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Annual General Meeting Company Update

Fluence Corporation (ASX: FLC)

May 27 2021

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2019 and 2020 consolidated financial figures presented on IFRS basis are audited.

Introduction



Paul Donnelly
Independent Lead Director
Chair of the AGM



Introduction



Richard Irving

Chairman and Chief Executive Officer



Agenda

Opening

Chairman & CEO Presentation – Business Update

Shareholder Questions & Answers

Voting Procedure and Opening of Poll

Formal Business

Closing of Poll and Conclusion

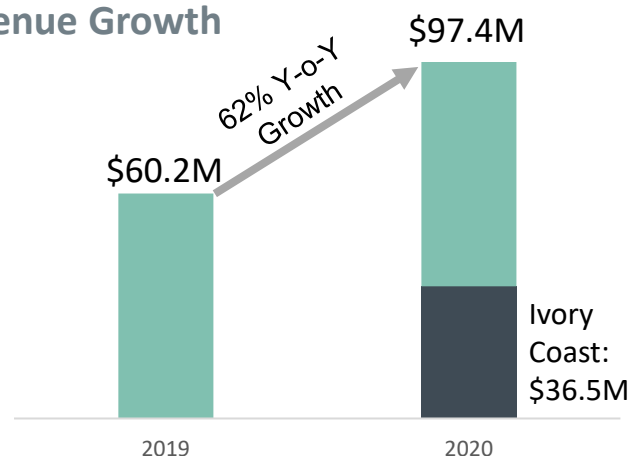
Chairman & CEO Presentation



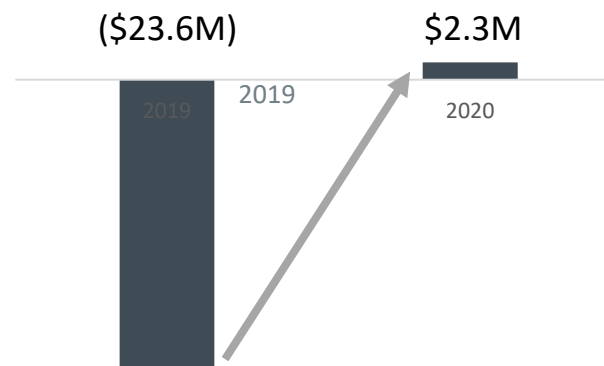
Achieved 2020 SPS Guidance With First Underlying EBITDA Positive Year



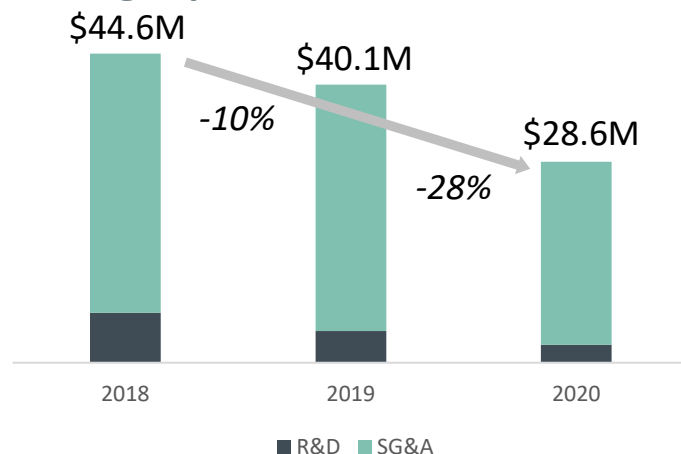
Revenue Growth



Underlying EBITDA** Improvement



Operating Expenses Reduction*



- ✓ Achieved underlying EBITDA positive year
- ✓ Continued growth despite strong COVID-19 headwinds in 2020 – SPS achieved guidance with 38% MABR sales growth
- ✓ Continued improvement in operating efficiency
- ✓ Dec 31 2020 backlog: \$226M (Ivory Coast \$158M) + significant existing partner pipeline

