tax purposes and, as a result, its members, including Fluence Energy, Inc. will pay income taxes with respect to their allocable shares of its net taxable income.

Our fiscal year begins on October 1 and ends on September 30. References to "fiscal year 2024," "fiscal year 2025", and "fiscal year 2026" refer to the fiscal years ended September 30, 2024, September 30, 2025 and September 30, 2026, respectively.

On November 1, 2021, the Parent Company completed an initial public offering ("IPO") and a series of organization transactions (collectively with the IPO, the "Transactions"), in which the Company issued and sold 35,650,000 shares of its Class A common stock, par value $0.00001 per share (the "Class A common stock"), at the public offering price of $28.00 per share, which includes the exercise by the underwriters of their option to purchase an additional 4,650,000 shares of the Class A common stock. The net proceeds to the Company from the IPO were $948.0 million, after deducting underwriting discounts. Other offering expenses incurred related to the IPO were paid for by Fluence Energy, LLC.

2. Basis of Presentation

These condensed parent company financial statements should be read in conjunction with the consolidated financial statements of Fluence Energy, Inc. and the accompanying notes thereto, included in this Annual Report on Form 10-K for the fiscal year ended September 30, 2026. For purposes of these condensed financial statements, the Parent Company's interest in Fluence Energy, LLC is recorded based upon its proportionate share of Fluence Energy, LLC's net assets (similar to presenting them on the equity method).

Certain intercompany balances presented as related party balances in these condensed Parent Company financial statements are eliminated in the consolidated financial statements.

3. Commitments and Contingencies

On October 27, 2021, the Parent Company entered into the Tax Receivable Agreement (the "Tax Receivable Agreement") with Fluence Energy, LLC, Siemens Industry, Inc. ("Siemens Industry") and AES Grid Stability, LLC ("AES Grid Stability" and together with Siemens Industry, the "Founders") which obligates the Parent Company to make payments to the Founders of 85% of the amount of certain tax benefits that Fluence Energy, Inc. actually realizes, or in some circumstances is deemed to realize, arising from the basis adjustments and certain other tax benefits arising from payments made under the Tax Receivable Agreement. Increases in tax basis and tax basis adjustments generated over time may increase (for tax purposes) the depreciation and amortization deductions available to Fluence Energy, Inc. and, therefore, may reduce the amount of U.S. federal, state, and local tax that Fluence Energy, Inc. would otherwise be required to pay in the future.

The amounts payable under the Tax Receivable Agreement are contingent upon (i) sufficient taxable income to fully utilize the tax benefits; (ii) Fluence Energy, LLC is able to fully depreciate or amortize its assets; and (iii) no material changes in applicable tax law. The payments under the Tax Receivable Agreement are not conditioned upon continued ownership of Fluence Energy, LLC by the Founders. We have made $0.3 million of payments under the Tax Receivable Agreement as of September 30,2026. We have determined that it is unlikely that additional payments will be made, given that we have no expectation of generating sufficient taxable income over the term of the agreement.

Refer to "Note 15 - Commitments and Contingencies" to the consolidated financial statements for information regarding pending and threatening legal proceedings, regulatory proceedings, and governmental investigations.

4. Convertible Senior Notes, Net

2030 Convertible Senior Notes

In December 2024, the Parent Company issued $400.0 million aggregate principal amount of 2.25% convertible senior notes due 2030. These 2030 Convertible Senior Notes were issued pursuant to, and are governed by, an indenture, dated as of December 12, 2024, between the Parent Company and UMB Bank, National Association, as trustee (the "Indenture"). The net proceeds from the issuance of the 2030 Convertible Senior Notes were $389.4 million, net of $10.6 million of debt issuance costs.

