

# Eos Energy Enterprises

## 2021 Financial Results

February 25, 2022



Eos. Positively ingenious.



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# Operating Highlights

Discharge Energy<sup>1</sup>

**415 MWh**

with 2.3+ million operating cycles

Booked Orders <sup>2021</sup>

**\$137.4 million**

representing 561 MWh

Orders Backlog<sup>1</sup>

**\$147.5 million**

representing 597 MWh

Opportunity Pipeline<sup>1</sup>

**\$4.1 billion**

representing 25 GWh

Revenue <sup>2021</sup>

**\$4.6 million**

to Greece, Nigeria, India, USA

Cash On Hand

**\$105 million**

as of 12/31/2021

# Continuing our rapid growth trajectory

5x volume leverage on COGS quarter over quarter



## Increased operational scale

**2x** Signed new lease, doubling manufacturing footprint to ramp to 800 MWh by YE

**Eos**  
**Z3™** Pilot Z3 manufacturing line in process and first units produced

**ISO** Received ISO 9001 certification



## Improved operating performance

**68%** Increased battery output vs. 1H 2021

**90%** First pass yield approaching 90%

**75%** Reduced BESS shipping cycle time



## Continued commercial growth

**4x** Sales volume in Q4 vs. Q3

**\$176M<sup>1</sup>** New customer LOIs / firm commitments

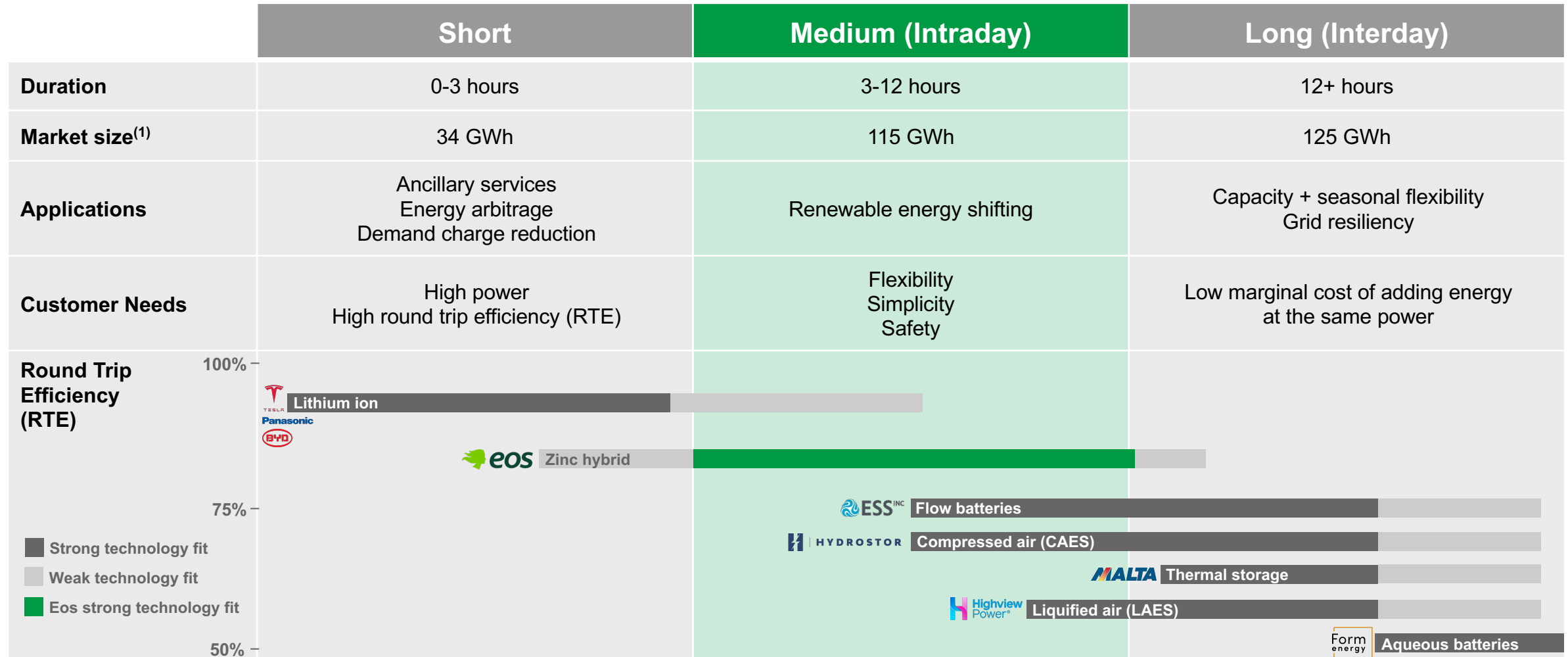
**\$4.1B<sup>1</sup>** Opportunity pipeline, representing 25 GWh