* - Operating expenses including depreciation and amortization

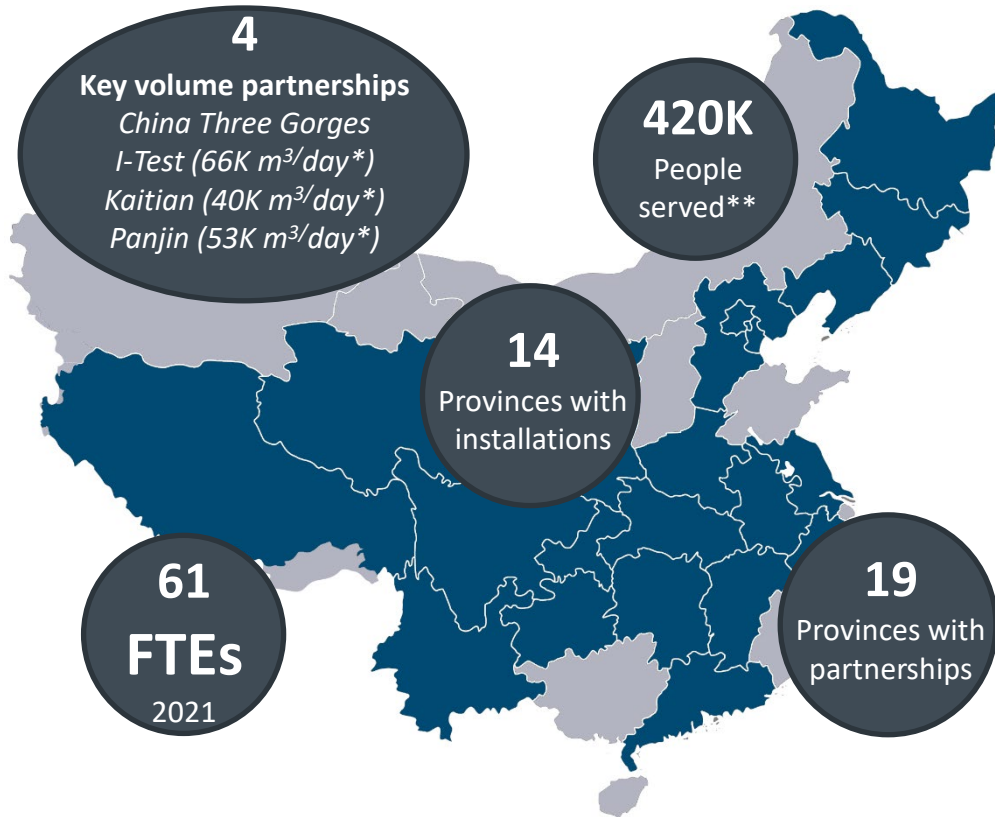
** - Underlying EBITDA = EBITDA excluding one-off items

All numbers in presentation are USD unless otherwise stated.

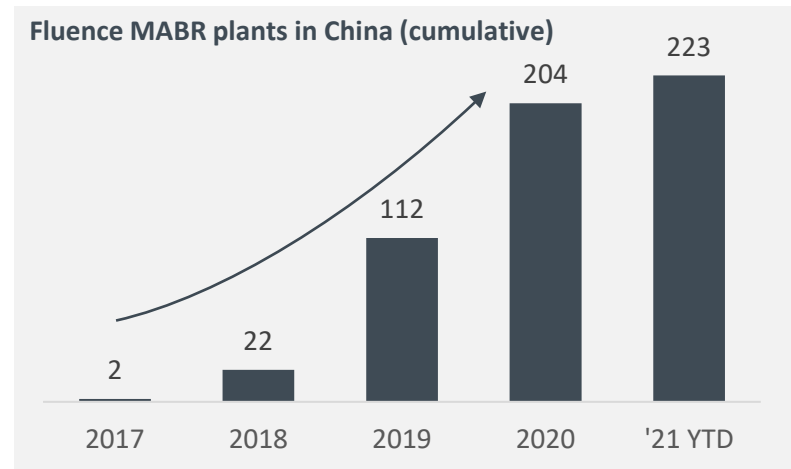
Continued Market Growth In Asia



China's 14th Five-Year Plan (2021-2025) anticipates \$50 billion investment in wastewater treatment



