



AGM

May 25, 2023

Sustainable Water Solutions

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2022 consolidated financial figures presented on IFRS basis are audited; 2023 figures are unaudited and subject to change.

World Class Management Team



Tom Pokorsky, CEO & Managing Director

- Joined in March 2022
- Nexom Inc. – dedicated to selling technology and equipment in the nutrient removal sector of wastewater treatment
 - CEO and Founder (2016-19)
 - ✓ Realized a revenue CAGR of over 25% and EBITDA CAGR of 50%
 - ✓ Exited less than 4 years after startup with an ROI exceeding 40%
- Newterra – Leading provider of modular water and wastewater treatment solutions
 - Chairman (2014-20); Interim CEO (2015-16)
- Aquarius Technologies – Formed new company with VC partner to introduce and market two new wastewater treatment technologies
 - President & CEO (2006-14)
- Sanitaire / ITT Industries – Advanced Water Treatment (now Xylem)
 - Sanitaire – President (1994-97), CEO (1997-02); ITT – President (2002-06)
 - ✓ Grew business from \$60+ million to \$350+ million (\$100+ million organic growth)
- Water Pollution Control Corporation
 - Project Engineer (1974-79); Regional Sales Manager (1979-85); VP Sales (1985-94)
- B.S. Civil Engineering (1974), Marquette University



Ben Fash, CFO

- Joined in January 2023
- Prior to joining Fluence, CFO at Dumas Mining (2021-22)
 - Underground mining services provider with operations in Canada, US, & Mexico
- Newterra – Leading provider of modular water and wastewater treatment solutions
 - EVP Corporate Development (2012-2015)
 - CFO (2015-21)
 - ✓ Significant turnaround – EBITDA growth from \$0 to \$14.5M
 - ✓ Successfully exited in October 2020
- Prior to joining Newterra, spent 8 years in progressive roles in investment banking and private equity with:
 - Birch Hill Equity Partners – Canada's leading mid-market PE firm
 - RBC Capital Markets and Credit Suisse
- BA in Economics & Legal Studies from Williams College



Doug Brown, Chairman

- Fluence BOD Advisor May 2022, BOD Chairman March 2023
- Ionics Incorporated (NYSE: ION) – membrane based water purification systems
 - Product Manager (1976-1983)
 - CEO (2003-05)
 - ✓ Achieved significant business turnaround
 - ✓ Increased entity value from \$350 million to \$1.3 BN in less than 2 years
- Advent International – global private equity firm
 - 1985-2002, CEO (1995-2002)
 - Led global deal teams, raised \$1 BN and \$3.5 BN funds
- AquaVenture Holdings (NYSE: WAAS) – Water-as-a-Service provider
 - Founder and CEO
 - Sold to Culligan / Morgan Stanley Infrastructure Partners for \$1.2 BN – March 2020
- MIT Chemical Engineering, Harvard MBA



Rick Cisterna, CCO

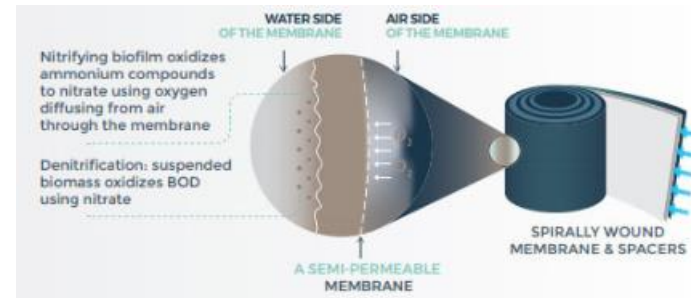
- Joined Fluence in Dec 2021
- 30 years of water industry management experience, \$1B in contracts; \$100M in recurring revenue
- President of several renewable energy and water infrastructure development companies focused on build, own, operate, finance model
- Natural Systems Utilities– design, build, operate, finance platform for decentralized infrastructure
 - Executive VP Business Development
- Hazen and Sawyer – International water and wastewater engineering and consulting company
 - Partner and corporate water reuse practice leader
- Stanford University – MS Environmental Engineering
 - Full scholarship and honors fellowship
- University of Nevada, Reno – BS Civil Engineering
 - Top graduating senior, College of Engineering

