

Bloomenergy®

Q2 2022 Earnings

August 9, 2022

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 expectations regarding revenue growth, margin expansion and its innovative solutions; Bloom's expectations regarding its growth plans, including those regarding output from the Fremont facility, and Bloom's financial outlook for 2022. 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 macroeconomic conditions, including rising interest rates, recession fears and inflationary pressures, or geopolitical events or conflicts; 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 Quarterly Report on Form 10-Q for the quarter ended March 31, 2022 as filed with the SEC on May 6, 2022, 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 2022 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	Q222	Q221	YoY
Acceptances (100kW)	471	433	8.8%
Total Revenue	$243.2	$228.5	6.4%
Product & Service Revenue	$212.1	$182.6	16.2%
Non-GAAP Gross Margin %[1]	19.6%	18.0%	1.6pts
Non-GAAP Operating Loss[1]	($24.6)	($23.6)	($1.0)
Adjusted EBITDA[1]	($8.3)	($10.9)	$2.6
Non-GAAP EPS[1]	($0.20)	($0.23)	$0.03
Ending Cash	$414.2	$400.5	3.4%

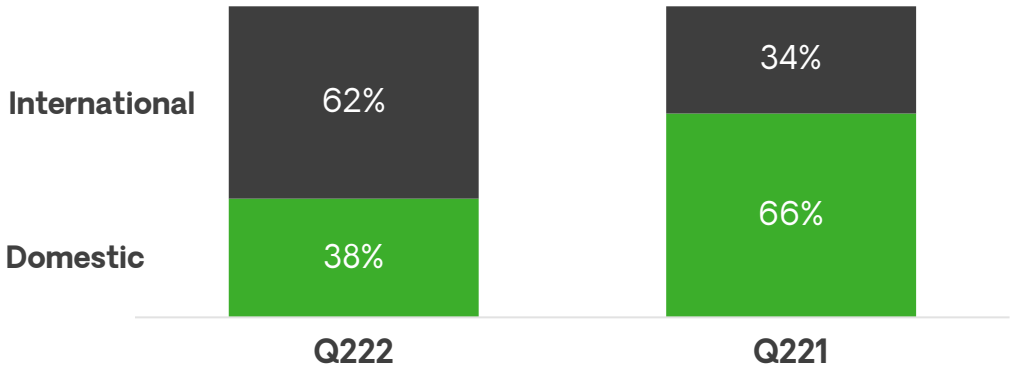
Note: Dollars in millions, except per share figures and percentages
1. Please reference appendix for GAAP to Non-GAAP reconciliations

- **Record second quarter acceptances and revenue**
- **Product & service revenue up over 16%**
- **Improved gross margins**
- **Reaffirming 2022 outlook**

Revenue and margin analysis

$ in millions	Q222 Revenue	Q222 Non-GAAP gross profit[1]	Q222 Non-GAAP gross margin[1]	Q221 Revenue	Q221 Non-GAAP gross profit[1]	Q221 Non-GAAP gross margin[1]
Product	$173.6	$46.8	27.0%	$146.9	$40.5	27.6%
Service	38.4	(1.3)	(3.4%)	35.7	0.9	2.5%
Install	12.7	(3.1)	(24.4%)	28.9	(7.1)	(24.6%)
Electricity	18.5	5.2	28.1%	17.0	6.8	40.0%
Total	**$243.2**	**$47.6**	**19.6%**	**$228.5**	**$41.1**	**18.0%**

Revenue breakdown



Product per unit economics[3]

$ per kilowatt	Q222	Q221
Product ASP[2]	$3,686	$3,419
Product Cost	2,693	2,476
Product Profit	$994	$943
Product Margin %	27.0%	27.6%

1. Please reference appendix for GAAP to Non-GAAP reconciliations
2. ASP refers to Average Selling Price
3. Calculated based on upfront acceptances of 471 in Q2'22,and 433 in Q2'21

Cash flow and debt analysis

Cash flows ($ in Millions)	Q222	Q122	Q221
Beginning balance	$ 493.9	$ 615.1	$ 365.7
Operating cash (CFOA)[1]	(6.1)	(92.4)	53.7
Investing cash	(26.2)	(18.5)	(21.6)
Financing cash	(46.9)	(10.1)	2.7
Exchange rate changes	(0.5)	(0.2)	0.0
Ending balance	$ 414.2	$ 493.9	$ 400.5