- **High standards.** Aspiral™ and SUBRE meet required Chinese wastewater treatment standards for non-potable reuse at the lowest cost
- **Key partners.** Established key partnerships securing bulk orders, accelerating the sales ramp



- * Based on signed agreements
- ** Based on China government specification of 120l/day/person

Key Strategic Priorities

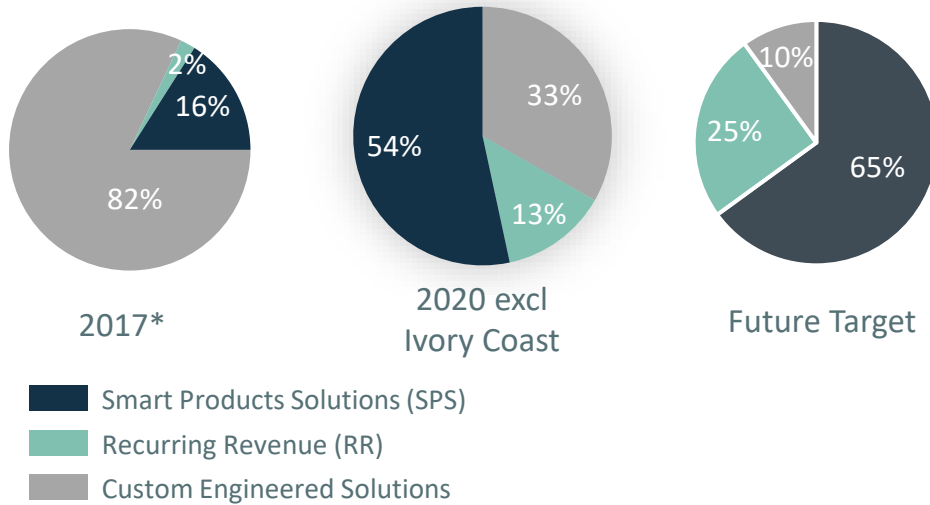


- Seek more volume customers and partners in all key regions: China, SE Asia, N America, Middle East
- Continue to expand existing partner relationships
- Strongly develop water as a service in North America
- Continue to successfully execute the Ivory Coast Project
- Achieve 2021 guidance: SPS \$35 – 50M, positive full-year EBITDA
- Achieve target pro forma business model as soon as possible including 35% gross margin, 20% operating expenses, 15% EBITDA
- Maximize shareholder returns

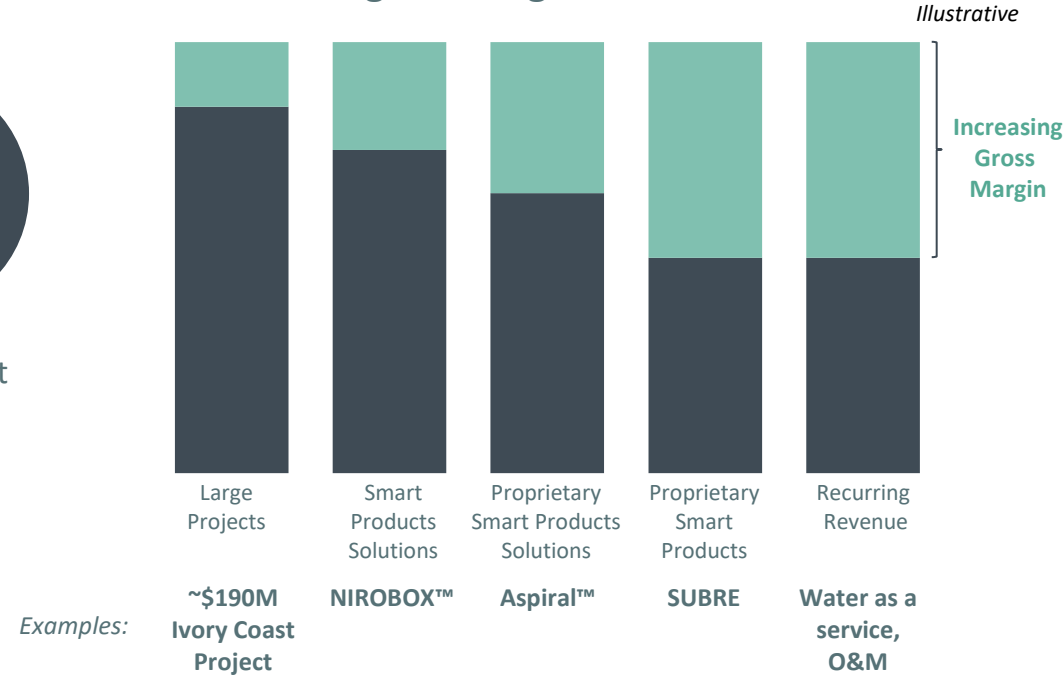
Fluence: Fast To Deploy, Profitable Water Solutions