Fluence MABR: Clear Advantages over Hollow Fiber

Robust, energy-efficient, and lower TCO

- **Robust Design:**
 - Spiral wound membrane configuration less sensitive to biofouling leading to more stable operations
 - Over time, spiral wound membrane configuration displaced hollow fiber in desalination due to being more robust
- **Energy Efficient:**
 - Uses low-pressure air feed compared to hollow fibers
 - No scouring required
- **Low-Maintenance Operation:** 30+% less chemical use
- **Proven Experience:** Over 300 plants demonstrating a wide range of flows and applications, from 5 m³/d to 20,000 m³/d
- **Cost-Effective:** 30+% overall lower TCO

Fluence MABR Membrane



*Simultaneous nitrification
and denitrification*

Others: Hollow Fiber Membranes



Proven & Proprietary Wastewater Treatment Products

Smart, automated wastewater products deploy fast, can upgrade existing plants and require minimal maintenance

Modular WW Treatment



312 plants
serving 420K people¹

Key Advantages

- Turns wastewater into safe, reusable water
- TCO savings of 30+%
- Pre-engineered and installed in weeks
- **Automated operation, minimal maintenance and energy**
- Quiet, odorless operation
- **Meets highest regulatory standards & enables sustainable reuse**

Business Model

Traditional model:

Equipment Sale

Price: \$50 – 750K

GM: 35%

O&M value: 10%+ of price/annum

O&M GM: 30-40%

Preferred model:

Treatment/Reuse as a Service

Financed by Fluence, customer signs TOP² contract

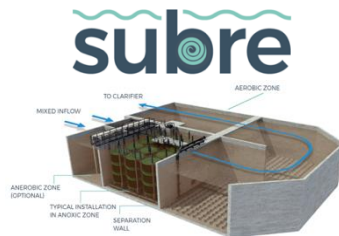
Capex: \$3/\$1 TOP revenue

TOP revenue is 50% EBITDA margin

Unlevered IRR: 15 - 20%

Payback: 5 years

Larger WW Treatment



Large Plant
Retrofit / New build

28 plants serving nearly 600K people¹

Key Advantages

The most compelling way to increase plant capacity and improve discharge water quality with:

- **Lower opex**
- **Lower energy use**
- **Lower chemical use**
- **No increase in plant footprint**
- **Higher quality effluent**

Business Model

Greenfield

Price: \$500K – 10M+

GM: 35% - 50%

O&M value: 10% of price/annum

O&M GM: 30-40%

Retrofit

Price: \$500K - \$5M+

GM: 35 – 50%

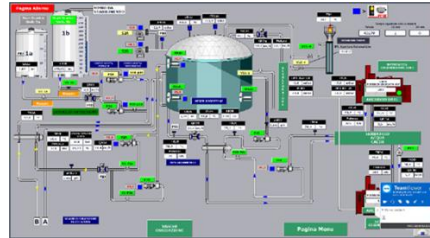
O&M value: 10% of price/annum

O&M GM: 30-40%

Proven Wastewater-to-Energy & Industrial Wastewater Products

Wastewater-to-Energy & Industrial Wastewater Products

- 41 plants serving meat, fish, dairy, candy processing
- Generate 182 GWh/year clean energy from biomass
- Mitigate 128,600 Tons CO₂ / year



Key Advantages: Wastewater-to-Energy & Industrial Wastewater Products

- Standardized solution for hard-to-treat food & beverage wastewater: excellent references with leading players
- Fast to deploy, fully automated
- Substantially smaller footprint than competition
- Strong recurring revenue potential via BOO, O&M contracts
- Large US RNG market subsidized by Inflation Reduction Act

Business Model

Preferred model:

