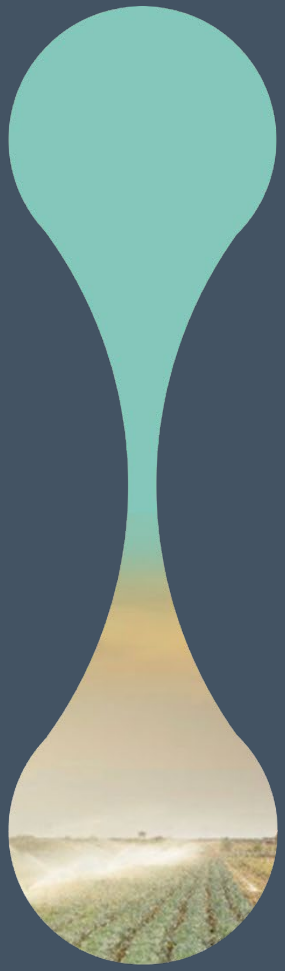
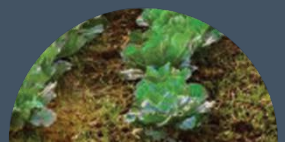
fluence

# 2025 Virtual Management Briefing

June 19, 2025



*Sustainable Water Solutions*



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# Introduction

Thomas Pokorsky, Managing Director & Chief Executive Officer

# 2025 Fluence Half-Day Virtual Investor Briefing

**Goals:**

- Introduce investor community to the commercial business leaders of our core business units
- Highlight the strengths and opportunities of our truly global Company
- Provide an overview of the products and technologies we sell in all our markets
- Provide more detailed view of the unique growth strategies being deployed for each business

# Investment Highlights

**Fluence is a leading provider of Water and Wastewater ("WW") Treatment Systems to Municipal and Industrial End-markets with further application in WW-to-Energy ("W2E")**

- Highly Experienced Leadership Team
- Well-established and Proprietary Technology; Diverse Portfolio of Water & WW Treatment Products
- High-Growth Global End-Markets: Municipal, Industrial Water, WW & Reuse and W2E
- Strategic Shift to Higher-Margin Revenue Segments
- Disciplined Cost Management
- Leading ESG Impact in Wastewater-to-Energy and Wastewater Treatment
- Strong Growth Profile with Clear Path to Profitability

# The Water and Wastewater Market Opportunity is Large and Growing

**WW Treatment, Water Reuse, and W2E 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 WW treatment market is expected to grow at a CAGR of 5.4% from 2022 to 2032 to reach $957B by 2032[1]
- US 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 WW and W2E market sized estimated to be $6B

**9.7 billion**

estimated global population by 2050

- Global food production ↑ **60%**
- Manufacturing water demand ↑ **400%**
- Global water consumption ↑ **2x**

**40%**

*water deficit expected by 2030*

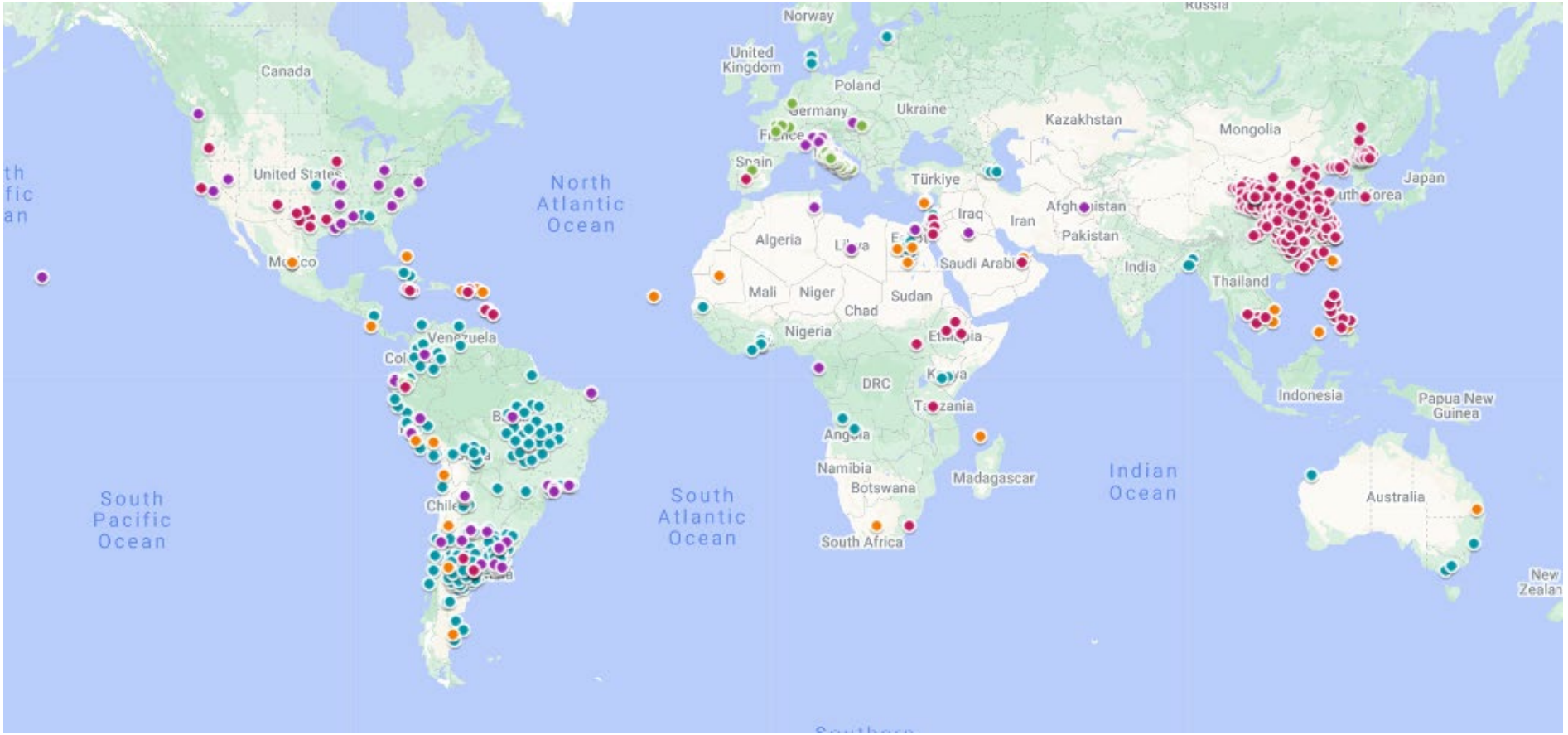
| | Wastewater | | Water |
|---|---|---|---|
| **Municipal** | Decentralized wastewater & reuse<br>**$10B+ market**<br>303 MABR plants deployed [3]<br>**100% proprietary tech** | Large plant new-build & upgrade<br>**$79B market**<br>28 MABR plants deployed serving 440K people<br>**100% proprietary tech**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

# Proven and Established Products and Technologies

## Trusted brand with extensive global installation base

**TOTAL PLANTS: >1,000** MABR Anaerobic Digestion Other Wastewater NIROBOX Other Water



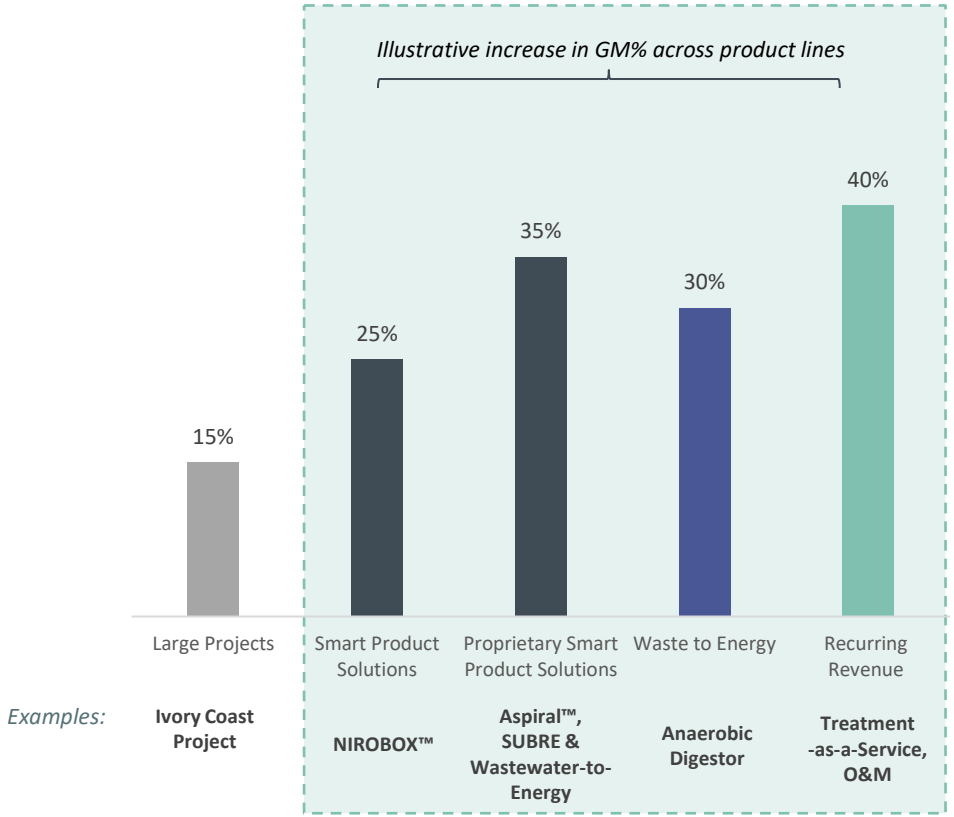
# Shifting Focus to SPS and RR

**Focusing our business on Smart Product Solutions ("SPS") and Recurring Revenue ("RR") significantly improves the sustainability of growth and profitability**