Migrate Revenue Mix Away From Custom Plants



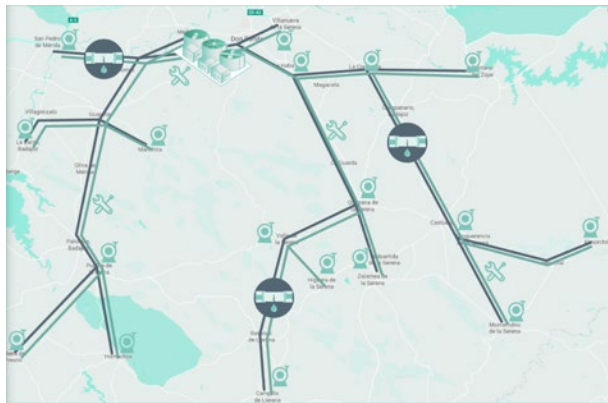
Transition To Higher Margin Revenue



* 12 months pro-forma

Vision: Wastewater Treatment Will Increasingly Be Decentralized

Centralized Systems



Decentralized Systems



Decentralized Urban Water



Decentralized advantages*:

- Decentralized saves 90% of piping capex
- Double treatment capacity per unit of capex
- With MABR, overall system opex drops 58%

Decentralized advantages :

- Decentralized in-building treatment bypasses decaying infrastructure
- Recycled water meets 95% of commercial building's water demand

Rural area with towns and villages of with populations ranging 200 - 35,000 people

Example: San Francisco mandates reuse; New York has deployed

MABR Helps Enable Migration To Decentralized Treatment



Most cost effective, proven, neighborhood-friendly solution

Fluence Smart MABR Beats Competing Technologies¹

	Fluence vs Competing Technologies
Capex	17% - 55% lower
Opex	50% - 82% lower
Energy Use	31% - 63% lower
Chemical Use	30% - 39% lower

30-70% overall lower TCO¹ vs competing technology options

MABR Suppliers

	Fluence	Suez	Dupont
Plant Scale	Modular & Fixed	Fixed Only	Fixed Only
Orders	250+	12	Demo only
Patents / Markets	Global	US patents only	Cannot access US market

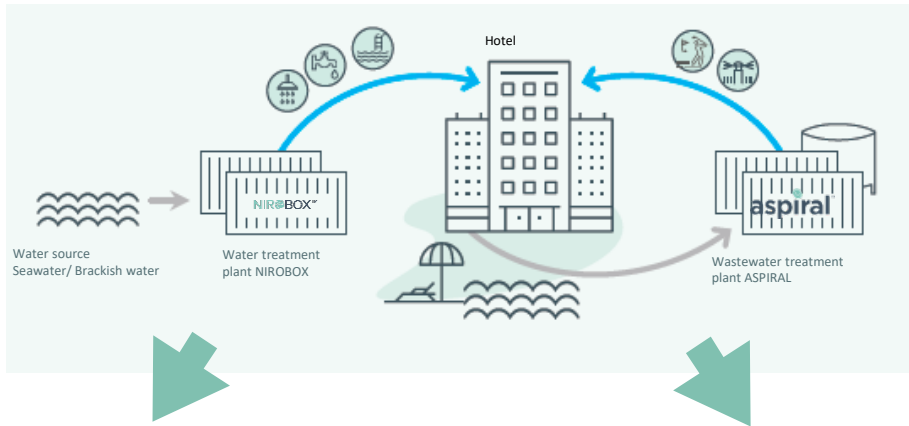
Two competitors with only 12 installations globally

