

Bloomenergy®

Q1 2023 Earnings

May 9, 2023

Forward-looking statements and non-GAAP financial measures

This press release contains certain forward-looking statements, which are subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements generally relate to future events or our future financial or operating performance. In some cases, you can identify forward-looking statements because they contain words such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "should," "will" and "would" or the negative of these words or similar terms or expressions that concern Bloom's expectations, strategy, priorities, plans or intentions. These forward-looking statements include, but are not limited to: Bloom's product development, serving customers' needs and revenue growth; Bloom's expectations regarding investing in products, revenue growth, margin expansion and its innovative solutions; Bloom's growth opportunities; Bloom's product costs and costdown program and target and the effect of the program in 2023; Bloom's expectations regarding its growth plans, including international growth; Bloom's execution; shipping CHP-enabled Energy Servers; the efficiency and future-proof of Bloom's products; industry trends, new demand for electricity, the time-to-power problem and growth drivers for Bloom; Bloom's momentum and demand for its products; Bloom's services and their profitability, costs and performance payments; Bloom's 2023 framework for revenue and profitability; project development in the hydrogen commercial market and Bloom's technology deployments; Bloom's technology roadmap and the commercial readiness of its technology; Bloom's commitment for profitable growth and ability to recapture cash usage and generate positive cash flow; Korean acceptances; Bloom's liquidity; Bloom's financial outlook and expectations regarding operating margins and cash flow from operations for 2023; Bloom's expectations regarding revenue growth and margins for the second quarter of 2023; and Bloom's plans to host an investor conference and related programming. Readers are cautioned that these forward-looking statements are only predictions and may differ materially from actual future events or results due to a variety of factors including, but not limited to, Bloom's limited operating history; the emerging nature of the distributed generation market and rapidly evolving market trends; the significant losses Bloom has incurred in the past; the significant upfront costs of Bloom's Energy Servers and Bloom's ability to secure financing for its products; Bloom's ability to drive cost reductions and to successfully mitigate against potential price increases; Bloom's ability to service its existing debt obligations; Bloom's ability to be successful in new markets; the ability of the Bloom Energy Server to operate on the fuel source a customer will want; the success of the strategic partnership with SK ecoplant in the United States and international markets; timing and development of an ecosystem for the hydrogen market, including in the South Korean market; continued incentives in the South Korean market; the timing and pace of adoption of hydrogen for stationary power; the risk of manufacturing defects; the accuracy of Bloom's estimates regarding the useful life of its Energy Servers; delays in the development and introduction of new products or updates to existing products; Bloom's ability to secure partners in order to commercialize its electrolyzer and carbon capture products; the impact of the COVID-19 pandemic on the global economy and its potential impact on Bloom's business; the availability of rebates, tax credits and other tax benefits; changes in the regulatory landscape; Bloom's reliance on tax equity financing arrangements; Bloom's reliance upon a limited number of customers; Bloom's lengthy sales and installation cycle, construction, utility interconnection and other delays and cost overruns related to the installation of its Energy Servers; business and economic conditions and growth trends in commercial and industrial energy markets; global economic conditions and uncertainties in the geopolitical environment; overall electricity generation market; Bloom's ability to protect its intellectual property; and other risks and uncertainties detailed in Bloom's SEC filings from time to time. More information on potential factors that may impact Bloom's business are set forth in Bloom's periodic reports filed with the SEC, including our Annual Report on Form 10-K for the year ended on December 31, 2022, as filed with the SEC on February 21, 2023, as well as subsequent reports filed with or furnished to the SEC from time to time. These reports are available on Bloom's website at www.bloomenergy.com and the SEC's website at www.sec.gov. Bloom assumes no obligation to, and does not currently intend to, update any such forward-looking statements.

This presentation includes certain non-GAAP financial measures as defined by SEC rules. These non-GAAP financial measures are in addition to, and not a substitute for or superior to, measures of financial performance prepared in accordance with U.S. GAAP. There are a number of limitations related to the use of these non-GAAP financial measures versus their nearest GAAP equivalents. For example, other companies may calculate non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial measures as tools for comparison. We urge you to review the reconciliations of our non-GAAP financial measures to the most directly comparable U.S. GAAP financial measures set forth in the appendix to this presentation and in our earnings release, and not to rely on any single financial measure to evaluate our business. With respect to our expectations regarding our 2023 Outlook, we are not able to provide a quantitative reconciliation of non-GAAP gross margin and non-GAAP operating margin measures to the corresponding GAAP measures without unreasonable efforts.

