

Risk Factors Comparison 2025-02-27 to 2024-02-15 Form: 10-K

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Investing in our securities involves a high degree of risk. You should carefully consider the material risks and uncertainties described below that make an investment in us speculative or risky, as well as the other information in this Annual Report on Form 10-K, including our consolidated financial statements and the related notes and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” before you decide to purchase our securities. **Some of the factors, events and contingencies discussed below may have occurred in the past, but the disclosures below are not representations as to whether or not the factors, events, or contingencies have occurred in the past, and instead reflect our beliefs and opinions as to the factors, events, or contingencies that could materially and adversely affect us in the future.** A manifestation of any of the following risks could, in circumstances we may or may not be able to accurately predict, render us unable to conduct our business as currently planned and materially and adversely affect our reputation, business, prospects, growth, financial condition, cash flows, liquidity, and operating results. In addition, the occurrence of one or more of these risks may cause the market price of our common stock to decline, and you could lose all or part of your investment. It is not possible to predict or identify all such risks and uncertainties, as our operations could also be affected by factors, events, or uncertainties that are not presently known to us or that we currently do not consider presenting significant risks to our operations. Therefore, you should not consider the following risks to be a complete statement of all the potential risks or uncertainties that we face.

Risk Factor Summary The following summarizes the more complete risk factors that follow. It should be read in conjunction with the complete Risk Factors section and should not be relied upon as an exhaustive summary of all the material risks facing our business.

Risks Related to Our Business, Industry, and Sales • ~~The distributed energy generation industry is an and~~ **Distributed energy generation industry is an and hydrogen production are** emerging market ~~markets that~~ **markets that** and distributed generation may not receive widespread market acceptance or demand ~~may be lower than we expect.~~ • Our products involve a lengthy sales and installation cycle, which may lengthen further as we seek larger transactions. • Our products have significant upfront costs, and **, for some customers,** we need to attract ~~investors~~ **financiers** to help customers finance purchases. • The economic benefits of our **solutions** Energy Servers to our customers depend on both the price **and availability** of gas ~~available from the local gas utilities and the cost of electricity available from alternative sources, including local electric utility companies.~~ • If we are not able to reduce our costs or meet service performance expectations with respect to our products, our profitability may be impaired. • Deployment of our Energy Servers ~~relies on~~ **fuel cell products can be affected by** interconnection requirements, export tariff arrangements and utility tariff requirements that are subject to change. • Deployment of our Energy Servers ~~Server systems~~ **Server systems** relies on fuel supply and fuel specification requirements, which may change. • We face significant competition. • We derive a substantial portion of our revenue and backlog from a limited number of customers. • Our future growth will depend on expanding and diversifying our products and market opportunities. • Our ability to develop new ~~products~~ **solutions** and enter ~~into~~ **into** new markets could be negatively impacted ~~if we are unable~~ **by regulatory restrictions, market acceptance, or our ability** to identify and ~~successfully~~ **successfully** engage with partners to assist in such development or expansion. • Our products may not be successful if we are unable to maintain alignment with industry standards and requirements. **Index to Financial Statements**

Risks Related to Our Products and Manufacturing • Our future success depends in part on our ability to increase production capacity for our products. • If our products contain manufacturing defects, our business and financial results could be harmed. • The performance of our products may be affected by factors outside of our control. • If our estimates of ~~the~~ useful life for our products are inaccurate or we do not meet our performance warranties and guaranties, our business and financial results could be harmed. • Our business is subject to risks associated with construction, utility interconnection, ~~fuel supply~~ **study and transmission upgrade delays**, cost overruns and delays, including those related to ~~obtaining government~~ **obtaining government** permits, **regulatory approvals**, and other contingencies. • The failure of our suppliers ~~or other third parties~~ **or other third parties** to continue to deliver necessary raw materials or other components of our ~~products~~ **solutions** in a timely manner and to specification could prevent us from delivering our ~~products~~ **solutions**. • We have long-term supply agreements that could result in excess or, if one or more suppliers do not produce for any reason, insufficient inventory, above market pricing or higher costs, and negatively affect our results of operations. • We face supply chain competition which could result in insufficient inventory and affect our results of operations. • We, and some of our suppliers, obtain capital equipment **and other components** used in our manufacturing process from sole suppliers and, if this equipment is damaged or otherwise unavailable, our ability to deliver our products on time will suffer. • Possible new trade tariffs could have a material adverse effect on our business. **Index to Financial Statements** • A failure to properly comply with foreign trade zone laws and regulations could increase the cost of duties and tariffs. • Significant disruption to the operations at our headquarters or manufacturing facilities could delay product production. • ~~Our~~ **We may introduce and promote new technologies that have not yet been proven at commercial scale, and which may not work as intended, be delivered on a timely basis or at all, be developed according to specifications, and / or received well by customers.** • We have a limited history of manufacturing new products, such as our Electrolyzers, ~~makes it difficult to evaluate our future prospects and challenges we may encounter.~~

Risks Related to Government Incentive Programs • Our business currently benefits from the availability of rebates, tax credits and other financial programs and incentives, and changes to such benefits could cause our revenue to decline and harm our financial results. • We rely on tax equity financing arrangements to realize the benefits provided by U. S. federal tax benefits and accelerated tax depreciation and we also rely on incentives in the Korean, European and other international markets.

Risks Related to Legal Matters and Regulations • We are subject to laws and regulations, including environmental laws and regulations, regarding ~~the delivery and installation of~~ our products. **• We are in an unsettled regulatory and legal**

environment with increasing compliance complexity and costs. • As we expand into international markets, we may be subject to local content requirements or pressures which could increase costs or reduce demand for our products. • With respect to our products that run, in part, on fossil fuel, we may be subject to a heightened risk of regulation, to a potential for the loss of certain incentives, and to changes in our customers' energy procurement policies. • Existing regulations and changes to such regulations may create technical, regulatory, and economic barriers, which could significantly reduce demand for our products or affect the financial performance of current sites. • We may become subject to product liability claims. • Litigation or administrative proceedings could have a material adverse effect on our business. Risks Related to Our Intellectual Property • Our failure to effectively protect and enforce our intellectual property rights may undermine our competitive position, and litigation to protect our intellectual property rights may be costly. • Our patent applications may not result in issued patents, and our issued patents may be successfully challenged in litigation or post-grant proceedings. • We may need to defend ourselves against claims that we infringed, misappropriated, or otherwise violated the intellectual property claims rights of others, which may be time-consuming and costly would cause us to incur substantial costs. Risks Related to Our Financial Condition and Operating Results • We have incurred significant losses in the past and we may not be profitable in future periods. • Our financial condition and results of operations and other key metrics are likely to fluctuate. • If we fail to manage our growth effectively, our business and operating results may suffer. • If we fail to maintain effective internal control controls over financial reporting in the future, the accuracy and timing of our financial reporting may be adversely affected. • Our ability to use deferred tax assets to offset future taxable income may be subject to limitations. Risks Related to Our Liquidity • We must maintain the confidence of our customers in our liquidity, including our ability to timely service our debt obligations and grow our business over the long term. • Our indebtedness, and restrictions imposed by the agreements governing our outstanding indebtedness, may limit our financial and operating activities and may adversely affect our ability to incur additional debt to fund future needs. • We may not be able to generate sufficient cash to meet our debt service obligations or growth plans. Risks Related to Our Operations • Expanding operations internationally could expose us to additional risks. • Data security breaches and cyberattacks could compromise our intellectual property or other confidential information and cause significant damage to our business, product performance, brand and reputation. • If we are unable to attract and retain key employees and hire qualified management, technical, engineering, finance and sales personnel, our ability to compete and successfully grow our business could be harmed. • Competition for manufacturing employees is intense, and we may not be able to attract and retain skilled employees. Risks Related to Ownership of Our Common Stock • The stock price of our common stock has been and may continue to be volatile. • We may issue additional shares of our common stock in connection with future conversions of the Green Notes, which may dilute our existing stockholders and potentially adversely affect the market price of our common stock. • **Future sales of our common stock by SK ecoplant Co., Ltd. or its affiliates, or the perception that such sales could occur, may adversely affect the market price of our common stock.** • We do not intend to pay dividends for the foreseeable future. • Provisions in our charter documents and under Delaware law could make an acquisition of us more difficult, limit stockholders' rights, and limit the market price of our common stock. • **Increased scrutiny** **Scrutiny** regarding ESG could result in additional costs and adversely impact our business. Risks Related to Our Business, Industry and Sales **The distributed Distributed energy generation industry is an and hydrogen production are emerging market markets, and they distributed generation may not receive widespread market acceptance or demand may be lower than we expect, which may make evaluating our business and future prospects difficult. The distributed Distributed energy generation industry is and hydrogen production are still an emerging market markets in the heavily regulated energy utility industry.** It is uncertain whether potential customers will embrace distributed generation **or hydrogen production** in general, or our **solutions** Energy Servers in particular. Enterprises may be unwilling to adopt our **Energy Server solution solutions** over traditional or competing power sources such as distributed solar or electricity from the grid, **or alternative means of producing hydrogen**. This could be due to the perception that our technology or our company is unproven, lack of confidence in our business model, unavailability of third-party service providers to operate and maintain **our solutions** the Energy Servers, lack of awareness of our **product products**, or their perception of regulatory or political challenges, including challenges pertaining to technologies that use natural gas fuels or have carbon emissions. The viability and demand for our **solutions** Energy Servers in the distributed generation market may be impacted by many factors outside of our control, including: • market acceptance of our products (including, for example, anti-natural gas sentiment or misalignment with renewable and zero carbon procurement goals); • cost competitiveness, reliability, and performance of our products compared to traditional or competing power sources; • availability and amount of government subsidies and incentives; • the emergence, continuance, or success of, or increased government support for, other alternative energy generation **or hydrogen production** technologies and products; • prices **and availability** of traditional or competing power **sources solutions**; • geopolitical and macroeconomic instability, including wars, terrorism, political unrest, actual or threatened public health emergencies and outbreak of disease, inflation, the recessionary environment, boycotts, adoption or expansion of government trade restrictions, and other business restrictions which may negatively impact the demand for our products, or which may cause our customers to push out, cancel, or refrain from placing orders; and • an increase in interest rates or tightening of the supply of capital in the global financial markets (including a reduction in total tax equity availability) which could make it difficult to finance our products. If the market for our **solutions** products and services does not continue to develop as we anticipate, our business will be harmed. As a result, predicting our future revenue and appropriately budgeting for our expenses is difficult, and we have limited insight into trends that may emerge and affect our business. If actual results differ from our estimates or if we adjust our estimates in future periods, our operating results and financial position could be materially and adversely affected. Our products involve a lengthy sales and installation cycle, and if we fail to close sales on a regular and timely basis, our business could be harmed. Our sales cycle is typically 12 to 18 months but can vary considerably. To make a sale, we must typically provide a significant level of education to prospective customers regarding the use and benefits of our products and technology. The period between initial discussions with a potential customer