# Booked orders & revenue



# Energy storage market segmentation

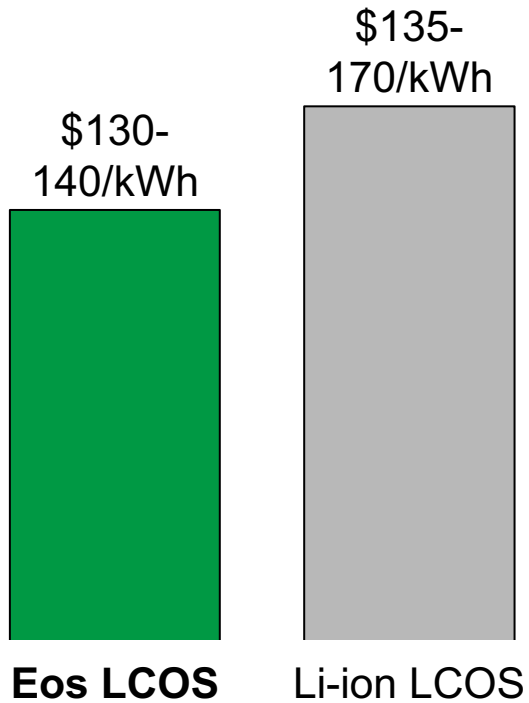
Multiple technologies required to meet dynamic use cases



# Eos has clear and compelling advantages over Li-ion

As market shifts to 4+ hour durations, Eos systems provide a better solution for customers





## 1 Eos has a clear path to win on cost<sup>1</sup>



## 2 Eos is much easier to buy and own

- ✓ Stable, de-risked supply chain
- ✓ Containers ship fully integrated at 0V for increased safety
- ✓ Longer operational lifetime
- ✓ No auxiliary cooling system, reducing maintenance costs
- ✓ Hard to damage when operated beyond product specs
- ✓ Simple, cheaper end-of-life recycling

## 3 Eos's inherent flexibility de-risks customers' business cases

-  **Deeper discharge depth**  
Eos's **100%** vs. lithium's 80%
-  **Broader discharge range**  
Eos's **3-12 hr** vs. lithium's 1-4 hr
-  **Wider operating temperature range**  
Eos's **-20-45°C** vs lithium's 15-25°C
-  **Lower degradation**  
Eos's **<9% lifetime** vs. lithium's 2-3%<sup>2</sup> annually

(1) 2025 LCOS (100MW, 4 hour, 365 cycle front of the meter)  
(2) Capacity loss assumes a one cycle per day operating mode

