



**A Global Leader in Decentralized Solutions
Addressing Fastest Growing Water Markets**

Non-Deal Roadshow November 2017

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Corporate Overview



Capital Structure 1 October 2017	ASX: FLC
Ordinary Shares on Issue	393M
Options on issue	46M
Share Price	A\$0.64
Undiluted Market Capitalization	A\$252M
Current Cash (30/09/17)	US\$45M
External debt (except non-recourse project debt)	<US\$2M
Liquidity (avg. shares traded per day for last 12 months)	537,944

Board of Directors
Richard Irving – Executive Chairman
Henry Charrabé – Managing Director & CEO
Peter Marks – Non-Executive Director
Robert Wale – Non-Executive Director
Arnon Goldfarb – Non-Executive Director
Ross Haghighat – Non-Executive Director
Dr. Rengarajan Ramesh – Non-Executive Director
Ross Kennedy – Board Advisor & Company Secretary

Top Holders ASX: FLC	Shares (M)	% of FLC
RSL Investments	111	28.25
Pond Ventures	29	7.37
ESOP Management Trust	19	4.96
Plan B Ventures	16	4.08
Capital Group	15	3.78
Other top 20	82	20.82
Top 20 total	272	69.26

Executive Management Team
Henry Charrabé – Managing Director & CEO
Philippe Laval – Chief Operating Officer
Robert Wowk – Chief Financial Officer
Spencer Smith – Chief Legal Officer
Ronen Shechter – Chief Technology Officer
Ilan Wilf – Global VP Sales
Yaron Bar-Tal – Global VP Product Development

Market Opportunity



Growing Global Water Crisis Now



Urgent Need For
Affordable,
Fast-to-Deploy
Solutions

Water shortages affect 2.7B **now**

2.4B lack proper wastewater treatment **now**

An additional population of 2.1B need upgraded treatment

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

60% increase in global food production by 2050

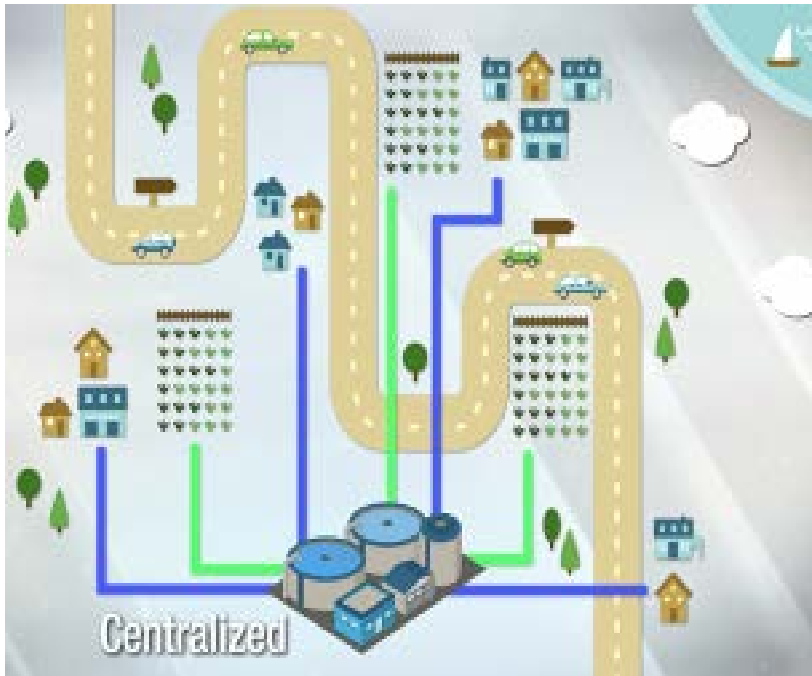
Manufacturing water demand will grow 400% by 2050

Doubles global water consumption by 2050

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

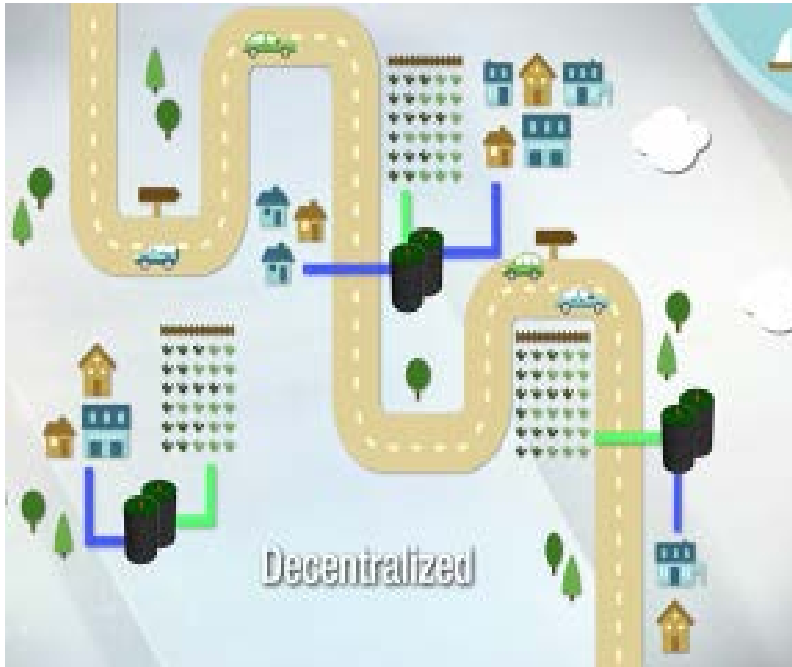
By **2025**, two-thirds of the world faces water shortages

Today's Large Centralized Solutions Will Not Address the Growing Demand



- **Large centralized plants:** CapEx and OpEx inefficient and demands massive in-ground infrastructure – too costly
- **Developed world:** Rusting pipes and growing communities drive pipe replacement: US\$1M – US\$10M+/km plus pumping and storage
- **Very costly to upgrade:** Fixing and upgrading water infrastructure estimated to cost US\$1 trillion+ - not viable