and the eventual sale usually depends on a number of factors, including the potential customer's budget, selection of financing type, and term of the contract. In addition, we have started to focus on larger projects, which tend to have longer sales cycles. Prospective customers often undertake a significant evaluation process that may further extend the sales cycle, and which evaluation may be negatively impacted by general market and economic conditions such as inflation, rising interest rates, availability of capital, a recessionary environment, geopolitical instability, energy availability and costs, and the availability and effects of government initiatives. Once a customer decides to purchase our product, it takes a significant amount of time for us to fulfill the sales order. Generally, it takes between nine to ~~twelve~~ **eighteen** months or more from the entry into a sales contract until the installation of our products. The lengthy sales and installation cycles are subject to a number of significant risks, some of which are outside of our control. Due to the long sales and installation cycles, we may expend significant resources without being certain of generating a sale. The ~~transfer of control of our product to our customer based on its~~ delivery and installation **of our products** has a significant impact on the timing of the recognition of our product and installation revenue. Many factors can cause a lag between the time that a customer signs a contract and our recognition of product revenue. These factors include the number of the Energy Servers- **Server systems** installed per site, local permitting and utility requirements, **utility interconnection queues and any identified transmission and distribution upgrades**, environmental, health and safety requirements, weather, customer facility construction schedules, customers' operational considerations, and the timing of financing. Many of these factors are unpredictable and their resolution is often outside of our or our customers' control. Customers may also ask us to delay ~~an~~ installation for reasons unrelated to the foregoing, such as ~~for sales contracts,~~ **operational considerations or** delays in their financing arrangements. Further, due to unexpected delays, deployments may require unanticipated expenses to expedite delivery of materials or labor to ensure the installation meets the timing objectives. These unexpected delays and expenses can be exacerbated in periods in which we deliver and install a larger number of smaller projects. In addition, if even relatively short delays occur, there may be a significant shortfall between the revenue we expect to generate in a particular period and the revenue that we are able to recognize. **Our products have significant upfront costs, and, for some customers, we need to attract investors to help them finance purchases**. Our products have significant upfront costs, which may be a barrier for some customers who may not have the financial capability to purchase our products directly. To address this, we have developed various financing options that allow customers to use our products ~~on a pay-as-you-go basis or~~ through third- party financing arrangements. These options enable our customers to access our products without making a direct purchase. For more information on the different financing arrangements available, please see Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations — Purchase and Financing Options. If in any given quarter we or our customers are not able to secure funding, our financial condition and results of operations would be harmed. To attract new customers, we ~~continually~~ **regularly** innovate our customer contracts which may have different terms and financing conditions from prior transactions. We rely on and need to grow committed **project** financing capacity with existing partners or attract additional partners to support our growth, finance new projects, and expand our product offerings. Additionally, our ability to deploy our backlog is directly tied to our ability to secure **project** financing, which is often an unpredictable process. Attracting third- party financing is a complex process that is influenced by factors beyond our control, including the fluctuations of interest and currency exchange rates, the availability of tax credits and government incentives for investors, our perceived creditworthiness and the prevailing condition of credit markets. We ~~arrange finance~~ **financing for** our customers' purchases of our products based on certain conditions, such as their credit quality and the expected minimum internal rate of return on the customer engagement. If these conditions are not met, we may not be able to ~~find finance~~ **financing for** their purchases of our products, which would have a negative impact on our revenue in a particular period. If we are unable to ~~help customers~~ arrange financing for our products, our business could be harmed. Additionally, ~~certain the Managed Services Financing financing option options~~, as with all leases, **is are** also limited by the customer's willingness to commit to making fixed payments, regardless of the products' performance or our performance of our obligations under the customer agreement. If we are unable to arrange future financing for any of our current projects, it could negatively impact our business. In the U. S., our capacity to offer our Energy Servers- **Server systems** through financed arrangements depends in large part on the ability of financing parties to optimize the tax benefits associated with the Energy Servers- **Server systems**, such as the **recently expired ITC for fuel cells running on a non- zero carbon fuel** or accelerated depreciation. Interest rate fluctuations, and internationally, currency exchange rate fluctuations, may also impact the attractiveness of any financing offerings for our customers. Our ability to finance a PPA or a lease is also related to, and may be limited by, the creditworthiness of the customer. In our sales process for transactions that require financing, we make certain assumptions regarding the cost of financing capital. Actual financing costs may differ **materially** from our estimates and financing may be more difficult or costly to secure, or may not be available, due to factors beyond our control, such as changes in customer creditworthiness, macroeconomic factors, like inflation, interest rates, a recessionary environment, geopolitical instability, and capital market volatility. The returns offered by other investment opportunities available to our financing partners and other factors may further affect financing availability. If the cost of financing ultimately exceeds our estimates, or we or our customers are unable to secure financing, we may not be able to proceed with some or all of the impacted projects, or our revenue from such projects may be less than our estimates. The economic benefits of our Energy Servers- **Server systems** to our customers depend on both the price of gas available from the local gas utilities and the cost of electricity available from alternative sources, including local electric utility companies, and such cost structure is subject to change. We believe that ~~a the~~ customer's decision to purchase our Energy Servers- **Server system** is significantly influenced by its price, the price predictability of electricity generated by our Energy Servers- **Server systems** in comparison to the retail price, and the future price outlook of electricity from the local utility grid and other energy sources. These prices are subject to change and may affect the relative benefits of our Energy Servers- **Server systems**. Factors that could influence these prices and are beyond our control include the impact of energy conservation initiatives that reduce electricity consumption; construction of additional power generation plants (including **renewables, storage,** nuclear, coal or

natural gas); technological developments by others in the electric power industry; the imposition of interconnection, “ departing load,” “ standby,” power factor charges, greenhouse gas emissions charges, or other charges by local electric utility or regulatory authorities; and changes in the rates offered by local electric utilities and / or in the applicability or amounts of charges and other fees imposed or incentives granted by such utilities on customers. In addition, even with available subsidies for our products, in those areas where the current cost of grid electricity is low, including in some states in the U. S. and some foreign countries, our Energy Servers- **Server systems** may not be economically attractive. Furthermore, actual or perceived potential increases in the price of natural gas or other fuels or curtailment of availability (e. g., as a consequence of physical limitations or adverse regulatory conditions for the delivery or production of natural gas or other fuels) or the inability to obtain natural gas or other fuel ~~service~~ **services** could make our Energy Servers- **Server systems** less economically attractive to potential customers and reduce demand. While our Energy Servers- **Server systems** can operate using hydrogen or biofuels, the availability and current high cost of those natural gas alternatives in a particular location may make them less attractive to potential customers, reducing the demand for our products. We need to reduce the manufacturing costs for our products to expand our markets. Additionally, certain of our existing service contracts rely on projections regarding service cost reductions that may not be realized. Increases in component and raw material costs could offset our cost- cutting efforts, slowing our growth and causing our financial results and operational metrics to suffer. ~~In~~ ~~For example, during the~~ ~~past~~ ~~second half of 2021,~~ we **have** experienced price increases in raw materials, which are used in our components and subassemblies for our Energy Servers **fuel cell products**. Our expenses have increased and may increase in the future due to factors such as increases in wages or other labor costs, marketing and sales. We need to reduce costs to expand into new markets (in which the price of electricity from the grid is lower) while maintaining our current margins. Any failure to achieve cost reductions could adversely affect our results of operations and financial condition and harm our business and prospects. Our inability to reduce product costs may impact our profitability, which could have a material adverse effect on our business and prospects. Deployment of our Energy Servers **relies on fuel cell products can be affected by** interconnection requirements, export tariff arrangements and utility tariff requirements that are each subject to change. Because our Energy Servers **fuel cell systems** are designed **to be able** to operate at a constant output 24x7, while our customers’ demand for electricity typically fluctuates over the course of the day or week, there are often periods when our Energy Servers- **Server systems** are producing more electricity than a customer may require, and such excess electricity **is generally can be** exported to the local electric utility. Export of customer- generated power from our Energy Servers- **Server systems** is generally provided for in the markets in which we offer our fuel cells pursuant to applicable laws, regulations and tariffs, but not under all circumstances, and may be restricted or made costlier due to interconnection, relevant tariff or other issues. Many, but not all, local electric utilities provide compensation to our customers for such electricity under “ fuel cell net metering ” (which often differs from solar net metering) or other customer generation programs. **Fuel cell net metering can be affected by local Utility-utility** tariffs and fees, **changes to** interconnection ~~agreements-~~ **agreement terms** and fuel cell net metering requirements **are subject to changes in availability and terms**, and some jurisdictions do not allow ~~interconnections or export at all~~ **of excess electricity**. At times in the past, such changes have had the effect of significantly reducing or eliminating the benefits of such programs. Changes in the availability of, or benefits offered by, utility tariffs, the applicable net metering requirements or interconnection agreements could adversely affect the demand for our Energy Servers- **Server systems**. For example, in California, the fuel cell net metering tariff expressly addressing fuel cells and providing certain incentives and export capability (referred to as the “ Fuel Cell Net Energy Metering ” (“ FC NEM ”)) expired at the end of 2023 and is no longer available to new customers. Existing customers can remain on the tariff if they comply with ~~adopted~~ **greenhouse gas emission standards, which in that are intended to ensure they operate at a rate that is the same or better than the grid resources they are displacing. If at some point fuel cell resources cease- cease to operate at a rate that is the same or better than the grid resources they are displacing, this** may result in increased cost. There are also some more generally applicable tariffs available for customers deploying ~~new~~ **fuel cells**, however, they have limitations, and **while** the loss of FC NEM **may has not yet impact-impacted** our ability to sell our Energy Servers- **Server systems** for use in California, **that could change at some point in the future**. We cannot predict the outcome of the many regulatory proceedings addressing tariffs that would include customers utilizing fuel cells. If an economical tariff for customers utilizing fuel cells is not available in a given jurisdiction, it may limit or end our ability to sell and install our Energy Servers- **Server systems** in that jurisdiction. Further, permits and other requirements applicable to electric and gas interconnections are subject to change. For example, some jurisdictions are limiting new gas interconnections, although others are allowing new gas interconnections for non- combustion resources like our Energy Servers- **Server systems**. Deployment of our Energy Servers- **Server systems** relies on fuel supply and fuel specification requirements, which are subject to change. Our Energy Servers- **Server systems** are designed to operate at a constant output 24x7. Therefore, they need a constant source of fuel such as natural gas, biogas, or hydrogen to keep them running. Fuel for our Energy Servers- **Server systems** is typically provided by local gas utilities. Our customers rely on such utilities to provide a constant supply of fuel that meets our specifications. However, if new regulations require a switch to a different fuel for which there may be limited availability, such as biogas, it can create challenges for our products and their sales. Adverse fuel supply constraints or fuel outside of our fuel specifications may delay or prevent the deployment of our Energy Servers- **Server systems**. We compete for customers, financing partners and incentive dollars from other electric power providers. Our Bloom Energy Servers- **Server systems** compete with a broad range of companies and technologies, including traditional energy suppliers, such as public utilities, and other energy providers utilizing traditional co- generation systems, nuclear, hydro, coal or geothermal power, companies utilizing intermittent solar or wind power paired with storage, and other commercially available fuel cell companies. We also compete with traditional backup energy equipment such as diesel generators. Our Electrolyzers compete with low temperature electrolyzer companies using Alkaline, Proton, PEM or AEM electrolysis. ~~See our discussion of competition in Item 1 — Business — Energy Server Competition.~~ Many of our competitors, such as traditional utilities and other companies offering distributed generation products,