1. Cash flow from operating activities

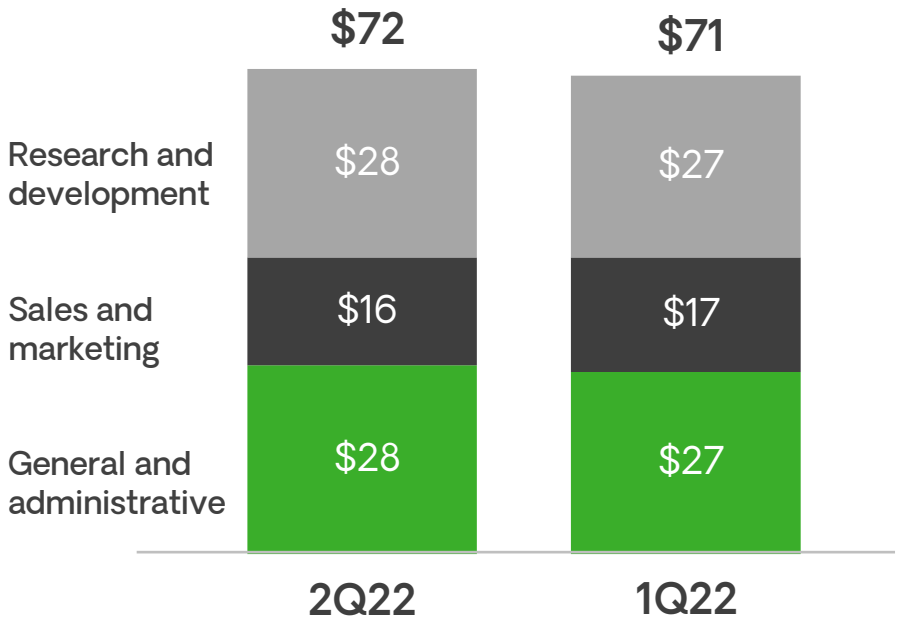
- **Investing in working capital to support 2022 build plan**
- **Expect to invest $150 million of capex in FY'22 to double capacity**
- **Reduced total debt by over $36 million from prior quarter**

Cash balances ($ in Millions)	Q222	Q122	Q221
Restricted	$ 178.5	$ 207.9	$ 196.6
Unrestricted	235.7	286.0	204.0
Total	$ 414.2	$ 493.9	$ 400.5

Debt analysis ($ in Millions)	Q222	Q122	Q221
Recourse	$ 298.0	$ 300.0	$ 300.0
Non-recourse	200.7	234.9	219.2
Total	$ 498.7	$ 534.9	$ 519.2

Non-GAAP operating expenses[1] overview

$ millions



Continue to Invest For Growth:

- Investing in technology roadmap
- Expanding domestic and international commercial capability
- Ensure control environment and support functions scale with growth

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

Reaffirming 2022 financial outlook

Metric	2022 Outlook
Total Revenue	$1.1-$1.15B
Product & Service Revenue	~$1B
Non-GAAP Gross Margin %[1]	~24%
Non-GAAP Operating Margin %[1]	~1%
Cash flows from Operations	Positive

- **Strong backlog to support revenue outlook**
- **Increasing manufacturing capacity to meet demand for next year**
- **Navigating a challenging global supply chain**
- **Margins expected to expand as quarterly volumes increase**

1. With respect to Bloom's expectations regarding its 2022 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

Q2 2022

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GAAP to Non-GAAP reconciliation: Gross profit and margin

$ in millions	Q222	Q221
GAAP Revenue	$243.2	$228.5
GAAP cost of sales	245.2	191.1
GAAP gross profit (loss)	**($2.0)**	**$37.3**
Non-GAAP adjustments:		
Stock-based compensation expense	$4.8	$3.8
PPA IIIa repowering related impairment charges	44.8	-
Non-GAAP gross profit	**$47.6**	**$41.1**
GAAP gross margin %	**(0.8%)**	**16.3%**
Non-GAAP adjustments	20.4%	1.7%
Non-GAAP gross margin %	**19.6%**	**18.0%**

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

$ in millions	Q222	Q221
GAAP loss from operations	**($102.2)**	**($42.7)**
Non-GAAP adjustments:		
Stock-based compensation expense	32.6	19.1
PPA IIIa repowering related impairment charges	44.8	-
Amortization of acquired intangible assets	0.1	-
Non-GAAP loss from operations	**($24.6)**	**($23.6)**
GAAP operating margin %	**(42.0%)**	**(18.7%)**
Non-GAAP adjustments	31.9%	8.4%
Non-GAAP operating margin %	**(10.1%)**	**(10.3%)**

