



NOT FOR RELEASE TO US WIRE SERVICES OR DISTRIBUTION IN THE UNITED STATES

8 November 2023

Despatch of Retail Entitlement Offer Booklet

Fluence Corporation Limited ACN 127 734 196 (**FLC** or the **Company**) refers to its previous announcements made on 1 November 2023 and 3 November 2023 regarding its fully underwritten institutional placement and its one (1) for every two and half (2.5) accelerated pro rata non renounceable entitlement offer (the **Entitlement Offer**) consisting of a fully underwritten institutional entitlement offer and partially underwritten retail entitlement offer (the **Retail Entitlement Offer**) and announces today the despatch of the offer booklet for the Retail Entitlement Offer and accompanying personalised Entitlement and Acceptance Form.

The Retail Entitlement Offer opens 9:00am (AEDT) today (Wednesday, 8 November 2023) and is scheduled to close at 5:00pm (AEDT) on Monday, 27 November 2023 (the **Retail Entitlement Offer Period**).

The Retail Entitlement Offer is expected to raise up to approximately A\$9.2 million made at the same offer price and offer ratio as the institutional offer component of the Entitlement Offer which closed on Thursday, 2 November 2023. The Retail Entitlement Offer is partially underwritten by Bell Potter Securities Limited for A\$2.3 million.

Only eligible retail shareholders of the Company may participate in the Retail Entitlement Offer. The criteria for eligibility is set out in the offer booklet for the Retail Entitlement (**Retail Entitlement Offer Booklet**). Eligible retail shareholders may choose to take up all, part or none of their entitlement. If an Eligible retail shareholder takes up all of their entitlement, they can apply for additional shares under the oversubscription facility described in the Retail Entitlement Offer Booklet.

Eligible retail shareholders should read the Retail Entitlement Offer Booklet and accompanying Entitlement and Acceptance Form in their entirety and consult with their stockbroker, solicitor, accountant or other professional adviser before making any investment decision.

Shareholder Enquiries

Eligible retail shareholders who have questions relating to the Retail Entitlement Offer should call FLC's share registry, Boardroom Pty Ltd on 1300 737 760 (within Australia) or + 61 2 9290 9600 (from outside Australia) from 8.30am to 5.30pm (Melbourne time) Monday to Friday during the Retail Entitlement Offer Period.

Additional information

This announcement has been authorised and approved by the Board of Directors of FLC for lodgement with ASX.

All the amounts are in Australian dollars unless otherwise indicated.

For further information, please contact:

Melanie Leydin
Company Secretary
E: Melanie.Leydin@vistra.com

IMPORTANT NOTICES

Not an offer in the United States

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction where it would be illegal. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws. Persons who come into possession of this announcement should observe any such restrictions as any non-compliance could contravene applicable securities laws.

The information in this announcement is of general background and does not purport to be complete. It should be read in conjunction with FLC's other periodic and continuous disclosure announcements lodged with ASX Limited, which are available at www.asx.com.au

General

This announcement is subject to the same "Disclaimers" that appear on slides 2, 3 and 4 of the investor presentation released to the ASX on 1 November 2023 with any necessary contextual changes.

Own enquiries

Investors should make and rely upon their own enquiries before deciding to acquire or deal in FLC securities.

Accelerated Non-renounceable Entitlement Offer

Retail Entitlement Offer Booklet

**Fluence Corporation Limited
ACN 127 734 196**

Details of a 1 for 2.5 accelerated non-renounceable pro rata entitlement offer of fully paid ordinary shares in Fluence Corporation Limited at an Offer Price of \$0.08 per New Share.

Retail Entitlement Offer closes at 5.00pm (AEDT) on Monday, 27 November 2023 (unless extended). Valid Applications must be received before that time.

Applications for New Shares by Eligible Shareholders can only be made by following the instructions on your personalised Entitlement and Acceptance Form.

The Retail Entitlement Offer is partially underwritten by Bell Potter Securities Limited.

Not for release to US wire services or distribution in the United States

This is an important document and requires your immediate attention. It is accompanied by a personalised Entitlement and Acceptance Form.

Both documents should be read in their entirety.

If you do not understand any part of this booklet or are in any doubt as to how to deal with it or your entitlement, you should consult your financial adviser, accountant or other professional adviser.

If you have any questions please contact your professional adviser or the Share Registry on 1300 737 760 (within Australia) or +61 2 9290 9600 (from outside Australia) from 8:30am to 5:30pm (AEDT) Monday to Friday during the Retail Entitlement Offer Period.

IMPORTANT INFORMATION

This Retail Offer Booklet is dated 8 November 2023 and relates to the Retail Entitlement Offer which is part of the Entitlement Offer by the Company to raise up to approximately \$20.8 million, of which up to \$9.2 million is to be raised through the Retail Entitlement Offer.

The Retail Entitlement Offer is made pursuant to section 708AA of the Corporations Act (as notionally modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84*). In general terms, section 708AA permits certain companies to undertake rights issues without being required to use or provide to shareholders a prospectus or other disclosure document. Accordingly, the level of disclosure in this Retail Offer Booklet is significantly less than the level of disclosure required in, and what you would expect in, a prospectus.

This Retail Offer Booklet is not a prospectus or product disclosure statement under the Corporations Act and has not been lodged with ASIC. This Retail Offer Booklet does not contain all of the information which would be required to be disclosed in a prospectus or product disclosure statement. As a result, it is important for you to read and understand the publicly available information on the Company and the Retail Entitlement Offer prior to deciding whether to accept your Entitlement and/or apply for Additional New Shares, including the Company's announcements on ASX.

Eligible Shareholders outside Australia should note that the New Shares are being offered in accordance with the disclosure requirements of the Corporations Act, and those disclosure requirements may differ from the disclosure requirements in jurisdictions outside Australia.

Forward-looking Statements

This Retail Offer Booklet contains forward-looking statements which are based on information and assumptions and involve expectations or beliefs regarding future events or results as held at the date of this Retail Offer Booklet.

All forward-looking statements are made in good faith and have a reasonable basis at

the time at which they are made. However, such statements are subject to various risks and uncertainties, many of which are beyond the control of FLC, which could cause actual results to differ materially from those represented by the forward-looking statements.

Forward-looking statements in this Retail Offer Booklet speak only at the date of this Retail Offer Booklet.

Subject to any continuing obligations under applicable law or the Listing Rules, FLC does not undertake any obligation to publicly update or revise any of the forward-looking statements or advise of any change in events, conditions or circumstances on which any such statement is based. Any representation in this Retail Offer Booklet should not be relied upon as to its accuracy or completeness nor as a recommendation or forecast by FLC.

Eligibility

Applications for New Shares by Eligible Shareholders can only be made by following the instructions on your personalised Entitlement and Acceptance Form. The instructions on your personalised Entitlement and Acceptance Form set out an Eligible Shareholder's Entitlement to participate in the Retail Entitlement Offer.

Certain Overseas Shareholders

This Retail Offer Booklet does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Retail Offer Booklet. The Retail Entitlement Offer is not being extended and New Shares will not be issued to Shareholders that are not Eligible Retail Shareholders.

No Cooling-off Rights

Cooling-off rights do not apply to an investment in New Shares. You cannot withdraw your Application once it has been delivered.

Notice to Nominees and Custodians

Nominees and custodians who hold Shares on behalf of overseas residents may not distribute this Retail Offer Booklet, and may not permit any beneficial shareholder to participate in the Retail Entitlement Offer, in any country outside Australia and New Zealand except with the consent of FLC and then only to beneficial holders resident in certain other countries where the FLC may determine it is lawful and practical to make the Retail Entitlement Offer. Such beneficial shareholders must also otherwise be Eligible Shareholders in order to participate in the Retail Entitlement Offer.

Nominees and custodians are responsible for ensuring that taking up an Entitlement under the Retail Entitlement Offer does not breach regulations in the relevant overseas jurisdiction. Completion of the Application process as set out in the personalised Entitlement and Acceptance Form will be taken by FLC to constitute a representation that there has been no breach of those regulations. FLC is not able to advise on any foreign laws. However, any person in the United States or any person that is, or is acting for the account or benefit of, a person in the United States with a holding through a nominee may not participate in the Retail Entitlement Offer, and such nominee must not take up any Entitlement on behalf of such person or send any materials relating to the Retail Entitlement Offer into the United States or to any person that is, or is acting for the account or benefit of, a person in the United States.

Risk Factors

An investment in New Shares should be regarded as speculative. In addition to the general risks applicable to all investments in listed securities, there are specific risks associated with an investment in the Company which are non-exhaustive. Please refer to the 'Key Risks' section in the Investor Presentation at section 3.2 of this Retail Offer Booklet for further details.

Past Performance

Investors should note that any past performance information, including past share price performance and pro forma historical information, is provided for illustrative purposes only, and cannot be relied upon as an indicator of (and provides

no guarantee or guidance as to) future FLC performance, including future financial position or share price performance. The pro forma historical information is not represented as being indicative of FLC's views on its future financial condition and/or performance.

Disclaimer of Representations

No person is authorised to give any information, or to make any representation, in connection with the Retail Entitlement Offer which is not contained in this Retail Offer Booklet.

Any information or representation not contained in this Retail Offer Booklet may not be relied on as having been authorised by FLC in connection with the Retail Entitlement Offer. Except as required by law, and only to the extent so required, neither FLC nor any other person, warrants or guarantees the future performance of FLC or any return on any investment made pursuant to the Retail Entitlement Offer.

No Financial Product Advice

The Retail Offer Booklet is not financial product advice, does not purport to contain all the information which you may require in evaluating a possible acquisition of New Shares, and has been prepared without taking into account your investment objectives, financial situation or needs.

Before deciding whether to apply for New Shares, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. If, after reading the information, you have any questions about the Retail Entitlement Offer, you should contact your financial adviser, accountant or other professional adviser. FLC recommends that independent advice be sought before making a decision in connection with the Retail Entitlement Offer in this Retail Offer Booklet.

For further information regarding the Retail Entitlement Offer, please contact the Share Registry on 1300 737 760 (within Australia) or +61 2 9290 9600 (from outside Australia).

Company website

Any references to documents found at FLC's website located at <https://www.fluencecorp.com/> are for convenience only, and none of the documents or other information available on FLC's website are incorporated herein by reference.

Defined Words and Expressions

Some words and expressions used in this Retail Offer Booklet have defined meanings set out in the Glossary (Section 6).

A reference to time in this Retail Offer Booklet is to Australian Eastern Daylight Time (**AEDT**), unless otherwise stated.

All financial amounts in this Retail Offer Booklet are in Australian currency, unless otherwise stated.

Trading New Shares

FLC and the Underwriter will have no responsibility and disclaim all liability (to the maximum extent permitted by law) to persons who trade New Shares they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by FLC or the Share Registry or otherwise, or who otherwise trade or purport to trade New Shares in error or which they do not hold or are not entitled to.

If you are in any doubt, as to these matters you should first consult with your stockbroker, accountant or other professional adviser.

Underwriter

The Underwriter has acted as lead manager and underwriter of the Offer. Neither the Underwriter, nor any of its affiliates or related bodies corporate (as that term is defined in the Corporations Act), nor any of their respective directors, employees, officers, representatives, agents, partners, consultants and advisers (together the **Underwriter Parties**), have authorised, permitted or caused the issue or lodgement, submission, dispatch or provision of this document (or any other materials released by FLC) and there is no statement in this

document which is based on any statement made by any of them.

To the maximum extent permitted by law, each of the Underwriter Parties expressly disclaim all liabilities in respect of, and make no representations regarding, and take no responsibility for, any part of this Retail Offer Booklet other than references to their name and make no representation or warranty as to the currency, accuracy, reliability or completeness of this document.

The Underwriter Parties may, from time to time, hold interests in the securities of, or earn brokerage, fees or other benefits from FLC.

Privacy

By completing the personalised Entitlement and Acceptance Form to apply for New Shares, you are providing personal information to FLC through FLC's Share Registry, Boardroom Pty Limited, which is contracted by the Company to manage Applications. The Company, and the Share Registry on its behalf, may collect, hold and use that personal information in order to process your Application, service your needs as an investor, provide facilities and services that you request and carry out appropriate administration. If you do not provide the information requested in the personalised Entitlement and Acceptance Form, FLC and the Share Registry may not be able to process or accept your application. Your personal information may also be provided to the FLC's members, agents and service providers on the basis that they deal with such information in accordance with the FLC's privacy policy. The members, agents and service providers of FLC may be located outside Australia where your personal information may not receive the same level of protection as that afforded under Australian law. The types of agents and service providers that may be provided with your personal information and the circumstances in which your personal information may be shared are:

- the Share Registry for ongoing administration of the register of members;
- printers and other companies for the purpose of preparation and distribution of statements and for handling mail;

- market research companies for the purpose of analysing the Shareholder base and for product development and planning; and
- legal and accounting firms, auditors, contractors, consultants and other advisers for the purpose of administering, and advising on, FLC's issued securities and for associated actions.

The information contained in FLC's register of members must remain there even if that person ceases to be a Shareholder. Information contained in FLC's register of members is also used to facilitate dividend payments and corporate communications (including FLC's financial results, annual reports and other information that the FLC may wish to communicate to its members) and compliance by FLC with legal and regulatory requirements. An Applicant has a right to gain access to the information that FLC and the Share Registry hold about that person, subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing or by telephone call to FLC's registered office or the Share Registry's office, details of which are disclosed in the corporate directory set out in this Retail Offer Booklet.

CORPORATE DIRECTORY

Directors

Doug Brown	Chairman
Tom Pokorsky	CEO & Managing Director
Richard Irving	Non-Executive Director
Ross Haghighat	Non-Executive Director
Paul Donnelly	Non-Executive Director
Mel Ashton	Non-Executive Director

Company Secretary

Melanie Leydin

Registered Office

USA

7135 Madison Avenue W
Golden Valley, Minnesota 55427
United States of America

Australia

Level 4, 96-100 Albert Road,
South Melbourne, Victoria, 2305

Website: fluencecorp.com

Share Registry

Boardroom Pty Limited
Level 18, 210 George Street
Sydney, NSW 2000, Australia
Tel: 1300 737 760 (within Australia)
+61 2 9290 9600 (from outside Australia)
Email: corporateactions@boardroomlimited.com.au

ASX Listing

The Company is listed on the
ASX with the ticker code: FLC

Australian Legal adviser

Lander & Rogers
Level 15, 477 Collins Street
Melbourne, VIC 3000, Australia

Lead Manager & Underwriter

Bell Potter Securities Limited
Level 29,
101 Collins Street
Melbourne VIC 3000, Australia

INDICATIVE TIMETABLE FOR RETAIL ENTITLEMENT OFFER

Event	Date
Announcement of the equity raising	1 November
Placement and Institutional Entitlement Offer open	1 November
Placement and Institutional Entitlement Offer closes	2 November
Record Date for the Retail Entitlement Offer	7.00pm, 3 November
Retail Offer Booklet dispatched to Eligible Retail Shareholders	8 November
Retail Entitlement Offer opens	8 November
Placement and Institutional Offer settlement date	8 November
Issue and quotation of New Shares under Placement and Institutional Entitlement Offer	9 November
Retail Entitlement Offer closes (Retail Closing Date)	27 November
Announcement of results of Retail Entitlement Offer	30 November
Settlement of New Shares issued under Retail Entitlement Offer	1 December
Issue of New Shares under the Retail Entitlement Offer	4 December
Quotation and trading commence on a normal settlement basis	5 December

All dates are 2023.

The above timetable is indicative only (except where historical) and subject to change. All times and dates refer to AEDT. Subject to the Listing Rules, FLC in conjunction with the Underwriter reserves the right to vary any or all of these dates, including the Retail Closing Date, without prior notice or consultation with you. Any extension of the Retail Closing Date will have a consequential effect on the anticipated date for issue of the New Shares under the Retail Entitlement Offer. The Directors also reserve the right not to proceed with the whole or part of any of the Offers at any time prior to allotment. In that event, the relevant Application Monies will be returned without interest.

The commencement of quotation of New Shares is subject to approval by ASX.

LETTER FROM THE CHAIRMAN

Dear Shareholder

On behalf of the Board, I am pleased to offer you this opportunity to increase your investment in Fluence Corporation Limited (**FLC** or **Company**) through participation in this Retail Entitlement Offer by participating in a 1 for 2.5 accelerated non-renounceable entitlement offer of New Shares in the Company at an Offer Price of \$0.08 per New Share.

Offer

The Entitlement Offer forms part of the equity raising announced by the Company on 1 November 2023. The Entitlement Offer is being conducted in conjunction with a placement of ordinary shares to institutional investors (**Placement**) to raise in aggregate up to approximately \$40.7 million.

The Entitlement Offer comprises:

- an institutional component (**Institutional Entitlement Offer**); and
- a retail component (**Retail Entitlement Offer**).

As announced by the Company on 3 November 2023, the Company raised \$19.8 million under the Placement and \$11.6 million under the Institutional Entitlement Offer. Up to approximately \$9.2 million will be raised through the Retail Entitlement Offer, through the offer of 1 New Share for every 2.5 Existing Shares held by Eligible Shareholders at the Record Date (**Entitlement**).

The Offer Price of \$0.08 represents a discount of 42.9% to the closing price of the Company's shares on 31 October 2023 (the last trading day before the Entitlement Offer was announced) and a discount of 34.4% to the Theoretical Ex-Rights Price. The Offer Price under the Retail Entitlement Offer is the same as under the Institutional Entitlement Offer.

The proceeds of the Entitlement Offer will be used to pay down a significant portion of the existing US\$30 million debt facility with Upwell and for the general working capital of the Company.

Details of your Entitlement

Eligible Retail Shareholders are entitled to subscribe for 1 New Share for every 2.5 Existing Shares held at 7.00pm (AEDT) on 3 November 2023.

Any New Shares not applied for under the Retail Entitlement Offer as well as any entitlements that would have been offered to Ineligible Shareholders if they have been entitled to participate in the Offer will form part of the shortfall from the Retail Entitlement Offer. Eligible Retail Shareholders who take up their full Entitlement under the Entitlement Offer will have the opportunity to apply for additional New Shares in excess of their entitlement through an oversubscription facility (**Oversubscription Facility**).

If there remains any shortfall after allocation of Entitlements to Eligible Shareholders under the Retail Entitlement Offer and Oversubscription Facility, the Directors reserve the right for up to two (2) months after the close of the Retail Entitlement Offer to place any remaining shortfall at discretion of FLC's Board of Directors but at price no less than the Offer Price.

Bell Potter is partially underwriting the Retail Entitlement Offer in the amount of \$2.3 million.

Further information

Further information on the Retail Entitlement Offer is detailed in this Retail Offer Booklet. You should read the entirety of this Retail Offer Booklet carefully before deciding whether to participate in the Retail Entitlement Offer.

An investment in the Company and the New Shares, is speculative and subject to a range of risks, which are more fully detailed in the 'Key Risks' section of the Investor Presentation at Section 3.2 of this Retail Offer Booklet. If any of these risks or other material risks eventuate, it will likely have a material adverse impact on the Company's future financial performance and position.

The Retail Entitlement Offer is scheduled to close at 5.00pm (AEDT) on 27 November 2023.

Accompanying this Retail Offer Booklet is your personalised Entitlement and Acceptance Form. Please refer to Section 2 of this Retail Offer Booklet for further information on how to take up your Entitlement. To participate, you need to ensure that you have completed your Application by paying the Offer Price multiplied by the number of New Shares you are applying for (**Application Monies**) by BPAY® or EFT before this time in the manner described in this Retail Offer Booklet.

If you have any questions, please call the Share Registry on Tel: 1300 737 760 (within Australia) +61 2 9290 9600 (from outside Australia) between 8.30am and 5.30pm (AEDT) Monday to Friday until the Retail Closing Date.