The 2030 Convertible Senior Notes are senior unsecured obligations of the Parent Company and accrue interest at a rate of 2.25% per year, payable semi-annually in arrears, on June 15 and December 15 of each year, beginning on June 15, 2025. The 2030 Convertible Senior Notes will mature on June 15, 2030, unless earlier converted, redeemed, or repurchased. The 2030 Convertible Senior Notes have an initial conversion rate of 46.8472 shares of the Parent Company's Class A common stock per $1,000 principal amount of 2030 Convertible Senior Notes, which represents an initial conversion price of approximately $21.35 per share of the Parent Company's Class A common stock. The conversion rate is subject to customary adjustments upon the occurrence of certain events but will not be adjusted for any accrued and unpaid interest. If a "make-whole fundamental change" (as defined in the Indenture) occurs, then the Parent Company will in certain circumstances increase the conversion rate for a specified period of time.

Capped Call Transactions

In connection with the 2030 Convertible Senior Notes, the Parent Company entered into privately negotiated capped call transactions with certain financial institutions pursuant to capped call confirmations (collectively the "Capped Calls"). The premiums paid for the purchases of the Capped Calls were $29.0 million. The Capped Calls have an initial strike price of approximately $21.35 per share, subject to certain adjustments, which corresponds to the initial conversion price of the 2030 Convertible Senior Notes. The Capped Calls have an initial cap price of $28.74 per share, subject to certain adjustments substantially similar to those applicable to the corresponding 2030 Convertible Senior Notes. The Capped Calls cover, subject to anti-dilution adjustments, approximately 18.7 million shares of the Parent Company's Class A common stock.

Intercompany Convertible Subordinated Note

In relation to the 2030 Convertible Senior Notes issued by the Parent Company, a 2.25% intercompany convertible subordinated note due 2030 (the "Intercompany Note") was issued by Fluence Energy, LLC to the Parent Company on December 12, 2024 and is presented as "Long-term notes receivable - related party" on the condensed balance sheet. The Intercompany Note has the same principal amount as the 2030 Convertible Senior Notes and its terms substantially mirror the combined terms of the 2030 Convertible Senior Notes and the Capped Calls. Pursuant to the Intercompany Note, the Parent Company has transferred the proceeds received from the issuance of the 2030 Convertible Senior Notes to Fluence Energy, LLC, and Fluence Energy, LLC is obligated to make payments and deliveries to the Parent Company corresponding to the Parent Company's payment and delivery obligations under the 2030 Convertible Senior Notes, as offset by amounts received by the Parent Company under the Capped Calls. The Parent Company remains the sole obligor under the 2030 Convertible Senior Notes, and holders of the 2030 Convertible Senior Notes have no rights under the Intercompany Note.

An expense reimbursement agreement was also executed between the Parent Company and Fluence Energy, LLC on December 12, 2024. Pursuant to this agreement, Fluence Energy, LLC has reimbursed and indemnified the Parent Company for all expenses related to the offering and issuance of the 2030 Convertible Senior Notes, including the associated Capped Calls.

For September 30, 2026 and 2025, the Parent Company recorded net interest expense of $1.8 million and $1.4 million, respectively, consisting of $10.8 million and $8.6 million of interest expense on the 2030 Convertible Senior Notes, partially offset by $9.0 million and $7.2 million of intercompany interest income on the Intercompany Note.

Refer to "Note 13 - Convertible Senior Notes, Net" to the consolidated financial statements for information regarding the 2030 Convertible Senior Notes and the associated Capped Calls.

SCHEDULE II. VALUATION AND QUALIFYING ACCOUNTS

in thousands	Balance at beginning of period	Additions		Balance at end of period
		Charged to costs and expenses	Charged to other accounts	
Deferred tax asset valuation allowance:				
Fiscal year ended September 30, 2024	$ 371,668	$ (44,126)	$ 49,676 (1)	$ 377,218
Fiscal year ended September 30, 2025	$ 377,218	$ (11,699)	$ 1,804 (1)	$ 367,323
Fiscal year ended September 30, 2026	$ 367,323	$ 77,570	$ 47,248 (1)	$ 492,141

(1) Amount relates primarily to a valuation allowance established on deferred tax assets related to our investment in Fluence Energy, LLC.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

None.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures designed to provide reasonable assurance of achieving the objective that information in our reports that the Company files or submits under the Exchange Act, is recorded, processed, summarized and reported within the time periods specified and pursuant to the requirements of the SEC's rules and forms and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow for timely decisions regarding required disclosures. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, carried out an evaluation of the effectiveness of our "disclosure controls and procedures" (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of September 30, 2026, the end of the period covered by this Annual Report. Based upon that evaluation, management concluded that, as of September 30, 2026 our disclosure controls and procedures were effective at the reasonable assurance level.

