



Targeting Global Leadership in Decentralized Water & Wastewater Treatment Solutions



Annual General Meeting
24 May 2018

Agenda

1. Chairman's address – Richard Irving
2. Managing Director's address – Henry Charrabé
3. Formal business



Chairman's Address

Richard Irving



Fluence is Solving Water and Environmental Problems



- Clear signs of growing global water scarcity and contamination
- Fluence is focused on the decentralised market with a full suite of solutions
- Decentralised solutions deploy faster and cheaper - US\$22B market by 2021¹



Jakarta, sewage often finds its way into rivers and canals



IFAT week in Munich

¹Source: Global Water Intelligence, *Global Water Market 2017 Volume 1*

Growing Global Water Crisis Now



Urgent Need For
Affordable,
Fast-to-Deploy
Solutions

Water shortages affect 2.7B people **now**

2.4B people lack proper wastewater treatment **now**

An additional 2.1B people need upgraded treatment

Population growth from 7.4B in 2016 to 9.1B in 2050

60% increase in global food production by 2050

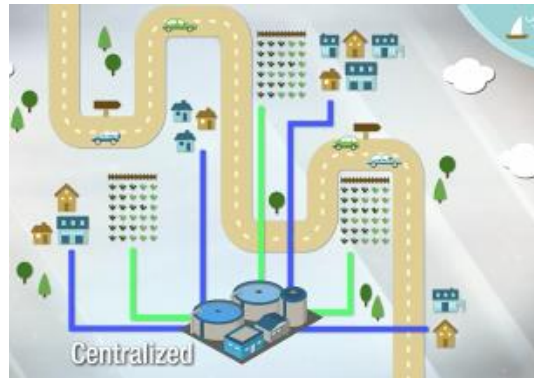
Manufacturing water demand will grow 400% by 2050

Global water consumption to double by 2050

Results in 40% water deficit by **2030**

By **2025**, two-thirds of the world will face water shortages

Fluence's Solutions Have Advantages Over Traditional Water Treatment Infrastructure



- CapEx and OpEx are inefficient
- Infrastructure takes too long to deploy
- Developed world: Rusting pipes and growing communities
- Very costly to upgrade
- Fast, cost effective 'plug and play' solution
- Remote monitoring and operation, substantially reducing OpEx
- Limited in-ground infrastructure
- Reduces water and energy demand
- Multiple decentralised plants help mitigate man-made or natural disasters

