

Fluence Corporation Limited
Appendix 4E
31 December 2021

Name of entity: Fluence Corporation Limited
ABN: 52 127 734 196
Year ended: 31 December 2021
Previous period: 31 December 2020

Results for announcement to the market

				US \$'000
Revenue for ordinary activities	Up	14.9%	to	103,193
Loss after tax attributable to members	Up	54.4%	to	(9,157)
Net loss after tax (from ordinary activities) for the period attributable to owners of Fluence Corporation Limited	Down	13.6%	to	(14,702)

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 2021	31 December 2020
Net tangible assets (per share)	\$0.01	\$0.04

Explanation of results

Consolidated revenue for the year was US\$103 million (2020: US\$90 million).

Underlying EBITDA for the year was US\$1 million positive (2020: US\$2 million positive). Underlying EBITDA is expected to be US\$3 million positive in 2022.

The consolidated loss from continuing operations for the Company after income tax for the reporting period was US\$9 million (2020: loss of US\$6 million). Loss from discontinued operations for the reporting period was US\$6 million (2020: US\$14 million). 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 2021 amounted to US\$41 million (2020: US\$31 million). In addition, other financial assets at 31 December 2021 included short term deposits of US\$12 million (2020: US\$15 million).

As at 31 December 2021, the Group had borrowings of US\$32 million (2020: US\$22 million).

Following the 2021 results, Fluence plans to continue its current growth strategy. Smart Solutions revenue in 2021 was US\$38 million. Smart Solutions revenue is forecasted to reach US\$45 million in 2022.

Fluence Corporation Limited
Appendix 4E
31 December 2021
(continued)

The Appendix 4E financial report follows, with further details to be included in the audited financial statements to be released by 31 March 2022.

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 2021 containing the Audit Report shall be provided in due course.

Fluence Corporation Limited

ABN 52 127 734 196

Appendix 4E

Preliminary Financial Report for the year ended 31 December 2021

Fluence Corporation Limited ABN 52 127 734 196
Preliminary Financial Report - 31 December 2021

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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

Ms Samantha Tough (appointed 1 June 2021)
Non-Executive Director

Mr Ross Haghghat
Non-Executive Director

Dr Rengarajan Ramesh
Non-Executive Director

Mr Arnon Goldfarb
Non-Executive Director (retired on 7 January 2021)

Company Secretary

Ms Melanie Leydin (appointed on 1 January 2021)

Registered Office

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Australia
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Principal Place of Business

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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 2021

		Consolidated entity	
		31 December 2021	31 December 2020
	Notes	\$'000	\$'000
Revenues			
Operating revenue	4	103,193	89,846
Other income		122	221
		103,315	90,067
Expenses			
Cost of sales		(81,500)	(62,491)
Research and development expenses		(3,673)	(3,170)
Sales and marketing expenses		(5,540)	(5,573)
General and administration expenses		(15,205)	(17,737)
Other losses		(3,669)	(6,138)
Finance costs - net		(2,690)	(1,649)
Loss before income tax		(8,962)	(6,691)
Income tax benefit/(expense)		(195)	761
Loss from continuing operations after tax		(9,157)	(5,930)
Loss from discontinued operations	3	(5,926)	(13,929)
Loss for the year		(15,083)	(19,859)
Loss for the year is attributable to:			
Owners of Fluence Corporation Limited		(14,702)	(17,016)
Non-controlling interests		(381)	(2,843)
		(15,083)	(19,859)
Other comprehensive income			
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations, net of tax		217	2,932
Total comprehensive income for the year		(14,866)	(16,927)
Total comprehensive income for the year is attributable to:			
Continuing operations		(8,705)	(97)
Discontinued operations		(5,780)	(13,987)
Owners of Fluence Corporation Limited		(14,485)	(14,084)
Continuing operations		(194)	(2,685)
Discontinued operations		(187)	(158)
Non-controlling interests		(381)	(2,843)
		(14,866)	(16,927)

