

**Fluence Corporation Limited**  
**Appendix 4E**  
**31 December 2020**

<b>Name of entity:</b>	Fluence Corporation Limited
<b>ABN:</b>	52 127 734 196
<b>Year ended:</b>	31 December 2020
<b>Previous period:</b>	31 December 2019

**Results for announcement to the market**

				US \$'000
Revenue for ordinary activities	Up	62.3%	to	97,139
Loss after tax attributable to members	Down	76.3%	to	(7,440)
Net loss after tax (from ordinary activities) for the period attributable to owners of Fluence Corporation Limited	Down	45.9%	to	(17,016)

The comparative figures have been adjusted to conform with the AASB 5: Assets held for sale and discontinued operations presentation requirements. Refer to note 3: "Discontinued operations" for detailed information on the changes in comparatives presentation.

**Distributions**

No dividends have been paid or declared by the Group since the beginning of the current reporting period. No dividends were paid for the previous reporting period. The Group has no dividend reinvestment plan.

**Net tangible assets per security**

	31 December 2020	31 December 2019
Net tangible assets (per share)	\$0.04	\$0.05

**Explanation of results**

Consolidated revenue for the year was US\$97 million (2019: US\$60 million).

Underlying EBITDA positive for the year was US\$2 million (2019: EBITDA loss of US\$24 million). EBITDA is expected to remain positive in 2021.

The consolidated loss from continuing operations for the Company after income tax for the reporting period was US\$7 million (2019: loss of US\$31 million). Loss from discontinued operations for the reporting period was US\$12million (2019: nil). Refer to note 3 "Discontinued operations" for detailed information on the effect of Discontinued operations on the Group's financial results.

The financial report is presented in United States Dollars which is the Group's presentation currency.

Cash and cash equivalents at 31 December 2020 amounted to US\$31 million (2019: US\$22 million). In addition, other financial assets at 31 December 2020 included short term deposits of US\$15 million (2019: US\$5 million).

As at 31 December 2020, the Group had borrowings of US\$22 million (2019: US\$3 million).

Following the 2020 results, Fluence plans to continue its current growth strategy. Smart Solutions revenue in 2019 was US\$26 million. In 2020 this grew to US\$32 million and is forecast to reach US\$35 - US\$50 million in 2021.

**Fluence Corporation Limited**  
**Appendix 4E**  
**31 December 2020**  
(continued)

The Appendix 4E financial report follows, with further details to be included in the audited financial statements to be released by 31 March 2021.

**Other information required by Listing Rule 4.3A**

N/A

**Audit**

These accounts are currently in the process of being audited. An Annual Report for the year ended 31 December 2020 containing the Audit Report shall be provided in due course.

# **Fluence Corporation Limited**

ABN 52 127 734 196

## **Appendix 4E**

### **Preliminary Final Report**

**for the year ended 31 December 2020**

# Fluence Corporation Limited ABN 52 127 734 196

## Annual Report - 31 December 2020

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**Fluence Corporation Limited  
Corporate Directory**

**Directors**

Mr Richard Irving  
*Chairman and Chief Executive Officer (CEO)*

Mr Paul Donnelly  
*Non-Executive Director*

Mr Ross Haghghat  
*Non-Executive Director*

Dr Ramesh Rengarajan  
*Non-Executive Director*

**Company Secretary**

Ms Melanie Leydin

**Registered Office**

Level 4, 96-100 Albert Road  
South Melbourne VIC 3205  
Australia  
Phone: +61 (0)3 9692 7222  
Fax: +61 (0)3 9692 7222

**Principal Place of Business**

10 Bank Street  
8th Floor  
White Plains New York 10606  
United States of America  
Phone: +1 212 572 5700

**Share Registry**

Boardroom Pty Ltd  
Level 12, 225 George Street,  
Sydney, New South Wales, 2000, Australia  
Phone: 1300 737 760 (local)  
Fax: +61 (0)2 9290 9600 (international)