Financial performance

$ in millions	Q1'23	Q1'22	YoY
Total Revenue	$275.2	$201.0	36.9%
Product & Service Revenue	$234.4	$168.8	38.9%
Non-GAAP Gross Margin[1]	21.2%	15.8%	5.4 pts
Non-GAAP Operating Loss[1]	($34.1)	($39.4)	$5.3
Adjusted EBITDA[1]	($15.9)	($25.0)	$9.0
Non-GAAP EPS[1]	($0.22)	($0.32)	$0.10

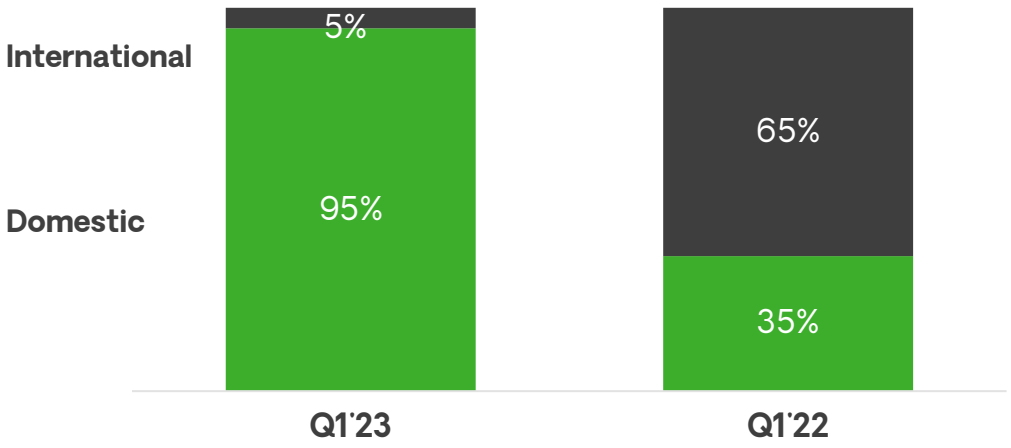
- **Record first quarter revenue**
- **Product costs down 10% versus 1Q'22**
- **Investing to meet demand**
- **Reaffirming 2023 outlook**

Note: Dollars in millions, except per share figures and percentages
1. Please reference appendix for GAAP to Non-GAAP reconciliations

Revenue and margin analysis

$ in millions	Q1'23 Revenue	Q1'23 Non-GAAP gross profit (loss)[1]	Q1'23 Non-GAAP gross margin[1]	Q1'22 Revenue	Q1'22 Non-GAAP gross profit (loss)[1]	Q1'22 Non-GAAP gross margin[1]
Product	$193.7	$66.0	34.1%	$133.5	$30.1	22.5%
Service	40.7	(9.4)	(23.1%)	35.2	(5.7)	(16.2%)
Install	20.5	(3.5)	(17.2%)	13.6	1.5	11.0%
Electricity	20.3	5.3	26.1%	18.7	5.9	31.6%
Total	**$275.2**	**$58.4**	**21.2%**	**$201.0**	**$31.8**	**15.8%**

Revenue breakdown



Product per unit economics[3]

$ per kilowatt	Q1'23	Q1'22	V%
Product ASP[2]	$3,782	$3,561	6.2%
Product Cost	$2,493	$2,760	(9.7)%
Product Profit	$1,289	$801	60.9%
Product Margin	34.1%	22.5%	11.6 pts

1. Please reference appendix for GAAP to Non-GAAP reconciliations
2. ASP refers to Average Selling Price
3. Calculated based on upfront acceptances (in 100 kilowatt systems) of 512 in Q1'23 and 375 in Q1'22

Cash flow and debt analysis

Cash flows ($ in millions)	Q1'23	Q4'22	Q1'22
Beginning balance	$518.4	$669.3	$615.1
Operating cash (CFOA)[1]	(314.7)	(23.3)	(92.4)
Investing cash	(26.6)	(35.9)	(18.5)
Financing cash	306.5	(93.8)	(10.1)
Exchange rate changes	(0.1)	2.1	(0.2)
Ending balance	$483.4	$518.4	$493.9