Decentralized Packaged Treatment Plants: The Solution For Global Water Needs

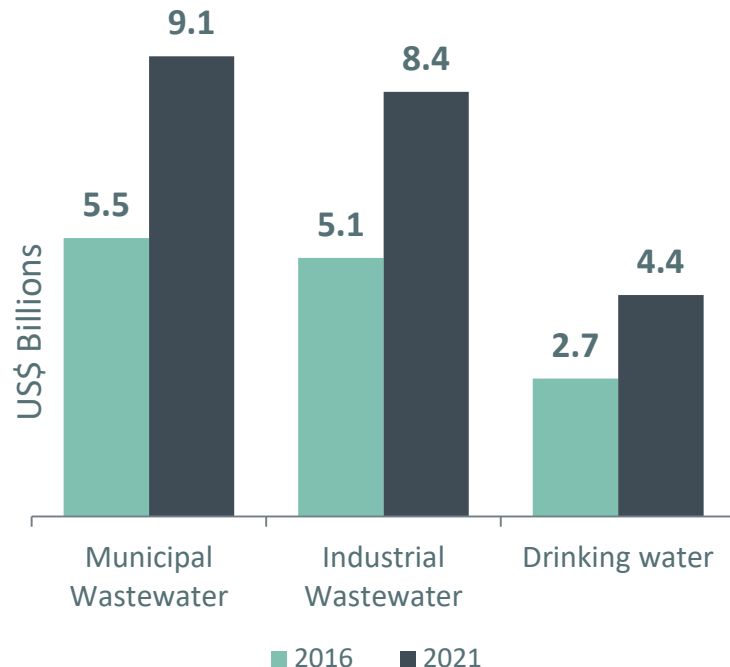


- **Smart Packaged Plants** provide a cost effective ‘plug and play’ solution, avoiding inefficient infrastructure projects spanning years and costing hundreds of millions
- Smart Packaged Plants enable **remote monitoring and operation**, substantially reducing OpEx
- Point of Use **Decentralized Plants require short and limited in-ground infrastructure** saving 25% CapEx & 40% OpEx for new install & upgrades
- Localized water treatment and reuse **avoids need for large installed base** to transport source water and returning treated water, reduces water and energy demand
- Multiple decentralized plants help mitigate man-made or natural disasters

Target Markets Growing Rapidly

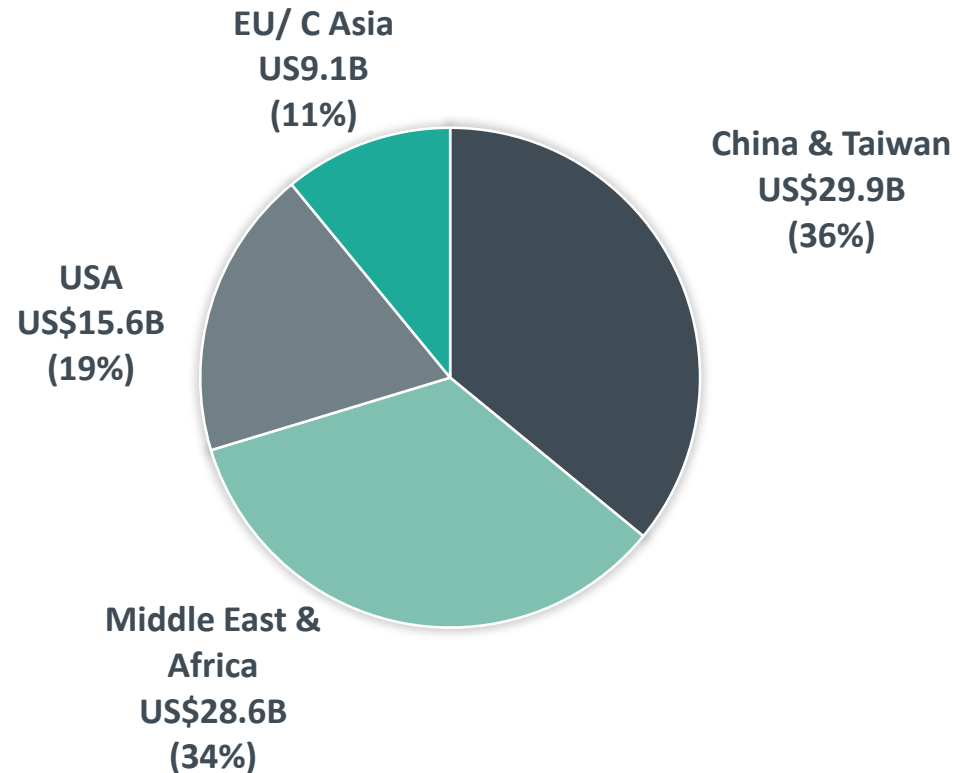
Smart Packaged Plants:

Global market growing from
US\$13.3B to US\$21.8B (2016 to 2021)