- **Stronger focus on SPS:** Ramping sales of our unique, decentralized water and wastewater treatment solutions
  - + Proven technology deployed rapidly & widely
  - + High margin and capital-efficient
  - + Highly attractive RR model
  - + Target markets can leverage additional capital with high IRRs
  - + Higher growth segment within water
  - + SPS revenue increasing significantly as a percentage of total revenue

- **Transitioning Custom Engineered Solutions (CES):**
  - + Emphasis on Fluence technology and O&M contracts

**TRANSITION TO HIGHER MARGIN SEGMENTS**



# Fluence Business Segments

## The water and wastewater treatment market is highly fragmented, offering a direct opportunity for Fluence to focus on high-growth end markets

### MUNICIPAL WATER & WASTEWATER

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

### INDUSTRIAL WASTEWATER & BIOGAS

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

### INDUSTRIAL WATER & REUSE

- 30 years of experience in South America
- Extensive reference list in target market
- Owning the entire customer life cycle
- Deep and experienced engineering team

### SEA ASIA & CHINA

- Market leader in MABR
- Large installed base
- Reference in high-concentration H3 and TN Removal
- Growing experience in industrial applications
- Presence across Asia


### OPERATIONS, MAINTENANCE, PARTS & SERVICE

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

# Strong, Experienced Business Unit Management

## MANUEL GARCÍA DE LA MATA

**Vice President –**
**GM Industrial Water & Reuse**

- Joined Fluence in 2006 (formerly Unitek)
- VP IWR for the past 5 years
- Turned business around from negative EBITDA in 2021 to a profitable and growing business since 2022
- 20 years of water industry experience in Service, Engineering and Project Management, also supporting Business Development and Sales teams
- Process Engineer and Engineering & Maintenance Supervisor at Monsanto for 6 years
- National University of Mar del Plata – BS Chemical Engineering

## STEVE SCHEIDLER

**Vice President –**
**GM Municipal Water & Wastewater**

- Joined Fluence in February 2024
- 34 years of water and wastewater treatment equipment manufacturing
- Director of Treatment Americas (2015-2019), Xylem (Leopold, Sanitaire, Wedeco)
  - ✓ Restructured to matrix organization
  - ✓ Revenue growth from $280 to $450M, EBITDA growth (2%) to 15%
- Prior to joining Fluence, President VAG USA, LLC (2022-2024)
- VAG – Leading global provider of stock and custom engineered large body valves
  - ✓ Significant turnaround – EBITDA growth from (3%) to 12%
  - ✓ Top line revenue and orders growth 20% YoY
- B.S. Civil Engineering (1991), The Pennsylvania State University

## FABIO POLETTO

**Vice President –**
**GM Industrial Wastewater & Biogas**

- Joined Fluence in Nov 2006 (formerly Eurotek WTT)
- 19 years of experience in industrial water, wastewater and W2E
- Covered numerous positions while with Fluence, including:
  - ✓ R&D Manager
  - ✓ After Sales Manager
  - ✓ Sales Key Account
  - ✓ VP Sales and Marketing
- University of Padua, Itay – Chemistry Master's Degree
- Graduated with honors

## MICHAEL SHNITZER

**Vice President –**
**Interim GM SEA & China**

- Joined Fluence in January 2017
- Over 30 years of experience in engineering and global water & wastewater markets
- VP and GM of SEA & China Business Unit at Fluence
  - ✓ Previously served in Fluence as VP Engineering, R&D– Israel
  - ✓ Led the launch of Fluence China operations and now manages the SEA & China region
- Former CTO of Kardan Water in Beijing, overseeing engineering and operations
- Extensive experience in project execution, team leadership, and strategic planning
- M.Sc. in Environmental Engineering, Technion – Israel Institute of Technology

# Ivory Coast Project

## Project Overview

**Main Works:**

- Value: €164M
- Scope:
  - The design and construction of a 150,000 $m^3$/day water treatment plant to supply drinking water to the city of Abidjan

**Addendum Works:**

- Value: €48M
- Scope:
  - Distribution of treated water from two 5,000$m^3$ water towers;
  - 15 kV emergency power line;
  - The modification of the access road; and
  - The construction of a dike and a bridge

## The Installation

## Project Status

- Provisional Acceptance on the Main Works was granted on December 27, 2024 with partial commissioning completed. All payments on the Main Works have been made.
- The Addendum Works status:
  - Earthworks on the access road nearly complete;
  - Drainage works are currently in progress;
  - Construction of the bridge foundation has begun;
  - Pipes are expected to arrive on-site in June 2025;
  - Scheduled to be completed by June 2026; and
  - Advance payment was paid for 15% of the project sum and interim payment certificates have been approved for up to 35% of the works.

## Future Opportunities

**O&M contract:**

- The government has authorized the Minister of Hydraulic to enter into direct negotiations with Fluence regarding the terms of a potential Operations & Maintenance (“O&M”) contract
- Draft framework contract has been shared and discussions have commenced
- Fluence is well-positioned to be awarded the O&M contract and are working toward negotiating an agreement

# OneFluence Approach

- Cross-selling and collaboration among business units with focus on “Fluence” wins
- Establishing global operations team including sharing procurement practices and partnering with key vendors globally
- Revised Fluence’s “Core Values” and are incorporating into hiring and performance management practices
- Established global Human Resources to align talent management across Fluence
- Global information systems implanted to ensure consistency of business information and
- Aligning business processes across the Company and enhancing controls environment

# Industrial Water & Reuse (“IWR”)

Manuel Garcia de la Mata, Vice President & GM – IWR

# History

1993

**Unitek (Argentina)**

Commenced Operations

2013

**RWL Water** acquired Unitek

2017

**First Lithium Project**

(FMC now Rio Tinto)

2023

Launch of **Commercial Team** for **USA**

2003

**Acquavit (Brazil)**

Commenced Operations


2017

**Fluence Argentina & Fluence Brazil**


2021

**Largest Desal Plant in Brazil**

Arcelor Mittal

2024

**First Coca Cola Reuse Plant**

in Argentina

# Key End Markets and Geographies

## Key End Markets

| End Market | Problems Solved |
|---|---|
| Food & Beverage | Water Treat. & Reuse |
| Power | Demi Water |
| Lithium Mining | Water |
| Industrial Reuse | Water use ratio |

## Geographies


## Competitive Advantages

- **Innovative design** for **achieving high reliability, low OpEx, and minimum water footprint** with **competitive CapEx**
- Service and Aftersales teams to develop **long-term partnerships**
- Owning the **entire** customer life **cycle**
- Extensive **reference list** in the target market
- Project **conceptualization support** (early engagement)

## Competitors

# Products & Technologies

## Appropriate technology based on the specific need

### Industrial Water Treatment Plants

- Fully integrated plants based on membrane treatment
- Skid mounted stainless steel sanitary construction for F&B
- Different technologies integrated (UV, GAC filters, MMF; UF; RO)
- Ozonation systems for water bottling

**Advantages**

- ❑ Taylor made plants
- ❑ Skid mounted or containerized for reducing installation
- ❑ Fully automated
- ❑ Water footprint minimization

### Demineralized (ultrapure) Water Plants

- Two pass Reverse Osmosis
- Polishing by Continuous Electrodeionization
- Pre-treatment according to water source requirements

**Advantages**

- ❑ No hazard chemicals needed
- ❑ High reliability
- ❑ Operational flexibility due to modular design
- ❑ Taylor engineering package

### Wastewater Tertiary Treatment Plants

- Self cleaning disc filtration
- Ultrafiltration for assuring solids and colloids removal
- Reverse Osmosis for achieving water quality requirements
- Ultraviolet for biofilm
- Advanced Oxidation Process as an optional

**Advantages**

- ❑ Proven technology
- ❑ Integrated cleaning system to reduce downtimes
- ❑ Remote monitoring system for process support