On behalf of the Board, I encourage you to consider this opportunity to increase your investment in the Company and would like to thank you for considering the Retail Entitlement Offer. We greatly appreciate your continued support.

Yours sincerely

A handwritten signature in black ink, appearing to read 'DB', with a horizontal line extending from the end.

Doug Brown
Chair

1. DETAILS OF THE OFFERS

1.1 The Entitlement Offer

Eligible Shareholders (as defined in Section 2.1) are being offered the opportunity to subscribe for 1 New Share for every 2.5 Existing Shares held at 7.00pm (AEDT time) on 3 November 2023, at the Offer Price of \$0.08 per New Share. The Company proposes to raise up to approximately \$9.2 million under the Retail Entitlement Offer through the issue of up to approximately 115.5 million New Shares.

New Shares issued pursuant to the Retail Entitlement Offer will be fully paid and will rank equally with Existing Shares on issue. Where fractions arise in the calculation of an Entitlement, they have been rounded up to the next whole number of New Shares.

Please consider the Retail Entitlement Offer in the light of your particular investment objectives and circumstances. Please consult with your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser if you have any queries or are uncertain about any aspects of the Retail Entitlement Offer.

An investment in New Shares is subject to investment and other known and unknown risks, some of which are beyond the control of the Company, including possible loss of income and principal invested. Refer to the 'Key Risks' in the Investor Presentation set out in Section 3.2 for further details on the risks associated with an investment in the Company. The Company does not guarantee any particular rate of return or the performance of the Company, nor does it guarantee the repayment of capital from the Company or any particular tax treatment.

The Entitlement Offer comprises four parts:

- (a) The Institutional Entitlement Offer under which Eligible Institutional Shareholders were invited to take up all or part of their Entitlement.
- (b) The Institutional Bookbuild under which New Shares attributable to the Entitlements not taken up by Eligible Institutional Shareholders, or which would have been offered to Ineligible Institutional Shareholders if they had been entitled to participate in the Institutional Entitlement Offer, were offered under a bookbuild to Eligible Institutional Shareholders and certain Institutional Investors.
- (c) The Retail Entitlement Offer under which Eligible Shareholders are being sent this Retail Offer Booklet, together with a personalised Entitlement and Acceptance Form, and are being invited to take up all or part of their Entitlement.
- (d) The Oversubscription Facility under which New Shares attributable to the Entitlements not taken up by Eligible Retail Shareholders, or which would have been offered to Ineligible Retail Shareholders if they had been entitled to participate in the Retail Entitlement Offer, will be offered to Eligible Retail Shareholders who have accepted their full Entitlement. If Eligible Retail Shareholders subscribe for more New Shares than are available under the Oversubscription Facility, FLC will apply a scale-back procedure as described below.

In addition, at the same time as the Institutional Entitlement Offer, FLC conducted the Placement to certain Institutional Investors.

FLC raised \$19.8 million through the Placement, and \$11.6 million through the Institutional Entitlement Offer. The Placement and Institutional Entitlement Offer are fully underwritten by the Underwriter. The Underwriter is underwriting the first \$2.3 million of any Shortfall Shares under the Retail Entitlement Offer.

Please refer to the ASX Announcement and the Investor Presentation set out in Section 3 for information on the purpose of the Placement and Entitlement Offer, the application of the proceeds of the Placement and Entitlement Offer and for information on FLC's business, performance and strategy. You should also consider other publicly available information about FLC, including information available at www.asx.com.au and <https://www.fluencecorp.com/investor-news/>.

1.2 Retail Entitlement Offer

Under the Retail Entitlement Offer, Eligible Shareholders are invited to subscribe for 1 New Share for every 2.5 Existing Shares held at the Record Time, at the Offer Price of \$0.08 per New Share (**Entitlement**).

Details on how to apply for your Entitlement are contained in Section 2 and the enclosed personalised Entitlement and Acceptance Form. You may apply for some, all or none of your Entitlement.

The Retail Entitlement Offer is only open to Eligible Shareholders (see Section 2.1 for the definition), and FLC reserves the right to reject any Application which it believes is from a person that is not an Eligible Shareholder.

The Retail Entitlement Offer opens on 8 November 2023.

The Retail Closing Date and time for Applications and payments to be received is 5.00pm (AEDT time) on 27 November 2023, subject to the Directors varying the Retail Closing Date in accordance with the requirements of the Corporations Act and the Listing Rules. New Shares are expected to be issued on 4 December 2023.

Your Entitlement is non-renounceable. This means that your Entitlements are personal and cannot be traded, transferred, assigned or otherwise dealt with, whether on the ASX or privately.

If you do not take up your Entitlement, it will lapse and you will not receive any New Shares under the Retail Entitlement Offer. New Shares of an equivalent number to Entitlements not taken up under the Retail Entitlement Offer will be offered for subscription under the Oversubscription Facility.

If you choose not to accept your Entitlement under the Entitlement Offer your shareholding in FLC will be diluted.

1.3 Oversubscription Facility

Any Entitlement not taken up pursuant to the Retail Entitlement Offer will be offered under the Oversubscription Facility.

Any New Shares not applied for under the Retail Entitlement Offer as well as any entitlements that would have been offered to Ineligible Shareholders if they have been entitled to participate in the Offer will form part of the shortfall from the Retail Entitlement Offer (**Shortfall Shares**). Eligible Retail Shareholders who take up their full Entitlement under the Entitlement Offer will have the opportunity to apply for additional New Shares in excess of their entitlement through an oversubscription facility (**Oversubscription Facility**).

If you apply for Additional New Shares, and if your application is successful (in whole or in part), your Additional New Shares will be issued to you for the Offer Price at the same time and on the same terms that other New Shares are issued under the Retail Entitlement Offer.

If you apply for Additional New Shares, there is no guarantee that you will be allocated any Additional New Shares. Additional New Shares will only be allocated to Eligible Retail Shareholders if there are Shortfall Shares available at the absolute discretion of the Board, and subject to the Corporations Act, Listing Rules and other applicable laws and regulations.

If Eligible Retail Shareholders apply for more Additional New Shares than there are Shortfall Shares available, the Company will scale back allocations in accordance with the pro rata Entitlements of those Eligible Retail Shareholders who apply for Additional New Shares (**Allocation Policy**).

Application Monies received by the Company in excess of the amount in respect of your Entitlement will be treated as an application to apply for as many Additional New Shares as that excess amount will pay for in full at the Offer Price (subject to the maximum number of Additional New Shares and the Allocation Policy referred to above).

1.4 Shortfall Offer

If, following allocation of New Shares under the Oversubscription Facility, there remain Shortfall Shares which have not been allocated, the Board reserve the right for up to two (2) months after the close of the Retail Entitlement Offer to place any Shortfall Shares at their discretion but at price no less than the Offer Price.

1.5 Institutional Entitlement Offer and Institutional Bookbuild

The Institutional Entitlement Offer and the Institutional Bookbuild will (on settlement) raise an aggregate of approximately \$11.6 million (before costs) through the issue of 144.6 million New Shares.

The Institutional Entitlement Offer was conducted between 1 November 2023 and 2 November 2023 (inclusive). The Institutional Bookbuild was on 2 November 2023. Settlement of the Institutional Entitlement Offer and the Institutional Bookbuild is expected to occur on 8 November 2023.

1.6 Placement

The Placement was conducted between 1 November 2023 and 2 November 2023 (inclusive). The Placement will (on settlement) raise \$19.8 million through the issue of 165.4 million New Shares.

Settlement of New Shares issued under the Placement is expected to occur on 8 November 2023.

1.7 Reconciliation

The Entitlement Offer is a complex process and, in some cases, Eligible Institutional Shareholders may believe that they will own more Shares than they ultimately do as at the Record Time. This results in reconciliation issues. If reconciliation issues occur, it is possible that FLC may need to issue a small quantity of additional New Shares (**Top Up Shares**) to ensure all Eligible Shareholders receive their full Entitlement. The price at which these Top Up Shares would be issued is the Offer Price.

FLC also reserves the right to reduce the number of New Shares allocated to Eligible Shareholders or persons claiming to be Eligible Shareholders, if their Entitlement claims prove to be overstated, if they or their nominees fail to provide information requested to substantiate their Entitlement claims, or if they are not Eligible Shareholders.

1.8 Ranking of New Shares

New Shares will be issued on a fully paid basis and will rank equally in all respects with Existing Shares. The rights and liabilities attaching to the New Shares are set out in FLC's constitution, a copy of which is available on the Company's website at <https://www.fluencecorp.com/investor-news/>.

1.9 Quotation and trading

FLC will apply to ASX for the official quotation of the New Shares in accordance with the requirements of the Listing Rules.

Subject to approval being granted, it is expected that New Shares allotted under:

- (a) the Placement and Institutional Entitlement Offer will trade on ASX from 9 November 2023; and
- (b) the Retail Entitlement Offer will trade on ASX from 5 December 2023.

1.10 Confirmation Statements

Confirmation statements in respect of New Shares allotted under the Retail Entitlement Offer are expected to be dispatched to Eligible Shareholders on 5 December 2023.

It is the responsibility of each Applicant to confirm their holding before trading in New Shares. Any Applicant who sells New Shares before receiving written confirmation of their holding will do so at their own risk. FLC and the Underwriter disclaim all liability whether in negligence or otherwise (to the maximum extent permitted by law) to persons who trade New Shares before receiving their confirmation statement, whether on the basis of confirmation of the allocation provided by FLC, the Share Registry or the Underwriter.

1.11 Application Monies

Application Monies will be held by FLC for the benefit of Applicants until the New Shares are issued or, if the New Shares are not issued, until the Application Monies are returned to the Applicants.

Interest earned on the Application Monies will be for the benefit of, and will remain the property of, FLC and will be retained by FLC whether or not the allotment and issue of New Shares takes place.

If the New Shares are not issued, all Application Monies will be refunded as soon as practicable, without interest.

1.12 Withdrawal of the Retail Entitlement Offer

FLC reserves the right to withdraw the Retail Entitlement Offer at any time before the issue of New Shares under the Retail Entitlement Offer, in which case FLC will refund any Application Monies in the manner contemplated by Section 1.11.

1.13 Allocation policy

All Eligible Shareholders will be allocated New Shares validly applied for up to their Entitlement.

The allocation of Additional New Shares under the Oversubscription Facility will be determined as set out in Section 1.3.

2. HOW TO APPLY FOR NEW SHARES UNDER THE RETAIL ENTITLEMENT OFFER

If you are an Eligible Shareholder you should read this Section 2 in its entirety for instructions on the choices available to you. You should also refer to Section 1 for an overview of the Entitlement Offer and read the remainder of this Retail Offer Booklet in its entirety.

The ASX Announcement and Investor Presentation set out in Section 0 are current as at the date of this Retail Offer Booklet. There may be additional announcements which are made by FLC after that date and throughout the Retail Entitlement Offer Period that may be relevant to your consideration of whether to take up your Entitlement.

Therefore, it is prudent that you check whether any further announcements have been made by FLC before submitting an Application.

2.1 Who is an Eligible Retail Shareholder?

The Retail Entitlement Offer is available only to Eligible Shareholders. An Eligible Shareholder is a person who:

- (a) is registered as the holder of Existing Shares at the Record Time (except as described in Section 4.10);
- (b) has a registered address on the FLC register of members which is in Australia or New Zealand;
- (c) is not in the United States and is not acting for the account or benefit of a person in the United States; and
- (d) is not an Eligible Institutional Shareholder or an Ineligible Institutional Shareholder.

Eligible Shareholders will receive a personalised Entitlement and Acceptance Form setting out their Entitlement, which accompanies this Retail Offer Booklet.

The Retail Entitlement Offer is not being made in the United States or to, or for the account or benefit of, a person in the United States. Accordingly, Eligible Shareholders (including nominees) who hold Existing Shares on behalf of persons in the United States or acting for the account or benefit of persons in the United States cannot take up their Entitlements or subscribe for New Shares on behalf of such persons and may not send this Retail Offer Booklet or any other documents relating to the Retail Entitlement Offer to such persons.

2.2 Nominees and Custodians

The Retail Entitlement Offer is being made to all Eligible Retail Shareholders.

Nominees with a registered address in Australia or New Zealand, irrespective of whether they participate in the Institutional Entitlement Offer, may also be able to participate in the Retail Entitlement Offer in respect of some or all of the beneficiaries on whose behalf they hold Existing Shares, provided that the beneficiary would satisfy the criteria for an Eligible Shareholder.

Persons who hold Shares as nominees and custodians will receive a letter from FLC and should carefully consider the contents of that letter, noting that the Retail Entitlement Offer is not available to beneficiaries on whose behalf they hold Existing Shares, if those beneficiaries:

- (a) would not satisfy the criteria for an Eligible Shareholder;
- (b) are Eligible Institutional Shareholders and received an offer to participate in the Institutional Entitlement Offer (whether they took up their Entitlement or not); or
- (c) were treated as Ineligible Institutional Shareholders under the Institutional Entitlement Offer.

FLC is not required to determine whether or not any registered holder of Shares is acting as a nominee or the identity or residence of any beneficial owners of Shares. Where any registered holder of Existing Shares is acting as a nominee for a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Retail Entitlement Offer is compatible with applicable foreign laws.

FLC is not able to advise on any foreign laws. However any person in the United States or any person that is acting for the account or benefit of, a U.S. Person person in the United States with a holding through a nominee may not participate in the Retail Entitlement Offer, and such nominee must not take up any Entitlement on behalf of such person or send any materials relating to the Retail Entitlement Offer into the United States or to any person that is, or is acting for the account or benefit of, a person in the United States.

2.3 Choices available to Eligible Retail Shareholders

If you are an Eligible Retail Shareholder you may do any one of the following:

Options available to you	Key considerations
Take up all of your Entitlement	<p>You may elect to purchase New Shares at the Offer Price (see Section 2.4 for instructions on how to take up your Entitlement).</p> <p>If you take up your Entitlement in full may also apply for Additional New Shares in excess of your Entitlement under the Oversubscription Facility (refer to Section 1.3).</p> <p>The New Shares will rank equally in all respects with Existing Shares (including rights to dividends and distributions).</p>
Take up part of your Entitlement	<p>If you do not take up your Entitlement in full, that portion of your Entitlement not taken up will lapse and you will not receive any payment or value for them.</p> <p>If you do not take up your Entitlements in full, your percentage holding in FLC will be diluted.</p>
Do nothing, in which case your Entitlements will lapse and you will receive no payment or value for those lapsed Entitlements	<p>If you do not take up any of your Entitlements, you will not be allocated New Shares and your Entitlements will lapse. Your Entitlements are non-renounceable, which means your Entitlements are non-transferable and cannot be sold, traded on ASX or any other exchange, nor can they be privately transferred.</p>

	<p>You will not receive any payment or value for those Entitlements not taken up.</p> <p>Although you will continue to own the same number of Shares, your percentage holding in FLC will be diluted.</p>
--	---

As a result of the Placement, Eligible Shareholders who participate in the Retail Entitlement Offer will see their percentage holding in FLC reduced even if they take up their Entitlement in full (but before consideration of the impact of shares you may be allocated under the Oversubscription Facility). However, the reduction will be greater if they also do not participate in the Retail Entitlement Offer (or if they take up only part of their Entitlement).

2.4 Accepting all or part of your Entitlement

If you wish to take up your Entitlement in full or in part, You can accept by paying your Application Money via BPAY®.

To apply and pay via BPAY®, you should:

- (a) read this Retail Offer Booklet and the Entitlement and Acceptance Form in their entirety and seek appropriate professional advice if necessary; and
- (b) make your payment of the amount of the full Application Monies via BPAY® for the number of New Shares you wish to apply for (being the Offer Price multiplied by the number of New Shares you are applying for).

You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution. In making your BPAY® payment, you will need to refer to your BPAY® customer reference number set out on your personalised Entitlement and Acceptance Form.

If you choose to pay via BPAY® you are not required to submit the Entitlement and Acceptance Form but are taken to make the statements on that form and declarations set out in Sections 2.5 and 5.

You will need to ensure that your payment of the Application Monies is received by 5:00pm (AEDT) on the Retail Closing Date, being 27 November 2023. Your payment of the Application Monies will not be accepted if it is received after the Retail Closing Date and no New Shares will be issued to you in respect of that Application and your Application Monies submitted will be refunded (without interest).

You should be aware that your financial institution may implement earlier cut off times for electronic payment and you should take this into consideration when making your payment. Please note that the maximum amount that can be received by BPAY® is \$1 million. You may also have your own limit on the amount that can be paid via BPAY®. It is your responsibility to check that the amount you wish to pay via BPAY® does not exceed your limit.

If you have multiple holdings you will have multiple BPAY® customer reference numbers provided on each of your personalised Entitlement and Acceptance Form. To ensure you successfully apply for your Entitlement in respect of each holding, you must use the customer reference number shown on each personalised Entitlement and Acceptance Form when paying for any New Shares that you wish to apply for in respect of those holdings.

FLC will treat you as applying for such whole number of New Shares as your BPAY® payment will pay for up to your Entitlement. Any Application Monies received in excess of your final allocation of New Shares will be refunded (without interest).

New Zealand holders

Eligible Shareholders who are resident in New Zealand and are unable to pay in accordance with the processes set out above, you may pay via EFT and must complete and return your Entitlement and Acceptance Form to the Share Registry once your application money has been paid by EFT. Both your EFT payment and your completed Entitlement and Acceptance Form must be received by the Share Registry before 5.00pm (AEDT) on Monday, 27 November 2023 (unless extended).

You may, by the Retail Closing Date, also contact the Share Registry on +61 2 9290 9600 from 8:30am to 5:30pm (AEDT) Monday to Friday to make alternative arrangements.

2.5 Implications of making an Application

By returning a completed Entitlement and Acceptance Form or paying any Application Monies for New Shares via BPAY®, you will be deemed to have made the Eligible Retail Shareholder declarations set out in Section 5.

2.6 If you wish to do nothing

If you are an Eligible Retail Shareholder and you do nothing, then New Shares representing your Entitlement will lapse and you will receive no value for those lapsed entitlements.

New Shares attributable to those Entitlements which lapse will be offered for subscription under the Oversubscription Facility.

2.7 Ineligible Retail Shareholders

FLC has decided that it is unreasonable to make offers under the Retail Entitlement Offer to holders of Existing Shares who have registered addresses outside Australia and New Zealand, having regard to the number of such holders in those places, the number and value of the New Shares which they would be offered and the cost of complying with the relevant legal and regulatory requirements in those places. The Retail Entitlement Offer is also not being made in the United States or to, or for the account or benefit of, a person in the United States.

New Shares attributable to Entitlements that would have been offered to Ineligible Retail Shareholders if they had been eligible to participate in the Retail Entitlement Offer will be underwritten, in accordance with the Underwriting Agreement.

As noted above, New Shares attributable to Entitlements that would have been offered to Ineligible Retail Shareholders if they had been eligible to participate in the Retail Entitlement Offer will be offered for subscription under the Oversubscription Facility.

2.8 Oversubscription Facility

New Shares attributable to:

- (a) Entitlements not taken up by Eligible Retail Shareholders; and
- (b) Entitlements which would have been offered to Ineligible Retail Shareholders if they had been eligible to participate in the Retail Entitlement Offer,

will be offered for subscription as Additional New Shares under the Oversubscription Facility (refer to Section 1.3).

You may apply for Additional New Shares by completing the relevant section of your Entitlement and Acceptance Form and returning the relevant Application Monies (being the Offer Price multiplied by the number of Additional New Shares you are applying for) to the Share Registry (refer to Section 2.4 for details).

2.9 Enquiries

This Retail Offer Booklet and the accompanying personalised Entitlement and Acceptance Form contain important information about the Retail Entitlement Offer and require your immediate attention. You should read them carefully and in their entirety before deciding whether or not to participate in the Retail Entitlement Offer.