US\$83B in Planned CapEx

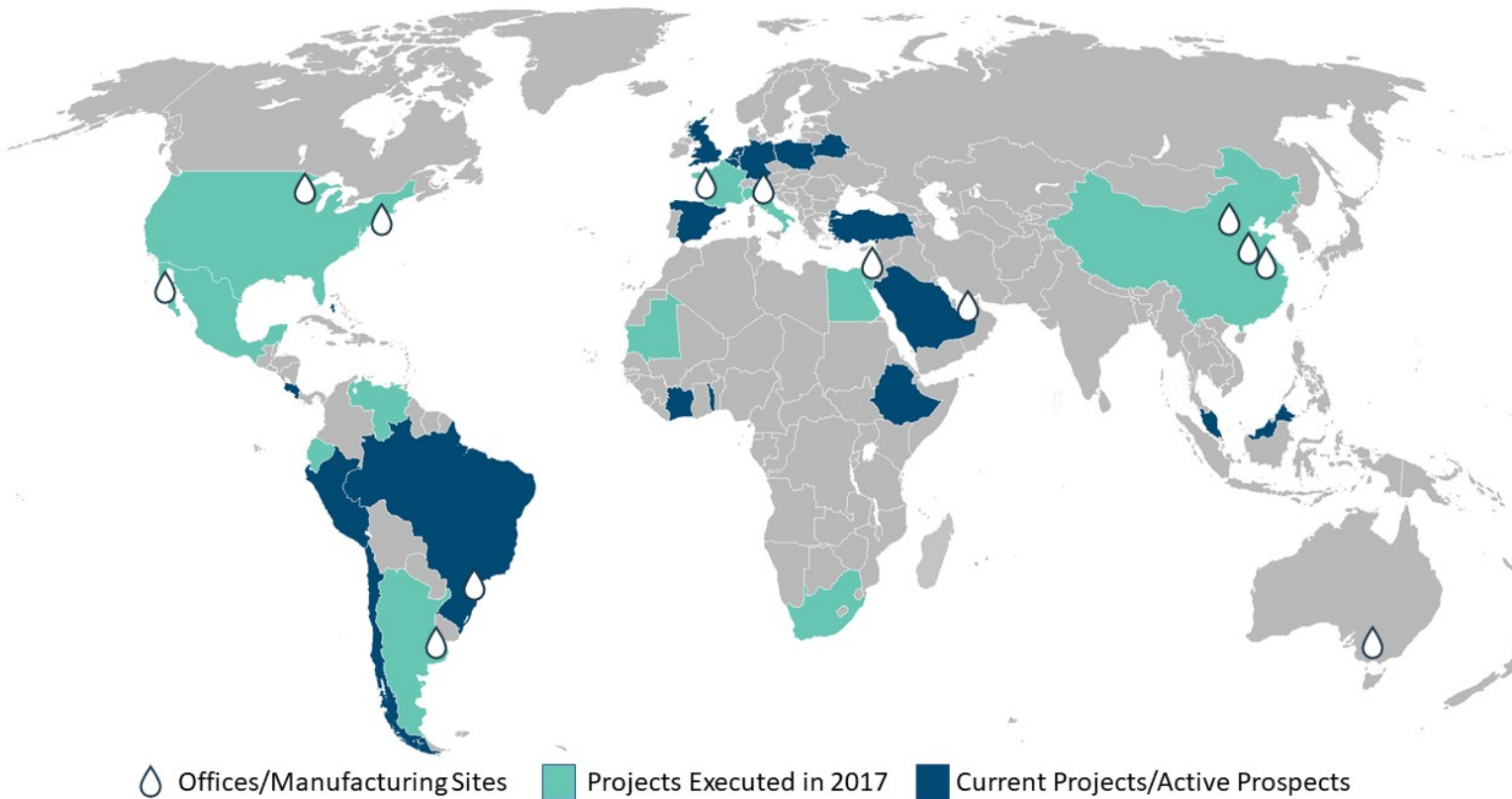
Desalination and Reuse plants
(2017 to 2022)



Fluence Positioning



A Global Leader in Fast-To-Deploy Decentralized Treatment Solutions



Sales reach in US,
China, Latin America,
Africa, Europe

Diversifies revenue
sources while
increasing
opportunities

Global operations,
incl. manufacturing
in Israel, Argentina,
USA, Italy and China

Fluence – An Established Global Player with Differentiated Products Serving Growing Markets