have longer operating histories, customer incumbency advantages, access to and influence with local and state governments, and access to more capital resources than us. Significant developments in alternative technologies, such as energy storage, wind, solar or hydro power generation, or improvements in the efficiency or cost of traditional energy sources, including coal, oil, natural gas used in combustion, or nuclear power, may materially and adversely affect our business and prospects in ways we cannot anticipate. We may also face new competitors with better technologies, products, or resources. If we fail to adapt to changing market conditions and to compete successfully with grid electricity or new competitors, our growth will be limited, which would adversely affect our business results. We derive a substantial portion of our revenue and backlog from a limited number of customers, and the loss of or a significant reduction in orders from a large customer could have a material adverse effect on our operating results and other key metrics. In any particular period, a substantial amount of our total revenue has and could continue to come from a relatively small number of customers. As an example, in the year ended December 31, **2023** **2024**, ~~two three~~ customers accounted for approximately ~~37-23~~ **16** % and ~~26-14~~ % of our total revenue. The loss of any large customer order or any delays in installations of new products with any large customer would materially and adversely affect our business results. Our future growth will depend on expanding and diversifying our products and market opportunities, and if we are not successful, our operating results and future growth prospects could be adversely affected. We plan to enhance our future growth opportunities by expanding **our energy and hydrogen solutions. This includes expanding** the features of and uses for our Energy ~~Servers~~ **Server systems**, including providing options for carbon capture and heat output, by expanding our production and sales of our Electrolyzer, and by expanding the markets in which we sell our products. **As a result** **These opportunities will demand our focus, including the allocation of personnel, financial resources, and management oversight. If we fail to effectively allocate our resources or follow through on** these opportunities ~~will require our attention, which includes personnel, financial resources and management attention. If we do not appropriately allocate our resources to, or execute on, these opportunities~~, our business and **operational** results ~~may of operations could~~ be adversely affected. Our investments may not result in the growth we expect, or the timing of when we expect it, for a variety of reasons, including changes in growth trends, evolving and changing markets and increasing competition, market opportunities, technology and product innovation, and changes in policy support, taxation and subsidies, and regulation. We may introduce new technologies or products that do not work, are not delivered on a timely basis, are not developed according to product or cost specifications, are not well received by customers, or do not receive the policy, taxation and subsidies, or other regulatory support that was anticipated. Moreover, there may be fewer opportunities than we expect due to a decline in business or economic conditions or a decreased demand in these markets or for our new products from our expectations, our inability to successfully execute our sales and marketing plans, or for other reasons. In addition to our current growth opportunities, our growth may be reliant on our ability to identify and develop new opportunities. This process is inherently risky and may result in investments in time and resources for which we do not achieve any return or value. These risks are enhanced by attempting to introduce multiple breakthrough technologies and products simultaneously. Our growth opportunities are subject to constant and rapidly changing and evolving technologies and evolving industry standards and may be replaced by new ~~technology~~ **technological** concepts or platforms. If we do not develop innovative and reliable product offerings and enhancements in a cost- effective and timely manner that are attractive to customers in these markets, if we are otherwise unsuccessful entering and competing in these new product categories, if the new product categories in which we invest our limited resources do not emerge as opportunities or do not produce the growth or profitability we expect, or when we expect it, or if we do not correctly anticipate changes and evolutions in technology and platforms, our business and results of operations could be adversely affected. **Our ability to develop new solutions and enter into new markets could be negatively impacted by regulatory restrictions, market acceptance, or if we are unable to identify and successfully engage with partners to assist in such development or expansion. Our ability to develop new solutions and successfully enter new markets relies heavily on navigating regulatory landscapes and gaining market acceptance. Regulatory restrictions, such as stringent compliance requirements, can delay the launch of new solutions, increase development costs, or limit the scope of our innovations. Additionally, achieving market acceptance depends on factors such as customer trust, perceived value, and compatibility with existing systems and behaviors. If we fail to anticipate or address these challenges, our growth potential could be significantly hindered.** As we continue to develop new **solutions**, features and products and expand into new markets, including international markets, we may need to identify business partners ~~and~~, **suppliers, and other third parties** to facilitate such development and expansion. Identifying such partners ~~and~~, **suppliers, and other third parties** is a lengthy process and is subject to significant risks and uncertainties, such as an inability to negotiate mutually acceptable terms or such partner' s inability to execute as negotiated. In addition, there could be delays in the design, manufacture and installation of new products **or the incorporation of third party components into our solutions such as CHP, CCUS, microgrids, batteries, and other distributed energy resources**, and we may not be timely in the development of new **solutions**, products or entry into new markets, limiting our ability to expand our business and harming our financial condition and results of operations. Our products may not be successful if we are unable to maintain alignment with evolving industry standards and requirements. As we invest in research and development to sustain or enhance our existing products, it is possible that the introduction of new technologies and the emergence of new industry standards or requirements could make our products less desirable or obsolete. Further, in developing our products, we make assumptions with respect to which standards, requirements, or policies will be demanded by our customers, standards- setting organizations and applicable law. If market acceptance of our products is reduced or delayed or the standards- setting organizations or legislative or regulatory authorities fail to develop timely, commercially ~~viable~~ standards that support our products, our business would be harmed. Our future success depends in part on our ability to increase production capacity for our products, and we may not be able to do so in a timely or cost- effective manner. To the extent we are successful in growing our business, we may need to increase the production capacity of our products. Our ability to plan, construct and equip additional manufacturing facilities is subject to significant risks and uncertainties, including delays, cost

overruns, geopolitical instability, and labor shortages. Expanding manufacturing capacity internationally may also expose us to new laws and regulations and carries risks. There is also a possibility that we may not be able to achieve our production targets for a variety of reasons, including reliance on third parties who do not fulfill their obligations to us. If we are unable to expand our manufacturing facilities or develop our existing facilities in a timely manner, we may be unable to further scale our business, which would negatively affect our results of operations and financial condition. Conversely, if the demand for our products or our production output does not rise as expected, we may not be able to spread a significant amount of our fixed costs over the production volume, resulting in a greater than expected per unit fixed cost, which would have a negative impact on our financial condition and results of operations. Our products are complex, and they may contain undetected or latent errors or defects. **We** ~~In the past, we~~ have experienced latent defects that were discovered once the Energy Server **system** was deployed in the field. Changes in our supply chain or the failure of our suppliers to otherwise provide us with components or materials that meet our specifications could introduce defects in our products. As we grow our manufacturing volume, the chance of manufacturing defects could increase. In addition, new feature launches, product introductions or design changes could introduce new design defects that may impact product performance and life. Any design or manufacturing defects or other failures of our products, including catastrophic **or pervasive** product failures, could cause us to incur significant costs, a large field recall, divert the attention of our engineering personnel from product development efforts, and significantly and adversely affect customer satisfaction, market acceptance, and our business reputation. If any of our ~~products~~ **solutions** are defective or fail because of their design, **including those incorporating third party hardware such as CCUS, CHP, microgrids, batteries and other distributed energy resources**, or if changes in applicable laws or regulations, or in the enforcement thereof, require us to redesign or recall our products, we ~~also~~ may incur additional costs and expenses. The process of identifying and recalling a product may be lengthy and require significant resources, and we may incur significant replacement costs, contract damage claims from our customers, product liability, property damage, personal injury or other claims and liabilities, and brand and reputational harm. **In addition, applications such as CCUS may impact the overall risk profile of our solutions, which could impact where our systems can be located to comply with various zoning and permit restrictions**. Significant costs or payments made in connection with warranty and product liability claims and product recalls could harm our financial condition and results of operations. Furthermore, we may be unable to correct manufacturing defects or other failures of our products in a manner satisfactory to our customers, which could adversely affect customer satisfaction, market acceptance, and our business reputation. The performance of our products may be affected by factors outside of our control, which could result in harm to our business and financial results. Field conditions, such as the quality of the fuel supply and environmental factors, can impact the performance of our products in unpredictable ways. As we move into new geographies and deploy new features, products and service configurations, we encounter new field conditions from time to time (including as a result of climate change). Adverse impacts on performance may require us to incur significant service and re-engineering costs or divert the attention of our engineering personnel from product development efforts. Furthermore, we may be unable to adequately address the impacts of factors outside of our control in a manner satisfactory to our customers. Any of these circumstances could significantly and adversely affect customer satisfaction, market acceptance, and our business reputation. We ~~offer customers the opportunity to renew their O & M Agreements on an annual basis, for up to 20 years, at predetermined prices. We also~~ provide performance warranties and guaranties covering the efficiency and output performance of our products. Our pricing of these contracts and our reserves for warranty and replacement are based upon our estimates of the useful life of our products and those components that are replaced as a part of standard maintenance, including assumptions regarding improvements in power module life that may fail to materialize. We do not have a long history at a large scale, and our estimates may prove to be incorrect. Failure to meet these warranty and performance requirements may require us to replace the products or to make cash payments to customers. Actual warranty expenses may exceed estimates. If our estimates are inaccurate or we fail to accrue adequate reserves to make cash payments as required, our business and financial results could be harmed. Our business is subject to risks associated with construction, utility interconnection, fuel supply, cost overruns and delays, including those related to obtaining government permits and other contingencies that may arise in the course of completing installations. Our financial results depend on the timely installation of our products, which may be on a fixed price basis, subjecting us to the risk of cost overruns or other unforeseen expenses in the installation process. Our products are subject to regulation and oversight in compliance with laws and ordinances relating to building codes, safety, environmental protection, and related matters in the jurisdictions where we operate, and typically require various local and other governmental approvals and permits, including environmental approvals and permits. Delays in obtaining these approvals and permits could stall the installation process of our products and adversely affect our revenue. For more information regarding these restrictions, please see the risk factors in the section titled “Risks Related to Legal Matters and Regulations.” In addition, the completion of ~~many~~ **some** of our installations depends on the availability of and timely connection to the natural gas grid and the local electric grid. In some ~~jurisdictions~~ **cases**, **interconnection may be conditioned on the construction by the** local utility ~~companies~~ **company** or the municipality have ~~denied our request for~~ **of new transmission and distribution facilities and may also require construction of new natural gas pipelines to** ~~connection~~ **connect** or have a project to the interstate pipeline system. **Transmission and distribution upgrades found to be** required **us in interconnection studies may cause planned projects to reduce** ~~be deemed uneconomic to be constructed or may result in~~ the size of ~~certain the~~ **projects** **project itself being reduced in order to avoid significant upgrade costs**. In addition, some municipalities have recently adopted restrictions that prohibit the installation of natural gas ~~service~~ **services** to new construction. For more information regarding these restrictions, please see the risk factor titled “With respect to our products that run, in part, on fossil fuel, we may be subject to a heightened risk of regulation, to a potential for the loss of certain incentives, and to changes in our customers’ energy procurement policies.” ~~Any delays~~ **Delays** in our ability to connect with utilities, delays in the performance of installation-related services, or poor performance of installation-related services by our general contractors or sub-contractors could have a material adverse effect on our results and could cause