Equipment Sale

Price: \$3 – 10M

GM: 30%

O&M Value: 10% of price/annum

O&M GM: 30-40%

Energy / Wastewater Recycling as a Service*

Financed by Fluence, customer signs 15–20 year service contract

Capex: \$2.7/\$1 TOP revenue

TOP revenue has 50% EBITDA margin

Unlevered IRR: 15 - 20%+

Payback: 5 years

Proven Industrial and Drinking Water Products

Industrial Water



**329 plants serving
6.3M people in 31 countries**



*Lithium mine brine treatment,
Argentina*

Key Advantages

- Remove contaminants to purify water
- Rapid deployment of standardized solutions
- Excellent references lead to repeat business
- High-margin recurring revenue via spare parts, chemicals and O&M

Business Model

Equipment and Aftermarket Sales

Price: 400K – 10M+

GM: 25%

Recurring revenue: ~50% of sales (spare parts, chemicals, O&M)

O&M GM: 30-40%

Chemicals GM: up to 90%

Strong BOO potential

Customers include: Arcelor Mittal, BASF, BRF, Cargill, Carlsberg, Coca Cola, Ecolab, Eramine, Intel, Kimberley Clark, Minera Exar, Petrobras

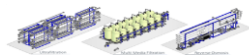
Drinking Water

NIROBOX™



**30 plants serving 500K people
Containerized Smart Packaged Plants**

NIROFLEX



18 plants serving 210K people¹

Key Advantages

- Turns sea/brackish/fresh water into drinking water
- Estimated ~65% shorter construction time & ~40% less capex than traditional desalination plants
- Pre-engineered and modular, allowing rapid deployment of plants
- Automated operation – quiet, odorless operation
- Vastly reduces process and related risks
- Simple to maintain and upgrade
- Build inventory for emergency service at high margins

Business Model

Traditional model:

Equipment Sale

Price: \$1 – 3M

GM: 25%

O&M Value: 10%+ of price/annum

O&M GM: 30%

Preferred model:

