REFINITIV

DELTA REPORT

10-Q

BE - BLOOM ENERGY CORP

10-Q - MARCH 31, 2024 COMPARED TO 10-Q - SEPTEMBER 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	2484
CHANGES	298
DELETIONS	1089
ADDITIONS	1097

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2023 March 31, 2024

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: 001-38598

Bloom_Logo (002).jpg

BLOOM ENERGY CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	**77-0565408**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
4353 North First Street, San Jose, California	**95134**
(Address of principal executive offices)	(Zip Code)

(408) 543-1500

(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, $0.0001 par value	BE	New York Stock Exchange

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 þ 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 þ 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 þ 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 is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ¨ No þ

AsThe number of November 1, 2023, there were 224,048,769 shares of the registrant's common stock outstanding as of May 7, 2024 was as follows:

Class A Common Stock, $0.0001 par value, outstanding.227,020,024 shares

Bloom Energy Corporation
Quarterly Report on Form 10-Q for the Three and Nine Months Ended September 30, 2023 March 31, 2024
Table of Contents

Unless the context otherwise requires, the terms "Company," "we," "us,"us," "our,"our," "Bloom" "Bloom," and "Bloom"Bloom Energy," each refer to Bloom Energy Corporation and all of its subsidiaries.

PART I - — FINANCIAL INFORMATION

ITEM 1 - — FINANCIAL STATEMENTS

Bloom Energy Corporation
Condensed Consolidated Balance Sheets
(in thousands, except share data)
(unaudited)

		September 30, 2023	December 31, 2022	March 31, 2024	March 31, 2024	December 31, 2023
Assets	**Assets**					
Current assets:	Current assets:					
Current assets:						
Current assets:						
Cash and cash equivalents[1]						
Cash and cash equivalents[1]						
Cash and cash equivalents[1]	Cash and cash equivalents[1]	$ 557,384	$ 348,498			
Restricted cash[1]	Restricted cash[1]	42,614	51,515			

Accounts receivable less allowance for doubtful accounts of $119 as of September 30, 2023 and December 31, 2022[1, 2]		334,495	250,995
Accounts receivable less allowance for credit losses of $119 as of March 31, 2024 and December 31, 2023[1, 2]			
Contract assets[3]	Contract assets[3]	143,875	46,727
Inventories[1]	Inventories[1]	475,649	268,394
Deferred cost of revenue[4]	Deferred cost of revenue[4]	62,212	46,191
Prepaid expenses and other current assets[1]		66,243	43,643
Prepaid expenses and other current assets[1, 5]			
Total current assets	Total current assets	1,682,472	1,055,963
Property, plant and equipment, net[1]	Property, plant and equipment, net[1]	490,535	600,414
Operating lease right-of-use assets[1]		127,973	126,955
Operating lease right-of-use assets[1, 6]			
Restricted cash[1]	Restricted cash[1]	37,698	118,353
Deferred cost of revenue	Deferred cost of revenue	4,286	4,737
Other long-term assets[1]		33,208	40,205
Other long-term assets[1, 7]			
Total assets	Total assets	$ 2,376,172	$ 1,946,627
Liabilities and stockholders' equity	**Liabilities and stockholders' equity**		
Current liabilities:	Current liabilities:		
Accounts payable[1]		$ 153,793	$ 161,770
Current liabilities:			
Current liabilities:			
Accounts payable[1, 8]			
Accounts payable[1, 8]			
Accounts payable[1, 8]			
Accrued warranty	Accrued warranty	16,537	17,332
Accrued expenses and other current liabilities[1, 5]		116,480	144,183

Deferred revenue and customer deposits[1, 6]		119,157	159,048
Accrued expenses and other current liabilities[1, 9]			
Deferred revenue and customer deposits[1, 10]			
Operating lease liabilities[1, 11]			
Financing obligations			
Operating lease liabilities[1]		16,666	16,227
Financing obligations		39,093	17,363
Recourse debt		—	12,716
Non-recourse debt[1]		—	13,307
Total current liabilities	Total current liabilities	461,726	541,946
Total current liabilities			
Deferred revenue and customer deposits[1]		14,499	56,392
Operating lease liabilities[1]		133,602	132,363
Total current liabilities			
Deferred revenue and customer deposits[1, 12]			
Operating lease liabilities[1, 13]			
Financing obligations	Financing obligations	410,365	442,063
Recourse debt	Recourse debt	840,492	273,076
Non-recourse debt[1]		1,483	112,480
Non-recourse debt[1, 14]			
Other long-term liabilities	Other long-term liabilities	8,805	9,491
Total liabilities	Total liabilities	$ 1,870,972	$ 1,567,811
Commitments and contingencies (Note 13)			
Commitments and contingencies (Note 12)	Commitments and contingencies (Note 12)		
Stockholders' equity:	Stockholders' equity:		
Common stock: $0.0001 par value; Class A shares - 600,000,000 shares authorized and 223,860,870 shares and 189,864,722 shares issued and outstanding and Class B shares - 600,000,000 shares authorized and 0 shares and 15,799,968 shares issued and outstanding at September 30, 2023 and December 31, 2022, respectively		21	20
Stockholders' equity:			

Stockholders' equity:			
Common stock: $0.0001 par value; Class A shares — 600,000,000 shares authorized, and 226,933,763 shares and 224,717,533 shares issued and outstanding and Class B shares — 600,000,000 shares authorized and no shares issued and outstanding at March 31, 2024 and December 31, 2023, respectively			
Common stock: $0.0001 par value; Class A shares — 600,000,000 shares authorized, and 226,933,763 shares and 224,717,533 shares issued and outstanding and Class B shares — 600,000,000 shares authorized and no shares issued and outstanding at March 31, 2024 and December 31, 2023, respectively			
Common stock: $0.0001 par value; Class A shares — 600,000,000 shares authorized, and 226,933,763 shares and 224,717,533 shares issued and outstanding and Class B shares — 600,000,000 shares authorized and no shares issued and outstanding at March 31, 2024 and December 31, 2023, respectively			
Additional paid-in capital	Additional paid-in capital	4,360,080	3,906,491
Accumulated other comprehensive loss	Accumulated other comprehensive loss	(2,378)	(1,251)
Accumulated deficit	Accumulated deficit	(3,871,110)	(3,564,483)
Total equity attributable to common stockholders	Total equity attributable to common stockholders	486,613	340,777
Noncontrolling interest	Noncontrolling interest	18,587	38,039
Total stockholders' equity	Total stockholders' equity	$ 505,200	$ 378,816
Total liabilities and stockholders' equity	Total liabilities and stockholders' equity	$ 2,376,172	$ 1,946,627

1 We have a variable interest entity related to PPA V (see Note 10 - *Portfolio Financings*) and a joint venture in the Republic of Korea (see Note 16 15 - — *SK ecoplant Strategic Investment*), which represent represents a portion of the consolidated balances recorded within these financial statement line items.

In August 2023, we sold the PPA V entity as a result of the PPA V Repowering of Energy Servers (see Note 10 - *Portfolio Financings*), as such the consolidated balances recorded within these financial statement line items as of September 30, 2023 exclude PPA V balances.

2 Including amounts from related parties of $247.9 $292.4 million and $4.3 $262.0 million as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively.

3 Including amounts from related parties of $3.4 $3.5 million and $6.9 million as of September 30, 2023. There was no respective related party amounts as of December 31, 2022. March 31, 2024 and December 31, 2023, respectively.

4 Including amounts from related parties of $23.4 $0.9 million as of September 30, 2023 December 31, 2023. There was were no respective amounts from related party amounts parties as of December 31, 2022 March 31, 2024.

5 Including amounts from related parties of $5.7 $2.2 million and $2.3 million as of September 30, 2023. There was no respective related party amounts as of December 31, 2022. March 31, 2024 and December 31, 2023, respectively.

6 Including amounts from related parties of $11.1 $1.9 million and $2.0 million as of September 30, 2023 March 31, 2024 and December 31, 2023, respectively.

7 Including amounts from related parties of $8.3 million and $9.1 million as of March 31, 2024 and December 31, 2023, respectively.

8 Including amounts from related parties of $0.1 million as of December 31, 2023. There was were no respective amounts from related party amounts parties as of December 31, 2022 March 31, 2024.

9 Including amounts from related parties of $6.1 million and $3.4 million as of March 31, 2024 and December 31, 2023, respectively.

10 Including amounts from related parties of $5.7 million and $1.7 million as of March 31, 2024 and December 31, 2023, respectively.

11 Including amounts from related parties of $0.4 million and $0.4 million as of March 31, 2024 and December 31, 2023, respectively.

12 Including amounts from related parties of $3.5 million and $6.7 million as of March 31, 2024 and December 31, 2023, respectively.

13 Including amounts from related parties of $1.4 million and $1.6 million as of March 31, 2024 and December 31, 2023, respectively.

14 Including amounts from related parties of $4.5 million and $4.6 million as of March 31, 2024 and December 31, 2023, respectively.

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

Bloom Energy Corporation
Condensed Consolidated Statements of Operations
(in thousands, except net loss per share data)
(unaudited)

		Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended March 31,	
		2023	2022	2023	2022	2024	2023
Revenue:	Revenue:						
Revenue:							
Revenue:							
Product							
Product							
Product	Product	$ 304,976	$ 213,243	$ 713,427	$ 520,415		
Installation	Installation	21,916	22,682	66,762	48,964		
Service	Service	47,535	37,347	130,496	111,012		
Electricity	Electricity	25,841	19,002	65,869	56,158		
Total revenue[1]	Total revenue[1]	400,268	292,274	976,554	736,549		
Cost of revenue:	Cost of revenue:						
Product	Product	182,832	158,176	457,591	393,337		
Product							
Product							
Installation	Installation	25,902	28,333	77,881	57,836		
Service	Service	57,370	41,792	165,877	124,646		
Electricity	Electricity	139,378	13,029	169,802	83,819		
Total cost of revenue	Total cost of revenue	405,482	241,330	871,151	659,638		
Gross (loss) profit		(5,214)	50,944	105,403	76,911		
Gross profit							
Operating expenses:	Operating expenses:						
Research and development	Research and development	35,126	36,146	122,309	112,286		
Research and development							
Research and development							
Sales and marketing	Sales and marketing	20,002	23,275	73,935	65,084		
General and administrative		43,366	44,115	131,004	119,965		
General and administrative[2]							
Total operating expenses	Total operating expenses	98,494	103,536	327,248	297,335		
Loss from operations	Loss from operations	(103,708)	(52,592)	(221,845)	(220,424)		
Interest income	Interest income	7,419	1,109	13,771	1,364		

Interest expense		(68,037)	(13,099)	(93,736)	(41,000)
Other (expense) income, net		(1,577)	4,472	(3,660)	254
Loss on extinguishment of debt		(1,415)	—	(4,288)	(4,233)
(Loss) gain on revaluation of embedded derivatives		(114)	54	(1,213)	623
Interest expense[3]					
Other expense, net[4]					
Other expense, net[4]					
Other expense, net[4]					
Gain on revaluation of embedded derivatives					
Loss before income taxes	Loss before income taxes	(167,432)	(60,056)	(310,971)	(263,416)
Income tax provision		646	336	1,083	888
Income tax (benefit) provision					
Net loss	Net loss	(168,078)	(60,392)	(312,054)	(264,304)
Less: Net gain (loss) attributable to noncontrolling interest		921	(3,315)	(5,427)	(9,768)
Less: Net income (loss) attributable to noncontrolling interest					
Net loss attributable to common stockholders	Net loss attributable to common stockholders	(168,999)	(57,077)	(306,627)	(254,536)
Less: Net loss attributable to redeemable noncontrolling interest		—	—	—	(300)
Net loss before portion attributable to redeemable noncontrolling interest and noncontrolling interest		$ (168,999)	$ (57,077)	$ (306,627)	$ (254,236)
Net loss per share available to common stockholders, basic and diluted	Net loss per share available to common stockholders, basic and diluted	$ (0.80)	$ (0.31)	$ (1.47)	$ (1.41)
Weighted average shares used to compute net loss per share available to common stockholders, basic and diluted	Weighted average shares used to compute net loss per share available to common stockholders, basic and diluted	210,930	186,487	208,798	180,762

1 Including related party revenue of $125.7 million $122.2 million and $361.0 million $0.8 million for the three and nine months ended September 30, 2023 March 31, 2024, respectively, and $12.5 million 2023, respectively.

2 Including related party general and $30.2 million administrative expenses of $0.2 million for the three and nine months ended September 30, 2022, respectively. March 31, 2024. There were no related party general and administrative expenses for the three months ended March 31, 2023.

3 Including related party interest expense of $0.1 million for the three months ended March 31, 2024. There was no related party interest expense for the three months ended March 31, 2023.

4 Including related party other expense, net of $(0.5) million for the three months ended March 31, 2024. There was no related party other expense, net for the three months ended March 31, 2023.

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

Bloom Energy Corporation
Condensed Consolidated Statements of Comprehensive Loss
(in thousands)
(unaudited)

	Three Months Ended March 31,			
	Three Months Ended March 31,			
	Three Months Ended March 31,			
	Three Months Ended September 30,		**Nine Months Ended September 30,**	
	2023	**2022**	**2023**	**2022**

Net loss	Net loss	$ (168,078)	$ (60,392)	$ (312,054)	$ (264,304)
Net loss					
Net loss					
Other comprehensive loss, net of taxes:					
Other comprehensive loss, net of taxes:					
Other comprehensive loss, net of taxes:	Other comprehensive loss, net of taxes:				
Foreign currency translation adjustment	Foreign currency translation adjustment	(527)	(1,027)	(1,520)	(1,774)
Foreign currency translation adjustment					
Foreign currency translation adjustment					
Other comprehensive loss, net of taxes					
Other comprehensive loss, net of taxes					
Other comprehensive loss, net of taxes	Other comprehensive loss, net of taxes	(527)	(1,027)	(1,520)	(1,774)
Comprehensive loss	Comprehensive loss	(168,605)	(61,419)	(313,574)	(266,078)
Less: Comprehensive gain (loss) attributable to noncontrolling interest		719	(3,811)	(5,820)	(10,361)
Comprehensive loss					
Comprehensive loss					
Less: Comprehensive income (loss) attributable to noncontrolling interest					
Less: Comprehensive income (loss) attributable to noncontrolling interest					
Less: Comprehensive income (loss) attributable to noncontrolling interest					
Comprehensive loss attributable to common stockholders	Comprehensive loss attributable to common stockholders	$ (169,324)	$ (57,608)	$ (307,754)	$ (255,717)
Less: Comprehensive loss attributable to redeemable noncontrolling interest		—	—	—	(300)
Comprehensive loss before portion attributable to redeemable noncontrolling interest and noncontrolling interest		$ (169,324)	$ (57,608)	$ (307,754)	$ (255,417)
Comprehensive loss attributable to common stockholders					
Comprehensive loss attributable to common stockholders					

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

Bloom Energy Corporation
Condensed Consolidated Statements of Changes in Stockholders' Equity (Deficit)
(in thousands, except share data)
(unaudited)

	Three Months Ended September 30, 2023							
	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Equity Attributable to Common Stockholders	Noncontrolling Interest	Total Stockholders' Equity
	Shares	Amount						
Balances at June 30, 2023	209,181,382	$ 20	$ 4,011,900	$ (2,053)	$ (3,702,111)	$ 307,756	$ 38,479	346,235
Issuance of restricted stock awards	637,728	—	—	—	—	—	—	—
ESPP purchase	426,170	—	5,607	—	—	5,607	—	5,607
Exercise of stock options	123,889	—	1,138	—	—	1,138	—	1,138
Stock-based compensation expense	—	—	19,469	—	—	19,469	—	19,469
Buyout of noncontrolling interest (Note 10)	—	—	11,482	—	—	11,482	(18,346)	(6,864)

Conversion of Series B redeemable convertible preferred stock (Note 16)	13,491,701	1	310,484	—	—	310,485	—	310,485
Distributions and payments to noncontrolling interest	—	—	—	—	—	—	(2,265)	(2,265)
Foreign currency translation adjustment	—	—	—	(325)	—	(325)	(202)	(527)
Net (loss) gain	—	—	—	—	(168,999)	(168,999)	921	(168,078)
Balances at September 30, 2023	223,860,870	$ 21	$ 4,360,080	$ (2,378)	$ (3,871,110)	$ 486,613	$ 18,587	$ 505,200

	Three Months Ended March 31, 2024							
	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Equity Attributable to Common Stockholders	Noncontrolling Interest	Total Stockholders' Equity
	Shares	Amount						
Balances at December 31, 2023	224,717,533	$ 21	$ 4,370,343	$ (1,687)	$ (3,866,599)	$ 502,078	$ 18,592	$ 520,670
Issuance of restricted stock awards	1,483,902	—	—	—	—	—	—	—
ESPP purchase	632,688	—	6,297	—	—	6,297	—	6,297
Exercise of stock options	99,640	—	519	—	—	519	—	519
Stock-based compensation	—	—	16,989	—	—	16,989	—	16,989
Contributions from noncontrolling interest	—	—	—	—	—	—	3,958	3,958
Accrued dividend	—	—	—	—	(1,620)	(1,620)	—	(1,620)
Legal reserve	—	—	—	—	147	147	—	147
Subsidiary liquidation	—	—	—	—	(319)	(319)	—	(319)
Foreign currency translation adjustment	—	—	—	(452)	—	(452)	(496)	(948)
Net (loss) income	—	—	—	—	(57,524)	(57,524)	981	(56,543)
Balances at March 31, 2024	226,933,763	$ 21	$ 4,394,148	$ (2,139)	$ (3,925,915)	$ 466,115	$ 23,035	$ 489,150

	Three Months Ended September 30, 2022							
	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Equity (Deficit) Attributable to Common Stockholders	Noncontrolling Interest	Total Stockholders' Equity (Deficit)
	Shares	Amount						
Balances at June 30, 2022	178,913,797	$ 18	$ 3,284,261	$ (1,000)	$ (3,460,234)	$ (176,955)	$ 32,034	$ (144,921)
Issuance of restricted stock awards	539,074	—	—	—	—	—	—	—
ESPP purchase	339,055	—	5,619	—	—	5,619	—	5,619
Exercise of stock options	225,759	—	2,233	—	—	2,233	—	2,233
Stock-based compensation	—	—	23,893	—	—	23,893	—	23,893
Distributions and payments to noncontrolling interests	—	—	—	—	—	—	(1,557)	(1,557)
Contributions from noncontrolling interest	—	—	—	—	—	—	2,815	2,815
Public share offering	14,950,000	1	371,526	—	—	371,527	—	371,527
Forward to purchase Class A Common Stock	—	—	4,183	—	—	4,183	—	4,183
Foreign currency translation adjustment	—	—	—	(531)	—	(531)	(496)	(1,027)
Net loss	—	—	—	—	(57,077)	(57,077)	(3,315)	(60,392)
Balances at September 30, 2022	194,967,685	$ 19	$ 3,691,715	$ (1,531)	$ (3,517,311)	$ 172,892	$ 29,481	$ 202,373

	Nine Months Ended September 30, 2023							
	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Equity Attributable to Common Stockholders	Noncontrolling Interest	Total Stockholders' Equity
	Shares	Amount						
Balances at December 31, 2022	205,664,690	$ 20	$ 3,906,491	$ (1,251)	$ (3,564,483)	$ 340,777	$ 38,039	$ 378,816

Issuance of restricted stock awards	3,496,491	—	—	—	—	—	—	—
ESPP purchase	875,695	—	13,363	—	—	13,363	—	13,363
Exercise of stock options	332,293	—	2,640	—	—	2,640	—	2,640
Stock-based compensation	—	—	77,755	—	—	77,755	—	77,755
Derecognition of the pre-modification forward contract fair value (Note 16)	—	—	76,242	—	—	76,242	—	76,242
Equity component of Series B redeemable convertible preferred stock (Note 16)	—	—	16,145	—	—	16,145	—	16,145
Contributions from noncontrolling interest	—	—	—	—	—	—	6,979	6,979
Purchase of capped call related to convertible notes (Note 7)	—	—	(54,522)	—	—	(54,522)	—	(54,522)
Buyout of noncontrolling interest (Note 10)	—	—	11,482	—	—	11,482	(18,346)	(6,864)
Conversion of Series B redeemable convertible preferred stock (Note 16)	13,491,701	1	310,484	—	—	310,485	—	310,485
Distributions and payments to noncontrolling interest	—	—	—	—	—	—	(2,265)	(2,265)
Foreign currency translation adjustment	—	—	—	(1,127)	—	(1,127)	(393)	(1,520)
Net loss	—	—	—	—	(306,627)	(306,627)	(5,427)	(312,054)
Balances at September 30, 2023	223,860,870	21	$ 4,360,080	$ (2,378)	$ (3,871,110)	$ 486,613	$ 18,587	$ 505,200

	Nine Months Ended September 30, 2022							
	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Equity (Deficit) Attributable to Common Stockholders	Noncontrolling Interest	Total Stockholders' Equity (Deficit)
	Shares	Amount						
Balances at December 31, 2021	176,460,407	$ 18	$ 3,219,081	$ (350)	$ (3,263,075)	$ (44,326)	$ 42,499	$ (1,827)
Issuance of restricted stock awards	2,328,713	—	—	—	—	—	—	—
ESPP purchase	759,744	—	11,600	—	—	11,600	—	11,600
Exercise of stock options	468,821	—	3,550	—	—	3,550	—	3,550
Stock-based compensation	—	—	82,275	—	—	82,275	—	82,275
Distributions and payments to noncontrolling interests	—	—	(500)	—	—	(500)	(5,472)	(5,972)
Contributions from noncontrolling interest	—	—	—	—	—	—	2,815	2,815
Public share offering	14,950,000	1	371,526	—	—	371,527	—	371,527
Forward to purchase Class A Common Stock	—	—	4,183	—	—	4,183	—	4,183
Foreign currency translation adjustment	—	—	—	(1,181)	—	(1,181)	(593)	(1,774)
Net loss[1]	—	—	—	—	(254,236)	(254,236)	(9,768)	(264,004)
Balances at September 30, 2022	194,967,685	$ 19	$ 3,691,715	$ (1,531)	$ (3,517,311)	$ 172,892	$ 29,481	$ 202,373

[1]Excludes $300 attributable to redeemable noncontrolling interest.
Note: Beginning redeemable noncontrolling interest of $300 - Net loss attributable to redeemable noncontrolling interest of $300 = ending redeemable noncontrolling interest of nil.

	Three Months Ended March 31, 2023							
	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Equity Attributable to Common Stockholders	Noncontrolling Interest	Total Stockholders' Equity
	Shares	Amount						
Balances at December 31, 2022	205,664,690	$ 20	$ 3,906,491	$ (1,251)	$ (3,564,483)	$ 340,777	$ 38,039	$ 378,816
Issuance of restricted stock awards	2,104,904	—	—	—	—	—	—	—
ESPP purchase	449,525	—	7,756	—	—	7,756	—	7,756
Exercise of stock options	114,526	—	769	—	—	769	—	769
Stock-based compensation	—	—	29,294	—	—	29,294	—	29,294
Derecognition of the pre-modified forward contract fair value	—	—	76,242	—	—	76,242	—	76,242
Equity component of redeemable convertible preferred stock	—	—	16,145	—	—	16,145	—	16,145
Foreign currency translation adjustment	—	—	—	(101)	—	(101)	(170)	(271)
Net loss	—	—	—	—	(71,567)	(71,567)	(3,350)	(74,917)
Balances at March 31, 2023	208,333,645	$ 20	$ 4,036,697	$ (1,352)	$ (3,636,050)	$ 399,315	$ 34,519	$ 433,834

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

Bloom Energy Corporation
Condensed Consolidated Statements of Cash Flows
(in thousands)

(unaudited)

		Nine Months Ended September 30,			
		2023		2022	
Cash flows from operating activities:	**Cash flows from operating activities:**				
Cash flows from operating activities:					
Cash flows from operating activities:					
Net loss					
Net loss					
Net loss	Net loss	$	(312,054)	$	(264,304)
Adjustments to reconcile net loss to net cash used in operating activities:	Adjustments to reconcile net loss to net cash used in operating activities:				
Adjustments to reconcile net loss to net cash used in operating activities:					
Adjustments to reconcile net loss to net cash used in operating activities:					
Depreciation and amortization					
Depreciation and amortization					
Depreciation and amortization	Depreciation and amortization		50,283		46,182
Non-cash lease expense	Non-cash lease expense		24,540		18,153
Loss (gain) on disposal of property, plant and equipment			177		(523)
Non-cash lease expense					
Non-cash lease expense					
(Gain) loss on disposal of property, plant and equipment					
(Gain) loss on disposal of property, plant and equipment					
(Gain) loss on disposal of property, plant and equipment					
Revaluation of derivative contracts	Revaluation of derivative contracts		1,213		(9,640)
Impairment of assets related to PPA V and PPA IIIa			130,111		44,800
Derecognition of loan commitment asset related to SK ecoplant Second Tranche Closing (Note 16)			52,792		—
Revaluation of derivative contracts					
Revaluation of derivative contracts					
Stock-based compensation					
Stock-based compensation					
Stock-based compensation	Stock-based compensation		77,160		81,460
Amortization of warrants and debt issuance costs			3,300		2,355
Loss on extinguishment of debt			4,288		4,233
Amortization of debt issuance costs					
Amortization of debt issuance costs					
Amortization of debt issuance costs					
Unrealized foreign currency exchange loss					
Unrealized foreign currency exchange loss					
Unrealized foreign currency exchange loss	Unrealized foreign currency exchange loss		3,029		3,086
Other	Other		—		3,487
Other					
Other					
Changes in operating assets and liabilities:					
Changes in operating assets and liabilities:					

Changes in operating assets and liabilities:	Changes in operating assets and liabilities:		
Accounts receivable[1]	Accounts receivable[1]	(83,851)	15,758
Accounts receivable[1]			
Accounts receivable[1]			
Contract assets[2]			
Contract assets[2]			
Contract assets[2]	Contract assets[2]	(97,148)	(567)
Inventories	Inventories	(206,315)	(110,797)
Inventories			
Inventories			
Deferred cost of revenue[3]	Deferred cost of revenue[3]	(15,914)	(8,856)
Customer financing receivable		—	2,510
Prepaid expenses and other current assets		(20,849)	(15,766)
Other long-term assets		13,634	(730)
Deferred cost of revenue[3]			
Deferred cost of revenue[3]			
Prepaid expenses and other current assets[4]			
Prepaid expenses and other current assets[4]			
Prepaid expenses and other current assets[4]			
Other long-term assets[5]			
Other long-term assets[5]			
Other long-term assets[5]			
Operating lease right-of-use assets and operating lease liabilities			
Operating lease right-of-use assets and operating lease liabilities			
Operating lease right-of-use assets and operating lease liabilities	Operating lease right-of-use assets and operating lease liabilities	(23,879)	2,162
Finance lease liabilities	Finance lease liabilities	907	499
Accounts payable		(5,695)	38,642
Finance lease liabilities			
Finance lease liabilities			
Accounts payable[6]			
Accounts payable[6]			
Accounts payable[6]			
Accrued warranty	Accrued warranty	(795)	1,597
Accrued expenses and other current liabilities[4]		(30,937)	502
Deferred revenue and customer deposits[5]		(57,041)	(12,716)
Accrued warranty			
Accrued warranty			
Accrued expenses and other current liabilities[7]			
Accrued expenses and other current liabilities[7]			
Accrued expenses and other current liabilities[7]			
Deferred revenue and customer deposits[8]			
Deferred revenue and customer deposits[8]			
Deferred revenue and customer deposits[8]			
Other long-term liabilities			
Other long-term liabilities			

Other long-term liabilities	Other long-term liabilities	(1,320)	(9,980)
Net cash used in operating activities	Net cash used in operating activities	(494,364)	(168,453)
Net cash used in operating activities			
Net cash used in operating activities			
Cash flows from investing activities:			
Cash flows from investing activities:			
Cash flows from investing activities:	**Cash flows from investing activities:**		
Purchase of property, plant and equipment	Purchase of property, plant and equipment	(67,485)	(80,907)
Purchase of property, plant and equipment			
Purchase of property, plant and equipment			
Proceeds from sale of property, plant and equipment	Proceeds from sale of property, plant and equipment	3	—
Proceeds from sale of property, plant and equipment			
Proceeds from sale of property, plant and equipment			
Net cash used in investing activities			
Net cash used in investing activities			
Net cash used in investing activities	Net cash used in investing activities	(67,482)	(80,907)
Cash flows from financing activities:	**Cash flows from financing activities:**		
Proceeds from issuance of debt		633,983	—
Payment of debt issuance costs		(19,539)	—
Repayment of debt of PPA V and PPA IIIa		(118,538)	(30,212)
Debt make-whole payment related to PPA IIIa debt		—	(2,413)
Cash flows from financing activities:			
Cash flows from financing activities:			
Repayment of recourse debt		(72,852)	(17,262)
Repayment of debt			
Repayment of debt			
Repayment of debt			
Proceeds from financing obligations			
Proceeds from financing obligations			
Proceeds from financing obligations	Proceeds from financing obligations	2,702	—
Repayment of financing obligations	Repayment of financing obligations	(13,475)	(28,821)
Distributions and payments to noncontrolling interests		(2,265)	(5,972)
Repayment of financing obligations			
Repayment of financing obligations			
Proceeds from issuance of common stock	Proceeds from issuance of common stock	16,003	15,150
Proceeds from public share offering		—	385,396
Public share offering costs		—	(13,407)
Buyout of noncontrolling interest (Note 10)		(6,864)	—
Proceeds from issuance of Series B redeemable convertible preferred stock		310,957	—
Proceeds from issuance of common stock			
Proceeds from issuance of common stock			

Contributions from noncontrolling interest	Contributions from noncontrolling interest		6,979		2,815
Purchase of capped call related to convertible notes (Note 7)			(54,522)		—
Other			(408)		(63)
Contributions from noncontrolling interest					
Contributions from noncontrolling interest					
Proceeds from issuance of redeemable convertible preferred stock					
Proceeds from issuance of redeemable convertible preferred stock					
Proceeds from issuance of redeemable convertible preferred stock					
Net cash provided by financing activities	Net cash provided by financing activities		682,161		305,211
Effect of exchange rate changes on cash, cash equivalent and restricted cash			(985)		(1,643)
Net increase in cash, cash equivalents and restricted cash			119,330		54,208
Cash, cash equivalents and restricted cash:					
Net cash provided by financing activities					
Net cash provided by financing activities					
Effect of exchange rate changes on cash, cash equivalent, and restricted cash					
Effect of exchange rate changes on cash, cash equivalent, and restricted cash					
Effect of exchange rate changes on cash, cash equivalent, and restricted cash					
Net decrease in cash, cash equivalents, and restricted cash					
Net decrease in cash, cash equivalents, and restricted cash					
Net decrease in cash, cash equivalents, and restricted cash					
Cash, cash equivalents, and restricted cash:					
Cash, cash equivalents, and restricted cash:					
Cash, cash equivalents, and restricted cash:					
Beginning of period	Beginning of period		518,366		615,114
Beginning of period					
Beginning of period					
End of period					
End of period					
End of period	End of period	$	637,696	$	669,322
Supplemental disclosure of cash flow information:	**Supplemental disclosure of cash flow information:**				
Supplemental disclosure of cash flow information:					
Supplemental disclosure of cash flow information:					
Cash paid during the period for interest					
Cash paid during the period for interest					
Cash paid during the period for interest	Cash paid during the period for interest	$	32,741	$	39,664
Cash paid for amounts included in the measurement of lease liabilities:	Cash paid for amounts included in the measurement of lease liabilities:				
Cash paid for amounts included in the measurement of lease liabilities:					
Cash paid for amounts included in the measurement of lease liabilities:					
Operating cash flows from operating leases					
Operating cash flows from operating leases					
Operating cash flows from operating leases	Operating cash flows from operating leases		23,684		11,759
Operating cash flows from finance leases	Operating cash flows from finance leases		804		788

Operating cash flows from finance leases					
Operating cash flows from finance leases					
Cash paid during the period for income taxes					
Cash paid during the period for income taxes					
Cash paid during the period for income taxes	Cash paid during the period for income taxes		1,332		1,296
Non-cash investing and financing activities:	**Non-cash investing and financing activities:**				
Transfer of customer financing receivable to property, plant and equipment, net		$	—	$	42,758
Forward to purchase Class A Common Stock			—		4,183
Non-cash investing and financing activities:					
Non-cash investing and financing activities:					
Liabilities recorded for property, plant and equipment, net	Liabilities recorded for property, plant and equipment, net		5,702		13,373
Liabilities recorded for property, plant and equipment, net					
Liabilities recorded for property, plant and equipment, net					
Recognition of operating lease right-of-use asset during the year-to-date period					
Recognition of operating lease right-of-use asset during the year-to-date period					
Recognition of operating lease right-of-use asset during the year-to-date period	Recognition of operating lease right-of-use asset during the year-to-date period		14,157		17,623
Recognition of finance lease right-of-use asset during the year-to-date period	Recognition of finance lease right-of-use asset during the year-to-date period		907		—
Derecognition of the pre-modification forward contract fair value (Note 16)			76,242		—
Equity component of Series B redeemable convertible preferred stock (Note 16)			16,145		—
Conversion of Series B redeemable convertible preferred stock (Note 16)			310,484		—
Recognition of finance lease right-of-use asset during the year-to-date period					
Recognition of finance lease right-of-use asset during the year-to-date period					
Accrual for dividend					
Accrual for dividend					
Accrual for dividend					
Derecognition of the pre-modified forward contract fair value					
Derecognition of the pre-modified forward contract fair value					
Derecognition of the pre-modified forward contract fair value					
Equity component of redeemable convertible preferred stock					
Equity component of redeemable convertible preferred stock					
Equity component of redeemable convertible preferred stock					

1 Including changes in related party balances of $243.6 $30.3 million and $8.2 $4.3 million for the nine three months ended September 30, 2023 March 31, 2024 and 2022, 2023, respectively.