Management's Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act). Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with GAAP. Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting as of September 30, 2026 based on the framework set forth in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Based on this evaluation, our management has concluded the Company maintained effective internal control over financial reporting as of September 30, 2026.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

The effectiveness of our internal control over financial reporting as of September 30, 2026, has been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in their report which is included in Item 8. Financial Statements and Supplementary Data herein.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the year ended September 30, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

(a) None.

(b) **Director and Officer Rule 10b5-1 Trading Arrangements**

During the fiscal year ended September 30, 2026, except as set forth below, no directors or "officers" (as defined in Rule 16a-1(f) under the Exchange Act) of the Company adopted, modified or terminated "Rule 10b5-1 trading arrangements" and/or "non-Rule 10b5-1 trading arrangements" (each as defined in Item 408 of Regulation S-K).

Plan Termination by Mr. Harald von Heynitz: On September 30, 2026, Mr. von Heynitz, a member of the Company's Board of Directors, terminated a written trading plan previously adopted on March 16, 2026. The trading plan was intended to qualify for the affirmative defense of Rule 10b5-1(c). Prior to its termination, the plan was scheduled to expire on April 1, 2027 and authorized the sale of up to 10,000 shares of the Company's Class A common stock. As of the termination date, 5,000 shares of the Company's Class A common stock had been executed under the plan, leaving a balance of 5,000 shares unexecuted. No further transactions will occur under this arrangement.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

(a) None.

(b) None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information required by this item is incorporated by reference to our Proxy Statement relating to our 2027 Annual Meeting of Stockholders. The Proxy Statement will be filed with the Securities and Exchange Commission ("SEC") within 120 days of the fiscal year ended September 30, 2026.

Code of Conduct and Ethics

Our board of directors has adopted a code of conduct and ethics that applies to our directors, officers, and employees, including our principal executive officer, principal financial officer, principal accounting officer or controller, principal operating officer, or persons performing similar functions. A copy of Fluence's Code of Conduct and Ethics (the "Code") is posted on our website, https://fluenceenergy.com. In addition, we intend to post on our website all disclosures that are required by law or Nasdaq rules concerning any amendments to, or waivers from, any provision of the Code. We are not including this or any other information on our website as a part of, nor incorporating it by reference into, this Annual Report on Form 10-K or any of our other SEC filings.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this item is incorporated by reference to our Proxy Statement relating to our 2027 Annual Meeting of Stockholders. The Proxy Statement will be filed with the SEC within 120 days of the fiscal year ended September 30, 2026.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by this item, including Securities Authorized for Issuance Under Equity Plans, is incorporated by reference to our Proxy Statement relating to our 2027 Annual Meeting of Stockholders. The Proxy Statement will be filed with the SEC within 120 days of the fiscal year ended September 30, 2026.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required by this item is incorporated by reference to our Proxy Statement relating to our 2027 Annual Meeting of Stockholders. The Proxy Statement will be filed with the SEC within 120 days of the fiscal year ended September 30, 2026.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The information required by this item is incorporated by reference to our Proxy Statement relating to our 2027 Annual Meeting of Stockholders. The Proxy Statement will be filed with the SEC within 120 days of the fiscal year ended September 30, 2026.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENTS SCHEDULES

1. The list of consolidated financial statements and related notes, together with the report of Ernst & Young LLP, appear in Part II, Item 8. "Financial Statements and Supplementary Data" of this Annual Report on Form 10-K and are hereby incorporated by reference.
2. The Financial Statement Schedules listed in the Index to Financial Statements in Item 8 is filed as part of this Annual Report on Form 10-K. All other financial statement schedules have been omitted because they are not applicable, not material or the required information is otherwise included.
3. The exhibits listed in the following Index to Exhibits are filed or incorporated by reference as part of this Annual Report.