### Li brine Purification and Concentration Systems

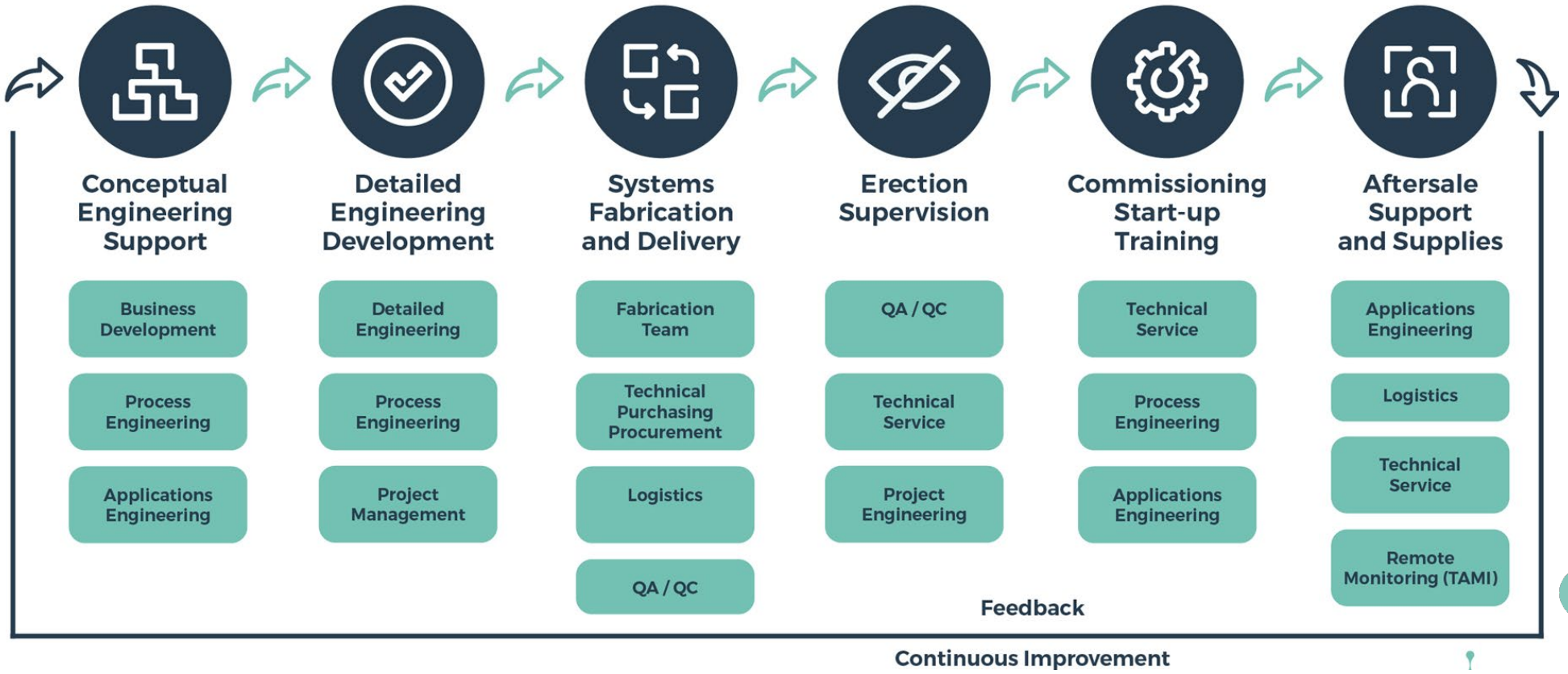
- Ion Exchange (IX) systems for divalent removal
- High Pressure Reverse Osmosis (HPRO) for Li brine concentration
- Nanofiltration (NF) for Li brine purification
- Stripping tower for $CO_2$ removal

**Advantages**

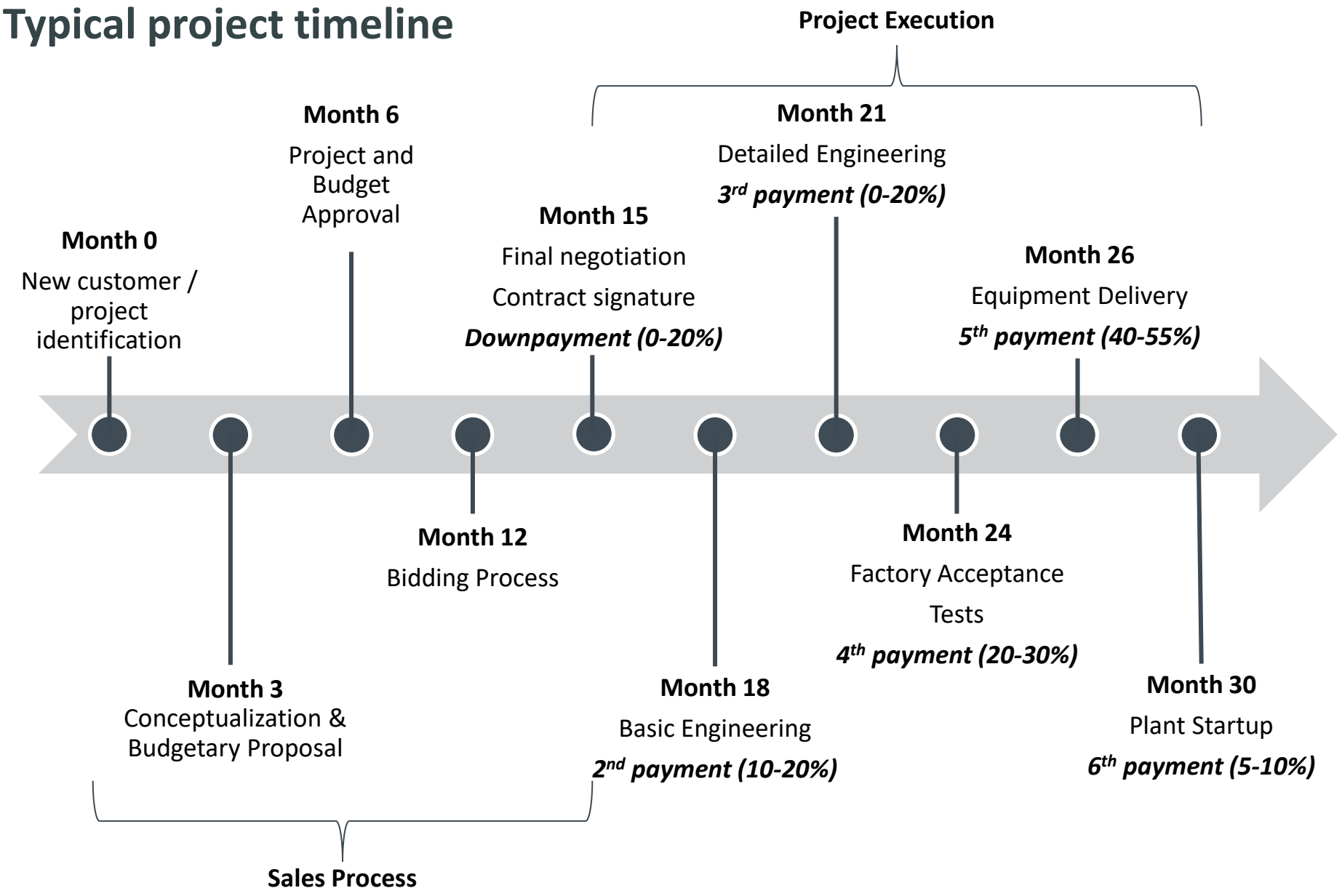
- ❑ Modular design for different capacities
- ❑ Specific materials for corrosion control
- ❑ Pilot test support for right design

# Value Proposition

## Fluence Industrial Water solutions cover the whole life cycle of the customer's assets



# Typical project timeline



# Case Study: Coca Cola Andina Reuse Plant

## The Challenge

- **Coca-Cola** Andina Córdoba, one of the most important bottlers in Argentina, needed to implement an industrial wastewater **tertiary treatment** plant for reducing its **water footprint**
- **First reuse** plant for Coca-Cola in **Argentina**
- Accomplish with **The Coca-Cola Company guidelines** and requirements

## The Installation

## The Fluence Solution

- Full skid mounted **ultrafiltration** (UF) + brackish water **reverse osmosis** (BWRO)
- Detailed **engineering**
- On-field **services**
- **Remote monitoring** (Fluence proprietary system)
- **2-year contract** for after-sales service, consumables, and process engineering support
- **$1.2M project + $200k service** contract + **$1.5M in Recurring Revenue** with this bottler group **since 2023**

## Why Fluence Won

- **Extensive** references with **Coca-Cola** bottlers
- Project **conceptualization support** (early involvement)
- **References** with Coca-Cola bottlers
- **Quick responsiveness**
- **After sales** service = **Recurring Revenue**
- Long-term relationship with **Dozens** of projects across **6 Countries**

# Case Study: Arcelor Mittal Desalination Plant

## The Challenge

- **Arcelor Mittal**, global leader in steel production, was facing **water restrictions** from its conventional sources in Tubarao plant in Vitoria **Brazil**.
- During periods of **water stress,** local authorities **reduced water access** putting Arcelor Mittal's operation at risk
- **Unconventional** or alternative **water sources** needed to be implemented
- **No desalination experience** in Arcelor Mittal globally

ArcelorMittal

## The Installation

## The Fluence Solution

- **Two-pass reverse osmosis** (Sea Water RO + Brackish Water RO)
- **Ultrafiltration** (UF) as a single **pre-treatment**
- **No intermediate tanks and pumps,** reducing CapEx and energy consumption
- UF **backwash** using **RO brine**
- **Full automated** plant which only requires supervision (no continuous operation personnel required)
- **$8.5M** project, which generated **$2.2M in Recurring Revenue** since 2021

## Why Fluence Won

- Early involvement supporting **project conceptualization** and **design**
- In-line design allowed us to reduce **CapEx and energy consumption** keeping UF pre-treatment
- **Water recovery** due to UF backwash using RO brine
- **South American** desal **references** (Argentinian plants)
- **Local** presence

# Case Study: Eramet Water Treatment Plant

## The Challenge

- **Eramet**, a French mining company, decided to develop their **first lithium carbonate plant** from brine in **Argentina**
- Eramet didn't use an EPC company for the execution, they **directly contracted** different packages
- Full Water Treatment Plant using **advanced technologies** with **minimum field** installation activities
- High quality **water for DLE** (Direct Lithium Extraction) process