**Auditors**

BDO Audit Pty Ltd  
Tower 4, Level 18, 727 Collins Street,  
Melbourne, Victoria, 3008, Australia

**Solicitors**

Lander & Rogers Lawyers  
Level 12, Bourke place, 600 Bourke Street  
Melbourne, Victoria, 3000, Australia

**Bankers**

HSBC Bank Australia Limited  
Melbourne, Victoria, Australia

**Securities Quoted**

Australian Securities Exchange  
- Ordinary Fully Paid Shares (Code: FLC)

**Website**

<https://www.fluencecorp.com/investor-news/>

**Fluence Corporation Limited**  
**Consolidated Statement of Profit or Loss and Other Comprehensive Income**  
**For the year ended 31 December 2020**

	Notes	<b>Consolidated entity</b>	
		31 December 2020 \$'000	31 December 2019 \$'000
<b>Revenues</b>			
Operating revenue	4	97,139	59,848
Other income		227	332
		<b>97,366</b>	<b>60,180</b>
<b>Expenses</b>			
Cost of sales		(69,337)	(50,455)
Research and development expenses		(3,316)	(4,658)
Sales and marketing expenses		(6,093)	(9,977)
General and administration expenses		(19,220)	(25,325)
Other (losses)/gains		(6,133)	1,292
Finance costs - net		(1,645)	(412)
<b>Loss before income tax</b>		<b>(8,378)</b>	<b>(29,355)</b>
Income tax benefit/(expense)		938	(1,992)
<b>Loss from continuing operations</b>		<b>(7,440)</b>	<b>(31,347)</b>
<b>Loss from discontinued operation</b>	<b>3</b>	<b>(12,419)</b>	<b>(238)</b>
<b>Loss for the year</b>		<b>(19,859)</b>	<b>(31,585)</b>
<b>Loss for the year is attributable to:</b>			
Owners of Fluence Corporation Limited		(17,016)	(31,434)
Non-controlling interests		(2,843)	(151)
		<b>(19,859)</b>	<b>(31,585)</b>
<b>Other comprehensive income</b>			
<b>Items that may be reclassified to profit or loss:</b>			
Exchange differences on translation of foreign operations, net of tax		2,932	882
<b>Total comprehensive income for the year</b>		<b>(16,927)</b>	<b>(30,703)</b>
<b>Total comprehensive income for the year is attributable to:</b>			
Continuing operations		(13,941)	(30,637)
Discontinued operations		(143)	85
<b>Owners of Fluence Corporation Limited</b>		<b>(14,084)</b>	<b>(30,552)</b>
Continuing operations		(749)	(143)
Discontinued operations		(2,094)	(8)
<b>Non-controlling interests</b>		<b>(2,843)</b>	<b>(151)</b>
		<b>(16,927)</b>	<b>(30,703)</b>

*The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes. All amounts are presented in US dollars.*

**Fluence Corporation Limited**  
**Consolidated Statement of Profit or Loss and Other Comprehensive Income**  
**For the year ended 31 December 2020**  
(continued)

**Losses per share from continuing operations attributable to the ordinary equity holders of the Group:**

Basic and diluted loss per share	5	(0.01)	(0.06)
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**Losses per share from discontinued operations attributable to the ordinary equity holders of the Group:**

Basic and diluted loss per share	5	(0.02)	0.00
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**Losses per share attributable to the ordinary equity holders of the Group:**

Basic and diluted loss per share	5	(0.03)	(0.06)
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(\*) The comparative figures have been adjusted to conform with the AASB 5: "Assets held for sale and discontinued operations" presentation requirements. Refer to note 3 "Discontinued operations" for detailed information on the changes in comparatives presentation.

