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1H 2021 Update

Fluence Corporation (ASX:FLC)
31 August 2021

1H 2021 Highlights

All numbers are subject to audit finalization and exclude assets held for sale



Continued strong adoption of MABR Smart Products Solutions

- 34 MABR plants sold in 1H 2021 brings the total sold worldwide to 281 MABR plants

Continued SPS Revenue Growth, Improved Profitability from targeted revenue

- Revenue of \$39.7M in 1H 2021 - China revenues for 1H 2021 up 45% on 1H 2020
- SPS revenues of \$10.4M in 1H 2021, up 12% on 1H 2020
- Every dollar of SPS & recurring revenue is approx. twice as valuable as CES revenue due to higher gross margins
- Ivory Coast revenues anticipated to be stronger in 2H 2021 as construction was just starting in 1H 2021

Backlog Strong

- \$175M contracted backlog of which SPS backlog is \$18.7M, showing strong SPS momentum
- Ivory Coast project on budget and achieving quality targets

Cost Out Improvement, Continued operating efficiency gains

- 1H 2021 SG&A expenses down 9% from 1H 2020

Operating Cash Flow positive, Healthy Cash Balance

- Operating cash flow positive for the year to June 30 2021 by \$19.6M
- Cash balance of \$23.7M plus \$35.0M in short and long-term liquid investments

2021 Guidance Reiterated – EBITDA positive for year, SPS revenues \$35 – 50M

Progress on Strategic Priorities

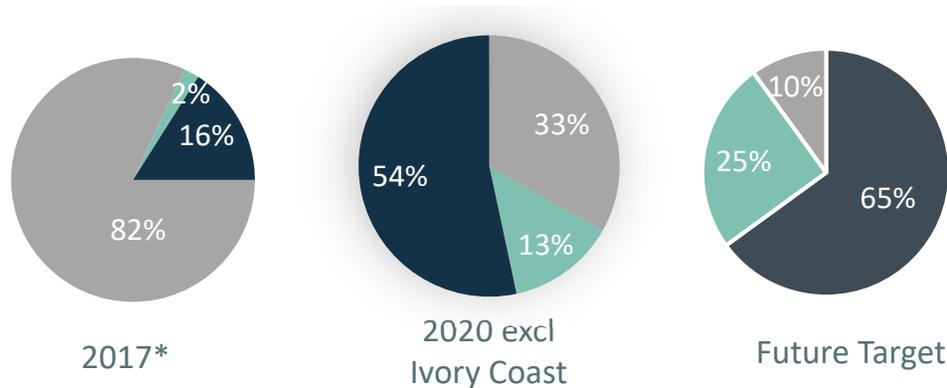


Priority	Progress
Continue strategic repositioning to focus on SPS and Recurring Revenue	<ul style="list-style-type: none"> ▪ Sale of Italy business and Peru project will improve focus and operating efficiency
Sign key new volume strategic partnerships in Asia and the Middle East	<ul style="list-style-type: none"> ▪ 5 MABR plants sold in China were to new partners
Secure significant new contract wins in focus markets: US, Asia, Middle East	<ul style="list-style-type: none"> ▪ 34 MABR plants sold year to date ▪ 3 MABR plants were sold in the US, bringing US total to 10 ▪ 25 of the 34 MABR plants sold in 1H 2021 were repeat orders from China volume partners ▪ Global total sold to date: 281
Develop water as a service business in North America	<ul style="list-style-type: none"> ▪ Strong pipeline progressing
Execute Ivory Coast project	<ul style="list-style-type: none"> ▪ On budget with stronger revenues in 2H 2021
Meet or exceed guidance	<ul style="list-style-type: none"> ▪ On track to achieve underlying EBITDA positive for 2021 with SPS sales \$35-50M

Fluence: Fast To Deploy, Profitable Water Solutions



Revenue Mix



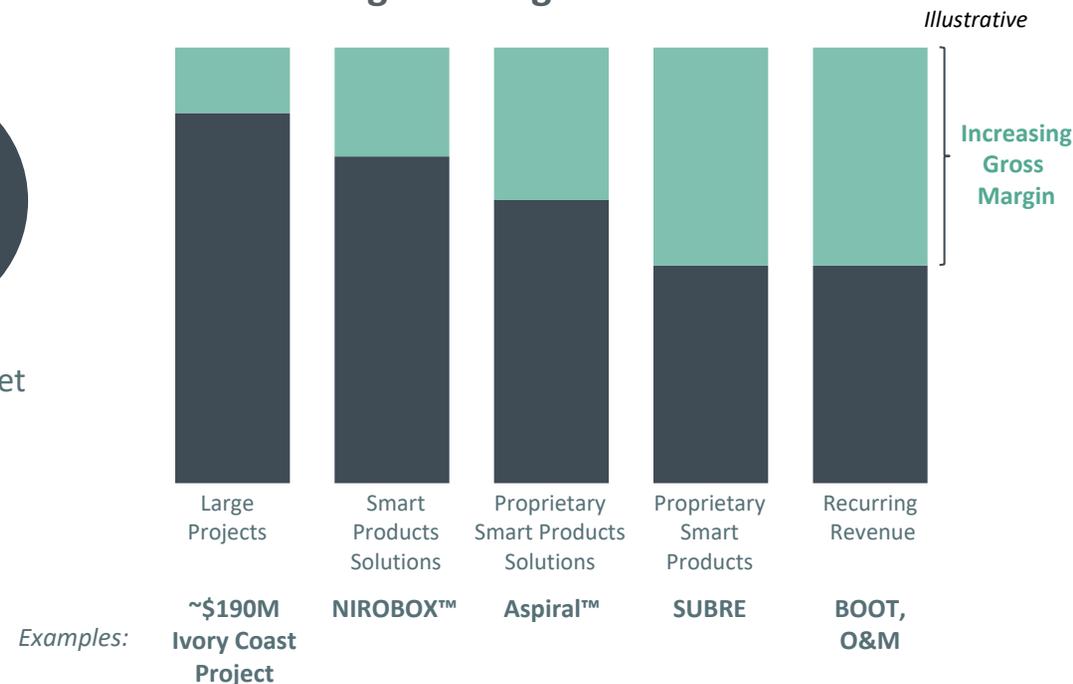
- Smart Products Solutions (SPS)
- Recurring Revenue (RR)
- Custom Engineered Solutions

* 12 months pro-forma

Strategic Focus

- Sell MABR plants in Asia
- Sell Nirobox in Middle East and SE Asia
- Sell recurring revenue projects via water as a service in US and Caribbean
- Timely execute Ivory Coast project
- Improve operating efficiencies

Transition To Higher Margin Revenue



Examples:

- ✓ Only global, pure play water and wastewater treatment company delivering standardized solutions to a growing, global, decentralised market
- ✓ Fast to deploy, lower cost, lower risk way to meet tightening regulatory standards
- ✓ Maximize profitable growth by targeting highest growth markets
- ✓ Strong team and balance sheet

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2021 consolidated financial figures presented on IFRS basis are unaudited and subject to change.



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