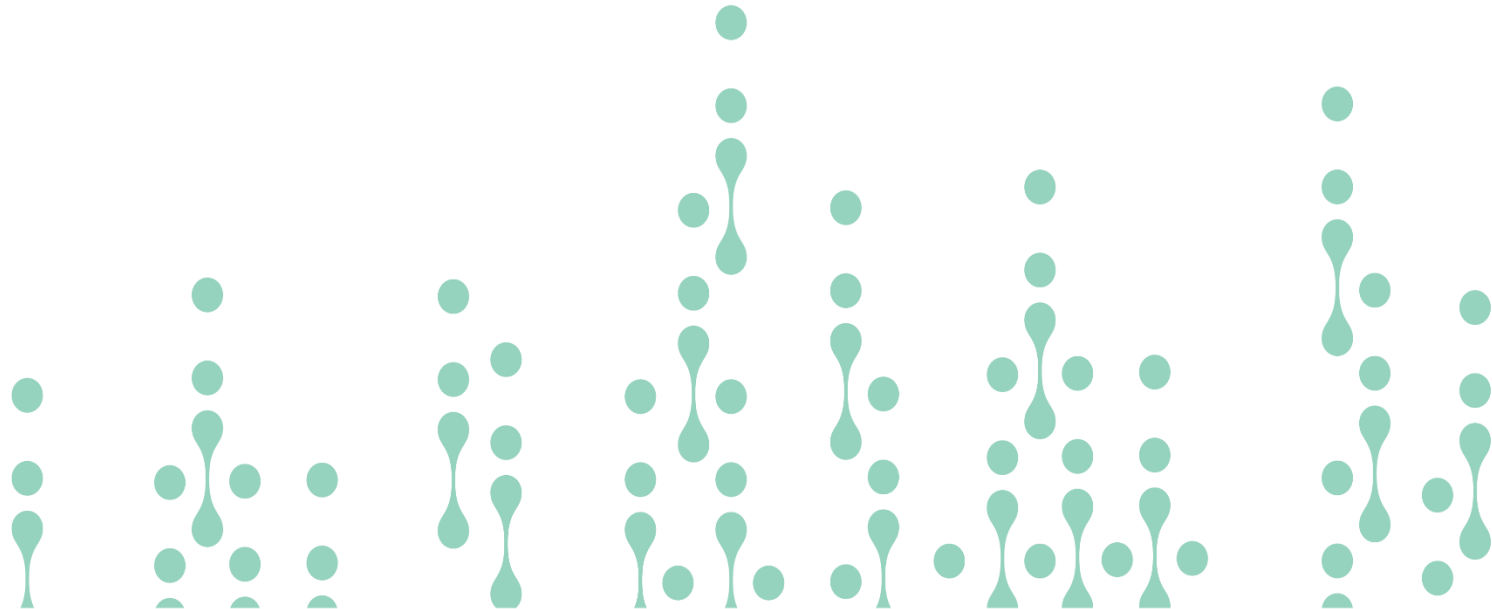
Our Strategy



- Focus on decentralised solutions to water and wastewater problems
- Migrate from legacy EPC projects to Smart Packaged Plants enabling more repeat orders, faster delivery and higher margins
- Secure growing BOT pipeline funded via debt partner increasing recurring revenue
- Target China's rural wastewater treatment opportunity with Aspiral™ Smart Packaged Plants based on proprietary and patented MABR technology
- Leverage partners to accelerate pipeline, bookings and revenue growth
- Maintain high top-line growth and target EBITDA positive during 2019

Managing Director's Address

Henry Charrabé



2017: Building the Foundation for Growth



- Successful merger of Emefcy Group Limited and RWL Water to form Fluence
- Innovation driving new market opportunities – first SUBRE contract awarded to upgrade and retrofit a centralised wastewater treatment plant in Israel
- First production of MABR Modules in Fluence’s China manufacturing facility
- Secured China orders through partners Jiangsu Jinzi Environmental Science and Technology Company
- Exclusive MoU signed with an African nation to design and construct an advanced water treatment plant
- VINCI Construction Grands Projects (France) has contracted to install three NIROBOX™ smart packaged seawater desalination units for the island of Mayotte
- US Virgin Islands MABR installation conforms to US EPA standards
- Agreement executed with Stanford University to deploy, test and measure the performance of Fluence's MABR wastewater treatment technology

Global Recognition



- Awarded the “2018 Global Decentralized Water & Wastewater Treatment Company of the Year” by Frost and Sullivan
- Frost & Sullivan noted the key benefits of Fluence’s modular, decentralised systems, such as lower operating cost, easier maintenance and lower capital outlays.