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 2021
(continued)

		Consolidated entity	
		31 December 2021	31 December 2020
	Notes	\$	\$
Losses per share from continuing operations attributable to the ordinary equity holders of the Group:			
Basic and diluted loss per share	5	(0.014)	(0.005)
Losses per share from discontinued operations attributable to the ordinary equity holders of the Group:			
Basic and diluted loss per share	5	(0.009)	(0.022)
Losses per share attributable to the ordinary equity holders of the Group:			
Basic and diluted loss per share	5	(0.024)	(0.027)

(*) 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 2021

	Consolidated entity		
	31 December 2021	31 December 2020	
Notes	\$'000	\$'000	
ASSETS			
Current assets			
Cash and cash equivalents	6	40,849	31,038
Other financial assets		11,502	15,474
Trade and other receivables		31,674	38,486
Inventories		13,387	12,810
Prepayments		9,299	7,823
Concession arrangement assets		231	353
Other assets		188	605
Assets directly associated with assets classified as held for sale	3	8,493	-
Total current assets		115,623	106,589
Non-current assets			
Investments accounted for using the equity method		547	415
Deferred tax assets		-	610
Property, plant and equipment		12,005	12,981
Intangible assets		1,709	1,834
Concession arrangement assets		2,881	8,750
Long-term deposits		14,281	23,368
Other assets		2,090	215
Total non-current assets		33,513	48,173
Total assets		149,136	154,762
LIABILITIES			
Current liabilities			
Trade and other payables	7	42,019	39,451
Borrowings	8	2,918	3,287
Current tax liabilities		30	175
Provisions		4,290	6,594
Deferred revenue		31,984	32,045
Liabilities directly associated with assets classified as held for sale	3	11,656	-
Total current liabilities		92,897	81,552
Non-current liabilities			
Other liabilities	7	1,964	2,812
Borrowings	8	34,263	25,160
Deferred tax liabilities		794	928
Provisions		390	711
Deferred revenue		2,838	13,127
Total non-current liabilities		40,249	42,738
Total liabilities		133,146	124,290
Net assets		15,990	30,472
EQUITY			
Contributed equity		212,279	212,161
Foreign currency translation reserve		(11,721)	(11,938)
Accumulated losses		(182,673)	(167,971)
		17,885	32,252
Non-controlling interests		(1,895)	(1,780)
Total equity		15,990	30,472

*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 2021

Consolidated entity	Contributed equity \$'000	Foreign currency translation reserve \$'000	Accumulated losses \$'000	Total \$'000	Non- controlling interests \$'000	Total equity \$'000
Balance at 1 January 2020	211,840	(14,870)	(150,955)	46,015	1,063	47,078
Profit/(Loss) for the period	-	-	(17,016)	(17,016)	(2,843)	(19,859)
Other comprehensive income	-	2,932	-	2,932	-	2,932
Total comprehensive income for the year	-	2,932	(17,016)	(14,084)	(2,843)	(16,927)
Transactions with owners in their capacity as owners:						
Issue of options	321	-	-	321	-	321
Balance at 31 December 2020	212,161	(11,938)	(167,971)	32,252	(1,780)	30,472
Balance at 1 January 2021	212,161	(11,938)	(167,971)	32,252	(1,780)	30,472
Profit/(Loss) for the period	-	-	(14,702)	(14,702)	(381)	(15,083)
Other comprehensive income	-	217	-	217	-	217
Total comprehensive income for the year	-	217	(14,702)	(14,485)	(381)	(14,866)
Transactions with owners in their capacity as owners:						
Issue of options	446	-	-	446	-	446
Transactions with non-controlling interests	(328)	-	-	(328)	266	(62)
Balance at 31 December 2021	212,279	(11,721)	(182,673)	17,885	(1,895)	15,990

