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Q1 2023 Update

Fluence Corporation (ASX:FLC)

27 April 2023

Q1 2023 Highlights

All numbers are unaudited and refer to continuing operations



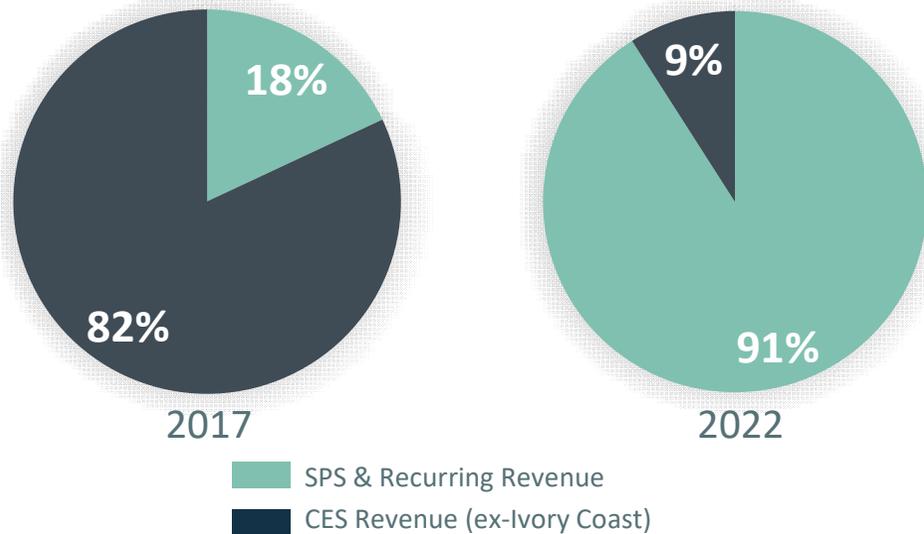
- **Q1 revenues of \$14M** – Down 49% from Q1 2022 mainly due to the reduction in Ivory Coast revenue and several SPS project delays
- **SPS revenues in China/SEA up 50% from Q1 2022** due to growth in key SEA markets including Cambodia, Vietnam, and Taiwan as well as China re-opening
- **New orders in Recurring Revenue up 100% over Q4 2022** – 35% growth in backlog, while backlog in SPS plus Recurring Revenue remained flat over Q4 2022
- **Visibility on large, near-term orders** – Several orders already booked or expected to be booked in Q2 2023
- **Fixed Costs savings of \$1.2M in Q1 2023 and down 17% from Q4 2022**, reflecting the impact of implementing the restructuring announced in Q4 2022
- **Cash Balance of \$15.2M plus \$13.7M in short and long-term deposits** – down from \$30.9M at end of Q4 2022
- **Received Ivory Coast payment 9 of \$18.8M in April** – anticipate positive Operating Cash flow in Q2 2023
- **Maintaining guidance of total revenue of \$95-100M in FY 2023 of which SPS plus Recurring Revenue is \$75-80M and EBITDA of \$4M** – An increase in EBITDA of more than 70% over FY 2022

All numbers in presentation are USD unless otherwise stated.