## The Installation

## The Fluence Solution

- **Containerized** Water Treatment Plant (14 containers) for producing **Purified Water; Deionized Water and Potable Water**
- **15,000 m3/day** of water production **capacity**
- **Ultrafiltration** (UF) as **pre-treatment** to guarantee raw water quality
- **Two-pass Reverse Osmosis (RO) + Continuous Electrodeionization (CEDI)** to assure purified water quality
- RO brine recovery to **reduce water footprint**
- **$5.1M project,** which gave us the opportunity to sell **three additional** packages for **$5.2M**

## Why Fluence Won

- **Process solution** using high tech to assure **reliability** and **water footprint minimization**
- Responsive **engineering capabilities**
- **Flexibility** to adopt Eramet's technical specifications and requirements
- **Containerized** tailor-made **solution** for reducing field activities
- Competitive **price** compared to international competitors

# IWR - Manufacturing Capabilities [Video]

# Growth Strategy & Financial Overview

## Growth Strategy

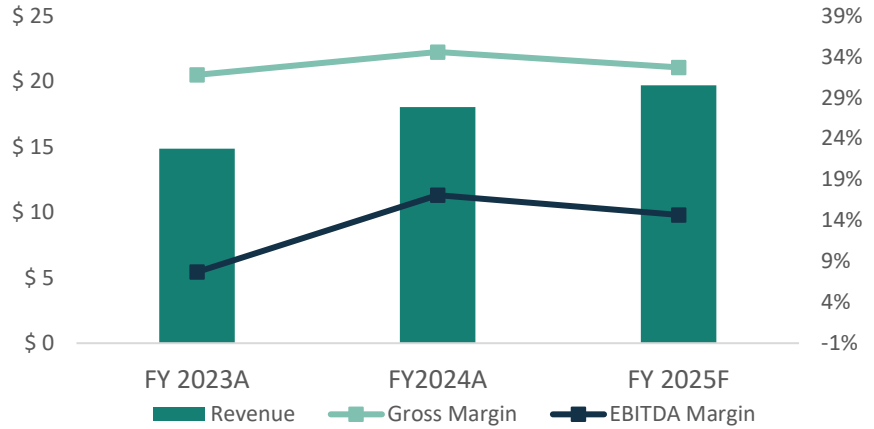
- **Brazil** as **target market** for growing in South America
  - Industrial medium size market development
- Develop IWR in **USA market**
  - Target market using South America Industrial references
- **Recurring revenue** growth in existing, **developed markets**
  - Add Application Engineers to support order growth
- **New applications** / solutions development
  - Produced water for unconventional Oil & Gas

## Key Recent Wins

- **$3.6M Eneva** additional packages – Brazil
- **$1.2M Danone** Ultrafiltration for WTP – Brazil
- **$1.5M Dow Chemical** Operation Contract – Argentina
- **$1.0M Coca-Cola Solar** Ultrafiltration for WTP – Brazil
- **$1.7M Coca-Cola Solar** Reverse Osmosis – Brazil
- **$4.8M Eneva** Demineralized Water Plant - Brazil

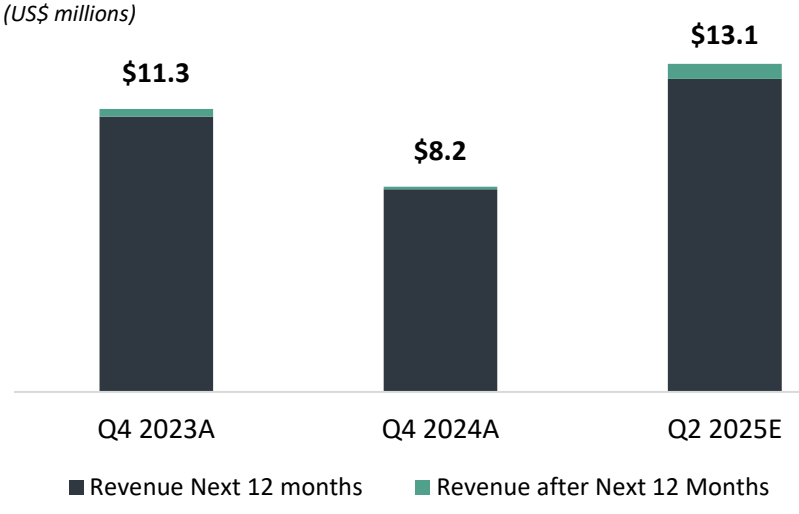
## Financial Summary (FY2023-25F) (1)

*(US$ millions)*




## Quarterly Backlog = Orders-in-Hand

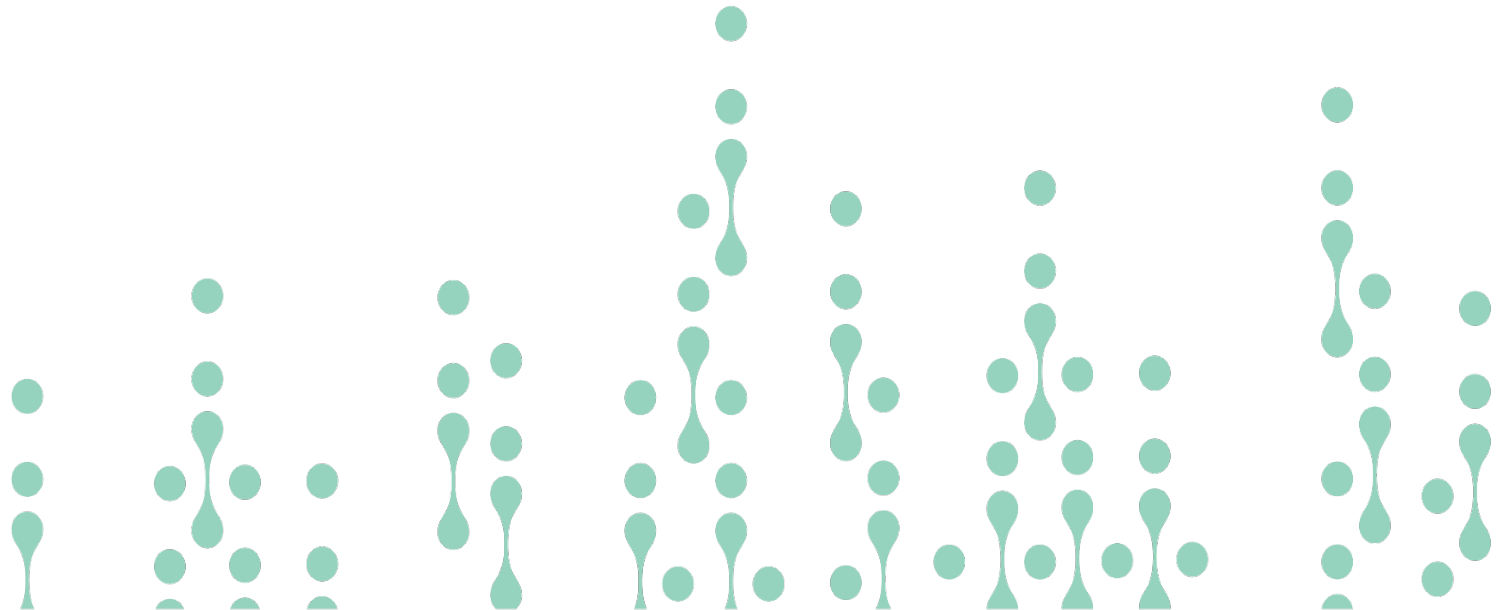
*(US$ millions)*




(1) *EBITDA excludes the impact of Other Gains and Losses, which include FX gains and losses, gains and losses related to various legacy balance sheet items, restructuring, and other non-recurring items.*

# Industrial Wastewater & Biogas (“IWB”)

Fabio Poletto, Vice President & GM – IWB



# History

**2001**

**Establishment of Eurotec WTT**

*Design and build of potabilization plant, ion exchange plants and WWT, development of the internal R&D lab*

**2005**

**First W2E plant in slaughterhouse**

*Start up of first anaerobic digestion plant in a strategic sector. Biogas used in a 250 kW CHP unit*

**2011**

**Establishment of RWL Water**

*Expanding into new sectors and markets out of Italy, development of new partnerships.*

**2015**

**First W2E and WWTP plant in South America**

*Start up of a complete WWTP plant in a strategic sector like fish processing.*

**2017**

**Merging of RWL Water with Emefcy creating Fluence**

*Expanding into new sectors and markets, increasing of aftersales activities, development of internal company structure.*

**2018**

**Enhancement of international presence**

*Development of several projects with international key customers (BRF, Interagua, ArcelorMittal, ArreBeef).*