2 Including change changes in related party balances of $3.4 $3.3 million for the nine three months ended September 30, 2023 March 31, 2024. There were no associated related party balances for the nine months ended September 30, 2022 as of March 31, 2023.

3 Including change changes in related party balances of $23.4 $0.9 million for the nine three months ended September 30, 2023 March 31, 2024. There were no associated related party balances for the nine months ended September 30, 2022 as of March 31, 2023.

4 Including change changes in related party balances of $5.7 $0.1 million for the nine three months ended September 30, 2023 March 31, 2024. There were no associated related party balances for the nine months ended September 30, 2022 as of March 31, 2023.

5 Including change changes in related party balances of $11.1 $0.8 million for the nine three months ended September 30, 2023 March 31, 2024. There were no associated related party balances as of March 31, 2023.

6 Including changes in related party balances of $0.1 million for the nine three months ended September 30, 2022 March 31, 2024. There were no associated related party balances as of March 31, 2023.

7 Including changes in related party balances of $2.7 million for the three months ended March 31, 2024. There were no associated related party balances as of March 31, 2023.

8 Including changes in related party balances of $0.8 millionfor the three months ended March 31, 2024. There were no associated related party balances as of March 31, 2023.

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

Bloom Energy Corporation
Notes to Unaudited Condensed Consolidated Financial Statements

The unaudited interim financial statements reflect all normal and recurring adjustments that are, in the opinion of management, necessary for a fair presentation of the results for the interim periods presented.

The unaudited interim financial statements should be read in conjunction with the audited consolidated financial statements, including the notes thereto, included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 December 31, 2023.

Website references throughout this document are provided for convenience only, and the content on the referenced websites is not incorporated by reference into this report.

1. Nature of Business, Liquidity and Basis of Presentation

Nature of Business

For information on the nature of our business, see Part II, Item 8, Note 1 - — *Nature of Business, Liquidity and Basis of Presentation, Nature of Business* section in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 December 31, 2023.

Liquidity

We have generally incurred operating losses and negative cash flows from operations since our inception. With the series of new debt offerings, debt extinguishments, and conversions to equity that we completed during 2023, 2022 and the first three quarters of 2023, 2021, we had $840.5 $843.5 million and $4.5 million of total outstanding recourse and non-recourse debt, respectively, as of September 30, 2023, March 31, 2024, which was classified as long-term debt.

On March 20, 2023, we entered into an Amendment (the “Amended SPA”) to the Securities Purchase Agreement with SK ecoplant, dated October 23, 2021 (the “SPA”), and the Investor Agreement, dated December 29, 2021, pursuant to which we issued and sold to SK ecoplant 13,491,701 shares of Series B redeemable convertible preferred stock (the “Series B RCPS”) for cash proceeds of $311.0 million. For additional information, please see Part I, Item 1, Note 16 - *SK ecoplant Strategic Investment*.

On March 20, 2023, in connection with the Amended SPA we also entered into a Shareholders’ Loan Agreement with SK ecoplant (the “Loan Agreement”), pursuant to which we were entitled to draw down on a loan from SK ecoplant with a maximum principal amount of $311.0 million, if SK ecoplant sent a redemption notice to us under the Amended SPA or otherwise reduced any portion of its holdings of our Class A common stock. On September 23, 2023, all 13,491,701 shares of the Series B RCPS were automatically converted into shares of our Class A common stock. For additional information, please see Part I, Item 1, Note 11 - *Related Party Transactions* and Note 16 - *SK ecoplant Strategic Investment*.

On May 16, 2023, we issued 3% Green Convertible Senior Notes (the “3% Green Notes”) in an aggregate principal amount of $632.5 million due June 2028, unless earlier repurchased, redeemed or converted, less the initial purchasers’ discount of $15.8 million and other issuance costs of $4.0 million, resulting in net proceeds of $612.7 million. On June 1, 2023, we used approximately $60.9 million of the net proceeds from this offering to redeem all of the outstanding principal amount of our 10.25% Senior Secured Notes due March 2027. The redemption price equaled 104% of the principal amount redeemed plus accrued and unpaid interest. For additional information, please see Part I, Item 1, Note 7 - *Outstanding Loans and Security Agreements*.

On August 24, 2023, as part of the repowering of PPA V Investment Company and Operating Company (“PPA V”), our Power Purchase Agreement (“PPA”) entity, we paid off the outstanding balance and related accrued interest of $118.5 million and $0.5 million, respectively, of our 3.04% Senior Secured Notes due June 30, 2031. For additional information, please see Part I, Item 1, Note 7 - *Outstanding Loans and Security Agreements*.

Our future capital requirements depend on many factors, including our rate of revenue growth, the timing and extent of spending on research and development efforts and other business initiatives, the rate of growth in the volume of system builds and the need for additional manufacturing space, working capital, the expansion of sales and marketing activities both in domestic and international markets, market acceptance of our product, products, our ability to secure financing for customer use of our Energy Servers, the timing of installations and of inventory build in anticipation of future sales and installations, and overall economic conditions, conditions. In order to support and achieve our future growth plans, we may need or seek advantageously to obtain additional funding through equity or debt financing. Failure to obtain this financing in future quarters may affect our financial position and results of operations, including the inflationary pressure in the U.S. on our ongoing revenues and future operations. The rising interest rate environment in the U.S. has and may continue to adversely impact the cost of new capital deployment. cash flows.

In the opinion of management, the combination of our existing cash and cash equivalents and the expected timing of operating cash flows is expected to be sufficient to meet our operational and capital cash flow requirements and other cash flow needs for the next 12 months from the date of issuance of this Quarterly Report on Form 10-Q.

Inflation Reduction Act of 2022 – New and Expanded Production and Tax Credits for Manufacturers and Projects to Support Clean Energy

For information on the Inflation Reduction Act of 2022 (the “IRA”) signed into law on August 16, 2022, and its impact on our business, see Part II, Item 8, Note 1 - — *Nature of Business, Liquidity and Basis of Presentation, Inflation Reduction Act of 2022*section in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 December 31, 2023.

Basis of Presentation

We have prepared the condensed consolidated financial statements included herein pursuant to the rules and regulations of the U.S. Securities and Exchange Commission ("SEC"), including all disclosures required by generally accepted accounting principles as applied in the United States ("U.S. GAAP").

Principles of Consolidation

For information on the principles of consolidation, see Part II, Item 8, Note 1 - — *Nature of Business, Liquidity and Basis of Presentation, Principles of Consolidation* section in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 December 31, 2023.

Business Combinations

For information on the business combinations, see Part II, Item 8, Note 1 - *Nature of Business, Liquidity and Basis of Presentation, Business Combinations* section in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022.

Use of Estimates

For information on the use of accounting estimates, see Part II, Item 8, Note 1 - — *Nature of Business, Liquidity and Basis of Presentation, Use of Estimates* section in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 December 31, 2023.

Concentration of Risk

Geographic Risk - — The majority of our revenue for the three and nine months ended September 30, 2023 was attributable to operations in the United States and, for the three and nine months ended September 30, 2022, to operations in the Republic of Korea. A major portion of our long-lived assets March 31, 2024 is attributable to operations with customers in the United States for all periods presented. In addition to shipments in the U.S. and the Republic of Korea, we also ship our Energy Servers to other countries, primarily Japan and India (the markets of the Republic of Korea, Japan, India and India, collectively Taiwan (collectively referred to as the "Asia Pacific region"). In , and for the three and nine months ended September 30, 2023, March 31, 2023 — to operations in the U.S.. The majority of our long-lived assets are attributable to operations in the U.S. for all periods presented. For the three months ended March 31, 2024 and 2023, total revenue related to shipments to in the Asia Pacific region was 35% 60% and 24% 5%, respectively. In the three and nine months ended September 30, 2022, respectively, of our total revenue related to shipments to the Asia Pacific region was 58% and 61%, respectively. revenue.

Credit Risk - — At September 30, 2023 March 31, 2024 and December 31, 2023, two customers one customer that is our related party (see Note 10 — *Related Party Transactions*) accounted for approximately 72% 84% and 18% 74% of accounts receivable. At December 31, 2022, one customer represented approximately 75% of accounts receivable. To date, we have not experienced any credit losses. receivable, respectively.

Customer Risk - — During the three months ended September 30, 2023 March 31, 2024, revenue from two customers accounted for approximately 40% 52% and 31% 15% of our total revenue. During the nine three months ended September 30, 2023 March 31, 2023, two customers represented approximately 36% 41% and 24% 25% of our total revenue.

During the three months ended September 30, 2022, two customers represented approximately 54% and 26% of our total revenue. During the nine months ended September 30, 2022, two customers represented approximately 48% and 16% of our total revenue.

2. Summary of Significant Accounting Policies

Please refer Refer to the accounting policies described in Part II, Item 8, Note 2 - — *Summary of Significant Accounting Policies* in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 December 31, 2023.

Accounting Guidance Not Yet Adopted

Refer to the accounting guidance not yet adopted described in Part II, Item 8, Note 2 — *Summary of Significant Accounting Policies — Accounting Guidance Not Yet Adopted* section in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023. Based on the Company's continued evaluation, we do not expect a material impact from new accounting guidance not yet adopted to our condensed consolidated financial statements.

Recent Accounting Pronouncements

There have been no significant changes in our reported financial position or results of operations and cash flows resulting from the adoption of new accounting pronouncements.

3. Revenue Recognition

Contract Balances

The following table provides information about accounts receivables, contract assets, customer deposits and deferred revenue from contracts with customers (in thousands):

		March 31,		March 31,	December 31,
				2024	2023
		September 30, 2023	December 31, 2022		
Accounts receivable					
Accounts receivable					
Accounts receivable	Accounts receivable	$ 334,495	$ 250,995		

Contract assets	Contract assets	143,875	46,727
Customer deposits	Customer deposits	66,043	121,085
Deferred revenue	Deferred revenue	67,613	94,355

Contract assets relate to contracts for which revenue is recognized upon transfer of control of performance obligations, but where billing milestones have not been reached. Customer deposits and deferred revenue include payments received from customers or invoiced amounts prior to transfer of controls control of performance obligations. At December 31, 2022, customer deposits included $24.6 million related to transactions with SK ecoplant, and refundable fees received from customers. At September 30, 2023 there were no customer deposits related to transactions with SK ecoplant (see Note 16 - *SK ecoplant Strategic Investment*).

Contract assets and contract liabilities are reported in a net position on an individual contract basis at the end of each reporting period. Contract assets are classified as current in the condensed consolidated balance sheets when both the milestones other than the passage of time, are expected to be complete and the customer is invoiced within one year of the balance sheet date, and as long-term when both the above-mentioned milestones are expected to be complete, and the customer is invoiced more than one year out from the balance sheet date. Contract liabilities are classified as current in the condensed consolidated balance sheets when the revenue recognition associated with the related customer payments and invoicing is expected to occur within one year of the balance sheet date and as long-term when the revenue recognition associated with the related customer payments and invoicing is expected to occur in more than one year from the balance sheet date.

Contract Assets

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Beginning balance	$ 35,182	$ 33,374	$ 46,727	$ 25,201
Transferred to accounts receivable from contract assets recognized at the beginning of the period	(8,284)	(21,677)	(31,968)	(21,304)
Revenue recognized and not billed as of the end of the period	116,977	14,071	129,116	21,871
Ending balance	$ 143,875	$ 25,768	$ 143,875	$ 25,768

Contract assets as of September 30, 2023 were primarily related to the PPA V Upgrade. For additional information, please see Part I, Item 1, Note 10 - *Portfolio Financings*.

	Three Months Ended March 31,	
	2024	2023
Beginning balance	$ 41,366	$ 46,727
Transferred to accounts receivable from contract assets recognized at the beginning of the period	(18,123)	(10,787)
Revenue recognized and not billed as of the end of the period	10,545	11,838
Ending balance	$ 33,788	$ 47,778

Deferred Revenue

Deferred revenue activity including deferred incentive revenue activity, during the three and nine months ended September 30, 2023 March 31, 2024 and 2022 2023, consisted of the following (in thousands):

		Three Months Ended September 30,		Nine Months Ended September 30,	
		2023	2022	2023	2022
		Three Months Ended March 31,		Three Months Ended March 31,	
		2024		2024	2023
Beginning balance	Beginning balance	$ 85,110	$ 96,377	$ 94,355	$ 115,476
Additions	Additions	243,545	248,574	733,891	597,318
Revenue recognized	Revenue recognized	(261,042)	(241,795)	(760,633)	(609,638)
Ending balance	Ending balance	$ 67,613	$ 103,156	$ 67,613	$ 103,156

Deferred revenue is equivalent to the total transaction price allocated to the performance obligations that are unsatisfied, or partially unsatisfied, as of the end of the period. Primary The primary component of deferred revenue at the end of the period consists of performance obligations relating to the provision of maintenance services under current contracts and future renewal periods.

Some of these obligations provide customers with material rights over a period that we estimate to be largely commensurate with the period of their expected use of the associated Energy Server. Servers. As a result, we expect to recognize these amounts as revenue over a period of up to 21 years, predominantly on a relative standalone selling price basis that reflects the cost of providing these services. Deferred revenue also includes performance obligations relating to product acceptance and installation. A significant amount of this deferred revenue is reflected as additions and revenue recognized in the same 12-month period, and a portion of this deferred revenue is expected to be recognized beyond this 12-month period mainly due to deployment schedules.

We do not disclose the value of the unsatisfied performance obligations for (i) contracts with an original expected length of one year or less and (ii) contracts for which we recognize revenue at the amount to which we have the right to invoice for services performed.

Disaggregated Revenue

We disaggregate revenue from contracts with customers into four revenue categories: product, installation, services and electricity (in thousands):

		Three Months Ended September 30,		Nine Months Ended September 30,			
		2023	2022	2023	2022		
		Three Months Ended March 31,				Three Months Ended March 31,	
		2024				2024	2023
Revenue from contracts with customers:	Revenue from contracts with customers:						
Revenue from contracts with customers:							
Revenue from contracts with customers:							
Product revenue							
Product revenue							
Product revenue	Product revenue	$ 304,976	$213,243	$713,427	$520,415		
Installation revenue	Installation revenue	21,916	22,682	66,762	48,964		
Services revenue	Services revenue	47,535	37,347	130,496	111,012		
Electricity revenue	Electricity revenue	9,012	2,875	16,816	8,352		
Total revenue from contract with customers	Total revenue from contract with customers	383,439	276,147	927,501	688,743		
Revenue from contracts that contain leases:	Revenue from contracts that contain leases:						
Electricity revenue	Electricity revenue	16,829	16,127	49,053	47,806		
Electricity revenue							
Electricity revenue							
Total revenue	Total revenue	$ 400,268	$292,274	$976,554	$736,549		

4. Financial Instruments

Cash, Cash Equivalents, and Restricted Cash

The carrying values of cash, cash equivalents, and restricted cash approximate fair values and were as follows (in thousands):

	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
As Held:				
Cash	$ 148,301	$ 226,463		
Cash				
Cash				
Money market funds	489,395	291,903		
	$ 637,696	$ 518,366		
$				
As Reported:				
Cash and cash equivalents	$ 557,384	$ 348,498		
Cash and cash equivalents				
Cash and cash equivalents				
Restricted cash	80,312	169,868		
	$ 637,696	$ 518,366		
$				

Restricted cash consisted of the following (in thousands):

	September 30, 2023	December 31, 2022
Current:		
Restricted cash	$ 42,614	$ 50,965
Restricted cash related to PPA V Entity[1]	—	550
	$ 42,614	$ 51,515
Non-current:		
Restricted cash	$ 37,698	$ 110,353
Restricted cash related to PPA V Entity[1]	—	8,000
	37,698	118,353
	$ 80,312	$ 169,868

[1] As of December 31, 2022, we had a variable interest entity ("VIE") related to our PPA entity, PPA V, that represented a portion of the condensed consolidated balances recorded within the "restricted cash" and other financial statement line items in the condensed consolidated balance sheets (see Note 10 - *Portfolio Financings*). In August 2023, we sold the PPA V entity as a result of the PPA V Repowering of Energy Servers (see Note 10 - *Portfolio Financings)*, and as such there were no balances related to PPA V in the condensed consolidated balance sheet as of September 30, 2023. In addition, the restricted cash held in the PPA II and PPA IIIb entities as of September 30, 2023 included $28.1 million and $0.9 million of current restricted cash, respectively, and $12.3 million and $6.7 million of non-current restricted cash, respectively. The restricted cash held in the PPA II and PPA IIIb entities as of December 31, 2022, included $40.6 million and $1.2 million of current restricted cash, respectively, and $28.5 million and $6.7 million of non-current restricted cash, respectively. These entities are not considered VIEs.

	March 31, 2024	December 31, 2023
Restricted cash, current	$ 51,387	$ 46,821
Restricted cash, non-current	15,378	33,764
	$ 66,765	$ 80,585

Factoring Arrangements

We sell certain customer trade receivables on a non-recourse basis under factoring arrangements with certain a financial institutions. institution. These transactions are accounted for as sales and cash proceeds are included in cash used in operating activities. We derecognized $108.0 million $80.7 million and $167.6 million $59.6 million of accounts receivable during the three and nine months ended September 30, 2023, respectively. We derecognized $146.3 million March 31, 2024 and $283.3 million of accounts receivable during the three and nine months ended September 30, 2022, 2023, respectively.

The costs cost of factoring such accounts receivable on our condensed consolidated statements of operations for the three and nine months ended September 30, 2023 were $2.0 million March 31, 2024 and $2.7 million 2023, was $1.9 million and $0.7 million, respectively. The costs cost of factoring for the three and nine months ended September 30, 2022 were $2.5 million and $3.7 million, respectively. The costs of factoring are is recorded in general and administrative expenses.

5. Fair Value

Our accounting policy for the fair value measurement of cash equivalents and embedded Escalation Protection Plan ("EPP") derivatives is described in Part II, Item 8 Note 2 —- *Summary of Significant Accounting Policies* in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 December 31, 2023.

Financial Assets and Liabilities Measured at Fair Value on a Recurring Basis

The tables below set forth, by level, our financial assets and liabilities that are accounted for at fair value for the respective periods. The table does not include assets and liabilities that are measured at historical cost or any basis other than fair value (in thousands):

		Fair Value Measured at Reporting Date Using			
September 30, 2023		**Level 1**	**Level 2**	**Level 3**	**Total**
March 31, 2024	**March 31, 2024**	**Fair Value Measured at Reporting Date Using** Level 1	**Level 2**	**Level 3**	**Total**
Assets	**Assets**				
Assets					
Assets					
Cash equivalents:	Cash equivalents:				
Cash equivalents:					
Cash equivalents:					
Money market funds					
Money market funds					
Money market funds	Money market funds	$489,395	$ —	$ —	$489,395
		$			
		$489,395	$ —	$ —	$489,395
		$			
		$			
Liabilities	**Liabilities**				
Derivatives:					
Derivatives:					
Derivatives:	Derivatives:				
Embedded EPP derivatives	Embedded EPP derivatives	$ —	$ —	$3,948	$ 3,948
		$ —	$ —	$3,948	$ 3,948
Embedded EPP derivatives					
Embedded EPP derivatives					
		$			

	$			
	$			

December 31, 2022	Fair Value Measured at Reporting Date Using			
	Level 1	Level 2	Level 3	Total
December 31, 2023	Fair Value Measured at Reporting Date Using			
December 31, 2023	Level 1	Level 2	Level 3	Total
Assets				
Assets				
Assets				
Assets				
Cash equivalents:				
Cash equivalents:				
Cash equivalents:				
Cash equivalents:				
Money market funds				
Money market funds				
Money market funds				
Money market funds	$291,903	$ —	$ —	$291,903
	$			
	$291,903	$ —	$ —	$291,903
	$			
	$			
Liabilities				
Liabilities				
Derivatives:				
Derivatives:				
Derivatives:				
Derivatives:				
Embedded EPP derivatives				
Embedded EPP derivatives	$ —	$ —	$5,895	$ 5,895
Embedded EPP derivatives				
Embedded EPP derivatives				
	$ —	$ —	$5,895	$ 5,895
	$			
	$			
	$			

Money Market Funds — - Money market funds are valued using quoted market prices for identical securities and are therefore classified as Level 1 financial assets.

Embedded Escalation Protection Plan Derivative Liability in Sales Contracts — - We estimate the fair value of the embedded EPP derivatives in certain sales contracts using a Monte Carlo simulation model, which considers various potential electricity price curves over the sales contracts' terms. We use historical grid prices and available forecasts of future electricity prices to estimate future electricity prices. We have classified these derivatives as a Level 3 financial liability.

The changes in the Level 3 financial liabilities during the nine three months ended September 30, 2023 March 31, 2024 were as follows (in thousands):

	Embedded EPP Derivative Liability
Liabilities at December 31, 2022 December 31, 2023	$ 5,895 4,376
EPP liability settlement	(3,160)
Changes in fair value	1,213 (158)
Liabilities at September 30, 2023 March 31, 2024	$ 3,948 4,218

In June 2023, per an For more details on EPP agreement with one of derivatives, refer to Part II, Item 8 Note 5 — *Fair Value* in our customers, we paid $3.2 million, which was recorded as a reduction to our balance of embedded EPP derivative liability as of September 30, 2023 Annual Report on Form 10-K for the fiscal year ended December 31, 2023.

Financial Assets and Liabilities and Other Items Not Measured at Fair Value on a Recurring Basis

Debt Instruments - — The senior secured notes term loans and convertible senior notes are based on rates currently offered for instruments with similar maturities and terms (Level 2). The following table presents the estimated fair values and carrying values of debt instruments (in thousands):

	September 30, 2023		December 31, 2022		March 31, 2024		December 31, 2023	
	Net Carrying Value	Fair Value	Net Carrying Value	Fair Value	Net Carrying Value	Fair Value	Net Carrying Value	Fair Value
Debt instruments								
Recourse:								
Recourse:								
Recourse:								
3% Green Convertible Senior Notes due June 2028								
3% Green Convertible Senior Notes due June 2028								
3% Green Convertible Senior Notes due June 2028	$614,183	613,298	$ —	—				
2.5% Green Convertible Senior Notes due August 2025	226,309	249,665	224,832	309,488				
10.25% Senior Secured Notes due March 2027	—	—	60,960	60,472				
Non-recourse:								
3.04% Senior Secured Notes due June 2031	—	—	125,787	117,028				
4.6% Term Loan due March 2026	$ 1,483	1,345	$ —	—				
4.6% Term Loan due October 2026								

4.6% Term Loan due October 2026

4.6% Term Loan due October 2026

4.6% Term Loan due April 2026

6. Balance Sheet Components

Inventories

The components of inventory consisted of the following (in thousands):

	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
Raw materials	$ 238,716	$ 165,446		
Raw materials				
Raw materials				
Work-in-progress				
Finished goods	183,078	58,288		
Work-in-progress	53,855	44,660		
	$ 475,649	$ 268,394		
	$			

The inventory reserves were $17.8 million $19.9 million and $17.2 million $18.7 million as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively.

As of September 30, 2023, the inventory balance was reduced by $2.2 million primarily due to the release of a portion of the grant liability, which was recorded as capitalized payroll expenses in the closing inventory balance. For additional information, please see Part I, Item 1, Note 13 - *Commitments and Contingencies*, *Delaware Economic Development Authority* section.

Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consisted of the following (in thousands):

	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
Receivables from employees	$ 10,314	$ 6,553		
Deferred expenses (Note 16)	9,909	—		
Tax receivables				
Prepaid hardware and software maintenance				

Prepaid managed services	Prepaid managed services	5,868	4,405
Prepaid hardware and software maintenance		5,243	4,290
Tax receivables		4,428	3,676
Prepaid workers compensation	Prepaid workers compensation	3,993	5,536
Advance income tax provision	Advance income tax provision	2,349	783
Prepaid rent		2,060	965
Deferred expenses			
Interest receivable	Interest receivable	1,854	556
Deposits made	Deposits made	1,683	1,409
Prepaid deferred commissions	Prepaid deferred commissions	911	1,002
Prepaid rent			
Other prepaid expenses and other current assets	Other prepaid expenses and other current assets	17,631	14,468
		$ 66,243	$ 43,643
	$		

Property, Plant and Equipment, Net

Property, plant and equipment, net consisted of the following (in thousands):

		September 30,	**December 31,**		
	March 31,			**March 31,**	**December 31,**
		2023	**2022**	**2024**	**2023**
Energy Servers	Energy Servers	$ 313,866	$ 538,912		
Machinery and equipment	Machinery and equipment	165,814	145,555		
Leasehold improvements	Leasehold improvements	107,209	104,528		
Construction-in-progress	Construction-in-progress	105,787	72,174		
Buildings	Buildings	49,424	49,240		
Computers, software and hardware	Computers, software and hardware	26,455	24,608		
Furniture and fixtures	Furniture and fixtures	9,842	9,581		
		778,397	944,598		
	788,406				

Less: accumulated depreciation	Less: accumulated depreciation	(287,862)	(344,184)
		$ 490,535	$ 600,414
	$		

Depreciation expense related to property, plant and equipment was $12.5 million and $18.2 million for the three and nine months ended September 30, 2023 was $14.6 million March 31, 2024 and $50.3 million, respectively. Depreciation expense related to property, plant and equipment for the three and nine months ended September 30, 2022 was $15.5 million and $46.2 million, respectively.

Property, plant and equipment under operating leases by PPA V was $226.0 million and accumulated depreciation for these assets was $92.7 million as of December 31, 2022. There was no property, plant and equipment under operating leases by PPA V as of September 30, 2023. Depreciation expense for property, plant and equipment under operating leases by PPA V (sold in August 2023) and PPA IV (sold in November 2022) was $3.7 million and $10.9 million for the three and nine months ended September 30, 2023, respectively. Depreciation expense for these assets was $5.8 million and $17.3 million for the three and nine months ended September 30, 2022, 2023, respectively.

PPA V Upgrade

In August 2023, we started a project (the "PPA V Upgrade", the "PPA V Repowering") to replace 37.1 megawatts of Energy Servers (the "old Energy Servers") at PPA V with current generation Energy Servers (the "new Energy Servers"). The replacement was ongoing as of September 30, 2023. See Note 10 - *Portfolio Financings* for additional information.

Other Long-Term Assets

Other long-term assets consisted of the following (in thousands):

		September 30, 2023	December 31, 2022
	March 31, 2024	March 31, 2024	December 31, 2023
Deferred commissions	Deferred commissions	$ 8,901	$ 8,320
Deferred expenses			
Long-term lease receivable	Long-term lease receivable	7,604	8,076
Deposits made	Deposits made	2,926	2,672
Deferred expenses (Note 16)		1,980	—
Prepaid managed services	Prepaid managed services	1,896	2,373
Deferred tax asset	Deferred tax asset	1,384	1,151
Prepaid insurance		—	4,047
Prepaid and other long-term assets	Prepaid and other long-term assets	8,517	13,566
		$ 33,208	$ 40,205
Prepaid and other long-term assets			
Prepaid and other long-term assets			
	$		

Accrued Warranty and Product Performance Liabilities

Accrued warranty and product performance liabilities consisted of the following (in thousands):

		March 31, 2024	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
Product performance						
Product performance						
Product performance	Product performance	$	15,622	$ 16,901		
Product warranty	Product warranty		915	431		
		$	16,537	$ 17,332		
		$				
		$				
		$				

Changes in the product warranty and product performance liabilities were as follows (in thousands):

Balances at December 31, 2022December 31, 2023	$	17,332 19,326
Accrued warranty and product performance liabilities, net		4,950 23,565
Warranty and product performance expenditures during the nine-month period quarter		(15,079) (24,360)
Balances at September 30, 2023 March 31, 2024	$	16,537 9,197

Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consisted of the following (in thousands):

	March 31,	September 30,	December 31,	March 31, 2024	December 31, 2023
General invoice and purchase order accruals					
Compensation and benefits					
Interest payable					
Sales tax liabilities					
Sales-related liabilities					
Provision for income tax					
Accrued legal expenses					
Accrued consulting expenses					
Accrued restructuring costs (Note 11)					

Accrued installation

Finance lease liability

	2023		2022	
Compensation and benefits	$	43,590	$	48,156
General invoice and purchase order accruals		34,452		44,010
Interest payable		7,919		3,128
Sales-related liabilities		7,666		7,147
Accrued installation		6,094		7,905
Accrued legal expenses		3,666		4,403
Provision for income tax		2,600		1,140
Sales tax liabilities		2,517		6,172
VAT interim liability		2,194		418
Accrued consulting expenses		1,869		1,390
Accrued restructuring costs (Note 12)		1,172		—
Finance lease liabilities		1,142		1,024
PPA IV upgrade financing obligations		276		6,076
Delaware grant (Note 13)		—		9,495
Current portion of derivative liabilities		—		2,596
Other Other		1,323		1,123
	$	116,480	$	144,183

Other

Other

$

Preferred Stock

As of September 30, 2023March 31, 2024 and December 31, 2023, we had 20,000,000 shares of preferred stock authorized. authorized, of which 13,491,701 of these shares were previously designated as Series B redeemable convertible preferred stock (the “Series B RCPS”). The Series B RCPS and were converted to Class A common stock as of September 23, 2023, as a result of the SK ecoplant Second Tranche Closing. As of December 31, 2022, we had 20,000,000 shares of preferred stock authorized. 10,000,000 of these shares were designated as Series A redeemable convertible preferred stock and were converted Closing (for details please refer to Class A common stock as of November 8, 2022, as a result of the SK ecoplant Initial Investment. For additional information, please see Part I, II, Item 1, 8, Note 16 - 17 — *SK ecoplant Strategic Investment. Investment* in our Annual Form 10-K for the fiscal year ended December 31, 2023).

The preferred stock had $0.0001 par value. There were no shares of preferred stock issued and outstanding as of September 30, 2023 March 31, 2024 and December 31, 2022December 31, 2023.

Conversion of Class B Common Stock

On July 27, 2023, in accordance with our Restated Certificate of Incorporation, each share of our Class B common stock entitled to ten votes per share automatically converted into one share of our Class A common stock entitled to one vote per share.