If you are in doubt as to what you should do after reading this Retail Offer Booklet, you should consult your stockbroker, accountant or other independent professional adviser before deciding whether to take up your Entitlement.

If you have questions:

- (a) in relation to your Existing Shares or Entitlement; or
- (b) on how to complete the Entitlement and Acceptance Form or apply for your Entitlement,

or have lost your Entitlement and Acceptance Form and would like a replacement form, please call the Share Registry on 1300 737 760 (within Australia) +61 2 9290 9600 (from outside Australia) from 8:30am to 5:30pm (AEDT) Monday to Friday during the Retail Entitlement Offer Period.

You should act promptly to ensure that your Entitlement is dealt with as you wish and that your Application and Application Monies are received by the Share Registry before the Retail Closing Date. Neither the Share Registry nor FLC are responsible for delays in postal services and the failure to receive Applications in time.

3. ASX ANNOUNCEMENT AND INVESTOR PRESENTATION

3.1 ASX Announcement



NOT FOR RELEASE TO US WIRE SERVICES OR DISTRIBUTION IN THE UNITED STATES

1 November 2023

Fluence Raises up to A\$40.7M to Substantially Reduce Debt and Reset Balance Sheet

Fluence Corporation Limited ACN 127 734 196 (**FLC** or the **Company**) has today launched an equity raising of new fully paid FLC ordinary shares (the **New Shares**) by way of a placement to institutional investors (the **Placement**) and a 1 for 2.5 accelerated non-renounceable pro-rata entitlement offer (the **Entitlement Offer**) to raise approximately A\$40.7 million (the Placement and the Entitlement Offer, collectively the **Offer**).

The Placement and Institutional Entitlement Offer, representing approximately A\$31.4 million, is underwritten by Bell Potter Securities Limited (**Bell Potter**). The retail entitlement offer will raise up to a further A\$9.2 million.

Alongside the Placement, Bell Potter is facilitating a sell down by RSL Investments Corporation and RSL Capital LLC (together, **RSL**) of its holding of 165.4 million FLC shares (**Shareholder Sale Shares**).

In addition, the Company is pleased to announce that it has entered into an amendment (the **Amendment**) to its loan agreement with a subsidiary of Upwell Water LLC (**Upwell**) to restructure its existing debt facility (the **Facility**), providing the Company with more flexibility. A portion of the funds raised from the Offer will be used to repay a significant amount of the Upwell Facility following the close of the Offer (please see *Sources and Uses of Funds* below). The Amendment includes revised financial covenants and customary amendment fees while maintaining the existing interest rates and other market terms. In addition, the Company has agreed to a framework with Upwell pursuant to which Upwell may support the development of the Company's future Build, Own, Operate Projects (**BOO Projects**) through an exclusive right of first offer to provide new funding for BOO Projects for a limited period after the term loan maturity date in July 2024.

Placement & Shareholder Sale

The Placement will raise approximately A\$19.8 million through the issue of 165.4 million New Shares. The issue price for the New Shares under the Placement will be A\$0.12 per New Share (**Placement Issue Price**).

RSL is offering 165.4 million FLC Shares at A\$0.04 per Shareholder Sale Share for a total of A\$6.6 million.

Participants in the Placement will subscribe for shares on a ratio of one (1) Placement Share for every one (1) Shareholder Sale share.

The Placement and Shareholder Sale will have a blended offer price of A\$0.08 per share, based on the average of the Placement share price of A\$0.12 per share and the Shareholder Sale share price of A\$0.04 per share.

The New Shares issued under the Placement will be issued within FLC's existing placement capacity under Listing Rule 7.1 (including a standard waiver from ASX to increase the placement capacity by including the shares to be issued under the Entitlement Offer) and FLC's existing placement capacity under Listing Rule 7.1A.

The Company will seek quotation of the New Shares issued under the Placement on ASX upon their issue. Participants in the Placement will not participate in the Entitlement Offer in respect of the New Shares issued under the Placement (or Sell Down Shares acquired).



Entitlement Offer

The Entitlement Offer will raise approximately A\$20.8 million through the issue of 260.2 million New Shares.

Under the Entitlement Offer, eligible shareholders are invited to subscribe for one (1) New Share for every two and a half (2.5) ordinary shares held in FLC (the **Entitlement**) as at 7.00pm (Melbourne Time) on 3 November 2023 (the **Record Date**).

The Entitlement Offer will be undertaken at a fixed price of A\$0.08 per New Entitlement Share (**Entitlement Issue Price**), which represents a:

- 42.9% discount to the last closing price of A\$0.14;
- 44.2% discount to the 5-day volume weighted average price of A\$0.143; and
- 34.4% discount to the Theoretical Ex-Rights Price (**TERP**) of A\$0.122.

At the time of allotment, the New Shares issued under the Entitlement Offer will rank equally with all existing ordinary shares in FLC.

Institutional Entitlement Offer

The institutional entitlement offer will commence on 1 November 2023 and is expected to close on 2 November 2023 (**Institutional Entitlement Offer**). Eligible institutional shareholders will be invited to participate in the Institutional Entitlement Offer and can choose to take up all, part, or none of their Entitlement. Institutional Entitlements cannot be traded on the ASX or transferred.

Entitlements that eligible institutional shareholders do not take up by the close of the Institutional Entitlement Offer, and Entitlements that would otherwise have been offered to ineligible institutional shareholders, will be sold at the Entitlement Issue Price through the Institutional Shortfall Bookbuild on 2 November 2023 (**Institutional Shortfall Bookbuild**).

The Institutional Entitlement Offer and Institutional Shortfall Bookbuild will be undertaken alongside the Placement. FLC shares will remain in a trading halt pending completion of the Placement and Institutional Entitlement Offer.

Retail Entitlement Offer

Eligible retail shareholders will be invited to participate in the retail component of the Entitlement Offer at the same Issue Price and Entitlement as the Institutional Entitlement Offer (**Retail Entitlement Offer**). The Retail Entitlement Offer will open on 8 November 2023 and is expected to close at 5.00pm (Melbourne time) on 27 November 2023 (**Retail Entitlement Offer Period**).

Eligible retail shareholders are shareholders on the Record Date who are registered as the holder of Existing Shares at the Record Time and:

- have a registered address on the FLC register of members which is in Australia or New Zealand;
- are not in the United States nor acting for the account or benefit of a person in the United States (to the extent such person holds existing shares for the account or benefit of such person in the United States); and
- were not invited to participate in the Institutional Entitlement Offer and were not treated as an ineligible institutional shareholder under the Institutional Entitlement



Offer (other than as nominee or custodian, in each case in respect of other underlying holdings); and

- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer (**Eligible Retail Shareholders**).

Eligible Retail Shareholders can choose to take up all, part or none of their Entitlement.

If an Eligible Retail Shareholder takes no action, they will not be allocated New Shares and their Entitlements will lapse. Eligible Retail Shareholders who do not take up their Entitlements in full under the Retail Entitlement Offer will not receive any value or payment for those Entitlements they do not take up. The Retail Entitlement Offer is non-renounceable and cannot be traded on ASX or any other exchange, nor can it be privately transferred.

Eligible Retail Shareholders wishing to participate in the Retail Entitlement Offer should carefully read the Retail Offer Booklet and accompanying personalised Entitlement and Acceptance Form which contains the terms and conditions of the Retail Entitlement Offer.

The Retail Offer Booklet and accompanying personalised Entitlement and Acceptance Form are expected to be despatched on or around 8 November 2023. Copies of the Retail Offer Booklet will be available on the ASX website (www.asx.com.au) beginning on 8 November 2023.

Sources and Uses of Funds

Sources & Uses	(USD M\$)	(AUD M\$)
Sources		
Institutional Entitlement Offer	\$7.5	\$11.6
Retail Entitlement Offer ⁽¹⁾	\$5.9	\$9.2
Institutional Share Placement	\$12.8	\$19.8
Total Sources	\$26.2	\$40.7
Uses		
Repayment of Upwell Term Loan (November 2023)	\$15.0	\$23.3
Amendment Fees (November 2023)	\$0.9	\$1.4
Repayment of Upwell Term Loan (July 2024) ⁽²⁾	\$8.6	\$13.4
Offer Costs	\$1.7	\$2.6
Total Uses	\$26.2	\$40.7

(1) The dollar amounts shown in the Sources & Uses of Funds as proceeds of the Retail Entitlement Offer and the Repayment of the Upwell Term Loan assume that the Retail Entitlement Offer is fully subscribed. The Retail Entitlement Offer is not currently underwritten.

(2) Remainder of the Upwell Term Loan of \$2.8m will be repaid from existing cash. Pro Forma net cash after full repayment the Upwell Term Loan \$9.8m (see slide 28) (assuming the Retail Entitlement Offer is fully subscribed). To the extent that the Retail Entitlement Offer is not fully subscribed, existing cash of the Company will be used to repay the Upwell Term Loan.

Underwriting Arrangements

Bell Potter Securities Limited is the lead manager and underwriter in respect of the Institutional Placement and Institutional Entitlement Offer.



Bell Potter has engaged with certain sub-underwriters of the Entitlement Offer who will sub-underwrite the Entitlement Offer up to the amount of their sub-underwriting commitments. These sub-underwriters include directors and management of FLC.

Indicative Timetable

Event	Date
Announcement of Sell Down, Placement and Entitlement Offer	1 November
Placement and Institutional Entitlement Offer opens	1 November
Placement and Institutional Entitlement Offer closes	2 November
Record Date for the Retail Entitlement Offer	7.00pm, 3 November
Retail Offer Booklet dispatched to Eligible Retail Shareholders	8 November
Retail Entitlement Offer opens	8 November
Sell Down, Placement and Institutional Offer settlement date	8 November
Issue and quotation of New Shares under Placement and Institutional Entitlement Offer	9 November
Retail Entitlement Offer closes (Retail Closing Date)	27 November
Announcement of results of Retail Entitlement Offer	30 November
Settlement of New Shares issued under Retail Entitlement Offer	1 December
Issue of New Shares under the Retail Entitlement Offer	4 December
Quotation and trading commence on a normal settlement basis	5 December

The above timetable is indicative only (except where historical) and subject to change. All times and dates refer to Melbourne time. Subject to the Listing Rules, FLC in conjunction with the Underwriter reserves the right to vary any or all of these dates, including the Retail Closing Date, without prior notice or consultation with you. Any extension of the Retail Closing Date will have a consequential effect on the anticipated date for issue of the New Securities under the Retail Entitlement Offer. The Directors also reserve the right not to proceed with the whole or part of any of the Offers at any time prior to allotment. In that event, the relevant Application Monies will be returned without interest.

Shareholder Enquiries

Eligible Retail Shareholders will be sent further details about the Entitlement Offer via a shareholder letter to be dispatched on or around 8 November 2023 and a Retail Offer Booklet to be lodged with ASX on 8 November 2023. The Retail Entitlement Offer can only be accepted by Eligible Retail Shareholders.

Eligible retail shareholders who have questions relating to the Retail Entitlement Offer should call FLC's share registry, Boardroom Pty Ltd on 1300 737 760 (within Australia) or + 61 2 9290 9600 (from outside Australia) from 8.30am to 5.30pm (Melbourne time) Monday to Friday during the Retail Entitlement Offer Period.



Further information in relation to the Placement and the Entitlement Offer is set out in an Investor Presentation which FLC has also filed with the ASX today. The Investor Presentation contains important information including key risks and assumptions and international selling restrictions with respect to the Placement.

ADDITIONAL INFORMATION

This announcement has been authorised and approved by the Board of Directors of FLC for lodgement with ASX.

All the amounts are in Australian dollars unless otherwise indicated.

For further information, please contact:

Melanie Leydin
Company Secretary
E: Melanie.Leydin@vistra.com



IMPORTANT NOTICES

Forward looking statements

This announcement contains certain "forward-looking statements". The words "expect", "anticipate", "estimate", "intend", "believe", "guidance", "should", "could", "may", "will", "predict", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks and uncertainties and other factors that are beyond the control of PPG, its directors and management. This includes statements about market and industry trends, which are based on interpretations of current market conditions.

Not an offer in the United States

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction where it would be illegal. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws. Persons who come into possession of this announcement should observe any such restrictions as any non-compliance could contravene applicable securities laws.

The information in this announcement is of general background and does not purport to be complete. It should be read in conjunction with FLC's other periodic and continuous disclosure announcements lodged with ASX Limited, which are available at www.asx.com.au

General

This announcement is subject to the same "Disclaimers" that appear on slides 2, 3 and 4 of the investor presentation released to the ASX today with any necessary contextual changes.

Own enquiries

Investors should make and rely upon their own enquiries before deciding to acquire or deal in FLC securities.

ABOUT 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 Southeast Asia.

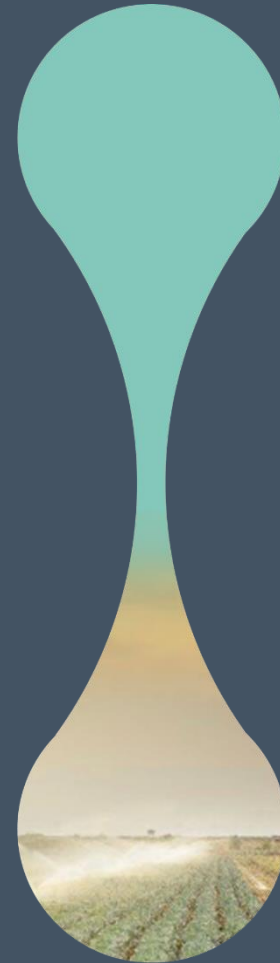
Further information can be found at <https://www.fluencecorp.com/>

3.2 Investor Presentation



RECAPITALISATION
TRANSACTION

November 2023



Sustainable Water Solutions



Important notice and Disclaimer

Overview

This presentation (**Presentation**) is dated 1 November 2023 and has been prepared by Fluence Corporation Limited ACN 127 734 196 (ASX: FLC) (**Company** or **FLC**) in relation to an offer of a placement of new FLC ordinary shares (**New Shares**) to 'sophisticated' or 'professional' investors in accordance with section 708(8) or 708(11) of the *Corporations Act 2001* (Cth) (**Corporations Act**) (**Placement**) and a fully underwritten pro rata 1 for 2.5 accelerated non-renounceable entitlement offer to certain eligible shareholders (**Entitlement Offer**) at an issue price of \$0.08 per New Share (together the **Offer**).

The Entitlement Offer is being made to eligible institutional shareholders and eligible retail shareholders under section 708AA of the Corporations Act as modified by the *Australian Securities and Investments Commission Corporations (Non Traditional Rights Issue) Instrument 2016/84* and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73 (INS 2016/73).

Summary information

This Presentation contains summary information about FLC and its associated and proposed associated entities and their activities as known by FLC at the date of this Presentation. The information contained in this Presentation is of general background and does not purport to be complete nor does it purport to contain all of the information that an investor should consider when making an investment decision. It should be read in conjunction with FLC's periodic and continuous disclosure announcements lodged with ASX which are available at www.asx.com.au. This Presentation is not a prospectus or other offering document under Australian or any other law. This Presentation does not contain all of the information which would be required to be disclosed in a prospectus or other offering document. It has been prepared for informational purposes only and does not constitute an offer or invitation to apply for any securities, including in any jurisdiction where, or to any person to whom, such an offer or invitation would be unlawful. The information in this Presentation remains subject to change without notice.

Forward-looking statements

This Presentation may contain forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties and include statements regarding outcome and effects of the Offer. Indications of, and guidance or outlook on future earnings, distributions or financial position or performance are also forward-looking statements. These statements are based on an assessment of past and present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Presentation, are expected to take place. Such forward-looking statements are not guarantees of future

performance and involve known and unknown risks, uncertainties, assumptions and other important factors many of which are beyond the control of the Company, its Directors and management. Although the Company believes that the expectations reflected in and the assumptions underlying the forward-looking statements included in this Presentation are reasonable, readers are cautioned not to place undue reliance on them, as the Company cannot give any assurance that the results, performance or achievements covered by the forward-looking statements will actually occur. Refer to the 'Key Risks' section of this Presentation for a summary of certain risk factors that may affect FLC. None of the Sole Lead Manager Parties (defined below) have authorised, approved or verified any forward-looking statements or Key Risks.

Not an offer

This Presentation will not be lodged with the Australian Securities and Investments Commission (**ASIC**) and is not approved by or registered with any regulator in any jurisdiction. This Presentation should not be considered as an offer or invitation to subscribe for or purchase any securities in FLC or as an inducement to subscribe for or purchase any New Shares or any other financial products in FLC. Any decision to purchase New Shares by eligible retail shareholders must be made on the basis of information to be contained in a separate offer booklet to be prepared for those retail shareholders in Australia and New Zealand and any other identified permitted jurisdiction and made available following its lodgement with ASX.

Not advice or recommendation

This Presentation is not financial product advice or investment advice nor a recommendation to acquire any securities in FLC and has been prepared without taking into account the objectives, financial or other situation, or particular needs of individuals. Before making any investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs and seek appropriate advice, including financial, legal and taxation advice appropriate to their jurisdiction.

Investment risk

An investment in FLC is subject to investment risks and other known and unknown risks, some of which are beyond the control of FLC, including possible loss of income and principal invested. FLC does not guarantee any particular rate of return or the performance of FLC, nor does it guarantee the repayment of capital in FLC or any particular tax treatment. In considering an investment in FLC, investors should have regard to (amongst other things) the risks outlined in this Presentation, and in particular the 'Key Risks' section. Cooling off rights do not apply to the acquisition of New Shares.

Important notice and Disclaimer

Past performance

Past performance and pro forma historical information in this Presentation is given for illustrative purposes only and should not be relied upon and is not an indication of future performance including future share price information.

Distribution limited

This Presentation has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This Presentation does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction where it would be illegal. Any securities described in this Presentation have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws. **Persons who come into possession of this Presentation should observe any such restrictions as any non-compliance could contravene applicable securities laws. See "Foreign Selling Restrictions" for more information.**

The New Shares under the Entitlement Offer are not being offered to the public within New Zealand other than to existing shareholders of FLC with registered addresses in New Zealand to whom the offer of the New Shares is being made in reliance on the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021 (NZ)*. This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

No warranty

To the maximum extent permitted by law, neither FLC nor any of their respective officers, employees, related bodies corporate, affiliates, agents or advisers (each a **Limited Party**) guarantees or makes any representations or warranties, express or implied, as to, or takes responsibility for, the accuracy or reliability of the information contained in this Presentation. FLC does not represent or warrant that this Presentation is complete or that it contains all material information about FLC or which a prospective investor may require in evaluating a possible investment in FLC. Nothing contained in this Presentation nor any information made available to you is, or shall be relied upon as, a promise, representation, warranty or guarantee, whether as to the past, present or the future. You must conduct your own independent investigations and enquiries as you deem fit.

To the maximum extent permitted by law, each Limited Party expressly disclaims any and all liability (including without limitation for negligence) for any statements, representations or warranties or in relation to the accuracy or completeness of the information, statements, opinions or matters, express or implied, contained in, arising out of or derived from, or for omissions from, this Presentation including, without limitation, any financial information, any estimates or projections and any other financial information derived therefrom. In particular, this Presentation does not constitute, and shall not be relied upon as, a promise, representation, warranty or guarantee as to the past, present or the future performance or activities of FLC.

Sole Lead Manager Parties

Bell Potter Securities Limited (the **Sole Lead Manager**) is acting as lead manager of the Offer. Neither the Sole Lead Manager, nor any of its affiliates or related bodies corporate (as that term is defined in the Corporations Act), nor any of their respective directors, employees, officers, representatives, agents, partners, consultants and advisers (together the **Sole Lead Manager Parties**), have authorised, permitted or caused the issue or lodgement, submission, dispatch or provision of this Presentation (or any other materials released by FLC) and there is no statement in this Presentation which is based on any statement made by any of them. To the maximum extent permitted by law, each of the Sole Lead Manager Parties expressly disclaim all liabilities in respect of, and make no representations regarding, and take no responsibility for, any part of this Presentation other than references to their name and make no representation or warranty as to the currency, accuracy, reliability or completeness of this Presentation.