Drinking Water as a Service

Financed by Fluence, customer signs Take or Pay (TOP) contract

Capex: \$2.1/\$1 TOP revenue

TOP revenue is 50% EBITDA margin

Unlevered IRR: 15 - 20%

Payback: 5-7 years

Global Installed Base

TOTAL PLANTS: 842

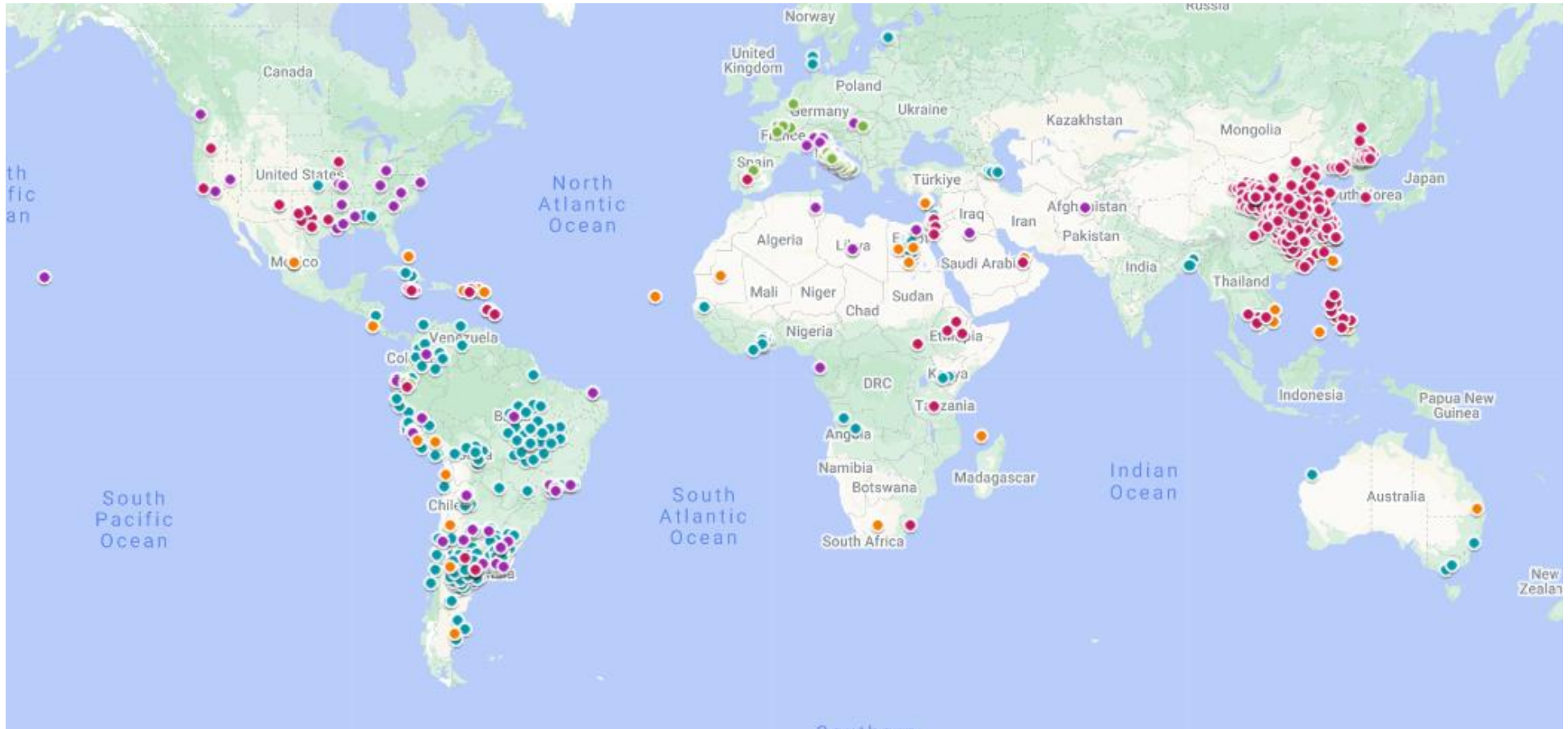
● MABR - 340

● Anaerobic Digestion - 41

● Other Wastewater - 74

● NIROBOX - 34

● Other Water - 353



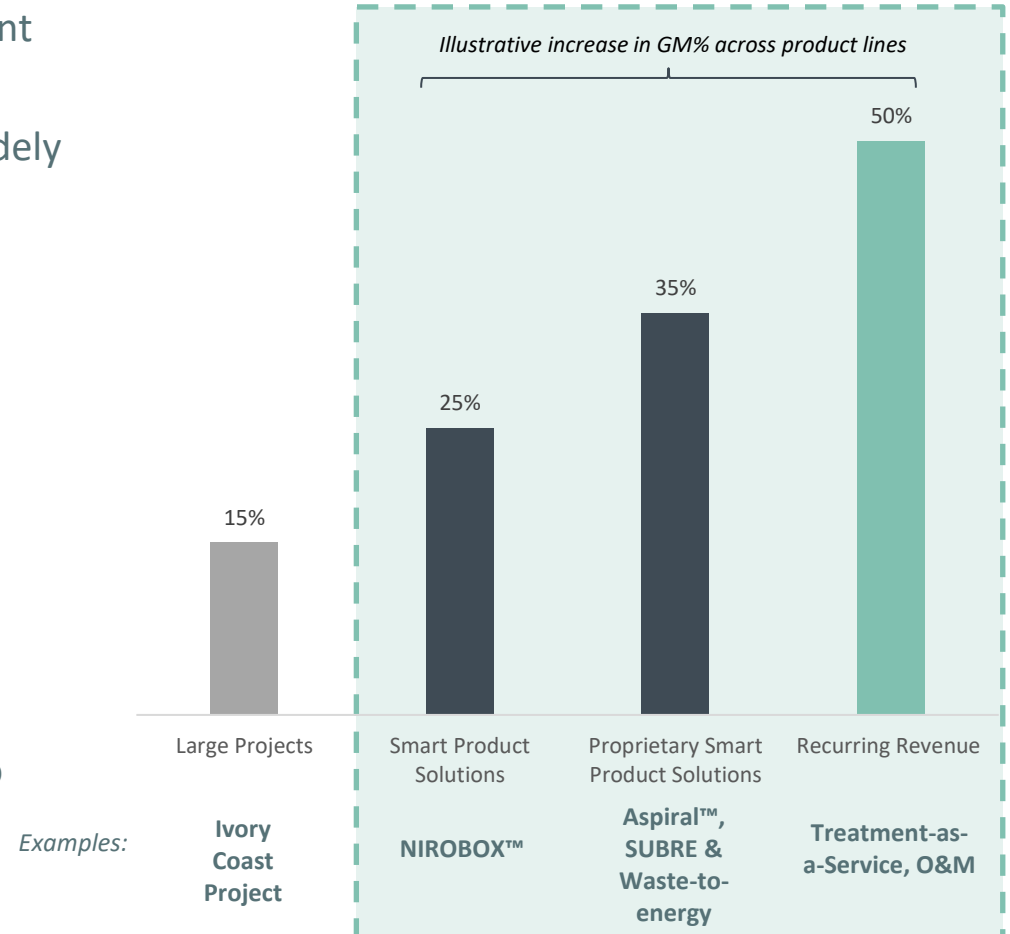
Excluding aerators and Tipton plants

Focus on Smart Product Solutions (“SPS”) and Recurring Revenue

Focusing our business on SPS significantly improves profitability, recurring revenue and growth

- **Stronger Focus on SPS:** Ramping sales of our unique, proven water and wastewater treatment solutions
 - + Proven technology deployed rapidly & widely
 - + High margin and capital efficient
 - + Highly attractive recurring revenue model
 - + Target markets can leverage additional capital with high IRRs
 - + Higher growth segment within water
- **De-emphasizing Custom Engineered Solutions (CES):**
 - Lower margins
 - + Focusing on CES projects which utilize Fluence proprietary technology leading to higher margins

Transition To Higher Margin Segments



Investment Highlights