		Incorporated by Reference			
Exhibit No.	Exhibit Description	Form	File No.	Exhibit No.	Filing Date
3.1	Amended and Restated Certificate of Incorporation of Fluence Energy, Inc.	8-K	001-40978	3.1	November 3, 2021
3.2	First Certificate of Amendment to the Amended and Restated Certificate of Incorporation of Fluence Energy, Inc.	8-K	001-40978	3.1	December 22, 2022
3.3	Certificate of Retirement of 65,674,195 shares of Class B-1 Common Stock Fluence Energy, Inc.	8-K	001-40978	3.1	June 11, 2024
3.4	Amended and Restated Bylaws of Fluence Energy, Inc.	8-K	001-40978	3.2	November 3, 2021
4.1	Specimen Stock Certificate evidencing the shares of Class A common stock	S-1/A	333-259839	4.1	October 19, 2021
4.2	Description of Registered Securities	10-Q	001-40978	4.1	August 7, 2024
4.3	Indenture, dated as of December 12, 2024, between Fluence Energy, Inc. and UMB Bank, National Association, as trustee	8-K	001-40978	4.1	December 12, 2024
4.4	Form of Certificate representing the 2.25% Convertible Senior Notes due 2030 (included as Exhibit A to Exhibit 4.1)	8-K	001-40978	4.2	December 12, 2024
10.1	Third Amended and Restated LLC Agreement of Fluence Energy, LLC, dated as of October 27, 2021	8-K	001-40978	10.1	November 3, 2021
10.2	First Amendment to the Third Amended and Restated LLC Agreement of Fluence Energy, LLC, dated as of October 27, 2021	10-K	001-40978	10.2	November 29, 2023
10.3	Tax Receivable Agreement, dated as of November 1, 2021, by and among Fluence Energy, Inc. and the TRA Parties	8-K	001-40978	10.2	November 3, 2021
10.4	Registration Rights Agreement, dated November 1, 2021, by and among Fluence Energy, Inc. and the Original Equity Owners	8-K	001-40978	10.3	November 3, 2021
10.5	Siemens AG Joinder, dated July 7, 2022, to the Registration Rights Agreement, dated November 1, 2021, by and among Fluence Energy, Inc. and the other parties named therein	10-Q	001-40978	10.1	August 15, 2022
10.6	Siemens Pension-Trust e.V. Joinder, dated September 29, 2022, to the Registration Rights Agreement, dated November 1, 2021, by and among Fluence Energy, Inc. and the other parties named therein	10-K	001-40978	10.5	December 14, 2022
10.7	SPT Invest Management, Sarl Joinder, dated December 19, 2023, to the Registration Rights Agreement, dated November 1, 2021, by and among Fluence Energy, Inc. and the other parties named therein	10-Q	001-40978	10.6	February 8, 2024
10.8	SPT Holding, SARL Joinder, dated October 14, 2025, to the Registration Rights Agreement, dated November 1, 2021, by and among Fluence Energy, Inc. and the other parties named therein	10-Q	001-40978	10.1	February 4, 2026
10.9	Stockholders Agreement, dated October 27, 2021, by and among Fluence Energy, Inc., Fluence Energy, LLC and the Stockholders	8-K	001-40978	10.4	November 3, 2021
10.10	Siemens AG Joinder, dated July 7, 2022, to the Stockholders Agreement, dated October 27, 2021, by and among Fluence Energy, Inc. and the other parties named therein	10-Q	001-40978	10.2	August 15, 2022