The Sole Lead Manager Parties may, from time to time, hold interests in the securities of, or earn brokerage, fees or other benefits from FLC.

Important notice and Disclaimer

Financial data

All dollar values are in US dollars (\$) or US\$) unless stated otherwise. FLC's financial year is from 1 January to 31 December.

In addition, the pro forma financial information in this Presentation does not purport to be in compliance with Article 11 of Regulation S-X of the rules and regulations of the US Securities Exchange Commission. In addition, financial data in this Presentation includes "non-IFRS financial information" under ASIC Regulatory Guide 230 Disclosing non-IFRS financial information published by ASIC and "non-GAAP" financial measures under Regulation G of the U.S. Securities Exchange Act of 1934, as amended, including underlying gross margin. FLC believes this non-IFRS/non-GAAP financial information provides useful information to users in measuring the financial performance and conditions of FLC. The non-IFRS /non-GAAP financial information do not have a standardised meaning prescribed by Australian Accounting Standards and, therefore, may not be comparable to similarly titled measures presented by other entities, nor should they be construed as an alternative to other financial measure determined in accordance with Australian accounting standards. Investors are cautioned, therefore, not to place undue reliance on any non-IFRS /non-GAAP information and ratios included in Presentation.

Effect of Rounding

A number of figures, amounts, percentages, estimates, calculations of value and fractions in this Presentation are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this Presentation.

General

Statements made in this Presentation are made only as at the date of this Presentation. The information in this Presentation remains subject to change without notice. FLC may in its absolute discretion, but without being under any obligation to do so, update or supplement this Presentation. Any further information will be provided subject to the terms and conditions contained in this Important Notice and Disclaimer.

FLC reserves the right to withdraw or vary the timetable for the Offer without notice with the prior written consent of the Sole Lead Manager.

Inconsideration for being given access to this Presentation, you confirm, acknowledge and

agree to the matters set out in this Important Notice and Disclaimer and any modifications notified to you and/or otherwise released on ASX.

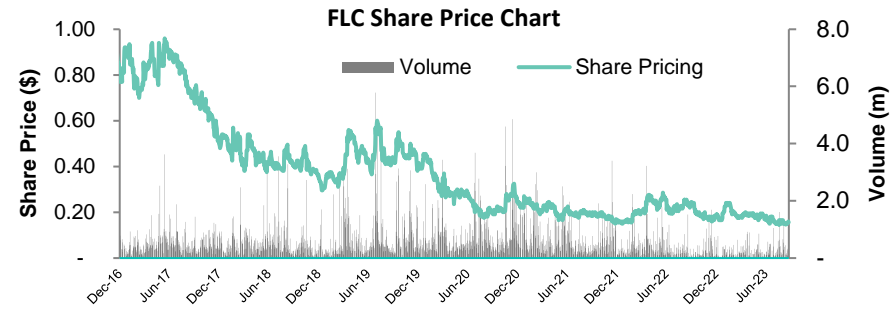
Photographs used in this Presentation which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses this Presentation or its contents or that the assets shown in them are owned by FLC. The photographs contained in this Presentation are the property of or are licensed to FLC and are protected under copyright laws. No permission is granted for the reproduction of these photographs outside of their appearance in this Presentation. Diagrams in this Presentation have been prepared by FLC and are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the date of this Presentation.

Executive Summary – Fluence Corporation Limited

New and Highly Experienced Leadership	<ul style="list-style-type: none"> Over 100 years of experience in the water and wastewater treatment industry Chairman, CEO, CFO, and CCO all joined within the last two years Notable turnaround experience and a number of highly successful exits leading to material returns for shareholders
Strategic Shift to Higher-Margin Revenue Segments	<ul style="list-style-type: none"> Restructuring and realignment announced in Q4 2022 – substantially reduced overhead and enhanced cross-selling and collaboration Focusing on high-margin Smart Product Solutions (“SPS”) and Recurring Revenue Transitioning from lower-margin and higher-risk Custom Engineered Solutions (“CES”) Pipeline conversion (new orders) showing success of new strategy
New Focus on Large, High-Growth End Markets	<ul style="list-style-type: none"> US Environmental Protection Agency (“EPA”) has assessed the need to spend >\$200B in municipal water and wastewater treatment plant upgrades over the next 20 years to meet required standards Global High-Strength Wastewater and Wastewater-to-Energy market estimated to be \$6B
Proven and Established Technology and Product-line	<ul style="list-style-type: none"> Over 800 global installations Membrane Aerated Biofilm Reactor technology (“MABR”) is the lowest cost wastewater treatment technology for new effluent standards being adopted globally Major decarbonization initiatives in North America and Europe create significant demand for Wastewater-to-Energy projects Fluence has 41 installed anaerobic digester plants, typically used in Wastewater-to-Energy applications Water reuse applications (such as semiconductor chip manufacturing) and lithium mining to drive growth in industrial markets
Leading ESG Impact	<ul style="list-style-type: none"> Fluence MABR and Wastewater-to-Energy technologies are highly energy efficient and lower CO₂ and other harmful contaminants
New Contracts Highlight Improving Financial Outlook	<ul style="list-style-type: none"> Shift in strategy to deliver sustainable revenue growth and higher margins Large and growing sales pipeline driving strong new contract momentum €48M Ivory Coast Addendum positions Fluence for long term O&M contract US\$16M in SPS projects recently announced Contracted backlog (Orders in hand) currently stands at US\$115M and forecast to be US\$135M by year end
Capital Raising and Sell Down	<ul style="list-style-type: none"> A\$40.7M capital raising via a placement and accelerated non-renounceable entitlement offer Funds will be used to pay down Upwell term loan facility In conjunction with the capital raising, RSL Investments Corporation are selling approximately 165.4M shares which represents 100% of their shareholding Please refer Offer Overview section p23-29 and Risks and Foreign Selling Restrictions p30-36.

Company Profile – Fluence Corporation Limited

Fluence existing Customers;



CAPITAL STRUCTURE

Current Share Price (31/10/23)	A\$0.14
Shares on Issue	650,554,034
Market Capitalisation	A\$91.1m
Cash at Bank (30 June '23)	US\$18.1m
Debt (30 June '23)	US\$31.2m
Net Debt (30 June '23)	A\$10.1m
Enterprise Value	A\$103.3m

TOP SHAREHOLDERS

- RSL Investments Corporation (25.4%)
- Watermark Services LLC (9.5%)
- Richard Irving (5.7%)

BOARD AND MANAGEMENT

Tom Pokorsky – CEO and Managing Director
 Ben Fash – CFO
 Rick Cisterna – CCO
 Spencer Smith – CLO

Doug Brown - Chairman
 Paul Donnelly – Non-executive Director
 Ross Haghighat – Non-executive Director
 Richard Irving – Non-executive Director
 Mel Ashton - Non-executive Director
 Melanie Leydin – Company Secretary

World Class Management Team

Newly appointed management team with significant experience in water treatment leading to multiple successful exits



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
- MIT Chemical Engineering, Harvard MBA



BEN FASH

Chief Financial Officer

- Joined in January 2023
- Prior to joining Fluence, CFO at Dumas Mining (2021-22)
- 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
- BA in Economics & Legal Studies from Williams College



TOM POKORSKY

CEO and 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%
- B.S. Civil Engineering (1974), Marquette University



RICK CISTERNA

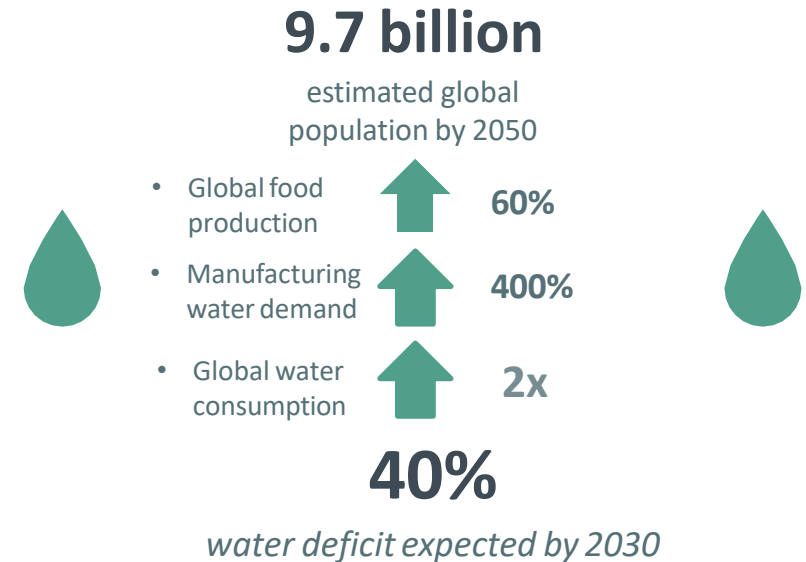
Chief Commercial Officer

- 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
- Stanford University – MS Environmental Engineering
 - Full scholarship and honors fellowship
- University of Nevada, Reno – BS Civil Engineering
 - Top graduating senior, College of Engineering

The Water and Wastewater Market Opportunity is Large and Growing

Wastewater treatment, water re-use, and Wastewater-to-Energy is becoming increasingly more important as the world seeks to address a growing global water scarcity crisis

- 2.3 billion people live in water-stressed countries, of which 733 million live in high and critically water-stressed countries. (UN-Water, 2021)
- Global Water and Wastewater Treatment market is expected to grow at a CAGR of 5.4% from 2022 to 2032 to reach \$957B by 2032⁽¹⁾
- EPA has assessed the need to spend >\$200B in municipal water and wastewater treatment plant upgrades over the next 20 years to meet required standards⁽²⁾
 - Estimated that the US makes up ~40% of global market ⁽²⁾
- Global High-Strength Wastewater and Wastewater-to-Energy market sized estimated to be \$6B



	Wastewater		Water
Municipal	Decentralized wastewater & reuse \$10B+ market 303 MABR plants deployed ⁽³⁾ <u>100% proprietary tech</u>	Large plant new-build & upgrade \$79B market 28 MABR plants deployed serving 440K people <u>100% proprietary tech</u>	Decentralized drinking water \$8B market 48 plants deployed
Industrial		Hard-to-treat industrial wastewater & Wastewater-to-Energy \$6B market ⁽⁴⁾ 42 plants deployed <u>Proprietary solution</u>	Industrial water \$3B market 328 plants deployed

(1) Water and Wastewater Treatment Market by Type, Offering, Application, and Geography - Global Forecast to 2032; June 2023, Meticulous Research.

(2) US EPA.

(3) Plus 30 legacy technology wastewater treatment plants.

(4) Independent estimate.

Fluence Business Segments – Realigned to Address End Market Needs

The water and wastewater treatment market is highly fragmented, offering a direct opportunity for Fluence to focus on unserved markets

DECENTRALIZED MUNICIPAL WATER & WASTEWATER (“DMWW”)

- Market-leading MABR technology
- Proven products for multiple use-cases:
 - Modular: Aspiral and Nirobox
 - Larger Greenfield & Retrofit: SUBRE
- Significant global installation base



HIGH-STRENGTH WASTEWATER & Wastewater-to-Energy (“HSWW”)

- Process design more efficient than competition
- Technological expertise and robust installation base
- Deep knowledge of the food & beverage market including the production processes
- Turnkey system delivery (technology + equipment)
- Smaller footprint compared to competitors



SPECIALIZED INDUSTRIAL WATER (“SIW”)

- 30 years of experience in South America
- Extensive reference list in target market
- Deep and experienced Engineering Team



SOUTHEAST ASIA & CHINA (“SEA & China”)

- Market Leader in MABR
- Large Installed Base
- Reference in High Concentration NH3 and TN Removal
- Presence across Asia



OPERATIONS, MAINTENANCE, PARTS & SERVICE



BUILD, OWN & OPERATE (WATER-AS-A-SERVICE)

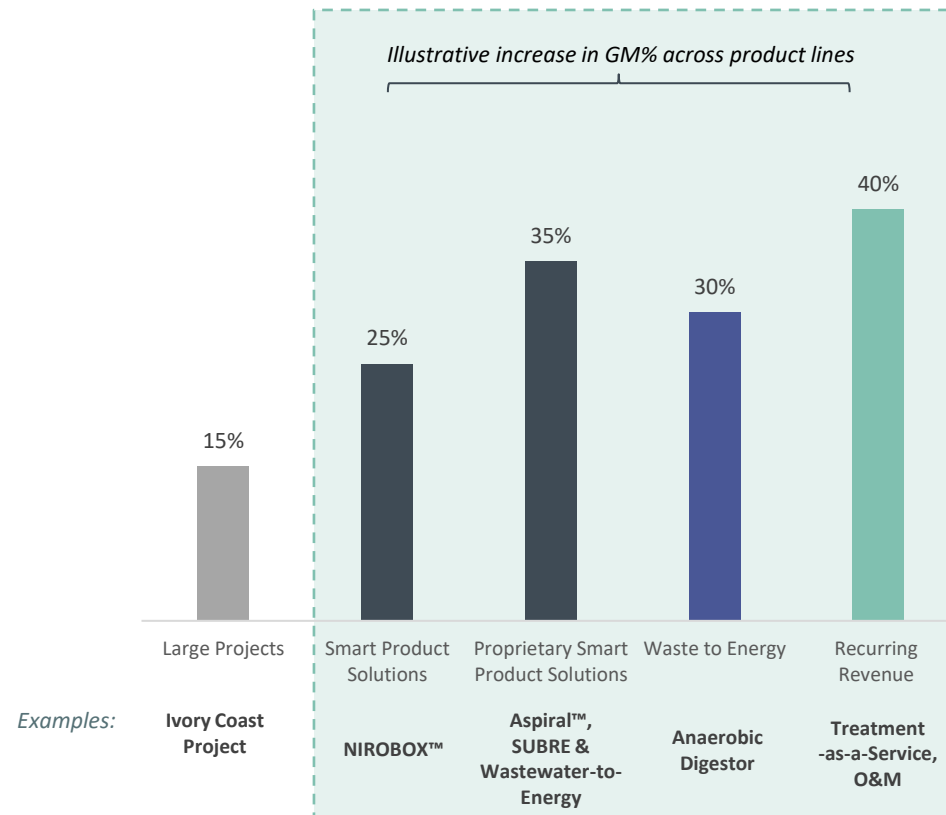


Shifting Focus on Smart Product Solutions (“SPS”) and Recurring Revenue

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
 - + SPS revenue to increase significantly as a percentage of total revenue in the medium term
- **Transitioning Custom Engineered Solutions (CES):**
 - + Emphasis on Fluence technology and O&M contracts

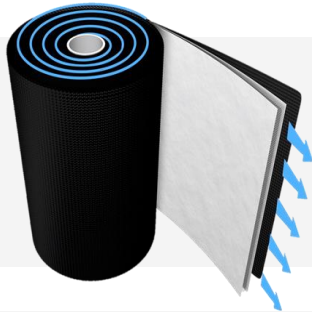
TRANSITION TO HIGHER MARGIN SEGMENTS



Fluence Proprietary Technology - MABR

MABR technology disrupts \$100bn wastewater treatment market

MABR Technology



- Air is supplied to a spirally wound, semi permeable membrane
- The MABR spiral is submerged in the mixed liquor

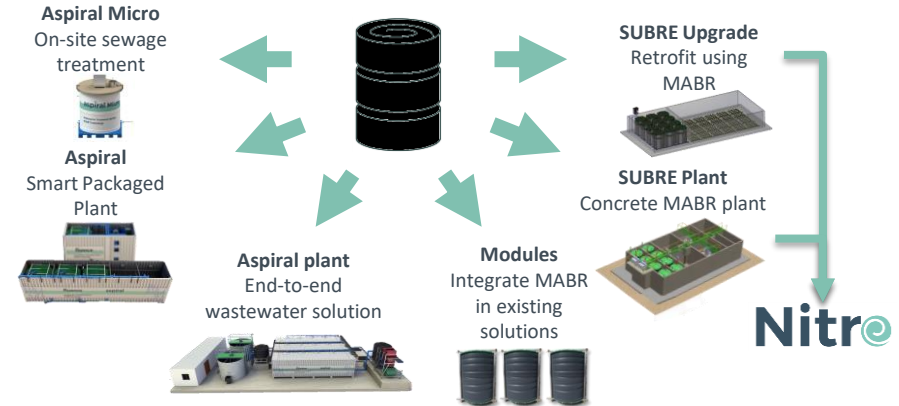


- An air spacer inside the sleeve allows low pressure air flow
- A water spacer defines the water volume in contact with the membrane



- Intermittent mixing causes wastewater to circulate through the spiral
- An aerobic nitrifying biofilm develops on the surface of the membrane

MABR Configurations



Fluence Smart MABR Beats Competing Technologies ¹

30+% overall lower TCO vs competing technologies ⁽¹⁾

TCO improvement using Fluence Technology

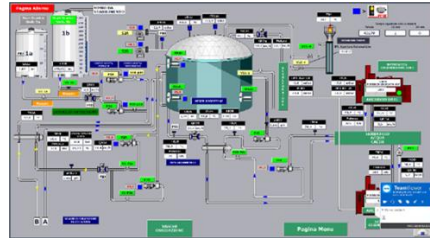
Capex	20+% lower
Opex	50+% lower
Energy Use	40+% lower
Chemical Use	30+% lower

Proven Wastewater-to-Energy Products

Strongly positioned for rapidly growing market

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:

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%+

Equipment Sale

Price: \$3 – 10M

GM: 30%

O&M Value: 10% of price/annum

O&M GM: 30-40%

Payback: 5 years

Recognised Industry Leader

- Fluence awarded the winner of the “Waste to Energy Solutions Provider 2023” by Energy Tech Review
- Energy Tech Review is a leading technology magazine that is at the forefront of information about technology solutions and services



Recurring Revenue – BOO, O&M, and Parts & Service

Greater emphasis being placed on high-growth, high-margin recurring revenue segment that is offered across all market segments

Product Offering

- **Build, Own, & Operate (“BOO”)** offers water-as-a-service where Fluence provides the treatment equipment and all required services to deliver water or wastewater to the customer in exchange for a fee for the volume of water or treatment that is delivered. Benefits includes:
 - Take-or-Pay minimum water requirement
 - Long-term contracts: typically 10-15 years
 - Attractive financial returns: 15-20% IRR
- **Operations & Maintenance (“O&M”)** offers the client the option to have Fluence operate their plant for a combination of a fixed and variable fee. Benefits include:
 - Hands off management of their water treatment equipment to experienced Fluence personnel
 - When paired with an equipment sale, decreases the risk of equipment underperformance
 - Maintains commercial relationship with the client after equipment sale and can lead to future equipment sale opportunities
 - Aftermarket Parts & Service leads
- **Parts & Service** provides aftermarket parts and ancillary service from experienced technicians. Benefits include:
 - Parts typically sold at high margins (40-60%)
 - Ongoing relationship with the client

Fluence Customers – Examples

Fluence has developed strong customer relationships with a number of industrial, municipal, and developer end users



Fluence has a long-standing relationship with Coca Cola, with 15 projects over the last 12 years, that continues to grow throughout S America. We are now leveraging that relationship to grow our Industrial Business in North America



SES Energy Services was one of Fluence's first customers in North America launching our MABR Aspiral installations in 2022 and is now planning with Fluence for its future needs by placing a recent order for another three Aspiral plants in 2023 and planning for more Aspiral in 2024 along with consideration for Fluence's Nirobox desalination plants



JBS is one of the largest meat processing companies in the world with over 40 plants in N America alone. As part of its corporate decarbonization and cost reduction goals, JBS is embarking on a campaign to seem renewable energy projects utilizing its own waste products. Fluence was selected for JBSs first project in Alberta Canada and has executed a services contract and exclusivity to negotiate a \$20M+ waste to energy agreement

Recent Success

Fluence has won multiple new contracts highlighting traction against the new strategy and realignment

- **Waste to Energy: US\$8m in New Contracts (18th September 2023)**
 - Three wastewater treatment and waste-to-energy contracts in Mexico and Italy
- **Water reuse in semiconductor industry: US\$8m in New Contracts (18th September 2023)**
 - Two water reuse contracts in Taiwan and Israel
- **€48m Addendum to Ivory Coast contract (13th September 2023)**
 - Federal Government of the Ivory Coast addendum to provide €48m over 12-18 months with potential to lead towards O&M contract

Strong Pipeline of New Contracts

Investment in sales, particularly in North America, paying dividends through rapidly growing pipeline

- Total current sales pipeline of \$619M, up from \$332M at the beginning of 2023 ⁽¹⁾
- Pipeline has almost doubled since beginning of 2023, with the highest growth coming from Municipal (99%), HSWW (81%), and SE Asia / China (162%)
 - Geographically, the majority of increase in pipeline has come from North America and SE Asia
- 304 total projects included in pipeline with an average project size (excl. BOO) of \$1.5M
- Highly diversified with no one end market making up more than 25% of the total pipeline (excl. BOO)
- Projecting \$50-60M in new order bookings in H1 2024



⁽¹⁾ Excludes potential Ivory Coast O&M contract of \$180M+.