Fluence: Fast To Deploy, Profitable Water Solutions



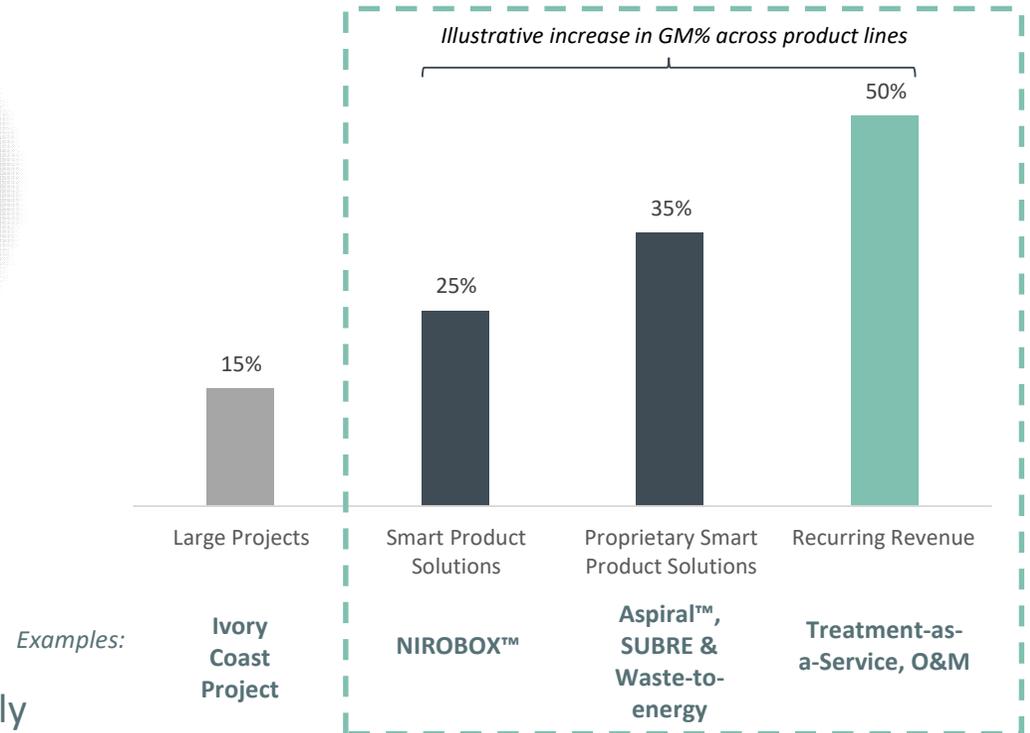
Mix Has Shifted To Core Revenues ex-Ivory Coast



Stronger Focus on SPS and Recurring Revenue Growth

- + 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

Transition To Higher Margin Revenue



De-emphasizing Custom Engineered Solutions (CES):

- Lower margins
- Lumpy, irregular contracts
- Selectively consider only CES projects which utilize Fluence proprietary technology

Leading ESG Impact in Water Treatment

Water Sector Emissions: 1.8% of Global CO₂, 4.6% of Global Methane
 Existing Fluence Plants Mitigate The Equivalent of 231K tons of CO₂/year

Committed to UN SDGs

- Fluence technologies are highly energy efficient (MABR, desalination) and lower CO₂ and other harmful contaminants
 - Many wastewater treatment technologies emit Nitrous Oxide (N₂O): 300x worse than CO₂ – Fluence MABR emits nitrogen: **installed systems currently save 267 tons/year of N₂O emissions, equivalent to 80,200 tons of CO₂**
 - A decentralized approach using Fluence MABR to solve the world's wastewater needs would result in increased access to clean water and wastewater → **Potential annual energy savings of 2 TWh, equivalent to 150 million tons CO₂**
 - Waste-to-energy form industrial wastewater mitigates a further 128,600 tons CO₂/year**
- Fluence is committed to ESG and delivers on 10 of the 17 UN SDGs



Sustainability Impact from Fluence's Installations

MABR & NIROBOX



32 GWh / year
*in energy savings vs
 conventional technologies
 mitigates 22,300 Tons CO₂ / year*

Wastewater-to-Energy



182 GWh / year
*clean energy from biomass
 mitigates 128,600 Tons CO₂ / year*

Reuse



**19Bn Liters Water
 Recycled / year**

Water



**213Bn Liters
 Drinking Water
 Produced / year**

Wastewater



**291Bn Liters
 Wastewater
 Treated / year**

- ✓ **MABR installations remove >2,700 tons of nutrient pollution/year**
- ✓ **Lowers Nitrous Oxide emissions by 267 tons/year**

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



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