1. Cash flow from operating activities

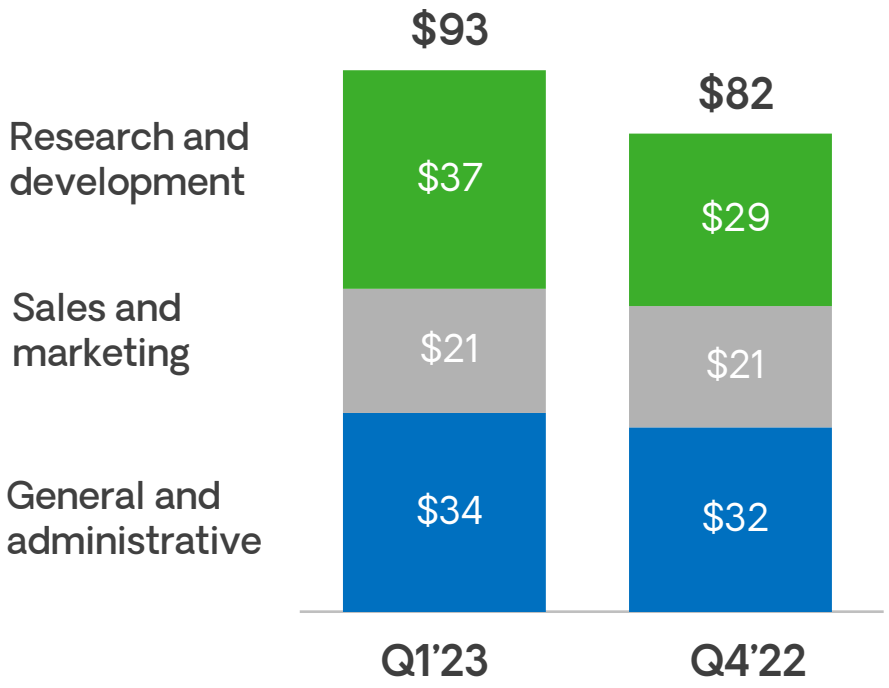
- **Investing in working capital to support 2023 acceptances**
- **Closed $311 million SK ecoplant redeemable convertible preferred stock (RCPS)**

Cash balances ($ in millions)	Q1'23	Q4'22	Q1'22
Restricted	$163.0	$169.9	$207.9
Unrestricted	320.4	348.5	286.0
Total cash	$483.4	$518.4	$493.9

Debt analysis ($ in millions)	Q1'23	Q4'22	Q1'22
Recourse	$287.6	$291.7	$300.0
Non-recourse	121.5	127.4	234.9
Total debt	409.2	419.1	534.9
RCPS	$311.0	-	-

Non-GAAP operating expenses[1] overview

$ in millions



Continue to Invest For Growth:

- Investing in technology roadmap
  - Electrolyzers
  - Hydrogen fuel cells
  - Carbon capture
- Expanding domestic and international commercial capability
- Ensuring control environment and support functions scale with growth

1. Please reference appendix for GAAP to Non-GAAP reconciliations

Reaffirming 2023 financial outlook

Metric	2023 Outlook
Total Revenue	$1.4-1.5B
Product & Service Revenue	$1.25-1.35B
Non-GAAP Gross Margin[1]	~25%
Non-GAAP Operating Margin[1]	Positive

- **On-track for record revenues**
- **Margins expanding on lower product costs**
- **Expect positive cash flow from operating activities (CFOA)**

1. With respect to Bloom's expectations regarding its 2023 Outlook, Bloom is not able to provide a quantitative reconciliation of non-GAAP gross margin and non-GAAP operating margin measures to the corresponding GAAP measures without unreasonable efforts.

Appendix

Q1 2023

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GAAP to Non-GAAP reconciliation: Gross profit and margin

$ in millions	Q1'23	Q1'22
GAAP revenue	$275.2	$201.0
GAAP cost of sales	220.9	173.1
GAAP gross profit	**$54.3**	**$27.9**
Non-GAAP adjustments:		
Stock-based compensation expense	4.2	3.9
Non-GAAP gross profit	**$58.4**	**$31.8**
GAAP gross margin	**19.7%**	**13.9%**
Non-GAAP adjustments	1.5%	1.9%
Non-GAAP gross margin	**21.2%**	**15.8%**

GAAP to Non-GAAP reconciliation: Operating loss and margin

$ in millions	Q1'23	Q1'22
GAAP operating loss	**$(63.7)**	**$(65.7)**
Non-GAAP adjustments:		
Stock-based compensation expense	29.6	26.3
Amortization of acquired intangible assets	0.0	-
Non-GAAP operating loss	**$(34.1)**	**$(39.4)**
GAAP operating margin	**(23.1%)**	**(32.7%)**
Non-GAAP adjustments	10.8%	13.1%
Non-GAAP operating margin	**(12.4%)**	**(19.6%)**