FINANCIAL SUMMARY

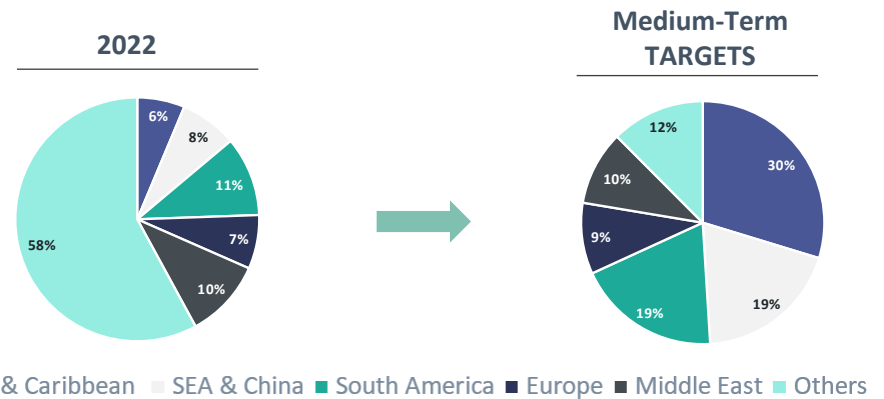


3-Year Vision

Focused on growing presence in North America and transitioning from CES revenue to SPS and Recurring Revenue segments

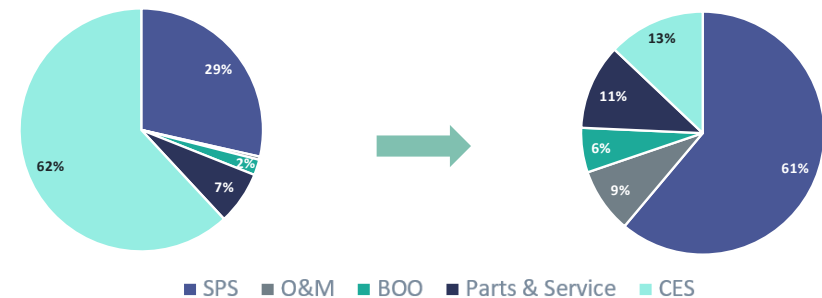
GEOGRAPHY

- Increasing share in North America, Caribbean and SEA



PRODUCTS

- Increasing higher margin SPS and Recurring Revenue



END MARKETS

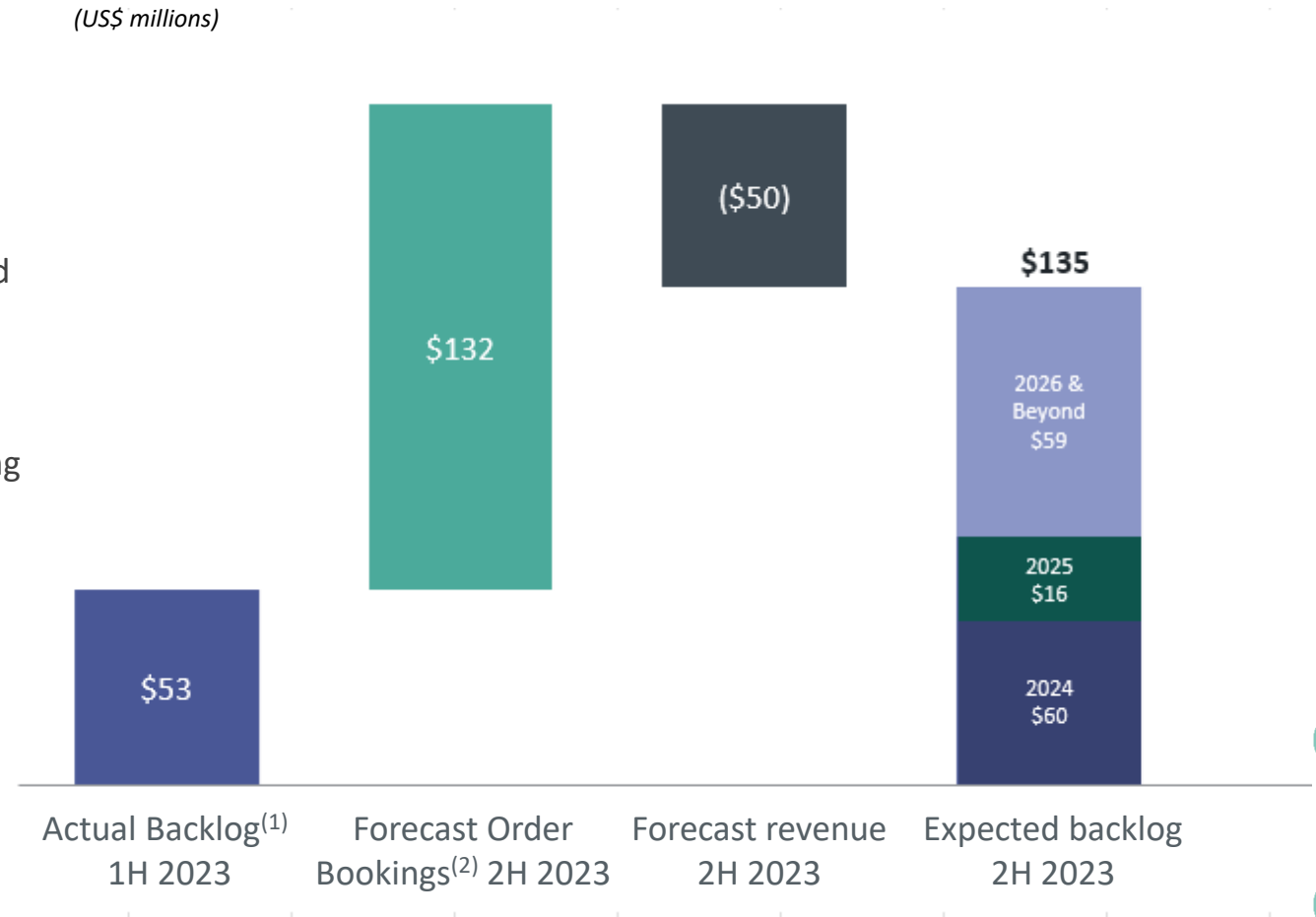
- De-risked business through broader end market mix



US\$132M in New Order Bookings Forecast in 2H 2023

New order bookings boosts revenue outlook

- With expected order bookings of \$130M+, Fluence is forecasting to finish 2023 with almost 3x the backlog (orders in hand) compared to 1H 2023
- \$60M of the orders in hand are expected to generate revenue in 2024, which should lead to a strong start to 2024
 - Represents approximately 75% of 2023F Revenue



US\$81M in New Order Bookings in High Margin Segments

Early wins from new strategy



(1) Excludes Ivory Coast Addendum, which will add \$53M.



Improved outlook in H2 2023

Forecast to be profitable and cash flow positive in Q4 2023E, building momentum for 2024

- **EBITDA in H2 2023 expected to be \$2.5-3.0M with Revenue of \$45-50M and GM's of 29%**
- **Key revenue drivers:**
 - Recently won water reuse projects in the semiconductor industry
 - Wastewater-to-energy projects in Mexico
 - Continued strength in Specialized Industrial Water
- **Risks to revenue forecast:**
 - Ivory Coast Addendum: 10% of project forecast included in Q4 2023
 - Taiwan project – ability to receive parts on-time for manufacturing and revenue recognition
- **Q4 2023 cash flow drivers:**
 - Ivory Coast collections and release of collateral: \$6M+
 - Customer deposits on new orders (i.e. Italy): \$0.5-1.0M
 - Improved collections in Egypt and China: \$0.5-1.0M

US\$ million	H1 2023A	Q3 2023A	Q4 2023E	H2 2023F	FY 2023E
Revenue					
SPS	10.9	5.8	19.8	25.6	36.5
Waste to Energy	2.9	1.1	3.0	4.0	6.9
Recurring Rev.	4.3	3.1	4.9	8.0	12.3
CES	13.5	3.0	8.9	11.8	25.3
Total Revenue	\$31.6	\$13.0	\$36.5	\$49.5	\$81.1
Cost of Goods Sold	24.5	8.3	26.8	35.1	59.6
Gross Profit	7.1	4.7	9.6	14.4	21.5
% Margin	22%	36%	26%	29%	26%
Operating Expenses					
R&D Engineering	(1.4)	0.5	0.5	1.0	(0.4)
Marketing/Sales	3.6	1.9	1.8	3.8	7.4
Administration	7.3	3.4	3.4	6.8	14.1
Total Operating Expenses	9.6	5.9	5.7	11.6	21.2
EBITDA	(\$2.5)	(\$1.2)	\$3.9	\$2.8	\$0.3
% Margin	-8%	-9%	11%	6%	0%
Ending Cash Balance ⁽¹⁾	\$18.1	\$10.5	\$15.0	\$15.0	\$15.0

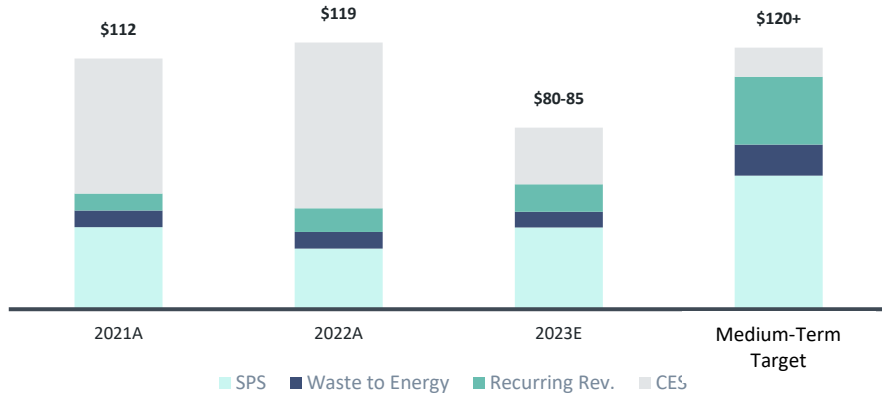
(1) Does not include the impact of the capital raise or any Upwell repayments.

Financial Summary

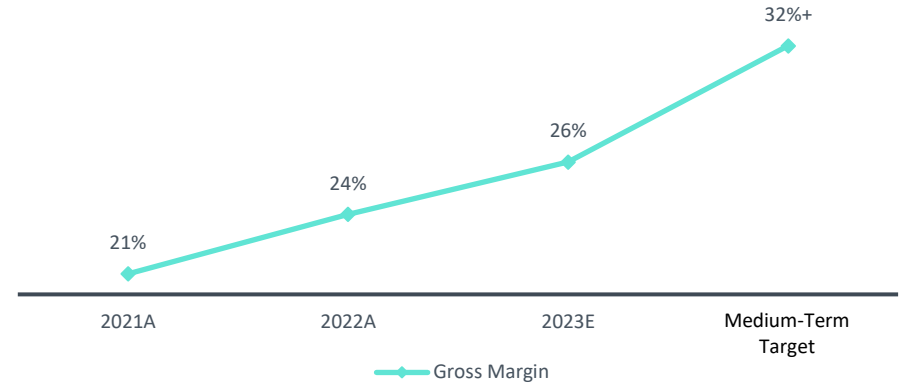
As the business transitions to SPS, Wastewater-to-Energy and Recurring Revenue, profitability increases quickly

Revenue

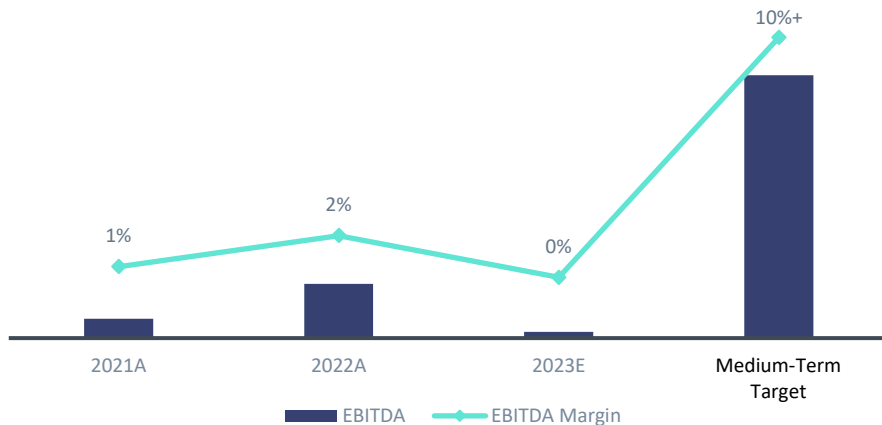
(US\$ millions)



Gross Margin



EBITDA Margin



Commentary

- Revenue down in 2023 due to lower CES and Ivory Coast contribution
- 2023 revenue growth in SPS, Wastewater-to-Energy, and Recurring Revenue segments
- Confidence building for 2024 based on a strong 2023 H2:
 - Gross margin to rise to 29% in H2 2023
 - H2 2023 EBITDA forecasted to be US\$2.8M
- New order bookings and robust sales pipeline bodes well for revenue growth in 2024 and beyond
- Substantial operating leverage – higher revenues leading to stronger EBITDA margins

OFFER OVERVIEW



Offer Overview

Offer Summary	<ul style="list-style-type: none"> • A\$47.3 million Offer, comprising: <ul style="list-style-type: none"> • A\$40.7 million Capital Raising • A\$6.6 million Shareholder Sale
Capital Raising	<ul style="list-style-type: none"> • Capital raising of A\$40.7 million includes: <ul style="list-style-type: none"> • a 1 for 2.5 pro-rata accelerated non-renounceable entitlement offer to eligible shareholders of Fluence to raise approximately A\$20.8 million (“Entitlement Offer”), comprising: <ul style="list-style-type: none"> • A 1 for 2.5 pro-rata accelerated, non-renounceable institutional entitlement offer of approximately 144.6m new shares to raise approximately A\$11.6m (“Institutional Entitlement Offer”) • A 1 for 2.5 pro-rata non-accelerated, non-renounceable retail entitlement offer of approximately 115.6m new shares to raise approximately A\$9.2m (“Retail Entitlement Offer”) • an institutional placement (“Placement”) to raise approximately A\$19.8 million (together, the “Capital Raising”) • The Entitlement Offer is non-renounceable, meaning that entitlements will not be tradeable or otherwise transferable • Approximately 425.6 million new fully paid ordinary shares in Fluence (“New Shares”) will be issued under the Capital Raising, representing approximately 65.4% of existing ordinary shares on issue in Fluence (“Existing Shares”), being: <ul style="list-style-type: none"> • approximately 260.2 million New Shares under the Entitlement Offer, representing approximately 40.0% of Shares; and • approximately 165.4 million New Shares under the Placement, representing approximately 25.4% of Shares¹
Shareholder Sale	<ul style="list-style-type: none"> • RSL Investments Corporation and RSL Capital LLC (together, “RSL”) are selling ~165.4 million Shares (“Shareholder Sale”) in conjunction with the Capital Raising. This represents 100% of RSL’s existing shareholding. • Shareholder Sale shares will be sold ex-entitlement

Offer Price

Offer Price	<p>Offer Price is A\$0.08 per share</p> <ul style="list-style-type: none">• The Entitlement Offer will have an offer price of A\$0.08 per New Share• The Placement and Shareholder Sale (“PSS”) will have a blended offer price of A\$0.08 per share, which represents the average of:<ul style="list-style-type: none">• A\$0.12 per Placement share• A\$0.04 per Shareholder Sale share• By way of example, if an investor is allocated 10,000 shares worth A\$800 under the PSS, the investor will receive 5,000 Placement shares (at A\$0.12 per Placement share worth A\$600) and 5,000 Shareholder Sale shares (at A\$0.04 per Shareholder Sale share worth A\$200)• All participants in the PSS will subscribe for shares on a ratio of 1 Placement Share for every 1 Shareholder Sale share.
Lead Manager and Underwriter	<ul style="list-style-type: none">• Bell Potter Securities has fully underwritten the A\$19.8m Institutional Placement and the A\$11.6m Institutional Entitlement Offer for a total of A\$31.4m.• The A\$9.2m Retail Entitlement Offer is currently not underwritten but it is intended to seek underwriters for this component of the offer, in part or full.

Offer Details

Director and Management Participation	<ul style="list-style-type: none"> • Directors and Management of Fluence intend to participate in the Capital Raising via the Entitlement Offer and Sub-underwriting of the Entitlement Offer up to ~A\$9.5m
Institutional Offer	<ul style="list-style-type: none"> • The Institutional Entitlement Offer, Placement and Shareholder Sale will be conducted on Wednesday, 1 November 2023 (“Institutional Offer”) • Entitlements not taken up and those of shareholders who are ineligible to participate in the Placement and the Institutional Entitlement Offer will be sold at the Offer Price
Retail Entitlement Offer	<ul style="list-style-type: none"> • The Retail Entitlement Offer will open on Wednesday, 8 November, 2023 and will close at 5.00pm on Monday, 27 November 2023 • Only eligible shareholders of Fluence with an address on the Fluence share register in Australia or New Zealand may participate in the Retail Entitlement Offer
Record Date	<ul style="list-style-type: none"> • 7.00pm (Sydney, Australia time) on Friday, 3 November 2023
Ranking	<ul style="list-style-type: none"> • New Shares issued under the Entitlement Offer and Placement will rank pari passu with existing Shares from their date of issue

Sources & Uses of Funds

Sources & Uses	(USD M\$)	(AUD M\$)
Sources		
Institutional Entitlement Offer	\$7.5	\$11.6
Retail Entitlement Offer ⁽¹⁾	\$5.9	\$9.2
Institutional Share Placement	\$12.8	\$19.8
Total Sources	\$26.2	\$40.7
Uses		
Repayment of Upwell Term Loan (November 2023)	\$15.0	\$23.3
Amendment Fees (November 2023)	\$0.9	\$1.4
Repayment of Upwell Term Loan (July 2024) ⁽²⁾	\$8.6	\$13.4
Offer Costs	\$1.7	\$2.6
Total Uses	\$26.2	\$40.7

- (1) The dollar amounts shown in the Sources & Uses of Funds as proceeds of the Retail Entitlement Offer and the Repayment of the Upwell Term Loan assume that the Retail Entitlement Offer is fully subscribed. The Retail Entitlement Offer is not currently underwritten.
- (2) Remainder of the Upwell Term Loan of \$2.8m will be repaid from existing cash. Pro Forma net cash after full repayment the Upwell Term Loan \$9.8m (see slide 28) (assuming the Retail Entitlement Offer is fully subscribed). To the extent that the Retail Entitlement Offer is not fully subscribed, existing cash of the Company will be used to repay the Upwell Term Loan.