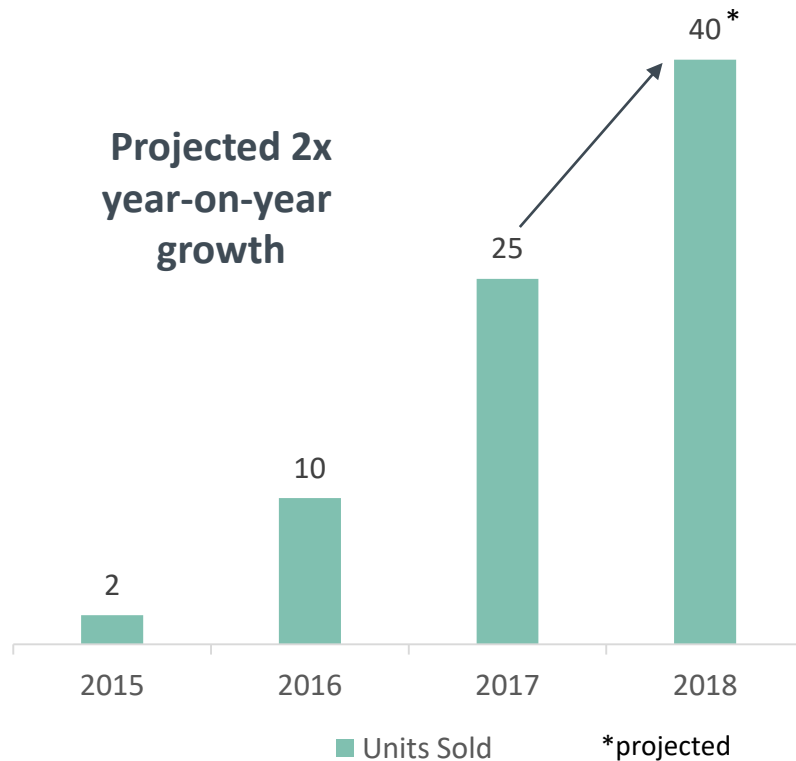
2018: Building Momentum



- Contract revenue backlog of US \$94.9m at 31 Mar 2018
 - US \$68.0m anticipated to convert into 2018 revenue, on top of US\$10.2m already generated in Q1 2018
- Financial close achieved for US \$48m San Quintin, Mexico project – project financed and includes 30-year operating agreement providing recurring revenue to Fluence
- China market opportunity materialising – relationships and product awareness building with five operational reference sites and an additional sale through Jinzi of an MABR wastewater treatment plant for the local government of Zhenfeng County, Guizhou province
- First MABR Plant in Beijing area and with new local partner Glory Land (Beijing) Science & Technology Co. Ltd - effluent produced will outperform China's Class 1A standards
- Rapid deployment of NIROBOX™ to a resort facility in Philippines foreshadows further opportunities in the region
- Brackish water treatment NIROBOX™ sales in Argentina highlight continued global expansion of NIROBOX™ solution
- Strengthened management team with CFO and CMO appointments

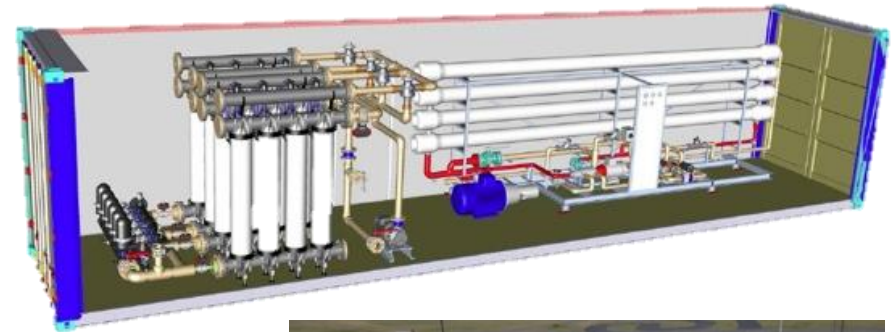
Smart Packaged Plants Drive Rapid Sales Growth

NIROBOX™ Sales Ramp



Nirobox Smart Packaged Plant

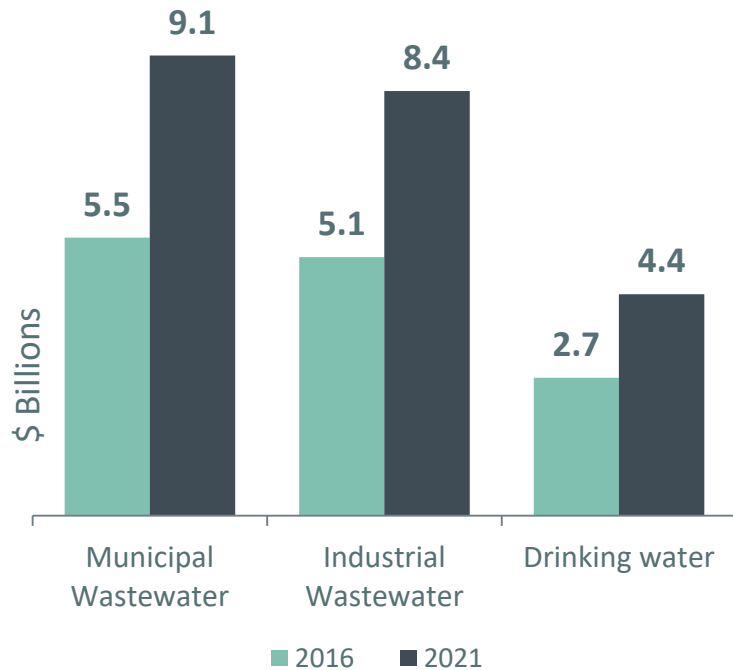
- Containerized mobile desalination plant for easy deployment globally
- Wins contracts by saving energy, cost, time to deployment
- Higher gross margins
- Introduced in 2015 with immediate market adoption