		Incorporated by Reference			
10.11	Siemens Pension-Trust E.V. Joinder, dated September 29, 2022, to the Stockholders Agreement, dated October 27, 2021, by and among Fluence Energy, Inc. and the other parties named therein	10-K	001-40978	10.8	December 14, 2022
10.12	SPT Invest Management, Sarl Joinder, dated December 19, 2023, to the Stockholders Agreement, dated October 27, 2021, by and among Fluence Energy, Inc. and the other parties named therein	10-Q	001-40978	10.7	February 8, 2024
10.13	SPT Holding, SARL Joinder, dated October 14, 2025, to the Stockholders Agreement, dated October 27, 2021, by and among Fluence Energy, Inc. and the other parties named therein	10-Q	001-40978	10.2	February 4, 2026
10.14†	Amended and Restated Fluence Energy, Inc. 2021 Incentive Award Plan.	S-8	333-294240	99.1	March 12, 2026
10.15†	Annual Incentive Plan	10-K	001-40978	10.10	December 14, 2022
10.16†	Form Restricted Stock Unit Award Agreement (Officer)(revised October 2023)	10-K	001-40978	10.14	November 29, 2023
10.17†	Form Performance Stock Unit Agreement (Officer)(adopted October 2023)	10-K	001-40978	10.15	November 29, 2023
10.18†	Form Stock Option Agreement (Officer)(adopted October 2023)	10-K	001-40978	10.16	November 29, 2023
10.19†	Form Restricted Stock Unit Award Agreement (Employee)(revised October 2023)	10-K	001-40978	10.17	November 29, 2023
10.20†	Form Performance Stock Unit Award Agreement (Employee)(adopted October 2023)	10-K	001-40978	10.18	November 29, 2023
10.21†	Form Restricted Stock Unit Award Agreement (Director)(revised May 2023)	10-Q	001-40978	10.2	May 11, 2023
10.22†	2020 Unit Option Plan and Form Unit Option Award Agreement	S-1	333-259839	10.7	September 28, 2021
10.23†	Offer Letter, dated August 5, 2022, between Fluence Energy, Inc. and Julian Nebreda	8-K	001-40978	10.1	August 8, 2022
10.24†	Offer Letter, dated August 14, 2023, between Fluence Energy, Inc. and Michelle Philpot	8-K	001-40978	10.1	August 18, 2023
10.25†	Offer Letter, dated July 6, 2023, between Fluence Energy, Inc. and Peter Williams	10-K	001-40978	10.29	November 29, 2023
10.26†	Offer Letter, effective date April 1, 2025, between Fluence Energy, Inc. and Peter Williams	10-Q	001-40978	10.1	May 8, 2025
10.27†	Separation Agreement and Release of Claims between Fluence Energy, Inc. and Peter Williams, dated October 8, 2026	8-K	001-40978	10.1	October 9, 2026
10.28†	Offer Letter, dated November 16, 2023, between Fluence Energy, Inc. and Ahmed Pasha	8-K	001-40978	10.1	November 16, 2023
10.29†	Offer Letter, executed November 17, 2017, between Fluence Energy, LLC and John Zahurancik	10-K	001-40978	10.31	November 29, 2024
10.30†	Offer Letter, dated September 14, 2026, between Fluence Energy, Inc. and Bernerd Da Santos	8-K	001-40978	10.1	September 16, 2026