*The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes. All amounts are presented in US dollars.*

**Fluence Corporation Limited**  
**Consolidated Statement of Financial Position**  
**As at 31 December 2020**

	<b>Consolidated entity</b>	
	31 December 2020	31 December 2019
Notes	\$'000	\$'000
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	31,038	21,908
Other financial assets	15,474	5,416
Trade and other receivables	38,486	39,777
Inventories	12,810	12,610
Prepayments	7,823	7,021
Concession arrangement assets	353	512
Other assets	605	357
<b>Total current assets</b>	<b>106,589</b>	<b>87,601</b>
<b>Non-current assets</b>		
Investments accounted for using the equity method	415	434
Deferred tax assets	610	858
Property, plant and equipment	12,981	14,162
Intangible assets	1,834	5,998
Concession arrangement assets	8,750	20,961
Long-term deposits	23,368	4,023
Other assets	215	157
<b>Total non-current assets</b>	<b>48,173</b>	<b>46,593</b>
<b>Total assets</b>	<b>154,762</b>	<b>134,194</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Trade and other payables	6 40,860	43,826
Borrowings	7 1,878	877
Current tax liabilities	175	38
Provisions	6,594	6,264
Deferred revenue	32,045	21,596
<b>Total current liabilities</b>	<b>81,552</b>	<b>72,601</b>
<b>Non-current liabilities</b>		
Other liabilities	6 8,147	9,812
Borrowings	7 19,825	2,030
Deferred tax liabilities	928	2,041
Provisions	711	632
Deferred revenue	13,127	-
<b>Total non-current liabilities</b>	<b>42,738</b>	<b>14,515</b>
<b>Total liabilities</b>	<b>124,290</b>	<b>87,116</b>
<b>Net assets</b>	<b>30,472</b>	<b>47,078</b>
<b>EQUITY</b>		
Contributed equity	212,161	211,840
Foreign currency translation reserve	(11,938)	(14,870)
Accumulated losses	(167,971)	(150,955)
	32,252	46,015
Non-controlling interests	(1,780)	1,063
<b>Total equity</b>	<b>30,472</b>	<b>47,078</b>

*The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.  
All amounts are presented in US dollars.*

**Fluence Corporation Limited**  
**Consolidated Statement of Changes in Equity**  
**For the year ended 31 December 2020**

Consolidated entity	Contributed equity \$'000	Foreign currency translation reserve \$'000	Accumulated losses \$'000	Total \$'000	Non- controlling interests \$'000	Total equity \$'000
<b>Balance at 1 January 2019</b>	<b>185,126</b>	<b>(15,752)</b>	<b>(119,521)</b>	<b>49,853</b>	<b>1,214</b>	<b>51,067</b>
Loss for the period	-	-	(31,434)	(31,434)	(151)	(31,585)
Other comprehensive income	-	882	-	882	-	882
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>882</b>	<b>(31,434)</b>	<b>(30,552)</b>	<b>(151)</b>	<b>(30,703)</b>
<b>Transactions with owners in their capacity as owners:</b>						
Issue of ordinary shares, net of transaction costs	25,009	-	-	25,009	-	25,009
Issue of options	1,705	-	-	1,705	-	1,705
<b>Balance at 31 December 2019</b>	<b>211,840</b>	<b>(14,870)</b>	<b>(150,955)</b>	<b>46,015</b>	<b>1,063</b>	<b>47,078</b>
<b>Balance at 1 January 2020</b>	<b>211,840</b>	<b>(14,870)</b>	<b>(150,955)</b>	<b>46,015</b>	<b>1,063</b>	<b>47,078</b>
Loss for the period	-	-	(17,016)	(17,016)	(2,843)	(19,859)
Other comprehensive income	-	2,932	-	2,932	-	2,932
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>2,932</b>	<b>(17,016)</b>	<b>(14,084)</b>	<b>(2,843)</b>	<b>(16,927)</b>
<b>Transactions with owners in their capacity as owners:</b>						
Issue of ordinary shares, net of transaction costs	-	-	-	-	-	-
Issue of options	321	-	-	321	-	321
<b>Balance at 31 December 2020</b>	<b>212,161</b>	<b>(11,938)</b>	<b>(167,971)</b>	<b>32,252</b>	<b>(1,780)</b>	<b>30,472</b>

*The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes. All amounts are presented in US dollars.*