US\$700B global water market – tighter rules, urgent needs



Only global, pure play water & wastewater treatment company



Targeting fastest growing segments



Proven solutions offer best-in-class performance



MABR ramp starting in China



First SUBRE contract won



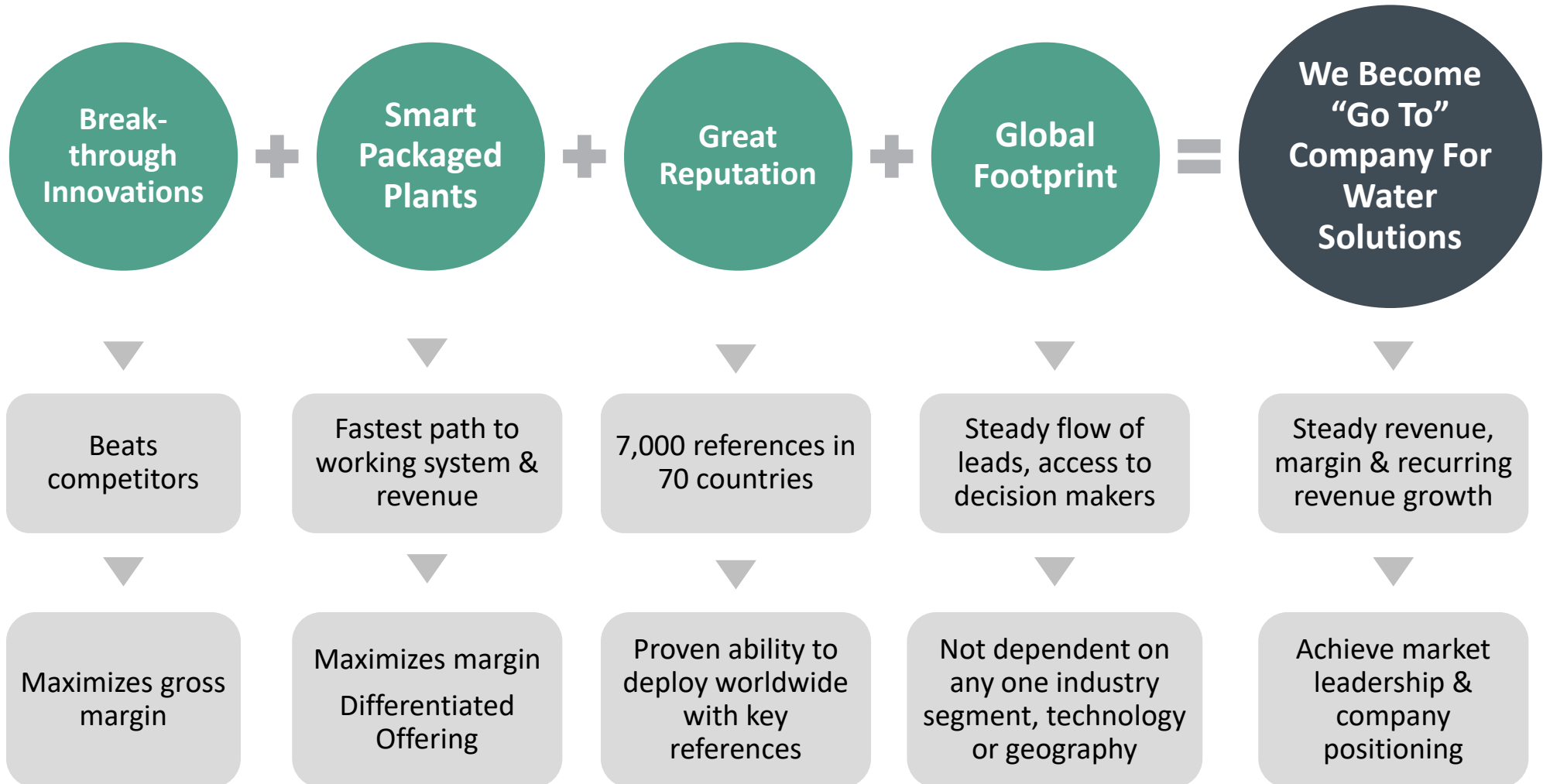
Global team of 330+ experts



Strong balance sheet to execute plan

Result: Sustained Revenue and Margin Growth, Increasing Recurring Revenue

Critical Success Factors Driving Success



Unique Competitive Position Drives Global Growth



Decentralized treatment markets are large & growing

US\$13B in 2016
-> US\$22B in 2021

Huge new China
US\$15B opportunity

No competitor fully addresses market needs

Major players target
big projects

Regional players have
limited product lines

Smaller players can't
invest in technology,
packaged solutions

Fluence has compelling differentiators

Disruptive technology

Smart Packaged Plants

Complete product line,
great references

Global footprint &
reputation

Global team, access to
capital markets

World-Class Board & Leadership



Leadership Team



Henry J. Charrabé
Managing Director
& CEO

- Former CEO RWL Water



Philippe Laval
COO

- Former COO RWL Water
- 27 years environmental operating experience



Bob Wowk
CFO

- 25 years finance experience



Ronen Schechter
CTO

- Co-Founder Emefcy

Board of Directors



Richard Irving
Executive Chairman

- 35 years tech/VC experience
- US\$3B value created



Henry J. Charrabé
Managing Director
& CEO



Rengarajan Ramesh
Non-executive
Director

- Former CTO GE Water



Ross Haghighat
Non-executive
Director

- 30 years tech/VC experience
- US\$4B value created



Peter Marks
Non-executive
Director

- 30+ years capital markets experience



Robert Wale
Non-executive
Director

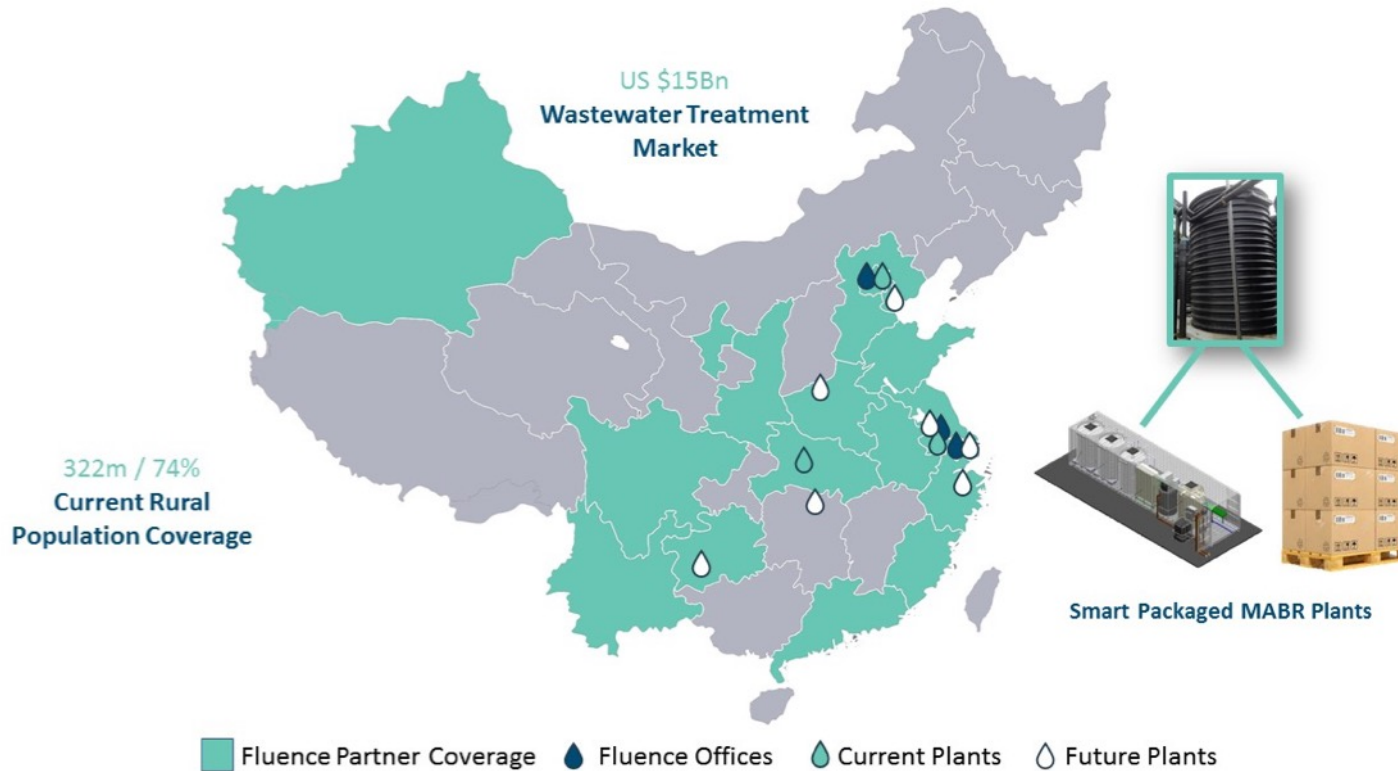
- 30+ years water industry experience



Arnon Goldfarb
Non-executive
Director

- 30+ years industrial experience

Well Positioned for Huge China Opportunity



China's 13th 5 year plan provides US\$15 Billion funding for rural wastewater treatment