Pro Forma Summary Balance Sheet*

Pro Forma net cash of \$9.8m at July 2024

(USD M\$)

	Balance Sheet as at 6/30/23	PF Adj: Closing	PF 6/30/23: Cap Raise Closing	PF Adj: Upwell Maturity ⁽²⁾	PF 6/30/23: Upwell Maturity
Summary Balance Sheet					
Cash	\$18.1	\$8.6	\$26.8	(\$12.2)	\$14.6
Other Current Assets	\$52.1	-	\$52.1	-	\$52.1
Fixed & Other Non-Current Assets	\$21.7	-	\$21.7	-	\$21.7
Total Assets	\$91.9	\$8.6	\$100.5	(\$12.2)	\$88.3
Non-Debt Current Liabilities	\$63.3	-	\$63.3	-	\$63.3
Non-Current Liabilities (excl. Debt)	\$3.6	-	\$3.6	-	\$3.6
Debt					
Term Loan	\$28.4	(\$17.0)	\$11.4	(\$11.4)	-
Project Debt ⁽¹⁾	\$2.1	\$2.0	\$4.1	-	\$4.1
Other Debt	\$0.7	-	\$0.7	-	\$0.7
Total Debt	\$31.2	(\$15.0)	\$16.2	(\$11.4)	\$4.8
Total Debt	\$31.2	(\$15.0)	\$16.2	(\$11.4)	\$4.8
<i>Net Debt</i>	<i>\$13.1</i>	<i>(\$23.6)</i>	<i>(\$10.6)</i>	<i>\$0.8</i>	<i>(\$9.8)</i>
Total Liabilities	\$98.1	(\$15.0)	\$83.1	(\$11.4)	\$71.7
Shareholders' Equity	(\$6.2)	\$23.6	\$17.4	(\$0.8)	\$16.6

(1) PF for Bimini Expansion.

(2) Does not include the impact of operating or investing cash flows.

Indicative Offer Timetable

Event

AEST

Trading halt and announcement of underwritten offer	Wednesday 1 st November 2023
Placement, Shareholder Sale and Institutional Entitlement Offer Bookbuild Opens	Wednesday 1 st November 2023
Announcement of results of Placement and Institutional Entitlement Offer and recommence trading of shares on ASX	Friday 3 rd November 2023
Record date for Entitlement Offer (7.00pm Sydney), Australia time	Friday 3 rd November 2023
Settlement of shares issued under the Placement, Shareholder Sale and Institutional Entitlement Offer	Wednesday 8 th November 2023
Retail Entitlement Offer documentation despatched and Retail Entitlement Offer opening date	Wednesday 8 th November 2023
Issue of shares issued under the Placement and Institutional Entitlement Offer	Thursday 9 th November 2023
Retail Entitlement Offer close date (5.00pm Sydney), Australian time	Monday 27 th November 2023
Announcement of results of Retail Entitlement Offer	Thursday 30 th November 2023
Settlement of Retail Entitlement Offer	Friday 1 st December 2023
Issue of shares under the Retail Entitlement Offer	Monday 4 th December 2023
Normal Trading of Retail Entitlement Offer shares	Tuesday 5 th December 2023

The timetable is indicative only and dates and times are subject to change without notice.

RISKS AND FOREIGN SELLING RESTRICTIONS



Key Risks

Topic	Risk disclosure
Corporate	FLC has a complex group structure with companies in many jurisdictions. As a result, FLC is exposed to local laws and regulations which can hamper the efficient operation of its business. In particular FLC has subsidiaries and projects in locations which attract exchange controls and also jurisdictions where the local currency is illiquid and it is difficult to convert into USD. As a result, FLC is not able to fund its operations as efficiently as it would like, potentially resulting in the need for additional working capital and associated additional financing costs which may affect its profitability and prospects.
Liquidity, Interest Rate, and Credit	FLC 's activities expose it to a variety of financial risks such as interest rates, credit, and liquidity. This risk includes examples such as the ability to collect trade receivables from customers on a timely basis and the complexities of enforcing claims in some of the countries in which we operate, increases in interest rates, a history of loss making and negative cashflows and the ability to comply with the terms of and meet its financial obligations including its debt obligations, among other examples. These risks can adversely effect FLC 's ability to operate profitably or as a going concern.
Material Contracts	<p>FLC regularly enters into contracts with customers that exceed \$1 million. Successful execution of such contracts is imperative for the continued success of FLC. Most notably, the Ivory Coast project represents a significant share of Fluence's current revenue. and cashflow. Some of the key risks associated with these material contracts include executing on time and on budget, cash flow, contract management, performance and quality of the equipment being delivered and reputation. While FLC has been focusing on implementing enhanced project controls, there remains a risk of issues arising which may result in impacts to future profits or reductions or reversals of previously recorded profits.</p> <p>As is typical in for the industry in which the FLC operates, FLC is regularly required to provide performance security in relation to projects and contracts, which can be in respect of material amounts. There is a risk that a performance security may be called upon requiring FLC to make whole the provider of the security which may in turn adversely affect FLC's cash balance and financial performance and prospects.</p>
Design, Engineering, & Quality of Equipment	FLC designs and engineers drinking water and wastewater treatment equipment and systems for the global market. This presents the risk of delivering equipment that does not meet customer specifications or local regulatory compliance standards. Failure to meet those specifications or standard can result in customer dissatisfaction and/or claims, or rework to meet local standards, all of which can adverse affect the margins of such installations, with a consequential adverse impact on expenses and profits and cashflow.
Cost Controls, Inflation, & Supply Chain Constraints	Rising input costs and global supply chain constraints experienced over the past few years across industries have the potential to reduce profit margins where those costs cannot be recovered from customers and project delays. Significant input costs include labour, components and materials, and freight. Delays in delivery or increases in costs can result in customer dissatisfaction and/or claims as well as reduced margins, all of which can adversely affect expenses and profits and cashflow.

Key Risks (continued)

Topic	Risk disclosure
Political, Regulatory and Compliance	FLC is a global company and operates in numerous countries around the world. FLC must comply with a range of governance requirements which are conditions of its listing on ASX. New or evolving regulations and international standards are outside FLC's control and can often be complex and difficult to predict. The potential development of international opportunities can be jeopardised by changes to fiscal or regulatory regimes, adverse changes to tax laws, difficulties in interpreting or complying with local laws, material differences in sustainability standards and practices, or changes to existing political, judicial or administrative policies and changing community expectations. Issues can also arise through geopolitical factors such as the hostilities in Israel where FLC has operations. All of these factors can adversely affect FLC's ability to do business and its prospects as a whole.
Anti-Bribery and Corruption	FLC's business activities and operations are located in jurisdictions with varying degrees of political, economic and judicial stability, including some countries with a relatively high inherent risk of bribery and corruption. This exposes FLC to the risk of unauthorised payments or offers of payments to or by employees, agents or distributors that could be in violation of applicable anti-corruption laws. While FLC has a clear Anti-bribery and Corruption Policy and internal controls and procedures to protect against such risks, there can be no assurances that such controls, policies and procedures will absolutely protect FLC from potentially improper or criminal acts which would have an adverse impact on FLC's reputation and potentially prevent it from doing business in certain locations or with particular clients, especially Government clients. This could adversely affect FLC's ability to do business and its prospects as a whole.
Environmental, Social, Governance	FLC is keenly aware of the potential risks climate change could present to its customers across the world. With the continued impact of climate change, it is expected that we will see an increase in weather extremes and resource variability in the future. In particular FLC operates in the Caribbean and similar locations which are exposed to extreme of weather events which could damage FLC installations or prevent or delay them proceeding. Such delays or damage can increase costs, reduce margins, and in turn adversely affect profits.
Intellectual Property Rights and Litigation Risks	FLC may not be able to protect or enforce its intellectual property rights, especially in certain foreign jurisdictions, and may breach intellectual property obligations or rights of third parties. Any successful replication of similar technology or intellectual property by other could reduce FLC's competitive position. The costs associated with protecting a position could impact FLC's profitability. and cashflow.
Competitor Risk	FLC's competitive position may deteriorate as a result of the actions of its competitors, including new entrants. Other market participants could develop superior technology or gain greater market approval or offer wastewater solutions at cheaper prices than FLC's products. Any such actions of new or existing competitors may adversely affect FLC's operating and financial performance.
Key Personnel	The Directors' and senior managers' ability to manage successfully FLC's performance and business opportunities will directly affect FLC's success. FLC may be adversely affected if any of the Directors or senior management leave. FLC may not be able to replace its Directors or key employees with persons of equivalent expertise and experience within a reasonable period of time or at all and FLC may incur additional expenses to recruit, train and retain personnel. Loss of such personnel may also have an adverse effect on the performance of FLC pending replacements being identified and retained by or appointed to the Board.

Key Risks (continued)

Topic	Risk disclosure
Share market investments	The Shares are to be quoted on the ASX, where their price may rise or fall in relation to the Offer Price. The Shares issued under the Capital Raising carry no guarantee of profitability, dividends, return of capital, or the price at which they may trade on the ASX. The value of the Shares will be determined by the stock market and will be subject to a range of factors beyond the control of FLC. Such factors include, but are not limited to, the demand for and availability of Shares, movements in domestic interest rate, fluctuations in the Australian and International stock markets and general domestic economic activity. Returns from an investment in the Shares may also depend on general stock market conditions as well as the performance of FLC. There can be no guarantee that an active market in the Shares will develop or that the market price of the Shares will not decline below the Offer Price.
General economic conditions	Changes in economic and business conditions or government policies in Australia or internationally may impact upon the fundamentals upon which the projected growth of FLC's target markets or its cost structure and profitability will rely. Adverse changes in such things as the level of inflation, interest rates, government policy (including fiscal, monetary and regulatory policies), consume spending, employment rates, amongst others, are out of the control of FLC and may result in material adverse impacts on the business of FLC or its operating results.
Taxation	Future changes in taxation law, including changes in interpretation or application of the law by the courts or taxation authorities in the jurisdictions in which FLC operates, may affect taxation treatment of an investment in FLC shares or the holding and disposal of those shares. Further, changes in tax law, or changes in the way tax law is expected to be interpreted, may impact the future tax liabilities and performance of FLC. Any changes to the current rates of income tax applying to individuals and trusts will similarly impact on shareholder returns.
Foreign exchange rates and interest rates	Adverse movements in exchange rates may impact sales proceeds received, product costs and price competitiveness and may impact the operations and financial performance of FLC. Adverse movements in exchange rates may impact sales proceeds received, product costs and price competitiveness and may impact the operations and financial performance of FLC. FLC has foreign exchange exposure through its operations in Argentina, Egypt, China, and Ivory Coast, among others. Also, adverse fluctuations in interest rates, to the extent that they are not anticipated may impact on the FLC's financial performance.

Foreign Selling Restrictions

This Presentation does not constitute an offer of new ordinary shares (**New Shares**) of the Company in any jurisdiction in which it would be unlawful. In particular, this Presentation may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

Germany

This Presentation has not been, and will not be, registered with or approved by any securities regulator in the European Union. Accordingly, this Presentation may not be made available, nor may the New Shares be offered for sale, in the European Union except in circumstances that do not require a prospectus under Article 1(4) of *Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union* (the **Prospectus Regulation**).

In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of New Shares in the European Union is limited to persons who are “qualified investors” (as defined in Article 2(e) of the Prospectus Regulation).

Hong Kong

WARNING: This Presentation has not been, and will not be, registered as a prospectus under the *Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong*, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the *Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong* (the **SFO**). Accordingly, this Presentation may not be distributed, and the New Shares may not be offered or sold, in Hong Kong other than to “professional investors” (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this Presentation have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Singapore

This Presentation and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Presentation and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the *Securities and Futures Act 2001 of Singapore* (the **SFA**) or another exemption under the SFA.

This Presentation has been given to you on the basis that you are an “institutional investor” or an “accredited investor” (as such terms are defined in the SFA). If you are not such an investor, please return this document immediately. You may not forward or circulate this Presentation to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party in Singapore. On-sale restrictions in Singapore may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Foreign Selling Restrictions

United Kingdom

Neither this Presentation nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the *Financial Services and Markets Act 2000 (UK)*, as amended (**FSMA**)) has been published or is intended to be published in respect of the New Shares.

The New Shares may not be offered or sold in the United Kingdom by means of this Presentation or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This Presentation is issued on a confidential basis in the United Kingdom to “qualified investors” within the meaning of Article 2(e) of the *UK Prospectus Regulation*. This Presentation may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this Presentation is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the *Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (FPO)*, (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (relevant persons). The investment to which this Presentation relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this Presentation.

United States

This Presentation does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Shares have not been, and will not be, registered under the *US Securities Act of 1933 (US Securities Act)* or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

New Zealand

This Presentation has not been registered, filed with or approved by any New Zealand regulatory authority under the *Financial Markets Conduct Act 2013 (NZ) (FMCA)*.

The New Shares under the Entitlement Offer are not being offered to the public within New Zealand other than to existing shareholders of FLC with registered addresses in New Zealand to whom the offer of the New Shares is being made in reliance on the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021 (NZ)*.

The New Shares under the Placement are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMCA;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMCA;
- is large within the meaning of clause 39 of Schedule 1 of the FMCA;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMCA; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMCA.

Foreign Selling Restrictions

Canada (British Columbia, Ontario and Quebec provinces)

This Presentation constitutes an offering of New Shares only in the Provinces of British Columbia, Ontario and Quebec (the **Provinces**), only to persons to whom New Shares may be lawfully distributed in the Provinces, and only by persons permitted to sell such securities. This Presentation is not a prospectus, an advertisement or a public offering of securities in the Provinces. This document may only be distributed in the Provinces to persons who are “accredited investors” within the meaning of National Instrument 45-106 – Prospectus Exemptions, of the Canadian Securities Administrators.

No securities commission or authority in the Provinces has reviewed or in any way passed upon this Presentation, the merits of the New Shares or the offering of the New Shares and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Provinces with respect to the offering of New Shares or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province. Furthermore, any resale of the New Shares in the Provinces must be made in accordance with applicable Canadian securities laws. While such resale restrictions generally do not apply to a first trade in a security of a foreign, non-Canadian reporting issuer that is made through an exchange or market outside Canada, Canadian purchasers should seek legal advice prior to any resale of the New Shares.

The Company as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Company or its directors or officers. All or a substantial portion of the assets of the Company and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against the Company or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or such persons outside Canada.

Any financial information contained in this Presentation has been prepared in accordance with Australian Accounting Standards and also comply with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board. Unless stated otherwise, all dollar amounts contained in this document are in Australian dollars.

Statutory rights of action for damages and rescission. Securities legislation in certain Provinces may provide a purchaser with remedies for rescission or damages if an offering memorandum contains a misrepresentation, provided the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s

Province. A purchaser may refer to any applicable provision of the securities legislation of the purchaser’s Province for particulars of these rights or consult with a legal adviser.

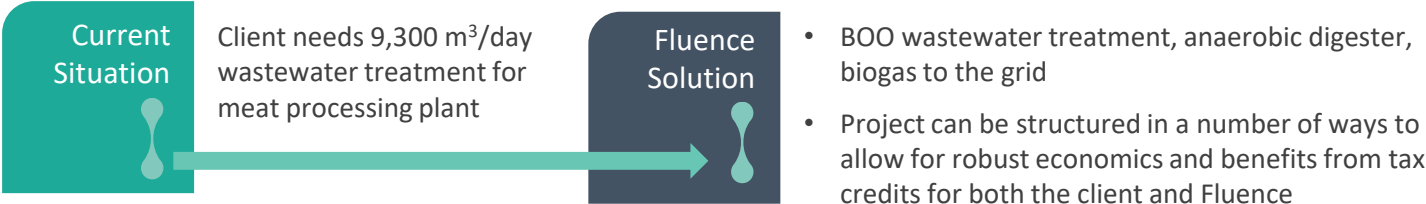
Certain Canadian income tax considerations: Prospective purchasers of the New Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding or disposition of the New Shares as there are Canadian tax implications for investors in the Provinces.

Language of documents in Canada: Upon receipt of this Presentation, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the New Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu’il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d’achat ou tout avis) soient rédigés en anglais seulement.

APPENDIX 1: BOO Case Study

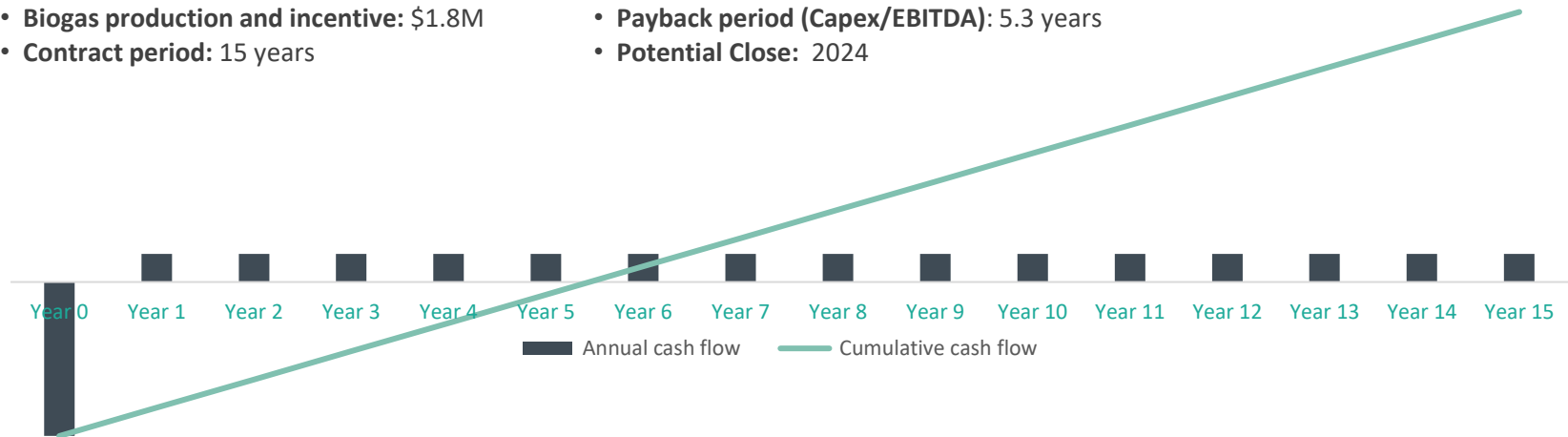


Case Study: Wastewater-to-Energy BOO Project: Confidential Client, USA



PROJECT ECONOMICS

- **CAPEX:** \$10.1M
 - **OPEX:** \$1.9M/year
 - **BOO Price:** \$0.74/m³
 - **Biogas production and incentive:** \$1.8M
 - **Contract period:** 15 years
- **Annual revenue:** \$3.8M
 - **EBITDA margin:** up to 50%
 - **IRR*:** 17%
 - **Payback period (Capex/EBITDA):** 5.3 years
 - **Potential Close:** 2024



4. IMPORTANT ADDITIONAL INFORMATION

4.1 Date of this Retail Offer Booklet

This Retail Offer Booklet is dated 8 November 2023.

Subject to the following paragraph, statements in this Retail Offer Booklet are made only as of the date of this Retail Offer Booklet (unless otherwise stated) and the information in this Retail Offer Booklet remains subject to change without notice.

4.2 No prospectus

This Retail Offer Booklet (including the ASX Announcement and Investor Presentation set out in Section 3) is issued by FLC. This Retail Offer Booklet and the Entitlement and Acceptance Form are important documents and require your immediate attention. You should read these documents carefully and in their entirety before deciding whether or not to participate in the Retail Entitlement Offer.