7. Outstanding Loans and Security Agreements

The following is a summary of our debt as of September 30, 2023 March 31, 2024 (in thousands, except percentage data):

	Unpaid Principal Balance		Unpaid Principal Balance	Net Carrying Valu

	Unpaid Principal Balance	Net Carrying Value			Interest Rate	Maturity Dates	Entity
3% Green Convertible Senior Notes due June 2028							
	Unpaid Principal	Current	Long-Term	Total			
3% Green Convertible Senior Notes due June 2028	Principal Balance				Interest Rate	Maturity Dates	Entity

		Unpaid Principal Balance	Current	Long-Term	Total	Interest Rate	Maturity Dates	Entity
3% Green Convertible Senior Notes due June 2028	3% Green Convertible Senior Notes due June 2028	632,500	—	614,183	614,183	3.0%	June 2028	Company
		$632,500	$ —	$616,184	$616,184	3.0%		
2.5% Green Convertible Senior Notes due August 2025	2.5% Green Convertible Senior Notes due August 2025	230,000	—	226,309	226,309	2.5%	August 2025	Company
2.5% Green Convertible Senior Notes due August 2025		230,000	—	227,293	227,293 227,293	227,29		
Total recourse debt	Total recourse debt	862,500	—	840,492	840,492			
4.6% Term Loan due March 2026		1,483	—	1,483	1,483	4.6%	March 2026	Korean Joint Venture
4.6% Term Loan due October 2026								
4.6% Term Loan due October 2026								
4.6% Term Loan due October 2026		2,972	—		2,972			
4.6% Term Loan due April 2026	4.6% Term Loan due April 2026	1,486	—		1,486			
Total non-recourse debt	Total non-recourse debt	1,483	—	1,483	1,483			
Total debt	Total debt	$ 863,983	$ —	$841,975	$841,975			
Total debt								
Total debt								

The following is a summary of our debt as of December 31, 2022 December 31, 2023 (in thousands, except percentage data):

		Unpaid Principal Balance	Net Carrying Value: Current	Net Carrying Value: Long-Term	Net Carrying Value: Total	Interest Rate	Maturity Dates	Entity	Interest Rate
10.25% Senior Secured Notes due March 2027		$ 61,653	$12,716	$ 48,244	$ 60,960	10.25%	March 2027	Company	
3% Green Convertible Senior Notes due June 2028									
3% Green Convertible Senior Notes due June 2028									
3% Green Convertible Senior Notes due June 2028		$ 632,500	$ —	$615,205	$615,205				
2.5% Green Convertible Senior Notes due August 2025	2.5% Green Convertible Senior Notes due August 2025	230,000	—	224,832	224,832	2.5%	August 2025	Company	
2.5% Green Convertible Senior Notes due August 2025		230,000	—	226,801 226,801	226,801 226,801	2.5%			2
Total recourse debt	Total recourse debt	291,653	12,716	273,076	285,792				
3.04% Senior Secured Notes due June 30, 2031		127,430	13,307	112,480	125,787	3.04%	June 2031	PPA V	
4.6% Term Loan due October 2026									
4.6% Term Loan due October 2026									

4.6% Term Loan due October 2026		3,085	—	3,085	3,085
4.6% Term Loan due April 2026	4.6% Term Loan due April 2026	1,542	—	1,542	1,542
Total non-recourse debt	Total non-recourse debt	127,430	13,307	112,480	125,787
Total debt	Total debt	$419,083	$26,023	$385,556	$411,579
Total debt					
Total debt					

Recourse debt refers to debt that we have an obligation to pay. Non-recourse debt refers to debt that is recourse to only our subsidiaries. subsidiary, Bloom SK Fuel Cell, LLC, a joint venture in the Republic of Korea with SK ecoplant (the "Korean JV"). The differences between the unpaid principal balances and the net carrying values apply to deferred financing costs. We and all of our subsidiaries subsidiary were in compliance with all financial covenants as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023.

Recourse Debt Facilities

3% Green Convertible Senior Notes due June 2028 and Capped Call Transactions

Please refer to Part II, Item 8, Note 7 — - *On May 16, 2023 Outstanding Loans and Security Agreements* in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023, we issued for discussion of our 3% Green Convertible Senior Notes due June 2028 (the "3% Green Notes") and privately negotiated capped call transactions in connection with the pricing of the 3% Green Notes in an aggregate principal amount of $632.5 million due on June 1, 2028, unless earlier repurchased, redeemed or converted, less an initial purchasers' discount of $15.8 million and other issuance costs of $4.0 million (together, the "Transaction Costs"), resulting in net proceeds of $612.7 million. Notes.

The noteholders could not convert their 3% Green Notes were issued pursuant to, and are governed by, an during the quarter ended March 31, 2024, as the Closing Price Condition, as defined in the indenture, (the "Indenture"), dated as of May 16, 2023, between us and U.S. Bank Trust Company, National Association, as Trustee, in private placements to qualified institutional buyers pursuant to Rule 144A of the Securities Act of 1933, as amended (the "Securities Act").

Pursuant to the purchase agreement among the Company and the representatives of the initial purchasers of the 3% Green Notes, the Company granted the initial purchasers an option to purchase up to an additional $82.5 million aggregate principal amount of the 3% Green Notes (the "Greenshoe Option"). The 3% Green Notes issued on May 16, 2023, included $82.5 million aggregate principal amount pursuant to the full exercise by the initial purchasers of the Greenshoe Option.

The 3% Green Notes are senior, unsecured obligations accruing interest at a rate of 3% per annum, payable semi-annually in arrears on June 1 and December 1 of each year, beginning on December 1, 2023.

We may trustee, was not redeem the 3% Green Notes prior to June 5, 2026, subject to a partial redemption limitation. We may elect to redeem, at face value, all or any portion of the 3% Green Notes at any time, and from time to time, on or after June 5, 2026 and on or before the forty-sixth scheduled trading day immediately before the maturity date, provided the share price for our Class A common stock exceeds 130% of the conversion price at redemption.

Before March 1, 2028, the noteholders have the right to convert their 3% Green Notes only upon the occurrence of certain events, including satisfaction of a condition relating to the closing price of our common stock (the "Closing Price Condition") or the trading price of the 3% Green Notes (the "Trading Price Condition"), a redemption event, or other specified corporate events. If the Closing Price Condition is met on at least 20 (whether or not consecutive) of the last 30 consecutive trading days in any calendar quarter, and only during such calendar quarter, the noteholders may convert their 3% Green Notes at any time during the immediately following quarter, commencing after three months ended December 31, 2023 as per the calendar quarter ending on September 30, 2023, subject to partial redemption limitation. Subject to the Trading Price Condition, the noteholders may convert their 3% Green Notes during the five business days immediately after any five consecutive trading day period in which the trading price per $1,000 principal amount indenture, dated as of the 3% Green Notes, as determined following a request by a holder of the 3% Green Notes, for each day of that period is less than 98% of the product of the closing price of our common stock and the then applicable conversion rate. From and after March 1, 2028, the noteholders may convert their 3% Green Notes at any time at their election until the close of business on the second scheduled trading day immediately before the maturity date. Should the noteholders elect to convert their 3% Green Notes, we may elect to settle the conversion by paying or delivering, as applicable, cash, shares of our Class A common stock, $0.0001 par value per share, or a combination thereof, at our election.

The initial conversion rate is 53.0427 shares of Class A common stock per $1,000 principal amount of notes, which represents an initial conversion price of approximately $18.85 per share of Class A common stock. The conversion rate and conversion price are subject to customary adjustments upon the occurrence of certain events. Also, we may increase the conversion rate at any time if our Board of Directors determines it is in the best interests of the Company or to avoid or diminish income tax to holders of common stock. In addition, if certain corporate events that constitute a Make-Whole Fundamental Change, as defined below, occur, then the conversion rate applicable to the conversion of the 3% Green Notes may, in certain circumstances, be increased by up to 22.5430 shares of Class A common stock per $1,000 principal amount of notes for a specified period of time. At September 30, 2023, the maximum number of shares into which the 3% Green Notes could have been potentially converted if the conversion features were triggered was 47,807,955 shares of Class A common stock.

According to the Indenture, a Make-Whole Fundamental Change means (i) a Fundamental Change, that includes certain change-of-control events relating to us, certain business combination transactions involving us and certain delisting events with respect to our Class A common stock, or (ii) the sending of a redemption notice with respect to the 3% Green Notes.

The 3% Green Notes contain certain customary provisions relating to the occurrence of Events of Default, as defined in the Indenture. If an Event of Default involving bankruptcy, insolvency or reorganization events with respect to us occurs, then the principal amount of, and all accrued and unpaid interest on, all of the 3% Green Notes then outstanding will immediately become due and payable without any further action or notice by any person. However, notwithstanding the foregoing, we may elect, at our option, that the sole remedy for an Event of Default relating to certain failures by us to comply with certain reporting covenants in the Indenture consists exclusively of the right of the noteholders to receive special interest on the 3% Green Notes for up to 180 days at a specified rate per annum not exceeding 0.50% on the principal amount of the 3% Green Notes.

The Transaction Costs were recorded as debt issuance costs and presented a reduction to the 3% Green Notes on our condensed consolidated balance sheets and are amortized to interest expense at an effective interest rate of 3.8% May 16, 2023.

Total interest expense recognized related to the 3% Green Notes for the three and nine months ended September 30, 2023 March 31, 2024 was $5.7 million and $8.7 million, respectively, and was comprised of contractual interest expense of $4.7 million and $7.2 million, respectively, and amortization of the initial purchasers' discount and other issuance costs of $1.0 million and $1.5 million, respectively. . There was no interest expense recognized related to the 3% Green Notes for the three months ended March 31, 2023. We have not recognized any special interest expense related to the 3% Green Notes to date.

The amount of unamortized debt issuance costs as of September 30, 2023 March 31, 2024 and December 31, 2023, was $18.3 million. $16.3 million and $17.3 million, respectively.

Although the 3% 2.5% Green Convertible Senior Notes contain embedded conversion features, we account for the 3% Green Notes in its entirety as a liability. As of September 30, 2023, the net carrying value of the 3% Green Notes was classified as a long-term liability in our condensed consolidated balance sheets.

Capped Calls - On May 11, 2023, in connection with the pricing of the 3% Green Notes, and on May 15, 2023, in connection with initial purchasers' exercise of the Greenshoe Option, we entered into privately negotiated capped call transactions (the "Capped Calls") with certain counterparties (the "Option Counterparties"). The Capped Calls cover, subject to customary anti-dilution adjustments substantially similar to those applicable to the 3% Green Notes, the aggregate number of shares of our Class A common stock that initially underlie the 3% Green Notes, and are expected generally to reduce potential dilution to holders of our common stock upon any conversion of the 3% Green Notes and at our election (subject to certain

conditions) offset any cash payments we would be required to make in excess of the principal amount of converted 3% Green Notes.

The Capped Calls expire on June 1, 2028 and are exercisable only at maturity, but may be early terminated in various circumstances, including if the 3% Green Notes are early converted or repurchased. The default settlement method for the Capped Calls is net share settlement. However, we may elect to settle the Capped Calls in cash.

The Capped Calls have an initial strike price of approximately $18.85 per share of Class A common stock, subject to certain adjustments. The strike price of $18.85 corresponds to the initial conversion price of the 3% Green Notes. The number of shares underlying the Capped Calls is 33,549,508 shares of Class A common stock. The cap price of the Capped Calls is initially $26.46 per share of Class A common stock, which represents a premium of 100% over the last reported sale price of our common stock on May 11, 2023.

The Capped Calls are freestanding financial instruments. We used a portion of the proceeds from the issuance of the 3% Green Notes to pay for the Capped Calls' premium. As the Capped Calls meet certain accounting criteria, they are recorded in stockholders' equity and are not accounted for as derivatives. The cost of $54.5 million incurred to purchase the Capped Calls was recorded as a reduction to additional paid-in capital on our condensed consolidated balance sheets and will not be remeasured. due August 2025

Please refer to Part II, Item 8, Note 7 - — *Outstanding Loans and Security Agreements* in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 December 31, 2023, for discussion of our 10.25% *Senior Secured Notes due March 2027* and 2.5% Green Convertible Senior Notes due August 2025. 2025 (the "2.5% Green Notes").

10.25% Senior Secured The noteholders could not convert their 2.5% Green Notes due March 2027 - The outstanding unpaid principal balance of $57.6 million on the 10.25% Senior Secured Notes due March 2027 was called and retired at 104% during the nine quarter ended March 31, 2024, as the Closing Price Condition, as defined in the indenture, dated as of August 11, 2020, between us and U.S. Bank National Association, as trustee, was not met during the three months ended September 30, 2023. The 4% premium of $2.3 million and unpaid accrued interest of $1.0 million were included in December 31, 2023 as per the final payment to the noteholders. We recognized loss on extinguishment of debt of $2.9 million as a result of redemption of the 10.25% Senior Secured Notes.

The current and non-current balance of the outstanding unpaid principal of the 10.25% Senior Secured Notes was $12.7 million and $48.9 million indenture, dated as of December 31, 2022, respectively. August 11, 2020.

Interest on the 10.25% Senior Secured Notes for the nine months ended September 30, 2023 was $2.7 million, including $0.1 million amortization of issuance costs. Interest on the 10.25% Senior Secured Notes for the three and nine months ended September 30, 2022 was $1.9 million and $3.8 million, respectively, including amortization of issuance costs of $0.1 million and $0.2 million, respectively.

Interest on Total interest expense recognized related to the 2.5% Green Notes for the three and nine months ended September 30, 2023 March 31, 2024 and 2023, was $1.9 million and $5.8 million $1.9 million, respectively, including and was comprised of contractual interest expense of $1.4 million and $1.4 million and amortization of issuance costs of $0.5 million and $1.5 million $0.5 million, respectively. Interest on We have not recognized any special interest expense related to the 2.5% Green Notes for the three and nine months ended September 30, 2022 was $1.9 million and $5.8 million, respectively, including amortization to date.

The amount of unamortized debt issuance costs as of $0.5 million March 31, 2024 and $1.5 million December 31, 2023, was $2.7 million and $3.2 million, respectively.

Non-recourse Debt Facilities

Please refer to Part II, Item 8, Note 7 - — *Outstanding Loans and Security Agreements* in our Annual Form 10-K for the fiscal year ended December 31, 2022 December 31, 2023 for discussion of our non-recourse debt.

3.04% Senior Secured Notes due June 2031 - On August 24, 2023, as part of the PPA V Upgrade, we paid off the outstanding balance and related accrued interest of $118.5 million and $0.5 million, respectively, of our 3.04% Senior Secured Notes due June 2031, and recognized a loss on extinguishment of debt of $1.4 million (for additional information, please see Note 10 - *Portfolio Financings*). The debt service reserve of $8.6 million was reclassified from restricted cash to cash and cash equivalents at the time of extinguishment of debt.

Repayment Schedule and Interest Expense

The following table presents details of our outstanding loan principal repayment schedule as of September 30, 2023 March 31, 2024 (in thousands):

Remainder of 2023		$	—
2024			—
Remainder of 2024			
2025	2025		230,000
2026	2026		1,483
2027	2027		—
2028			
Thereafter	Thereafter		632,500
		$	863,983
	$		

Interest expense of $68.0 million and $93.7 million for the three and nine months ended September 30, 2023, respectively, was recorded in interest expense on the condensed consolidated statements of operations. Interest expense for the three and nine months ended September 30, 2023 included $52.8 million as a result of the SK ecoplant Second Tranche Closing. For additional information, please see Part I, Item 1, Note 16 - *SK ecoplant Strategic Investment*. Interest expense of $13.1 million and $41.0 million for the three and nine months ended September 30, 2022, respectively, was recorded in interest expense on the condensed consolidated statements of operations.

8. Leases

Facilities, Energy Servers, and Vehicles

For the three and nine months ended September 30, 2023, March 31, 2024 and 2023, rent expense for all occupied facilities was $5.7 million $5.6 million and $17.0 million $5.6 million, respectively. For the three and nine months ended September 30, 2022, rent expense for all occupied facilities was $5.0 million and $14.2 million, respectively.

Operating and financing lease right-of-use assets and lease liabilities for facilities, Energy Servers, and vehicles as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, were as follows (in thousands):

			September 30, 2023	December 31, 2022		
		March 31, 2024			March 31, 2024	December 31, 2023
Operating Leases:	**Operating Leases:**					
Operating Leases:						
Operating Leases:						
Operating lease right-of-use assets, net 1, 2						
Operating lease right-of-use assets, net 1, 2						
Operating lease right-of-use assets, net 1, 2	Operating lease right-of-use assets, net 1, 2		$ 127,973	$ 126,955		
Current operating lease liabilities	Current operating lease liabilities		(16,666)	(16,227)		

Non-current operating lease liabilities	Non-current operating lease liabilities		(133,602)		(132,363)
Total operating lease liabilities	Total operating lease liabilities	$	(150,268)	$	(148,590)
Finance Leases:	**Finance Leases:**				
Finance Leases:					
Finance Leases:					
Finance lease right-of-use assets, net [2, 3, 4]					
Finance lease right-of-use assets, net [2, 3, 4]					
Finance lease right-of-use assets, net [2, 3, 4]	Finance lease right-of-use assets, net [2, 3, 4]	$	2,899	$	2,824
Current finance lease liabilities[5]	Current finance lease liabilities[5]		(1,142)		(1,024)
Non-current finance lease liabilities[6]	Non-current finance lease liabilities[6]		(1,956)		(1,971)
Total finance lease liabilities	Total finance lease liabilities	$	(3,098)	$	(2,995)
Total lease liabilities	Total lease liabilities	$	(153,366)	$	(151,585)

[1] These assets primarily include leases for facilities, Energy Servers, and vehicles.

[2] Net of accumulated amortization.

[3] These assets primarily include leases for vehicles.

[4] Included in property, plant and equipment, net in the condensed consolidated balance sheets.

[5] Included in accrued expenses and other current liabilities in the condensed consolidated balance sheets.

[6] Included in other long-term liabilities in the condensed consolidated balance sheets.

The components of our facilities, Energy Servers, and vehicles' lease costs for the three and nine months ended September 30, 2023 March 31, 2024 and 2022 2023, were as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022

	Three Months Ended March 31,		Three Months Ended March 31,
	2024	2024	2023

Operating lease costs	Operating lease costs	$ 8,408	$ 6,097	$ 24,373	$ 17,962
Operating lease costs					
Operating lease costs					
Financing lease costs:	Financing lease costs:				
Amortization of right-of-use assets					
Amortization of right-of-use assets					
Amortization of right-of-use assets	Amortization of right-of-use assets	294	230	689	750
Interest on lease liabilities	Interest on lease liabilities	72	53	203	160
Total financing lease costs	Total financing lease costs	366	283	892	910
Short-term lease costs	Short-term lease costs	384	538	1,561	699
Total lease costs	Total lease costs	$ 9,158	$ 6,918	$ 26,826	$ 19,571

Weighted average remaining lease terms and discount rates for our facilities, Energy Servers and vehicles leases as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, were as follows:

		September 30, 2023	December 31, 2022				
		March 31, 2024				March 31, 2024	December 31, 2023
Weighted average remaining lease term:	Weighted average remaining lease term:						
Weighted average remaining lease term:							
Weighted average remaining lease term:							
Operating leases							
Operating leases							
Operating leases	Operating leases	7.9 years	8.6 years		7.2 years		7.4 years
Finance leases	Finance leases	3.4 years	3.3 years	Finance leases		3.2 years	
Weighted average discount rate:	Weighted average discount rate:						
Operating leases	Operating leases	10.4 %	10.3 %				
Operating leases							
Operating leases					10.6 %		10.6 %
Finance leases	Finance leases	9.3 %	6.9 %	Finance leases	9.6 %		9.5 %

Future lease payments under lease agreements for our facilities, Energy Servers and vehicles as of September 30, 2023 March 31, 2024 were as follows (in thousands):

		Operating Leases	Operating Leases	Finance Leases
		Operating Leases	Finance Leases	
Remainder of 2024				
Remainder of 2023		$ 8,513	$ 357	
2024		29,803	1,289	
Remainder of 2024				
Remainder of 2024				
2025	2025	29,863	839	
2026	2026	29,769	598	
2027	2027	28,500	412	
2028				
2029				
Thereafter	Thereafter	99,736	98	
Total minimum lease payments	Total minimum lease payments	226,184	3,593	
Less: amounts representing interest or imputed interest	Less: amounts representing interest or imputed interest	(75,916)	(495)	
Present value of lease liabilities	Present value of lease liabilities	$ 150,268	$ 3,098	

Managed Services and Portfolio Financings Through PPA Entities Financing

For details on Managed Services Financing refer to Part I, Item 7, Section *Purchase and Financing Options,* sub-section - *Managed Services Financing* and Part II, Item 8, Note 8 — *Leases* in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023.

We recognized $15.8 million $7.1 million and $7.3 million of product revenue, $4.8 million $2.3 million and $3.0 million of installation revenue, $2.7 million $1.3 million and $1.2 million of financing obligations, and $9.3 million $4.1 million and $5.5 million of operating lease right-of-use assets and lease liabilities from successful sale and leaseback transactions for the nine months ended September 30, 2023. There were no successful sale and leaseback transactions for the three months ended September 30, 2023.

We recognized $0.9 million of product revenue, $0.6 million of installation revenue, $0.3 million of financing obligations, and $0.6 million of right-of-use assets and operating lease liabilities from successful sale and leaseback transactions for the three and nine months ended September 30, 2022.

March 31, 2024 and 2023, respectively.

The recognized operating lease expense from successful sale and leaseback transactions for the three and nine months ended September 30, 2023 March 31, 2024 and 2023, was $2.6 million $3.1 million and $7.0 million, respectively. The recognized lease expense from successful sale and leaseback transactions for the three and nine months ended September 30, 2022 was $1.3 million and $3.9 million $2.1 million, respectively.

At September 30, 2023 March 31, 2024, future lease payments under the Managed Services Agreements financing obligations were as follows (in thousands):

		Financing Obligations
		Financing Obligations
		Financing Obligations
		Financing Obligations
Remainder of 2024		
Remainder of 2023	$	11,466
2024		43,368
Remainder of 2024		
Remainder of 2024		
2025		
2025		

2025	2025	42,358
2026	2026	37,778
2026		
2026		
2027	2027	21,441
2027		
2027		
2028		
2028		
2028		
Thereafter		
Thereafter		
Thereafter	Thereafter	37,237
Total minimum lease payments	Total minimum lease payments	193,648
Total minimum lease payments		
Total minimum lease payments		
Less: imputed interest		
Less: imputed interest		
Less: imputed interest	Less: imputed interest	(103,046)
Present value of net minimum lease payments	Present value of net minimum lease payments	90,602
Present value of net minimum lease payments		
Present value of net minimum lease payments		
Less: current financing obligations		
Less: current financing obligations		
Less: current financing obligations	Less: current financing obligations	(39,093)
Long-term financing obligations	Long-term financing obligations	$ 51,509
Long-term financing obligations		
Long-term financing obligations		

The long-term total financing obligations, as reflected in our condensed consolidated balance sheets, were $410.4 million $441.5 million and $442.1 million $444.8 million as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively. We expect the difference between these obligations and the principal obligations in the table above to be offset against the carrying value of the related Energy Servers at the end of the lease and the remainder recognized as either a gain or loss at that point.

Portfolio Financings through PPA Entities - Customer arrangements entered into prior to January 1, 2020 under Portfolio Financing arrangements through a PPA entity that qualified as leases were accounted for as either sales-type leases or operating leases. Since January 1, 2020, we have not entered into any new PPAs with customers under such arrangements.

In August 2023, we sold our PPA entity, PPA V. For additional information, please see Part I, Item 1, Note 10 - *Portfolio Financings.*

9. Stock-Based Compensation and Employee Benefit Plans

Stock-Based Compensation Expense

The following table summarizes the components of stock-based compensation expense in the condensed consolidated statements of operations (in thousands):

		Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended March 31,	
		2023	2022	2023	2022	2024	2023
Cost of revenue	Cost of revenue	$ 5,581	$ 4,982	$ 14,809	$ 13,609		
Cost of revenue							
Cost of revenue							
Research and development	Research and development	5,585	4,818	21,673	25,113		

Sales and marketing	Sales and marketing	3,015	3,948	15,089	13,528
General and administrative	General and administrative	7,383	10,283	28,025	30,688
		$ 21,564	$ 24,031	$ 79,596	$ 82,938
	$				

As of March 31, 2024 and December 31, 2023, we capitalized $10.0 million and $8.9 million of stock-based compensation cost, respectively, into inventory and deferred cost of goods sold.

Stock Option and Stock Award Activity

The following table summarizes the stock option activity under our stock plans during the reporting period:

	Outstanding Options					
	Number of Shares		Weighted Average Exercise Price	Remaining Contractual Life (Years)		Aggregate Intrinsic Value
	(in thousands, except weighted average exercise price and remaining contractual life)					
Balances at December 31, 2022	8,748,309	$	20.70	4.6	$	40,532
Exercised	(332,293)		7.94			
Expired	(541,302)		26.95			
Balances at September 30, 2023	7,874,714		20.81	3.8		17,890
Vested and expected to vest at September 30, 2023	7,873,962		20.81	3.8		17,885
Exercisable at September 30, 2023	7,844,713	$	20.86	3.8	$	17,707

	Outstanding Options					
	Number of Shares		Weighted Average Exercise Price	Remaining Contractual Life (Years)		Aggregate Intrinsic Value
	(in thousands)					
Balances at December 31, 2023	7,247,624	$	20.93	3.8	$	19,446
Granted	1,000,000		9.08			
Exercised	(99,640)		5.44			
Expired	(284,187)		27.03			
Balances at March 31, 2024	7,863,797		19.39	4.7		24,003
Vested and expected to vest at March 31, 2024	7,519,528		19.86	4.4		22,034
Exercisable at March 31, 2024	6,859,630	$	20.89	3.7	$	18,252

Stock Options - For During the three and nine months ended September 30, 2023, March 31, 2024 and 2023, we recognized $0.1 million $0.2 million and $0.3 million $0.2 million of stock-based compensation costs for stock options, respectively. For

During the three and nine months ended September 30, 2022, March 31, 2024 we recognized $1.2 million and $6.7 million of stock-based compensation expense for granted 1,000,000 stock options, respectively.

options. We did not grant stock options in the three and nine months ended September 30, 2023 March 31, 2023.

During the three months ended March 31, 2024 and 2022. 2023, the intrinsic value of stock options exercised was $0.5 million and $0.8 million, respectively.

As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, we had unrecognized compensation costs related to unvested stock options of $0.1 million $7.0 million and $0.4 million $0.1 million, respectively. This cost is expected to be recognized over the remaining weighted-average period of 0.5 3.3 years and 0.9 0.3 years, respectively. Cash received from stock options exercised totaled $1.1 million $0.5 million and $2.6 million $0.8 million for the three and nine months ended September 30, 2023 March 31, 2024 and 2023, respectively.

Executive Performance-Based Stock Options

During the three months ended March 31, 2024, respectively. Cash received from we granted 955,000 stock options exercised totaled $2.2 million to certain executives to purchase shares of common stock that contain certain performance-based vesting criteria related to corporate milestones (the “performance-based stock options”). The performance-based stock options were granted “at-the-money” and $3.6 million have a term of 10 years. The performance-based stock options vest based over a four-year or a three-year requisite service period.

The fair value of each performance-based stock option is estimated on the date of grant using the Black-Scholes valuation model. Recognition of stock-based compensation expense associated with these performance-based stock options commences when the performance condition is considered probable of achievement, using management’s best estimates, which consider the inherent risk and uncertainty regarding the future outcomes of the milestones. Forfeitures of the performance-based stock options are recognized as they occur.

We used the following weighted-average assumptions in applying the Black-Scholes valuation model for determination of the three and nine months ended September 30, 2022, respectively. performance-based stock options valuation:

	Three Months Ended March 31, 2024
Risk-free interest rate	4.1%
Expected term (years)	6.0
Expected dividend yield	—
Expected volatility	97.1%

Stock Award Activity Awards

A summary of our stock awards activity and related information is as follows:

	Number of Awards Outstanding	Number of Awards Outstanding	Weighted Average Grant Date Fair Value
	Number of Awards Outstanding	Weighted Average Grant Date Fair Value	
Unvested Balance at December 31, 2022	9,549,035	$ 19.99	
Unvested Balance at December 31, 2023			
Unvested Balance at December 31, 2023			
Unvested Balance at December 31, 2023			
Granted Granted	4,814,465	18.37	
Vested Vested	(3,496,491)	18.87	
Forfeited Forfeited	(1,428,026)	21.44	
Unvested Balance at September 30, 2023	9,438,983	$ 19.36	
Unvested Balance at March 31, 2024			

Stock Awards -— The estimated fair value of restricted stock units (“RSUs”) and performance-based performance stock units (“PSUs”) is based on the fair value of our Class A common stock on the date of grant. For the three and nine months ended September 30, 2023, March 31, 2024 and 2023, we recognized $19.3 million $17.9 million and $65.0 million $22.6 million of stock-based compensation costs for stock awards, respectively. For the three and nine months ended September 30, 2022, we recognized $18.4 million and $64.4 million of stock-based compensation expense for stock awards, respectively.

As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, we had $129.3 million $99.5 million and $135.7 million $113.5 million of unrecognized stock-based compensation expense related to unvested stock awards, expected to be recognized over a weighted average period of 2.3 years and 2.0 years, and 1.9 years, respectively.

Executive Awards

On February 15, 2023 and July 11, 2023 March 1, 2024, the Company granted RSU, PSU and PSU the performance-based stock option awards (the "2023 "2024 Executive Awards") to certain executive staff pursuant to the 2018 Equity Incentive Plan. The RSUs have time-based vesting schedules, started vesting on February 15, 2023 January 15, 2024 and shall vest over a three year four-year period. The PSUs which started vesting on February 15, 2023 have either a four-year, a three-year, or a one-year cliff vesting period, and the PSUs which started performance-based stock options have either a four-year or a three-year cliff vesting on July 11, 2023, cliff vest on February 15, 2024. period. The PSUs and performance-based stock options will vest based on a combination of time and achievement against performance metrics targets assuming continued employment and service through each vesting date. Stock-based compensation costs associated with the 2023 2024 Executive Awards are recognized over the service period as we evaluate the probability of the achievement of the performance conditions. As of March 31, 2024, the unamortized compensation expense for the RSUs, PSUs, and the performance-based stock options per the 2024 Executive Awards was $9.4 million.

For details on the 2023, 2022, and 2021 Executive Awards refer to Part II, Item 8, Note 9 — *Stock-Based Compensation and Employee Benefit Plans* in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023.

As of March 31, 2024 and December 31, 2023, the unamortized compensation expense for the RSUs and PSUs per the 2023 Executive Awards was $4.1 million and $7.0 million, respectively.

As of March 31, 2024 and December 31, 2023, the unamortized compensation expense for the RSUs and PSUs per the 2022 Executive Awards was $1.2 million and $6.2 million, respectively.

As of March 31, 2024 and December 31, 2023, the unamortized compensation expense for the RSUs and PSUs per the 2021 Executive Awards was $7.1 million and $8.2 million.

The following table presents the stock activity and the total number of shares available for grant under our stock plans:

	Plan Shares Available for Grant
Balances at December 31, 2022 December 31, 2023	28,340,641 32,877,906
Added to plan	8,948,255 9,871,670
Granted	(4,734,700) (4,944,248)
Cancelled/forfeited	1,899,563 Forfeited 789,664
Expired	(504,347) (221,086)
Balances at September 30, 2023 March 31, 2024	33,949,412 38,373,906

2018 Employee Stock Purchase Plan ("2018 ESPP")

For the three and nine months ended September 30, 2023, we recognized $0.1 million and $12.5 million of stock-based compensation costs for details on the 2018 ESPP, respectively. For the three Employee Stock Purchase Plan (the "2018 ESPP"), refer to Part II, Item 8, Note 9 — *Stock-Based Compensation and nine months ended September 30, 2022, we recognized $4.3 million and $11.2 million of stock-based compensation costs for the 2018 ESPP, respectively.*

We issued 426,170 and 875,695 shares Employee Benefit Plans in the three and nine months ended September 30, 2023, respectively. We issued 339,055 and 759,744 shares in the three and nine months ended September 30, 2022, respectively.

During the nine months ended September 30, 2023 and 2022, we added an additional 2,239,563 and 12,055,792 shares, respectively, and there were 15,204,584 and 13,840,716 shares available for issuance as of September 30, 2023 and December 31, 2022, respectively.

As of September 30, 2023 and December 31, 2022, we had $12.1 million and $12.0 million of unrecognized stock-based compensation costs, respectively, expected to be recognized over a weighted average period of 1.1 years and 0.6 years, respectively.

10. Portfolio Financings

Overview

We have developed various financing options that enable customers' use of the Energy Servers through third-party ownership financing arrangements. For additional information on these financing options, see our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 December 31, 2023.

PPA V Repowering During the three months ended March 31, 2024 and 2023, we (reversed) recognized $(1.1) million and $6.5 million of Energy Servers

PPA V was established in 2015 and we, through a special purpose subsidiary (the "Project Company"), had previously entered into certain agreements stock-based compensation costs for the purpose 2018 ESPP, respectively. We issued 632,688 and 449,525 shares in the three months ended March 31, 2024 and 2023, respectively. During the three months ended March 31, 2024 and 2023, we added an additional 2,418,528 and 2,239,563 shares and there were 16,990,424 and 15,204,584 shares available for issuance as of developing, financing, owning, operating, maintaining March 31, 2024 and managing a portfolio December 31, 2023, respectively.

As of 37.1 megawatts of Energy Servers.

On August 10, 2023 March 31, 2024 and December 31, 2023, we acquired all had $10.8 million and $8.8 million of Solar TC Corp's ("Intel") interest in PPA V, as set forth in the Purchase unrecognized stock-based compensation costs, expected to be recognized over a weighted average period of 1.2 years and Sale Agreement (the "PPA V Buyout"). The aggregate purchase price of the transaction amounted to $6.9 million. After the acquisition, PPA V became wholly owned by us. 0.8 years, respectively.

The change in our ownership interest in PPA V was accounted for as an equity transaction in accordance with ASC 810 *Consolidation*. The carrying amount of the noncontrolling interest was eliminated to reflect the change in our ownership interest in PPA V, and the difference between the fair value of the consideration paid and the carrying amount of the noncontrolling interest immediately prior to the PPA V Buyout of $11.5 million was recognized as additional paid-in capital in our condensed consolidated statements of stockholders' equity (deficit).