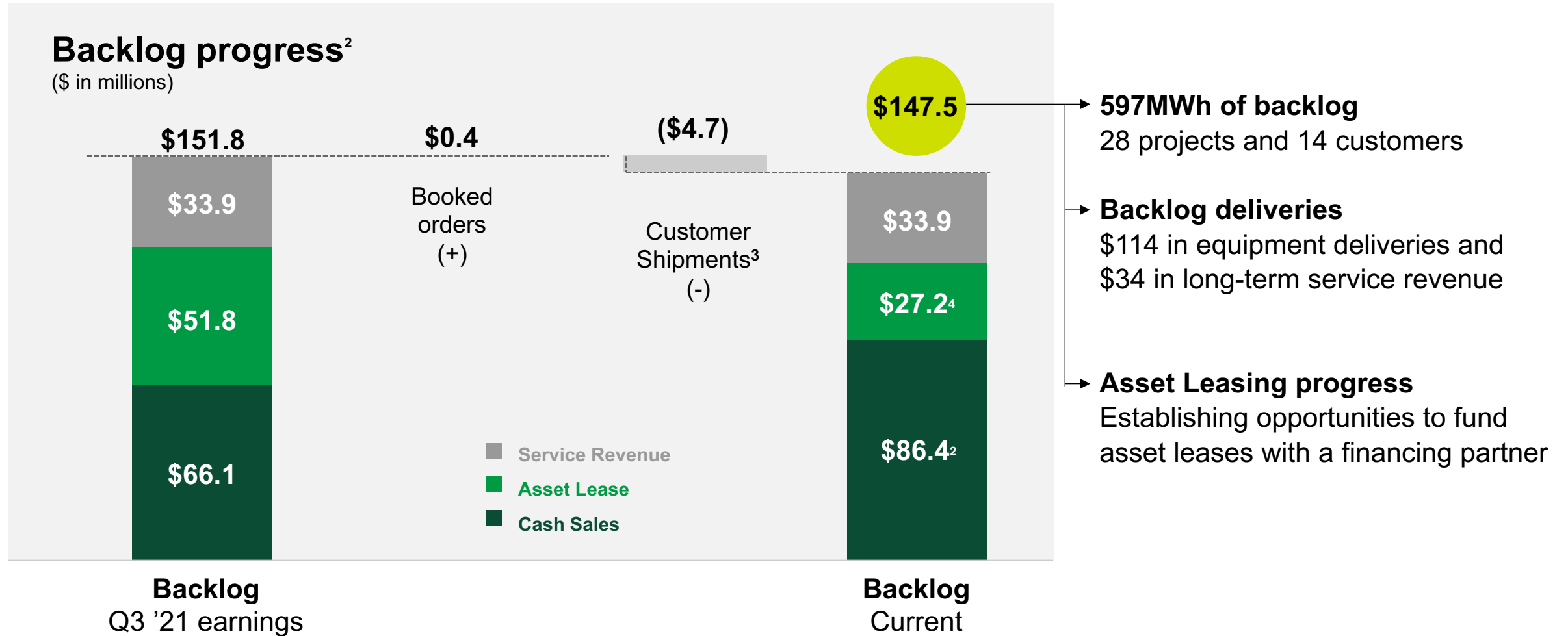
# Current commercial activity

135+ potential customer projects engaged

Lead generation <sup>1</sup>	Current pipeline <sup>1</sup>		LOI / Firm commitments	Booked orders 2021
	Active proposals			
<p><b>\$3.9B</b> 25GWh</p> <p>↑ \$1B vs. Q3'21 earnings</p>	<p><b>\$1.1B</b> 7GWh</p> <p><b>Technical proposal</b></p>	<p><b>\$2.3B</b> 15GWh</p> <p><b>Non-binding quote</b></p>	<p><b>\$0.7B</b> 3GWh</p> <p>↑ \$176MM vs Q3'21 earnings</p>	<p><b>\$137.4MM</b> 561MWh</p> <p>No change vs. Q3'21 earnings</p>
<ul style="list-style-type: none"> <li>✓ Feasibility study</li> <li>✓ Develop project plan</li> <li>✓ Monitor regulations</li> </ul>	<ul style="list-style-type: none"> <li>✓ Clear project requirements</li> <li>✓ Gather customer specs</li> <li>✓ Analyze use cases</li> <li>✓ Commercial &amp; technical proposal</li> </ul>		<ul style="list-style-type: none"> <li>✓ Finalize commercial terms</li> <li>✓ Contract negotiation</li> <li>✓ Letter of intent</li> <li>✓ Open closing conditions</li> </ul> <p><b>Customer next steps</b></p> <ul style="list-style-type: none"> <li>+ Acquire land rights</li> <li>+ Negotiate financing</li> <li>+ Establish interconnections</li> </ul>	<ul style="list-style-type: none"> <li>✓ Binding agreement</li> <li>✓ Open closing conditions</li> <li>✓ Purchase orders w/down payment</li> </ul> <p><b>Eos next steps</b></p> <ul style="list-style-type: none"> <li>+ Manufacture batteries</li> <li>+ Ship and install system</li> <li>+ Monitor performance</li> </ul>



# Current orders backlog<sup>1</sup>



(1) Numbers shown as of February 24, 2022  
 (2) Backlog is a rollforward year-over-year  
 (3) Customer Shipments represent containers shipped from facility  
 (4) \$23.1 re-class from Lease to Cash