		Incorporated by Reference			
10.31†	Fluence Energy, Inc. Executive Severance Plan	8-K	001-40978	10.1	February 10, 2022
10.32†	Revised Non-Employee Independent Director Compensation Policy (effective October 1, 2024)	10-Q	001-40978	10.1	August 7, 2024
10.33	Form of Indemnification Agreement	S-1/A	333-259839	10.13	October 19, 2021
10.34	Syndicated Facility Agreement, dated as of November 22, 2023, among Fluence Energy, LLC as the Parent Borrower, the other borrowers party thereto, Fluence Energy, Inc., as the Parent, the other guarantors party thereto, the lenders party thereto, and Barclays Bank PLC, as Administrative Agent.	8-K	001-40978	10.1	November 27, 2023
10.35	Master Assignment and Assumption and Issuing Bank Joinder dated as of December 15, 2023 to the Syndicated Facility Agreement, dated as of November 22, 2023, among Fluence Energy, LLC as the Parent Borrower, the other borrowers party thereto, Fluence Energy, Inc., as the Parent, the other guarantors party thereto, the lenders party thereto, and Barclays Bank PLC, as Administrative Agent.	10-Q	001-40978	10.1	February 8, 2024
10.36	Amendment No. 1, dated April 8, 2024, to the Syndicated Facility Agreement, dated as of November 22, 2023, among Fluence Energy, LLC as the Parent Borrower, the other borrowers party thereto, Fluence Energy, Inc., as the Parent, the other guarantors party thereto, the lenders party thereto, and Barclays Bank PLC, as Administrative Agent.	10-Q	001-40978	10.2	May 9, 2024
10.37	Amendment No. 2, dated May 8, 2024, to the Syndicated Facility Agreement, dated as of November 22, 2023, among Fluence Energy, LLC as the Parent Borrower, the other borrowers party thereto, Fluence Energy, Inc., as the Parent, the other guarantors party thereto, the lenders party thereto, and Barclays Bank PLC, as Administrative Agent.	10-Q	001-40978	10.3	May 9, 2024
10.38	Amendment Number Three to Syndicated Facility Agreement, dated as of August 6, 2024, by and among Fluence Energy, Inc., Fluence Energy, LLC, Fluence Energy Global Production Operation, LLC, the other guarantors party thereto, the parties thereto identified as "Exiting Lenders", the parties thereto identified as "Existing Lenders", the parties thereto identified as "New Lenders", Barclays Bank PLC, in its capacity as resigning administrative agent, and Citibank, N.A., in its capacity as successor administrative agent.	10-Q	001-40978	10.2	August 7, 2024
10.39	Amendment Number Four to Syndicated Facility Agreement, dated as of March 31, 2026, by and among Fluence Energy, Inc., Fluence Energy, LLC, Fluence Energy Global Production Operation, LLC, the other guarantors party thereto, the lenders party thereto, and Citibank, N.A., as Administrative Agent.	8-K	001-40978	10.1	April 3, 2026
10.40	Master Receivables Purchase Agreement by and among Fluence Energy, LLC and any other seller from time to time party thereto, as sellers and servicers, and Credit Agricole Corporate and Investment Bank, dated February 27, 2024.	10-Q	001-40978	10.1	May 9, 2024
10.41	Amended and Restated Credit Support and Reimbursement Agreement, dated June 9, 2021, by and among Fluence Energy, LLC, The AES Corporation and Siemens Industry, Inc.	S-1	333-259839	10.15	September 28, 2021
10.42	Intellectual Property Assignment, dated September 9, 2021, amongst The AES Corporation and Fluence Energy, LLC	S-1/A	333-259839	10.19	October 19, 2021
10.43	License Agreement, dated September 9, 2021, by and between Fluence Energy, LLC and The AES Corporation	S-1/A	333-259839	10.20	October 19, 2021