On August 24, 2023, we entered into the Membership Interest Purchase Agreement (the “MIPA”) with Generate C&I Warehouse, LLC (the “Financier”). Following the PPA V Buyout and prior to signing the MIPA, we repaid all of the outstanding debt of the Project Company of $119.0 million, including accrued interest of $0.5 million, and recognized a loss on extinguishment of debt in an amount of $1.4 million, represented in its entirety by the derecognition of the related debt issuance costs. For additional information, please see Part I, Item 1, Note 7 - *Outstanding Loans and Security Agreements*, *Non-recourse Debt Facilities* section.

On August 25, 2023, we sold our 100% interest in the Project Company to the Financier through the MIPA. Simultaneously, we entered into an agreement with the Project Company to upgrade the 37.1 megawatts of old Energy Servers by replacing them with the new Energy Servers and to provide related installation services, which was financed by the Financier (the “EPC Agreement”). We also amended and restated our operations and maintenance agreement with the Project Company to cover all new Energy Servers and old Energy Servers prior to their upgrade (“the O&M Agreement”). The operations and maintenance fees under the O&M Agreement are paid on a fixed dollar per kilowatt basis.

Due to our repurchase option on the old Energy Servers, the Company concluded there was no transfer of control of the old Energy Servers upon sale of the membership interest to the Financier. Accordingly, we continued to recognize the old Energy Servers, despite the legal ownership of such assets having been transferred under the MIPA. We assessed the recorded assets for impairment. The carrying amount of the PPA V property. plant and equipment was determined to be not recoverable as the net undiscounted cash flows are less than the carrying amounts for PPA V property. plant and equipment. Therefore, we recognized the asset impairment charge as electricity cost, consistent with our depreciation expense classification for property, plant and equipment under leases.

The PPA V Upgrade was in progress as of September 30, 2023 and resulted in the following summarized impacts on our condensed consolidated balance sheet as of September 30, 2023: (i) cash and cash equivalents decreased by $62.4 million primarily due to a $119.0 million repayment of outstanding debt and related accrued interest, partially offset by $60.3 million from the sale of the new Energy Servers to the Project Company, (ii) property plant and equipment, net decreased by $124.0 million due to the impairment of the old Energy Servers of $123.7 million and accelerated depreciation of $0.3 million of the old Energy Servers (we revised the expected useful life of the old Energy Servers from 7.5 years to approximately 0.3 years which resulted in recognized accelerated depreciation of $0.3 million recorded in electricity cost of revenue), (iii) contract assets increased by $116.5 million and inventories decreased by $70.0 million, (iv) deferred revenue and customer deposits, current and long-term, increased by $12.4 million, (v) restricted cash, current and long-term, decreased by $8.7 million, (vi) accounts receivable, net decreased by $3.3 million, (vii) other long-term assets decreased by $1.6 million, (viii) prepaid expenses and other current assets decreased by $1.9 million, (ix) financing obligations increased by $0.3 million, and (x) accrued expenses and other current liabilities decreased by $0.5 million.

Impacts on our condensed consolidated statements of operations for the three and nine months ended September 30, 2023 are summarized as follows: (i) product and installation revenue increased by $151.6 million and $9.5 million, respectively, as a result of the sale of the new Energy Servers; (ii) electricity revenue increased by $1.1 million related to the old Energy Servers, (iii) cost of electricity revenue increased by $125.5 million, primarily including the impairment of the old Energy Servers of $123.7 million and accelerated depreciation of $0.3 million prior to the completion of installation; (iv) cost of product revenue and cost of installation revenue increased by $62.6 million and $7.4 million, respectively, due to the sale of the new Energy Servers; (v) general and administrative expenses increased by $6.4 million due to the impairment of non-recoverable production insurance; (vi) loss on extinguishment of debt increased by $1.4 million, (vii) interest expense increased by $0.3 million, and (viii) net loss attributable to noncontrolling interest decreased by $1.0 million.

Impacts on our consolidated statements of cash flows for the nine months ended September 30, 2023 are summarized as follows: net cash provided by financing activities decreased by $118.5 million due to the repayment of debt related to PPA V, and acquisition of all of interest in PPA V from Intel for $6.9 million net of distributions to Intel's noncontrolling interest of $2.3 million.

PPA Entity's Aggregate Assets and Liabilities

Generally, the assets of an operating company owned by an investment company can be used to settle only the operating company obligations, and the operating company creditors do not have recourse to us. The following were the aggregate carrying values of our VIE's assets and liabilities in our condensed consolidated balance sheets, after eliminations of intercompany transactions and balances, including the PPA V Entity in the PPA V transaction as of December 31, 2022 (in thousands):

		December 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	$	5,008
Restricted cash		550
Accounts receivable		2,072
Prepaid expenses and other current assets		1,927
Total current assets		9,557
Property, plant and equipment, net		133,285
Restricted cash		8,000
Other long-term assets		1,869
Total assets	$	152,711
Liabilities		
Current liabilities:		
Accrued expenses and other current liabilities	$	1,037
Deferred revenue and customer deposits		662
Non-recourse debt		13,307
Total current liabilities		15,006
Deferred revenue and customer deposits		4,748
Non-recourse debt		112,480
Total liabilities	$	132,234

Before the sale on August 24, 2023, we consolidated the PPA V Entity as a VIE in the PPA V transaction, as we had determined that we were the primary beneficiary of this VIE. The PPA V Entity contained debt that was non-recourse to us and owned Energy Server assets for which we did not have title.

11. 10. Related Party Transactions

On September 23, 2023, all 13,491,701 shares of the Series B RCPS (the "Second Tranche Shares") were automatically converted into shares of our Class A common stock. For more information on the Second Tranche Closing, see Part I, Item 1, Note 16 - *SK ecoplant Strategic Investment*. Consequently, SK ecoplant became a principal owner of an aggregate of 23,491,701 shares of our Class A common stock, including (i) 10,000,000 shares held with sole voting and investment power (as a result of the conversion of 10,000,000 shares of our Series A redeemable convertible preferred stock (the "Series A RCPS") into 10,000,000 shares of our Class A common stock on November 8, 2022) and (ii) 13,491,701 shares held with shared voting and investing power with Econovation LLC, of which SK ecoplant is the sole member, as the assignee of the Second Tranche Shares. SK ecoplant is considered to be a related party as of September 23, 2023, and became entitled to nominate a member to the Board of Directors of Bloom. As of September 30, 2023, SK ecoplant's beneficial ownership of our Class A common stock represents 10.5% of our outstanding Class A common stock.

Other than noted above, there There have been no changes in our related party transactions relationships during the nine three months ended September 30, 2023 March 31, 2024. For information on our related party transactions, see Part II, Item 8, Note 12 - —*Related Party Transactions* in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 December 31, 2023.

Our operations included include the following related party transactions (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Total revenue from related parties[1]	$ 125,676	$ 12,532	$ 360,981	$ 30,231

	Three Months Ended March 31,	
	2024	2023
Total revenue from related parties[1]	$ 122,168	$ 833
Cost of product revenue[2]	20	—
General and administrative expenses[3]	203	—

Interest expense[4]	52	—
Other expense, net[5]	(491)	—

[1] Includes revenue from SK ecoplant for the three and nine months ended September 30, 2023 March 31, 2024, which became a related party on September 23, 2023, however we had transactions with SK ecoplant in prior periods (see Part II, Item 8, Note 17 - *SK ecoplant Strategic Investment* in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022, and Part I, Item 1, Note 16 - 15 — *SK ecoplant Strategic Investment*). Revenue from related parties for the three months ended March 31, 2023 relate to Korean JV in its entirety.

[2] Includes expenses billed by SK ecoplant to Korean JV for headcount support services.

[3] Includes rent expenses per operating lease agreements entered between Korean JV and SK ecoplant and miscellaneous expenses billed by SK ecoplant to Korean JV.

[4] Interest expense per two term loans entered between Korean JV and SK ecoplant in fiscal year 2023.

[5] Other expense, net is represented by realized foreign gain for the three months ended March 31, 2024.

Below is the summary of outstanding related party balances as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 (in thousands):

	September 30,	December 31,	March 31,	December 31,
	2024		2024	2023
Accounts receivable				
	2023	2022		
Accounts receivable	$ 247,897	$ 4,257		
Contract assets				
Contract assets				
Contract assets Contract assets	3,415	—		
Deferred cost of revenue, current Deferred cost of revenue, current	23,424	—		
Prepaid expenses and other current assets				
Operating lease right-of-use assets[1]				
Other long-term assets				
Accounts payable				
Accrued expenses and other current liabilities Accrued expenses and other current liabilities	5,722	—		
Deferred revenue and customer deposits, current Deferred revenue and customer deposits, current	11,118	—		
Operating lease liabilities, current[1]				

Deferred revenue and customer deposits, non-current
Operating lease liabilities, non-current[1]
Non-recourse debt[2]

[1]Balances relate to operating leases entered between Korean JV and SK ecoplant.

[2]Represent the total balance of two term loans entered between Korean JV and SK ecoplant in fiscal year 2023.

Debt to/from Related Parties

We had no material debt or convertible notes to/from investors considered to be related parties as of September 30, 2023 and December 31, 2022.

12. 11. Restructuring

In September 2023, as a result of a review of current strategic priorities and resource allocation, we approved a the restructuring plan (the "Plan" "Restructuring Plan") intended to realign our operational focus to support our multi-year growth, scale the business, and improve our cost structure and operating margins. The Plan included (i) an optimization Please refer to Part II, Item 8, Note 12 — *Restructuring* in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023, for details.

For the three months ended March 31, 2024, impact from restructuring on our condensed consolidated statements of our workforce across multiple functions, (ii) a relocation of our repair and overhaul ("R&O") department of our manufacturing and warehousing facility in Newark, Delaware, to Mexico, and (iii) a closure of a manufacturing, warehousing, research and development ("R&D") facility in Sunnyvale, California. We began executing the Plan in September 2023 and expect these efforts to continue in subsequent quarters. The restructuring activities are expected to be completed in the first half of fiscal 2024, subject to local law and consultation requirements, as well as our business needs. We evaluate restructuring charges in accordance with ASC 420, *Exit or Disposal Cost Obligations* ("ASC 420").

According to the Plan, 74 full-time employees and 48 contractors separated from the Company in September 2023. An additional 71 full-time employees and 8 contractors separated from the Company in October 2023. Both full-time employees and contractors who were impacted by the restructuring were eligible to receive severance benefits.

In the third quarter of fiscal 2023, we incurred $2.2 million in restructuring costs recorded as severance expenses. operations was not material. We expect to incur another $16.4 $6.3 million in restructuring costs in subsequent quarters, out of which we expect $10.0 million will relate to the closure of our manufacturing, warehousing, and R&D facility in Sunnyvale, California, $3.0 million will relate to severance costs, $2.7 $3.5 million will relate to relocation costs, $2.0 million will relate to the facility closure costs, and $0.7 $0.8 million will relate to other one-time employee termination benefits. restructuring costs. However, the actual timing and amount of costs associated with these restructuring actions may differ from our current expectations and estimates and such differences may be material.

The following table presents our current and non-current liability as accrued for restructuring charges on our condensed consolidated balance sheets. The table sets forth an analysis of the components of the restructuring charges and payments and other deductions made against the accrual for the three months ended September 30, 2023 March 31, 2024 (in thousands):

	Three Months Ended, September 30, 2023
	Severance
Balance at June 30, 2023	$ —
Restructuring accruals	2,219
Payments	(1,047)
Balance at September 30, 2023	$ 1,172

	Three Months Ended March 31, 2024			
	Facility Closure	Severance	Other	Total
Balance at December 31, 2023	$ 2,577	$ 464	$ 752	$ 3,793
Restructuring accrual (release)	(89)	(385)	86	(388)

Payments	(822)	(79)	(577)	(1,478)
Balance at March 31, 2024	$ 1,666	$ —	$ 261	$ 1,927

Severance expense recorded in the third quarter of fiscal 2023 in accordance with ASC 420 was a result of the separation of 74 full-time employees At March 31, 2024 and 48 contractors associated with the Plan. At September 30, 2023 December 31, 2023, $1.2 million of accrued severance-related facility closure costs, severance, and other restructuring costs were included in accrued expenses and other current liabilities in our condensed consolidated balance sheets.

The following table summarizes restructuring costs included in the accompanying condensed consolidated statements of operations (in thousands):

13. 12. Commitments and Contingencies

Commitments

Purchase Commitments with Suppliers and Contract Manufacturers — - In order to reduce manufacturing lead-times for an adequate supply of inventories, we have agreements with our component suppliers and contract manufacturers to allow long lead-time component inventory procurement based on a rolling production forecast. We are contractually obligated to purchase long lead-time component inventory procured by certain manufacturers in accordance with our forecasts. We can generally give notice of order cancellation at least 90 days prior to the delivery date. However, we occasionally issue purchase orders to our component suppliers and third-party manufacturers that may are not be cancellable. As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, we had no material open purchase orders with our component suppliers and third-party manufacturers that are not cancellable.

Performance Guarantees — - We guarantee the performance of the Energy Servers at certain levels of output and efficiency to our customers over the contractual term. We monitor the need for any accruals arising from such guaranties, which are calculated as the difference between committed and actual power output or between natural gas consumption at warranted efficiency levels and actual consumption, multiplied by the contractual rates with the customer. Amounts payable under these guaranties are accrued in periods when the guaranties are not met and are recorded as service revenue in the condensed consolidated statements of operations. We paid $4.5 million $15.1 million and $24.4 million $15.8 million for the three and nine months ended September 30, 2023, respectively, for such performance guarantees. We paid $0.8 million March 31, 2024 and $10.5 million for the three and nine months ended September 30, 2022, 2023, respectively, for such performance guarantees.

Letters of Credit — - In 2019, pursuant to the PPA II upgrade of the Energy Servers, we agreed to indemnify our financing partner for losses that may be incurred in the event of certain regulatory, legal or legislative developments and established a

cash-collateralized letter of credit facility for this purpose. As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, the balance of this cash-collateralized letter of credit was $40.4 million $26.9 million and $69.1 million, $40.4 million, respectively.

In August 2023, as part of the PPA V Upgrade, the debt service reserve of $8.6 million was reclassified from restricted cash to cash and cash equivalents at the time of repayment of the 3.04% Senior Secured Notes due June 2031. For additional information, please see Part I, Item 1, Note 7 – *Outstanding Loans and Security Agreements* and Note 10 – *Portfolio Financings*. The restricted cash held in the PPA V entity as of December 31, 2022, was $8.6 million.

In addition, we have other outstanding letters of credit issued to our customers and other counterparties in the U.S. and international locations under different performance and financial obligations. These letters of credit are collateralized through cash deposited in the controlled bank accounts with the issuing banks and are classified as restricted cash in our condensed consolidated balance sheets. In September 2023, we canceled certain existing cash-collateralized letters of credit with an approximate value of $60.4 million issued to our customers in the Republic of Korea under long-term service agreements (the "LTSAs"), and replaced them with surety bonds on a non-collateralized basis. As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, the balances of the cash-collateralized letters of credit issued to our customers and other counterparties in the U.S. and international locations were $32.3 million $32.5 million and $84.3 million, $32.6 million, respectively.

Pledged Funds - — In 2019, pursuant to the PPA IIIb upgrade of the Energy Servers, we established a restricted cash fund of $20.0 million, $20.0 million, which had been pledged for a seven-year period to secure our operations and maintenance obligations with respect to the totality of our obligations to the financier. All or a portion of such funds would be released if we meet certain credit rating and/or market capitalization milestones prior to the end of the pledge period. If we do not meet the required criteria within the first five-year period, the funds would still be released to us over the following two years as long as the Energy Servers continue to perform in compliance with our warranty obligations. As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, the balance of the restricted cash fund was $7.6 million $7.4 million and $7.9 $7.6 million, respectively.

Contingencies

Indemnification Agreements - — We enter into standard indemnification agreements with our customers and certain other business partners in the ordinary course of business. Our exposure under these agreements is unknown because it involves future claims that may be made against us but have not yet been made. To date, we have not paid any claims or been required to defend any action related to our indemnification obligations. However, we may record charges in the future as a result of these indemnification obligations.

Delaware Economic Development Authority - In March 2012, we entered into an agreement with the Delaware Economic Development Authority (the "Authority") to provide a grant of $16.5 million to us as an incentive to establish a new manufacturing facility in Delaware and to provide employment for full time workers at the facility over a certain period of time. The approved grant consisted of two components - a performance grant of $12.0 million that was received in 2012-2013 and was tied to total compensation paid to full time workers and a supplier incentive grant of $4.5 million that we would have received if we had employed 900 full time employees by pre-established dates. We forfeited the entire $4.5 million supplier incentive component of the grant. We forfeited and repaid two portions of the performance grant based on our achievement of one out of three milestones for the total compensation paid to full time workers, as follows:

- $108 million in total compensation over the four-year period ended September 30, 2017, which we did not meet, requiring us to repay $1.5 million of the grant,
- $144 million in total compensation over the four-year period ended September 30, 2021, which we did not meet, requiring us to repay $1.0 million of the grant, and

■ $72 million in total compensation over the two-year period ended September 30, 2023, which we met, so no repayment was required.

We account for grants by analogizing to the grant accounting model under IAS 20, *Accounting for Government Grants and Disclosure of Government Assistance* ("IAS 20"). As of December 31, 2022, we recorded $9.5 million of grant related liability in accrued expenses and other current liabilities for future repayment of the grant. As of September 30, 2023, we concluded there was reasonable assurance that we had met the grant requirements, and as such, the grant related liability of $9.5 million was recognized in (a) the condensed consolidated statements of operations as a reduction in (i) cost of product revenue of $3.1 million, (ii) cost of service revenue of $2.9 million, (iii) general and administrative expenses of $0.6 million, (iv) research and development expenses of $0.5 million, and (v) sales and marketing expenses of $0.2 million for the three months ended September 30, 2023, and in (b) the condensed consolidated balance sheets as of September 30, 2023 as a reduction of inventories of $2.2 million, which is represented by capitalized payroll expenses and will be realized in the condensed consolidated statements of operations in future periods upon sale of these inventories.

Investment Tax Credits - — Our Energy Servers are eligible for federal investment tax credits ("ITCs" Income Tax Credits (the "ITC") that accrued to qualified property under Internal Revenue Code Section 48 when placed into service. However, the ITC program has operational criteria that extend for five years. If the energy property is disposed of or otherwise ceases to be qualified investment credit property before the close of the five-year recapture period is fulfilled, it could result in a partial reduction of the incentives.

Legal Matters — - We are involved in various legal proceedings that arise in the ordinary course of business. We review all legal matters at least quarterly and assess whether an accrual for loss contingencies needs to be recorded. We record an accrual for loss contingencies when management believes that it is both probable that a liability has been incurred and the

amount of the loss can be reasonably estimated. Legal matters are subject to uncertainties and are inherently unpredictable, so the actual liability in any such matters matter may be materially different from our estimates. If an unfavorable resolution were to occur, there exists the possibility of a material adverse impact on our condensed consolidated balance sheets, financial condition, results of operations or cash flows for the period in which the resolution occurs or in future periods.

In March 2019, the Lincolnshire Police Pension Fund filed a class action complaint in the Superior Court of the State of California, County of Santa Clara, against us, certain members of our senior management, certain of our directors and the underwriters in our July 25, 2018 IPO alleging violations under Sections 11 and 15 of the Securities Act for alleged misleading statements or omissions in our Registration Statement on Form S-1 filed with the SEC in connection with the IPO. Two related class action cases were subsequently filed in the Santa Clara County Superior Court against the same defendants containing the same allegations; Rodriquez vs Bloom Energy et al. was filed on April 22, 2019 and Evans vs Bloom Energy et al. was filed on May 7, 2019. These cases have been consolidated. Plaintiffs' consolidated amended complaint was filed with the court on September 12, 2019. On October 4, 2019, defendants moved to stay the lawsuit pending the federal district court action discussed below. On December 7, 2019, the Superior Court issued an order staying the action through resolution of the parallel federal litigation mentioned below. We believe the complaint to be without merit and in contravention of our forum selection clause in our Restated Certificate of Incorporation and we intend to defend this action vigorously. We are unable to estimate any range of reasonably possible losses.

In May 2019, Elissa Roberts filed a class action complaint in the federal district court for the Northern District of California against us, certain members of our senior management team, and certain of our directors directors' alleging violations under Sections 11 and 15 of the Securities Act for alleged misleading statements or omissions in our Registration Statement on Form S-1 filed with the SEC in connection with the IPO. On September 3, 2019, the court appointed a lead plaintiff and lead plaintiffs' counsel. On November 4, 2019, plaintiffs filed an amended complaint adding the underwriters in the IPO and our auditor as defendants for the Section 11 claim, as well as adding claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), against us, and certain members of our senior management team. The amended complaint alleged a class period for all claims from the time of our IPO until September 16, 2019. On April 21, 2020, plaintiffs filed a second amended complaint, which continued to make the same claims and added allegations pertaining to the restatement and, as to claims under the Exchange Act, extended the putative class period through February 12, 2020. On July 1, 2020, we and the other defendants filed motions to dismiss the second amended complaint. On September 29, 2021, the court entered an order dismissing with leave to amend (1) five of seven statements or groups of statements alleged to violate Sections 11 and 15 of the Securities Act and (2) all allegations under the Exchange Act. All allegations against our auditors were also dismissed. Plaintiffs elected not to amend the complaint and instead on October 22, 2021 filed a motion for entry of final judgment in favor of our auditors so that plaintiffs could appeal the dismissal of those claims. The court denied that motion on December 1, 2021 and in response plaintiffs filed a motion asking the court to certify an interlocutory appeal as to the accounting claims. The court denied plaintiffs' motion on April 14, 2022. The claims for violation of Sections 11 and 15 of the Securities Act that were not dismissed by the court entered the discovery phase.

On January 6, 2023, Bloom and the plaintiffs' entered into an agreement in principle to settle the claims against Bloom, its executives and directors, and the IPO underwriters for a payment of $3 $3.0 million, which we expect to be funded entirely by our insurers. If the settlement becomes effective, we expect it to result in a dismissal with prejudice of all claims against us, our executives and directors, and the underwriters. The settlement does not constitute an acknowledgement of liability or wrongdoing. On June 30, 2023, Bloom and the plaintiff's executed a definitive settlement agreement containing the foregoing terms and customary terms for class action settlements, and on the same date, filed the settlement agreement with the court to seek its approval. The judge issued a preliminary approval of the settlement on October 31, 2023. Notice of the settlement together with requested Plaintiff attorney fees was sent to the defined class of Bloom stockholders and on May 2, 2024 the final settlement was approved.

In June 2021, we filed a petition for writ of mandate and a complaint for declaratory and injunctive relief in the Santa Clara Superior Court against the City of Santa Clara for failure to issue building permits for two of our customer installations and asking the court to require the City of Santa Clara to process and issue the building permits. In October 2021, we filed an amended petition and complaint that asserts additional constitutional and tort claims based on the City's failure to timely issue the Energy Server permits. Discovery has commenced and we are aggressively pursuing all claims. On February 4, 2022, the City of Santa Clara filed a demurrer seeking to dismiss all of the Company's claims. The trial judge rejected the demurrer on all claims except one, and allowed Bloom leave to amend that claim. The second amended petition was filed on July 5, 2022. The City of Santa Clara demurred only to the amended cause of action seeking damages for tortious conduct. The trial judge granted that demurrer and struck the tort claim on October 27, 2022; the writ of mandate and constitutional claims were allowed to proceed. The parties are currently briefing the writ of mandate claims which seek immediate issuance of the building permits. On April 21, 2023, the parties executed a settlement agreement which allows our two pending customer installations to proceed under building permits and requires the City of Santa Clara to amend its zoning code so that future installations of Bloom Energy Servers in Santa Clara require only building permits.

In February 2022, Plansee SE/Global Tungsten & Powders Corp. ("Plansee/GTP"), a former supplier, filed a request for expedited arbitration with the World Intellectual Property Organization Arbitration and Mediation Center in Geneva Switzerland ("WIPO"), for various claims allegedly in relation to an Intellectual Property and Confidential Disclosure

Agreement between Plansee/GTP and Bloom Energy Corporation. Plansee/GTP's statement of claims includes allegations of infringement of U.S. Patent Nos. 8,802,328, 8,753,785 and 9,434,003. On April 3, 2022, we filed a complaint against Plansee/GTP in the Eastern District of Texas to address the dispute between Plansee/GTP and Bloom Energy Corporation in a proper forum before a U.S. Federal District Court. Our complaint seeks the correction of inventorship of U.S. Patent Nos. 8,802,328, 8,753,785 and 9,434,003 (the "Patents-in-Suit"); declaratory judgment of invalidity, unenforceability, and non-infringement of the Patents-in-Suit; and declaratory judgment of no misappropriation. Further, our complaint seeks to recover damages we have suffered in relation to Plansee/GTP's business dealings that, as alleged, constitute acts of unfair competition, tortious interference contract, breach of contract, violations of the Racketeer Influenced and Corrupt Organizations (RICO) Act and violations of the Clayton Antitrust Act. On June 9, 2022, Plansee/GTP filed a motion to dismiss the complaint filed in the Eastern District of Texas and compel arbitration (or alternatively to stay). We filed our opposition on June 30, 2022, Plansee/GTP filed its reply on July 14, 2022 and we filed our sur-reply on July 22, 2022. On February 9, 2023, Magistrate Judge Payne issued a report and recommendation to stay the district court action pending an arbitrability determination by the arbitrator for each claim.

On February 23, 2023, we filed an amended complaint adding additional causes of action and filed objections to the Magistrate's report and recommendation. On April 26, 2023, Judge Gilstrap overruled our objections to the Magistrate's report and recommendation and stayed the district court action pending arbitrability determinations by the arbitrator in the WIPO proceeding. The arbitration had been held in abeyance awaiting the decision of the Eastern District Court's decision. of Texas. A hearing by the arbitrator in WIPO on arbitrability took place on June 27, 2023. Further proceedings On October 2, 2023, the arbitrator in the arbitration are confidential pursuant to WIPO proceeding issued a ruling concluding that all the WIPO rules. Given that parties' claims were arbitrable. On November 18, 2023, the WIPO arbitration had been held in abeyance, arbitrator bifurcated the arbitration is into a first phase that will focus on Bloom's claims directed to improper inventorship of the Patents-in-Suit and Bloom's defective product claims. Briefing on the first phase will take place throughout 2024 with a potential evidentiary hearing to be scheduled in an early stage. 2025. We are unable to predict the ultimate outcome of the arbitration at this time.

14.

13. Income Taxes

For the three and nine months ended September 30, 2023, March 31, 2024 and 2023, we recorded an income tax (benefit) provisions of $0.6 million $(0.5) million and $1.1 million, respectively, $0.3 million on pre-tax losses of $167.4 million $57.0 million and $311.0 million $74.7 million for effective tax rates of (0.4)% and (0.3)%, respectively. For the three and nine months ended September 30, 2022, we recorded an income tax benefit and income tax provision of $0.3 million and $0.9 million, respectively, on pre-tax losses of $60.1 million and $263.4 million for effective tax rates of (0.6)% 0.9% and (0.3)%, respectively.

The effective tax rate for the three and nine months ended September 30, 2023 March 31, 2024 and 2022 was 2023, is lower than the statutory federal tax rate primarily due to a full valuation allowance against U.S. deferred tax assets.

New Foreign Tax Rules

In 2021, the Organization for Economic Co-operation and Development announced an Inclusive Framework on Base Erosion and Profit Shifting, including Pillar Two Model Rules defining a global minimum tax, which calls for the taxation of large multinational corporations at a minimum rate of 15%. Subsequently, multiple sets of administrative guidance have been issued. Many non-U.S. tax jurisdictions have either recently enacted legislation to adopt certain components of the Pillar Two Model Rules beginning in 2024 (including the European Union Member States) with the adoption of additional components in later years or announced their plans to enact legislation in future years. We are continuing to evaluate the impacts of enacted legislation and pending legislation to enact Pillar Two Model Rules in the non-U.S. tax jurisdictions we operate in. However, legislation enacted as of March 31, 2024 did not have a material impact on our financial statements for the three months ended March 31, 2024 and is not expected to have a material impact on our 2024 financial statements due to the relatively small operations outside the U.S.

15.

14. Net Loss per Share Available to Common Stockholders

Please refer to the condensed consolidated statements of operations for computation of our net loss per share available to common stockholders, basic and diluted.

The following common stock equivalents (in thousands) were excluded from the computation of our net loss per share available to common stockholders, diluted, for the three and nine months presented as their inclusion would have been antidilutive: antidilutive (in thousands):

		Three Months Ended September 30,		Nine Months Ended September 30,	
		2023	2022	2023	2022
Convertible notes	Convertible notes	47,736	14,187	31,146	14,187
Convertible notes					
Convertible notes					
Redeemable convertible preferred stock					
Redeemable convertible preferred stock					
Redeemable convertible preferred stock	Redeemable convertible preferred stock	12,319	10,000	13,096	10,000
Stock options and awards	Stock options and awards	3,352	6,445	4,880	5,503
		63,407	30,632	49,122	29,690
Stock options and awards					
Stock options and awards					

	50,187
	50,187
	50,187

16. 15. SK ecoplant Strategic Investment

In October 2021, we expanded our existing relationship with SK ecoplant. As part of this arrangement, we amended the previous Preferred Distribution Agreement ("PDA") and Joint Venture Agreement ("JVA") with SK ecoplant. The restated PDA establishes SK ecoplant's purchase commitments for our Energy Servers for the three year period on a take or pay basis as well as the basis for determining the prices at which the Energy Servers and related components will be sold. The restated JVA increases the scope of assembly done by the joint venture facility in the Republic of Korea, which was established in 2019, for the procurement of local parts for our Energy Servers and the assembly of certain portions of the Energy Servers for the South Korean market. The joint venture is a VIE of Bloom and we consolidate it in our financial statements as we are the primary beneficiary and therefore have the power to direct activities which are most significant to the joint venture.

On September 15, 2023, September 2023, we entered into the Amended and Restated JVA Joint Venture Agreement (the "JVA") and the Share Purchase Agreement (together, the "Amended JV Agreements") with SK ecoplant which changed the allowed SK ecoplant to increase its share of our the voting rights in the Korean joint venture JV to 40% 60% and increases increased the scope of assembly done by the joint venture facility in the Republic of Korea to full assembly. Neither the Amended JV Agreements, nor the fact that

In January, 2024, SK ecoplant is considered increased its capital contribution to be our related party after the conversion of Series B RCPS into shares of our Class A common stock (for additional information, please see Part I, Item 1, Note 11 - *Related Party Transactions*) changed our status as the primary beneficiary of Korean JV by $3.9 million, which increased its voting rights in the Korean joint venture. Therefore, JV to 60%. However, as of March 31, 2024, we continue to consolidate this VIE the Korean JV in our financial statements as we remain a primary beneficiary of September 30, 2023.this joint venture.

The following are the aggregate carrying values of the Korean joint venture's JV's assets and liabilities in our condensed consolidated balance sheets, after eliminations of intercompany transactions and balances, as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 (in thousands):

	March 31, 2024	December 31, 2023
Assets		
Current assets:		
Cash and cash equivalents	$ 7,228	$ 3,003
Accounts receivable	13,056	19,567
Inventories	11,548	8,156
Prepaid expenses and other current assets	2,054	644
Total current assets	33,886	31,370
Property and equipment, net	2,346	2,519
Operating lease right-of-use assets	1,959	2,138
Other long-term assets	44	46
Total assets	$ 38,235	$ 36,073
Liabilities		
Current liabilities:		
Accounts payable	$ 1,693	$ 3,480
Accrued expenses and other current liabilities	4,221	2,347
Operating lease liabilities	439	440
Total current liabilities	6,353	6,267
Operating lease liabilities	1,442	1,617
Non-recourse debt	4,458	4,627
Total liabilities	$ 12,253	$ 12,511

	September 30, 2023	December 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	$ 1,012	$ 2,591

Accounts receivable	20,483	4,257
Inventories	10,617	13,412
Prepaid expenses and other current assets	1,574	2,645
Total current assets	33,686	22,905
Property and equipment, net	1,705	1,141
Operating lease right-of-use assets	2,249	2,390
Other long-term assets	44	47
Total assets	$ 37,684	$ 26,483
Liabilities		
Current liabilities:		
Accounts payable	$ 4,828	$ 5,607
Accrued expenses and other current liabilities	3,324	1,355
Deferred revenue and customer deposits	—	2
Operating lease liabilities	409	393
Total current liabilities	8,561	7,357
Operating lease liabilities	1,665	2,000
Non-recourse debt	1,483	—
Total liabilities	$ 11,709	$ 9,357

In October 2021, we also entered intoFor a new Commercial Cooperation Agreement (the "CCA") regarding initiatives pertaining to the hydrogen market and general market expansion for our products.

The Initial Investment

In October 2021, we entered into the SPA pursuant to which we agreed to sell and issue to SK ecoplant 10,000,000 shares of Series A RCPS, par value $0.0001 per share, at a purchase price of $25.50 per share for an aggregate purchase price of $255.0 million. On December 29, 2021, the closing description of the sale of the Series A RCPS was completed and we issued the 10,000,000 shares of the Series A RCPS (the "Initial Investment"). In addition to the Initial Investment, the SPA provided SK ecoplant with an option to acquire a variable number of shares of Class A Common Stock (the "Option"). According to the SPA, SK ecoplant was entitled to exercise the Option through August 31, 2023, and the transaction must have been completed by November 30, 2023.