**Fluence Corporation Limited**  
**Consolidated Statement of Cash Flows**  
**For the year ended 31 December 2020**

	<b>Consolidated entity</b>	
	31 December 2020 \$'000	31 December 2019 \$'000
<b>Cash flows from operating activities</b>		
Receipt from customers	122,440	60,635
Payments to suppliers and employees	(98,975)	(96,384)
Receipt from /(transfer to) restricted cash	106	(114)
Interest received	148	306
Interest and other costs of finance paid	(1,396)	(654)
Income taxes paid	(76)	(512)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>22,247</b>	<b>(36,723)</b>
<b>Cash flows from investing activities</b>		
Payment for purchases of plant and equipment	(1,168)	(1,092)
Funds transferred to term deposit, net	(32,897)	(4,018)
Proceeds from sale of property, plant and equipment	225	2,443
Proceeds from disposal of short-term deposits	5,000	-
Acquisition of non-controlling interest in a subsidiary	-	(300)
Payments for construction of concession assets	(466)	(1,946)
<b>Net cash outflow from investing activities</b>	<b>(29,306)</b>	<b>(4,913)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issues of ordinary shares	-	26,072
Proceeds from exercise of share options	-	20
Transactions costs related to issue of ordinary shares	-	(1,128)
Proceeds from borrowings	18,593	2,557
Finance lease payments	(1,633)	(1,849)
<b>Net cash inflow from financing activities</b>	<b>16,960</b>	<b>25,672</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>9,901</b>	<b>(15,964)</b>
Cash and cash equivalents at the beginning of the financial year	21,908	38,741
Effects of exchange rate changes on cash and cash equivalents	(771)	(869)
<b>Cash and cash equivalents at end of year</b>	<b>31,038</b>	<b>21,908</b>

*The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes. All amounts are presented in US dollars.*

## **1 Statement of significant accounting policies**

### **Corporate information**

This Preliminary Financial Report covers the consolidated entity of Fluence Corporation Limited and its controlled entities (the 'Group' or 'Fluence'). The Group provides fast-to-deploy, decentralised and packaged water and wastewater treatment solutions.

The Group's Preliminary Financial Report does not include all the notes of the type normally included in an Annual Financial Report. Accordingly, it cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the entity as the full Financial Report.

### **Basis of presentation**

This Preliminary Financial Report has been prepared in accordance with the recognition and measurement requirements, but not all disclosure requirements, of the Australian Accounting Standards and Interpretations and the *Corporations Act 2001*. Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards.

The presentation currency adopted in the preparation of the Preliminary Financial Report is United States Dollars.

## **2 Segment information**

Segment disclosure replicates the manner in which the Managing Director and Chief Operating Decision Maker (CODM) monitors the business performance.

The Group's operating segments are:

- Operating Units (OUs) - These are defined as the operating entities of the Group that earn revenues and incur expenses that are reviewed by the CODM and their discrete financial information is available. OUs include the Group's entities in Argentina, Italy, Israel, USA, China and Middle East. The OUs are aggregated into a single operating segment on the basis that the OUs are similar in each of the following respects:
  - nature of the products and services;
  - nature of the production processes;
  - type or class of customer for their products and services;
  - methods used to distribute their products or provide their services; and
  - nature of the regulatory environment
- Product and Innovation Group (P&I) - Defined as the Research and Development vehicle of the Group.

<b>2020</b>	<b>Operating Units \$'000</b>	<b>Product and Innovation \$'000</b>	<b>Intersegment Elimination \$'000</b>	<b>Total \$'000</b>
<b>Segment revenue</b>				
Operating revenue and other income	97,132	1,442	(1,208)	97,366
	<b>97,132</b>	<b>1,442</b>	<b>(1,208)</b>	<b>97,366</b>

Fluence Corporation Limited  
Notes to the Consolidated Financial Statements  
31 December 2020  
(continued)