*Fluence is a leading provider of **water and wastewater treatment systems** and **water supply services** to the municipal and industrial end markets with further application in wastewater to energy and desalination*



Proven, Proprietary & Advantaged Water Treatment Products



High Growth Markets: Municipal and Industrial Wastewater and Wastewater to Energy



Leading ESG Impact in Wastewater-to-Energy and Wastewater Treatment



Attractive Financial Profile



World Class Leadership Team

Fluence: Proven Solutions For Global Water Challenges

OUR MISSION

- We make the world a better place by delivering sustainable water treatment solutions that produce high quality water, while saving energy and improving resilience

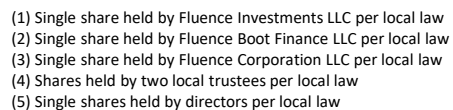


	WASTEWATER		WATER
MUNICIPAL	Decentralized wastewater & reuse \$10B+ market 312 MABR plants deployed ¹ <u>100% proprietary tech</u>	Large plant new-build & upgrade \$79B market 28 MABR plants deployed serving nearly 600K people ² <u>100% proprietary tech</u>	Decentralized drinking water \$8B market 44 plants deployed
INDUSTRIAL		Hard-to-treat industrial wastewater & wastewater-to-energy \$6B market Food & beverage 41 plants deployed <u>Proprietary solution</u>	Industrial water \$3B market Food & beverage, mining, semis, power 324 plants deployed