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 2021

	Consolidated entity	
	31 December 2021	31 December 2020
Notes	\$'000	\$'000
Cash flows from operating activities		
Receipt from customers	110,542	122,440
Payments to suppliers and employees	(112,544)	(98,975)
Receipt from restricted cash	108	106
Interest received	91	148
Interest and other costs of finance paid	(2,773)	(1,396)
Income taxes paid	(263)	(76)
Net cash inflow/(outflow) from operating activities	(4,839)	22,247
Cash flows from investing activities		
Payment for purchases of plant and equipment	(1,419)	(1,168)
Funds transferred (to)/from term deposit, net	8,737	(27,897)
Proceeds from sale of property, plant and equipment	36	225
Payments for construction of concession assets	-	(466)
Net cash inflow/(outflow) from investing activities	7,354	(29,306)
Cash flows from financing activities		
Proceeds from borrowings	10,709	18,593
Finance lease payments	(1,815)	(1,633)
Net cash inflow from financing activities	8,894	16,960
Net increase in cash and cash equivalents	11,409	9,901
Cash and cash equivalents at the beginning of the financial year	31,038	21,908
Effects of exchange rate changes on cash and cash equivalents	(1,084)	(771)
Cash and cash equivalents at end of year	6 41,363	31,038

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 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. 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.

2021	Operating Units \$'000	Product and Innovation \$'000	Intersegment Elimination \$'000	Total \$'000
Segment revenue				
Operating revenue and other income	103,274	640	(599)	103,315
	103,274	640	(599)	103,315

Fluence Corporation Limited
Notes to the Preliminary Financial Report
31 December 2021
(continued)

2 Segment information (continued)

2021	Operating Units \$'000	Product and Innovation \$'000	Intersegment Elimination \$'000	Total \$'000
Segment expense				
Segment depreciation and amortisation	(1,590)	(694)	-	(2,284)
Share of profits of associates	83	-	-	83
Write off of inventories	(148)	-	-	(148)
Loss after tax from discontinued operations	(5,926)	-	-	(5,926)
Segment expense	(98,896)	(2,661)	599	(100,958)
Unallocated expenses - corporate	-	-	-	(9,165)
	(106,477)	(3,355)	599	(118,398)
Segment results				
	(3,203)	(2,715)	-	(15,083)
Assets				
Investments in associates	547	-	-	547
Assets directly associated with assets classified as held for sale	8,493	-	-	8,493
Segment assets	116,186	5,075	(1,433)	119,828
Unallocated assets - corporate	-	-	-	20,268
	125,226	5,075	(1,433)	149,136
Liabilities				
Liabilities directly associated with assets classified as held for sale	(11,656)	-	-	(11,656)
Segment liabilities	(84,712)	(5,971)	1,433	(89,250)
Unallocated liabilities - corporate	-	-	-	(32,240)
	(96,368)	(5,971)	1,433	(133,146)
Acquisitions of non-current assets	1,164	38	-	1,202
2020	Operating Units \$'000	Product and Innovation \$'000	Intersegment Elimination \$'000	Total \$'000
Segment revenue				
Operating revenue and other income	89,833	1,442	(1,208)	90,067
	89,833	1,442	(1,208)	90,067
Segment expense				
Segment depreciation and amortisation	(1,887)	(1,027)	-	(2,914)
Share of profits of associates	55	-	-	55
Write off of inventories	(32)	-	-	(32)
Loss after tax from discontinued operations	(13,929)	-	-	(13,929)
Segment expense	(81,671)	(1,554)	1,208	(82,017)
Unallocated expenses - corporate	-	-	-	(11,089)
	(97,464)	(2,581)	1,208	(109,926)
Segment result				
	(7,631)	(1,139)	-	(19,859)

Fluence Corporation Limited
Notes to the Preliminary Financial Report
31 December 2021
(continued)