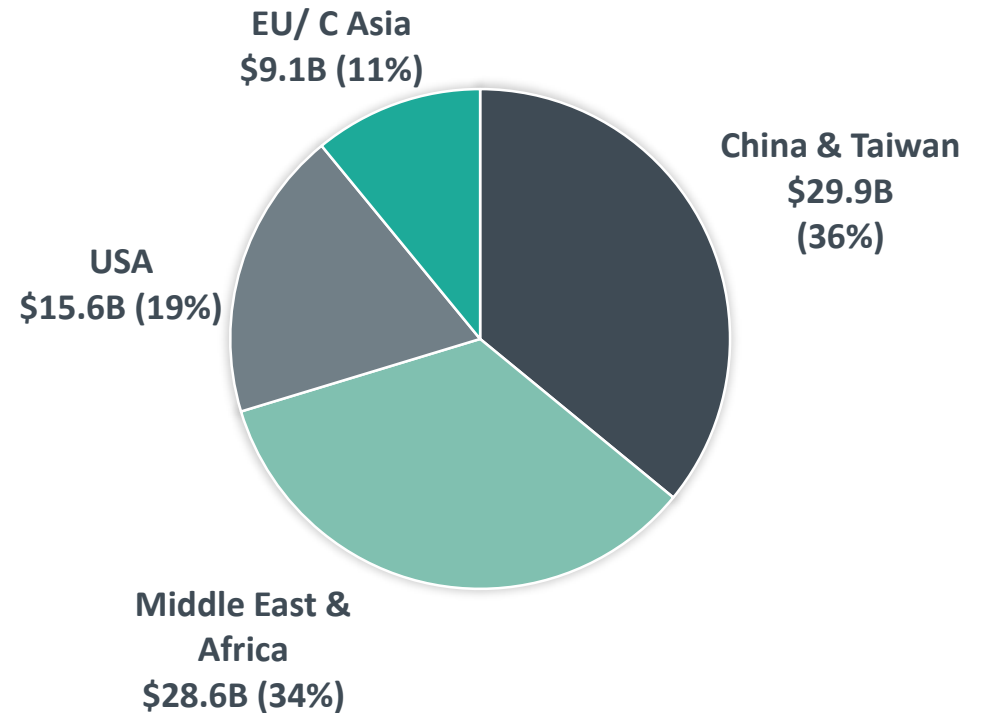
Target Markets Growing Rapidly



Smart Packaged Plants:
Global market growing from
\$13.3B to \$21.8B (2016 to 2021)



\$83B in Planned CapEx
Desalination and Reuse plants
(Cumulative 2017 to 2022)



Strong Interest at 2018 IFAT Conference



- IFAT May 14-18 in Munich, Germany – leading global trade fair for water and wastewater solutions
- Fluence showcased Aspiral, NIROBOX™ and waste-to-energy solutions



Reaffirming 2018 Guidance



Backlog Mar 31, 2018

- US \$95m of which US \$68m is expected as 2018 revenue

Revenue for 2018

- US \$105–115m (up 80-100% on 2017)

Gross Margin for 2018

- US \$22–25m

Recurring Revenue

- Aim to increase BOT projects via project finance

New Products

- SUBRE first contract success, general intro by Q2 2019

Profitability

- At least one EBITDA profitable quarter in 2019

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