Fluence MABR uniquely qualified for this market

Fluence has established multiple channel partnerships in China

Shipment of Commercial Packaged Plants has commenced

Local supply chain of flagship MABR product in place

Strong Pipeline of C-MABR Waste Water Treatment
First commercial contract through strategic channel partner in Henan Province announced in November 2017

Large Diversified Client Base

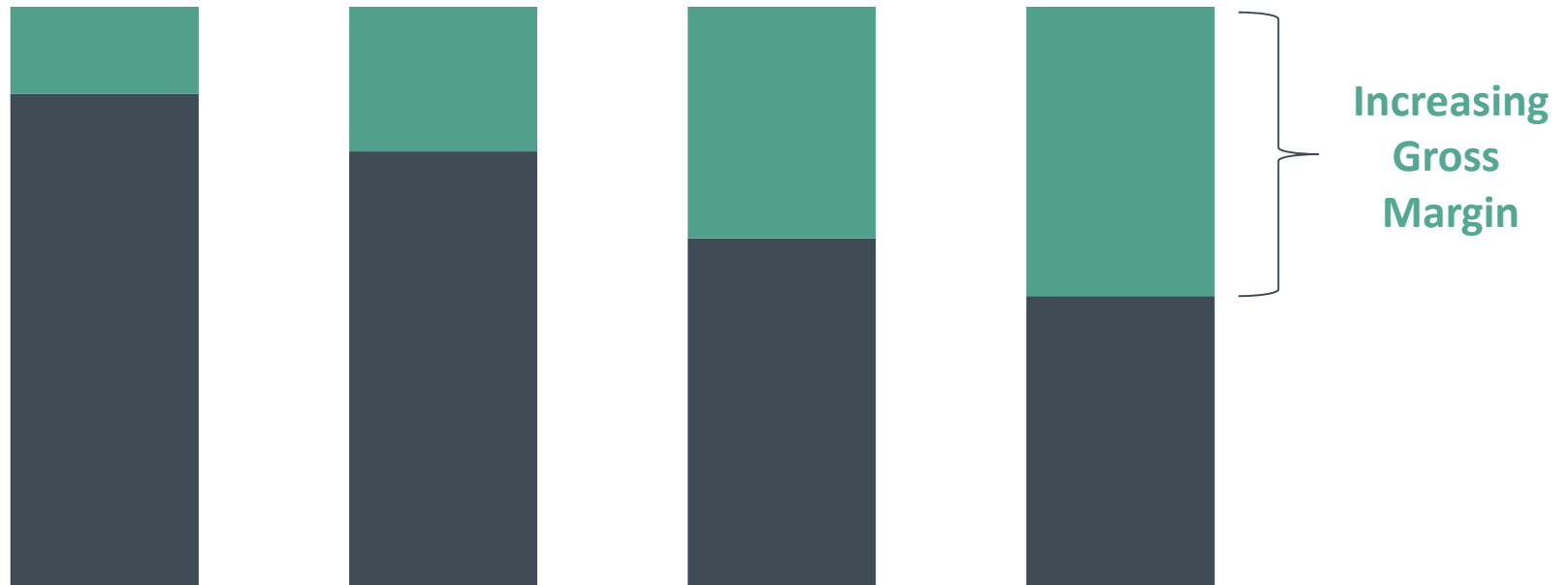


Fluence focuses on decentralised, packaged water solutions for customers across the industrial, commercial and municipal sectors

Historical and Existing Customers and Partners



Critical Success Factor: Growing Gross Margin



**Large
Project**

**Smart
Packaged
Plant**

**Proprietary
Smart Packaged
Plant**

**Proprietary
Product**

Example:

**US\$100M
Africa Project
(MoU signed)**

Nirobox

**Smart Packaged
MABR**

SUBRE

Why Smart Packaged Plants Win: Case Study

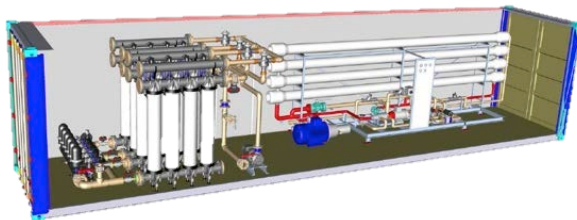


Deploys in 1/3 of the time, at 37% lower cost, captures more value



Typical Custom Desalination Plant

- ✗ Long time to complete (18+ mos)
- ✗ High capex
- ✗ Fixed site, hard to upgrade



Fluence Desalination Plant

- ✓ One-third of construction time
- ✓ Capex = 37% less
- ✓ Easy to upgrade as required
- ✓ Easy to relocate – mobile
- ✓ Lower energy use

"South Africa's first mobile desalination plant"
Global Water Intelligence

Smart Packaged NIROBOX Plants Deliver Water Fast



The growing demand for potable water due to climate change require fast deployment of robust, reliable water desalination solutions



Large, tailor made desalination plants require long development time - environmental, site, interconnection and financing



NIROBOX™

- **NIROBOX** is a field proven solution that addresses the mid market
- **Shorter time-to-water** the ideal solution for drought stricken areas
- **Lower Initial CapEx**
- **Modular & Scalable** approach that can suit any site requirements, enabling fast delivery, integration, commissioning and operation.