2 Segment information (continued)

2020	Operating Units \$'000	Product and Innovation \$'000	Intersegment Elimination \$'000	Total \$'000
Assets				
Investments in associates	415	-	-	415
Segment assets	137,105	6,264	(4,141)	139,228
Unallocated assets - corporate	-	-	-	15,119
	137,520	6,264	(4,141)	154,762
Liabilities				
Segment liabilities	(92,852)	(10,800)	4,141	(99,511)
Unallocated liabilities - corporate	-	-	-	(24,779)
	(92,852)	(10,800)	4,141	(124,290)
Acquisitions of non-current assets	972	77	-	1,049
Unallocated expenses				
			Consolidated entity	
			31 December 2021 \$'000	31 December 2020 \$'000
Other corporate expenses			(9,165)	(11,089)
Unallocated assets				
			Consolidated entity	
			31 December 2021 \$'000	31 December 2020 \$'000
Cash and cash equivalents			14,779	9,924
Other assets			5,489	5,195
			20,268	15,119
Unallocated liabilities				
			Consolidated entity	
			31 December 2021 \$'000	31 December 2020 \$'000
Trade and other payables			(748)	(1,089)
Borrowings			(30,459)	(20,446)
Other liabilities			(1,033)	(3,244)
			(32,240)	(24,779)
Intersegment transactions				
Intersegment transactions are made on an arm's-length basis and are eliminated on consolidation.				

3 Discontinued operations and assets classified as held for sale

(a) Discontinued operations and assets classified as held for sale

(i) Description

During the year ended 31 December 2021, the Company classified its operations in Italy and Peru as Held for Sale and operations in Mexico as discontinued operations. The operations in Italy and Peru have met the conditions of AASB 5, management is committed to a plan to sell, the asset is available for immediate sale, an active program to locate a buyer is initiated, the sale is highly probable within 12 months, the asset is being actively marketed for sale, and actions required to complete the plan indicate that it is unlikely that plan will be significantly changed or withdrawn.

(ii) Financial performance and cash flow information

The financial performance and cash flow information presented are for the year ended 31 December 2021 and the year ended 31 December 2020.

	Consolidated entity	
	31 December 2021 \$'000	31 December 2020 \$'000
Fluence Italy		
Revenue	8,671	7,260
Cost of sales	(7,355)	(6,755)
Research and development expenses	(129)	(146)
Sales and marketing expenses	(442)	(520)
General and administrative expenses	(1,370)	(1,428)
Other gains/losses - net	(1,365)	(30)
Finance costs - net	(30)	4
Loss before income tax	(2,020)	(1,615)
Income tax benefit/(expense)	(38)	172
Loss after income tax from discontinued operations	(2,058)	(1,443)

According to the AASB 5 "Non-current assets held for sale and discontinued operations" presentation requirements for intragroup transactions, Fluence Italy revenue for the year ended 31 December 2021 excludes the revenue earned from the Group in the amount of \$5,454,000 and the related costs in the amount of \$4,959,000. Fluence Italy revenue for the year ended 31 December 2020 excludes the revenue earned from the Group in the amount of \$1,947,000 and the related costs in the amount of \$437,000.

If the intragroup transactions were reported as Fluence Italy financial performance, Fluence Italy would have a net loss after income tax of \$1,563,000 for the year ended 31 December 2021 and a net profit after income tax of \$67,000 for the year ended 31 December 2020.

Net cash outflow from operating activities	(719)	(579)
Net cash outflow from investing activities	(44)	(20)
Net cash inflow from financing activities	867	478
Effects of exchange rate changes on cash and cash equivalents	(76)	75
Net decrease in cash and cash equivalents from discontinuing operations	28	(46)

3 Discontinued operations and assets classified as held for sale (continued)

(a) Discontinued operations and assets classified as held for sale (continued)

(ii) *Financial performance and cash flow information (continued)*

	Consolidated entity	
	31 December 2021 \$'000	31 December 2020 \$'000
Impairment expense		
Concession arrangements asset	(1,739)	(12,037)
Intangible assets	-	(4,012)
Unbilled receivables	(1,535)	-
GST receivable	-	(475)
Reversal of accruals	-	4,621
	(3,274)	(11,903)