operating results to vary materially from period to period. As our business grows and we increase the number of distributors ~~selling to sell~~ our products, delays in project development, interconnection and permitting may affect our distributors' ability to sell their inventories of our products and they may decide to decrease future orders of our products or we may choose to support deployment of their inventory with our end customers, either of which could adversely affect revenue and cash flows. Furthermore, we rely on the ability of our third- party contractors to install products at our customers' sites and to meet our installation requirements. We **particularly rely on third- party installation resources and contractors for projects in Asia and Europe. We** currently work with a limited number of contractors, which ~~could has impacted and may continue to~~ impact our ability to make installations as planned **in the future**. Our work with contractors may have the effect of our being required to comply with additional rules unique to our customers, site remediation, and other requirements, which can add costs and complexity to an installation project. The timeliness, thoroughness, and quality of the installation- related services performed by some of our contractors in the past have not always met our expectations or standards and may not meet our expectations and standards in the future. Lengthy sales and installation cycles can increase the risk of customer disputes or delayed or incomplete installations. ~~For example, see Part II, Item 7, Certain Factors Affecting Our Performance, Energy Market Conditions.~~ Sometimes, a customer may cancel an order prior to installation, meaning we may be unable to recover some, or all of our costs incurred in connection with design, permitting, installation and site preparations. Cancellation rates can be as high as 5 % to 10 % in any given period due to factors outside of our control, such as permitting or regulatory issues, delays or unexpected costs in securing interconnection approvals, utility infrastructure, cost changes, or other reasons unique to each customer. Our operating expenses are based on anticipated sales levels, and many of our expenses are fixed. If we are unsuccessful in closing sales after expending significant resources or if we experience customer disputes, delays or cancellations, our reputation, business, financial condition, results of operations or cash flows could be materially and adversely affected. Additionally, under our revenue recognition policy, we do not recognize revenue on product sales until delivery or complete installation. Therefore, a small fluctuation in the timing of the sales transaction' s completion could cause our operating results to vary materially from period to period. The failure of our suppliers **or other third parties** to continue to deliver necessary raw materials or other components of our ~~products~~ **solutions** in a timely manner and to specification could prevent us from delivering our ~~products~~ **solutions** within required time frames and could cause installation delays, cancellations, penalty payments and damage to our brand and reputation. We rely on a limited number of ~~suppliers and other third parties~~ **party suppliers**, and in some cases sole suppliers, for some of the raw materials and components used to manufacture our products, including certain rare earth materials and other materials that are in limited supply. If our suppliers provide insufficient inventory to meet customer demand, or such inventory is not at the level of quality required to meet our standards, or if our suppliers are unable or unwilling to provide us with the contracted quantities (as we have limited or in some case no alternatives for supply), our results of operations could be materially and negatively impacted. **We are also reliant on other third- party providers of storage equipment, infrastructure equipment and pipelines, and other materials and technologies that work with our products to provide an energy solution for customers.** If we fail to develop or maintain our relationships with suppliers **or other third party providers**, or if there is otherwise a shortage or lack of availability of any required raw materials or components, we may be unable to manufacture our products, or our ~~products~~ **solutions** may be available only at a higher cost or after a long delay. ~~The~~ **Due to increased demand across a range of industries, the** global supply chain for certain raw materials and components, including semiconductor components and specialty metals, has experienced significant strain **in recent years**. The macroeconomic environment and geopolitical instability have also contributed to and exacerbated this strain. There can be no assurance that the impact of these issues on the supply chain will not continue, or worsen, in the future. Significant delays and shortages could prevent us from delivering our ~~products~~ **solutions** to customers within ~~the~~ required time frames and cause order cancellations, and could increase our costs, which would adversely impact our cash flows and the results of operations. In some cases, we have had to create our own supply chain for some of the components and materials utilized in our fuel cells. We have made significant expenditures to expand and bolster our supply chain. In many cases, we entered into contractual relationships with suppliers to jointly develop the components we needed. These activities are time and capital intensive. In addition, some of our suppliers use proprietary processes to manufacture components. We may be unable to obtain comparable components from alternative suppliers without considerable delay, expense, or at all, as replacing these suppliers could require us either to make significant investments to bring the capability in- house or to invest in a new supply chain partner. Some of our suppliers are smaller, private companies, which are heavily dependent on us as a customer. If our suppliers face difficulties obtaining the credit or capital necessary to expand their operations when needed, they could be unable to supply necessary raw materials and components to meet our requirements, which would negatively impact our sales volumes and cash flows. The failure by us to obtain raw materials or components in a timely manner or to obtain raw materials or components that meet our requirements could impair our ability to manufacture our products, increase the costs of our products **or solutions**, or increase the costs of servicing our existing portfolio of products. If we cannot obtain substitute materials or components on a timely basis or on acceptable terms, we could be prevented from delivering our ~~products~~ **solutions** to our customers or service our existing fleet of products, which could result in sales and installation delays, cancellations, penalty payments, warranty breaches, or damage to our brand and reputation, any of which could have a material adverse effect on our business and results of operations. In addition, we rely on our suppliers to meet quality standards, and the failure of our suppliers to meet those quality standards could cause delays in the delivery of our ~~products~~ **solutions**, unanticipated ~~servicing~~ **service** costs, and damage to our brand and reputation. We have, in some instances, entered into long- term supply agreements that could result in excess or, if one or more suppliers do not produce for any reason, insufficient inventory, above market pricing or higher costs, and negatively affect our results of operations. We have long- term supply agreements with certain suppliers. Some of these supply agreements provide for fixed or inflation- adjusted pricing, substantial prepayment obligations and in a few cases, supplier purchase commitments. These arrangements could mean that we end up paying for inventory that we do not need or that is at a higher price than the

market. Further, we face significant specific counterparty risk under long- term supply agreements when dealing with suppliers without a long, stable production and financial history. Given the uniqueness of our **product products**, many of our suppliers do not have a long operating history and are private companies that may not have substantial capital resources. In the event any such supplier experiences financial difficulties, it may be difficult or impossible, or may require substantial time and expense, for us to recover any or all of our prepayments. We do not know whether we will be able to maintain long- term supply relationships with our critical suppliers or whether we may secure new long- term supply agreements. Additionally, many of our parts and materials are procured from foreign suppliers, which exposes us to risks including unforeseen increases in costs or interruptions in supply arising from changes in applicable international trade regulations such as taxes, tariffs, or quotas. Any of the foregoing could materially harm our financial condition and results of operations. We face supply chain competition, including competition from businesses in other industries, which could result in insufficient inventory and negatively affect our results of operations. Certain of our suppliers also supply parts and materials to other businesses, including businesses engaged in the production of consumer electronics and other industries unrelated to fuel cells. As a relatively low- volume purchaser of certain of these parts and materials, we may be unable to procure a sufficient supply of the items in the event that our suppliers fail to produce sufficient quantities to satisfy the demands of all of their customers, which could materially harm our financial condition and results of operations. We, and some of our suppliers, obtain capital equipment used in our manufacturing process from sole suppliers, and if this equipment is damaged or otherwise unavailable, our ability to deliver our products on time will suffer. Some of the capital equipment used to manufacture our products and some of the capital equipment used by our suppliers **have has** been developed and made specifically for us, are not readily available from multiple vendors, and would be difficult to repair or replace if they did not function properly. If any of these suppliers were to experience financial difficulties or go out of business or if there **were was** any damage to, or a breakdown of, our manufacturing equipment and we could not obtain replacement equipment in a timely manner, our business would suffer. In addition, a supplier’ s failure to supply this equipment in a timely manner **with of** adequate quality and on terms acceptable to us could disrupt our production schedule or increase our costs of production and service. Our business is dependent on the availability of raw materials and components for our products. Prior tariffs imposed on steel and aluminum imports increased the cost of raw materials for our **products Energy Servers** and decreased the available supply **, and, accordingly, we expect the 25 % tariffs imposed on U. S. imports of steel and aluminum to adversely impact our costs**. Additional new trade **tariffs or other trade protection measures that are being considered or threatened by the new U. S. federal administration and possible reciprocating tariffs from other countries in which we operate or do business in response to any such U. S.** tariffs or other trade protection measures could have a material adverse effect on our business, results of operations and financial condition **, particularly if the countries where we source a significant amount of our components or where we sell or seek to sell our solutions are impacted**. A failure to properly comply with foreign trade zone laws and regulations could increase the cost of our duties and tariffs. We have established foreign trade zones in California and Delaware, through qualification with U. S. Customs and Border Protection, which allow for “ zone to zone ” transfers between our facilities located in those states. Materials received in a foreign trade zone are not subject to certain U. S. duties or tariffs until the material enters U. S. commerce. We benefit from the adoption of foreign trade zones by reduced duties, deferral of certain duties and tariffs, and reduced processing fees, which help us realize a reduction in duty and tariff costs. However, the operation of our foreign trade zones requires compliance with applicable regulations and continued support of U. S. Customs and Border Protection with respect to the foreign trade zone program. If we are unable to maintain the **qualification-qualifications** of our foreign trade zones, or if foreign trade zones are limited or unavailable to us in the future, our duty and tariff costs would increase, which could have an adverse effect on our business and results of operations. Any significant disruption to the operations at our headquarters or manufacturing facilities could delay the production of our products, which would harm our business and results of operations. We manufacture our products in a limited number of facilities, any of which could become unavailable either temporarily or permanently for any number of reasons, including equipment failure, material supply, public health emergencies, cyber- attacks or catastrophic weather, including extreme weather events or flooding resulting from the effects of climate change, or geologic events. Our headquarters and our Fremont manufacturing facility are located in the San Francisco Bay Area, an area that is susceptible to earthquakes, floods and other natural disasters. The occurrence of a natural disaster such as an earthquake, drought, extreme heat, flood, fire, localized extended outages of critical utilities (such as California’ s public safety power shut- offs) or transportation systems, or any critical resource shortages could cause a significant interruption in our business, damage or destroy our facilities, our manufacturing equipment, or our inventory, and cause us to incur significant costs, any of which could harm our business, financial condition and results of operations. Our disaster recovery plans, and insurance may not be sufficient to restore our operations and to cover our losses, respectively. **We may introduce and promote new technologies that have not yet been proven at commercial scale, and which may not work as intended, be delivered on a timely basis or at all, be developed according to specifications and / or received well by customers. We may introduce and promote new technologies or products that are still in the early stages of development or have not been fully realized. These solutions may face unforeseen technical challenges, rendering them non- functional, delayed, or incapable of meeting the specifications or performance standards initially promised. Additionally, market dynamics, shifting consumer preferences, or a lack of adequate customer education may result in products that fail to gain traction or resonate with the intended audience. Delays in delivery or deviations from promised features can also damage customer trust and our reputation. If any of these risks are realized, they could harm our brand and reputation, lead to increased costs, potential legal or contractual liabilities, and the inability to recoup investments, which could adversely affect our financial performance and strategic objectives.** Our limited history of manufacturing new products, such as our Electrolyzers, makes it difficult to evaluate our future prospects and the challenges we may encounter. While we have a history of manufacturing and selling our Energy Servers - **Server systems**, we have a limited history with regard to our Electrolyzers, which are based in part on the same technology.

