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Q3 FY2021 Update

Fluence Corporation (ASX:FLC)

28 October 2021

Q3 FY2021 Highlights

All numbers are subject to audit



Strong Revenue Growth

- Revenue of \$20.0M up 46% over Q3 FY2020
- SPS revenues of \$7.4M in Q3 FY2021 brings 2021 year-to-date SPS revenues to \$18.9M

SPS Booking, Backlog and Outlook Strong

- Year-to-date SPS bookings were \$27.1M with current SPS backlog¹ of \$16.2M
- \$11.3M of this backlog¹ is anticipated to be recognized as revenue in Q4 FY2021

Continued Strong Adoption of MABR Smart Products Solutions

- 44 MABR plants sold year to date including recent Cambodia order
- Now 290 MABR plants sold worldwide, capable of treating wastewater for 900,000 people

Backlog Strong

- \$158.5M contracted backlog

Cost Out Improvement – Continued Operating Efficiency Gains

- Operating expenses down 14% versus Q3 FY2020
- Year-to-date down 11% on the same period in 2020

Low Operating Cash Outflow – Operating cash flow outflow in Q3 of \$2.0M down from \$5.9M in Q3 FY2020

Net Cash Position – Cash balance of \$16.3M, as well as \$35.7M in short and long-term liquid investments

FY2021 Guidance Reiterated – EBITDA positive for year, SPS revenues \$35 – 50M

Backlog¹ only includes amounts that have been formally contracted for sale and not yet delivered to the customers and therefore still to be recognized as revenue. In particular for revenue from BOT contracts, it includes only 12 months of future revenue and does not include the remaining amount previously announced under volume partnerships. There is approx. \$45M that remains from existing Volume Partnership Agreements that are yet to be contracted for sale and hence are not included in this Backlog number.

Operating expenses including depreciation and amortization.

All numbers in presentation are USD unless otherwise stated.

Progress on Strategic Priorities



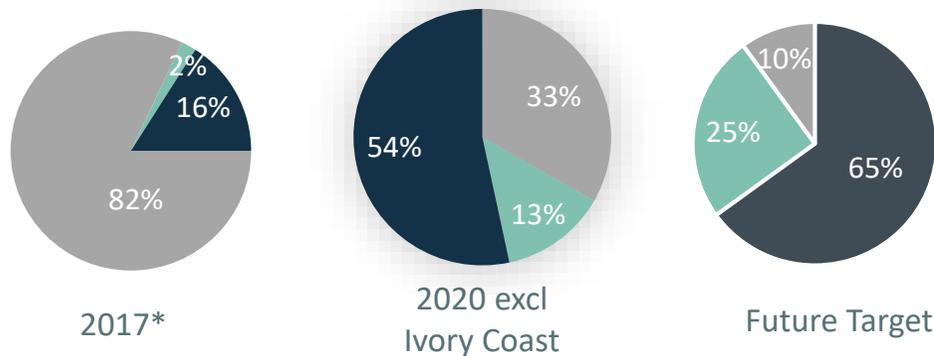
Priority	Progress
Sign strategic partnerships in China	<ul style="list-style-type: none">▪ Joint development agreement signed with Beijing Enterprises Water Group (operator of 1,115 wastewater treatment plants)
Secure significant new contract wins in focus markets: US, China, SE Asia, Middle East	<ul style="list-style-type: none">▪ Sold 10 MABR plants in Q3 2021, 44 sold year to date▪ First MABR sold in Dubai, important reference sale in region▪ Global total sold to date: 290
Develop water as a service business in North America	<ul style="list-style-type: none">▪ MABR plant sold in St Lucia provides local reference in target market
Execute Ivory Coast project	<ul style="list-style-type: none">▪ Overall cash flow positive
Meet or exceed guidance	<ul style="list-style-type: none">▪ On track to achieve underlying EBITDA positive for 2021 with SPS sales \$35-50M

Deliver Ivory Coast while securing transformation to high margin Smart Product Solutions

Fluence: Fast To Deploy, Profitable Water Solutions



Revenue Mix



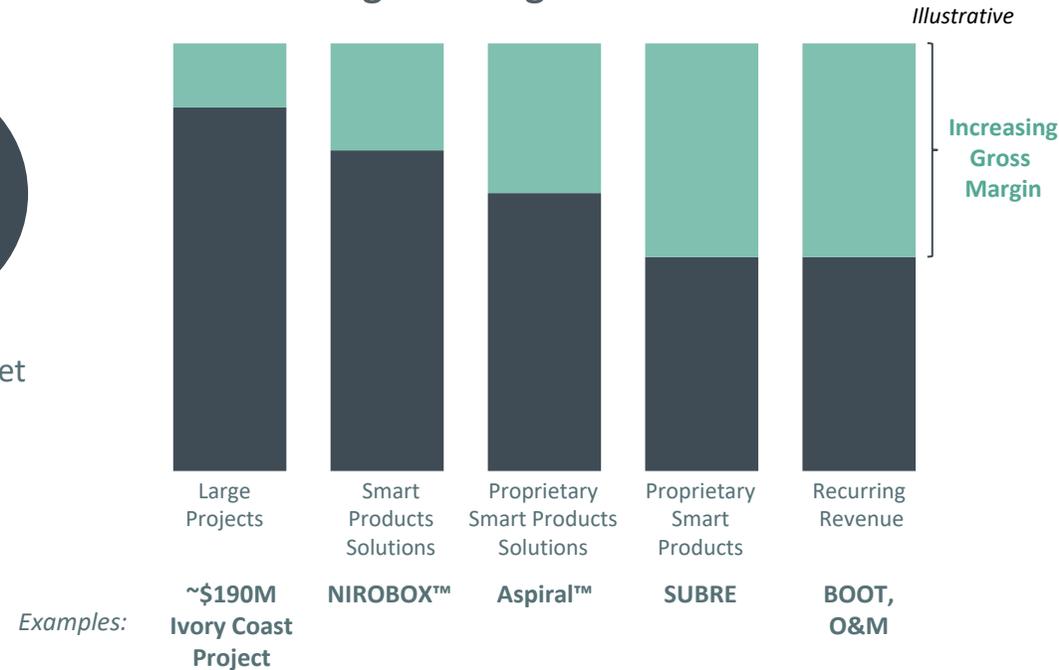
- Smart Products Solutions (SPS)
- Recurring Revenue (RR)
- Custom Engineered Solutions

* 12 months pro-forma

Strategic Focus

- Sell MABR in China and SE Asia
- Sell Nirobox in Middle East and SE Asia
- Seek more recurring revenue via water as a service in US and Caribbean
- Timely execution of 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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