	Consolidated entity	
	31 December 2021 \$'000	31 December 2020 \$'000
Loss after income tax expense from discontinued operations		
Fluence Italy	(2,058)	(1,443)
GCM Peru	(3,531)	(67)
Fluence Mexico	(337)	(12,419)
	(5,926)	(13,929)

(b) Carrying amounts of assets and liabilities disposed

	Consolidated entity	
	31 December 2021 \$'000	31 December 2020 \$'000
Fluence Mexico		
Carrying amounts of assets and liabilities disposed		
Cash and cash equivalents	166	226
Trade receivables	12	4
Prepayments	9	59
Other current assets	6	8
Property, plant and equipment	4	6
Total assets disposed	197	303
Trade and other payables	(361)	(193)
Current tax liabilities	(33)	(92)
Deferred revenue	(1)	-
Other non-current liabilities	(322)	(262)
Total liabilities disposed	(717)	(547)
Net assets	(520)	(244)

3 Discontinued operations and assets classified as held for sale (continued)

(b) Carrying amounts of assets and liabilities disposed (continued)

(c) Assets and liabilities directly associated with assets classified as held for sale

	Consolidated entity	
	31 December 2021 \$'000	31 December 2020 \$'000
Fluence Italy		
Disposal group held for sale		
Cash and cash equivalents	514	486
Trade receivables	5,310	8,817
Inventories	496	491
Prepayments	795	349
Deferred tax assets	163	178
Property, plant and equipment	578	769
Long-term deposits	6	14
Other long-term assets	69	1,011
Total assets directly associated with assets classified as held for sale	7,931	12,115
Trade and other payables	(7,167)	(4,325)
Borrowings	(551)	(483)
Current tax liabilities	(5)	(67)
Provisions	(237)	(272)
Deferred revenue	(2,772)	(3,921)
Long-term borrowings	(301)	(458)
Deferred tax liabilities	(101)	(49)
Employee benefits	(522)	(479)
Other non-current liabilities	-	(585)
Total liabilities directly associated with assets classified as held for sale	(11,656)	(10,639)
Net assets	(3,725)	1,476

According to the AASB 5 "Non-current assets held for sale and discontinued operations" presentation requirements for intragroup transactions, Fluence Italy Trade receivables balance for the year ended 31 December 2021 excludes the amount receivable from the Group of \$4,516,000. Fluence Italy Trade receivables balance for the year ended 31 December 2020 included the amount receivable from the Group of \$2,917,000 and the Trade and other payables balances included the amount of \$1,176,000 payable to the Group.

If the intragroup receivable balance for the year ended 31 December 2021 was included to Fluence Italy assets, the net assets would be positive \$791,000. The intragroup receivable balance is expected to be repaid prior to the closing of Fluence Italy sale.

3 Discontinued operations and assets classified as held for sale (continued)

(c) Assets and liabilities directly associated with assets classified as held for sale (continued)

	Consolidated entity	
	31 December 2021 \$'000	31 December 2020 \$'000
GCM Peru		
Disposal group held for sale		
Cash and cash equivalents	-	21
Trade receivables	67	65
Concession arrangement assets - Short-term	-	145
Deferred tax assets	44	33
Property, plant and equipment	99	99
Concession arrangement assets - Long-term	352	3,898
Total assets directly associated with assets classified as held for sale	562	4,261
Trade and other payables	-	(1,969)
Current tax liabilities	-	(1)
Total liabilities directly associated with assets classified as held for sale	-	(1,970)
Net assets	562	2,291

	Consolidated entity	
	31 December 2021 \$'000	31 December 2020 \$'000
Assets directly associated with assets classified as held for sale		
Fluence Italy	7,931	12,115
GCM Peru	562	4,261
	8,493	16,376

	Consolidated entity	
	31 December 2021 \$'000	31 December 2020 \$'000
Liabilities directly associated with assets classified as held for sale		
Fluence Italy	(11,656)	(10,639)
GCM Peru	-	(1,970)
	(11,656)	(12,609)

Prior year comparatives within the note have not been restated in the statement of financial position as at 31 December 2020.