1. TCO based on a 10-year period compared to MBBR, MBR, and FMBR technologies. All numbers based on actual data from Fluence plants and competitive analysis

Water As A Service Delivers Compelling Customer Savings, Maximizes Fluence Profit



Complete Water and Wastewater Solutions



NIROBOX™



Water Treatment

aspiral™



Wastewater Reuse

Recurring High Margin Revenue

- Wastewater reuse saves cost of sourcing water and treating wastewater
- Containerized water sourcing enables complete water solution
- Fluence can cut water costs 50% and generate 25%+ IRR
- Target partners with portfolios of projects
- Complete hands-off deployment of solutions which blend into their locations

Bahamas Project Represents Future Template



Examples of Aspiral Plants Installed in China



Aspiral Micro treats home cluster, Liaoning province



Aspiral S1 near homes, Hefei, Anhui province



Aspiral plant, Tonglu, Zhejiang province



Highway rest stop Aspiral L4 plant, Xiaogian, Hubei province



Rural Aspiral plant, Luoyang, Henan province



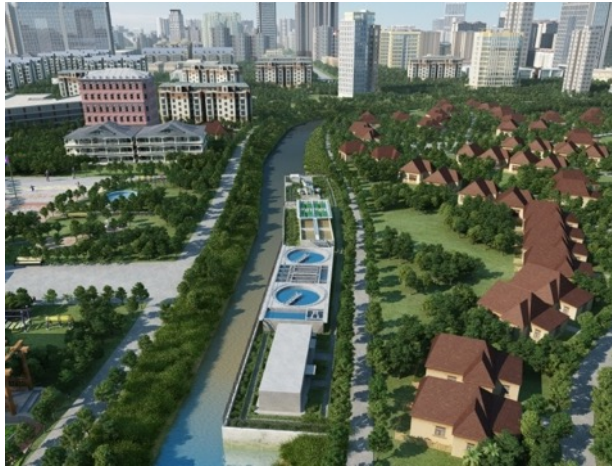
Control console manages remote, automated plants



4 Aspiral L4's, Xie Lin Gang, Hunan province

SUBRE Plants in Sihanoukville, Cambodia

Country's first wastewater treatment plant supports 100,000 people



Artist concept of main plant installed in riverbed



Construction site on April 2, 2021; commissioning in May 2021



Second plant located next to hotel



SUBRE modules on site

Growing Philippines Business

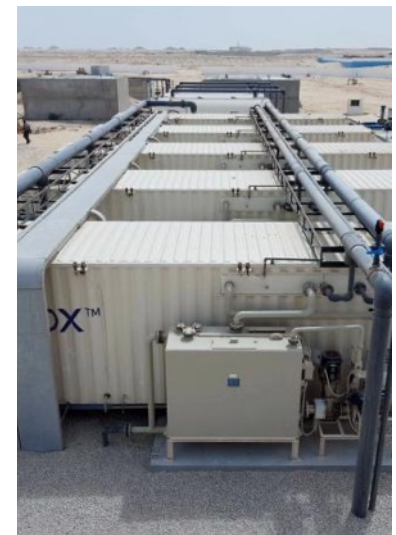
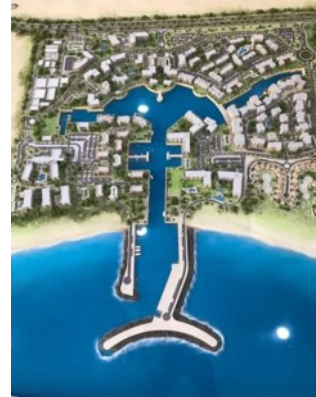
- Strict wastewater treatment standards now being enforced, soon with fines
- Already 8 MABR and 2 Niobox plants sold
- Mix of municipal and commercial customers
- Strong pipeline of additional business