**2 Segment information (continued)**

	Operating Units \$'000	Product and Innovation \$'000	Intersegment Elimination \$'000	Total \$'000
<b>2020</b>				
<b>Segment expense</b>				
Segment depreciation and amortisation	(1,887)	(1,027)	-	(2,914)
Impairment expense	(12,419)	-	-	(12,419)
Share of profits of associates	55	-	-	55
Write off of inventories	(32)	-	-	(32)
Segment expense	(90,480)	(1,554)	1,208	(90,826)
Unallocated expenses - corporate	-	-	-	(11,089)
	<b>(104,763)</b>	<b>(2,581)</b>	<b>1,208</b>	<b>(117,225)</b>
<b>Segment results</b>	<b>(7,631)</b>	<b>(1,139)</b>	<b>-</b>	<b>(19,859)</b>
<b>Assets</b>				
Investments in associates	415	-	-	415
Segment assets	137,105	6,264	(4,141)	139,228
Unallocated assets - corporate	-	-	-	15,119
	<b>137,520</b>	<b>6,264</b>	<b>(4,141)</b>	<b>154,762</b>
<b>Liabilities</b>				
Segment liabilities	(92,852)	(10,800)	4,141	(99,511)
Unallocated liabilities - corporate	-	-	-	(24,779)
	<b>(92,852)</b>	<b>(10,800)</b>	<b>4,141</b>	<b>(124,290)</b>
Acquisitions of non-current assets	982	186	-	1,168
	<b>Operating Units \$'000</b>	<b>Product and Innovation \$'000</b>	<b>Intersegment Elimination \$'000</b>	<b>Total \$'000</b>
<b>2019</b>				
<b>Segment revenue</b>				
Operating revenue and other income	59,651	1,920	(1,391)	60,180
	<b>59,651</b>	<b>1,920</b>	<b>(1,391)</b>	<b>60,180</b>
<b>Segment expense</b>				
Segment depreciation and amortisation	(2,024)	(863)	-	(2,887)
Share of profits of associates	84	-	-	84
Write off of inventories	(1,299)	-	-	(1,299)
Segment expense	(62,478)	(7,730)	(6,783)	(76,991)
Unallocated expenses - corporate	-	-	-	(10,672)
	<b>(65,717)</b>	<b>(8,593)</b>	<b>(6,783)</b>	<b>(91,765)</b>
<b>Segment result</b>	<b>(6,066)</b>	<b>(6,673)</b>	<b>(8,174)</b>	<b>(31,585)</b>
<b>Assets</b>				
Investments in associates	434	-	-	434
Segment assets	110,880	6,536	(5,483)	111,933
Unallocated assets - corporate	-	-	-	21,827
	<b>111,314</b>	<b>6,536</b>	<b>(5,483)</b>	<b>134,194</b>

Fluence Corporation Limited  
Notes to the Consolidated Financial Statements  
31 December 2020  
(continued)

**2 Segment information (continued)**

2019	Operating Units \$'000	Product and Innovation \$'000	Intersegment Elimination \$'000	Total \$'000
<b>Liabilities</b>				
Segment liabilities	(80,184)	(8,871)	4,168	(84,887)
Unallocated liabilities - corporate	-	-	-	(2,229)
	<b>(80,184)</b>	<b>(8,871)</b>	<b>4,168</b>	<b>(87,116)</b>
Acquisitions of non-current assets	2,804	80	-	2,884
<b>Unallocated expenses</b>				
			<b>Consolidated entity</b>	
			31 December 2020 \$'000	31 December 2019 \$'000
Other corporate expenses			(11,089)	(10,672)
<b>Unallocated assets</b>				
			<b>Consolidated entity</b>	
			31 December 2020 \$'000	31 December 2019 \$'000
Cash and cash equivalents			9,924	11,575
Other assets			5,195	10,252
			<b>15,119</b>	<b>21,827</b>
<b>Unallocated liabilities</b>				
			<b>Consolidated entity</b>	
			31 December 2020 \$'000	31 December 2019 \$'000
Trade and other payables			(1,089)	(882)
Borrowings			(20,446)	-
Other liabilities			(3,244)	(1,347)
			<b>(24,779)</b>	<b>(2,229)</b>
<b>Intersegment transactions</b>				

Intersegment transactions are made on an arm's-length basis. Intersegment transactions are eliminated on consolidation.