Fluence Corporation Limited
Notes to the Preliminary Financial Report
31 December 2021
(continued)

4 Operating revenue and expenses

	Consolidated entity	
	31 December 2021 \$'000	31 December 2020 \$'000
Operating revenue		
Contract revenue		
Smart product solutions	37,620	29,431
Customer engineering solutions	59,962	53,260
Service concession arrangements revenue	-	91
	97,582	82,782
Service revenue		
Revenues on services	1,152	2,409
Revenue on parts	3,088	3,035
Recurring revenue from concession assets	1,371	1,568
	5,611	7,012
	103,193	89,794

5 Loss per share

(a) Loss per share from continuing operations

	Consolidated entity	
	31 December 2021 \$'000	31 December 2020 \$'000
Loss per share from continuing operations		
Loss profit after income tax	(9,157)	(5,930)
Non-controlling interest	194	2,685
Loss after income tax from continuing operations attributable to the ordinary equity holders of the Group	(8,963)	(3,245)
	Consolidated entity	
	31 December 2021 \$	31 December 2020 \$
Basic loss per share	(0.014)	(0.005)
Diluted loss per share	(0.014)	(0.005)

5 Loss per share (continued)

(b) Loss per share from discontinued operations

	Consolidated entity	
	31 December 2021 \$'000	31 December 2020 \$'000
Loss per share from discontinued operations		
Loss after income tax	(5,926)	(13,929)
Non-controlling interest	187	158
Loss after income tax from discontinued operations attributable to the ordinary equity holders of the Group	(5,739)	(13,771)

	Consolidated entity	
	31 December 2021 \$	31 December 2020 \$
Basic loss per share	(0.009)	(0.022)
Diluted loss per share	(0.009)	(0.022)

(c) Loss per share

	Consolidated entity	
	31 December 2021 \$'000	31 December 2020 \$'000
Loss per share		
Loss after income tax	(15,083)	(19,859)
Non-controlling interest	381	2,843
Loss after income tax attributable to the ordinary equity holders of the Group	(14,702)	(17,016)

	Consolidated entity	
	31 December 2021 \$	31 December 2020 \$
Basic loss per share	(0.024)	(0.027)
Diluted loss per share	(0.024)	(0.027)

(d) Weighted average number of shares

	Consolidated entity	
	2021 Number	2020 Number
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted earnings/(loss) per share	624,854,034	624,854,034

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6 Cash and cash equivalents

	Consolidated entity	
	31 December 2021 \$'000	31 December 2020 \$'000
	Cash and cash equivalents	40,849
Cash and cash equivalents classified as held for sale	514	-
	41,363	31,038

7 Trade and other payables and other liabilities

	Consolidated entity	
	31 December 2021 \$'000	31 December 2020 \$'000
	Current	
Trade payables	5,396	12,750
Accrued payroll liabilities	1,980	3,072
Accrued project expenses	25,315	17,779
Government grants	1,906	1,168
Other accruals	7,422	4,682
	42,019	39,451
Non-current		
Government grants	1,927	2,518
Other liabilities	37	294
	1,964	2,812

8 Borrowings

	Consolidated entity	
	31 December 2021 \$'000	31 December 2020 \$'000
	Borrowings	
Current borrowings and interest payable	1,549	1,878
Current lease liability	1,369	1,409
	2,918	3,287
Non-current borrowings	30,085	19,825
Non-current lease liability	4,178	5,335
	34,263	25,160

8 Borrowings (continued)

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. In December 2021 facility increased by US\$10.3 million. 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.

9 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.

10 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.

11 Audit

This Preliminary Financial Report is currently in the process of being audited. An Annual Report for the year ended 31 December 2021 containing the Audit Report shall be provided in due course.