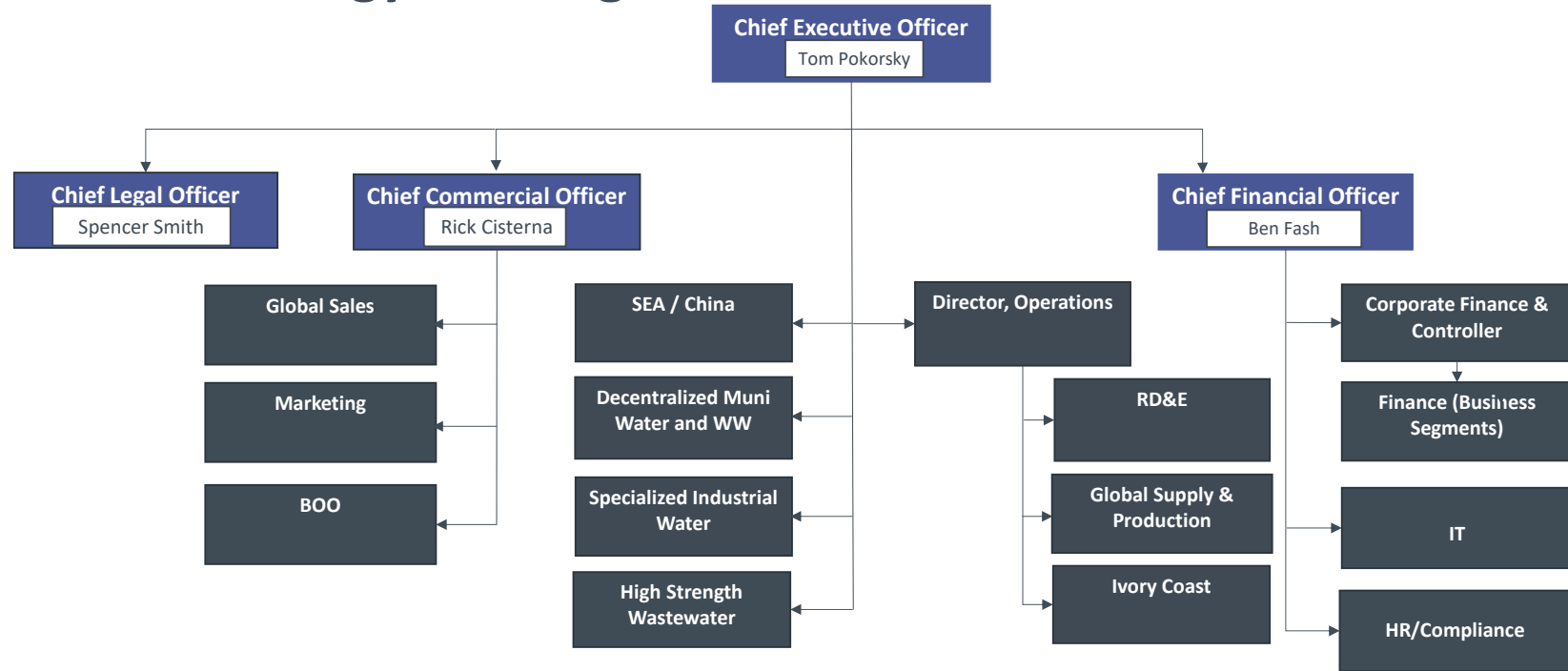
Source: Global Water Intelligence, Arizton, Technavio, company estimates