Ayala Westgrove Heights:
Orchard living, done to perfection



Growing Middle East Business



3 Plants commissioned on Mediterranean coast, Egypt: Supply for 80,000 people

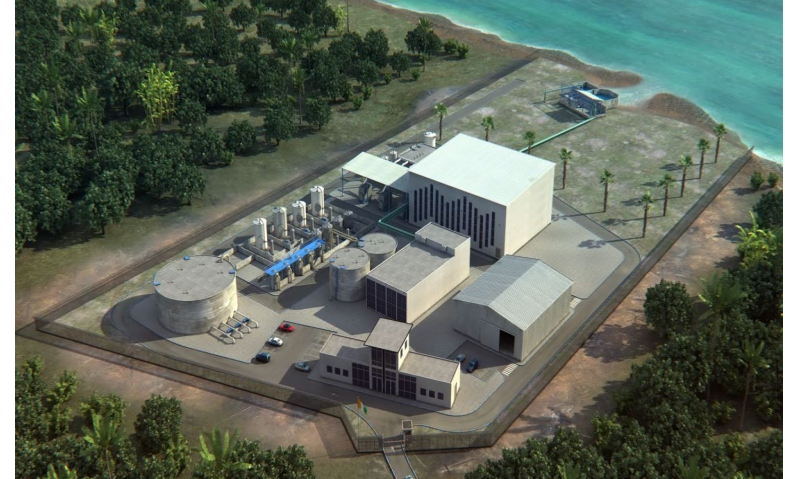
Plant at new city on Mediterranean coast, Egypt: Supply for 270,000 people

Plant in operation, Mauritania: Supply for 25,000 people

Ivory Coast Project Progressing Well



- Fluence awarded project in 2019 and construction commenced in January 2021
- 150,000 m³/day water treatment plant near Abidjan by 1Q2023 – water for 1 million+ people
- \$190M project with \$60M collected to date, and provides cash flow visibility for the company through 2022
- Limited financial risk as the customer has finance through the Israel Discount Bank (BBB+ rated)
- Potential for future recurring revenue with opportunity to bid on long-term operations & maintenance contract after construction



China Facility Produces MABR Modules, SUBRE and Aspiral Products



MABR Manufacturing Since 2017

- MABR produced at wholly owned plant in Changzhou, Jiangsu Province, China, which serves as global manufacturing hub of MABR, with two additional assembly plants in Panjin and Yiyang, China
- Our Changzhou facility has one production line, with \$75-100M in annual revenue capacity and ability to add three additional lines

Production Line in Operation



Assembly line in operation



Aspiral pre-ship water test

Manufacturing Line View



Aspiral Smart
Packaged Plants

MABR
modules

MABR
production line

Raw
materials

Leading ESG Impact in Water Treatment



Committed to UN SDGs

- Fluence's innovative solutions contribute to the conservation of resources, energy savings, generation of energy and reuse of water
 - Fluence technologies are highly energy efficient (MABR, desalination)
 - A decentralized approach using Fluence MABR to solve the world's wastewater needs would result in increased access to clean water and wastewater → **Potential annual energy savings of 209 TWh, equivalent to 150MM Tons CO₂**
- Fluence is committed to ESG and delivers on 10 of the 17 UN SDGs



Sustainability Impact from Fluence's Installations

MABR & NIROBOX



19 GWh / year
in energy savings compared to conventional technologies Equivalent to 13,500 Tons CO₂ / year



Reuse



8.7Bn Liters Water Recycled / year

Water



121Bn Liters Drinking Water Produced / year

Wastewater



187Bn Liters Wastewater Treated / year

Fluence's MABR installations remove >500 Tons of excess nutrient pollution / year

Source: EPA, Company analysis.

What Success Looks Like



- New volume partners in China, SE Asia, Middle East
- More orders from existing volume partners
- Commercial customers for water as a service in North America
- Continuing successful execution of Ivory Coast project
- Continued improvement in operating efficiencies
- Improved shareholder returns