The sale of Series A RCPS was recorded at its fair value of $218.0 million on the date of issuance. Accordingly, we allocated the excess of the cash proceeds received of $255.0 million plus the change in fair value of the Series A RCPS between October 23, 2021, and December 29, 2021, of $9.7 million, over the fair value of the Series A RCPS on December 29, 2021, and the fair value of the Option on October 23, 2021, to the PDA. This excess amounted to $37.0 million and was recorded in deferred revenue and customer deposits. Accordingly, during the three and nine months ended September 30, 2022, we recognized product revenue of $3.2 million and $7.9 million, respectively, in connection with this arrangement. No product revenue was recognized during the three and nine months ended September 30, 2023 in connection with this arrangement. As of December 31, 2022, the unrecognized amount of $24.6 million included $10.0 million in current deferred revenue and customer deposits and $14.6 million in non-current deferred revenue and customer deposits on the condensed consolidated balance sheets. As of September 30, 2023, the unrecognized amount of deferred revenue and customer deposits was reduced to zero as a result of the Second Tranche Closing (see details below in section "The Second Tranche Closing").

PDA, JVA, CCA and the SPA entered into strategic investment with SK ecoplant concurrently were evaluated Co., Ltd. ("SK ecoplant", formerly known as SK Engineering & Construction Co., Ltd.), a combined contract in accordance with ASC 606 *Revenue from Contracts with Customers* and, subsidiary of the SK Group, please refer to the extent applicable for separated components,

under the guidance of Topic 815 *Derivatives and Hedging* and applicable subsections and ASC 480 *Distinguishing Liabilities from Equity*.

We concluded that the Option was a freestanding financial instrument that should have been separately recorded at fair value on the date the SPA was executed.

On August 10, 2022, pursuant to the SPA, SK ecoplant notified us of its intent to exercise its option to purchase additional shares of our Class A common stock, pursuant to a Second Tranche Exercise Notice (as defined in the SPA) electing to purchase 13,491,701 shares at a purchase price of $23.05 per share (the "Second Tranche Closing"). As of December 31, 2022, this option was accounted for as the equity-classified forward contract.

For further information, see Part II, Item 8, Note 17 - — *SK ecoplant Strategic Investment*in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 December 31, 2023.

The Second Tranche Closing

On March 20, 2023, SK ecoplant entered into the Amended SPA with us, pursuant to which on March 23, 2023, we issued and sold to SK ecoplant 13,491,701 shares of non-voting Series B RCPS, par value $0.0001 per share, at a purchase price of $23.05 per share for cash proceeds of $311.0 million, excluding issuance cost of $0.5 million.

The Amended SPA triggered the modification of the equity-classified forward contract on Class A common stock, which resulted in the derecognition of the pre-modification fair value of the forward contract given to SK ecoplant of $76.2 million. The derecognition of the pre-modification fair value was recorded in additional paid-in capital in our condensed consolidated balance sheets as of September 30, 2023.

The Series B RCPS was accounted for as a stock award with liability and equity components. The liability component of the Series B RCPS was recognized at the redemption value of $311.0 million, less issuance costs of $0.5 million, and the equity component of the Series B RCPS was recognized at its fair value of $16.1 million on March 20, 2023 and recorded in current liabilities and additional paid-in capital, respectively, in our condensed consolidated balance sheets as of September 30, 2023.

On March 20, 2023, in connection with the Amended SPA we also entered into the Loan Agreement, pursuant to which we had the option to draw on a loan from SK ecoplant with a maximum principal amount of $311.0 million, a maturity of five years and an interest rate of 4.6%, should SK ecoplant have sent a redemption notice to us under the Amended SPA.

The Amended SPA and the Loan Agreement provided us with cash proceeds of $311.0 million and a loan commitment asset of $52.8 million from SK ecoplant for total consideration of $363.8 million. In return, SK ecoplant received consideration of $403.3 million, consisting of the release from the obligation to close on the original transaction fair valued at $76.2 million, the obligation from us to issue the Series B RCPS at redemption value of $311.0 million, and the option to convert the Series B RCPS to Class A common stock, which had an estimated fair value of $16.1 million. The excess consideration provided by us amounted to $39.5 million, which resulted in a reduction of our deferred revenue and customer deposits by $24.6 million related to the Initial Investment, as of September 30, 2023. The net excess consideration of $14.9 million was recognized as $8.2 million in prepaid expenses and other current assets and $6.7 million was classified as other long-term assets in our condensed consolidated balance sheets as of March 31, 2023. The deferred expense is recognized as contra-revenue over the take or pay period based on an estimate of the revenue we expect to receive under the remaining term of the PDA. During the three and nine months ended September 30, 2023, the deferred expense recognized as contra-revenue was $3.0 million. As a result, as of September 30, 2023, we recognized the net excess consideration of $11.9 million, of which $9.9 million was classified as prepaid expenses and other current assets and $2.0 million was classified as other long-term assets, in our condensed consolidated balance sheet.

On September 23, 2023, all 13,491,701 shares of the Series B RCPS were automatically converted into shares of our Class A common stock pursuant to the Certificate of Designation, dated as of March 20, 2023, setting forth the rights, preferences, privileges, and restrictions of the Series B RCPS, as amended by the Certificate of Amendment to the Certificate of Designation, dated as of April 18, 2023. As a result of the conversion: (i) the liability component of the Series B RCPS of $310.5 million was reclassified to additional paid-in capital, less par value of the issued 13,491,701 shares of our Class A common stock, and (ii) the loan commitment asset was recorded at its fair value of $52.8 million, of which $5.3 million was classified as current and $47.5 million was classified as non-current in our condensed consolidated balance sheets, and was expensed immediately and recognized in interest expense in our condensed consolidated statements of operations.

Upon conversion of all Series B RCPS into shares of our Class A common stock, SK ecoplant is considered to be a related party. For additional information, please see Part I, Item 1, Note 11 - *Related Party Transactions.*

17. 16. Subsequent Events

There have been no material subsequent events that occurred during the period subsequent to the date of these condensed consolidated financial statements that would require adjustment to our disclosure in the condensed consolidated financial statements as presented.

ITEM 2 - — MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This Quarterly Report on Form 10-Q contains "forward-looking statements" within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on current expectations, estimates, and projections about our industry, management's beliefs, and certain assumptions made by management. For example, forward-looking statements include, but are not limited to, our expectations regarding our products and services, including our aim to provide resilient products, business strategies, including capital expenditures to expand production capacity and sources of funding for capital expenditures, our expanded strategic partnership with SK ecoplant, operations, supply chain (including any direct or indirect effects from the Russia-Ukraine war or geopolitical developments in China), new markets, government incentive programs, impact of the Inflation Reduction Act of 2022 (the "IRA") and transferability of tax credits on our business and the financing market for installations of our products, impact of new foreign tax rules on our financial statements, growth of the hydrogen market and the sufficiency of our cash and our liquidity. liquidity, the potential to engage in equity or debt financing transactions, future capital requirements and use of proceeds and our commitments or contingencies. All statements contained in this Quarterly Report on Form 10-Q other than statements of historical fact are forward-looking statements. Forward-looking statements may be identified by words such as "future," "anticipates," "believes," "estimates," "expects," "intends," "designs," "plans," "predicts," "targets," "forecasts," "will," "would," "could," "can," "may," "aim," "potential," "mission," "commit" and similar terms. These statements are based on the beliefs and assumptions of our management based on information currently available to management at the time they are made. Such forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results, outcomes and the timing of certain events to differ materially from future results or outcomes expressed or implied by such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those factors discussed in the section titled "Risk Factors" included in Part I, Item 1A of our Annual Report on Form 10-K for the fiscal year ended December 31, 2022, in the section titled "Risk Factors" included in Part II, Item 1A of our Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2023 December 31, 2023 and in our other filings with the U.S. Securities and Exchange Commission (the "SEC") ("SEC"). You should review these risk factors for a more complete understanding of the risks associated with an investment in our securities. Such forward-looking statements speak only as of the date of this report. We disclaim any obligation to update any forward-looking statements made in this Quarterly Report on Form 10-Q to reflect events or circumstances after the date of this report or to reflect new information or the occurrence of unanticipated events, except as required by law. We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements. The following discussion and analysis should be read in conjunction with our condensed consolidated financial statements and notes thereto included elsewhere in this Quarterly Report on Form 10-Q.

Overview

Description of Bloom Energy

Our mission is to make clean, reliable energy affordable for everyone in the world. We created the first large-scale, commercially viable solid oxide fuel-cell based power generation platform that empowers businesses, essential services, critical infrastructure and communities to responsibly take charge of their energy.

Our technology, invented in the United States, U.S., is one of the most advanced electricity and hydrogen producing technologies on the market today. Our fuel-flexible Bloom Energy Servers can use biogas, hydrogen, natural gas, or a blend of fuels to create resilient, sustainable and cost-predictable power at typically significantly higher efficiencies than traditional, combustion-based resources. In addition, our same solid oxide platform that powers our fuel cells can be used to create hydrogen which with our Bloom Electrolyzer.

Hydrogen is increasingly recognized as a critically important tool for the decarbonization of the energy economy. Our enterprise customers include some of the largest multinational corporations in the world. We also have strong relationships with some of the largest utility companies in the United States U.S. and the Republic of Korea. Korea, with a growing presence in various international markets.

At Bloom Energy, we look forward to a net-zero future. Our technology is designed to help enable this future by delivering reliable, low-carbon electricity in a world facing unacceptable levels of power disruptions. Our resilient platform has kept electricity available for our customers through hurricanes, earthquakes, typhoons, forest fires, extreme heat and grid failures. Unlike traditional combustion power generation, our platform is community-friendly and designed to significantly reduce emissions of criteria air pollutants. We have made tremendous progress towards renewable fuel production through our biogas, hydrogen and electrolyzer programs, and we believe that we are well-positioned as a core platform and fixture in the new energy paradigm to help organizations and communities achieve their net-zero objectives.

We market and sell our Energy Servers primarily through our direct sales organization in the United States, U.S., and we also have direct and indirect sales channels internationally. Recognizing that deploying our solutions requires a significant financial commitment, we have developed a number of financing options to support sales of our Energy Servers to customers who lack the financial capability to purchase our Energy Servers directly, and who may prefer to finance the acquisition using third-party financing or to contract for our services on a pay-as-you-go model.

Our typical target commercial or industrial customer has historically been either an investment-grade entity or a customer with investment-grade attributes such as size, assets and revenue, liquidity, geographically diverse operations and general financial stability. We have also expanded our product and financing options to below-investment-grade customers and have also expanded internationally, to target customers with including deployments on a wholesale grid. Given that our customers are typically large institutions with multi-level decision making decision-making processes, we generally experience a lengthy sales process. Once the sale is completed, we have a large multi-disciplined team to facilitate the deployment of our projects in a wide variety of locations under a myriad of regulatory environments.

Strategic Investment

For information on the strategic investment with SK ecoplant Co., Ltd. (“SK ecoplant”, formerly known as SK Engineering & Construction Co., Ltd.), a subsidiary of the SK Group, see Part II, Item 8, Note 1 - — *Nature of Business, Liquidity and Basis of Presentation, Liquidity* section and Note 17 — *SK ecoplant Strategic Investment* in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 December 31, 2023.

On March 27, 2024, Bloom, Bloom SK Fuel Cell, LLC , a joint venture in the Republic of Korea with SKecoplant (“Korean JV”), and Part I, Item 1, Note 16 - *SK ecoplant Strategic Investment*entered into the Third Amendment to the Amended and Restated Preferred Distribution Agreement (the “Third ARPDA”). The Third ARPDA adds SK Eternix Co., Ltd. as an additional distributor of Bloom products and ancillary equipment in the Republic of Korea.

Certain Factors Affecting our Performance

Energy Market Conditions

The global energy transition to a zero-carbon environment has created new challenges and opportunities for utilities, suppliers of energy solutions and customers. Shifts and uncertainty in market and regulatory dynamics and corporate and governmental policies are currently impacting the selling process and extending sales cycles and timelines for the Company’s our natural gas-, biogas- and hydrogen-related products. Increasing electricity rates, decreasing energy reliability, and delays in the development of transmission infrastructure and grid interconnection have led to increased customer interest in our power solutions, but at solutions. At the same time, natural gas supply and pricing concerns due to geopolitical stresses and resulting market changes as well as increasing focus on sustainability targets have led to increased caution from potential customers. The increased use of renewable power generation and the weather effects of climate change have exacerbated aging grid fragilities, increased the occurrence of power outages, created grid transmission shortages, and lengthened already extensively delayed interconnection cycles. Low- and zero-carbon sources of baseload energy have also been curtailed and even banned in some locations, forcing utilities, states and countries to revisit less clean sources of baseload and intermediate power in an attempt to ensure energy reliability. This supply and demand mismatch globally has threatened energy security reliability, reduced the availability of energy, and increased the cost of energy.

Bloom’s power solutions enable customers to address these energy market challenges by offering fuel flexible solutions that are designed to provide cost predictable, resilient, and reliable energy in a timely fashion. As customers and utilities navigate the energy transition and evolving landscape, the ability of our power solutions to fit their economic, regulatory, and policy needs depends on a number of factors, including natural gas availability and pricing, electrical interconnection needs and availability, redundant back up power requirements, cost requirements, and sustainability profile. Even in those situations where the time to power from the utility is years away in light of the need to build out energy transmission infrastructure, these factors still may impact a customer’s buying decision. For example, although Bloom’s our power generation solutions can operate as microgrids, independent from the grid, if a customer desires back up power or a "grid parallel" “grid parallel” solution in combination with the Bloom microgrid, required interconnection studies and lengthy interconnection queues remain, eroding the time to power value proposition. According to the Lawrence Berkeley National Lab, U.S. interconnection queue delays are growing, with a forty percent year over year increase in 2022. The typical project interconnection process for large scale projects grew to five years in 2022 compared to three years in 2015 and two years in 2008. In addition, many data center customers and other large power users have signed exclusivity arrangements with their utilities, and this often creates a more complicated dynamic for them to move to a behind the meter solution. To add to this, the rising cost of natural gas, increases in gas distribution rates, limited availability of natural gas supply, as well as disruptions to the world gas markets, has increased the cost of our power solutions for customers and, in certain cases where there is a lack of fuel supply, a complete inability to operate the systems. In the United States, in particular, U.S., the lack or slow development of pipeline infrastructure is impacting the timing of customers being able to take advantage of our power solution opportunities. In certain jurisdictions in the United States U.S. and Europe, natural gas bans have been enacted that prevent the use of our power solutions unless alternative fuels are available. In addition, there is a growing hesitancy by among potential customers to purchase our power solutions to run on natural gas. Increasingly, customers want a zero-carbon solution for power, and, although our power solutions are designed to run on biofuels or hydrogen (in addition to natural gas) and help our customers achieve their sustainability goals, these fuels continue to have very limited availability and, for most customers, are not yet economical. This impetus by customers to use zero-carbon solutions today, combined with the current lack of availability of zero-carbon fuels, is adversely impacting our power solution selling opportunities. In addition, many of our potential data center and industrial customers are pursuing greenfield opportunities where the development cycle is long and laden with permitting requirements and the uncertainty of these factors is leading to a more difficult customer decision-making process and longer sales cycles. For example, in the fourth quarter of 2022, we entered into a Power Purchase Agreement (“PPA”) contract for the sale of electricity to a customer for three greenfield sites that were at various stages of development (the “Project”). The first site was expected to be operational with power by the third quarter of 2024. We sold 73 megawatts of the Energy Servers to a Distributor with the expectation that the Distributor would support installation on the Project and install the Energy Servers at the three Project sites. For site specific reasons, in the first quarter of 2024, the end customer decided not to deploy the Energy Servers at the originally selected sites and is looking at alternative sites for deployment. In the interim, the end customer has commenced payments under the PPA and has agreed to continue such payments for the earlier of the full term of the PPA or deployment of the Energy Servers. We will continue to assist the Distributor to deploy the Energy Servers at the alternative installation sites selected by the end customer. Notwithstanding this, depending on the length of the installation delay, the Distributor may decide to reduce future orders or cancel existing orders until the Energy Servers are deployed, and either action could materially and adversely affect our product revenue and the timing of the associated cash flows in 2024.

Corporate procurement policy is policies are also undergoing change that creates uncertainty; while some customers are increasingly focused on decarbonizing their own direct energy supply, including aligning the timing of their zero-carbon power generation with their energy consumption, others are shifting to prioritize overall carbon emissions from the energy system, both of which are impacting our sales.

The regulatory environment for energy solutions continues to shift. In South Korea, the government recently moved to a new, government-run bidding process for fuel cell purchases, which has impacted and may continue to impact demand for our power solutions. In the United States, U.S., the investment tax credit (ITC) ITC for fuel cells running on a non-zero carbon fuel currently expires at the end of fiscal year 2024. To date, we have been unsuccessful in getting Congress to renew the ITC. Because 2024 is an election year in the U.S., it may be difficult for Congress to achieve an extension of the ITC for commercial fuel cell purchasers this year. If the ITC is not extended for fuel cells, U.S. bookings, revenue and gross margins will likely be materially impacted. In Ireland, which is a large data center market, a directive from the Minister of the Department of the Environment, Climate and Communications to restrict grid connections to data centers and other large power users, along with a halt in high-pressure gas installations has delayed our selling activities in Ireland. Delays in adoption of Renewable Fuel Standard regulations in the United States U.S. for the use of biogas to generate electricity for electric vehicles, and minimal governmental focus on utilization of biogas outside of its direct use by methane-fueled vehicles, have created uncertainty in prospects for broader biogas availability for industrial uses, including our power solutions. In addition, in most jurisdictions, air permits and various land use permits are required for installation of our solutions over a certain amount of mega-watts, and generally the length of time to obtain these permits increased, while the level of certainty of issuance has decreased and if issued, the cost of compliance requirements is often can be cost prohibitive. We have experienced a reluctance in certain states to issue permits for gas generation equipment and equipment. Even if issued, states may require a blend of costly renewable fuels or other measures to advance a state's climate goals. This has adversely impacted our selling activities.

Significant governmental interest, investment and stimulation of clean hydrogen in the U.S., Europe and in many other regions across the globe have not yet had significant impacts on demand for hydrogen. To date, while the number of proposed hydrogen production projects has grown rapidly, only a small fraction have has reached the final investment decision (FID) stage, and an even smaller fraction have been deployed. In addition, the infrastructure needed to transport hydrogen, whether through pipelines or maritime or land-based tankers, is currently only sufficient for existing uses, and has not begun to be extended for anticipated future uses, with hydrogen blending and other approaches remaining at pilot stages. It remains unclear whether regulators in some jurisdictions will allow hydrogen to be introduced into gas distribution systems, which could effectively preclude or severely limit our ability to transport hydrogen from the point of production to the point of consumption.

All of these factors have impacted lengthened the selling cycles for our electrolyzer product and power solutions. solutions, and we have experienced delays in our anticipated bookings. Our revenue, margins, and cash flow in any given year are largely dependent on bookings during the prior year. Historically, the majority of our bookings have occurred in the second half of the year, with a significant portion occurring in the fourth quarter. That trend did not continue to the same degree in 2023. If a substantial portion of our anticipated bookings for the remainder of 2023 is continue to be delayed, beyond the end of this year, our future revenue, margins and cash flow could be materially adversely impacted in 2024. impacted.

Supply Chain Constraints

We continue to see effects from global supply chain tightness due to the current inflationary environment, war in Ukraine, and trade tensions between the United States U.S. and China. We are not aware of, and do not expect any significant direct impact on our business or supply chain from the Israel-Gaza Strip armed conflict. While we have not experienced any significant component shortages to date, we are facing pressures from inflation. These dynamics could worsen as a result of continued geopolitical instability. In the event we are unable to mitigate the impacts of delays and/or price increases in raw materials and components, it could delay the manufacturing and installation of, and increase the costs of, our Energy Servers, products, which would adversely impact our cash flows and results of operations, including our revenues and gross margin. We expect these supply chain challenges to continue in the short term.

Customer Financing Constraints

Our ability to obtain financing for our Energy Servers depends partially on the creditworthiness of our customers, and deterioration of our customers' credit ratings can impact the financing for their use of our Energy Servers. Regional banking and financial institution instability, such as the failure of Silicon Valley Bank in the first quarter of 2023, may make it more difficult for our customers to obtain financing. Rising interest rates have also increased the cost of financing for our customers. As interest rates rise, the financiers of our installations demand a higher rate of return. Rising interest rates could put return, which puts pressure on our margins in order to meet the higher returns expected by the financiers. margins. We continue to work on obtaining the financing required for our 2023 2024 installations, but if we are unable to secure such financing, our revenue, cash flow, and liquidity could be materially impacted. We expect that in the United States, U.S., the IRA and the transferability of tax credits should make the financing market more robust. robust in 2024, thereby easing some of these customer financing constraints, but this cannot be assured.

Manufacturing and Labor Market Constraints

As recently as 2022, we experienced impacts from labor shortages and challenges in hiring for our manufacturing facilities. While these constraints abated in 2023 and we reduced headcount as part of a restructuring plan the Restructuring Plan adopted in September 2023, we may still experience difficulties with hiring and retention, and may face additional labor shortages in the future. The restructuring plan included (i) an optimization of our workforce across multiple functions, (ii) a relocation of a portion of our repair and overhaul department of our manufacturing and warehousing facility in Newark, Delaware, For details on the Restructuring Plan refer to Mexico, and (iii) a closure of a manufacturing, warehousing, research and development facility in Sunnyvale, California. According to the plan, 74

full-time employees and 48 contractors separated from the Company in September 2023. Additional 71 full-time employees and Part II, Item 8, contractors separated from the Company in October 2023. For additional information, please see Part I, Item I, Note 12 - — *Restructuring* in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023. In addition, the current inflationary environment has led to rising wages and labor costs as well as increased competition for labor. In the event these constraints return continue, and we are unable to continue to mitigate the impacts of these challenges, it could delay the manufacturing and installation of our Energy Servers or Electrolyzers, and we may be unable to meet customer demand, which could adversely impact our cash flows and results of operations, including our revenues and gross margin.

Installations and Maintenance of Energy Servers

During In the first three quarters quarter of 2023, 2024, our installation projects experienced some delays relating to, among other things, permitting, utility delays, and access to customer facilities. However, these delays did not significantly impact our revenue.

If we are delayed in or unable to perform maintenance, our previously installed Energy Servers would likely experience adverse performance impacts, including reduced output and/or efficiency, which could result in warranty and/or guaranty claims by our customers. Further, due to the nature of our Energy Servers, if we are unable to replace worn parts in accordance with our standard maintenance schedule, we may incur higher costs in the future. For During the nine three months ended September 30, 2023 March 31, 2024, we experienced no significant delays in servicing our Energy Servers.

Environmental, Social and Governance ("ESG") Sustainability

We are committed to a goal of providing consistent returns to our stockholders while maintaining a strong sense of good corporate citizenship that places a high value on the environment, welfare of our employees, the communities in which we operate, the customers we serve, and the world as a whole. We believe that prioritizing, improving, and managing our ESG sustainability related risks, opportunities, and programs help us to better create long-term value for our investors.

In April 2023, 2024, we released our 2022 2023 Sustainability Report, Advancing Transforming Energy for the Mission of Decarbonization Digital Age (the "Sustainability Report"), using generally accepted ESG sustainability frameworks and standards, including alignment with Sustainability Accounting Standards Board standards and the Task Force on Climate-related Financial Disclosures recommendations. In addition, the Sustainability Report also utilized certain Global Reporting Initiative standards and was mapped against the United Nations Sustainable Development Goals. We plan to issue a sustainability report on an annual basis.

Our mission is to make clean, reliable energy affordable for everyone in the world. To that end, we strive to empower businesses and communities to responsibly take charge of their energy while addressing both the causes and consequences of climate change. We aim to serve our customers with products that are resilient, providing uninterrupted power with predictable pricing over the long-term, while addressing sustainability issues by developing an increasingly broad portfolio of solutions for decarbonization.

The Sustainability Report can be found on our website at *https://www.bloomenergy.com/sustainability*. Website references throughout this document are provided for convenience only, and the content on the referenced websites is not incorporated by reference into this report.

Inflation Reduction Act of 2022

For information on the IRA, which was signed into law on August 16, 2022, and its impact on our business, see Part II, Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations, Inflation Reduction Act of 2022 – New and Expanded Production and Tax Credits for Manufacturers and Projects to Support Clean Energy* section in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 December 31, 2023.

On March 29, 2024, we received notification from the Internal Revenue Service (the "IRS") of the acceptance of our application for a Qualifying Advanced Energy Project Credit of up to $75.3 million. The application for qualifying advanced energy project credit allocation under Internal Revenue Code Section 48C(e) for the manufacturing facility in Fremont, California (the "Facility"), was submitted by Bloom on December 21, 2023. After a technical review of Bloom's Section 48C(e) application, the Department of Energy provided a recommendation to the IRS to grant a $75.3 million credit allocation for the Facility. The approval is subject to satisfaction of the underlying certification requirements, including the prevailing wage and apprenticeship requirements, within two years from the date of the application acceptance.

New Foreign Tax Rules

In 2021, the Organization for Economic Co-operation and Development announced an Inclusive Framework on Base Erosion and Profit Shifting, including Pillar Two Model Rules defining a global minimum tax, which calls for the taxation of large multinational corporations at a minimum rate of 15%. Subsequently, multiple sets of administrative guidance have been issued. Many non-U.S. tax jurisdictions have either recently enacted legislation to adopt certain components of the Pillar Two Model Rules beginning in 2024 (including the European Union Member States) with the adoption of additional components in later years or announced their plans to enact legislation in future years. We are continuing to evaluate the impacts of enacted legislation and pending legislation to enact Pillar Two Model Rules in the non-U.S. tax jurisdictions we operate in. However, legislation enacted as of March 31, 2024 did not have a material impact on our financial statements for the three months ended March 31, 2024 and is not expected to have a material impact on our 2024 financial statements due to the relatively small operations outside the U.S.

Liquidity and Capital Resources

We raised cash and supplemented liquidity through financing activities with SK ecoplant in the first quarter of 2023 and issuing the 3% Green Convertible Senior Notes due June 2028 (the "3% Green Notes") in the second quarter of 2023. At the same time, we increased our working capital spend. spent. In the first three quarters quarter of 2023, 2024, we built up inventory in preparation for more expected shipments in the fourth quarter second half of 2023. 2024. This enabled us to level load production and gain manufacturing efficiency. In addition, we expanded our warehouse space in Delaware and California to store more inventory to meet the anticipated increase in demand. If this increase in demand does not materialize to the degree we anticipated, our liquidity and financial condition may be adversely impacted.

On March 20, 2023, we entered into the Amended SPA, with SK ecoplant, pursuant to which we issued and sold to SK ecoplant 13,491,701 shares of Series B RCPS for cash proceeds of $311.0 million, excluding issuance cost of $0.5 million.

On March 20, 2023, in connection with the Amended SPA, we also entered into the Loan Agreement, pursuant to which we were entitled to draw down on a loan from SK ecoplant with a maximum principal amount of $311.0 million, if SK ecoplant sent a redemption notice to us under the Amended SPA or otherwise had reduced any portion of its current holdings of our Class A common stock. On September 23, 2023, all 13,491,701 shares of the Series B RCPS were automatically converted into

shares of our Class A common stock. For further information on the strategic investment with SK ecoplant, see Part I, Item 1, Note 16 - *SK ecoplant Strategic Investment*.

On May 16, 2023, we issued the 3% Green Notes with an aggregate principal amount of $632.5 million due June 2028, unless earlier repurchased, redeemed or converted, resulting in net cash proceeds of $613.0 million. On June 1, 2023, we used approximately $60.9 million of the net proceeds from this offering to redeem all of the outstanding principal amount of our 10.25% Senior Secured Notes due March 2027. The redemption price equaled 104% of the principal amount redeemed plus accrued and unpaid interest. We also used approximately $54.5 million of the net proceeds from the offering to purchase the Capped Calls.

On August 24, 2023, as part of the PPA V Upgrade, we paid off the outstanding balance and related accrued interest of $118.5 million and $0.5 million, respectively, of our 3.04% Senior Secured Notes due June 30, 2031.

For further information on issuance of 3% Green Notes, redemption of our 10.25% Senior Secured Notes, and repayment of 3.04% Senior Secured Notes, please see Part I, Item 1, Note 7 - *Outstanding Loans and Security Agreements*.

As of September 30, 2023, we had cash and cash equivalents of $557.4 million. Our cash and cash equivalents consist of highly liquid investments with maturities of three months or less, including money market funds of $489.4 million. We maintain these balances with high credit quality counterparties, regularly monitor the amount of credit exposure to any one issuer and diversify our investments in order to minimize our credit risk.

As of September 30, 2023, we had $840.5 million of recourse debt, $1.5 million of non-recourse debt and $8.8 million of other long-term liabilities. As of September 30, 2023, all of our debt was classified as long-term liabilities. For a complete description of our outstanding debt, please see Part I, Item 1, Note 7 - *Outstanding Loans and Security Agreements*.

The combination of our cash and cash equivalents and cash flow to be generated by our operations, is expected to be sufficient to meet our anticipated cash flow needs for at least the next 12 months. If these sources of cash are insufficient or are not received in a timely manner to satisfy our near-term or future cash needs, we may require additional capital from equity or debt financings to fund our operations, our manufacturing capacity, product development, and market expansion requirements and to timely respond to competitive market pressures or strategic opportunities, among other things. We may, from time to time, engage in a variety of financing transactions for such purposes, including factoring our accounts receivable. During the three and nine months ended September 30, 2023 March 31, 2024, we factored $108.0 million and $167.6 million $80.7 million of accounts receivable, respectively. receivable. However, we may not be able to secure timely additional financing on favorable terms, or at all. The terms of any additional financing may place limits on our financial and operating flexibility. Although currently we only do not have fixed-rate convertible any floating-rate notes on the our balance sheet, rising interest rates may increase our overall cost of capital, if and when we refinance those our fixed-rate convertible notes. If we raise additional funds through further issuances of equity or equity-linked securities, our existing stockholders could suffer dilution in their percentage ownership of us, and any new securities we issue could have rights, preferences, and privileges senior to those of holders of our common stock.

Our future capital requirements depends depend on many factors, including our rate of revenue growth, the timing and extent of spending on research and development efforts and other business initiatives, the rate of growth in the volume of system builds and the need for additional manufacturing space, working capital, the expansion of sales and marketing activities both in domestic and international

markets, market acceptance of our products, our ability to secure financing for customer use of our Energy Servers, the timing of installations and of inventory build in anticipation of future sales and installations, and overall economic conditions. In order to support and achieve our future growth plans, we may need or seek advantageously to obtain additional funding through equity or debt financing. Failure to obtain this financing in future quarters may affect our results of operations, including our revenues and cash flows.

A summary of our consolidated sources and uses of cash, cash equivalents and restricted cash was as follows (in thousands):

	Nine Months Ended September 30,	
	2023	2022
Net cash (used in) provided by:		
Operating activities	$ (494,364)	$ (168,453)
Investing activities	(67,482)	(80,907)
Financing activities	682,161	305,211

Net cash provided by (used in) our PPA Entities, which are incorporated into the condensed consolidated statements of cash flows, was as follows (in thousands):

	Nine Months Ended September 30,	
	2023	2022
PPA Entities [1]		
Net cash provided by PPA operating activities	$ 10,036	$ 95,445
Net cash used in PPA financing activities	(23,594)	(103,546)

[1] The PPA Entities' operating and financing cash flows are a subset of our consolidated cash flows and represent the stand-alone cash flows prepared in accordance with U.S. GAAP. Operating activities consist principally of cash used to run the operations of the PPA Entities, the purchase of Energy Servers from us and principal reductions in loan balances. Financing activities consist primarily of changes in debt carried by our PPAs, and payments from and distributions to noncontrolling partnership interests. We believe this presentation of net cash provided by (used in) PPA activities is useful to provide the reader with the impact to consolidated cash flows of the PPA Entities in which we have only a minority interest. In August 2023, we sold our PPA V entity.

	Three Months Ended March 31,	
	2024	2023
Net cash (used in) provided by:		
Operating activities	$ (147,266)	$ (314,710)
Investing activities	(21,428)	(26,574)
Financing activities	7,150	306,487

Operating Activities

Our operating activities consisted of net loss adjusted for certain non-cash items plus changes in our operating assets and liabilities or working capital. Net cash used in operating activities during the nine three months ended September 30, 2023 March 31, 2024 was $494.4 million, an increase $147.3 million, a decrease of $325.9 million $167.4 million compared to the prior year period. The increase decrease in cash used in operating activities during the nine three months ended September 30, 2023, March 31, 2024 as compared to the prior year period was primarily a result of an increase driven by investments made in fiscal year 2023 in our working capital of $489.5 $142.5 million due to (1) an increase in inventory levels of $206.3 million by $25.0 million to support future demand, (2) an increase in contract assets of $97.1 million, which was driven by the PPA

V Upgrade, (3) an increase in accounts receivable of $83.9 million which was primarily due to by $7.6 million triggered by the timing of revenue transactions and corresponding collections, and (4) the timing of payments to vendors.