		Incorporated by Reference			
10.44	Amended and Restated Equipment and Services Purchase Agreement, dated October 27, 2021, by and among Siemens Industry, Inc. and Fluence Energy, LLC.	10-K	001-40978	10.21	December 14, 2021
10.45	Amended and Restated Storage Core Frame Purchase Agreement, dated October 27, 2021, by and among AES Grid Stability, LLC and Fluence Energy, LLC.	10-K	001-40978	10.22	December 14, 2021
10.46	Amended and Restated Storage Core Frame Purchase Agreement, dated October 27, 2021, by and among Siemens Industry, Inc. and Fluence Energy, LLC.	10-K	001-40978	10.23	December 14, 2021
10.47	Amended and Restated Trademark Agreement, dated October 27, 2021, by and among Fluence Energy, LLC and AES Grid Stability, LLC.	10-K	001-40978	10.24	December 14, 2021
10.48	Amended and Restated Trademark Agreement, dated October 27, 2021, by and among Fluence Energy, LLC and Siemens Aktiengesellschaft	10-K	001-40978	10.25	December 14, 2021
10.49	Amended and Restated Master Sales Cooperation Agreement, dated October 27, 2021, by and among Fluence Energy, LLC and Siemens Industry, Inc.	10-K	001-40978	10.26	December 14, 2021
10.50	Amended and Restated Cooperation Agreement, dated October 27, 2021, by and among Fluence Energy, LLC and The AES Corporation	10-K	001-40978	10.27	December 14, 2021
10.51	Global Paying Services Agreement between Fluence Energy, LLC as the borrower, and Citibank, N.A.	S-1/A	333-259839	10.30	October 19, 2021
10.52	Form of Capped Call Confirmations	8-K	001-40978	10.1	December 12, 2024
19.1	Insider Trading Compliance Policy	10-K	001-40978	19.1	November 29, 2024
21.1*	List of Subsidiaries of Fluence Energy, Inc.				
23.1*	Consent of Ernst & Young LLP				
24.1*	Powers of Attorney				
31.1*	Certification of the Company's Chief Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities and Exchange Act of 1934, as amended, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				
31.2*	Certification of the Company's Chief Financial Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities and Exchange Act of 1934, as amended, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				
32.1**	Certification of the Company's Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				
32.2**	Certification of the Company's Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				
97.1	Fluence Energy, Inc. Policy for Recovery of Erroneously Awarded Compensation	10-K	001-40978	97.1	November 29, 2023
101.INS	Inline XBRL Instance Document – the Instance Document does not appear in the interactive data file because its XBRL tags are embedded within the Inline XBRL document				
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document				
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document				

		Incorporated by Reference
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document	
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document	
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)	

† Indicates a management or compensatory plan or arrangement.

* Filed herewith.

** This certification is being furnished solely to accompany this Annual Report on Form 10-K pursuant to 18 U.S.C. Section 1350, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference into any filing of the registrant under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of the Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this Annual Report on Form 10-K to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: November 23, 2026

Fluence Energy, Inc.

By: /s/ Axel Meier

Axel Meier
Interim Chief Executive Officer and Director
(Principal Executive Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this Annual Report on Form 10-K has been signed by the following persons on behalf of the registrant in the capacities set forth opposite their names and on the date indicated.

Signature	Title	Date
/s/ Axel Meier Axel Meier	Interim Chief Executive Officer and Director *(Principal Executive Officer)*	November 23, 2026
/s/ Ricardo Roizen Ricardo Roizen	Interim Chief Financial Officer *(Principal Financial Officer)*	November 23, 2026
/s/ Michelle Philpot Michelle Philpot	Chief Accounting Officer *(Principal Accounting Officer)*	November 23, 2026
* Herman Bulls	Director	November 23, 2026
* Tish Mendoza	Director	November 23, 2026
* Stephan May	Director	November 23, 2026
* Peter Chi-Shun Luk	Director	November 23, 2026
* Stephen Coughlin	Director	November 23, 2026
* Fahad Al-Darwish	Director	November 23, 2026
* Elizabeth Fessenden	Director	November 23, 2026
* Cynthia Arnold	Director	November 23, 2026
* Ricardo Falú	Director	November 23, 2026
* Harald von Heynitz	Director	November 23, 2026
*By: /s/ Vincent W. Mathis Vincent W. Mathis, as attorney-in-fact		

Exhibit 21.1

Subsidiaries of Fluence Energy, Inc.