1. Plus 30 legacy technology wastewater treatment plants

2. Based on 120 l/person/day



Refocused Strategy & Reorganization



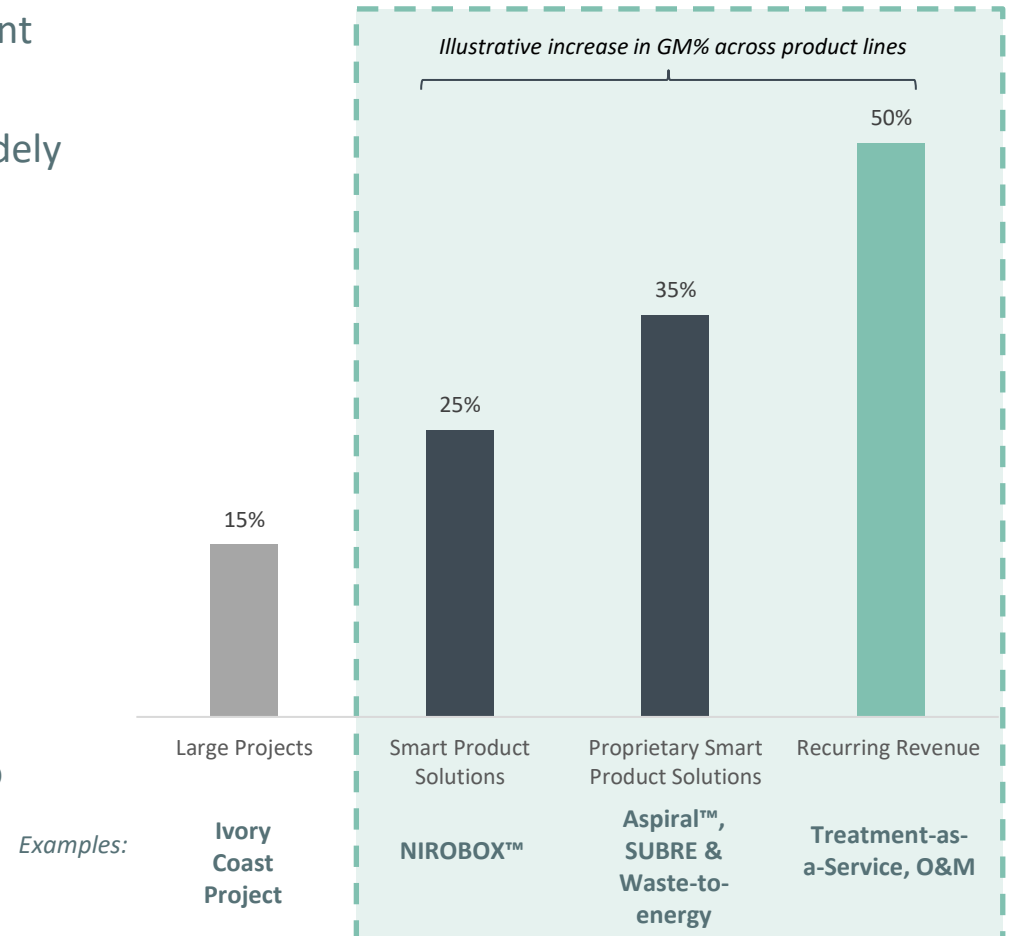
- Realign business from geographies to product lines:
 - Decentralized and Municipal Water and Wastewater treatment (MABR, Nirobox)
 - High Strength Wastewater and Wastewater-to-Energy
 - Specialized Industrial Water
 - Sell treatment as a service or add O&M contract to sale
- Focus efforts on SE Asia / China as a stand-alone BU
- RD&E to support commercial BU's
- Strengthen team and channel to address sizable North America pipeline
- Leverage all global references to attack the largest market opportunities with MABR, Wastewater-to-energy and NIROBOX: Americas, SE Asia, and beyond
- Tuck-in M&A to grow channel: proven operating teams with profitable recurring revenue – many available
- Manage procurement and manufacturing globally to lower costs and lead times, incl US capability
- Actions taken to reduce annual opex by \$3M+ (>10%), headcount by 10%

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Transition To Higher Margin Segments



Growth Drivers For 2023 & Beyond

- China team to keep driving newly developed pipeline in Asia outside of China ; Key wins already in Taiwan, Korea and Cambodia
- Develop additional projects for wastewater to energy and high strength wastewater treatment in North and South America: 6 projects \$10-15M in play
- Continue momentum started in 2022 on BOO project pipeline
- Drive all North American sales with new team and additional reps – SUBRE for larger plant upgrades and Aspiral for smaller plants
- Pursue tuck-in M&A
- Use the new company structure to more effectively drive cross-selling

Thank You

For further information, please contact:

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About Fluence Corporation Limited (ASX: FLC)

Fluence is a leader in wastewater treatment and reuse, high-strength wastewater treatment, wastewater-to-energy, industrial and drinking water markets, with its pre-engineered, standardized Smart Products Solutions (SPS), including Aspiral™, NIROBOX™, SUBRE and Nitro. In addition to rapid delivery and commissioning of solutions to meet a broad range of needs from smaller communities to city-scale systems, Fluence offers ongoing operation and maintenance support, Build Own Operate (BOO) and other recurring revenue solutions. Fluence has a broad international footprint and focuses on high growth markets including North America and South East Asia.

Further information can be found at <https://www.fluencecorp.com/>