Advanced Technology:

- High availability
- Lower OpEx costs
- On-line monitoring for improved & enhanced efficiency



NIROBOX Family of pre-engineered water treatment solutions, fully assembled in a standard 40ft container, ready for rapid deployment and operation



NIROBOX SW



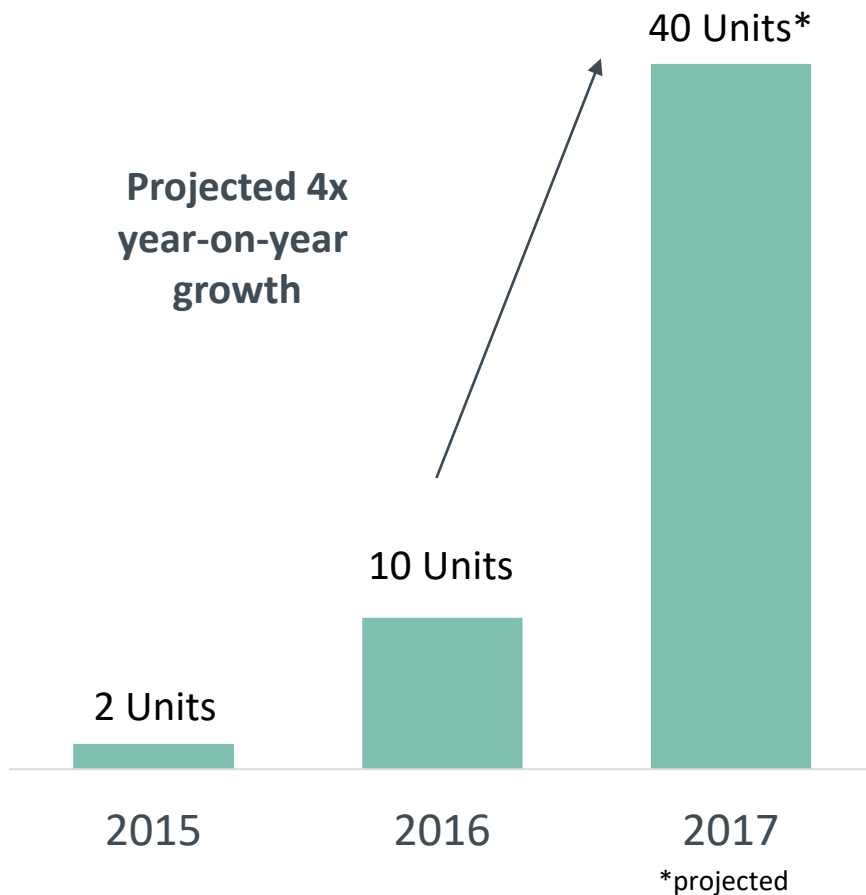
NIROBOX BW



NIROBOX FW

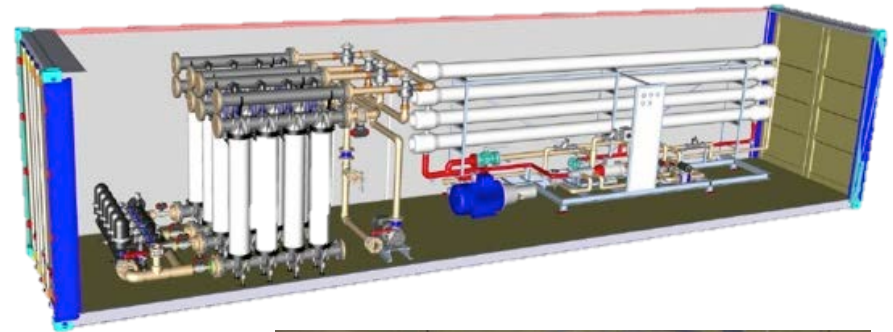
Smart Packaged Plants Drive Rapid Sales Growth

Nirobox Sales Ramp



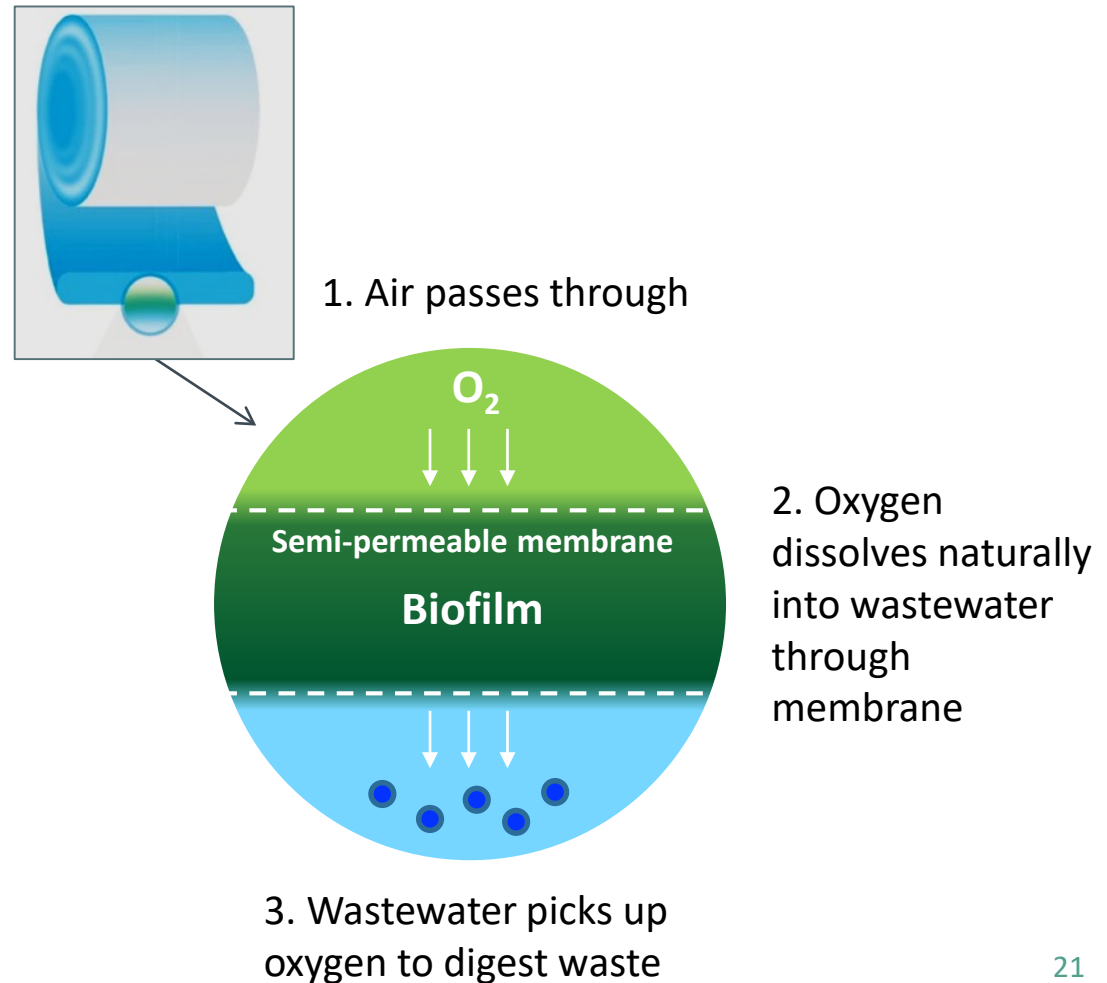
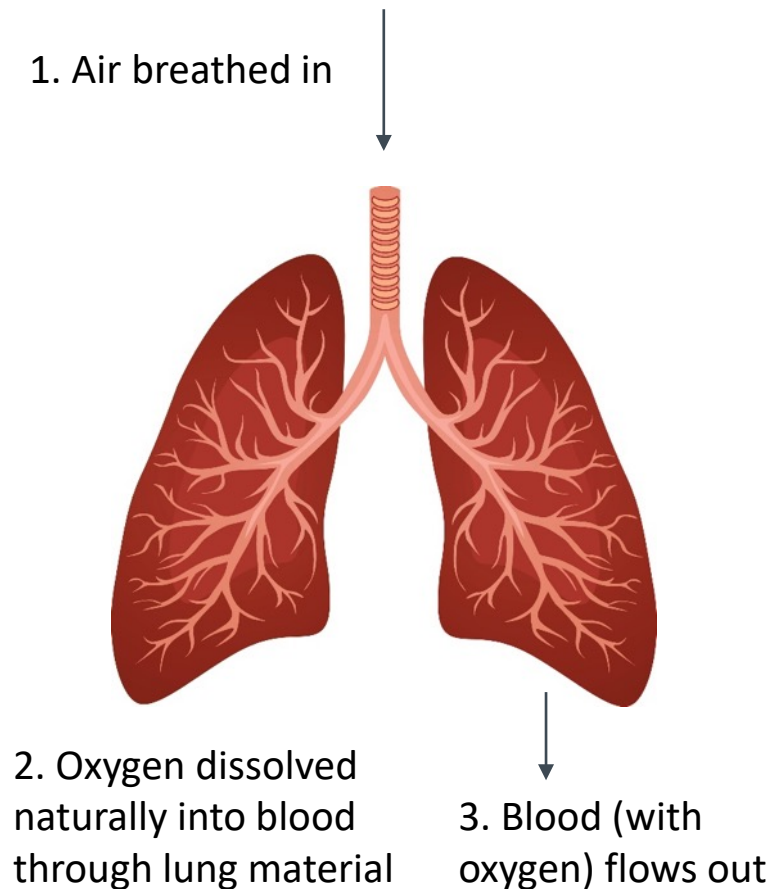
Nirobox Smart Packaged Plant