Legal Name	State or Other Jurisdiction of Incorporation or Organization
Fluence Energy, LLC	Delaware
Fluence Energy GmbH	Germany
Fluence Energy Pty Ltd	Australia
Fluence Energy Global Production Operation, LLC	Delaware
Fluence Energy Singapore Pte. Ltd.	Singapore
Fluence Energy Inc.	Philippines
Fluence Energy B.V.	Netherlands
Fluence Energy AG	Switzerland
Fluence Energy Chile SpA	Chile
Fluence BESS India Private Limited	India
Fluence Energy Canada Inc.	Canada
Fluence Energy UK Limited	United Kingdom
Fluence Energy Taiwan Ltd.	Taiwan
Fluence Energy Ireland Limited	Ireland
Fluence Energy Japan GK	Japan
Fluence Energy Italy S.R.L.	Italy

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following:

(1) Registration Statements on Form S-8 (File Nos. 333-294240, 333-291786, and 333-260544) pertaining to the Amended and Restated 2021 Incentive Award Plan, Fluence Energy, LLC Phantom Equity Incentive Plan, and 2020 Unit Option Plan of Fluence Energy, LLC, and

(2) Registration Statement on Form S-3 (File Form S-3 No. 333-295786) of Fluence Energy, Inc.

of our reports dated November 23, 2026, with respect to the consolidated financial statements of Fluence Energy, Inc. and the effectiveness of internal control over financial reporting of Fluence Energy, Inc., included in this Annual Report (Form 10-K) for the year ended September 30, 2026.

/s/ Ernst & Young LLP

Tysons, Virginia
November 23, 2026

FLUENCE ENERGY, INC.

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Axel Meier, Ricardo Roizen and Vincent W. Mathis, and each or any of them, his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her or in his or her name, place and stead, in any and all capacities, to sign the Annual Report on Form 10-K for the fiscal year ended September 30, 2026, of Fluence Energy, Inc. and any amendments and supplements thereto, and to file the same with all exhibits thereto, and other documents in connection therewith, with the U.S. Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform any other act and thing requisite and necessary to be done, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents may lawfully do or cause to be done by virtue hereof.

This Power of Attorney may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

Name	**Title**	**Date**
/s/ Herman Bulls Herman Bulls	Chairman of the Board	November 13, 2026
/s/ Fahad Al-Darwish Fahad Al-Darwish	Director	November 13, 2026
/s/ Cynthia Arnold Cynthia Arnold	Director	November 10, 2026
/s/ Stephen Coughlin Stephen Coughlin	Director	November 11, 2026
/s/ Ricardo Falú Ricardo Falú	Director	November 10, 2026
/s/ Elizabeth Fessenden Elizabeth Fessenden	Director	November 10, 2026
/s/ Harald von Heynitz Harald von Heynitz	Director	November 12, 2026
/s/ Stephan May Stephan May	Director	November 11, 2026
/s/ Tish Mendoza Tish Mendoza	Director	November 11, 2026

/s/ Peter Chi-Shun Luk John Chi-Shun Luk	Director	November 11, 2026

2262034v1

Exhibit 31.1

CERTIFICATION

I, Axel Meier, certify that:

1. I have reviewed this Annual Report on Form 10-K of Fluence Energy, Inc;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 23, 2026

Fluence Energy, Inc.

By: /s/ Axel Meier

Axel Meier
Interim Chief Executive Officer and Director (Principal Executive Officer)

Exhibit 31.2

CERTIFICATION

I, Ricardo Roizen, certify that:

1. I have reviewed this Annual Report on Form 10-K of Fluence Energy, Inc;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 23 , 2026

Fluence Energy, Inc.

By: /s/ Ricardo Roizen

Ricardo Roizen
Interim Chief Financial Officer (Principal Financial Officer)

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report on Form 10-K of Fluence Energy, Inc. (the "Company") for the fiscal year ended September 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Axel Meier, Chief Executive Officer and President of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 23 , 2026

By: /s/ Axel Meier
Axel Meier
Interim Chief Executive Officer and Director
(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report on Form 10-K of Fluence Energy, Inc. (the "Company") for the fiscal year ended September 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Ricardo Roizen, Senior Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 23 , 2026

By: /s/ Ricardo Roizen
Ricardo Roizen
Interim Chief Financial Officer (Principal Financial Officer)