Investing Activities

Our investing activities have consisted of capital expenditures, including investments to increase our production capacity. We expect to continue such investing activities as our business grows. Cash used in investing activities during the nine three months ended September 30, 2023 March 31, 2024, was $67.5 million, an increase $21.4 million, a decrease of $13.4 million $5.1 million compared to the prior year period and was primarily due to the decrease in expenditures on tenant improvements for a newly leased engineering and manufacturing building in Fremont, California, which opened in July 2022. We expect to continue to make capital expenditures investments over the next few quarters to expand production capacity at our new manufacturing facility in Fremont, California, which includes the purchase of new equipment and other tenant improvements. We intend to fund these capital expenditures from cash on hand as well as cash flow to be generated from operations. We may also evaluate and arrange equipment lease financing to fund these capital expenditures.

Financing Activities

Historically, our financing activities consisted of borrowings and repayments of debt, proceeds and repayments of financing obligations, distributions paid to noncontrolling interests, contributions from noncontrolling interests, and proceeds from the issuances of our common stock. Net cash provided by financing activities during the nine three months ended September 30, 2023, March 31, 2024 was $682.2 million, an increase $7.2 million, a decrease of $377.0 million $299.3 million compared to the prior year period. The increase was primarily period, predominantly due to (1) the proceeds from the issuance of the 3% Green Notes of $613.0 million, net of paid debt issuance costs of $19.5 million, (2) proceeds from the issuance of redeemable convertible preferred stock of $310.6 million, $310.6 million, net of paid debt issuance costs of $0.4 million, $0.4 million, in the three months ended March 31, 2023 as a result of SK ecoplant Second Tranche Closing (3) (please refer to Part II, Item 8, Note 17 — *SK ecoplant Strategic Investment* in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023), offset primarily by the repayment of debt of $9.9 million in the three months ended March 31, 2023. Net cash provided by financing activities for the three months ended March 31, 2024, consisted of the proceeds from the issuance of common stock of $16.0 million $6.8 million, (4) a contribution from a noncontrolling interest of $7.0 million, $4.0 million, and (5) proceeds from financing obligations of $2.7 million. This was partially $1.3 million, offset by (1) a settlement of the 3.04% Senior Secured Notes due June 30, 2031 of $118.5 million as a result of PPA V Upgrade, (2) repayment of recourse debt of $72.9 million, (3) purchases of Capped Calls of $54.5 million, (4) repayment of financing obligations of $13.5 million, $5.0 million. Our working capital was strengthened with the supplemented liquidity through financing activities with SK ecoplant in the first quarter of 2023 and (5) issuing the acquisition 3% Green Notes in the second quarter of all interest in PPA V for $6.9 million net 2023, but we may still enter the equity or debt market as needed to support the expansion of distributions to Intel's noncontrolling interest of $2.3 million.

our business. Please refer to Part I, Item 1, Note 7 - — *Outstanding Loans and Security Agreements* of this Quarterly Report on Form 10-Q and Part I, Item 1A, *Risk Factors* - — *Risks Related to Our Liquidity* - — *Our indebtedness, and restrictions imposed by the agreements governing our and our PPA Entities' outstanding indebtedness, may limit our financial and operating activities and may adversely affect our ability to incur*

additional debt to fund future needs and *We may not be able to generate sufficient cash to meet our debt service obligations or our growth plans* section in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 December 31, 2023 for more information regarding the terms of and risks associated with our debt.

Purchase and Financing Options

For information about our purchase and financing options, see Part II, Item 7 - — *Management's Discussion and Analysis of Financial Condition and Results of Operations, Purchase and Financing Options* section in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 December 31, 2023.

Performance Guarantees

As of September 30, 2023 March 31, 2024, we had incurred no liabilities due to failure to repair or replace our Energy Servers pursuant to any performance warranties made under operations and maintenance agreements ("O&M Agreements").

For O&M Agreements that are subject to renewal, our future service revenue from such agreements are subject to our obligations to make payments for underperformance against the performance guaranties, which are capped at an aggregate total of approximately $552.0 $577.7 million (including $424.0 $451.9 million related to portfolio financing entities and $128.0 $125.8 million related to all other transactions, and include payments for both low output and low efficiency), and our aggregate remaining potential payments payment related to these underperformance obligations was approximately $481.4 $490.8 million as of September 30, 2023 March 31, 2024. For the nine three months ended September 30, 2023 March 31, 2024, we made performance guarantee payments of $24.4 $15.1 million.

International Channel Partners

There were no significant changes in our international channel partners during the nine three months ended September 30, 2023 March 31, 2024. For information on international channel partners, see Part II, Item 7 - — *Management's Discussion and Analysis of Financial Condition and Results of Operations, International Channel Partners* section in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 December 31, 2023.

Key Operating Metrics - — Comparison of the Three and Nine Months Ended September 30, 2023 March 31, 2024 and 2022 2023

For a description of the key operating metrics we use to evaluate business activity, to measure performance, to develop financial forecasts and to make strategic decisions, see Part II, Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations, Key Operating Metrics* section in our Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023.

Product Acceptances

The product and megawatts accepted megawatt acceptances in the three and nine months ended September 30, 2023 March 31, 2024 and 2022 2023 were as follows:

		Three Months Ended September 30,		Change		Nine Months Ended September 30,		Change	
		2023	2022	Amount	%	2023	2022	Amount	%
Product accepted	Product accepted	813	581	232	39.9 %	1,931	1,427	504	35.3 %
Megawatts accepted, net	Megawatts accepted, net	81	58	23	39.9 %	193	143	50	35.3 %

	Three Months Ended March 31,	Three Months Ended March 31,	Three Months Ended March 31,	Change			
	2024			2024	2023	Amount	%
Product accepted				477	512	(35)	(6.8) %
Product accepted							
Megawatts accepted, net	48	51	51	(3)	(3)	(6.8)	(6.8) %

Product accepted increased decreased approximately by 232 35 systems, or 39.9%, and 504 systems, or 35.3% 6.8%, for the three and nine months ended September 30, 2023 March 31, 2024, respectively, as compared to the prior year periods, period, which is the equivalent of 23 megawatts and 50 megawatts, respectively. to 3 megawatts. Acceptance volume increased as demand increased for decreased due to a large transaction in the Energy Servers. first quarter of fiscal 2023 that did not repeat in fiscal 2024.

The increase in acceptances of 193 48 megawatts achieved from December 31, 2022 to September 30, 2023 for the three months ended March 31, 2024 was added to our installed base and, therefore, increased our total megawatts accepted, net, from 973 1,241 megawatts to 1,166 1,289 megawatts.

Purchase Options Alternatives

Our customers have several purchase options alternatives for our Energy Servers. The portion of acceptances attributable to each purchase option alternative in the three and nine months ended September 30, 2023 March 31, 2024 and 2022 2023 was as follows:

		Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended March 31,	
		2023	2022	2023	2022	2024	2023
Direct purchase (including third-party PPAs and international channels)	Direct purchase (including third-party PPAs and international channels)	100 %	99 %	98 %	100 %		
Traditional lease		— %	1 %	2 %	— %		
Direct purchase (including third-party PPAs and international channels)							

Direct purchase (including third-party PPAs and international channels)		97 %	96 %
Managed services	Managed services	3 %	4 %

The portion of total revenue attributable to each purchase option in the three and nine months ended September 30, 2023 March 31, 2024 and 2022 2023 was as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Direct purchase (including third-party PPAs and international channels)	94 %	91 %	90 %	89 %
Traditional lease	— %	1 %	1 %	1 %
Managed services	4 %	5 %	7 %	6 %
Portfolio financings	2 %	3 %	2 %	4 %

	Three Months Ended March 31,	
	2024	2023
Direct purchase (including third-party PPAs and international channels)	90 %	87 %
Traditional Lease	— %	1 %
Managed Services	10 %	9 %
Portfolio Financings	— %	3 %

Costs Related to Our Products

Total product related costs for the three and nine months ended September 30, 2023 March 31, 2024 and 2022 2023 was as follows:

	Three Months Ended September 30,		Change		Nine Months Ended September 30,		Change	
	2023	2022	Amount	%	2023	2022	Amount	%
Product costs of product accepted in the period	$2,040/kW	$2,456/kW	($416/kW)	(16.9)%	$2,126/kW	$2,485/kW	($359/kW)	(14.4)%
Period costs of manufacturing related expenses not included in product costs (in thousands)	$ 17,330	$ 15,496	$ 1,834	11.8 %	$ 47,403	$ 38,672	$ 8,731	22.6 %
Installation costs on product accepted in the period	$318/kW	$488/kW	($170/kW)	(34.8)%	$402/kW	$405/kW	($3/kW)	(0.7)%

	Three Months Ended March 31,		Change
	2024		
Product costs of product accepted in the period			
Product costs of product accepted in the period	$2,060/kW	$2,288/kW	($228/kW)
Period costs of manufacturing related expenses not included in product costs (in thousands)	$ 17,441	$ 12,594	$ 4,847
Installation costs on product accepted in the period	$322/kW	$487/kW	($165/kW)

Product costs of product accepted decreased by $416 $228 per kilowatt, or 16.9%, and $359 per kilowatt, or 14.4% 10.0%, for the three and nine months ended September 30, 2023 March 31, 2024, as compared to the prior year periods, respectively. period. The decrease in costs was primarily driven by our continued efforts to reduce material costs, implement cost reduction programs with our vendors, and reduce our labor and overhead costs through increased volume, improved processes, and automation at our manufacturing facilities. facilities, and reduced labor and overhead costs through restructuring programs executed in fiscal 2023.

Period costs of manufacturing related expenses increased by $1.8 million $4.8 million, or 11.8%, and $8.7 million, or 22.6% 38.5%, for the three and nine months ended September 30, 2023 March 31, 2024, as compared to the prior year periods, respectively. period. Our period costs of manufacturing related expenses increased primarily as a result of costs incurred to support capacity expansion efforts, which are expected to be brought online in future periods, partially offset by a $3.1 million release of a liability as of September 30, 2023 related to a grant from the Delaware Economic Development Authority upon the end of the measurement period stipulated in the grant agreement. periods.

Installation costs on product accepted decreased by $170 $165 per kilowatt, or 34.8%, and $3 per kilowatt, or 0.7% 33.9%, for the three and nine months ended September 30, 2023 March 31, 2024, as compared to the prior year periods, respectively. period. Each customer site is unique and installation costs can vary due to a number of factors, including site complexity, size, and location of gas, among other factors. As such, installation on a per kilowatt basis can vary significantly from period to period. For the three and none months ended September 30, 2023 March 31, 2024, this decrease in cost was primarily driven by the change in the mix of sites requiring Bloom installation.

Results of Operations

A discussion regarding the comparison of our financial condition and results of operations for the three and nine months ended September 30, 2023 March 31, 2024 and 2022 2023 is presented below.

Revenue

		Three Months Ended September 30,		Change		Nine Months Ended September 30,		Change			Three Months Ended March 31,		Change	
		2023	2022	Amount	%	2023	2022	Amount	%		2024	2023	Amount	%
		(dollars in thousands)												
		(dollars in thousands)												
Product														
Product														
Product	Product	$304,976	$213,243	$ 91,733	43.0 %	$713,427	$520,415	$ 193,012	37.1 %		$153,364	$193,745	$(40,381)	(20.8) %
Installation	Installation	21,916	22,682	(766)	(3.4)%	66,762	48,964	17,798	36.3 %	Installation	11,444	20,525	(9,081)	(44.2)%
Service	Service	47,535	37,347	10,188	27.3 %	130,496	111,012	19,484	17.6 %	Service	56,460	40,663	15,797	38.8 %
Electricity	Electricity	25,841	19,002	6,839	36.0 %	65,869	56,158	9,711	17.3 %	Electricity	14,030	20,258	(6,228)	(30.7)%
Total revenue	Total revenue	$400,268	$292,274	$107,994	36.9 %	$976,554	$736,549	$240,005	32.6 %	Total revenue	$ 235,298	$ 275,191	$ (39,893)	(14.5)%

Total Revenue

Total revenue increased decreased by $108.0 million, $39.9 million, or 36.9% 14.5%, for the three months ended September 30, 2023 March 31, 2024, as compared to the prior year period. This increase decrease was driven by a $91.7 $40.4 million increase decrease in product revenue, a $10.2 $9.1 million decrease in installation revenue, a $6.2 million decrease in electricity revenue, offset by a $15.8 million increase in service revenue, and a $6.8 million increase in electricity revenue, partially offset by a $0.8 million decrease in installation revenue.

Total revenue increased by $240.0 million, or 32.6%, for the nine months ended September 30, 2023, as compared to the prior year period. This increase was driven by a $193.0 million increase in product revenue, a $19.5 million increase in service revenue, a $17.8 million increase in installation revenue, and a $9.7 million increase in electricity revenue.

Product Revenue

Product revenue increased decreased by $91.7 $40.4 million, or 43.0% 20.8%, for the three months ended September 30, 2023, as compared to the prior year period. Product revenue increased by 39.9%, primarily driven by higher product acceptances and improved product pricing due to increased demand for our products--including the PPA V Upgrade--resulting in revenue from new Energy Servers of $151.6 million. The increase was partially offset by revenue recognized from PPA IIIa (the "PPA IIIa Upgrade") of $12.7 million for the three months ended September 30, 2022.

Product revenue increased by $193.0 million, or 37.1%, for the nine months ended September 30, 2023, as compared to the prior year period. The product revenue increase was primarily driven by a 35.3% increase in product acceptances due to increased demand for our products and the PPA V Upgrade, resulting in revenue from new Energy Servers of $151.6 million, partially offset by revenue recognized from the PPA IIIa Upgrade of $49.6 million for the nine months ended September 30, 2022.

Installation Revenue

Installation revenue decreased by $0.8 million, or 3.4%, for the three months ended September 30, 2023 March 31, 2024, as compared to the prior year period. This decrease in installation revenue was primarily driven by the change lower average selling price and a 6.8% decrease in product acceptances resulting from a large transaction in the mix first quarter of product acceptances fiscal 2023 that did not repeat in fiscal 2024.

Installation Revenue

Installation revenue decreased by $9.1 million, or 44.2%, for the three months ended March 31, 2024, as compared to the prior year period. This decrease was primarily driven by the timing of achieving key project milestones on sites requiring installations by us in the three months ended September 30, 2023, and the revenue recognized from the PPA IIIa Upgrade of $2.1 million for the three months ended September 30, 2022, partially offset by the revenue recognized from the PPA V Upgrade of $9.5 million.

Installation revenue increased by $17.8 million, or 36.3%, for the nine months ended September 30, 2023, as compared to the prior year period. This increase in installation revenue was primarily driven by the revenue recognized from the PPA V Upgrade of $9.5 million and the change in the mix of product acceptances requiring installations by us in the nine months ended September 30, 2023, partially offset by revenue recognized from the PPA IIIa Upgrade of $3.2 million for the nine months ended September 30, 2022 March 31, 2024.

Service Revenue

Service revenue increased by $10.2 $15.8 million, or 27.3% 38.8%, for the three months ended September 30, 2023 March 31, 2024, as compared to the prior year period. This increase was primarily driven by 181 (1) 188 megawatts of Energy Servers reaching full power in the past year, three months ended March 31, 2024, which contributed to an $11.3 million a $12.7 million increase in revenue from maintenance contracts associated with our fleet of Energy Servers, partially offset by the impact and (2) a decrease of $3.2 million in product performance guarantees of $1.1 million.

Service revenue increased by $19.5 million, or 17.6%, for the nine months ended September 30, 2023, as compared to the prior year period. This increase was primarily driven by 181 megawatts of Energy Servers reaching full power in the past year, which contributed to a $31.4 million increase in revenue that resulted from maintenance contracts associated with our improved fleet of Energy Servers, partially offset by the impact of product performance guarantees of $10.4 million and a $0.7 million decrease in state incentives. performance.

Electricity Revenue

Electricity revenue includes both revenue from contracts with customers and revenue from contracts that contain leases.

Electricity revenue increased decreased by $6.8 $6.2 million, or 36.0% 30.7%, for the three months ended September 30, 2023 March 31, 2024, as compared to the prior year period, primarily due to an increase in electricity revenue of $1.1 million from old Energy Servers as part of the PPA V Upgrade and an increase decrease in installed units, as a result of an increase primarily driven by 2015 ESA Project Company, LLC ("PPA V") activity, which was sold in Managed Services transactions recorded between the third quarter of fiscal year 2021 and the third quarter of fiscal 2023.

Electricity revenue increased by $9.7 million, or 17.3%, for the nine months ended September 30, 2023, as compared to the prior year period, primarily due to an increase in electricity revenue of $1.1 million from old Energy Servers as part of the PPA V Upgrade and an increase in installed units as a result of an increase in Managed Services transactions recorded between the third quarter of fiscal year 2021 and the third quarter of fiscal 2023.

Cost of Revenue

		Three Months Ended September 30,		Change		Nine Months Ended September 30,		Change								
		2023	2022	Amount	%	2023	2022	Amount	%							
		(dollars in thousands)									Three Months Ended March 31,					
											2024			2023		
Product																
Product																
Product	Product	$182,832	$158,176	$ 24,656	15.6 %	$457,591	$393,337	$ 64,254	16.3 %		$115,757	$	$129,613	$		$
Installation	Installation	25,902	28,333	(2,431)	(8.6)%	77,881	57,836	20,045	34.7 %	Installation	15,353	25,100		25,100	(9,747)	
Service	Service	57,370	41,792	15,578	37.3 %	165,877	124,646	41,231	33.1 %	Service	56,506	51,244		51,244	5,262	
Electricity	Electricity	139,378	13,029	126,349	969.8 %	169,802	83,819	85,983	102.6 %	Electricity	9,606	14,967		14,967	(5,361)	
Total cost of revenue	Total cost of revenue	$405,482	$241,330	$164,152	68.0 %	$871,151	$659,638	$211,513	32.1 %	Total cost of revenue	$197,222	$		$220,924	$	

Total Cost of Revenue

Total cost of revenue increased decreased by $164.2 million $23.7 million, or 68.0% 10.7%, for the three months ended September 30, 2023 March 31, 2024, as compared to the prior year period. The increase decrease was driven by a $126.3 million increase in cost of electricity revenue, a $24.7 million increase in cost of product revenue and a $15.6 million increase in cost of service revenue, partially offset by a $2.4 million $13.9 million decrease in cost of installation revenue.

Total cost of revenue increased by $211.5 million, or 32.1%, for the nine months ended September 30, 2023, as compared to the prior year period. The increase was driven by a $86.0 million increase in cost of electricity revenue, a $64.3 million increase in cost of product revenue, a $41.2 million $9.7 million decrease in costs of installation revenue, and a $5.4 million decrease in cost of electricity revenue, offset by a $5.3 million increase in cost of service revenue, and a $20.0 million increase in cost of installation revenue.

Cost of Product Revenue

Cost of product revenue increased decreased by $24.7 million $13.9 million, or 15.6% 10.7%, for the three months ended September 30, 2023 March 31, 2024, as compared to the prior year period. The increase decrease in cost of product revenue was primarily driven by (1) a 39.9% increase 6.8% decrease in product acceptances, including the effect of $62.6 million from the sale of new Energy Servers as a result of the PPA V Upgrade. This increase was partially offset by (1) a lower cost per unit attributable to (2) our ongoing efforts to reduce material costs, (2) cost reduction programs with our vendors and a reduction in (3) reduced labor and overhead costs due to increased volume, (3) through restructuring programs executed in fiscal 2023, and (4) improved processes and automation at our manufacturing facilities, (4) the cost of sales of new Energy Servers of $5.7 million as a result of the PPA IIIa Upgrade for the three months ended September 30, 2022, and (5) the release of $3.1 million of grant liability recognized against payroll related costs incurred in the third quarter of fiscal 2023.

Cost of product revenue increased by $64.3 million, or 16.3%, for the nine months ended September 30, 2023, as compared to the prior year period. The increase in cost of product revenue was primarily driven by a 35.3% increase in product acceptances, including the effect of $62.6 million from the sale of new Energy Servers as a result of the PPA V Upgrade. This increase was partially offset by (1) a lower cost per unit attributable to our ongoing efforts to reduce material costs, (2) cost reduction programs with our vendors and a reduction in labor and overhead costs due to increased volume, (3) improved processes and automation at our manufacturing facilities, (4) the cost of sales of new Energy Servers of $21.6 million as a result of the PPA IIIa Upgrade for the nine months ended September 30, 2022, and (5) the release of $3.1 million of grant liability recognized against payroll related costs incurred in the third quarter of fiscal 2023. facilities.

Cost of Installation Revenue

Cost of installation revenue decreased by $2.4 million $9.7 million, or 8.6% 38.8%, for the three months ended September 30, 2023 March 31, 2024, as compared to the prior year period. This decrease was primarily driven by the change in the mix timing of product acceptances achieving key project milestones on sites requiring Bloom Energy installations as fewer sites had installation costs by us in the three months ended September 30, 2023 compared to the prior year period. The decrease was partially offset by the cost of installation revenue of $7.4 million as a result of PPA V Upgrade for the three months ended September 30, 2023.

Cost of installation revenue increased by $20.0 million, or 34.7%, for the nine months ended September 30, 2023, as compared to the prior year period. This increase was driven by the change in the mix of product acceptances requiring Bloom Energy installations, as more sites had installation costs in the nine months ended September 30, 2023 compared to the prior year period, and the cost of installation revenue of $7.4 million as a result of the PPA V Upgrade for the nine months ended September 30, 2023 March 31, 2024.

Cost of Service Revenue

Cost of service revenue increased by $15.6 million $5.3 million, or 37.3% 10.3%, for the three months ended September 30, 2023 March 31, 2024, as compared to the prior year period. This increase was primarily due to an increase in the deployment of field replacement units, contributing an increase of $4.1 million, and an increase in maintenance material and labor and overhead costs of $2.7 million. The increase was partially offset by (1) a decrease of $2.7 million in repair and overhaul costs, and (2) cost reductions and our actions to proactively manage fleet optimizations and (2) a portion of released grant liability of $2.9 million recognized against payroll related costs incurred in the third quarter of fiscal 2023.

Cost of service revenue increased by $41.2 million, or 33.1%, for the nine months ended September 30, 2023, as compared to the prior year period. This increase was primarily due to the deployment of field replacement units, partially offset by (1) cost reductions and our actions to proactively manage fleet optimizations and (2) the release of $2.9 million of grant liability recognized against payroll related costs incurred in the third quarter of fiscal 2023. optimizations.

Cost of Electricity Revenue

Cost of electricity revenue includes both cost of revenue from contracts with customers and cost of revenue from contracts that contain leases.

Cost of electricity revenue increased decreased by $126.3 million $5.4 million, or 969.8% 35.8%, for the three months ended September 30, 2023 March 31, 2024, as compared to the prior year period. This increase decrease was primarily due to a decrease in installed units, primarily driven by the impairment of old Energy Servers of $123.7 million as a result of the PPA V Upgrade.

Cost of electricity revenue increased by $86.0 million, or 102.6%, for the nine months ended September 30, 2023, as compared to the prior year period. This increase activity, which was primarily driven by the impairment of old Energy Servers of $123.7 million as a result of the PPA V Upgrade, partially offset by the impairment of old Energy Servers of $44.8 million due to the PPA IIIa Upgrade sold in the third quarter of fiscal year 2022. 2023.

Gross Profit (Loss) and Gross Margin

	Three Months Ended March 31,	Change
	(dollars in thousands)	

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2023	2022	Change	2023	2022	Change
	(dollars in thousands)					
Gross profit (loss): Gross profit (loss):						
Product Product	$ 122,144	$ 55,067	$ 67,077	$ 255,836	$ 127,078	$128,758
Installation	(3,986)	(5,651)	1,665	(11,119)	(8,872)	(2,247)
Service	(9,835)	(4,445)	(5,390)	(35,381)	(13,634)	(21,747)
Electricity	(113,537)	5,973	(119,510)	(103,933)	(27,661)	(76,272)
Total gross profit (loss)	$ (5,214)	$ 50,944	$(56,158)	$ 105,403	$ 76,911	$ 28,492
Gross margin:						

Product									
Product	Product	40 %	26 %	36 %	24 %		$ 37,607	$ 64,132	$ (26,525)
Installation	Installation	(18) %	(25) %	(17) %	(18) %	Installation	(3,909)	(4,575)	
Service	Service	(21) %	(12) %	(27) %	(12) %	Service	(46)	(10,581)	10
Electricity	Electricity	(439) %	31 %	(158) %	(49) %	Electricity	4,424	5,291	(
Total gross profit						Total gross profit	$ 38,076	$ 54,267	$ (16,
Gross margin:									
Gross margin:									
Gross margin:									
Product									
Product									
Product									
Installation									
Installation									
Installation									
Service									
Service									
Service									
Electricity									
Electricity									
Electricity									
Total gross margin	Total gross margin	(1) %	17 %	11 %	10 %				
Total gross margin									
Total gross margin									

Total Gross Profit

Gross profit decreased by $56.2 million $16.2 million in the three months ended September 30, 2023 March 31, 2024, as compared to the prior year period. This change was primarily predominantly due to a $119.5 million $26.5 million decrease in electricity gross profit, primarily driven by the impairment of old Energy Servers of $123.7 million as a result of the PPA V Upgrade, and a $5.4 million decrease in service gross profit, partially offset by a $67.1 million increase in product gross profit, primarily due to a 39.9% increase in product acceptances resulting from higher demand in existing markets and the PPA V Upgrade, and an improvement in installation gross loss by $1.7 million.

Gross profit increased by $28.5 million in the nine months ended September 30, 2023, as compared to the prior year period. This change was mostly due to a $128.8 million increase in product gross profit, primarily driven by a 35.3% increase in the lower average selling price of our products and lower product acceptances resulting from higher demand in existing markets and the PPA V Upgrade, partially acceptances. The decrease was primarily offset by a $76.3 million decrease in electricity gross profit, primarily as a result of the impairment of old Energy Servers of $123.7 million as part of the PPA V Upgrade, and a $21.7 million and a $2.2 million $10.5 million improvement in service gross loss, and installation gross loss, respectively. Other factors contributing due to the gross profit improvement were (1) our efforts to proactively manage fleet optimizations, and our ongoing cost reduction efforts to reduce material costs, (2) our reduction in labor and overhead unit cost due to increased volume, and (3) improved processes and automation at our manufacturing facilities. product costs.

Product Gross Profit

Product gross profit increased decreased by $67.1 million $26.5 million in the three months ended September 30, 2023 March 31, 2024, as compared to the prior year period. The increase decrease was primarily driven by (1) the lower average selling price of our products and a 39.9% increase 6.8% decrease in product acceptances, and improved product pricing due partially offset by (1) a lower cost per unit attributable to increased demand for our products and the PPA V Upgrade, resulting in the gross profit from sales of new Energy Servers of $89.0 million, (2) our ongoing cost reduction efforts to reduce material costs, and our reduction in (2) reduced labor and overhead unit cost due to increased volume, costs through restructuring programs executed in fiscal 2023, and (3) improved processes and automation at our manufacturing facilities, and (3) a release of $3.1 million of grant liability recognized against payroll related costs incurred in the third quarter of fiscal 2023. The increase was partially offset by the gross profit from sales of new Energy Servers of $7.0 million as a result of the PPA IIIa Upgrade for the three months ended September 30, 2022.

Product gross profit increased by $128.8 million in the nine months ended September 30, 2023, as compared to the prior year period. The increase was primarily driven by (1) a 35.3% increase in product acceptances due to higher demand for our products and the PPA V Upgrade, resulting in the gross profit from sales of new Energy Servers of $89.0 million, (2) the release of $3.1 million of grant liability recognized against payroll related costs incurred in the third quarter of fiscal 2023, and (3) our ongoing cost reduction efforts to reduce material costs and our reduction in labor and overhead unit cost due to increased volume, improved processes and automation at our manufacturing facilities. The increase was partially offset by the gross profit from sales of new Energy Servers of $28.0 million as a result of the PPA IIIa Upgrade for the nine months ended September 30, 2022.

Installation Gross Loss

Installation gross loss improved by $1.7 million $0.7 million in the three months ended September 30, 2023 March 31, 2024, as compared to the prior year period. This change was primarily driven by (1) the gross profit from timing of achieving key project milestones on sites requiring installations of new Energy Servers of $2.1 million as a result of by us in the PPA V Upgrade, and (2) the change in site mix three months ended March 31, 2024, and other site related factors such as site complexity, size, local ordinance requirements, and location of the utility interconnect, partially offset by the gross profit from installations of new Energy Servers of $0.4 million as a result of the PPA IIIa Upgrade for the three months ended September 30, 2022.

Installation gross loss worsened by $2.2 million in the nine months ended September 30, 2023, as compared to the prior year period. This change was primarily driven by (1) the change in site mix and other site related factors such as site complexity, size, local ordinance requirements and location of the utility interconnect, (2) the gross profit from installations of new Energy Servers of $0.7 million as a result of the PPA IIIa Upgrade for the nine months ended September 30, 2022, partially offset by the gross profit from installation of new Energy Servers of $2.1 million as a result of the PPA V Upgrade. interconnect.

Service Gross Loss

Service gross loss worsened improved by $5.4 million $10.5 million in the three months ended September 30, 2023 March 31, 2024, as compared to the prior year period. This was primarily due to deployments (1) a 188 megawatts of field replacement units the Energy Servers reaching full power in the three months ended March 31, 2024, which contributed to a $12.7 million increase in revenue from maintenance contracts associated with our fleet of Energy Servers, (2) a decrease of $2.7 million in repair and overhaul costs, (3) the impact of product performance guarantees of $1.1 million, partially offset by (1) $3.2 million that resulted from the release higher efficiency of $2.9 million of grant liability recognized against payroll related costs incurred in the third quarter of fiscal 2023 our Energy Server, and (2) (4) our cost reductions and our actions reduction efforts to proactively manage fleet optimizations. The change was partially offset primarily due to higher deployment of field replacement units.

Service Electricity Gross Profit

Electricity gross loss worsened profit decreased by $21.7 million $0.9 million in the nine three months ended September 30, 2023 March 31, 2024, as compared to the prior year period. This The year over year change was primarily due to deployments of field replacement units and the impact of product performance guarantees of $10.4 million, partially offset by (1) the release of $2.9 million of grant liability recognized against payroll related costs incurred in the third quarter of fiscal 2023 and (2) cost reductions and our actions to proactively manage fleet optimizations.

Electricity Gross Profit (Loss)

Electricity gross profit decreased by $119.5 million in the three months ended September 30, 2023, as compared to the prior year period. This was primarily due to the impairment of old Energy Servers of $123.7 million as a result of the PPA V Upgrade, partially offset by an increase in installed units driven by an increase in Managed Services transactions recorded between the third quarter of fiscal year 2021 and the third quarter of fiscal year 2023.

Electricity gross loss worsened by $76.3 million in the nine months ended September 30, 2023, as compared to the prior year period. This was primarily due to the impairment of old Energy Servers from the PPA V Upgrade of $123.7 million, partially offset by (1) an increase in installed units driven by an increase in Managed Services transactions recorded between the third quarter of fiscal year 2021 and the third quarter of fiscal year 2023, and (2) the impairment of old Energy Servers from the PPA IIIa Upgrade of $44.8 million in the second quarter of fiscal year 2022. immaterial.

Operating Expenses

		Three Months Ended September 30,		Change		Nine Months Ended September 30,		Change			Three Months Ended March 31,				Chang
		2023	2022	Amount	%	2023	2022	Amount	%		2024		2023		
		(dollars in thousands)													
Research and development															
Research and development															
Research and development	Research and development	$ 35,126	$ 36,146	$ (1,020)	(2.8)%	$ 122,309	$ 112,286	$ 10,023	8.9 %		$ 35,485	$	$ 45,690	$	$ (10,205)
Sales and marketing	Sales and marketing	20,002	23,275	(3,273)	(14.1)%	73,935	65,084	8,851	13.6 %	Sales and marketing	13,599	27,111	27,111	(13,512)	
General and administrative	General and administrative	43,366	44,115	(749)	(1.7)%	131,004	119,965	11,039	9.2 %	General and administrative	38,009	45,147	45,147	(7,138)	
Total operating expenses	Total operating expenses	$ 98,494	$ 103,536	$ (5,042)	(4.9)%	$ 327,248	$ 297,335	$ 29,913	10.1 %	Total operating expenses	$ 87,093	$	$ 117,948	$	$(

Total Operating Expenses

Total operating expenses decreased by $5.0 million $30.9 million in the three months ended September 30, 2023, March 31, 2024 as compared to the prior year period. This decrease was primarily driven by attributable to (1) a $7.1 million decrease in employee compensation and benefits primarily due to (i) of $19.4 million, predominantly as a separation consequence of 27 full-time employees from the marketing restructuring efforts in the second half of fiscal year 2023, as well as the voluntary resignation of certain of our executives in the second half of fiscal 2023, and finance departments (2) a decrease in consulting, advisory and other professional services costs of $6.3 million as a result of the restructuring, and (ii) a decrease our cost reduction efforts initiated in stock-based compensation expenses of $3.0 million, as well as (2) a decrease in professional services costs, consulting and advisory expenses, and other operating expenses of $2.4 million, $1.0 million, and $2.1 million, respectively. The decrease was partially offset by (1) an increase in office and other expenses of $5.6 million, primarily driven by the impairment of non-recoverable production insurance of $6.4 million as a result of PPA V Upgrade, and (2) an increase in facility costs and depreciation expenses of $2.0 million and $1.6 million, respectively. fiscal 2023.