- Containerised, 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

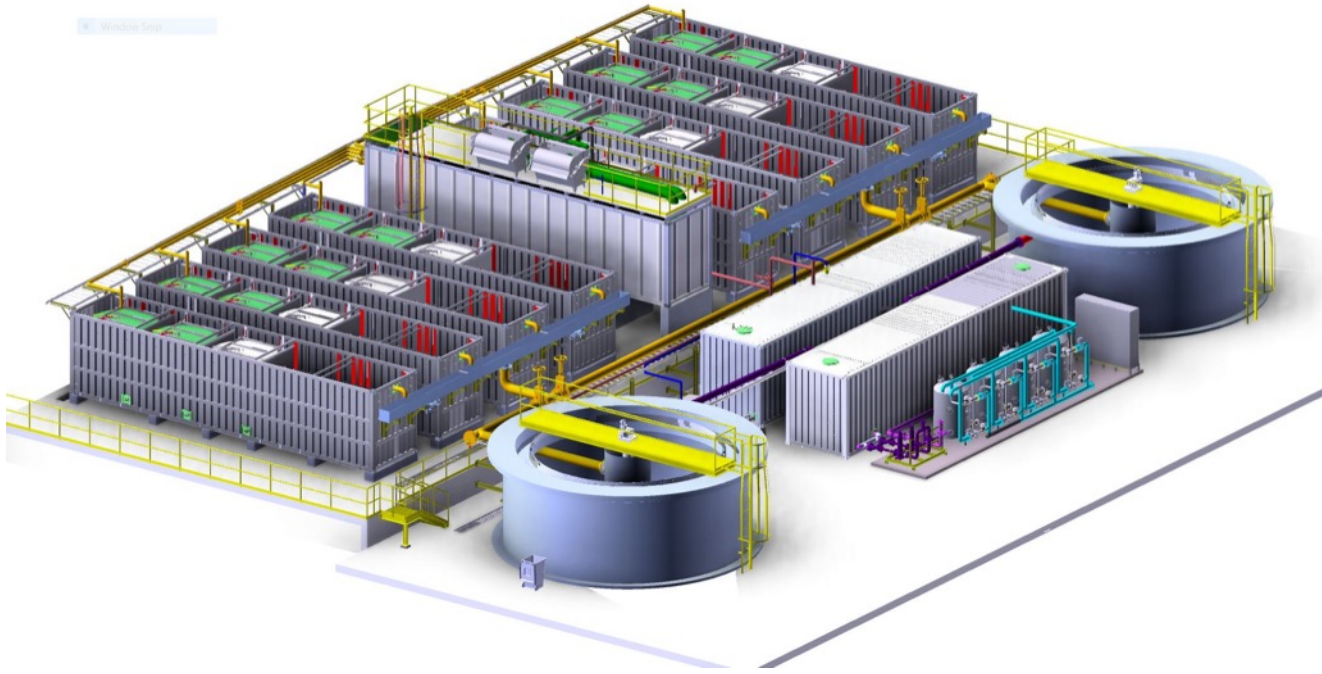


How MABR Works

MABR inspired by nature



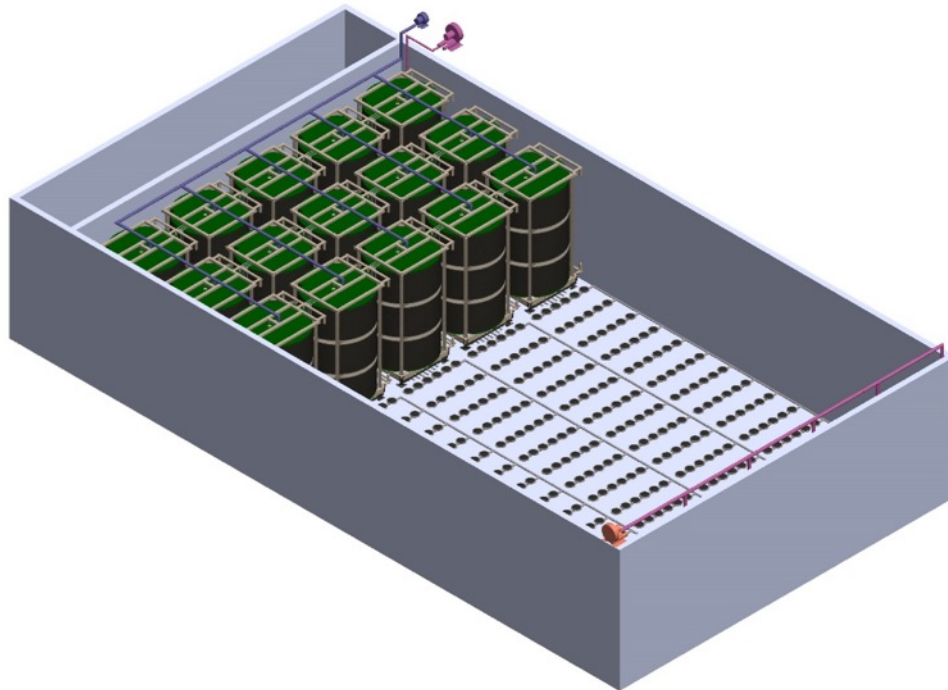
Smart Packaged MABR Plants Enable Fastest Path To Revenue



MABR Smart Packaged Plant

- Containerised, mobile, low energy distributed wastewater plant
- The key to capture a large portion of the vast Chinese market
- Captures 2x revenue, 40% higher gross margin versus selling only MABR
- Locally made plants = faster time to revenue
- Introduced in 2017 targeting China and global markets

SUBRE (Submerged MABR) Opens Large New Market



SUBRE

- Submerged MABR upgrades **centralized plant** capacity, efficiency & compliance **without chemicals**
- Average Fluence revenues \$4.5M/plant, thousands of plants need upgrading
- High margins
- First full-scale SUBRE contract secured



Proven Industrial Waste-to-Energy Solutions



Onsite production of energy reduces electricity and gas consumption

High-quality, treated effluents meet the most stringent requirements

Reduction of sludge volume by up to 90%, significantly reduces landfill waste

Output can be used as a fertilizer

Reduces greenhouse-gas emissions

Dominant in local market sectors, 100% reliable, low operation and maintenance requirements



Compelling GLOBAL Position = Diversified Revenue



Product	Market	Competitive Advantage	Proof Points
Smart Packaged MABR	Decentralized wastewater: US\$9.1B in '21 + US\$15B in China	Up to 90% less energy, halves opex, fast time to market	Plants in USVI (US EPA certified), 5 in China, 1 in Ethiopia, 2 in Israel Full-scale field testing & 1st contract now - low-risk as closely based on proven MABR Plants globally including Africa, Latin America, Cyprus Dominant in Italian sectors Deals with top int'l processors African project (US\$100M+), Mexican BOT, Cyprus, Colombia San Quintin \$44M capex + 30 year O&M
SUBRE	Thousands of plants, US\$2B+/year	Avoids toxic chemicals, big energy saving, improves nitrogen removal	
Smart Packaged Plant – Purification (Nirobox, Ecobox)	Decentralized water plants: US\$4.4B in '21 Solves emergencies	Deploy in 6 versus 18-24 mos Lower capex, opex, footprint Mobile	
Waste to Energy	Industrial market US\$8.4B in '21	Proven expertise and dominant in local market	
Large EPC projects	Multi-billion market	Global player active in 70 countries	
BOT/Recurring Revenue	Water and wastewater treatment	Own source of financing; expert at managing risk	

Company Products Satisfy Global Geographies



Geography	Fluence Track Record	Next Steps
China	New entrant: 9 rural wastewater treatment partners 5 working plants (Wuxi completed) First commercial orders shipping	Ramp MABR wins Sell SUBRE for easy plant upgrade Water purification and desal Waste-to-energy River remediation
North America	Pioneer in packaged wastewater treatment (RWL)	Migrate to MABR & SUBRE sales
Latin America	Dominant provider of water purification to Coca Cola Recycle oil & gas produced water Desal & waste-to-energy installations	Add MABR and SUBRE sales Continue to ramp waste-to-energy
Africa & Middle East	Desal and water purification plants	Keep ramping Nirobox sales Add MABR, SUBRE
Europe	Leading waste to energy player	Add MABR, SUBRE in EU; globalize waste-to-energy success

Metrics to Track Success:



Guidance For Next Year in Early 2018

Bookings

- Sustain >25% growth to drive revenue growth
- Initial China MABR – 10's of units booked in 2017
- Nirobox, Waste-to-Energy, MABR globally

Backlog

- If contracts slip, ensure they stay on backlog – maintains revenue ramp momentum

Revenue

- Sustain >20% Year over Year growth

Gross margin

- Targeting mid-to-high 30's%

Recurring revenue

- Increasing BOT, RaaS, leasing deals

New products

- SUBRE 1st contract success, general intro by 2Q18

Profitability

- By 2019 on quarterly basis

Fluence: The Right Solution



US\$700B global water market – tighter rules, urgent needs



Only global, pure play water & wastewater treatment company



Targeting fastest growing segments



Proven solutions offer best-in-class performance



MABR ramp starting in China



First SUBRE contract won



Global team of 330+ experts



Strong balance sheet to execute plan

Result: Sustained Revenue and Margin Growth, Recurring Revenue

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