# Manufacturing capacity & product delivery



# Optimizing processes & expanding footprint



## Continuous yield improvement

### Improved battery output

Increased battery output by 68% vs. 1H 2021

### Expanded manufacturing workforce

Added a new shift to significantly increase capacity

### Optimized processes and cycle time

Reduced container loading cycle time by 75%

## Expanding manufacturing footprint

### Signed a new lease in Turtle Creek

Adding 46,000 sq. ft to ramp capacity to 800MWh capacity by YE'22

### Completed factory flow layout & project plan

Manufacturing to commence in Q2 with a full ramp by Q4

### Validating capital efficient capex model

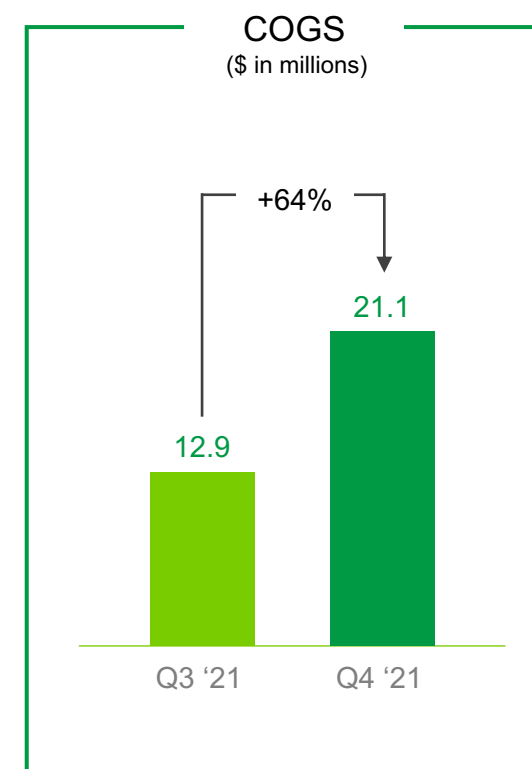
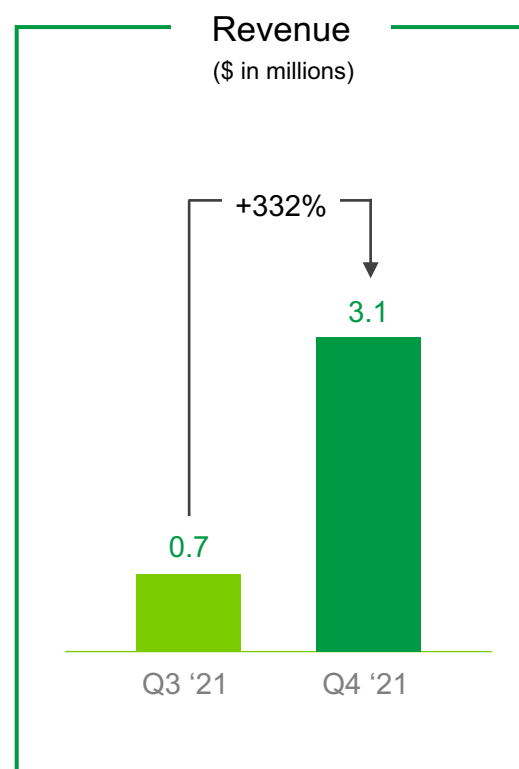
\$50 million = ~1 GWh capacity (60% less than li-ion)

# Financial results & forecast



# Fourth quarter 2021 Eos income statement

\$ in millions	Q4 2021	Q3 2021
<b>Revenue</b>	<b>3.1</b>	<b>0.7</b>
Cost of sales	21.1	12.9
<b>Gross Profit</b>	<b>(18.0)</b>	<b>(12.2)</b>
R&D expense	5.4	5.1
G&A expense	14.0	8.8
Loss on pre-existing agreement	-	-
Grant (income) / expense	0.2	0.2
<b>Operating Loss</b>	<b>(37.6)</b>	<b>(26.3)</b>
Interest Expense (Income) Net	1.3	3.7
Remeasurement of equity method investment	-	-
Other Expense (Income)	(8.3)	(11.9)
<b>Net Loss</b>	<b>(30.6)</b>	<b>(18.1)</b>