**Fluence Corporation Limited**  
**Notes to the Consolidated Financial Statements**  
**31 December 2020**  
(continued)

### 3 Discontinued operation

#### (a) Description

In December 2020, following challenges with project execution, the Board decided it no longer wished to move forward with the San Quintin project. In the view of Fluence management, a mutual termination is the most likely potential outcome at this point in time.

According to the criteria listed in AASB 5: "Non-current assets held for sale and discontinued operations", the San Quintin project meets the definition of a discontinued operation.

In preparation for project closure, the impairment of assets associated with the project was recorded in the 2020 financial year and amounted to \$11,903 thousands (2019: nil).

#### (b) Financial performance and cash flow information

The financial performance and cash flow information presented are for the year ended 31 December 2020 and the year ended 31 December 2019.

	<b>Consolidated entity</b>	
	31 December 2020 \$'000	31 December 2019 \$'000
Revenue	417	1,114
Cost of sales	(373)	(1,018)
Sales and marketing expenses	-	(8)
General and administrative expenses	(248)	(234)
Impairment expense	(11,903)	-
Other gains/(losses) - net	(69)	36
Finance costs	(126)	(133)
<b>Loss before income tax</b>	<b>(12,302)</b>	<b>(243)</b>
Income tax (expense)/benefit	(117)	5
<b>Loss after income tax from discontinued operation</b>	<b>(12,419)</b>	<b>(238)</b>
Net cash inflow/(outflow) from operating activities	18	(330)
Net cash outflow from investing activities	(413)	(1,115)
Net cash inflow from financing activities	305	1,033
Effects of exchange rate changes on cash and cash equivalents	57	(78)
<b>Net decrease in cash and cash equivalents from discontinuing operations</b>	<b>(33)</b>	<b>(490)</b>

**Fluence Corporation Limited**  
**Notes to the Consolidated Financial Statements**  
**31 December 2020**  
(continued)

**3 Discontinued operation (continued)**

(c) Carrying amounts of assets and liabilities disposed

	<b>Consolidated entity</b>	
	31 December 2020 \$'000	31 December 2019 \$'000
Cash and cash equivalents	226	259
Trade receivables	4	485
Prepayments	59	82
Other current assets	8	5
Deferred tax assets	-	60
Property, plant and equipment	6	15
Intangible assets	-	4,122
Concession assets	-	12,368
<b>Total assets</b>	<b>303</b>	<b>17,396</b>

	<b>Consolidated entity</b>	
	31 December 2020 \$'000	31 December 2019 \$'000
Trade and other payables	193	10,587
Current tax liabilities	92	34
Other liabilities	262	4,621
<b>Total liabilities</b>	<b>547</b>	<b>15,242</b>

**4 Operating revenue**

	<b>Consolidated entity</b>	
	31 December 2020 \$'000	31 December 2019 \$'000
<b>Operating revenue</b>		
<b>Contract revenue</b>		
Smart product solutions	32,251	26,394
Customer engineering solutions	56,596	25,247
Service concession arrangements revenue	91	1,351
	<b>88,938</b>	<b>52,992</b>
<b>Service revenue</b>		
Revenues on services	3,598	4,946
Recurring revenue from concession assets	1,568	-
Other	3,035	1,910
	<b>8,201</b>	<b>6,856</b>
	<b>97,139</b>	<b>59,848</b>

Fluence Corporation Limited  
Notes to the Consolidated Financial Statements  
31 December 2020  
(continued)

## 5 Loss per share

### (a) Loss per share from continuing operations

	<b>Consolidated entity</b>	
	31 December 2020 \$'000	31 December 2019 \$'000
<b>Loss per share from continuing operations</b>		
Loss after income tax	(7,440)	(31,347)
Non-controlling interest	158	82
<b>Loss after income tax from continuing operations attributable to the ordinary equity holders of the Group</b>	<b>(7,282)</b>	<b>(31,265)</b>
	<b>Consolidated entity</b>	
	31 December 2020 \$	31 December 2019 \$
Basic loss per share	(0.01)	(0.06)
Diluted loss per share	(0.01)	(0.06)