**2023**

**Development of dedicated sales structure for NA market**

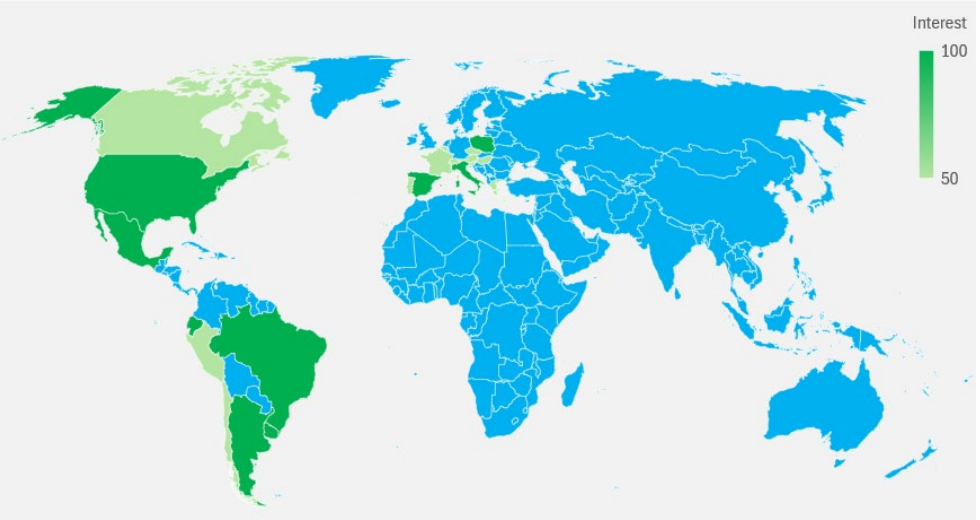
*First PO for a complete WWTP in NA.*

# Key End Markets and Geographies

## Key End Markets

| End Market | Problems Solved |
|---|---|
| Meat processing | Nutrient removal, W2E |
| Milk processing | Nutrient removal, W2E |
| Fish processing | Nutrient removal, W2E |
| Sweet, fruit processing, others | WW treatment , W2E |

## Geographies




## Competitive Advantages

- Provider of complete solutions (primary water, wastewater, water reuse, process water and biogas)
- Deep experience across multiple technologies and its application in WW treatment and W2E
- Reduced footprint
- Deep knowledge of the production processes
- Extensive reference list in target markets
- High specific load anaerobic digesters and nitrogen removal solutions
- Multiple technologies portfolio

## Competitors

# Products & Technologies

## Appropriate technology based on the specific need

### Industrial Anaerobic Digestion Plants

- Anaerobic digestion of effluent with granular sludge reactor - EFC
- **CSTR anaerobic digestion**
- **An-DAF with recirculation system**
- Chemical – biological desulphuration of biogas
- Electrical and thermal energy production

**Advantages**

- ❑ Higher organic load in CSTR (more than double)
- ❑ Reduction in CAPEX
- ❑ More stable process

### Industrial Wastewater Treatment Plants

- Dissolved air flotation
- Activated sludge
- **Double stage denitrification – nitrification**
- **Sharon process (digestate treatment)**
- Phosphorous removal
- MBR and WW reuse

**Advantages**

- ❑ Reduction in OPEX
- ❑ More stable process
- ❑ Higher COD and N loads to WWTP
- ❑ Know how on highly polluted effluent treatment

### Water Treatment and Potabilization Plants

- Sand filtration
- Activated carbon filtration
- **Biological filtration**
- **Demineralization**
- Arsenic removal
- Ozone treatments

**Advantages**

- ❑ Optimization of chemicals consumption
- ❑ Nitrogen, Iron, Methane, Manganese removal in biological filtration

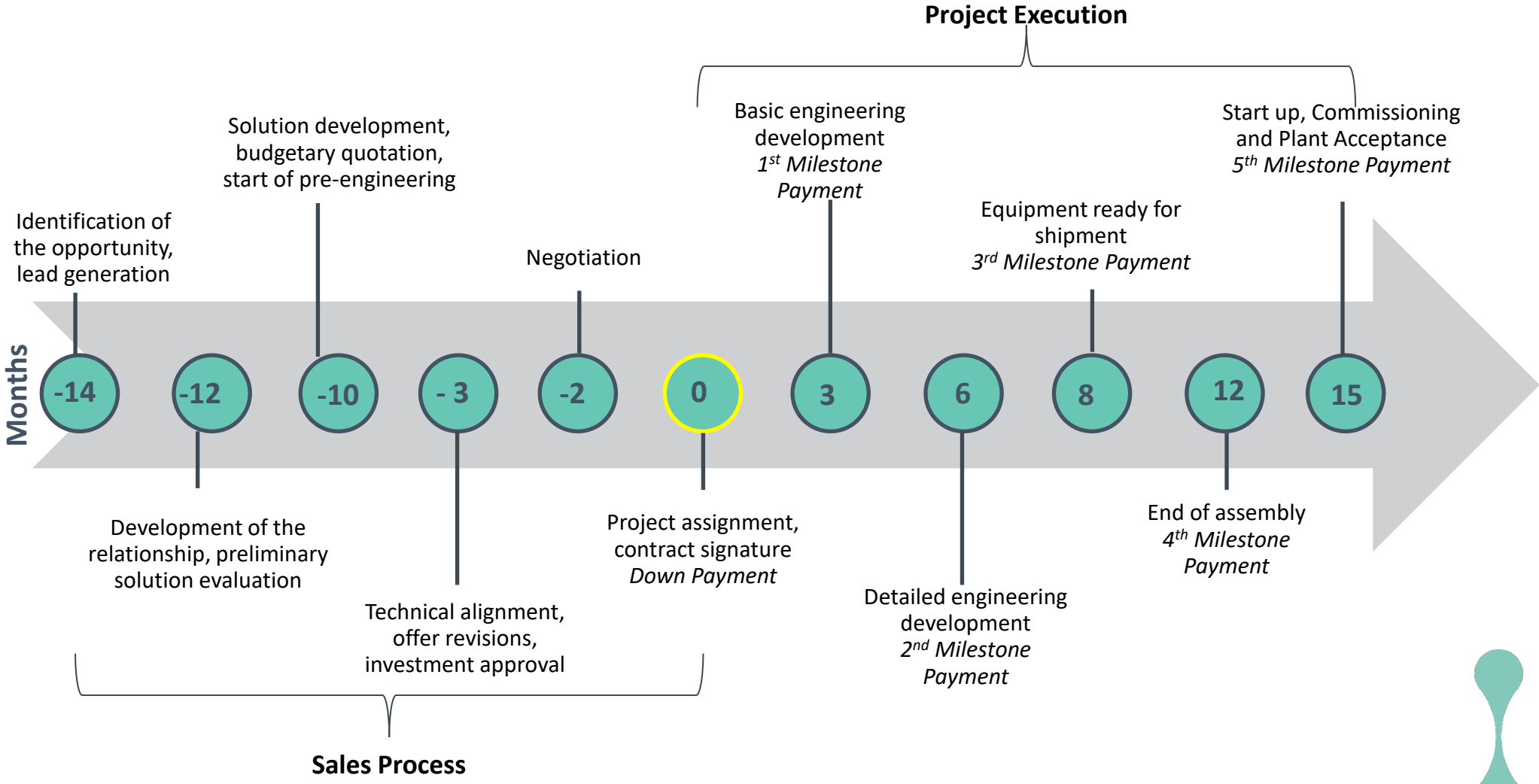
### Food and Beverage Processing Plants

- **Demineralization**
- **Recovery of organic acids**
- Decolorizing and natural colour recovery
- Tartaric stabilization

**Advantages**

- ❑ Lower product dilution
- ❑ Lower impact on WWTP
- ❑ Less chemicals
- ❑ Higher Productivity

# Typical sales and execution cycle for mid size opportunity



# Case Study: Coren – Ourense - Spain

## The Challenge

- Low temperatures during winter
- Space constraints
- High nutrients concentration and load
- Existing plant placed on different levels
- Execution of all the activities with plant at full capacity (4,800 $m^3$/day wastewater)

## The Installation

## The Fluence Solution

- Anaerobic digestion of primary sludge and slaughterhouse byproducts
- Biogas produced used as Renewable Natural Gas in the factory boiler (equivalent to 6,500 $m^3$/day of natural gas)
- High strength digestate pre-treatment by Sharon process
- Nutrients removal by double stage nitrification – denitrification

## Why Fluence Won

- Anaerobic digester footprint 30% less than competitors
- Complete retrofit in a new and advanced configuration of existing tanks for aerobic treatment (no additional civil works)
- Zero downtime for work execution

# Case Study: Óvártej - Hungary

## The Challenge

- Space constraints
- Limited experience in Hungary for anaerobic digestion technologies (additional support for local authorizations)
- High flexibility required for both anaerobic digester and aerobic system linked to production fluctuation

## The Installation

## The Fluence Solution

- Anaerobic digestion of primary sludge, milk whey and dairy processing by-products
- Biogas produced used as Renewable Natural Gas in the factory boiler (equivalent to 2,500 $m^3$/day of natural gas)
- Aerobic treatment for nutrients removal and final tertiary treatment for low phosphorous discharge limits

## Why Fluence Won

- Only company with references on milk whey only anaerobic digestion
- Low footprint of the full installation
- Continuous support to the customer also before contract definition

## Case Study: ArreBeef – Buenos Aires – Argentina [Video]

Complete W2E plant with production of Renewable Electrical Energy up to 36 MWh/day