As a result, there is little historical basis to make judgments on the capabilities associated with our enterprise, management, and ability to produce Electrolyzers. Our ability to generate the profits we expect to achieve from the sale of Electrolyzers will depend, in part, on our ability to effectively manufacture Electrolyzers, respond to market demand, and add new manufacturing capacity in an efficient, cost-effective manner. We utilize governmental rebates, tax credits, and other financial incentives to lower the effective price of our products to customers in the U. S. and Japan, India, the Republic of Korea, and Taiwan (collectively, our “Asia Pacific region”). The U. S. federal government and some state and local governments provide incentives to current and future end users and purchasers of our **Solutions Energy Servers** in the form of rebates, tax credits and other financial incentives, such as system performance payments and payments for renewable energy credits associated with renewable energy generation. Our **solutions Energy Servers** have qualified for tax exemptions, incentives, or other customer incentives in many states. Some states have utility procurement programs, Renewables Portfolio Standards (“RPSs”) or Clean Energy Standards (“CESs”) for which our technologies are eligible; our **solutions Energy Servers** may not be eligible for other RPSs and CESs, particularly when fueled in whole or in part with natural gas. Financiers and Equity Investors (as defined below) may also take advantage of these financial incentives, lowering the cost of capital and energy to our customers. For example, many of our installations in California interconnect with investor-owned utilities on **Fuel Cell Net Energy Metering (“FC NEM”)** tariffs. FC NEM tariffs were available for new California installations until December 31, 2023. To remain eligible for those FC NEM tariffs, installations currently on those tariffs **are will be** required to meet greenhouse gas emissions standards. **Bloom has filed an Application for Rehearing and a Stay in the FC NEM proceeding that challenges are intended to support operations at a rate that is the same** legality of implementing said greenhouse gas emissions standards, which require our **or better** systems to be significantly cleaner than the grid resources they are displacing. **If that challenge is unsuccessful, however, compliance with the greenhouse gas emissions standards may be required for any customer that remains on the FC NEM tariffs in 2024 and could require acquiring in-state biogas that is scarce and where available comes at a significant cost.** Other generally applicable tariffs are available for customers deploying fuel cells, and do not impose the greenhouse gas standards currently limited to FC NEM. **We If, and when, installations cannot meet any applicable GHG standards, there** are working through the appropriate channels to determine whether to migrate certain customers to these generally applicable tariffs. **We are also working through appropriate regulatory channels to establish alternative tariffs available** for our customers. If the cost to remain on the FC NEM tariffs **is increase significantly** or suitable alternatives are not available, it may negatively impact our existing customer base and future demand for our products. Additionally, the uncertainty regarding requirements for service under any of these tariffs could negatively impact the perceived value of, or risks associated with, our products, which could also negatively impact demand. **The Through the end of 2024, the** U. S. federal government **offers offered** certain federal tax benefits, including the Production Tax Credit under Section 45 of the Internal Revenue Code (the “PTC”) and the Investment Tax Credit under Section 48 of the Internal Revenue Code (the “ITC”), both of which are **currently set to be succeeded by “technology-neutral” versions set forth in Sections 45Y and 48E, respectively, for projects that commence construction beginning in 2025.** The IRA offers a number of federal tax benefits, many of which we may utilize in connection with the sale of our Energy Servers and Electrolyzers. Our customers, financiers, and Equity Investors may expect us to be able to facilitate their optimization of the tax benefits available pursuant to the IRA. Each of these **These** federal tax benefits have certain legal and operational requirements. For example, any taxpayer taking the benefit of the ITC must meet certain requirements regarding ownership and use for a period of five years. If the energy property is disposed of or otherwise ceases to be qualified investment credit property before expiration of such a five-year period, it could result in a partial reduction in incentives. There may be uncertainty as to how **such requirements** the new regulations promulgated under the IRA are interpreted. If IRS guidance regarding implementation of the IRA is **delayed or** viewed by investors as unclear, tax credit financing may be delayed or downsized, harming our ability to **secure finance financing sales for customers**. Our failure to either (i) interpret the new requirements under the IRA regarding among other things, prevailing wage, apprenticeship, domestic content, siting in an “energy community,” accurately or (ii) adequately update our supply-chain, manufacturing, installation, and record-keeping processes to meet such requirements, may result a partial or full reduction in the related federal tax benefit, and our customers, financiers and Equity Investors may require us to indemnify them for certain of such reductions. Changes in federal tax benefits over time also may affect our future performance. For example, currently commercial purchasers of fuel cells are eligible to claim the federal bonus depreciation benefit. However, under current rules it will be phased down, which began in 2023 and will continue until expiring at the end of 2026 in the absence of legislation. Similarly, commercial fuel cell purchasers can claim the ITC. Under current law, fuel cell projects must **have begin begun** construction on or before December 31, 2024, in order to claim up to 50% ITC, after which part of this benefit will expire unless extended. **Our ability to attract future sales in the U. S. could be reduced by the absence of ITC benefits.** Some countries outside the U. S. also provide incentives to current and future end users and purchasers of our **Solutions Energy Servers and Electrolyzers**. For example, in the Republic of Korea, RPSs and CESs are in place to promote the adoption of renewable, low- or zero- carbon power generation. The Korean RPSs were replaced in 2023 with the Clean Hydrogen Portfolio Standard (“CHPS”). This may impact the demand for our **products Energy Servers** in the Republic of Korea. Initially, we do not expect the CHPS to require 100% hydrogen as a feedstock for fuel cell projects. Changes in the availability of rebates, tax credits, and other financial programs and incentives could reduce demand for our products, impair sales financing, and adversely impact our business results. Additionally, these incentives and procurement programs or obligations may expire on a particular date, end when the allocated funding is exhausted, or be reduced or terminated as a matter of regulatory or legislative policy. The continuation of these programs and incentives depends upon continued political support. In the U. S., we rely on tax equity financing arrangements to realize the benefits provided by federal tax benefits and accelerated tax depreciation and in the event these programs are terminated, our financial results could be harmed. We also rely on incentives in the Korean, European and other international markets. U. S. Equity Investors typically derive a significant portion of their economic returns through tax benefits when they finance a

product an Energy Server. Equity Investors are generally entitled to substantially all of the project's tax benefits, such as those provided by the ITC and Modified Accelerated Cost Recovery System ("MACRS") or bonus depreciation. We expect that future Equity Investors will also be interested in taking the benefit of the PTC in connection with financing our Electrolyzers. The number of and available capital from potential Equity Investors is limited, we compete with other energy companies eligible for these tax benefits to access such investors, and the availability of capital from Equity Investors is subject to fluctuations based on factors outside of our control such as macroeconomic trends and changes in applicable taxation regimes. Concerns regarding our limited operating history at a large scale, lack of profitability and that we are the only party who can perform operations and maintenance on our **products** Energy Servers have made it difficult to attract investors in the past. Our ability to obtain additional financing depends on the continued confidence of banks and other financing sources in our business model, the market for our **solutions** Energy Servers and Electrolyzers, and the continued availability of tax benefits applicable to our **solutions** Energy Servers and Electrolyzers, regardless of whether we arrange the financing, or our customers finance the products themselves. In addition, conditions in the general economy and financial and credit markets may result in the contraction of available tax equity financing. Similarly, in international markets such as Korea and Europe, economic benefits applicable to fuel cells may include subsidies for deployment as well as exemptions or reductions from taxes and fees. If as a result of changes to these benefits we, or in some cases our customers, are unable to enter into tax equity or other financing agreements with attractive pricing terms, or at all, neither we nor our customers, may be able to obtain the capital needed to finance the purchase of our products. Such circumstances could also require us to reduce the price at which we are able to sell our products in the applicable markets and therefore harm our business, financial condition, and results of operations. We are subject to laws and regulations that could impose substantial costs upon us and cause delays in the delivery and installation of our products. The construction, installation, and operation of our products are generally subject to oversight and regulation in accordance with laws and ordinances relating to building codes, safety, environmental and climate protection, domestic content requirements and related matters, as well as energy market rules, regulations and tariffs, and typically require governmental approvals and permits, including environmental approvals and permits, that vary by jurisdiction. In some cases, these approvals and permits change or require periodic renewal. These laws and regulations can affect the markets for our products and the costs and time required for their installation and may give rise to liability for administrative oversight costs, compliance costs, clean-up costs, property damage, bodily injury, fines, and penalties. Capital and operating expenses needed to comply with these laws and regulations can be significant, and violations may result in substantial fines and penalties or third-party damages. It is difficult and costly to track the requirements of every individual authority having jurisdiction over our installations, to design our products to comply with these varying standards, and to obtain all applicable approvals and permits. We cannot predict whether or when all approvals or permits required for a given project will be granted or whether the conditions associated with the approvals or permits will be achievable. The denial of a permit ~~or utility connection~~ essential to a project or the imposition of impractical conditions or excessive **transmission or distribution facility upgrade** costs, such as **a condition of costs for upgrading utility** interconnection equipment, would impair our ability to develop the project. In addition, we cannot predict whether the approval or permitting process will be lengthened due to complexities and appeals. **The interconnection study process likewise can be a lengthy process.** A delay in the review and approval of permits for a project **and any interconnection studies, if required,** can impair or delay our and our customers' abilities to develop that project or may increase the cost so substantially that the project is no longer attractive to us or our customers. Furthermore, unforeseen delays in the review and permitting process could delay the timing of the installation of our products and could therefore adversely affect the timing of the recognition of revenue related to the installation, which could harm our operating results in a particular period. In many cases we contractually commit to performing all necessary installation work on a fixed-price basis, and unanticipated costs associated with approval, permitting or compliance expenses may cause the cost of performing such work to exceed our revenue. In addition, emerging federal and state emissions disclosure requirements may pose a burden to existing or potential customers. The costs of complying with all the various laws, regulations and customer requirements, and any claims concerning non-compliance, could have a material adverse effect on our financial condition or operating results. In addition, the rules and regulations regarding the production, transportation, storage, and use of hydrogen, including with respect to safety, environmental and market regulations and policies, are in flux and may limit the market for our **products** Electrolyzers and Energy Servers that **utilize** operate using hydrogen **as a fuel source**. The installation and operation of our products are subject to environmental laws and regulations in various jurisdictions, and there has been in the past and could continue to be uncertainty with respect to both how these laws and regulations may change over time and the interpretation of these environmental laws and regulations to our products. We are committed to compliance with applicable environmental laws and regulations including health and safety standards, and we continuously review the operation of our products for health, safety, and environmental compliance. Our products produce small amounts of hazardous ~~wastes~~ **waste** and air pollutants, and we seek to address these in accordance with applicable regulatory standards. In addition, environmental laws and regulations in the U. S., such as the Comprehensive Environmental Response and Compensation and Liability Act, impose liability on several grounds including for the investigation and clean-up of contaminated soil and ground water, impacts to human health and damages to natural resources. If contamination is discovered at properties currently or formerly owned or operated by us, or properties to which hazardous substances were sent by us, it could result in our liability under environmental laws and regulations. Many of our customers who purchase our products have high sustainability standards, and any environmental non-compliance by us could harm our brand and reputation and impact customers' buying decisions. Maintaining environmental compliance can be challenging given the changing patchwork of environmental laws and regulations that prevail at the U. S. federal, state, regional, and local level and internationally. Most existing environmental laws and regulations preceded the introduction of our innovative fuel cell technology and were adopted to apply to technologies existing at the time (i. e., large coal, oil, or gas-fired power plants). Guidance from these agencies on how certain environmental laws and regulations may or

may not be applied to our technology can be inconsistent. In most jurisdictions where air permits and various land use permits are required for installation of larger Energy Server ~~system~~ installations, the length of time to obtain these permits has increased. Moreover, the level of certainty around the issuance of such permits has decreased and where issued, the cost of compliance has been and can be prohibitive. We have experienced a reluctance in certain areas to issue permits for natural gas Energy Servers-~~Server systems~~ and, even when that reluctance is overcome, we have seen conditions imposed, including a requirement to blend costly renewable fuels or other similar measures that might advance climate goals. The timing associated with these processes and the cost associated with related conditions have impacted our selling activities. Our technology is moving faster than the regulatory process in many instances and there are inconsistencies between how we are regulated in different jurisdictions. It is possible that regulators could delay or prevent us from conducting our business in some way pending agreement on, and compliance with, shifting regulatory requirements. Such actions could delay the installation of our products, could result in penalties, could require modification or replacement or could trigger claims of performance warranties and defaults under customer contracts that could require us to repurchase equipment, any of which could adversely affect our business, financial performance, and brand and reputation. In addition, new energy or environmental laws or regulations or new interpretations of existing laws or regulations could present marketing, political or regulatory challenges and could require us to upgrade or retrofit existing equipment, which could result in materially increased capital and operating expenses. **We are in an unsettled regulatory and legal environment with increasing compliance complexity and costs associated with legal and compliance matters. We operate in a dynamic and increasingly complex regulatory and legal environment, characterized by evolving policies, geopolitical pressures, and the global push toward energy transition. Governments worldwide are enacting stricter regulations to meet net-zero and emissions reduction targets, leading to frequent changes in environmental and energy policies. The shift from fossil fuels to renewable energy sources has introduced new rules, subsidies, and mandates, creating uncertainty for companies managing both legacy and emerging energy systems. Trade disputes, sanctions, and conflicts affecting supply chains and resource availability add unpredictability to the global regulatory landscape. As governments and regulatory bodies introduce stricter requirements, the compliance burden continues to grow. Navigating these changes requires substantial investment in monitoring, adapting to, and implementing new compliance frameworks. Additionally, this heightened regulatory scrutiny increases the likelihood of audits, investigations, and litigation, which can result in significant legal costs, operational delays, or penalties. These factors not only elevate our operational complexity and cost structure but also pose risks to our ability to execute projects, innovate, and maintain stakeholder confidence.** Foreign jurisdictions where we conduct or wish to conduct our business may impose domestic content requirements (requiring goods, materials, components, services or labor to be supplied from or made in ~~the~~ country). Domestic or local content requirements favor domestic industry over foreign competitors and there has been a significant increase in the use of these programs in recent years. For example, in the Republic of Korea, customers and prospective customers may be ~~pressured~~-**incentivized** to select domestic competitors over Bloom. The current generation of our Energy Servers-~~Server systems~~ that run on natural gas generally produce fewer carbon emissions than the average U. S. marginal power generation sources that our projects displace. However, the operation of our current Energy Servers-~~Server systems~~ does produce some carbon dioxide (“CO₂”), which contributes to global climate change. As such, we may be negatively impacted by CO₂- related changes in applicable laws, regulations, ordinances, rules, **including carbon pricing**, or the requirements of the incentive programs on which we and our customers currently rely, as well as potential scrutiny around voluntary or regulatory carbon emissions reporting by our existing or potential customers. Changes in any of the laws, regulations, ~~or~~ ordinances, or rules that apply to our installations and new technology could make it more difficult or costly to install and operate our Energy Servers-~~Server systems~~, thereby negatively affecting our ability to deliver cost savings to our customers. Certain municipalities in which we operate have banned or are considering banning new interconnections with gas utilities, while others have adopted bans that allow new interconnections for non-combustion resources, such as our Energy Servers-~~Server systems~~. Some local municipalities have also banned or are considering banning the use of distributed generation products that utilize fossil fuel. Additionally, our customers’ and potential customers’ energy procurement policies may prohibit or limit their willingness to procure our natural gas- fueled Energy Servers-~~Server systems~~. Our business prospects may be negatively impacted if we are prevented from completing new installations or our installations become more costly as a result of laws, regulations, ~~or~~ ordinances, or rules applicable to our Energy Servers-~~Server systems~~, or by our customers’ and potential customers’ energy procurement policies. The markets for our products are heavily influenced by laws, regulations and policies, including customers’ voluntary procurement standards, as well as by tariffs, internal policies and practices of electric utility providers. These regulations, tariffs, standards, and policies often relate to electricity pricing and technical interconnection of ~~customer-owned~~ electricity generation. These regulations, tariffs, standards, and policies are often modified and could continue to change, which could result in a significant reduction in demand for our products. For example, utility companies commonly charge fees to industrial customers for disconnecting from the electric grid. These fees could change, thereby increasing the cost to our customers of using our products and making them less economically attractive. At the federal level in the U. S., ~~the~~ FERC has authority to regulate under various federal energy regulatory laws, wholesale sales of electric energy, capacity, and ancillary services, and the delivery of natural gas in interstate commerce. Also, several of the tax equity partnerships we are involved with are subject to regulation under FERC with respect to market-based sales of electricity, which requires us to file notices and make other periodic filings with FERC, which increases our costs and subjects us to additional regulatory oversight. Although we generally are not regulated as a utility, statutes, regulations, tariffs and market rules often relate to electricity and natural gas pricing, fuel cell net metering, incentives, taxation, and the rules surrounding the interconnection of ~~customer-owned~~ electricity generation for specific technologies. In the U. S., governments and market operators frequently modify these statutes, regulations, tariffs and market rules. Governments, often acting through state utility or public service commissions, as well as market operators, change, adopt or approve different utility requirements and rates for