GAAP to Non-GAAP reconciliation: Non-GAAP net loss

$ in millions	Q222	Diluted net earnings per share	Q221	Diluted net earnings per share
GAAP net loss	**($118.8)**	**($0.67)**	**($53.9)**	**($0.31)**
Non-GAAP adjustments:				
Loss for non-controlling interests	($2.4)	(0.01)	($4.6)	(0.03)
Loss (gain) on derivatives liabilities	($0.0)	(0.00)	$0.9	0.00
Gain on the fair value adjustments for certain PPA contracts	-	-	($0.7)	(0.00)
Goodwill impairment	$2.0	0.01	-	-
Loss on China JV investment	$1.4	0.01	-	-
PPA IIIa repowering related impairment charges	$44.8	0.25	-	-
Loss on extinguishment of debt related to PPA IIIa repowering	$4.2	0.02	-	-
Amortization of acquired intangible assets	$0.1	0.00	-	-
Stock-based compensation expense	$32.6	0.18	$19.2	0.11
Non-GAAP net loss	**($36.0)**	**($0.20)**	**($39.1)**	**($0.23)**

GAAP to Non-GAAP reconciliation: Calculation of diluted net earnings per share

$ in millions	Q222	Q221
Numerator:		
GAAP net loss	($118.8)	($53.9)
Non-GAAP net loss	($36.0)	($39.1)
Denominator:		
Weighted-average shares used to compute basic net earnings per share	178.5	172.7
Weighted-average shares used to compute diluted net earnings per share	178.5	172.7
GAAP net earnings per share		
Basic	($0.67)	($0.31)
Diluted	($0.67)	($0.31)
Non-GAAP net earnings per share		
Basic	($0.20)	($0.23)
Diluted	($0.20)	($0.23)

GAAP to Non-GAAP reconciliation: Adjusted EBITDA

$ in millions	Q222	Q221
GAAP Net loss	**($118.8)**	**($53.9)**
Non-GAAP adjustments:		
Loss for non-controlling interests	($2.4)	($4.6)
Loss (gain) on derivatives liabilities	($0.0)	$0.9
Gain on the fair value adjustments for certain PPA contracts	-	($0.7)
Goodwill impairment	$2.0	-
Stock-based compensation expense	$32.6	$19.2
Depreciation & amortization	$16.4	$13.4
Provision for income tax	($0.0)	$0.3
Loss on China JV investment	$1.4	-
Loss on extinguishment of debt related to PPA IIIa repowering	$4.2	-
PPA IIIa repowering related impairment charges	$44.8	-
Interest expense / other misc.	$11.4	$14.5
Adjusted EBITDA	**($8.3)**	**($10.9)**

GAAP to Non-GAAP reconciliation: Gross margin

	Q222						Q221					
$ in millions	**Revenue**	**GAAP gross profit (loss)**	**GAAP gross margin %**	**Non-GAAP adj.[1]**	**Non-GAAP gross profit (loss)**	**Non-GAAP gross margin %**	**Revenue**	**GAAP gross profit (loss)**	**GAAP gross margin %**	**Non-GAAP adj.[1]**	**Non-GAAP gross profit (loss)**	**Non-GAAP gross margin %**
Product	$ 173.6	$ 44.2	25.5%	$ 2.6	$ 46.8	27.0%	$ 146.9	$ 38.0	25.9%	$ 2.5	$ 40.5	27.6%
Install	12.7	(4.0)	(31.5%)	0.9	(3.1)	(24.4%)	28.9	(7.6)	(26.3%)	0.5	(7.1)	(24.6%)
Service	38.4	(2.6)	(6.8%)	1.3	(1.3)	(3.4%)	35.7	0.1	0.3%	0.8	0.9	2.5%
Electricity	18.5	(39.6)	(214.1%)	44.8	5.2	28.1%	17.0	6.8	40.0%	-	6.8	40.0%
Total	**$ 243.2**	**($ 2.0)**	**(0.8%)**	**$ 49.6**	**$ 47.6**	**19.6%**	**$ 228.5**	**$ 37.3**	**16.3%**	**$ 3.8**	**$ 41.1**	**18.0%**

1. Reference GAAP to Non-GAAP reconciliation on page 9

GAAP to Non-GAAP reconciliation: Operating expenses

	Q222				Q122			
$ in millions	**GAAP**	**SBC[1]**	**Amort. of acquired intangible assets**	**Non-GAAP**	**GAAP**	**SBC[1]**	**Amort. of acquired intangible assets**	**Non-GAAP**
Operating expenses:								
Research and development	$41.6	$13.2	-	$28.4	$34.5	$7.1	-	$27.4
Sales and marketing	$20.5	$4.8	$0.1	$15.5	$21.3	$4.8	-	$16.5
General and administrative	$38.1	$9.8	-	$28.3	$37.7	$10.6	-	$27.1
Total operating expenses	**$100.2**	**$27.8**	**$0.01**	**$72.3**	**$93.5**	**$22.5**	**-**	**$71.0**

1. Stock-based compensation

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What Powers You