Total operating expenses increased by $29.9 million in the nine months ended September 30, 2023, as compared to the prior year period. This increase was primarily attributable to (1) our continued investment in R&D capabilities to support our technology roadmap, (2) our continued investment in our workforce to support our growth, resulting in an increase in employee compensation and benefits expenses of $10.4 million, and (3) our investment in business development, as well as (4) increases in facility costs, office expenses and consulting and advisory expenses of $8.4 million, $4.9 million, and $4.0 million, respectively. The increase was partially offset by a decrease in professional services costs of $2.9 million and a decrease in other operating expenses of $3.9 million.

Research and Development

Research and development expenses decreased by $1.0 million $10.2 million in the three months ended September 30, 2023, as compared to the prior year period. This decrease was primarily driven by a $3.7 million decrease in laboratory and related costs, partially offset by increases in employee compensation and benefits, outside services, and other research and development costs of $1.7 million, $0.7 million, and $0.6 million, respectively.

Research and development expenses increased by $10.0 million in the nine months ended September 30, 2023, as compared to the prior year period. This increase was primarily driven by an increase in employee compensation and benefits of $5.0 million, an increase in outside services of $1.4 million, an increase in travel expenses of $0.4 million, an increase in depreciation expenses of $0.4 million, and an increase in other research and development costs of $3.2 million, partially offset by a decrease in consulting and advisory expenses of $0.4 million.

Sales and Marketing

Sales and marketing expenses decreased by $3.3 million in the three months ended September 30, 2023 March 31, 2024, as compared to the prior year period. This decrease was primarily driven by (1) a $4.4 million decrease in employee compensation and benefits primarily due to (i) a separation of 25 full-time employees from the marketing department $5.0 million, predominantly as a result consequence of the restructuring and (ii) a decrease efforts in stock-based compensation expenses the second half of $0.9 million, as well as fiscal year 2023, (2) a decrease in travel expenses consumable laboratory supplies and other laboratory related costs of $0.3 million $4.5 million, and (3) a decrease in consulting, advisory and other professional services costs of $0.3 million, partially offset by an increase in consulting $0.5 million.

Sales and *advisory expenses of $1.5 million. Marketing*

Sales and marketing expenses increased by $8.9 million in the nine months ended September 30, 2023, as compared to the prior year period. This increase was primarily driven by an increase in consulting and advisory expenses of $4.8 million, an increase in employee compensation and benefits of $3.5 million, and an increase in travel expenses of $0.4 million, partially offset by a decrease in facility costs and other sales and marketing expenses of $0.2 million and $0.2 million, respectively.

General and Administrative

General and administrative expenses decreased by $0.7 million $13.5 million in the three months ended September 30, 2023 March 31, 2024, as compared to the prior year period. This decrease was primarily driven by (1) a $4.4 million decrease in employee compensation and benefits primarily due to (i) a separation of 2 full-time employees from the finance department $9.2 million, predominantly as a result consequence of the restructuring (ii) a decrease efforts in stock-based compensation expenses the second half of $2.9 million, and (iii) a decrease in recruiting costs of $1.0 million, fiscal year 2023, as well as the voluntary resignation of our Executive Vice President and Chief Business Development and Marketing Officer on September 1, 2023, and (2) a decrease in consulting, advisory and other professional services costs of $3.3 million as a result of our cost reduction efforts initiated in fiscal 2023.

General and Administrative

General and administrative expenses decreased by $7.1 million in the three months ended March 31, 2024, as compared to the prior year period. This decrease was primarily driven by (1) a decrease in employee compensation and benefits of $5.2 million, predominantly as a consequence of the restructuring efforts in the second half of fiscal year 2023, as well as the voluntary resignation of certain of our executives in the second half of fiscal 2023, (2) a decrease in consulting, advisory expenses and other professional services costs of $2.3 million, $2.6 million as a result of our cost reduction efforts initiated in fiscal 2023, and (3) a decrease in professional services facility costs of $2.1 million, and (4) a decrease primarily due to reduction in other general and administrative expenses of $2.6 million. utility costs. The overall decrease was partially offset by an increase in office and other expenses of $5.4 million $1.5 million, primarily driven by the impairment of non-recoverable production insurance of $6.4 million as a result of PPA V Upgrade, and an increase in facility costs and depreciation expenses of $2.1 million and $1.5 million $0.9 million, respectively.

General and administrative expenses increased by $11.0 million in the nine months ended September 30, 2023, as compared to the prior year period. This increase was primarily driven by (1) an increase in facility costs of $8.5 million, primarily due to rent expenses and utility costs, (2) an increase in office and other operating expenses of $4.7 million, primarily driven by the impairment of non-recoverable production insurance of $6.4 million as a result of PPA V Upgrade, (3) an increase in depreciation expenses of $3.5 million, and (4) an increase in employee compensation and benefits of $1.9 million $0.6 million. The increase was partially offset by a decrease in professional services costs of $3.0 million and a decrease in other general and administrative expenses of $6.9 million.

Stock-Based Compensation

		Three Months Ended September 30,		Change		Nine Months Ended September 30,		Change		Three Months Ended March 31,				Cha
		2023	2022	Amount	%	2023	2022	Amount	%					
		(dollars in thousands)												
										2024		2023		
Cost of revenue														
Cost of revenue														
Cost of revenue	Cost of revenue	$ 5,581	$ 4,982	$ 599	12.0 %	$ 14,809	$ 13,609	$ 1,200	8.8 %	$ 3,814	$	$ 4,161	$	$ (347)

Research and development	Research and development	5,585	4,818	767	15.9 %	21,673	25,113	(3,440)	(13.7)%	Research and development	5,084	8,410		8,410	(3,326)
Sales and marketing	Sales and marketing	3,015	3,948	(933)	(23.6)%	15,089	13,528	1,561	11.5 %	Sales and marketing	2,090	5,817		5,817	(3,727)
General and administrative	General and administrative	7,383	10,283	(2,900)	(28.2)%	28,025	30,688	(2,663)	(8.7)%	General and administrative	7,872	11,165		11,165	(3,293)
Total stock-based compensation	Total stock-based compensation	$ 21,564	$ 24,031	$ (2,467)	(10.3)%	$ 79,596	$ 82,938	$ (3,342)	(4.0)%	Total stock-based compensation	$ 18,860	$		$ 29,553	$

Total stock-based compensation for the three months ended September 30, 2023 March 31, 2024 decreased by $10.7 million as compared to the prior year period, decreased by $2.5 million. The decrease was primarily driven by (1) the separation of full-time employees holding equity awards as a result of the restructuring in the second half of fiscal 2023, and (2) the voluntary resignation in fiscal 2023 of our Executive Vice President and Chief Business Development and Marketing Officer on September 1, 2023, and (3) modified awards in the second quarter of fiscal year 2022.

Total stock-based compensation for the nine months ended September 30, 2023 compared to the prior year period decreased by $3.3 million. The decrease was primarily driven by (1) the separation of full-time employees certain executives holding equity awards as a result of the restructuring, (2) the voluntary resignation of our Executive Vice President and Chief Business Development and Marketing Officer on September 1, 2023, and (3) a decrease in option expense compared to the nine months ended September 30, 2022, as existing options were either exercised, expired or cancelled. This decrease was partially offset by an increase in ESPP expense of $1.3 million and the increased headcount. awards.

Other Income and Expense

	Three Months Ended March 31,						
	Three Months Ended March 31,						
	Three Months Ended March 31,						**Change**
	Three Months Ended September 30,			**Nine Months Ended September 30,**			
	2023	**2022**	**Change**	**2023**	**2022**	**Change**	
			(in thousands)				**(in thousands)**
Interest income / Interest income	$ 7,419	$ 1,109	$ 6,310	$ 13,771	$ 1,364	$ 12,407	
Interest expense / Interest expense	(68,037)	(13,099)	(54,938)	(93,736)	(41,000)	(52,736)	
Other (expense) income, net	(1,577)	4,472	(6,049)	(3,660)	254	(3,914)	
Loss on extinguishment of debt	(1,415)	—	(1,415)	(4,288)	(4,233)	(55)	
(Loss) gain on revaluation of embedded derivatives	(114)	54	(168)	(1,213)	623	(1,836)	
Other expense, net							
Other expense, net							
Other expense, net							
Gain on revaluation of embedded derivatives							

Gain on revaluation of embedded derivatives							
Gain on revaluation of embedded derivatives							
Total	Total	$(63,724)	$(7,464)	$(56,260)	$(89,126)	$(42,992)	$(46,134)

Interest Income

Interest income is derived from investment earnings on our cash balances, primarily from money market funds. The increase in interest income of $6.3 million and $12.4 million $5.5 million was primarily due to increases an increase in cash balances balance in our money market funds for the three and nine months ended September 30, 2023, respectively, as March 31, 2024 compared to the prior year periods. period.

Interest Expense

Interest expense is primarily due to our debt held by third parties.

Interest expense for the three and nine months ended September 30, 2023, March 31, 2024 increased by $2.8 million as compared to the prior year periods, increased by $54.9 million and $52.7 million, respectively. The period. This increase was primarily driven by (1) the expensing of current and long-term commitment assets of $5.3 million and $47.5 million, respectively, immediately upon the automatic conversion on September 23, 2023, of Series B RCPS due to Class A common stock as a result of the Second Tranche Closing with SK ecoplant, and (2) an increase in interest expense related to the 3% Green Convertible Senior Notes due June 2028, issued on May 16, 2023. The increase was partially offset by a decrease in interest expense as a result of the redemption on June 1, 2023 of 10.25% Senior Secured Notes due March 2027, and the repayment of the 7.5% Term Loan due September 2028, the 6.07% Senior Secured Notes due March 2030, and the 3.04% Senior Secured Notes due June 2031, on June 14, 2022, November 22, 2022, and August 24, 2023, respectively. .

Other (Expense) Income, Expense, net

Other (expense) income, expense, net is primarily derived from investments in joint ventures, the impact of foreign currency transactions, and adjustments to fair value for derivatives.

transactions. Other income, expense, net for the three months ended September 30, 2023 March 31, 2024 decreased by $0.2 million, as compared to the prior year period, decreased by $6.0 million primarily as a result of the gain on the revaluation foreign currency transactions, offset predominantly by other income of the Option to purchase Class A common stock of $7.9 million upon receipt of the notice of exercise from SK ecoplant on August 10, 2022 for the three months ended September 30, 2022, and an increase in unrealized foreign exchange loss of $1.5 million, partially offset by the effect of a cumulative translation adjustment of $3.5 million $0.5 million.

Other income, net for the nine months ended September 30, 2023, as compared to the prior year period, decreased by $3.9 million primarily as a result of the gain on the revaluation of the Option to purchase Class A common stock of $9.0 million upon receipt of the notice of exercise from SK ecoplant on August 10, 2022 for the nine months ended September 30, 2022, and an increase in unrealized foreign exchange loss of $3.3 million. The decrease was partially offset by the effect of a cumulative translation adjustment of $5.1 million, and the loss on remeasurement of our equity investments of $3.5 million recorded for the nine months ended September 30, 2022.

Loss on Extinguishment of debt

Loss on extinguishment of debt for the three months ended September 30, 2023 was $1.4 million, which was recognized as a result of the repayment on August 24, 2023 of 3.04% Senior Secured Notes due June 2031 as part of the PPA V Upgrade, and comprised in its entirety of derecognition of debt issuance costs.

Loss on extinguishment of debt for the nine months ended September 30, 2023 was $4.3 million, which was recognized as a result of the redemption on June 1, 2023 of the 10.25% Senior Secured Notes due March 2027, and the repayment on August 24, 2023 of the 3.04% Senior Secured Notes due June 2031 as part of the PPA V Upgrade, and including the repayment of the 4% premium upon redemption of the 10.25% Senior Secured Notes due March 2027 of $2.3 million and derecognition of debt issuance costs of $2.0 million.

Loss on extinguishment of debt for the nine months ended September 30, 2022 was $4.2 million, which was recognized as a result of repayment of the 7.5% Term Loan due September 2028 as part of the PPA IIIa Upgrade. There was no loss (gain) on extinguishment of debt for the three months ended September 30, 2022.

(Loss) Gain on Revaluation of Embedded Derivatives

(Loss) gain Gain on revaluation of embedded derivatives is derived from the change in fair value of our sales contracts of embedded EPP derivatives valued using historical grid prices and available forecasts of future electricity prices to estimate future electricity prices.

Gain on revaluation of embedded derivatives for the three months ended September 30, 2023 March 31, 2024, as compared to the prior year period, decreased by $0.2 million due to an increase was immaterial.

Income Tax (Benefit) Provision

	Three Months Ended March 31,		Change	
	2024	2023	Amount	%

	(dollars in thousands)						
Income tax (benefit) provision	$	(501)	$	259	$	(760)	(293.4)%

Income tax (benefit) provision consists primarily of income taxes in the fair value of our embedded EPP derivatives foreign jurisdictions in our sales contracts.

Gain on revaluation of embedded derivatives which we conduct business. We maintain a full valuation allowance for domestic deferred tax assets, including net operating loss and certain tax credit carryforwards. The income tax provision decreased for the nine three months ended September 30, 2023 March 31, 2024, as compared to the prior year period, decreased by $1.8 million period. The decrease was primarily due to an increase fluctuations in the fair value of our embedded EPP derivatives in our sales contracts of $1.2 million, offset effective tax rates on income earned by a payment of $3.2 million to one of our customers in the second quarter of fiscal 2023.

Income Tax Provision

	Three Months Ended September 30,		Change		Nine Months Ended September 30,		Change	
	2023	2022	Amount	%	2023	2022	Amount	%
	(dollars in thousands)							
Income tax provision	646	336	$ 310	92.3 %	1,083	888	$ 195	22.0 %

Income tax provision for the three and nine months ended September 30, 2023, as compared to the prior year periods, increased by $0.3 million and $0.2 million, respectively. international entities.

Net Gain Income (Loss) Attributable to Noncontrolling Interests and Redeemable Noncontrolling Interests

	Three Months Ended September 30,		Change		Nine Months Ended September 30,		Change	
	2023	2022	Amount	%	2023	2022	Amount	%
	(dollars in thousands)							
Net gain (loss) attributable to noncontrolling interest	$ 921	$ (3,315)	$ 4,236	(127.8)%	$ (5,427)	$ (9,768)	$ 4,341	(44.4)%
Net loss attributable to redeemable noncontrolling interest	$ —	$ —	$ —	— %	—	(300)	$ 300	(100.0)%

	Three Months Ended March 31,		Change	
	2024	2023	Amount	%
	(dollars in thousands)			
Net income (loss) attributable to noncontrolling interest	$ 981	$ (3,350)	$ 4,331	129.3 %

Net gain income (loss) attributable to noncontrolling interests is the result of allocating profits and losses to noncontrolling interests under the hypothetical liquidation at book value ("HLBV") method. HLBV is a balance sheet-oriented approach for applying the equity method of accounting when there is a complex structure, such as the flip structure of the PPA Entities.

Net loss income attributable to noncontrolling interests for the three months ended September 30, 2023, as compared to the prior year period, improved by $4.2 million due to an increase in gain in the joint venture in the Republic of Korea of $1.8 million, and loss in PPA IV of $2.8 million recorded for the three months ended September 30, 2022, partially offset by an increase in loss in PPA V of $0.4 million.

Net loss attributable to noncontrolling interests for the nine months ended September 30, 2023 March 31, 2024, as compared to the prior year period, improved by $4.3 million primarily due to loss a $2.8 million decrease in PPA IV of $6.8 million recorded for the nine months ended September 30, 2022, partially offset by an increase in loss losses in PPA V, which was sold in the third quarter of $2.2 million fiscal 2023, and a decrease $1.5 million increase in gain in the joint venture in the Republic of Korea of $0.5 million. income related to Korean JV, which is allocated to our noncontrolling interest.

Critical Accounting Policies and Estimates

The condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles as applied in the United States ("U.S. GAAP"). The preparation of the condensed consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, costs and expenses and related disclosures. Our discussion and analysis of our financial results under *Results of Operation*s above are based on our results of operations, which we have prepared in accordance with U.S. GAAP. In preparing these condensed consolidated financial statements, we make assumptions, judgments and estimates that can affect the reported amounts of assets, liabilities, revenues and expenses, and net income. On an ongoing basis, we base our estimates on historical experience, as appropriate, and on various other assumptions that we believe to be reasonable under the circumstances. Changes in the accounting estimates are representative of estimation uncertainty and are reasonably likely to occur from period to period. Accordingly, actual results could differ significantly from the estimates made by our management. We evaluate our estimates and assumptions on an ongoing basis. To the extent that there are material differences between these estimates and actual results, our future financial statement presentation, financial condition, results of operations and cash flows will be affected. We believe that the following critical accounting policies involve a greater degree of judgment and complexity than our other accounting policies. Accordingly, these are the policies we believe are the most critical to understanding and evaluating the consolidated financial condition and results of operations.

The accounting policies that most frequently require us to make assumptions, judgments and estimates, and therefore are critical to understanding our results of operations, include:

- Revenue Recognition;
- Valuation of Assets and Liabilities of the SK ecoplant Strategic Investment;
- Incremental Borrowing Rate by Lease Class;
- Income TStock-Based Compensation;
- Income Taxes; axes; and
- Principles of Consolidation; and Consolidation.
- Allocation of Profits and Losses of Consolidated Entities to Noncontrolling Interests.

Part II, Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operation* in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 December 31, 2023 provides a more complete discussion of our critical accounting policies and estimates. During the nine three months ended September 30, 2023 March 31, 2024, there were no significant changes to our critical accounting policies and estimates.

ITEM 3 - — QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There were no significant changes to our quantitative and qualitative disclosures about market risk during the nine three months ended September 30, 2023 March 31, 2024. Please refer to Part II, Item 7A, *Quantitative and Qualitative Disclosures about Market Risk* included in our Annual Report on Form 10-K for our fiscal year ended December 31, 2022 December 31, 2023 for a more complete discussion of the market risks we consider.

ITEM 4 - — CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our reports that we file or submit under the Exchange Act, is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer (our Principal Executive Officer) and Chief Financial Officer President (our Principal Financial and Accounting Officer) as appropriate, to allow for timely decisions regarding required disclosure.

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, President, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act), as of September 30, 2023 March 31, 2024. Based on such evaluation, our Chief Executive Officer and Chief Financial Officer President have concluded that as of September 30, 2023 March 31, 2024, our disclosure controls and procedures were effective.

Changes in Internal Control over Financial Reporting

During the three months ended September 30, 2023 March 31, 2024, there were no changes in our internal control over financial reporting, which were identified in connection with management's evaluation required by paragraphs (d) of Rules 13a-15 and 15d-15 under the Exchange Act, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

For further information on inherent limitations on effectiveness of internal controls and procedures, management's report on internal control over financial reporting, see Part II, Item 9A, *Controls and Procedures* in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 December 31, 2023.

Part PART II - — OTHER INFORMATION

ITEM 1 - — LEGAL PROCEEDINGS

We are, and from time to time we may become, involved in legal proceedings or be subject to claims arising in the ordinary course of our business. For a discussion of our legal proceedings, see Part I, Item 1, Note 13 - 12 — *Commitments and Contingencies*. We are not presently a party to any other legal proceedings that in the opinion of our management and if determined adversely to us, would individually or taken together have a material adverse effect on our business, operating results, financial condition or cash flows.

ITEM 1A - — RISK FACTORS

Except as discussed in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2023, there There were no material changes in our risk factors as disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 December 31, 2023.

ITEM 2 - — UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3 - — DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4 - — MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5 - — OTHER INFORMATION

(a) Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

On November 7, 2023 April 17, 2024, our board the Company announced that Daniel Berenbaum would be joining the Company as Chief Financial Officer as of directors (the "Board") approved April 29, 2024 and that Greg Cameron, President and former Chief Financial Officer would be leaving the Company in mid-May 2024. In consideration for his services during the transition period prior to Mr. Berenbaum assuming his role as Chief Financial Officer, Mr. Cameron will receive the following additional compensation: a resolution payout of his 2024 annual cash incentive at target prorated for the time worked during the year, a cash payment of $250,000, up to file a Certificate 12 months of Elimination (the "Certificate of Elimination") continuing health coverage, and an extension of the Certificate exercise period for his vested stock options to two years from the termination date. Mr. Berenbaum will assume Mr. Cameron's roles as principal financial officer and principal accounting officer as of Designation (as amended, the "Certificate of Designation") of our Series B redeemable convertible preferred stock, par value $0.0001 per share (the "Series B Preferred Stock"), which was filed with the Secretary of State of the State of Delaware ("Secretary of State") on November 7, 2023, following the prior conversion of all of the 13,491,701 shares of Series B Preferred Stock that were outstanding into shares of our Class A common stock, par value $0.0001 per share ("Class A common stock") May 13, 2024. The filing of the Certificate of Elimination had the effect of eliminating from our Restated Certificate of Incorporation (as amended, the "Certificate of Incorporation") all matters set forth in the Certificate of Designation with respect to the Series B Preferred Stock and returning all previously designated shares of Series B Preferred Stock to their status as authorized Preferred Stock, par value $0.0001 per share, available for issuance as determined by the Board.

In addition, on November 7, 2023, the Board approved a resolution to file a Certificate of Retirement (the "Certificate of Retirement") with the Secretary of State effecting the retirement of all of the previously outstanding shares of our Class B common stock, par value $0.0001 per share ("Class B common stock"), following the automatic conversion of the remaining outstanding shares of the Class B common stock into shares of Class A common stock pursuant to Section 2 of Article V of the Certificate of Incorporation, which conversion occurred on July 27, 2023 (the "Class B Conversion"). No additional shares of Class B common stock have been or will be issued following the Class B Conversion. The Certificate of Retirement was filed with the Secretary of State on November 7, 2023. Pursuant to Section 243 of the General Corporation Law of the State of Delaware, the filing of the Certificate of Retirement had the effect of amending the Certificate of Incorporation such that, upon the effectiveness of the Certificate of Retirement, our total number of authorized shares of capital stock and the total number of authorized shares of Class B Common Stock were reduced by the number of the retired shares of Class B common stock. Following the Class B Conversion, the Class A common stock continued, and will continue, to trade on The New York Stock

Exchange under the ticker symbol "BE" and did and will maintain the same CUSIP number previously assigned to the Class A common stock.

The foregoing descriptions of the Certificate of Elimination and Certificate of Retirement are summaries only and are qualified in their entirety by reference to the full text of (a) the Certificate of Retirement, (b) the Certificate of Elimination, (c) the Certificate of Incorporation and (d) the Certificate of Amendment to the Certificate of Incorporation, copies of which are filed with this Quarterly Report on Form 10-Q as Exhibits 3.2, 3.3, 3.4 and 3.5, respectively, and are incorporated herein by reference.

(c) Trading Plans

During the first quarter ended September 30, 2023 March 31, 2024, no director Shawn Soderberg, Chief Legal Officer and Corporate Secretary, adopted a trading arrangement intended to satisfy the affirmative defense provisions of Rule 10b5-1(c). The plan was adopted on February 29, 2024 and the plan ends on June 30, 2025. The aggregate amount of shares that may be sold under the plan is a) up to 193,344 shares, subject to certain pricing conditions, and b) the number of shares necessary to cover withholding taxes resulting from the vesting of RSUs or Section 16 officer adopted or terminated any Rule 10b5-1 trading arrangements or non-Rule 10b5-1 trading arrangements (in each case, as defined in Item 408(a) of Regulation S-K). PSUs.

ITEM 6 - — EXHIBITS

			Incorporated by Reference			
Exhibit Number		**Description**	**Form**	**File No.**	**Exhibit**	**Filing Date**
3.1		Amended and Restated Bylaws, as effective August 9, 2023	8-K	001-38598	3.1	8/11/2023
3.2		Certificate of Retirement for Class B Common Stock				Filed herewith
3.3		Certificate of Elimination of Certificate of Designations of Series B Convertible Preferred Stock				Filed herewith
3.4		Restated Certificate of Incorporation	10-Q	001-38598	3.1	9/07/2018
3.5		Certificate of Amendment to the Restated Certificate of Incorporation	10-Q	001-38598	3.1	8/09/2022

31.1		Certification of Chief Executive Officer pursuant to Rules 13a-14(a) and 15d-14(a) of the Securities and Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002				Filed herewith
31.2		Certification of Chief Financial Officer pursuant to Rules 13a-14(a) and 15d-14(a) of the Securities and Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002				Filed herewith
32.1	*	Certifications of the Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002				Furnished herewith
101.INS		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				Filed herewith
101.SCH		Inline XBRL Taxonomy Extension Schema Document				Filed herewith
101.CAL		Inline XBRL Taxonomy Extension Calculation Linkbase Document				Filed herewith
101.DEF		Inline XBRL Taxonomy Extension Definition Linkbase Document				Filed herewith
101.LAB		Inline XBRL Taxonomy Extension Label Linkbase Document				Filed herewith
101.PRE		Inline XBRL Taxonomy Extension Presentation Linkbase Document				Filed herewith
104		Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)				

			Incorporated by Reference			
Exhibit Number		**Description**	**Form**	**File No.**	**Exhibit**	**Filing Date**
3.1		Restated Certificate of Incorporation	10-Q	001-38598	3.1	9/7/2018
3.2		Certificate of Amendment to the Restated Certificate of Incorporation of Bloom Energy Corporation	10-Q	001-38598	3.1	8/9/2022
3.3		Amended and Restated Bylaws, as effective August 9, 2023	8-K	001-38598	3.1	8/11/2023
3.4		Certificate of Retirement for Class B Common Stock	10-Q	001-38598	3.2	11/8/2023
3.5		Certificate of Elimination of Certificate of Designations of Series B Convertible Preferred Stock	10-Q	001-38598	3.3	11/8/2023
3.6		Certificate of Withdrawal of Certificate of Designation of Series A Redeemable Convertible Preferred Stock	10-Q	001-38598	3.3	5/9/2023
10.1		Third Amendment to the Amended and Restated Preferred Distribution Agreement, dated March 27, 2024, among the Company, SK Fuel Cell, LLC, and SK ecoplant Co., Ltd.				Filed herewith
10.2	^	Offer Letter between the Company and Aman Joshi, dated January 5, 2024	8-K	001-38598	10.1	1/9/2024
10.3		Form of Performance Stock Option Agreement under 2018 Equity Incentive Plan				Filed herewith
10.4	^	Separation and General Release Agreement, dated January 8, 2024	8-K	001-38598	10.2	1/9/2024
10.5	^	Offer Letter between the Company and Daniel Berenbaum, dated April 15, 2024	8-K	001-38598	10.1	4/17/2024
31.1		Certification of Chief Executive Officer pursuant to Rule 13a-14(a) and 15d-14(a) of the Securities and Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002				Filed herewith
31.2		Certification of Principal Financial Officer pursuant to Rule 13a-14(a) and 15d-14(a) of the Securities and Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002				Filed herewith
32.1	*	Certifications of the Chief Executive Officer and Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002				Furnished herewith
101.INS		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				Filed herewith
101.SCH		Inline XBRL Taxonomy Extension Schema Document				Filed herewith
101.CAL		Inline XBRL Taxonomy Extension Calculation Linkbase Document				Filed herewith
101.DEF		Inline XBRL Taxonomy Extension Definition Linkbase Document				Filed herewith
101.LAB		Inline XBRL Taxonomy Extension Label Linkbase Document				Filed herewith
101.PRE		Inline XBRL Taxonomy Extension Presentation Linkbase Document				Filed herewith

104		Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)				

* The certifications furnished in Exhibit 32.1 hereto are deemed to accompany this Quarterly Annual Report on Form 10-Q and will not be deemed “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 under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended.

^ Management contracts or compensation plans or arrangements in which directors or executive officers are eligible to participate.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BLOOM ENERGY CORPORATION

Date: November 8, 2023 May 9, 2024

By: /s/ KR Sridhar
KR Sridhar
Founder, Chief Executive Officer, Chairman and Director
(Principal Executive Officer)

Date: November 8, 2023 May 9, 2024

By: /s/ Gregory Cameron
Gregory Cameron
President and Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 10.1

imagea.jpg

Exhibit 10.1

image1a.jpg

Exhibit 10.1

image2a.jpg

Exhibit 10.1

image3a.jpg

Exhibit 10.1

image4a.jpg

Exhibit 10.1

image5a.jpg

Exhibit 10.3

NOTICE OF PERFORMANCE-BASED STOCK OPTION
(GLOBAL)

BLOOM ENERGY CORPORATION
2018 EQUITY INCENTIVE PLAN

Unless otherwise defined herein, the terms defined in the Bloom Energy Corporation (the "***Company***") 2018 Equity Incentive Plan (the "***Plan***") shall have the same meanings in this Notice of Performance-based Stock Option (the "***Notice***") and the attached Performance-based Stock Option Agreement, including the Appendix attached hereto (the "***Appendix***"), which is generally applicable to you if you live or work outside the United States, and any special terms and conditions for your country set forth therein (collectively, the "***PSO Agreement***").You have been granted an award of a Performance-based Stock Option ("***PSO***") under the Plan subject to the terms and conditions of the Plan, this Notice and the attached PSO Agreement.

Target Number of Shares:

Exercise Price Per Share:

Type of Option: Non-Qualified Stock Option

Date of Grant:

Expiration Date:

Grant Number:

Subject to any acceleration provisions contained in the Plan, any agreement between you and the Company, or set forth below, the PSO will vest in accordance with the following schedule. The vested PSO will provide you with the ability to purchase the number of shares of the Company's Class A common stock as determined based on the Performance Achievement below ("**Shares**").

Notwithstanding the foregoing or any other provision set forth in this Notice or the PSO Agreement to the contrary, in the event that any applicable provisions set forth in an employment, change in control and severance agreement or similar agreement entered into between you and the Company (an "Employment, Change in Control and Severance Agreement") then in effect would result in more favorable vesting of the PSO to you, the vesting terms set forth in such Employment, Change in Control and Severance Agreement shall apply to the PSO, subject to the terms and conditions thereof.

This Grant Notice may be executed and delivered electronically, whether via the Company's intranet or the Internet site of a third party or via email or any other means of electronic delivery specified by the Company. By accepting this PSO Award, you consent to the electronic delivery and acceptance as further set forth in the PSO Agreement. You acknowledge that the vesting of the PSO pursuant to this Notice is earned by continuing Service, but you understand that your employment or consulting relationship with the Company or a Parent, Subsidiary or Affiliate can be terminated at will, with or without notice, and that nothing in this Notice of Grant, the PSO Agreement or the Plan changes the nature of that relationship. By accepting this award, you and the Company agree that this award is granted under and governed by the terms and conditions of the Plan, this Notice and the PSO Agreement.

BLOOM ENERGY CORPORATION **PARTICIPANT**

By: By:

(Signature) (Signature)

(Please print name and title) (Please print name)

Address:

PEFRORMANCE-BASED STOCK OPTION AGREEMENT
BLOOM ENERGY CORPORATION
2018 EQUITY INCENTIVE PLAN

You have been granted a Performance-based Stock Option ("***PSO***") by Bloom Energy Corporation (the "***Company***") subject to the terms, restrictions and conditions of the Plan, the Notice of Performance-based Stock Option (the "***Notice***") and this Performance-based Stock Option Agreement, including the Appendix, which is generally applicable to you if you live or work outside the United States, and any special terms and conditions for your country set forth therein (collectively, this "***PSO Agreement***").

1. **Grant of Option**. You have been granted the PSO for the Target Number of Shares set forth in the Notice of Grant at the Exercise Price per Share set forth in the Notice of Grant. This PSO is intended to be a Nonqualified Stock Option ("NSO"). In the event of a conflict between the terms and conditions of the Plan and the terms and conditions of this Agreement, the terms and conditions of the Plan shall prevail.

2. **Termination**.