commercial and industrial customers on a regular basis. **Rules adopted by FERC and state public utility commissions may also create new requirements that affect commercial and industrial customers, including the potential direct assignment of energy and transmission- system upgrade costs to new data center customers as a class**. Changes, or in some cases a lack of change, in any of the laws, regulations, tariffs ordinances, or other rules that apply to our installations and new technology could make it more costly for us or our customers to install and operate our products and could negatively affect our ability to deliver cost savings to customers. **In addition, the recent change in U. S. federal administration has led and is expected to continue to lead to changes in the leadership of various U. S. federal regulatory agencies and changes or proposed or threatened changes to U. S. federal government policy that have led to, in some cases, legal challenges as well as uncertainty around the funding, functioning and policy priorities of U. S. federal regulatory agencies and the status of current and future regulations. U. S. federal government policy changes have included seeking to temporarily broadly halt federal funding, seeking to aggressively downsize the U. S. federal government's workforce and instructing federal agencies to reprioritize or to cease operating or enforcing certain laws or regulations. We are unable to predict the extent to which the current U. S. federal administration may impose or seek to impose leadership or policy changes at the U. S. federal regulatory agencies responsible for regulating our business or changes to rules and policies impacting our operations. Any such changes could impose additional costs, require the attention of senior management or result in other changes to or limitations on our business.** We may become subject to product liability claims, which could harm our financial condition and liquidity if we are not able to successfully defend or insure against such claims. We may become subject to product liability claims. Our Energy Servers- **Server systems** are considered high energy systems because they consume or produce flammable fuels and may operate up to 480 volts. High- voltage electricity poses potential shock hazards, while natural gas and hydrogen, associated with ~~both use of our products~~ **Energy Servers and our Electrolyzers**, are flammable gases and therefore ~~are~~ **potentially dangerous fuel-fuels** capable of causing fires and other harm. There can be no assurance that our products will continue to be certified to meet certain design and safety standards, and if our equipment is not properly handled or if there are undiscovered issues with our equipment, there could be a system failure and resulting damage, injury or liability. These claims could require us to incur significant costs to defend. Furthermore, any successful product liability claim could require us to pay a substantial monetary award. Moreover, a product liability claim could generate substantial negative publicity about us and could materially impede widespread market acceptance and demand for our products, which could harm our brand, business prospects, and operating results. Our product liability insurance may not be sufficient to cover all potential product liability claims. Any lawsuit seeking significant monetary damages either in excess of or outside of our coverage may have a material adverse effect on our business and financial condition. Litigation or administrative proceedings could have a material adverse effect on our business, financial condition and results of operations. We have been and continue to be involved in legal proceedings, administrative proceedings, claims, and other litigation that arise in the ordinary course of business. For information regarding pending legal proceedings, please see Part I, Item 3, Legal Proceedings and Part II, Item 8, Financial Statements and Supplementary Data, Note 13 — Commitments and Contingencies. In addition, since our **fuel cell products** ~~Energy Server and Electrolyzers~~ are new types of products in nascent markets, we have in the past needed and may in the future need to seek administrative guidance, the amendment of existing regulations, or the development of new regulations, to operate our business in some jurisdictions. Such regulatory processes may require public hearings concerning our business, which could lead to subsequent litigation. Unfavorable outcomes or developments relating to proceedings to which we are a party or transactions involving our products such as judgments for monetary damages, injunctions, or denial or revocation of permits, could have a material adverse effect on our business, financial condition, and results of operations. In addition, settlement of claims could adversely affect our financial condition and results of operations. Policing unauthorized use of proprietary technology can be difficult and expensive, and the measures we have taken to protect our intellectual property rights, including our trade secrets, may not be sufficient to prevent such use. For example, many of our engineers reside in California where it is not legally permissible to prevent them from leaving employment with us and working for a competitor. **Similarly, the outcome of legal challenges to the FTC's non- compete rule, a rule that would have broadly banned virtually all non- compete clauses between employers and workers in the U. S., may impact our ability to prevent our employees from leaving employment with us and working for a competitor.** Also, litigation may be necessary to enforce our intellectual property rights, including ~~to protect~~ **protecting** our trade secrets, or to determine the validity and scope of the proprietary rights of others. Such litigation may result in our intellectual property rights being challenged, limited in scope, or declared invalid or unenforceable. We cannot be certain that the outcome of any litigation will be in our favor, and ~~an~~ **adverse determination** in any such litigation could impair our intellectual property rights, business, prospects, brand, and reputation. We rely primarily on patents, trade secrets, **copyrights**, and trademarks, and non- disclosure, confidentiality, and other types of contractual restrictions to establish, maintain, and enforce our intellectual property and proprietary rights. However, our rights under these intellectual property laws and agreements afford us only limited protection and the actions we take to establish, maintain, and enforce our intellectual property rights may not be adequate. For example, our trade secrets and other confidential information could be discovered by or disclosed in an unauthorized manner to third parties. Additionally, our owned or licensed intellectual property rights could be challenged, invalidated, or declared unenforceable in judicial or administrative proceedings, or circumvented, designed around by our competitors, infringed, or misappropriated. Competitors could copy or reverse ~~engineer~~ **engineering** our products or develop and market products that are substantially equivalent to or superior to our own. Any of these issues, including the unauthorized use of our intellectual property by others, could reduce our competitive advantage and have a material adverse effect on our business, financial condition, or operating results. In addition, the laws of some countries do not protect intellectual property rights as fully as do the laws of the U. S. Many U. S.- based companies have encountered substantial intellectual property infringement in foreign countries, including countries where we sell products. Even if foreign patents are granted, effective enforcement in foreign countries may not be available. We may not be able to effectively protect

our intellectual property rights in these markets or elsewhere. If an impermissible use of our intellectual property or trade secrets were to occur, our ability to sell our products at competitive prices may be adversely affected and our business, financial condition, operating results, and cash flows could be adversely affected. In connection with our expansion into new markets, we may need to develop relationships with new partners, including project developers and / or financiers who may require access to certain of our intellectual property in order to mitigate perceived risks regarding our ability to service their projects over the contracted project duration. If we are unable to come to agreement regarding the terms of such access or find alternative means to address this perceived risk, such failure may negatively impact our ability to expand into new markets. Alternatively, we may be required to develop new strategies for the protection of our intellectual property, which may be less protective than our current strategies and could therefore erode our competitive position. Our patent applications may not result in issued patents, and our issued patents may be successfully challenged in litigation or post- grant proceedings, either of which may have a material adverse effect on our ability to prevent others from commercially exploiting products similar to ours. We cannot be certain that our pending patent applications will result in issued patents or that any of our issued patents will afford protection against a competitor. The status of patents involves complex legal and factual questions, and the breadth of claims allowed is subject to disagreement. As a result, we cannot be certain that the patent applications that we file will result in patents being issued or that our patents and any patents that may be issued to us in the future will afford protection against competitors with similar technology. In addition, patent applications filed in foreign countries are subject to laws, rules, and procedures that differ from those of the U. S., and thus we cannot be certain that foreign patent applications related to issued U. S. patents will be issued in other regions. Furthermore, even if these patent applications are accepted and the associated patents issued, some foreign countries provide significantly less effective patent enforcement than the U. S. In addition, patents issued to us may be infringed upon or designed around by others and others may obtain patents that we need to license or design around, either of which would increase costs and may adversely affect our business, prospects, and operating results. **We may need to defend ourselves against claims that we infringed, misappropriated, or otherwise violated the intellectual property rights of others, which may be time- consuming and would cause us to incur substantial costs.** Companies, organizations, or individuals, including our competitors, may hold or obtain patents, trademarks, or other proprietary rights that they believe are infringed by our products or services. These companies holding patents or other intellectual property rights could make claims or bring suits alleging infringement, misappropriation, or other violations of such rights, or otherwise assert their rights by seeking royalties or injunctions. Several of the proprietary components used in our products have been subjected to infringement challenges in the past. We generally indemnify our customers against claims that the products we supply do not infringe, misappropriate, or otherwise violate third- party intellectual property rights, and we therefore may be required to defend our customers against such claims. If a claim is successfully brought in the future and we or our products are determined to have infringed, misappropriated, or otherwise violated a third- party' s intellectual property rights, we may be required to do one or more of the following: • cease selling or using our products that incorporate the challenged intellectual property; • pay substantial damages (including treble damages and attorneys' fees if our infringement is determined to be willful); • obtain a license from the holder of the intellectual property right, which may not be available on reasonable terms or at all; • redesign our products or means of production, which may not be possible or cost- effective; or • in some instances, re- purchase products from our customers. Any of the foregoing could adversely affect our business, prospects, operating results, and financial condition. In addition, any litigation or claims, whether or not valid, could harm our brand and reputation, result in substantial costs and divert resources and management attention. We also license technology from third parties and incorporate components supplied by third parties into our products. We may face claims that our use of such technology or components infringes or otherwise violates the rights of others, which would subject us to the risks described above. We may seek indemnification from our licensors or suppliers under our contracts with them, but our right to indemnification or our suppliers' resources may be unavailable or insufficient to cover our costs and losses. Since our inception in 2001, we have incurred significant net losses and have used significant cash in our business. As of December 31, **2023-2024**, we had an accumulated deficit of \$ 3. 9 billion. We expect to continue to expand our operations domestically and internationally, including by investing in manufacturing, sales and marketing, research and development, staffing, and infrastructure to support our growth. We may continue to incur net losses in future periods. Our ability to achieve profitability will depend on a number of factors, including our ability to: • grow our sales volume; • expand into new geographical markets and industry market sectors; • attract and retain financing partners; • continue to improve the useful life of our technology and reduce our warranty servicing costs; • reduce the cost of producing our products; • improve the efficiency and predictability of our installation process; • introduce new products, including products for the hydrogen market; • improve the effectiveness of our sales and marketing activities; and • attract and retain key talent in a competitive labor marketplace. Even if we do achieve profitability, we may be unable to sustain or increase our profitability in the future. Our financial condition and results of operations and other key metrics are likely to fluctuate, which could cause our results for a particular period to fall below expectations, resulting in a severe decline in the price of our common stock. Our financial condition and results of operations and other key metrics have fluctuated significantly in the past and may continue to fluctuate in the future due to a variety of factors, many of which are beyond our control. For example, the amount of product revenue we recognize in a given period is materially dependent on the volume of installations of our products in that period and the type of financing used by the customer. In addition to the other risks described herein, the following factors subject us to quarterly fluctuations in our financial condition and results of operations: • the timing of installations, which may depend on many factors such as availability of inventory, product quality or performance issues, local permitting requirements, utility requirements, environmental, health, and safety requirements, weather, availability of labor, health emergencies, and customer facility construction schedules; • size of particular installations and number of sites involved in any particular quarter; • the mix in purchase or financing options used by customers, the geographical mix of customer sales, and the rates of return required by financing parties; • disruptions in our supply chain; • whether we are able to structure our sales agreements in a manner that