# Growth Strategy & Financial Overview

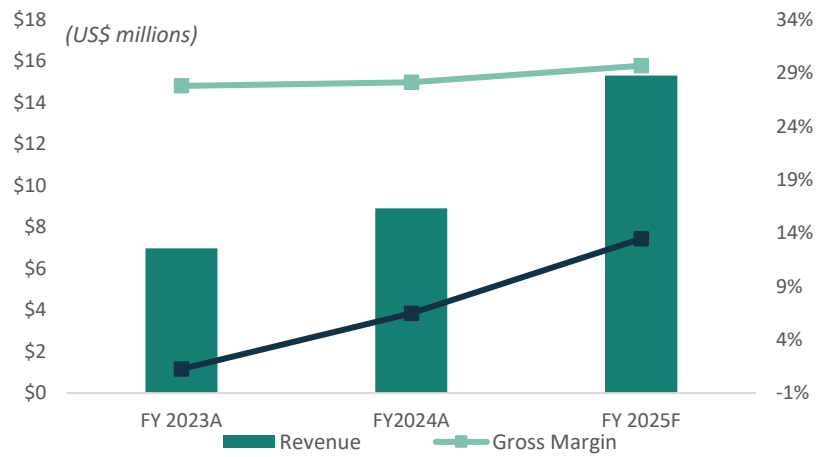
## Growth Strategy

- Target new growth markets with strict effluent regulations
- Expand sales team dedicated to South America and North America
- Develop Brazilian market leveraging our South America operating capabilities
- Develop European market leveraging our dairy and meat processing success
- Expand market presence in North America using mid-size references.
- Increase after-sales portfolio leveraging process expertise to sell additional services and products

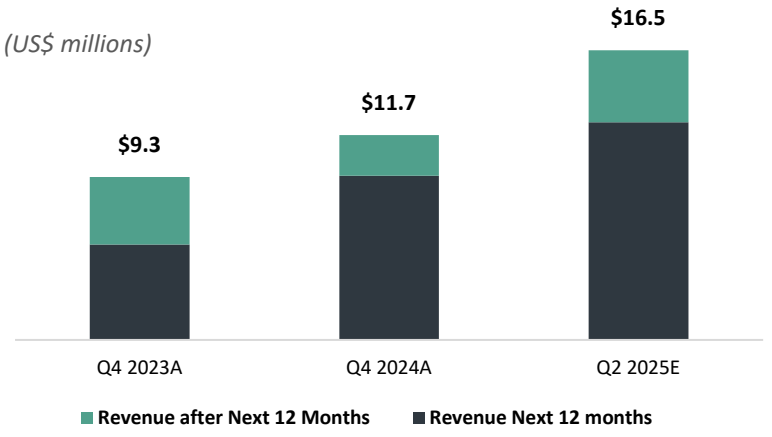
## Recent wins

- $2.3M Gorgonzola Cheese Plant; Biomethane, W2E (Italy)
- $2.3M Mozzarella/Ricotta Plant; Biomethane, W2E (Italy)
- $0.9M Food Ingredient Manufacturer; WWTP (USA; multiple sites)
- $0.1M International Dairy Company; WWTP (USA; multiple sites)
- $1.4M Chicken Slaughterhouse; WWTP and Biogas, W2E (Spain; multiple sites)
- $0.5M Chicken Slaughterhouse; WWTP (Italy)
- $0.6M Winery; Well Water Treatment (Italy)

## Financial Summary (FY2023-25F) (1)




## Quarterly Backlog = Orders in Hand




(1) *EBITDA excludes the impact of Other Gains and Losses, which include FX gains and losses, gains and losses related to various legacy balance sheet items, restructuring, and other non-recurring items.*

# Municipal Wastewater & Wastewater ("MWW")

Steve Scheidler, Vice President & GM – MWW

# History

## 2021

- Prior to 2021, MWW operated as independent, regional offices:
  - Aeromix (USA)
  - Fluence Dubai
  - Fluence Israel
  - IWS

## 2022

- Fluence was restructured into market-focused BU's
- MWW was reorganized to focus on municipal markets in USA and Middle East("ME") leveraging proprietary MABR products, drinking water desalination capabilities

## 2023

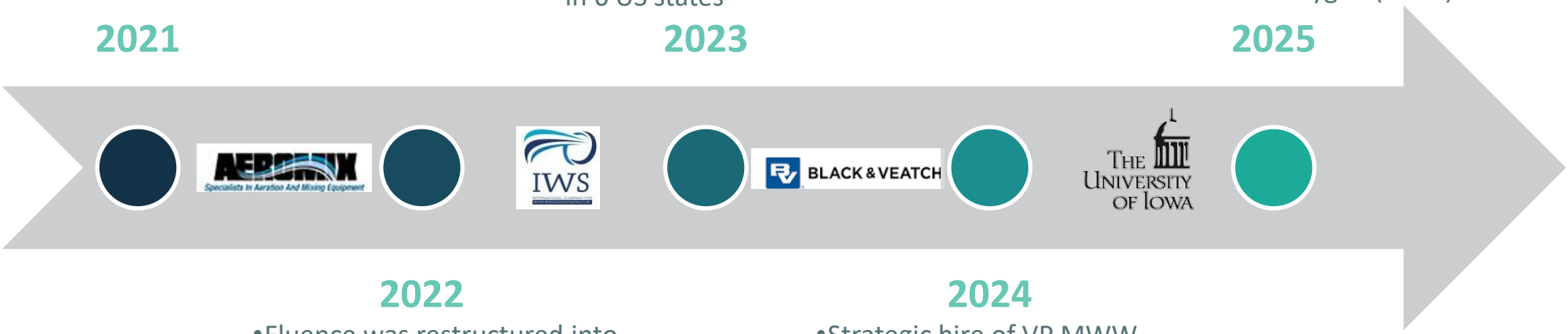
- Focus on the buildout of a representative organization
  - 8 added
  - Total of 26 representing 50 state coverage
- US Sales funnel increased from $12M to $127M
- Approval of the technology in 6 US states

## 2024

- Strategic hire of VP MWW
- MWW was restructured into a matrix organization to take advantage of global reach and team
- Leasing partners identified for developer projects
- Black & Veatch report on Myan Zvi

## 2025

- Dow City report validates cold-weather nutrient removal
- Work commenced to setup US manufacturing of MABR modules
- Continued expansion of rep network and sales team in USA
- Patent pending for MABR with Low dissolved oxygen ("DO")

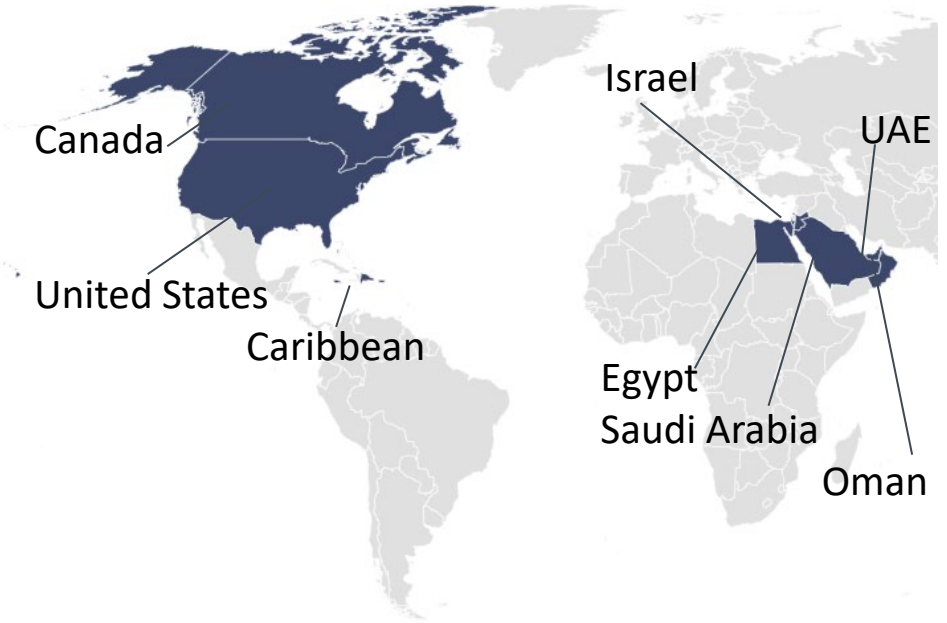


# Key End Markets and Geographies

## Key End Markets

| End Market | Problems Solved |
|---|---|
| Municipal Water | Shortage of drinking water, portable, flexible design |
| Municipal Wastewater | Modular design, flexibility on flow ranges, high purity solutions |

## Geographies




## Competitive Advantages

- Proprietary MABR technology and related patents
- Modular and flexible – building block approach
- Installed base and references on decentralized treatment
- Reduced footprint
- Significant CAPEX and OPEX reduction (energy and space)
- Exceptional stable performance for Total Nitrogen removal in cold temperatures

## Competitors

VEOLIA WATER
newterra
MACK INDUSTRIES
SUEZ
S&L OVIVO
OXYMEM
a DuPont brand
CLOACINA
Microvi
AQUA-AEROBIC SYSTEMS, INC.
A Metawater Company

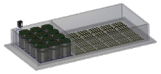
# Products & Technologies – MABR for Wastewater

- Unique IP (MABR)
- Modularity
- Pre-engineered
- Flexible design
- Price competitive

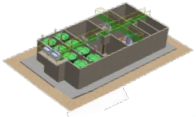
## Fluence Smart MABR Beats Competing Technologies

**Aspiral**
Smart Containerized Solution – **All in One**

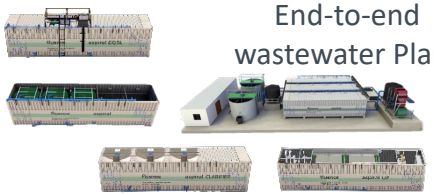
**SUBRE Brownfield**
Retrofit using MABR