(1) **General Rule**. If your Service terminates for any reason except death or Disability, and other than for Cause, then this PSO will expire at the close of business at Company headquarters on the date three months after your termination of Service (subject to the expiration detailed in Section 6 or as provided in the Plan). If your Service is terminated for Cause, this PSO will expire upon the date of such termination.

You acknowledge and agree that the vesting schedule set forth in the Notice of Grant may change prospectively in the event that your service status changes between full and part-time status in accordance with Company policies relating to work schedules and vesting of awards. You acknowledge that the vesting of the Shares pursuant to this Agreement is earned partly by continuing Service.

(2) **Death; Disability**. If you die before your Service terminates (or you die within three months of your termination of Service other than for Cause), then this PSO will expire at the close of business at Company headquarters on the date 12 months after the date of death (subject to the expiration detailed in Section 6 or as provided in the Plan). If your Service terminates because of your Disability, then this PSO will expire at the close of business at Company headquarters on the date 12 months after your termination date (subject to the expiration detailed in Section 6 or as provided in the Plan).

(3) **Termination Date**. For purposes of this PSO, your Service will be considered terminated as of the date you are no longer actively providing Service (regardless of the reason for such termination and whether or not later found to be invalid or in breach of labor laws in the jurisdiction where you are employed or engaged or the terms of your employment or consulting agreement, if any), and your period of Service will not include any contractual notice period or any period of "garden leave" or similar period mandated under labor laws in the

---

jurisdiction where you are employed or engaged or the terms of your employment or consulting agreement, if any. In case of any dispute as to whether and when your termination of Service has occurred for purposes of this PSO, the Committee shall have the sole discretion to determine whether such termination has occurred (including whether you may still be considered to be providing Service while on a leave of absence) and the effective date of such termination.

(4) **No Notice.** You are responsible for keeping track of these exercise periods following your termination of Service for any reason. The Company is not obligated to provide further notice of such periods and you should not depend on the Company or the Plan Broker (as defined below) providing any such notice (even if such notices have been provided in the past or are provided in some but not all termination circumstances). In no event shall this PSO be exercised later than the Expiration Date set forth in the Notice of Grant.

Exercise of PSO.

(1) **Right to Exercise.** This PSO is exercisable during its term in accordance with the vesting schedule set forth in the Notice of Grant and the applicable provisions of the Plan and this Agreement. In the event of your death, Disability, or other cessation of Service, the exercisability of the PSO is governed by the applicable provisions of the Plan, the Notice of Grant and this Agreement. This PSO may not be exercised for a fraction of a Share.

(2) **Methodof Exercise.** This PSO is exercisable by delivery of an exercise notice in a form specified by the Company (the "***Exercise Notice***"), which shall state the election to exercise the PSO, the number of Shares in respect of which the PSO is being exercised (the "***Exercised Shares***"), and such other representations and agreements as may be required by the Company pursuant to the provisions of the Plan. The Exercise Notice shall be delivered in person, by mail, via electronic mail or facsimile or by other authorized method to the Secretary of the Company or other person designated by the Company. The Exercise Notice shall be accompanied by payment of the aggregate Exercise Price as to all Exercised Shares. This PSO shall be deemed to be exercised upon receipt by the Company of a fully executed Exercise Notice accompanied by the aggregate Exercise Price and any applicable Tax-Related Items that are required to be withheld as detailed in Section 8 below.

(3) **Exercise by Another**. If another person wants to exercise this PSO after it has been transferred to him or her in compliance with this Agreement, that person must prove to the Company's satisfaction that he or she is entitled to exercise this PSO. That person must also complete the proper Exercise Notice form (as described above) and pay the Exercise Price (as described below) and any applicable Tax-Related Items that are required to be withheld as described in Section 8 below.

4. **Method of Payment**. Payment of the aggregate Exercise Price shall be by any of the following, or a combination thereof, at your election:

(1) your personal check, wire transfer, or a cashier's check;
(2) for U.S. taxpayers only: certificates for shares of Company stock that you own, along with any forms needed to effect a transfer of those shares to the Company; the value of the shares, determined as of the effective date of the PSO exercise, will be applied to the Exercise Price. Instead of surrendering shares of Company stock, you may attest to the ownership of those shares on a form provided by the Company and have the same number of shares subtracted from the Exercised Shares issued to you. However, you may not surrender, or attest to the ownership of, shares of Company stock in payment of the Exercise Price of your PSO if your action would cause the Company to recognize compensation expense (or additional compensation expense) with respect to this PSO for financial reporting purposes;
(3) cashless exercise through irrevocable directions to a securities broker approved by the Company to sell all or part of the Exercised Shares and to deliver to the Company from the sale proceeds an

amount sufficient to pay the Exercise Price and any applicable Tax-Related Items that are required to be withheld. The balance of the sale proceeds, if any, will be delivered to you. The directions must be given by signing a special notice of exercise form provided by the Company; or

(4) other method authorized by the Company;

(5) subject to any restrictions set forth in the Appendix or required by the Company for legal or administrative reasons.

5. Non-Transferability of PSO. In general, except as provided below, only you may exercise this PSO prior to your death. You may not transfer or assign this PSO, except as provided below. For instance, you may not sell this PSO or use it as security for a loan. If you attempt to do any of these things, this PSO will immediately become invalid.

However, if you are a U.S. taxpayer, you may dispose of this PSO in your will. If you are a U.S. taxpayer and this PSO is designated as a NSO in the Notice of Grant, then the Committee may, in its sole discretion, allow you to transfer this PSO as a gift to one or more family members. For purposes of this Agreement, "family member" means a child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in- law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law (including adoptive relationships), any individual sharing your household (other than a tenant or employee), a trust in which one or more of these individuals have more than 50% of the beneficial interest, a foundation in which you or one or more of these persons control the management of assets, and any entity in which you or one or more of these persons own more than 50% of the voting interest. In addition, if you are a U.S. taxpayer and this PSO is designated as a NSO in the Notice of Grant, then the Committee may, in its sole discretion, allow you to transfer this PSO to your spouse or former spouse pursuant to a domestic relations order in settlement of marital property rights. The Committee will allow you to transfer this PSO only if both you and the transferee(s) execute the forms prescribed by the Committee, which include the consent of the transferee(s) to be bound by this Agreement.

This PSO may not be transferred in any manner other than by will or by the laws of descent or distribution or court order and may be exercised during your lifetime only by you, your guardian, or legal representative, as permitted in the Plan and applicable local laws. The terms of the Plan and this Agreement shall be binding upon the executors, administrators, heirs, successors and assigns of you.

6. Term of PSO. This PSO shall in any event expire on the expiration date set forth in the Notice of Grant, which date is ten years after the grant date (five years after the grant date if this PSO is granted to a Ten Percent Stockholder). You are responsible for keeping track of the expiration date. The Company is not obligated to provide notice of the expiration date and you should not depend on the Company or the Plan Broker (as defined below) providing any such notice (even if such notices have been provided in the past or are provided in some but not all circumstances).

7. Tax Consequences. You should consult a tax adviser for tax consequences relating to this PSO in the jurisdiction(s) in which you are subject to tax. YOU SHOULD CONSULT A TAX ADVISER BEFORE ACCEPTING THIS PSO, EXERCISING THIS PSO OR DISPOSING OF THE SHARES.

(1) Exercising the PSO. You will not be allowed to exercise this PSO unless you make arrangements acceptable to the Company to pay Tax-Related Items that are required to be withheld as further described in Section 8 below.

8. Responsibility for Taxes. Regardless of any action the Company or, if different, your employer (the "***Employer***") take with respect to any or all income tax, social insurance, payroll tax, fringe benefits tax, payment on account and other tax-related items related to your participation in the Plan and legally applicable to you ("***Tax-Related Items***"), you acknowledge that the ultimate liability for all Tax-Related Items is and remains your responsibility and may exceed the amount actually withheld by the Company or the Employer. You further

acknowledge that the Company and the Employer (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of this PSO, including the grant, vesting or exercise of this PSO, the subsequent sale of Shares acquired pursuant to such exercise and the receipt of any dividends; and (b) do not commit to and are under no obligation to structure the terms of the grant or any aspect of this PSO to reduce or eliminate your liability for Tax-Related Items or achieve any particular tax result. You acknowledge that if you are subject to Tax-Related Items in more than one jurisdiction, the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any relevant taxable or tax withholding event, as applicable, you shall pay or make adequate arrangements to satisfy any withholding obligation the Company and/or the Employer may have for Tax-Related Items. In this regard, you authorize the Company and/or the Employer, and their respective agents, at their discretion, to withhold all applicable Tax-Related Items from your wages or other cash compensation paid to you by the Company and/or the Employer or by one or a combination of the following methods: (a) payment by you to the Company or the Employer of an amount equal to the Tax-Related Items in cash, (b) having the Company withhold otherwise deliverable cash or Shares having a value equal to the Tax-Related Items to be withheld, (c) delivering to the Company already-owned Shares having a value equal to the Tax-Related Items to be withheld, (d) withholding from proceeds of the sale of the Shares either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf pursuant to this authorization), or (e) any other arrangement approved by the Company and permissible under applicable law; in all cases, under such rules as may be established by the Committee and in compliance with the Company's Insider Trading Policy and 10b5-1 Trading Plan Policy, if applicable; provided, however, that if you are a Section 16 officer of the Company under the Exchange Act, then the method of withholding shall be a mandatory sale under (d) above (unless the Committee shall establish an alternate method prior to the taxable or withholding event).

Depending on the withholding method, the Company may withhold or account for Tax-Related Items by considering applicable statutory withholding rates or other applicable withholding rates, including up to the maximum applicable rate in your jurisdiction in which case you may receive a refund of any over-withheld amount in cash and will have no entitlement to the equivalent in Shares. If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, you are deemed to have been issued the full number of Shares subject to the vested PSO, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items.

Finally, you acknowledge that the Company has no obligation to deliver Shares or proceeds from the sale of Shares to you until you have satisfied the obligations in connection with the Tax-Related Items as described in this Section.

9. Nature of Grant. In accepting this PSO award, you acknowledge, understand and agree that:

(a) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;

(b) the grant of the PSO is exceptional, voluntary and occasional and does not create any contractual or other right to receive future PSO awards, or benefits in lieu of PSO awards, even if PSO awards have been granted in the past;

(c) all decisions with respect to future PSO awards or other grants, if any, will be at the sole discretion of the Company;

(d) you are voluntarily participating in the Plan;

(e) the PSO and the Shares subject to the PSO, and the income from and value of same, are not intended to replace any pension rights or compensation;

(f) the PSO and the Shares subject to the PSO, and the income from and value of same, are not part of normal or expected compensation or salary for any purpose including, but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, holiday pay, bonuses, long-service awards, leave-related payments, pension or retirement benefits or payments or welfare benefits or similar mandatory payments;

(g) unless otherwise agreed with the Company, the PSO and any Shares acquired under the Plan, and the income from and value of same, are not granted as consideration for, or in connection with, any Service you may provide as a director of a Subsidiary or Affiliate;

(h) the future value of the underlying Shares is unknown, indeterminable and cannot be predicted with certainty;

(i) if the underlying Shares do not increase in value, this Option will have no value;

(j) if you exercise this Option and acquire Shares, the value of such Shares may increase or decrease, even below the Exercise Price;

(k) no claim or entitlement to compensation or damages shall arise from forfeiture of the PSO resulting from the termination of your Service (for any reason whatsoever whether or not later found to be invalid or in breach of labor laws in the jurisdiction where you are providing Service or the terms of your employment or service agreement, if any); and

(l) neither the Company, the Employer nor any Parent, Subsidiary or Affiliate shall be liable for any foreign exchange rate fluctuation between your local currency and the United States Dollar that may affect the value of the PSO or the Shares acquired upon settlement of the PSO or the amount received upon the subsequent sale of any Shares.

10. Data Privacy.

(a) ***Declaration of Consent. By accepting this PSO award and indicating consent by signing this PSO Agreement or via the Company's online acceptance procedure, you are declaring that you agree with the data processing practices described herein and consent to the collection, processing and use of Data by the Company and the transfer of Data to the recipients mentioned below, including recipients located in countries which may not have a similar level of protection from the perspective of your country's data protection law.***

(b) ***Data Collection and Usage. The Company and the Employer may collect, process and use certain personal information about you, including, but not limited to, your name, home address and telephone number, email address, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company, details of all PSO awards granted under the***

Plan or any other entitlement to shares of stock awarded, canceled, exercised, vested, unvested or outstanding in your favor ("Data"), for the purposes of implementing, administering and managing the Plan. The legal basis, where required, for the processing of Data is your consent.

(c) ***<u>Stock Plan Administration Service Providers</u>. The Company transfers Data to E*Trade Corporate Financial Services, Inc. and E*Trade Securities LLC ("Plan Broker"), an independent service provider based in the United States, which is assisting the Company with the implementation, administration and management of the Plan. In the future, the Company may select a different service provider and share Data with such other provider serving in a similar manner. You may be asked to agree on separate terms and data processing practices with the service provider, with such agreement being a condition to the ability to participate in the Plan.***

(d) ***<u>International Data Transfers</u>. The Company and its service providers are based in the United States. Your country or jurisdiction may have different data privacy laws and protections than the United States. For example, the European Commission has issued a limited adequacy finding with respect to the United States that applies only to the extent companies register for the EU-U.S. Privacy Shield program. The Company's legal basis, where required, for the transfer of Data is your consent.***

(e) ***<u>Data Retention</u>. The Company will hold and use the Data only as long as is necessary to implement, administer and manage your participation in the Plan, or as required to comply with legal or regulatory obligations, including under tax and security laws.***

(f) ***<u>Voluntariness and Consequences of Consent Denial or Withdrawal</u>. Participation in the Plan is voluntary and you are providing the consents herein on a purely voluntary basis. If you do not consent, or if you later seek to revoke your consent, your salary from or employment and career with the Employer will not be affected; the only consequence of refusing or withdrawing your consent is that the Company would not be able to grant the PSO under the Plan to you or administer or maintain your participation in the Plan.***

(g) ***<u>Data Subject Righ</u>ts. You may have a number of rights under data privacy laws in your jurisdiction. Depending on where you are based, such rights may include the right to (i) request access or copies of Data the Company processes, (ii) rectification of incorrect Data, (iii) deletion of Data, (iv) restrictions on processing of Data, (v) portability of Data, (vi) lodge complaints with competent authorities in your jurisdiction, and/or (vii) receive a list with the names and addresses of any potential recipients of Data. To receive clarification regarding these rights or to exercise these rights, you understand that you can contact your local human resources representative.***

11. <u>Acknowledgement</u>. The Company and you agree that the PSO award is granted under and governed by the Notice, this PSO Agreement and the provisions of the Plan. You: (i) acknowledge receipt of a copy of the Plan prospectus, (ii) represent that you have carefully read and are familiar with the provisions in the grant documents, and (iii) hereby accept the PSO subject to all of the terms and conditions set forth in this PSO Agreement and those set forth in the Notice. You hereby agree to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions relating to the Plan, the Notice and this PSO Agreement.

12. <u>Entire Agreement; Enforcement of Rights</u>. This PSO Agreement, the Plan and the Notice constitute the entire agreement and understanding of the parties relating to the subject matter herein and supersede all prior discussions between them. Any prior agreements, commitments or negotiations concerning the acquisition of the Shares hereunder are superseded. No modification of or amendment to this PSO Agreement, nor any waiver of any rights under this PSO Agreement, shall be effective unless in writing and signed by the parties to this PSO Agreement. The failure by either party to enforce any rights under this PSO Agreement shall not be construed as a waiver of any rights of such party.

13. <u>Compliance with Laws and Regulations</u>. The issuance of Shares will be subject to and conditioned upon compliance by the Company and you with all applicable state, federal and foreign laws and regulations and with all applicable requirements of any stock exchange or automated quotation system on which the Company's common stock may be listed or quoted at the time of such issuance or transfer, which compliance the Company shall, in its absolute discretion, deem necessary or advisable. You understand that the Company is under no obligation to register or qualify the Company's common stock with any state, federal or foreign securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the Shares. Further, you agree that the Companyshall have unilateral authority to amend the Plan and this PSO Agreement without your consent to the extent necessary to comply with securities or other laws applicable to issuance of Shares. Finally, the Shares issued pursuant to this PSO Agreement shall be endorsed with appropriate legends, if any, determined by the Company.

14. <u>No Advice Regarding Grant</u>. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding your participation in the Plan, or your acquisition or sale of the underlying Shares. You should consult with your own personal tax, legal and financial advisors regarding your participation in the Plan before taking any action related to the Plan.

15. <u>Governing Law; Venue</u>. This PSO Agreement, all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflict of laws. For purposes of litigating any dispute that may arise directly or indirectly from the Plan, the Notice and this PSO Agreement, the parties hereby submit and consent to litigation in the exclusive jurisdiction of the State of California and agree that any such litigation shall be conducted only

in the courts of California in Santa Clara County, California or the federal courts of the United States for the Northern District of California and no other courts.

16. **Severability.** If one or more provisions of this PSO Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this PSO Agreement, (ii) the balance of this PSO Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of this PSO Agreement shall be enforceable in accordance with its terms.

17. **No Rights as Employee, Director or Consultant**. Nothing in this PSO Agreement shall create a right to employment or other Service or be interpreted as forming or amending an employment, service contract or relationship with the Company and this PSO Agreement shall not affect in any manner whatsoever any right or power of the Company, or a Parent, Subsidiary or Affiliate, to terminate your Service, for any reason, with or without Cause.

18. **Adjustment**. In the event of a stock split, a stock dividend or a similar change in Company stock, the number of Shares covered by this PSO and the Exercise Price per Share may be adjusted

19. **Consent to Electronic Delivery and Acceptance of All Plan Documents and Disclosures**. By your acceptance of this PSO award, you consent to the electronic delivery of the Notice, this PSO Agreement, the Plan, account statements, Plan prospectuses required by the U.S. Securities and Exchange Commission, U.S. financial reports of the Company, and all other documents that the Company is required to deliver to its stockholders (including, without limitation, annual reports and proxy statements) or other communications or information related to the PSO. Electronic delivery may include the delivery of a link to a Company intranet or the internet site of a third party involved in administering the Plan, the delivery of the document via e-mail or such other delivery determined at the Company's discretion. You acknowledge that you may receive from the Company a paper copy of any documents delivered electronically at no cost if you contact the Company by telephone, through a postal service or electronic mail at stock@bloomenergy.com. You further acknowledge that you will be provided with a paper copy of any documents delivered electronically if electronic delivery fails; similarly, you understand that you must provide on request to the Company or any designated third party a paper copy of any documents delivered electronically if electronic delivery fails. You agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company. Also, you understand that your consent may be revoked or changed, including any change in the electronic mail address to which documents are delivered (if you have provided an electronic mail address), at any time by notifying the Company of such revised or revoked consent by telephone, postal service or electronic mail at stock@bloomenergy.com. Finally, you understand that you are not required to consent to electronic delivery.

20. **Insider Trading Restrictions/Market Abuse Laws.** You acknowledge that, depending on the laws of applicable jurisdictions, including but not limited to your country and the United States, you may be subject to insider trading restrictions and/or market abuse laws, which may affect your ability to accept, acquire, sell or otherwise dispose of Shares, rights to Shares (*e.g.*, PSO) or rights linked to the value of Shares under the Plan during such times as you are considered to have "material non-public information" or "inside information" regarding the Company (as defined by the laws or regulations in the relevant jurisdictions). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. You acknowledge that it is your responsibility to comply with any applicable restrictions, and you should speak to your personal advisor on this matter.

21. **Foreign Asset/Account Reporting**. You acknowledge that there may be certain foreign asset and/or account reporting requirements which may affect your ability to acquire Shares or hold Shares acquired under the Plan or cash received from participating in the Plan (including from any dividends paid on Shares acquired under the Plan) in a brokerage or bank account outside your country. You may be required to report such accounts, assets or transactions to the tax or other authorities in your country.

22. **Language.** You acknowledge that you are proficient in the English language and understand the provisions in this PSO Agreement and the Plan. If you have received this PSO Agreement or any other document related to the Plan

translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

23. Appendix. Notwithstanding any provisions in this PSO Agreement, this PSO award shall be subject to the Appendix if you live or work outside the United States, including any special terms and conditions set forth therein for your country. Moreover, if you relocate to a country other than the United States, then the Appendix, including the special terms and conditions for such country will, apply to you to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Appendix constitutes part of this PSO Agreement.

24. Imposition of Other Requirements.The Company reserves the right to impose other requirements on your participation in the Plan, on the PSO and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

25. Waiver. You acknowledge that a waiver by the Company of breach of any provision of this PSO Agreement shall not operate or be construed as a waiver of any other provision of this PSO Agreement, or of any subsequent breach by you or any other Participant.

26. Code Section 409A. For purposes of this PSO Agreement, a termination of employment will be determined consistent with the rules relating to a "separation from service" as defined in Section 409A of the Code and the regulations thereunder ("***Section 409A***"). Notwithstanding anything else provided herein, to the extent any payments provided under this PSO Agreement in connection with your termination of employment constitute deferred compensation subject to Section 409A, and you are deemed at the time of such termination of employment to be a "specified employee" under Section 409A, then such payment shall not be made or commence until the earlier of (i) the expiration of the six-month period measured from your separation from service from the Company or (ii) the date of your death following such a separation from service; provided, however, that such deferral shall only be effected to the extent required to avoid adverse tax treatment to you including, without limitation, the additional tax for which you would otherwise be liable under Section 409A(a)(1)(B) in the absence of such a deferral. To the extent any payment under this PSO Agreement may be classified as a "short-term deferral" within the meaning of Section 409A, such payment shall be deemed a short-term deferral, even if it may also qualify for an exemption from Section 409A under another provision of Section 409A. Payments pursuant to this section are intended to constitute separate payments for purposes of Section 1.409A-2(b)(2) of the Treasury Regulations.

27. Award Subject to Company Clawback or Recoupment. To the extent permitted by applicable law, the PSO shall be subject to clawback or recoupment pursuant to any clawback or recoupment policy adopted by the Board or the Committee or required by law during the term of your employment or other Service that is applicable to you. In addition to any other remedies available under such policy, applicable law may require the cancellation of your PSO (whether vested or unvested) and the recoupment of any gains realized with respect to your PSO.

BY ACCEPTING THIS PSO, YOU AGREE TO ALL OF THE TERMS AND CONDITIONS DESCRIBED ABOVE AND IN THE PLAN.

Appendix to
PSO Agreement

BLOOM ENERGY CORPORATION 2018
EQUITY INCENTIVE PLAN

Capitalized terms, unless explicitly defined in this Appendix, shall have the meanings given to them in the Agreement, the Notice of Grant or in the Plan.

Terms and Conditions

This Appendix includes special terms and conditions that govern this PSO if you reside and/or work in one of the countries listed below. These terms and conditions supplement or replace (as indicated) the terms and conditions set forth in the Agreement. If you are a citizen or resident of a country other than the country in which you are currently residing and/or working (or are considered as such for local law purposes), or if you transfer to another country after receiving this PSO, the Company shall, in its discretion, determine to what extent the special terms and conditions contained herein shall be applicable to you.

Notifications

This Appendix also includes information regarding securities, exchange control, tax and certain other issues of which you should be aware with respect to your participation in the Plan. The information is based on the securities, exchange control, tax and other laws in effect in the respective countries as of July 2018. Such laws are often complex and change frequently. As a result, the Company strongly recommends that you not rely on the information in this Appendix as the only source of information relating to the consequences of your participation in the Plan because the information may be out of date at the time you exercise this PSO or at the time you sell Shares acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to your particular situation, and the Company is not in a position to assure you of any particular result. Accordingly, you should seek appropriate professional advice as to how the relevant laws in your country may apply to your individual situation.

If you are a citizen or resident of a country other than the country in which you are currently residing and/or working (or are considered as such for local tax purposes), or if you transfer to another country after the grant of this PSO, the information contained herein may not be applicable to you in the same manner.

India

Terms and Conditions

Method of Payment. This provision supplements Section 4 of the Agreement:

Due to exchange control restrictions in India, you will not be permitted to pay the aggregate Exercise Price using a cashless sell-to-cover exercise pursuant to which a portion of the Exercised Shares are sold upon exercise. The Company reserves the right to provide you with this method of payment depending on the development of exchange control laws in India and/or any applicable regulatory requirements.

You will be permitted to pay the aggregate Exercise Price using other methods of payment as permitted by the Company and set forth in Section 4 of the Agreement, including a cashless sell-all exercise pursuant to which all of the Exercised Shares are sold upon exercise.

Notifications

Exchange Control Notification. Any funds received pursuant to the Plan (*e.g.,* proceeds from the sale of Shares, cash dividends) must be repatriated to India and converted to local currency within a specified period of time after receipt as prescribed under Indian exchange control laws. A foreign inward remittance certificate ("***FIRC***") will generally be provided from the bank where you deposit the foreign currency. You should maintain the FIRC as evidence of the repatriation of funds in the event the Reserve Bank of India or the Employer requests proof of repatriation.

South Korea

Notifications

Exchange Control Notification. To remit funds out of Korea to pay the aggregate Exercise Price in cash (or cash equivalent), you must obtain a confirmation of the remittance by a foreign exchange bank in Korea. This is an automatic procedure (*i.e*., the bank does not need to approve the remittance and the process should not take more than a single day). You likely will need to present the bank processing the transaction supporting documentation evidencing the nature of the remittance. You should check with the bank to determine whether there are any additional requirements. This confirmation is not necessary if you use a cashless exercise to pay the aggregate Exercise Price because there is no remittance of funds out of Korea in this case.

Taiwan

Notifications

Securities Law Notification. The offer of participation in the Plan is available only for employees of the Company and any Parent, Subsidiary and Affiliate. The offer of participation in the Plan is not a public offer of securities by a Taiwanese company.

Exchange Control Notification. You may acquire and remit foreign currency out of Taiwan and/or repatriate foreign currency into Taiwan (including proceeds from the sale of Shares) up to USD 5,000,000 per year without justification. Remittance of funds for the purchase of Shares should be made through an authorized foreign exchange bank. If the transaction amount is TWD 500,000 or more in a single transaction, you must submit a Foreign Exchange Transaction Form. If the transaction amount is USD 500,000 or more in a single transaction, you must also provide supporting documentation to the satisfaction of the remitting bank.

United States

There are no country-specific provisions.

EXHIBIT 31.1

CERTIFICATIONS OF CHIEF EXECUTIVE OFFICER

PURSUANT TO RULE 13a-14(a) AND RULE 15d-14(a)

OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED,

AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, KR Sridhar, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter period ended September 30, 2023 March 31, 2024 of Bloom Energy Corporation;
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 8, 2023 May 9, 2024

By: /s/ KR Sridhar

KR Sridhar

Founder, President and Chief Executive Officer Chairman and Director

(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATIONS OF CHIEF PRINCIPLE FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(a) AND RULE 15d-14(a)
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Gregory Cameron, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter period ended September 30, 2023 March 31, 2024 of Bloom Energy Corporation;

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 8, 2023 May 9, 2024	By:	/s/ Gregory Cameron
			Gregory Cameron
			President and Chief Financial Officer
			(Principal Financial and Accounting Officer)

EXHIBIT 3.2

CERTIFICATE OF RETIREMENT
OF
CLASS B COMMON STOCK
OF
BLOOM ENERGY CORPORATION

Pursuant to Section 243(b)
of the General Corporation Law
of the State of Delaware

Bloom Energy Corporation, a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), HEREBY CERTIFIES as follows:

1. Section 1.1 of Article IV of the Restated Certificate of Incorporation of the Corporation filed with the Secretary of State of the State of Delaware on July 27, 2018 and amended on May 31, 2022 (as amended, the "Restated Certificate") provides, among other things, that the total number of shares of capital stock that the Corporation shall have authority to issue is 1,220,000,000 shares, consisting of three classes: (i) 600,000,000 shares of Class A Common Stock, $0.0001 par value per share ("Class A Common Stock"), (ii) 600,000,000 shares of Class B Common Stock, $0.0001 par value per share ("Class B Common Stock"), and (iii) 20,000,000 shares of Preferred Stock, $0.0001 par value per share ("Preferred Stock").

2. 129,907,258 outstanding shares of Class B Common Stock have been converted into shares of Class A Common Stock pursuant to the provisions of the Restated Certificate and there are no shares of Class B Common Stock currently outstanding.

3. The Restated Certificate provides that, following the conversion of shares of Class B Common Stock into shares of Class A Common Stock, the shares of Class B Common Stock so converted shall automatically be retired and shall not be reissued by the Corporation.

4. The Board of Directors of the Corporation has adopted resolutions retiring all of the previously outstanding shares of Class B Common Stock.

5. Accordingly, pursuant to the provisions of Section 243(b) of the General Corporation Law of the State of Delaware, upon the filing of this Certificate of Retirement, the Restated Certificate shall be amended so as to reduce the total authorized number of shares of the capital stock of the Corporation by 129,907,258shares of Class B Common Stock, such that the total number of authorized shares of the Corporation shall be 1,090,092,742 shares, such shares consisting of (i) 600,000,000 shares designated Class A Common Stock, (ii) 470,092,742 shares designated Class B Common Stock, and (iii) 20,000,000 shares designated Preferred Stock.

[Signature page follows]

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Retirement to be signed and attested by its duly authorized officer this 7th day of November, 2023.

BLOOM ENERGY CORPORATION

By: /s/ Shawn M. Soderberg
Name: Shawn M. Soderberg
Title: EVP, General Counsel and Secretary

EXHIBIT 32.1

CERTIFICATIONS OF CHIEF EXECUTIVE OFFICER AND CHIEF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF
THE SARBANES-OXLEY ACT OF 2002

The following certifications are hereby made in connection with the Quarterly Report on Form 10-Q for the quarter period ended September 30, 2023 March 31, 2024 of Bloom Energy Corporation (the "Company") as filed with the Securities and Exchange Commission on the date hereof (the "Report"):

I, KR Sridhar, Founder, Chief Executive Officer, Chairman and Director, hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 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, as amended; 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 8, 2023 May 9, 2024

By: /s/ KR Sridhar
KR Sridhar
Founder, Chief Executive Officer, Chairman and Director
(Principal Executive Officer)

I, Gregory Cameron, President and Chief Principal Financial Officer, hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 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, as amended; 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 8, 2023 May 9, 2024

By: /s/ Gregory Cameron
Gregory Cameron
President and Chief Financial Officer
(Principal Financial and Accounting Officer)

EXHIBIT 3.3

CERTIFICATE OF ELIMINATION
OF
THE CERTIFICATE OF DESIGNATION
OF
SERIES B REDEEMABLE CONVERTIBLE PREFERRED STOCK
OF
BLOOM ENERGY CORPORATION

BLOOM ENERGY CORPORATION, a Delaware corporation (the "Corporation"), in accordance with Section 151(g) of the General Corporation Law of the State of Delaware, DOES HEREBY CERTIFY that:

1. Pursuant to authority conferred on the Board of Directors of the Corporation (the "Board") by the Restated Certificate of Incorporation of the Corporation (as amended, the "Restated Certificate") and pursuant to the provisions of Section 151(g) of the General Corporation Law of the State of Delaware, the Board at a meeting of its members held on March 17, 2023, adopted a resolution authorizing the issuance of a series of preferred stock designated Series B Redeemable Convertible Preferred Stock, par value $0.0001 per share (the "Series B Preferred Stock"), and established the voting powers, designations, preferences and relative, participating and other rights, and the qualifications or restrictions thereof, and, on March 23, 2023, the Corporation filed a Certificate of Designation with respect to such Preferred Stock (the "Series B Certificate") in the office of the Secretary of State of the State of Delaware (the "Secretary of State").

2. The Corporation filed a Certificate of Amendment to the Certificate of Designation of Series B Redeemable Convertible Preferred Stock with the Secretary of State on April 18, 2023 (the Series B Certificate, as amended, the "Amended Series B Certificate").

3. No shares of said Series B Preferred Stock are outstanding and no shares thereof will be issued subject to said Amended Series B Certificate.

4. The Boardhas adopted resolutions resolving that none of the authorized shares of Series B Preferred Stock are outstanding and that none will be issued subject to the Amended Series B Certificate previously filed with respect to the Series B Preferred Stock.

5. Accordingly, all matters set forth in the Amended Series B Certificate with respect to the Series B Preferred Stock be, and hereby are, eliminated from the Restated Certificate.

[Signature page follows]

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Elimination to be signed by and attested by its duly authorized officer this 7th day of November, 2023.

BLOOM ENERGY CORPORATION

By: /s/ Shawn M. Soderberg
Name: Shawn M. Soderberg
Title: EVP, General Counsel and Secretary

DISCLAIMER

THE INFORMATION CONTAINED IN THE REFINITIV CORPORATE DISCLOSURES DELTA REPORT™ IS A COMPARISON OF TWO FINANCIALS PERIODIC REPORTS. THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORT INCLUDING THE TEXT AND THE COMPARISON DATA AND TABLES. IN NO WAY DOES REFINITIV OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED IN THIS REPORT. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S ACTUAL SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.