would allow for the product and installation revenue to be recognized upfront; • delays or cancellations of product installations; • fluctuations in our service costs, particularly due to unexpected costs and rising labor costs; • fluctuations in our research and development expense, including periodic increases associated with the pre- production qualification of additional tools as we expand our production capacity; • the length of the sales and installation cycle for a particular customer; • the timing and level of additional purchases by new and existing customers, which may be impacted by macroeconomic factors including inflation, interest rates, the recessionary environment, and availability of capital; • the timing of the development of the market for our new features and products, including our Electrolyzer; • unanticipated expenses or installation delays associated with changes in governmental regulations, permitting requirements, utility requirements and environmental, health and safety requirements; • disruptions in our sales, production, service or other business activities resulting from disagreements with our labor force or our inability to attract and retain qualified personnel; and • unanticipated changes in government incentive programs available for us, our customers, and tax equity financing parties. Fluctuations in our operating results and cash flow could, among other things, give rise to short- term liquidity issues. In addition, our revenue, key operating metrics, and other operating results in future quarters may fall short of our projections or the expectations of investors and financial analysts, which could have an adverse effect on the price of our common stock. In order to grow effectively, we must efficiently operate our business, manage our capital expenditures and control our costs. If we experience a significant growth in orders without improvements in automation and efficiency, we may not be able to meet product demand in a timely manner. We may need additional manufacturing capacity and we and some of our suppliers may need additional capital- intensive equipment. Any growth in manufacturing must include scaling quality control as the increase in production increases the possible impact of manufacturing defects. In addition, any growth in the volume of sales of our products may outpace our ability to engage sufficient and experienced personnel to manage the higher number of installations and to engage contractors to complete installations on a timely basis and in accordance with our expectations and standards. Any failure to manage our growth effectively could materially and adversely affect our business, prospects, operating results, and financial condition. Our future operating results depend to a large extent on our ability to manage this growth successfully . **If we fail to maintain effective internal control over financial reporting in the future, the accuracy and timing of our financial reporting may be adversely affected** . We are required to comply with Section 404 of the Sarbanes- Oxley Act of 2002. The provisions of the act require, among other things, that we maintain effective internal control over financial reporting and disclosure controls and procedures. Preparing our financial statements involves a number of complex processes, many of which are done manually and are dependent upon individual data input or review. These processes include calculating revenue, deferred revenue and inventory costs. While we continue to automate our processes and enhance our review and put in place controls to reduce the likelihood for errors, we expect that for the foreseeable future many of our processes will remain manually intensive and thus subject to human error. If we are unable to successfully maintain effective internal control over financial reporting, we may fail to prevent or detect material misstatements in our financial statements, in which case investors may lose confidence in the accuracy and completeness of our financial reports. Any failure to maintain effective disclosure controls and procedures or internal control over financial reporting could have a material adverse effect on our business and operating results and cause a decline in the price of our common stock. Our ability to use deferred tax assets to offset future taxable income may be subject to limitations that could subject our business to higher tax liability. Our ability to use net operating loss carryforwards (“ NOLs ”) to offset future taxable income may be limited due to expiration, lack of taxable income in the future, changes in our stock ownership, and other factors that may be outside of our control. Our deferred tax assets may also expire or be underutilized, which could prevent us from offsetting future taxable income. Currently, we are the only provider able to fully support and maintain our products. If potential customers believe we do not have sufficient capital or liquidity to operate our business over the long- term or that we will be unable to maintain or support our products, customers may be less likely to purchase or lease our products, particularly in light of the significant financial commitment required. In addition, financing sources may be unwilling to provide financing on reasonable terms. Similarly, suppliers, financing partners, and other third parties may be less likely to invest time and resources in developing business relationships with us if they have concerns about the success of our business. Accordingly, in order to grow our business, we must maintain confidence in our liquidity and long- term business prospects among customers, suppliers, financing partners and other parties. This may be particularly complicated by factors such as: • our limited operating history at a large scale; • the size of our debt obligations; • profitability concerns; • unfamiliarity with or uncertainty about our products and the overall perception of the distributed generation market; • prices for electricity or natural gas; • competition from alternate sources of energy; • warranty or unanticipated service issues we may experience; • the perceived value of environmental programs to our customers; • the size of our expansion plans in comparison to our existing capital base and the scope and history of operations; • the availability and amount of tax incentives, credits, subsidies or other incentive programs; and • the other factors set forth in this “ Risk Factors ” section. Several of these factors are largely outside our control, and any negative perceptions about our liquidity or long- term business prospects would likely harm our business. Given our substantial level of indebtedness, it may be difficult for us to secure additional debt financing at an attractive cost, which may in turn impact our ability to expand or maintain our operations, develop our products, and remain competitive in the market. Our liquidity needs could vary significantly and may be affected by general economic conditions, industry trends, performance, and many other factors not within our control. The agreements governing our outstanding indebtedness contain, and other future debt agreements may contain, covenants imposing operating and financial restrictions on our business that limit our flexibility including, among other things: • borrow money; • pay dividends or make other distributions; • incur liens; • make asset dispositions; • make loans or investments; • issue or sell share capital of our subsidiaries; • issue guaranties; • enter into transactions with affiliates; • merge, consolidate or sell, lease or transfer all or substantially all of our assets; • require us to dedicate a substantial portion of cash flow from operations to the payment of principal and interest on indebtedness, thereby reducing the funds available for other purposes such as working capital and capital expenditures; • make it more difficult for us

to satisfy and comply with our obligations with respect to our indebtedness; • subject us to increased sensitivity to interest rate increases; • make us more vulnerable to economic downturns, adverse industry conditions, or catastrophic external events; • limit our ability to withstand competitive pressures; • reduce our flexibility in planning for or responding to changing business, industry and economic conditions; and / or • place us at a competitive disadvantage to competitors that have relatively less debt than we have. Upon the occurrence of certain events to us, including a change in control, a significant asset sale or merger or similar transaction, our liquidation or dissolution or the cessation of our stock exchange listing, each of which may constitute a fundamental change under the outstanding notes, holders of certain of the notes have the right to cause us to repurchase for cash any or all of such outstanding notes. We cannot provide assurance that we would have sufficient liquidity to repurchase such notes. Furthermore, our financing and debt agreements contain events of default. If an event of default were to occur, the trustee or the lenders could, among other things, terminate their commitments and declare outstanding amounts due and payable and our cash may become restricted. We cannot provide assurance that we would have sufficient liquidity to repay or refinance our indebtedness if such amounts were accelerated upon an event of default. Borrowings under other debt instruments that contain cross- acceleration or cross- default provisions may, as a result, be accelerated and become due and payable as a consequence. We may be unable to pay these debts in such circumstances. We cannot provide assurance that the operating and financial restrictions and covenants in these agreements will not adversely affect our ability to finance our future operations or capital needs, or our ability to engage in other business activities that may be in our interest or our ability to react to adverse market developments. We may not be able to generate sufficient cash to meet our debt service obligations or our growth plans. Our ability to generate sufficient cash to meet our debt obligations will depend on our future financial performance, which will be affected by a range of economic, competitive, and business factors. If we do not generate sufficient cash to satisfy our debt obligations, we may have to undertake alternative financing plans such as refinancing or restructuring our debt, selling assets, reducing or delaying capital investments, or seeking to raise additional capital. We cannot provide assurance that any of these alternatives would be available or permitted under the terms of our debt instruments then in effect. Furthermore, the ability to refinance indebtedness would depend upon the condition of the finance and credit markets at the time. Our inability to generate sufficient cash to satisfy our debt obligations or to refinance our obligations on commercially reasonable terms or on a timely basis would have an adverse effect on our business, results of operations and financial condition. Although we currently operate primarily in the U. S., we continue to expand our business internationally. We currently have operations in the Asia Pacific region and Europe. Any expansion internationally could subject our business to risks associated with international operations, including: • increased complexity and costs of managing international operations; • conformity with applicable business customs, including translation into foreign languages and associated expenses; • lack of availability of government incentives and subsidies; • financing challenges for our customers; • potential changes to our established business model, including installation and / or service challenges that we may have not encountered before; • cost of alternative power sources, which could be meaningfully lower outside the U. S.; • availability and cost of natural gas; • variability in gas specifications from jurisdiction to jurisdiction; • effects of adverse changes in currency exchange rates and rising interest rates; • difficulties in staffing and managing foreign operations in an environment of diverse culture, laws and regulations, and customers, and the increased travel, infrastructure, and legal and compliance costs associated with international operations; • our ability to develop and maintain relationships with suppliers and other local businesses; • compliance with product safety requirements and standards; • our ability to obtain business licenses that may be needed in international locations to support expanded operations; • compliance with local laws and regulations and unanticipated changes in local laws and regulations, including tax laws and regulations; • challenges in managing taxation in cross- border transactions; • greater difficulties in securing or enforcing our intellectual property rights in certain jurisdictions; • difficulties in enforcing contracts in certain jurisdictions; • risk of nationalization or other expropriation of private enterprises; • trade barriers such as export requirements, tariffs, taxes, local content requirements, anti- dumping regulations and requirements, and other restrictions and expenses, which could increase the effective price of our products and make us less competitive in some countries or increase the costs to perform under our existing contracts; • difficulties in collecting payments in foreign currencies and associated foreign currency exposure; • restrictions on repatriation of earnings; • natural disasters (including as a result of climate change), acts of war or terrorism, regional conflicts, and public health emergencies; and • adverse social, political and economic conditions, including inflation, a recessionary environment, and disruptions in capital markets. We utilize a sourcing strategy that emphasizes global procurement of materials that ~~has~~ **have** direct or indirect dependencies upon a number of vendors with operations in the Asia Pacific region. Physical, regulatory, technological, market, reputational, and legal risks related to climate change in these regions and globally are increasing in impact and diversity and the magnitude of any short- term or long- term adverse impact on our business or results of operations remains unknown. The physical impacts of climate change, including as a result of certain types of natural disasters occurring more frequently or with more intensity or changing weather patterns, could disrupt our supply chain, result in damage to or closures of our facilities, and could otherwise have an adverse impact on our business, operating results and financial condition. In addition, the war in Ukraine resulted in increased sanctions that affected the price of raw materials used in our products, which had and could continue to have an adverse impact on our operating results. Our cross- border transactions and international operations are subject to complex foreign and U. S. laws and regulations, including anti- bribery and corruption laws, antitrust or competition laws, data privacy laws, such as the GDPR, and environmental regulations, among others. In particular, recent years have seen a substantial increase in anti- bribery law enforcement activity by U. S. regulators, and we currently operate and seek to operate in many parts of the world that are recognized as having greater potential for corruption. Violations of any of these laws and regulations could result in fines and penalties, criminal sanctions against us or our employees, prohibitions on the conduct of our business and on our ability to offer our products and services in certain geographies, and significant harm to our business reputation. Our policies and procedures to promote compliance with these laws and regulations and to mitigate these risks may not protect us from all acts committed by our employees or third- party