**SUBRE Greenfield**
Concrete MABR plant



**Aspiral Flex**
End-to-end wastewater Plant



**Towers**
Integrate MABR in existing solutions

Nitro

**~30% overall lower TCO vs competing technologies**

| TCO improvement using Fluence Technology | |
|---|---|
| Capex | ~20% lower |
| Opex | ~50% lower |
| Energy Use | ~40% lower |
| Chemical Use | ~30% lower |

# Products & Technologies – Drinking Water, Ultrapure Water & Desalination

**Fluence can deliver cost-effective and sustainable drinking water and ultrapure water for municipal and industrial end-users globally**

## NIROBOX™


**Plug and play, ready to shipped containerized water treatment solution**

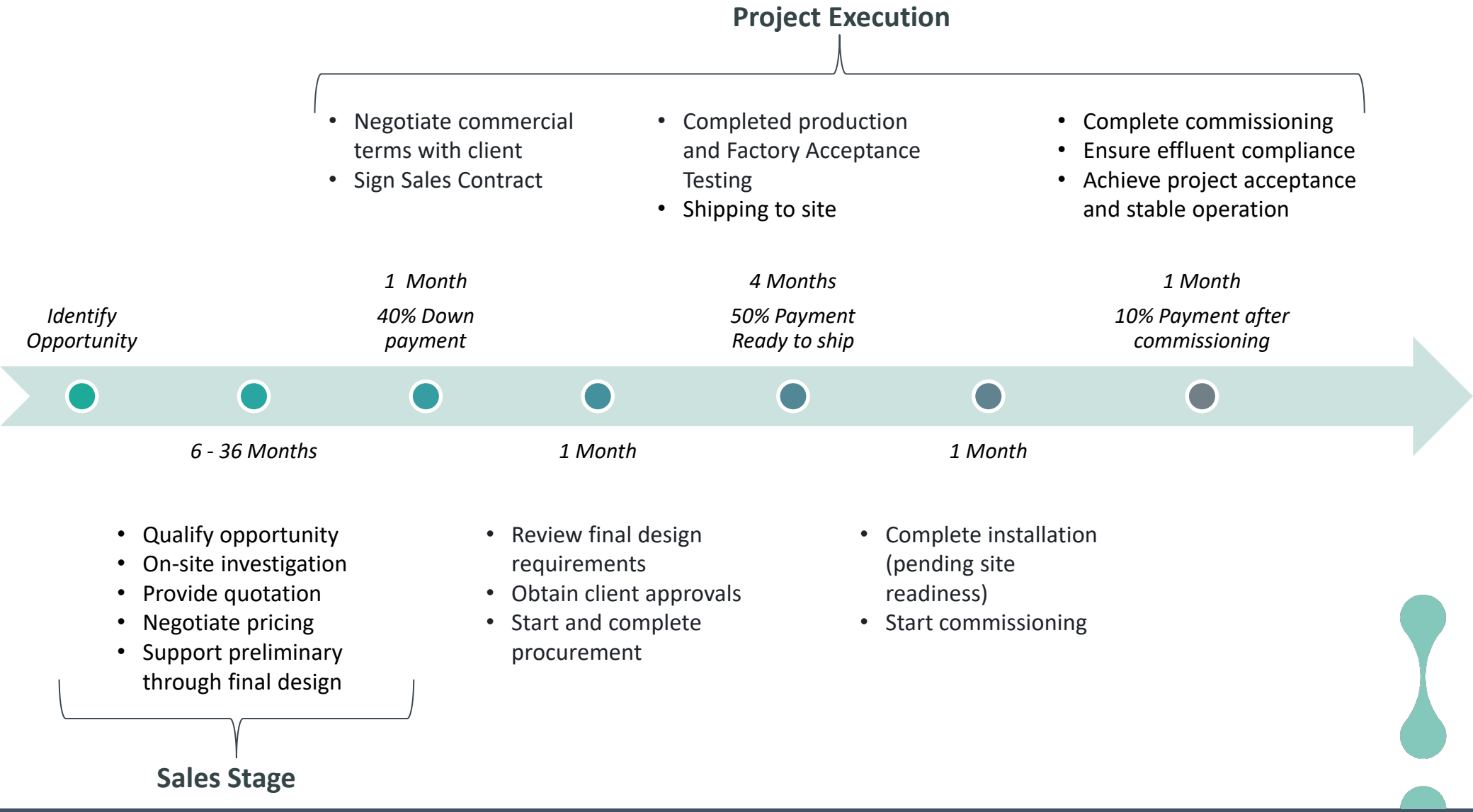
- **OPEX Optimization**
- **Small Footprint**

## NIROFLEX


**Pick our pre-engineered building blocks to design water treatment plant**

- **Economical**
- **Flexible Design**

# Timeline of a Typical Aspiral Flex Project



# Case Study – Dow City, Iowa - Lagoon Treatment

## The Challenge

- Existing WW treatment plant - Aging Lagoon
- Not compatible with new state-wide regulations
- A new permit for continuous effluent discharge
- Seasonal changes in conditions
- Can't be intensively maintained/visited
- Need to be cost effective for Iowa – typical projects range from $0.5-$2M, with some being much larger
- 715 Permitted lagoons in Iowa – 407 have had violations (see next Slide)

## The Installation

## The Fluence Solution

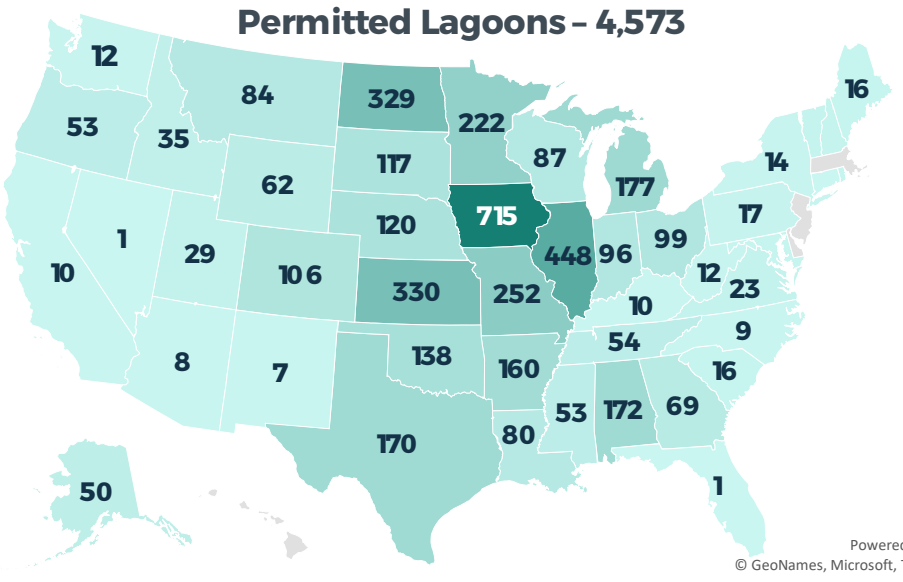
- Aspiral M2+
- Equipped with all the tools for -
  - Total Suspended Solids, Biological Oxygen Demand, Total Nitrogen removal
  - pH correction
  - Disinfection
- Easy to deploy and start up

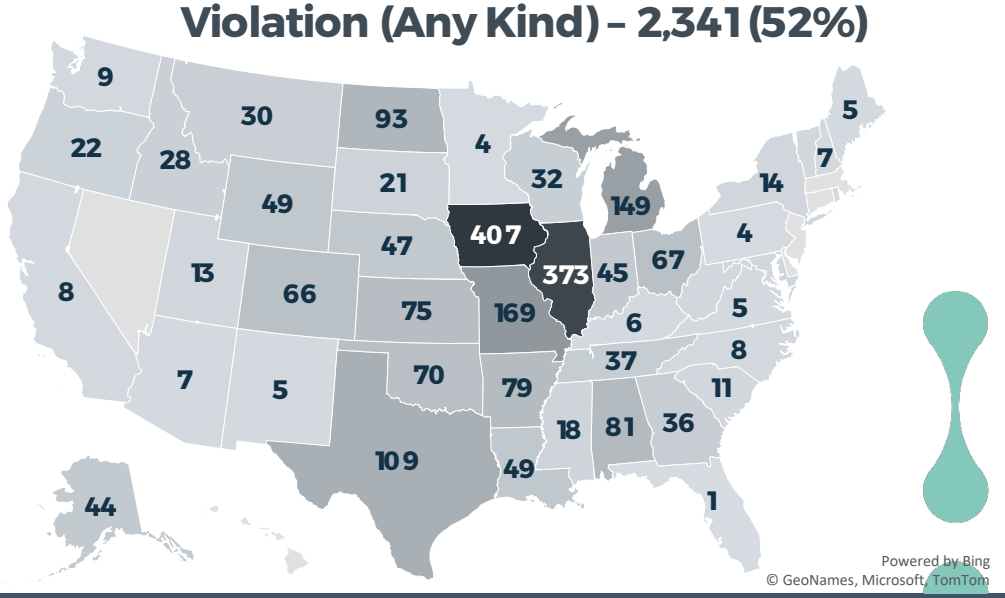
## Why Fluence Won

- Most cost-effective solution (CapEx)
- All-in-one solution
- Addressed the seasonal changing treatment needs
- Advanced tech and yet easy to operate