The Retail Entitlement Offer is being made pursuant to the requirements of section 708AA of the Corporations Act as modified by ASIC Instrument 2016/84. Accordingly, neither this Retail Offer Booklet nor the Entitlement and Acceptance Form are required to be lodged or registered with ASIC and no prospectus for the Retail Entitlement Offer will be prepared. These documents do not contain, or purport to contain, all of the information that a prospective investor may require in evaluating acquisition of New Shares. They do not and are not required to contain all of the information which would be required to be disclosed in a prospectus.

4.3 Availability of Retail Offer Booklet

Shareholders with registered addresses in Australia or New Zealand can obtain a copy of this Retail Offer Booklet during the Retail Entitlement Offer Period by calling the Share Registry on 1300 737 760 (within Australia) +61 2 9290 9600 (from outside Australia) from 8:30am to 5:30pm (AEDT) Monday to Friday during the Retail Entitlement Offer Period. A copy of the Retail Offer Booklet is also available at www.asx.com.au.

Eligible Shareholders with registered addresses in Australia or New Zealand will be sent a link to this Retail Offer Booklet and their personalised Entitlement and Acceptance Form.

4.4 Continuous disclosure

FLC is a 'disclosing entity' under the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the Listing Rules, including the preparation of annual reports and half yearly reports.

FLC is required to notify the ASX of information about specific events and matters as they arise for the purposes of the ASX making that information available to the stock markets conducted by the ASX. In particular, FLC has an obligation under the Listing Rules (subject to certain exceptions) to notify the ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price or value of its shares. That information is available to the public from the ASX and can be accessed at www.asx.com.au.

Some documents are required to be lodged with ASIC in relation to FLC. These documents may be obtained online at ASIC's website www.asicconnect.asic.gov.au, or inspected at, an ASIC office.

4.5 No investment advice

The information provided in this Retail Offer Booklet and the accompanying Entitlement and Acceptance Form is not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs, and should not be considered to be comprehensive or to comprise all the information which a Shareholder may require in order to determine whether or not to subscribe for New Shares. FLC is not licensed to provide financial product advice in relation to the Retail Entitlement Offer. If you are in doubt as to the course you should follow, you should consult your stockbroker, accountant or other independent professional adviser before deciding whether to take up your Entitlement.

Prospective investors should conduct their own independent investigation and assessment of the Retail Entitlement Offer and the information contained in, or referred to in, this Retail Offer Booklet. An investment in FLC is subject to investment risk including possible loss of income and principal invested. You should read the entire ASX Announcement and Investor Presentation set out in Section 3 and other materials sent to you in relation to the Retail Entitlement Offer and any relevant materials lodged with ASX, consider all of the risk factors that could affect the performance of FLC (including those set out in the 'Key Risks' section of the Investor Presentation) in light of your particular investment objectives, financial circumstances and investment needs (including financial and taxation issues) and consult your stockbroker, accountant or other independent professional adviser before deciding whether apply for your Entitlement.

4.6 Currency

All monetary values are in Australian dollars unless otherwise stated.

4.7 Future Performance

Neither FLC nor any other person warrants or guarantees the future performance of the New Shares or any return on any investment made pursuant to the Retail Entitlement Offer. This Retail Offer Booklet may contain certain 'forward-looking statements'. The words 'anticipate', 'believe', 'expect', 'project', 'forecast', 'estimate', 'likely', 'intend', 'should', 'could', 'may', 'target', 'plan' and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, financial position and performance are also forward-looking statements.

Any forecasts or other forward-looking statements contained in this Retail Offer Booklet are subject to known and unknown risks and uncertainties and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of FLC, and which may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements.

Specific risks and factors that could cause FLC's performance to differ materially from those described in the forward-looking statements are referred to below in Section 4.9. You should not place undue reliance on forward-looking statements.

Except as required by law or regulation (including the Listing Rules) FLC undertakes no obligation to update these forward-looking statements.

4.8 Past Performance

Past performance information included in this Retail Offer Booklet is provided for illustrative purposes only and should not be relied upon as, and is not, an indication of future performance.

4.9 Risks

The Investor Presentation set out in Section 3.2 details important factors and risks that could affect the financial and operating performance of FLC. Please refer to the 'Key Risks' set out in the Investor Presentation. You should consider these risk factors carefully in light of your personal circumstances, including financial and taxation issues, before making an investment decision in connection with the Retail Entitlement Offer.

4.10 Foreign jurisdictions restrictions and limitations

This Retail Offer Booklet has been prepared to comply with the requirements of the securities laws of Australia and New Zealand.

The New Shares being offered under this document are being offered to Eligible Shareholders in New Zealand in reliance on the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021* (NZ). This Retail Offer Booklet is not a product disclosure statement under New Zealand law and has not been registered, filed with or approved by any New Zealand regulatory authority, or issued under or in accordance with the *Financial Markets Conduct Act 2013*, or any other relevant law in New Zealand. It may not contain all the information that a product disclosure statement under New Zealand law is required to contain.

In accordance with the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021* (NZ), a person who, at the Record Time was registered as a holder of Shares with a New Zealand address but who, as at the time the Retail Entitlement Offer opens no longer holds Shares, is not eligible to participate in the Retail Entitlement Offer.]

This Retail Offer Booklet does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify the Retail Entitlement Offer, the Entitlements or the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction other than Australia and New Zealand.

The distribution of this Retail Offer Booklet or the Entitlement and Acceptance Form outside Australia and New Zealand may be restricted by law. If you come into possession of this Retail Offer Booklet or the Entitlement and Acceptance Form you should observe any such restrictions and should seek your own advice on those restrictions. Any failure to comply with such restrictions may contravene applicable securities laws.

This Retail Offer Booklet and anything contained in it does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of, any person in the United States. None of this Retail Offer Booklet, the ASX Announcement and Investor Presentation reproduced in it nor the Entitlement and Acceptance Form may be distributed to or released in the United States.

The New Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States. The New Shares may not be offered, sold or resold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws. The Entitlements and the New Shares offered in the Retail Entitlement Offer may only be offered and sold outside the United States in compliance with Regulation S under the U.S. Securities Act.

In addition, the New Shares may not be deposited in any unrestricted American Depositary Receipt facility that has been (or may be) established until 40 days after the completion of the Retail Entitlement Offer.

4.11 Underwriting Arrangements and Fees

FLC has entered into an Underwriting Agreement with Bell Potter Securities Limited (**Underwriter**). The Underwriter has agreed to manage and underwrite the Institutional Entitlement Offer in full and partly underwrite the Retail Entitlement Offer (to \$2.3 million) on the following terms:

- (a) the Underwriter reserves the right, at any time, to appoint sub-underwriters in respect of any part of the Entitlement Offer;
- (b) the Underwriter will be paid:
 - (i) on the Institutional Settlement Date, an underwriting fee of 2% of the Institutional Offer Proceeds and a management fee of 4% of the Institutional Offer Proceeds; and
 - (ii) on the Retail Settlement Date, an underwriting fee of 2% of the underwritten Retail Offer Proceeds and a management fee of 4% of the Retail Offer Proceeds,

and the Underwriter will also be reimbursed for certain expenses.

As is customary with these types of arrangements, under the terms of the Underwriting Agreement:

- (a) subject to certain carve-outs, FLC has agreed to indemnify and hold harmless the Underwriter, its affiliates, successors and related bodies corporate and each of their respective directors, officers, agents, employees, representatives and advisers from and against all losses directly or indirectly suffered or incurred in connection with, the Entitlement Offer and the appointment of the Underwriter pursuant to the Underwriting Agreement;
- (b) FLC and the Underwriter have each given certain representations and warranties in connection with (amongst other things) this Entitlement Offer;
- (c) FLC has given certain undertakings in connection with (among other things) the Entitlement Offer (and related agreements); and
- (d) the Underwriter may (in certain circumstances, having regard to the materiality of the relevant event) terminate the underwriting arrangements in accordance with the Underwriting Agreement if one or more of the termination events (summarised below in Section 4.12) occurs.

4.12 Termination events for underwriting arrangements

The Underwriter may terminate the Underwriting Agreement and be released from their obligations under it on the occurrence of certain events, including (but not limited to) where any of the following events occurs on or before 4.00pm on the Retail Settlement Date or at any other time as specified below:

- (a) **(Certificate and New Circumstances Certificate)** a Certificate or new circumstances Certificate which is required to be furnished by the Company under the Underwriting Agreement is not furnished by the time specified or any statement in a Certificate or new circumstances Certificate is untrue, inaccurate, incomplete or misleading or deceptive in any material respect;
- (b) **(unable to issue Offer Shares)** the Company is prevented from issuing the Retail Entitlement Shares within the time required by the Listing Rules, applicable laws, an order of a court of competent jurisdiction or a Government Agency;
- (c) **(Entitlement Offer and Placement Documents to comply)** the Entitlement Offer and Placement documents or any aspect of the Entitlement Offer and Placement does not comply in any material respect with the Corporations Act or the Listing Rules or any other applicable law including due to:
 - (i) a statement in the Entitlement Offer and Placement documents which is or becomes misleading or deceptive or likely to mislead or deceive in a material respect, or omit any information that is required (having regard to the provisions of section 708A and 708AA);
 - (ii) any forecasts, expressions of opinion, intention or expectation expressed in the Entitlement Offer and Placement documents, are not, in all material respects, based on reasonable assumptions;
- (d) **(Supplementary disclosure):**
 - (i) an obligation arises on the Company to give ASX a notice in accordance with section 708AA(12) of the Corporations Act (as modified by the ASIC Instrument); or
 - (ii) any adverse events or circumstances occur or become known that would, in the reasonable opinion of the Underwriter, have required the Company to give ASX a notice in accordance with section 708AA(12) of the Corporations Act (as modified by the ASIC Instrument) had the Entitlement Offer Cleansing Statement been lodged on the Announcement Date on the basis of information known at that time;
- (e) **(withdrawal)** the Company withdraws the Entitlement Offer and Placement or any part of them;
- (f) **(corrective notice)** the Company becomes required to give or gives a correcting notice under subsection 708A(9)(c) or 708AA(10) other than as a result of a new circumstance arising;
- (g) **(market fall)** the S&P/ASX 300 Index falls by 12.5% or more below the level of the S&P/ASX 200 Index on the Business Day before the Announcement Date, at the close of trading;

- (i) for at least 2 consecutive Business Days in the period between (and including) the Announcement Date and the Business Day immediately prior to the Retail Offer Settlement Date;
 - (ii) on the Business Day immediately prior to the Institutional Offer Settlement Date; or
 - (iii) on the Business Day immediately prior to the Retail Offer Settlement Date;
- (h) **(ASIC action):**
 - (i) ASIC applies for an order under sections 1324B or 1325 in relation to the Entitlement Offer and Placement or their offer documents or gives notice of an intention to prosecute the Company or any of its directors and any such intention, application or notice becomes public or is not withdrawn within 2 Business Days after it is made, or where it is made less than 2 Business Days before the Institutional Offer settlement date or Retail Offer settlement date, it is not withdrawn before the Institutional Offer settlement date or Retail Offer settlement date (as applicable);
 - (ii) an application is made by ASIC for an order under Part 9.5 in relation to the Entitlement Offer and Placement or the their offer documents and such application becomes public or is not withdrawn within 2 Business Days after it is made or where it is made less than 1 Business Day before the Institutional Offer settlement date or Retail Offer settlement date, it has not been withdrawn by the Institutional Offer settlement date or Retail Offer settlement date (as applicable); or
 - (iii) ASIC commences any investigation or hearing under Part 3 of the *Australian Securities and Investments Commission Act 2001* (Cth) in relation to the Entitlement Offer and Placement or their offer documents and such investigation or hearing becomes public or is not withdrawn within 2 Business Days after it is commenced or where it is commenced within 1 Business Day before the Institutional Offer settlement date or Retail Offer settlement date, it has not been withdrawn before the Institutional Offer settlement date or Retail Offer settlement date (as applicable);
- (i) **(regulatory action)** there is an application to a Government Agency for an order, declaration or other remedy, or a Government Agency commences any investigation or hearing or announces or notifies its intention to do so, in each case in connection with the Entitlement Offer and Placement (or any part of them) or any agreement entered into in respect of the Entitlement Offer and Placement (or any part of them);
- (j) **(legal proceedings)** any of the following occurs:
 - (i) the commencement of material legal proceedings against the Company, any other Company group member or against any director of the Company or any other Company group member in that capacity, or there is a materially adverse development from the perspective of the Company, any other Company group member or any director of the Company or any other Company group member in relation to any existing legal proceedings; or

- (ii) any regulatory body conducts any new material Inquiry or public action against a Company group member or makes, or communicates any intention to make, any materially adverse finding, ruling, order or determination against a Company group member;
- (k) (**change of control**) a transaction is announced (including without limitation a scheme of arrangement, reconstruction or takeover bid under the Corporations Act), whether by the Company or by another person, which, if implemented, would result in a person and their associates acquiring voting power in the Company of 50% or more and which in the opinion of the Lead Manager has reasonable prospects of success;
- (l) (**listing**) ASX announces that the Company will be removed from the official list or that any Shares will be delisted or suspended from quotation by ASX;
- (m) (**offences by Directors**) other than any proceedings on foot prior to the date of this Agreement and previously advised to the Underwriter, any of the following occurs:
 - (i) a Director of the Company is charged with an indictable offence;
 - (ii) any Government Agency commences any public action against a Director of the Company or announces that it intends to take any such action; or
 - (iii) any Director of the Company is disqualified from managing a corporation under the Corporations Act.
- (n) (**insolvency**) the Company or a Company group member is insolvent or there is an act or omission which may result in the Company or a group member becoming insolvent;
- (o) (**adverse change**) there is a Material Adverse Effect, or an event occurs which is likely to give rise to a Material Adverse Effect;
- (p) (**capital structure**) other than as permitted by the Underwriting Agreement, the Company alters its capital structure or its constitution without the prior written consent of the Underwriter (such consent not to be unreasonably withheld or delayed);
- (q) (**ASX approval**) unconditional approval (or conditional approval, provided such condition would not, in the reasonable opinion of the Underwriter, have a Material Adverse Effect on the success or settlement of either component of the Offer) by the ASX for official quotation of:
 - (i) in the case of the Shares under the Institutional Entitlement Offer and Placement, is refused, or is not granted, by their respective allotment dates, or withdrawn on or before the earlier of the allotment date or ASX makes an official statement to any person or indicates to the Company or the Underwriter that official quotation of the Shares under the Institutional Entitlement Offer and Placement will not be granted; and
 - (ii) in the case of the Retail Entitlement Shares, is refused, or is not granted, by the Retail Entitlement Shares allotment date, or withdrawn on or before the earlier of the Retail Entitlement Offer allotment date or ASX makes an official statement to any person or

indicates to the Company or the Underwriter that official quotation of the Entitlement Offer Shares will not be granted;

- (iii) a selling shareholder fails to comply, or threatens to fail to comply, with any provision of the Shareholder Sale Agreement, or the Shareholder Sale Agreement is terminated, rescinded, repudiated or threatened to be terminated, rescinded or repudiated by a selling shareholder, or is or becomes void or voidable; and
- (r) (**Timetable**) any event specified in the timetable is delayed for more than 2 Business Days without the prior written consent of the Underwriter (such consent not to be unreasonably withheld or delayed).

The Underwriter has a further right to terminate the Underwriting Agreement and be released from their obligations under it on the occurrence of certain events, including (but not limited to) where any of the following events occurs on or before 4.00pm on the Retail Settlement Date or at any other time as specified below, where in the actual and reasonable opinion of the Underwriter, such event

- (a) (**capital structure**) other than as permitted by the Underwriting Agreement, the Company alters its capital structure or constitution without the prior written consent of the Underwriter (such consent not to be unreasonably withheld or delayed);
- (b) (**disclosures in Public Information**) the public information includes:
 - (i) a statement which is or becomes misleading or deceptive or likely to mislead or deceive; or
 - (ii) any forecasts, expressions of opinion, intention or expectation which are not based on reasonable assumptions;
- (c) (**disclosures**) any information supplied by or on behalf of the Company to the Underwriter is or becomes misleading or deceptive, including by way of omission;
- (d) (**hostilities**) hostilities not presently existing commence (whether war has been declared or not) or a major escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more of the United States, Australia, Russia, Ukraine, New Zealand, the United Kingdom, North Korea, South Korea, the People's Republic of China, Japan, Singapore, Iran, Israel or a member state of the European Union or the declaration by any of these countries of a national emergency or war or a major terrorist act is perpetrated anywhere in the world;
- (e) (**change of law**) there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any State of Australia, or any Federal or State authority of Australia adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced before the date of this Agreement), any of which does or is likely to prohibit or regulate the Entitlement Offer or Placement, capital issues or stock markets or adversely affects the Company group or investors in it;
- (f) (**compliance with regulatory requirements**) a contravention by the Company or a Company group, member of the Corporations Act, the constitution, the Listing Rules or any other applicable law;

- (g) **(Material Financing Arrangements)**
 - (i) any Company group member breaches or defaults under any provision, undertaking, covenant or ratio of any material financing arrangement; or
 - (ii) an event of default, potential event of default or review event which gives a lender or financier the right to accelerate or require repayment of the debt or financing or other similar event occurs under or in respect of any material financing arrangement;
- (h) **(breach)** the Company fails to perform or observe any of its obligations under the Underwriting Agreement;
- (i) **(misrepresentation)** a representation or warranty made or given by the Company under the Underwriting Agreement proves to be, or has been, or becomes, untrue or incorrect;
- (j) **(market or trading disruption)** there is:
 - (i) a suspension or material limitation in trading in securities generally or any adverse change or disruption to the existing financial markets, political or economic conditions of Australia, Japan, Hong Kong, Singapore, South Korea, the People's Republic of China, the United Kingdom, the United States of America, a member state of the European Union, or the international financial markets or any change in national or international political, financial or economic conditions;
 - (ii) a general moratorium on commercial banking activities is declared by the relevant central banking authority in any of the countries referred to above; or
 - (iii) any adverse change or disruption to the existing financial markets, political or economic conditions of Australia, Japan, Hong Kong, Singapore, South Korea, the People's Republic of China, the United Kingdom, the United States of America, a member state of the European Union or the international financial markets or any change in national or international political, financial or economic conditions;
- (k) **(change in management)** a change in:
 - (i) the Chief Executive Officer; or
 - (ii) the Chief Financial Officer,

of the Company or in the board of directors of the Company is announced or occurs without the Underwriter's prior written consent;
- (l) **(adverse change)** there is an adverse change, or an event occurs which is likely to give rise to an adverse impact of an amount equal to or greater than 10% of the assets, liabilities, revenue, profits, operations or prospects of the Company group when compared to what the assets, liabilities, revenue, profits, operations or prospects of the Company group would have been if not for that adverse change or event;
- (m) **(new circumstances)** in the reasonable opinion of the Underwriter, a new circumstance arises that would have been required to be disclosed in

the Entitlement Offer and Placement documents had it arisen before the Entitlement Offer and Placement documents were lodged with ASX; and

- (n) **(Due Diligence Committee Report)** the Due Diligence Committee Report or any other information supplied in writing by or on behalf of the Company to the Underwriter in relation to the Company group or the Entitlement Offer and Placement is misleading or deceptive (including by omission).

4.13 Sub-underwriting agreements

The following Directors, Douglas Brown, Mel Ashton and Thomas Pokorsky, have indicated to the Company that, in addition to taking up their Entitlements (as applicable where they are an existing shareholder of the Company), they have agreed to act as a sub-underwriters of the Entitlement Offer (**Sub-Underwriting**). They will not receive a fee for this sub-underwriting.

Doug Brown

Doug Brown has entered into a sub-underwriting agreement with the Underwriter for a priority allocation of up to 107,300,000 New Shares (\$8,584,000)

Mel Ashton and Thomas Pokorsky

Mel Ashton and Thomas Pokorsky have each entered into a sub-underwriting agreement with the Underwriter for a sub-priority allocation as follows.