### (b) Loss per share from discontinued operations

	<b>Consolidated entity</b>	
	31 December 2020 \$'000	31 December 2019 \$'000
<b>Loss per share from discontinued operations</b>		
Loss after income tax	(12,419)	(238)
Non-controlling interest	2,685	69
<b>Loss after income tax from discontinued operations attributable to the ordinary equity holders of the Group</b>	<b>(9,734)</b>	<b>(169)</b>
	<b>Consolidated entity</b>	
	31 December 2020 \$	31 December 2019 \$
Basic loss per share	(0.02)	0.00
Diluted loss per share	(0.02)	0.00

Fluence Corporation Limited  
Notes to the Consolidated Financial Statements  
31 December 2020  
(continued)

**5 Loss per share (continued)**

(c) Loss per share

	<b>Consolidated entity</b>	
	31 December 2020 \$'000	31 December 2019 \$'000
<b>Loss per share</b>		
Loss after income tax	(19,859)	(31,585)
Non-controlling interest	2,843	151
<b>Loss after income tax attributable to the ordinary equity holders of the Group</b>	<b>(17,016)</b>	<b>(31,434)</b>
	<b>Consolidated entity</b>	
	31 December 2020 \$	31 December 2019 \$
Basic loss per share	(0.03)	(0.06)
Diluted loss per share	(0.03)	(0.06)

(d) Weighted average number of shares

	<b>Consolidated entity</b>	
	2020 Number	2019 Number
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted earnings/(loss) per share	624,854,034	553,262,961

**6 Trade and other payables and other liabilities**

	<b>Consolidated entity</b>	
	31 December 2020 \$'000	31 December 2019 \$'000
<b>Current</b>		
Trade payables	12,750	12,357
Accrued payroll liabilities	3,072	2,594
Accrued project expenses	17,779	22,116
Government grants	1,168	1,384
Lease liability	1,409	1,201
Other accruals	4,682	4,174
	<b>40,860</b>	<b>43,826</b>

## 6 Trade and other payables and other liabilities (continued)

	<b>Consolidated entity</b>	
	31 December 2020 \$'000	31 December 2019 \$'000
<b>Non-current</b>		
Government grants	2,518	3,178
Lease liability	5,335	6,329
Other liabilities	294	305
	<b>8,147</b>	<b>9,812</b>

## 7 Borrowings

	<b>Consolidated entity</b>	
	31 December 2020 \$'000	31 December 2019 \$'000
<b>Borrowings</b>		
Current borrowings	1,634	877
Non-current borrowings	19,825	2,030
Interest payable	244	-
	<b>21,703</b>	<b>2,907</b>

On 29 July 2020, the Company entered into a loan agreement with an affiliate of Upwell LLC to provide an initial US\$20 million finance facility. The facility can be increased up to US\$50 million at the Company's request and at Upwell's discretion. The facility is available to fund the Build, Own, Operate and Transfer ("BOOT") projects and the Company's working capital.

## 8 Commitments and Contingent Liabilities

The Group was party to several claims during the year. With respect to claims brought against the Company, Fluence will vigorously defend itself and is confident they will be successfully defended. There is significant uncertainty as to whether a future liability will arise in respect of these claims. The amount of liability, if any, that may arise cannot be measured reliably at this time. The Directors are of the opinion that all known liabilities have been brought to account and that adequate provision has been made for any anticipated losses.

## 9 Events occurring after the reporting period

No matter or circumstance has occurred subsequent to year end that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs of the Group or economic entity in subsequent financial years.

## 10 Audit

This Preliminary Financial Report is currently in the process of being audited. An Annual Report for the year ended 31 December 2020 containing the Audit Report shall be provided in due course.