vendors, including contractors, agents and services partners. Additionally, the costs of complying with these laws (including the costs of investigations, auditing and monitoring) could adversely affect our current or future business. The success of our international sales and operations will depend, in large part, on our ability to anticipate and manage these risks effectively. Our failure to manage any of these risks could harm our international operations, reduce our international sales, and could give rise to liabilities, costs or other business difficulties that could adversely affect our operations and financial results. Data security breaches and cyberattacks could compromise our intellectual property or other confidential information and cause significant damage to our business, product performance, brand, and reputation. We maintain information that is confidential, proprietary or otherwise sensitive in nature on our information technology systems, and on the systems of our third- party providers. This information includes intellectual property, financial information and other confidential information related to us and our employees, prospects, customers, suppliers and other business partners. Additionally, our information technology provides us with the ability to remotely control some variables of our products; they are connected to, controlled and monitored by our centralized remote monitoring service. We rely on our internal software applications for many of the functions we use to operate our business generally. Cyberattacks are increasing in frequency and evolving in nature. We and our third- party providers are at risk of attack through the use of increasingly sophisticated methods, including malware, phishing and the deployment of artificial intelligence to find and exploit vulnerabilities. Our information technology systems, and those maintained by our third- party providers, have been in the past, and may be in the future, subjected to attempts to gain unauthorized access, disable, destroy, maliciously control or cause other system disruptions. In some cases, it is difficult to anticipate or to detect immediately such incidents and the damage they caused. While these types of incidents have not had a material effect on our business to date, future incidents involving access to our network or improper use of our systems, or those of our third parties, could compromise confidential, proprietary or otherwise sensitive information, as well as the operation of our products. There is no assurance that any measures we may take to combat known and unknown cybersecurity risks will be sufficient to prevent future security breaches and cyberattacks. The security of our infrastructure, including the network that connects our products to our remote monitoring service, may be vulnerable to breaches, unauthorized access, misuse, computer viruses, or other malicious code and cyberattacks that could have a material adverse impact on our business and our products in the field, and the protective measures we have taken may be insufficient to prevent such events. A breach or failure of our networks or computer or data management systems due to intentional actions such as cyberattacks, including ransomware attacks, phishing or denial- of- service attacks, negligence, or other reasons, whether as a result of actions by third- parties or our employees, could seriously disrupt our operations or could affect our ability to control or to assess the performance in the field of our products and could result in disruption to our business and legal liability. In addition, security breaches and cyberattacks could negatively impact our brand and reputation and our competitive position and could result in litigation with third parties, regulatory action and increased remediation costs, any of which could adversely impact our business, our financial condition, and our operating results. Although we maintain insurance coverage that may cover certain liabilities in connection with some security breaches and cyberattacks, we cannot be certain it will be adequate for liabilities actually incurred or that any insurer will not deny coverage of future claims. We believe that our success and our ability to reach our strategic objectives are highly dependent on the contributions of our key management, technical, engineering, finance and sales personnel. The loss of the services of any of our key employees could disrupt our operations, delay the development and introduction of our products and services and negatively impact our business, prospects and operating results. In particular, we are highly dependent on the services of Dr. Sridhar, our Founder, President, Chief Executive Officer and Director, and other certain key employees. None of our key employees are bound by employment agreements for any specific term and we cannot assure you that we will be able to successfully attract and retain the senior leadership necessary to grow our business. There is intense competition for talented individuals in our industry, particularly in the San Francisco Bay Area where our principal offices are located. Our failure to attract and retain our executive officers and other key management, technical, engineering, finance and sales personnel, could adversely impact our business, our financial condition and our operating results. Competition for manufacturing employees is intense, and we may not be able to attract and retain the qualified and skilled employees needed to support our business. We believe part of our success depends on the efforts and talent of our manufacturing employees and our ability to attract, develop, motivate and retain such employees. Competition for manufacturing employees is extremely intense. We may not be able to hire and retain these personnel at compensation levels consistent with our existing compensation and salary structure. Some of the companies with which we compete for experienced employees have greater resources than we have and may be able to offer more attractive terms of employment. The market price of our common stock has been and may continue to be volatile. In addition to factors discussed in this Risk Factors section, the market price of our common stock may fluctuate significantly in response to numerous variables, many of which are beyond our control, including: • overall performance of the equity markets; • actual or anticipated fluctuations in our revenue and other operating results; • changes in the financial projections we may provide to the public or our failure to meet these projections; • changing market and economic conditions, including a recessionary environment, rising interest rates and inflationary pressures; • failure of securities analysts to initiate or maintain coverage of us, changes in financial estimates by any securities analysts who follow us or our failure to meet these estimates or the expectations of investors; • the issuance of negative reports from short sellers; • recruitment or departure of key personnel; • new laws, regulations, subsidies or credits, or new interpretations of them, applicable to our business; • negative publicity related to problems in our manufacturing or the real or perceived quality of our products; • rumors and market speculation involving us or other companies in our industry; • the failure or distress of competitors in our industry; • announcements by us or our competitors of significant technical innovations, acquisitions, strategic partnerships or capital commitments; • lawsuits threatened or filed against us; and • other events or factors including those resulting from war, natural disasters (including as result of climate change), incidents of terrorism or responses to these events. In addition, the stock markets have experienced extreme price and volume fluctuations that have affected and continue to affect the market prices of equity securities of many companies. Stock prices of many

companies have fluctuated in a manner unrelated or disproportionate to the operating performance of those companies. In the past, stockholders have instituted securities class action litigation following periods of market volatility. We are currently involved in securities litigation, which may subject us to substantial costs, divert resources and the attention of management from our business, and adversely affect our business. In the event that some or all of the Green Notes are converted, and we elect to deliver shares of common stock, the ownership interests of existing stockholders will be diluted, and any sales in the public market of any shares of our common stock issuable upon such conversion could adversely affect the prevailing market price of our common stock. **SK ecoplant Co., Ltd. and its affiliates (“ SK ecoplant ”) hold 23, 491, 701 shares of our common stock, equaling 10. 3 % of the shares outstanding as of December 31, 2024 (see Part II, Item 8, Note 17 — SK ecoplant Strategic Investment). As part of its initial investment, SK ecoplant agreed that it would be prohibited from disposing any of the purchased securities for a period ending on the second anniversary of the Second Closing Date, which is March 23, 2025. The sale of a substantial number of shares of our common stock by SK ecoplant, or the perception that such sales could occur, could adversely affect the market price of our common stock. These sales, or the possibility of these sales, could also make it more difficult for us to sell equity securities or securities convertible into equity securities in the future at a time and at a price that we deem appropriate.** We have never declared or paid any cash dividends on our capital stock and do not intend to pay cash dividends in the foreseeable future. We anticipate that we will retain all of our future earnings for use in the development of our business and for general corporate purposes. Any determination to pay dividends in the future will be at the discretion of our board of directors. Accordingly, investors must rely on sales of their common stock after price appreciation, which may never occur, as the only way to realize any future gains on their investments. Provisions in our restated certificate of incorporation and amended and restated bylaws may have the effect of delaying or preventing a change of control or changes in our management. Our restated certificate of incorporation and amended and restated bylaws include provisions that: • require that our board of directors is classified into three classes of directors with staggered three -year terms; • permit the board of directors to establish the number of directors and fill **in** any vacancies and newly created directorships; • require super- majority voting to amend some provisions in our restated certificate of incorporation and amended and restated bylaws; • authorize the issuance of “ blank check ” preferred stock that our board of directors could use to implement a stockholder rights plan; • authorize only the chairman of our board of directors, our chief executive officer, or a majority of our board of directors to call a special meeting of stockholders; • prohibit stockholder action by written consent; • expressly authorize the board of directors to make, alter, or repeal our bylaws; and • establish advance notice requirements for nominations for election to our board of directors or for proposing matters that can be acted upon by stockholders at annual stockholder meetings. In addition, our restated certificate of incorporation and our amended and restated bylaws provide that the Court of Chancery of the State of Delaware will be the exclusive forum for: any derivative action or proceeding brought on our behalf; any action asserting a breach of fiduciary duty; any action asserting a claim against us arising pursuant to the Delaware General Corporation Law, our restated certificate of incorporation or our amended and restated bylaws; or any action asserting a claim against us that is governed by the internal affairs doctrine. Our restated certificate of incorporation and our amended and restated bylaws provide that unless we consent in writing to the selection of an alternative forum, the federal district courts of the U. S. shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. These choice of forum provisions may limit a stockholder’ s ability to bring a claim in a judicial forum that it finds favorable for disputes with us or any of our directors, officers, or other employees, which thereby may discourage lawsuits with respect to such claims. Alternatively, if a court were to find the choice of forum provision contained in our restated certificate of incorporation and our amended and restated bylaws to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our business, our operating results, and our financial condition. Moreover, Section 203 of the Delaware General Corporation Law may discourage, delay, or prevent a change in control of our Company. Section 203 imposes certain restrictions on mergers, business combinations, and other transactions between us and holders of 15 % or more of our common stock. ~~Increased scrutiny~~ **Scrutiny** regarding ESG practices and disclosures could result in additional costs and adversely impact our business, brand and reputation. Like many companies, we face ~~increased~~ **increased** scrutiny relating to our Environmental, Social and Governance (“ ESG ”) practices and disclosures. ~~Many investors~~ **investors use** ~~are increasingly using~~ **are increasingly using** ESG screening criteria ~~in for~~ **in for** making investment decisions **and ESG standards, frameworks and regulations continue to evolve**. Our ~~disclosures on these matters or a failure to satisfy evolving stakeholder expectations for~~ **disclosures** ~~may not satisfy, appropriately respond to the concerns of, or be supported by all investors, customers, partners, regulators, enforcement authorities, or other stakeholders (including those in support of or in opposition to ESG practices), whose expectations are evolving and varied. Any violation of, non- compliance with, or failure to meet such expectations, or negative publicity related to our ESG practices or disclosures, could~~ **disclosures** ~~may not satisfy, appropriately respond to the concerns of, or be supported by all investors, customers, partners, regulators, enforcement authorities, or other stakeholders (including those in support of or in opposition to ESG practices), whose expectations are evolving and varied. Any violation of, non- compliance with, or failure to meet such expectations, or negative publicity related to our ESG practices or disclosures, could~~ harm our brand and reputation and **adversely** ~~impact employee retention and, our access to capital~~ **impact employee retention and,** our access to capital ~~and, our access to capital~~ ~~or failure, or our perceived failure attractiveness as a business partner, to pursue or fulfill our goals, targets, and objectives or to satisfy various reporting standards, could expose us~~ **or failure, or our perceived failure attractiveness as a business partner, to pursue or fulfill our goals, targets, and objectives or to satisfy various reporting standards, could expose us** ~~to increased scrutiny or criticism or to government enforcement actions and private litigation. Our ability to achieve any ESG goal, target, or objective, is subject to numerous risks, many of which are outside of our control. Examples of such risks include the availability and cost of~~ **to increased scrutiny or criticism or to government enforcement actions and private litigation. Our ability to achieve any ESG goal, target, or objective, is subject to numerous risks, many of which are outside of our control. Examples of such risks include the availability and cost of** ~~environmental commodities,~~ **environmental commodities,** technologies and products, evolving regulatory requirements affecting ESG standards or disclosures, our ability to recruit, develop, and retain diverse talent in our labor markets, and our ability to develop and maintain reporting processes and controls that comply with evolving standards for identifying, measuring and reporting ESG metrics. As ESG stakeholder expectations, reporting standards, and disclosure requirements continue to develop, we may incur increasing costs related to ESG monitoring and reporting.