- Thomas Pokorsky: up to 1,984,125 New Shares (\$158,730); and
- Mel Ashton: up to 1,000,000 New Shares (\$80,000).

The Company does not consider that this will have a material impact on control of the Company.

The terms and conditions of the sub-underwriting agreement are customary in nature and materially the same as the terms of other sub-underwriting agreements entered into between the Underwriter and institutional sub-underwriters. Under the terms of the sub-underwriting agreements, the Directors and management personnel have no rights of termination, however the obligations to sub-underwrite will cease if the Underwriting Agreement is terminated.

4.14 Shares and voting power of Directors

All Directors intend to participate in the Entitlement Offer in accordance with the below table. The Entitlements shown assumes that none of the options (if any) held by a Director are exercised prior to the Record Date.

Director	Shares held as at Record Date	Voting Power held as at Record Date (%)	Entitlement to subscribe for New Shares under the Entitlement Offer ⁽¹⁾	New Shares applied for under the Entitlement Offer ⁽²⁾	New Shares the subject of Sub-underwriting Agreement	Minimum shares (Voting power after Entitlement Offer (%)) ⁽³⁾	Maximum Shares (Voting Power after Entitlement Offer (%)) ⁽⁴⁾
Doug Brown	13,000,000 ⁽⁵⁾	2	5,200,000	5,200,000	107,300,000	18,200,000 (1.69)	125,500,000 (11.66)
Richard Irving	37,264,579 ⁽⁶⁾	5.73	14,905,832	400,000	0	37,664,579 (3.50)	52,170,411 (4.85)
Ross Haghighat	600,000 ⁽⁷⁾	0.09	240,000	0	0	600,000 (0.06)	840,000 (0.08)
Paul Donnelly	500,000 ⁽⁸⁾	0.08	200,000	0	0	500,000 (0.05)	700,000 (0.07)
Mel Ashton	0	0	0	0	1,000,000	0 (0)	1,000,000 (0.09)
Thomas Pokorsky	0	0	0	0	1,984,125	0 (0)	1,984,125 (0.18)

¹ The Entitlement shown assumes that none of the options (if any) held by a Director are exercised prior to the Record Date.

² Reflects the Director's current intention regarding participation.

³ On the basis that all New Shares that the Director currently intends to apply for are issued and no New Shares are issued under the sub-underwriting.

⁴ On the basis that all New Shares the subject of the Entitlement are applied for and issued and all New Shares the subject of the sub-underwriting are issued.

⁵ Shares are held indirectly through Douglas Brown <2020 Irrevocable Trust> (6,500,000) and Deborah Brown <2020 Irrevocable Trust> (6,500,000).

⁶ Shares are held directly (1,000,000) and indirectly through Pond Ventures Nominees III Limited (36,264,579).

⁷ Shares are held directly (600,000).

⁸ Shares are held indirectly through Tres Petitbijou Pty Ltd <Tres Petitbijou S/F A/C> (500,000).

4.15 Privacy

If you complete an Entitlement and Acceptance Form and apply for New Shares (and Additional New Shares), you will be providing personal information to FLC, its agents, contractors and third-party service providers. FLC, its agents,

contractors and third-party service providers will collect, hold and use that information to assess your Application, carry out the administration of your Shareholding, service your needs as a Shareholder and facilitate corporate communications.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, print service providers, mail houses and the Share Registry.

Failure to provide the required personal information may mean that your Application is not able to be processed efficiently, if at all.

You may request access to your personal information held by (or on behalf of) FLC and by the Share Registry. You can request access to, or the updating of, your personal information by telephoning or writing to FLC or the Share Registry using the details shown in the Corporate Directory.

The collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) and the Corporations Act.

4.16 Authorisations and Disclaimers

This Retail Offer Booklet is issued by, and is the sole responsibility of, FLC.

None of the parties referred to in the Corporate Directory of this Retail Offer Booklet (other than FLC) has:

- (a) authorised or caused the issue of this Retail Offer Booklet; or
- (b) made or authorised the making of any statement that is included in this Retail Offer Booklet or any statement on which a statement in this Retail Offer Booklet is based.

To the maximum extent permitted by law, each of the parties referred to in the Corporate Directory of this Retail Offer Booklet (other than FLC) expressly disclaims and takes no responsibility for any statements in or omissions from this Retail Offer Booklet.

The information contained in this Retail Offer Booklet is of a general nature and has been prepared by FLC in good faith and with due care but no representation or warranty, express or implied, is provided in relation to the accuracy or completeness of the information. No person is authorised to give any information or make any representation in connection with the Retail Entitlement Offer which is not contained in this Retail Offer Booklet. Any information or representation not so contained may not be relied upon as being authorised by FLC or any person associated with it in connection with the Retail Entitlement Offer.

4.17 Governing law

This Retail Offer Booklet, the Entitlement Offer and the contracts formed on acceptance of the Entitlement and Acceptance Forms are governed by the law applicable in Victoria, Australia. Each Shareholder who applies for New Shares submits to the non-exclusive jurisdiction of the courts of Victoria, Australia.

5. ELIGIBLE RETAIL SHAREHOLDER DECLARATIONS

By returning a completed Entitlement and Acceptance Form or paying any Application Monies for New Shares via BPAY® or other method approved by FLC under Section 2.4, you will be deemed to have made the following declarations representations and warranties to FLC, namely, that you are an Eligible Shareholder and that you:

- (a) acknowledge that you have read this Retail Offer Booklet and the accompanying Entitlement and Acceptance Form in their entirety;
- (b) agree to be bound by the terms of the Retail Entitlement Offer, the provisions of this Retail Offer Booklet and FLC's constitution;
- (c) authorise FLC to register you as the holder(s) of the New Shares allotted to you;
- (d) declare that all details and statements in the Entitlement and Acceptance Form are complete and accurate;
- (e) declare you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Entitlement and Acceptance Form;
- (f) acknowledge that once FLC receives the Entitlement and Acceptance Form or any payment of Application Monies, you may not withdraw your application or the funds provided, except as allowed by law;
- (g) apply for the number of New Shares specified in the Entitlement and Acceptance Form, or for which you have submitted payment of any Application Monies, at the Offer Price per New Share;
- (h) agree to be issued up to the number of New Shares that you apply for;
- (i) authorise FLC, the Underwriter, the Share Registry and their respective officers or agents to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in the Entitlement and Acceptance Form;
- (j) declare that you are the current registered holder of Existing Shares and are a resident of Australia or New Zealand;
- (k) acknowledge that the information contained in this Retail Offer Booklet and the Entitlement and Acceptance Form is not investment advice nor a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs, and is not a prospectus, does not contain all of the information that you may require in order to assess an investment in FLC and is given in the context of FLC's past and ongoing continuous disclosure announcements to ASX;
- (l) represent and warrant that the law of any other place does not prohibit you from being given this Retail Offer Booklet and the Entitlement and Acceptance Form, nor does it prohibit you from making an Application for, and being issued, New Shares;
- (m) acknowledge the statement of risks in the 'Key Risks' set out in the Investor Presentation, and that investments in FLC are subject to investment risk;

- (n) acknowledge that none of FLC nor, the Underwriter nor any of their respective related bodies corporate or affiliates nor any of their respective directors, officers, employees, agents, consultants or advisors, guarantees the performance of FLC nor do they guarantee the repayment of capital;
- (o) represent and warrant (for the benefit of FLC, the Underwriter and their respective related bodies corporate and affiliates and their respective directors, officers, employees, agents consultants, or advisors) that you did not receive an invitation to participate in the Institutional Entitlement Offer either directly or through a nominee, are not an Ineligible Institutional Shareholder and are otherwise eligible to participate in the Retail Entitlement Offer;
- (p) acknowledge and agree that determination of eligibility of investors for the purposes of the institutional or retail components of the Entitlement Offer was determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of FLC and/or the Underwriter, and each of FLC and the Underwriter and their respective related bodies corporate and affiliates disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion to the maximum extent permitted by law;
- (q) represent and warrant that you are not in the United States and are not acting for the account or benefit of a U.S. Person;
- (r) acknowledge that the New Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdictions of the United States, and, accordingly, and the New Shares may not be offered, sold or resold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws;
- (s) agree not to send this Retail Offer Booklet, the Entitlement and Acceptance Form or any other material relating to the Entitlement Offer to any person in the United States or that is acting for the account or benefit of a person in the United States;;
- (t) agree that if in the future you decide to sell or otherwise transfer the New Shares you will only do so through transactions on the ASX where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, in the United States;
- (u) if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is resident in Australia or New Zealand and is not in the United States and is not acting for the account or benefit of a person in the United States, and you have not sent this Retail Offer Booklet, the Entitlement and Acceptance Form or any information or materials relating to the Retail Entitlement Offer to any such person; and
- (v) agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Retail Entitlement Offer and of your holding of Shares on the Record Time.

6. GLOSSARY

In this Retail Offer Booklet the following terms have the following meanings unless the context requires otherwise:

Term	Definition
\$ or A\$ or dollars	Australian dollars
Additional New Shares	New Shares not subscribed for under the Retail Entitlement Offer and offered to Eligible Retail Shareholders under the Oversubscription Facility
Announcement Date	the date that the Capital Raising were announced, being 1 November 2023
Applicant	a person who has delivered an Application
Application	an application to subscribe for New Shares under the Retail Entitlement Offer by completing the Entitlement and Acceptance Form and returning it together with the Application Monies
Application Monies	monies received from Applicants in respect of their Applications
ASIC	Australian Securities and Investments Commission
ASIC Act	<i>Australian Securities and Investments Commission Act 2001</i> (Cth)
ASIC Instrument 2016/84	<i>ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84</i>
ASX	ASX Limited (ABN 98 008 624 691) or the financial products market operated by that entity known as the Australian Securities Exchange
ASX Announcement	the announcement released to ASX on 1 November 2023 in connection with the Capital Raising, a copy of which is set out in Section 3.1
Board	the Board of Directors of FLC
Business Day	a day that is not a Saturday, Sunday or a public holiday in Melbourne, Australia
Capital Raising	the Entitlement Offer and the Placement
Certificate	<p>a certificate signed by two Directors or a Director and a company secretary of the Company, which certifies to the Underwriter as at the date of the certificate that to the best of those persons' knowledge and information after due enquiry, other than as disclosed in the certificate:</p> <p>(a) the Company has complied with all obligations on its part to be performed as at the date of the certificate:</p> <p>(i) under the Underwriting Agreement; and</p> <p>(ii) in respect of the Entitlement Offer under statute or otherwise;</p> <p>(b) none of the termination events set out in clause 3.4 and 11 of the Underwriting Agreement have occurred; and</p>

Term	Definition
	(c) the representations and warranties set out in clause 8.1 of the Underwriting Agreement are true and correct.
CGT	capital gains tax
Confirmation Letter	the confirmation letters sent by the Underwriter to Institutional Shareholders and Institutional Investors who subscribe for New Shares under the Institutional Entitlement Offer or Institutional Bookbuild which includes the details necessary to permit DvP to occur through CHESS in respect of the Institutional Entitlement Shares on the Institutional Settlement Date.
Corporations Act	<i>Corporations Act 2001</i> (Cth)
Defective	in the case of the Entitlement Offer Cleansing Statement, if it is defective within the meaning of section 708AA(11) of the Corporations Act.
Directors	the directors of FLC
Eligible Institutional Shareholder	an Institutional Shareholder: (a) to whom Listing Rule 7.7.1(a) does not apply; and (b) who has successfully received an offer under the Institutional Entitlement Offer (as the Underwriter determines)
Eligible Retail Shareholder	as defined in Section 2.1
Eligible Shareholder	a person who is an Eligible Retail Shareholder
Entitlement	the entitlement of an Eligible Shareholder to subscribe for 1 New Share for every 2.5 Existing Shares held at the Record Time
Entitlement and Acceptance Form	the Entitlement and Acceptance Form accompanying this Retail Offer Booklet upon which an Application can be made
Entitlement Offer	means the pro rata accelerated non-renounceable entitlement offer to Eligible Shareholders in the proportion of 1 New Share for every 2.5 Existing Shares held on the Record Date (being 7.00pm (AEDT) on 3 November 2023 at the Offer Price, and comprised of the Institutional Entitlement Offer and the Retail Entitlement Offer
Entitlement Offer Cleansing Statement	a notice in respect of the Entitlement Offer which complies with subsections 708AA(2)(f) and 708AA(7), of the Corporations Act as modified by ASIC Instrument 2016/84.
Existing Share	a Share on issue immediately before the Record Time
FLC or Company	Fluence Corporation Limited (ACN 127 734 196)
Group	the Company and its Related Bodies Corporate (as that term is defined in the Corporations Act)
GST	Australian Goods and Services Tax (currently 10%)

Term	Definition
Government Agency	any governmental, semi-governmental, administrative, judicial or quasi-judicial body, department, commission, authority, tribunal, agency or entity.
Ineligible Institutional Shareholder	<p>an Institutional Shareholder:</p> <p>(a) who has a registered address outside Australia and New Zealand, United States, United Kingdom, Germany, Singapore and Hong Kong;</p> <p>(b) to whom Listing Rule 7.7.1(a) applies; and</p> <p>(c) who in the absence of Listing Rule 7.7.1(a) would have been an Eligible Institutional Shareholder.</p>
Ineligible Retail Shareholder	a Shareholder that is not an Eligible Shareholder, an Eligible Institutional Shareholder or an Ineligible Institutional Shareholder
Institutional Acceptance Shares	the Institutional Entitlement Shares for which valid Applications are received by the Underwriter on behalf of the Company
Institutional Bookbuild	the bookbuild sale process conducted after completion of the Institutional Entitlement Offer, as described in Section 1.3
Institutional Entitlement Offer	the offer of New Shares to Eligible Institutional Shareholders as part of the Entitlement Offer, as described in Section 1.3
Institutional Entitlement Shares	the New Shares to be offered, or allotted and issued to Institutional Shareholders under the Institutional Entitlement Offer and the New Shares which would have been offered to Ineligible Institutional Shareholders if they had been entitled to participate in the Entitlement Offer
Institutional Investor	<p>a person:</p> <p>(a) in Australia, to whom an offer of shares in a company may be made in Australia without a disclosure document (as defined in the Corporations Act) on the basis that such a person is an 'exempt investor' as defined section 9A(5) of the Corporations Act (as inserted by ASIC Instrument 2016/84); or</p> <p>(b) in selected jurisdictions outside Australia, to whom an offer of New Shares may be made without registration, lodgement of a formal disclosure document or other formal filing in accordance with the laws of that foreign jurisdiction (except to the extent to which FLC, in its absolute discretion, is willing to comply with such requirements)</p>
Institutional Offer Proceeds	<p>the aggregate of:</p> <p>(a) the number of Institutional Acceptance Shares multiplied by the Offer Price; plus</p> <p>(b) the number of Institutional Shortfall Shares multiplied by the higher of the Offer Price and the Institutional Bookbuild Price.</p>
Institutional Settlement Date	the date on which settlement occurs for the Institutional Entitlement Offer
Institutional Shareholder	a Shareholder at the Record Time who is an Institutional Investor

Term	Definition
Institutional Shortfall Shares	the Shares issued under the Institutional Bookbuild
Investor Presentation	the presentation released to ASX on 1 November 2023 in connection with the Entitlement Offer, a copy of which is set out in Section 3.2
Investor Presentation Materials	the Investor Presentation and any documents summarising key information in the Investor Presentation which are to be released to ASX on the Announcement Date
Listing Rules	the official listing rules of ASX, as amended or replaced from time to time and as waived in respect of FLC by ASX
Material Adverse Effect	<p>a material adverse change or effect in:</p> <ul style="list-style-type: none"> (a) the general affairs, business, operations, assets, liabilities, financial position or performance, profits, losses, prospects, earnings position, shareholder's equity, or results of operations of the Group or otherwise (taken as a whole) from that disclosed in the Entitlement Offer and Placement documents; or (b) the success, marketing or settlement of the Offer, <p>and for the avoidance of doubt, an adverse change in the revenues or expenses, assets or liabilities of the Company group, or an event which is reasonably likely lead to such an adverse change, of an amount equal to or greater than 10% of the respective level as set out in the Company group's financial statements for the period ended 30 June 2023 or when compared to the relevant level which would have been achieved for the twelve months ending 30 June 2024 if not for the adverse change, will be considered a Material Adverse Effect.</p>
New Shares	the Shares offered under the Retail Entitlement Offer
Offer Price	<p>in respect of:</p> <ul style="list-style-type: none"> • the Placement, a blended offer price of \$0.08 per New Share, based on the average of the Placement price of \$0.12 and the Sell Down price of \$0.04 per Share; • the Institutional Entitlement Offer, \$0.08 per New Share; and • the Retail Entitlement Offer, \$0.08 per New Share.
Oversubscription Facility	the opportunity for Eligible Retail Shareholders who take up all of their Entitlement to also apply for Additional New Shares in excess of their Entitlement.
Placement	the placement of New Shares to Institutional Investors at the Offer Price, to raise up to approximately \$19.8 million, the results of which was announced by the Company on 3 November 2023.
Record Time	the time and date for determining which Shareholders are entitled to an Entitlement under the Entitlement Offer, being 7.00pm (AEDT) on 3 November 2023
Retail Acceptance Shares	the Retail Entitlement Shares for which valid Applications are received by the Underwriter on behalf of the Company

Term	Definition
Retail Offer Booklet	this booklet dated 8 November 2023
Retail Closing Date	the last date for Eligible Shareholders to lodge an Application, being 5.00pm (AEDT) on 27 November 2023 (subject to change)
Retail Entitlement Offer	the offer of New Shares to Eligible Shareholders as part of the Entitlement Offer as described in Section 1.2
Retail Entitlement Offer Period	the period commencing on the opening date of the Retail Entitlement Offer, being 8 November 2023, and ending on the Retail Closing Date
Retail Entitlement Shares	the New Shares to be offered, or allotted and issued to Retail Shareholders, at the Offer Price under the Retail Entitlement Offer
Retail Offer Proceeds	the number of Retail Acceptance Shares multiplied by the Offer Price
Retail Shareholder	<p>a Shareholder who:</p> <ul style="list-style-type: none"> (a) as at the Record Time, has a registered address in Australia or New Zealand; (b) is not in the United States or not acting for the account or benefit of a person in the United States; and (c) is not an Institutional Shareholder or an Ineligible Institutional Shareholder
Retail Settlement Date	the date on which settlement occurs for the Retail Entitlement Offer
Section	a section of this Retail Offer Booklet
Share	a fully paid ordinary share in FLC
Shareholder	the registered holder of an Existing Share
Shareholding	the shares held by a Shareholder
Share Registry	Boardroom Pty Limited (ACN 003 209 836)
Shareholder Sale Agreement	the agreement between RSL Investments Corporation, RSL Capital LLC and the Underwriter dated 24 October 2023, pursuant to which the Underwriter is appointed to manage the sale of 165,408,542 Shares
Shortfall Shares	any New Shares not applied for under the Retail Entitlement Offer as well as any entitlements that would have been offered to Ineligible Shareholders if they have been entitled to participate in the Offer
Sub-Underwriters	any persons that enter into a sub-underwriting agreement with the Underwriter
Top-Up Shares	any additional shares issued by FLC as part of a Reconciliation process as described in Section 1.7

Term	Definition
Underwriter	Bell Potter Securities Limited (ACN 006 390 722, AFSL 243480), the underwriter and bookrunner for the Capital Raising
Underwriting Agreement	the underwriting agreement dated 1 November 2023 between FLC and the Underwriter, as described in Section 4.11
U.S. or United States	United States of America, its territories and possessions, any state of the United States and the District of Columbia
U.S. Securities Act	<i>U.S. Securities Act of 1933</i> , as amended from time to time