GAAP to Non-GAAP reconciliation: Net loss and EPS

$ in millions, except per share	Q1'23	Diluted earnings per share	Q1'22	Diluted earnings per share
GAAP net loss to common stockholders	**($71.6)**	**($0.35)**	**($78.4)**	**($0.44)**
Non-GAAP adjustments:				
Loss for non-controlling interest	(3.4)	(0.02)	(4.4)	(0.02)
Gain on derivatives liabilities	(0.1)	(0.00)	(0.5)	(0.00)
Stock-based compensation expense	29.6	0.14	26.3	0.15
Amortization of acquired intangible assets	0.0	0.00	-	-
Non-GAAP net loss to common stockholders	**($45.4)**	**($0.22)**	**($57.0)**	**($0.32)**

GAAP to Non-GAAP reconciliation: Adjusted EBITDA

$ in millions	Q1'23	Q1'22
GAAP net loss to common stockholders	**($71.6)**	**($78.4)**
Non-GAAP adjustments:		
Loss for non-controlling interest	(3.4)	(4.4)
Gain on derivatives liabilities	(0.1)	(0.5)
Stock-based compensation expense	29.6	26.3
Amortization of acquired intangible assets	0.0	-
Depreciation and amortization	18.2	14.4
Income tax provision	0.3	0.6
Interest expense / Other misc.	11.1	17.1
Adjusted EBITDA	**($15.9)**	**($25.0)**

GAAP to Non-GAAP reconciliation: Diluted earnings per share

$ in millions, except per share	Q1'23	Q1'22
Numerator:		
GAAP net loss to common stockholders	($71.6)	($78.4)
Non-GAAP net loss to common stockholders	($45.4)	($57.0)
Denominator:		
Weighted-average shares used to compute basic net earnings per share (in millions)	206.7	177.2
Weighted-average shares used to compute diluted net earnings per share (in millions)	206.7	177.2
GAAP net earnings per share		
Basic	($0.35)	($0.44)
Diluted	($0.35)	($0.44)
Non-GAAP net earnings per share		
Basic	($0.22)	($0.32)
Diluted	($0.22)	($0.32)

GAAP to Non-GAAP reconciliation: Gross profit (loss) and margin

$ in millions	Q1'23					Q1'22				
	Revenue	GAAP gross profit (loss)	SBC[1]	Non-GAAP gross profit (loss)	Non-GAAP gross margin	Revenue	GAAP gross profit (loss)	SBC[1]	Non-GAAP gross profit (loss)	Non-GAAP gross margin
Product	$ 193.7	$ 64.1	$ 2.0	$ 66.0	34.1%	$ 133.5	$ 27.8	$ 2.3	$ 30.1	22.5%
Install	20.5	(4.6)	1.0	(3.5)	(17.2%)	13.6	0.8	0.7	1.5	11.0%
Service	40.7	(10.6)	1.2	(9.4)	(23.1%)	35.2	(6.6)	0.9	(5.7)	(16.2%)
Electricity	20.3	5.3	--	5.3	26.1%	18.7	5.9	--	5.9	31.6%
Total	**$ 275.2**	**$ 54.3**	**$ 4.2**	**$ 58.4**	**21.2%**	**$ 201.0**	**$ 27.9**	**$ 3.9**	**$ 31.8**	**15.8%**

.1. Stock-based compensation

GAAP to Non-GAAP reconciliation: Operating expenses

$ in millions	Q1'23	Q1'22
Operating expenses:		
Research and development	$45.7	$34.5
Sales and marketing	27.1	21.3
General and administrative	45.1	37.7
Total GAAP operating expenses	**$117.9**	**$93.6**
Stock-based compensation expense:		
Research and development	$8.4	$7.1
Sales and marketing	5.8	4.8
General and administrative	11.2	10.6
Stock-based compensation expense (operating expenses)	$25.4	$22.4
Non-GAAP Operating expenses[1]:		
Research and development	$37.3	$27.4
Sales and marketing	21.3	16.6
General and administrative	34.0	27.1
Total non-GAAP operating expenses[1]	**$92.5**	**$71.1**

.1. Excluding stock-based compensation

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What Powers You