**>5x leverage on volume quarter over quarter**

# 2021 Eos income statement

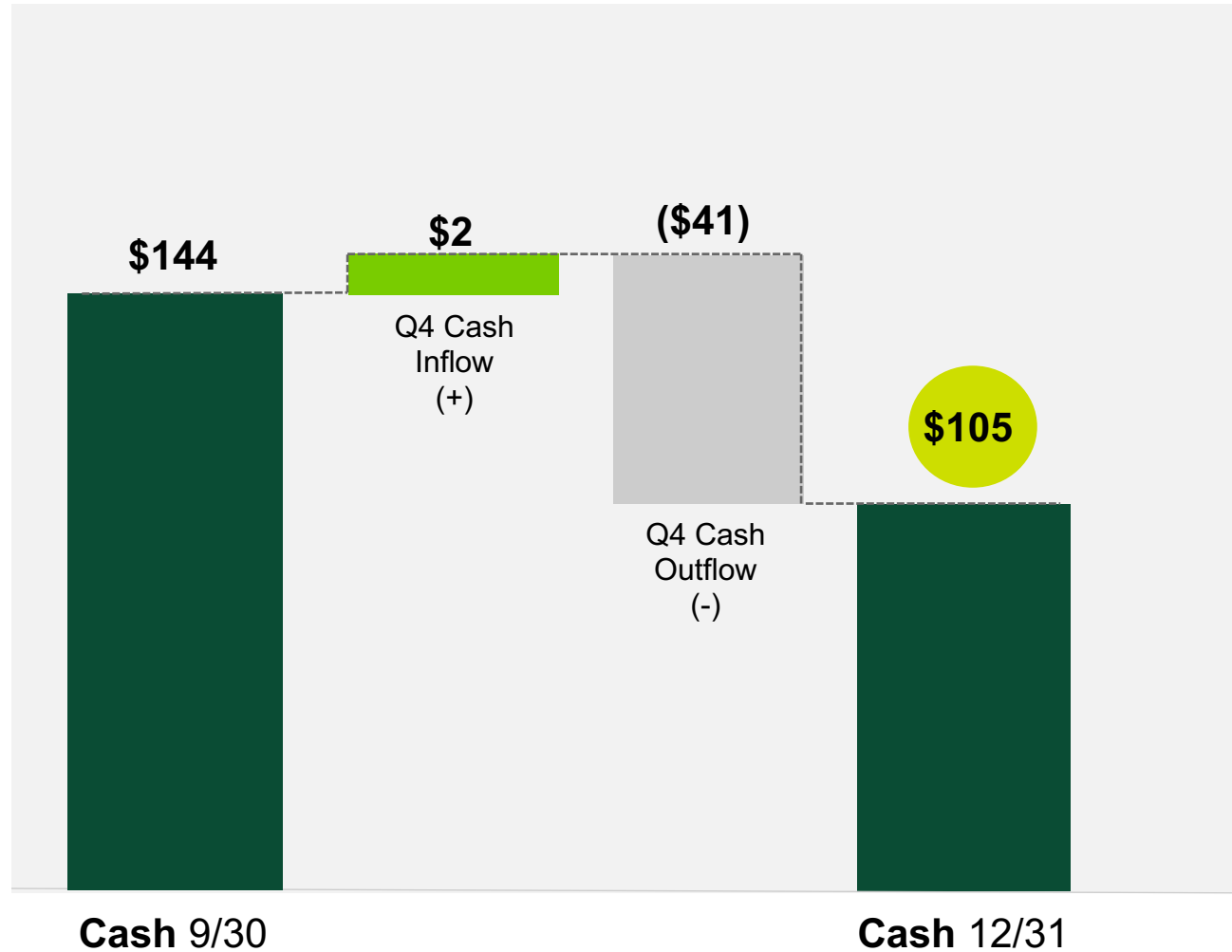
\$ in millions	2021	2020
<b>Revenue</b>	<b>4.6</b>	<b>0.2</b>
Cost of sales	46.5	5.5
<b>Gross Profit</b>	<b>(41.9)</b>	<b>(5.3)</b>
R&D expense	19.2	13.6
G&A expense	43.0	17.6
Loss on pre-existing agreement	30.4	1.3
Grant (income) / expense	0.3	0.9
<b>Operating Loss</b>	<b>(134.7)</b>	<b>(38.7)</b>
Interest Expense (Income) Net	5.2	23.8
Remeasurement of equity method investment	7.5	-
Other Expense (Income)	(23.2)	8.1
<b>Net Loss</b>	<b>(124.2)</b>	<b>(70.6)</b>

## Business Highlights:

- + Full year revenue of \$4.6 million, in-line with company estimates; 23x growth vs. 2020.
- + Booked orders of \$137.4 million resulting in backlog of \$148.7 million as of December 31, 2021; 655% growth vs. 2020.
- + Booked orders revenue includes \$34 million of future recurring services revenue.
- + Substantial operational improvement, with manufacturing first time yield approaching 90%.

# Current cash balance

(\$ in millions)



## Q4 Cash Flow

- \$(22)** Cost of Goods Sold <sup>1</sup>
- \$(8)** General Administrative Expenses
- \$(4)** R&D
- \$(4)** Capital Expenditures <sup>2</sup>
- \$(1)** Financing Activities
- \$(2)** One-time items

<sup>1</sup> Includes advanced payments ~\$5mm

<sup>2</sup> Includes advanced payments ~\$2mm

# 2022 Commitments



## Increase operational scale

**800 MWh** capacity scale up

**\$25-35M** capex investment



## Improve operating performance

**\$50M** in revenue to deliver on our backlog

**90+%** first pass manufacturing yield



## Accelerate order backlog growth

**\$400M** in total booked orders

**\$80M** in recurring service & software revenue