# The Lagoon Market in North America is a Significant Opportunity

- Regulatory Pressure – **Nutrient discharge permits**
- Key constituents **– Ammonia, Total Nitrogen, and Phosphorus**
- Nutrient Removal – **Add-on** technologies, to intensify the nutrient removal
- Seasonal Changes – **Loadings, Temperature, Discharge**
- Operational Challenges – **Rural communities, low-energy, low-maintenance**



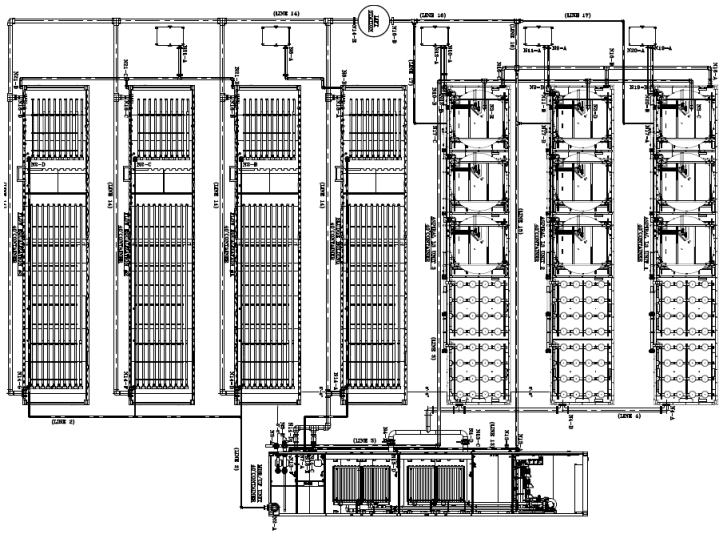



# Case study – Wilshire Road, CA – Containerized WW Treatment Plant

## The Challenge

- Developer had a difference in treatment capacity between the initial phase (750 homes) and the fully completed development (4,000 homes)
- High effluent standard
- Low certainty of the true flow and loads
- Help manage capital outlay for the customer, build as needed starting with a $2.3M contract

## The Installation



## The Fluence Solution

- Aspiral Flex –
  - Bio L3 reactors followed by Ultrafiltration
  - Equalization and Sludge Holding
  - Ultraviolet disinfection
- Meeting the highest standard for treated WW in California
- Effluent to be repurposed for irrigation

## Why Fluence Won

- Reduced the initial investment for the developer
- Modular solution – can be scaled over time to meet the growing needs of the development
- Aspiral Flex provides a high-end product at an attractive price
- Operation and maintenance contract

# Case Study - KwaMashu, South Africa - Full Reuse (WW to Tap)

## The Challenge

- An arid country – absence of natural water
- A growing economy – lack of water infrastructure
- The eThekwini Municipality looked for alternative water resources
- Focus on the removal of Pharma contaminants

## The Installation

## The Fluence Solution

- Aspiral S1 – Full wastewater treatment with high secondary effluent quality
- Reverse Osmosis (“RO”) Skid, including necessary stages to deliver tap water Quality
- Robust, highly reliable control system

## Why Fluence Won

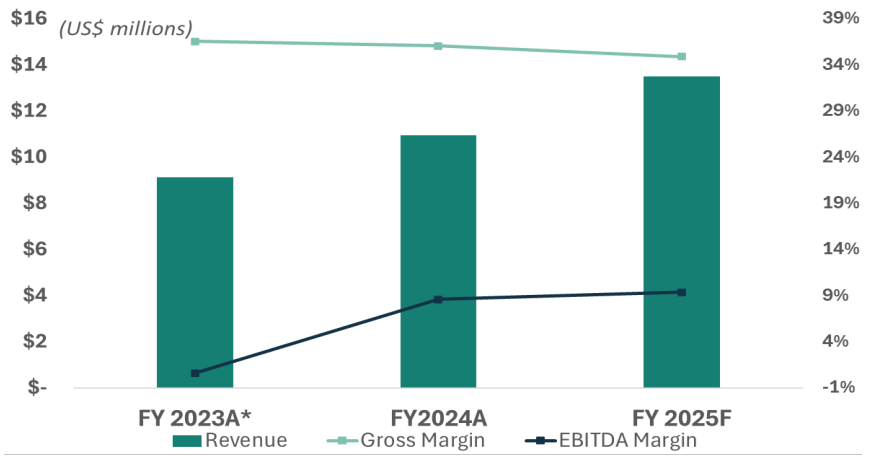
- Delivered the best effluent
- Highest removal % of contaminants
- One supplier to provide the entire scope
- Efficient design
- Energy efficient

# Growth Strategy & Financial Overview

## Growth Strategy

- Buildout of sales team with enhanced CRM systems and rep management
- One global operations team focused on project delivery
- Onshore manufacturing of MABR in the USA for SUBRE
- Focus on real estate developer opportunities and financing of projects in the USA and ME
- Grow recurring revenue through operations contracts and leased equipment
- Development of Lagoon market

## Financial Summary (FY2023-25F) (1)

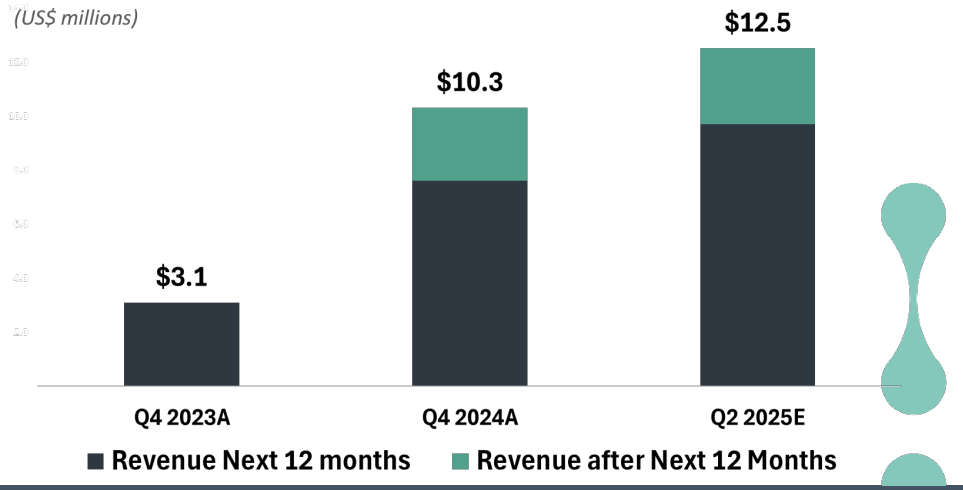



*FY2023A includes adjustment for New Mansoura WTP project in Egypt in H1 2023, that had minimal costs against the final $2 million in revenue recognition.

## Key Wins

- $2.3M Aspiral for Wilshire Road, California
- $3.5M NiroFlex for a power project in Saudi Arabia
- $7.2M NiroFlex for the Municipality of Mayotte
- $0.4M Aspiral for Dow City, Iowa (lagoon)
- $0.8M Aspiral for a resort in Hawaii
- $0.8M Aspiral for Young Life in Missouri
- $0.4M Aspiral for private utility, Missouri (lagoon)

## Quarterly Backlog = Orders in Hand




(1) *EBITDA excludes the impact of Other Gains and Losses, which include FX gains and losses, gains and losses related to various legacy balance sheet items, restructuring, and other non-recurring items.*

# South East Asia & China (“SEA & China”)

Michael Shnitzer, Vice President & Interim GM – SEA & China

# History

## 2017

- **First Entry** in Asia Market, start with China
- **Changzhou Plant** set-up
- Branches in **Beijing & Shanghai**
- Commitment to **Rural** WW Market

## 2019

- **Production Line** Official Launch in China
- Business development in **Philippines**
- New Business Segment developed: **Highway Wastewater**

## 2021

- Explore in **Railway WWTP** segment
- **New company in Singapore**
- **ISO 9001:2015** Certified
- China Highway Industry Science and Technology Progress **Award**

## 2023

- **MABR Pilot** in Taiwan
- **First MABR O&M** project in China
- **Highest altitude MABR** project worldwide
- **New company in Taiwan**
- **First desalination Nirobox** in Taiwan
- Fluence's **largest MABR new-build** with 20,000 $M^3$/day
- **First Water Reuse** project with 41,000 $M^3$/day in Taiwan

## 2025

- **First MABR** project in **Taiwan**
- Awarded Engineering Awards at **SBR International Business Award**
- **ISO 14001:2015** Certified
- **ISO 45001:2015** Certified
- Fluence's **largest MABR upgrade** with **25,000 $M^3$/day**
- Awarded "Special Award for a decade of innovation"

# Key End Markets and Geographies

## Key End Markets

| End Market | Problems Solved |
|---|---|
| Municipal Water | Shortage of drinking water |
| Municipal Wastewater | Stable high-quality effluent,<br>Saving energy |
| Industrial Water | High-quality pure water supply |
| Industrial Wastewater | Low-energy consumption sewage treatment and water reuse |

## Geographies[1]


## Competitive Advantages

- Technological Leadership
- Global Expertise
- Modular & Scalable Design
- Strategic Partnerships
- Lower Total Lifecycle Costs

## Competitors

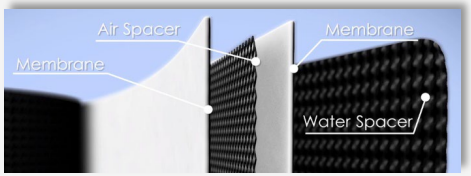
1. The data is sourced from Fluence's market research report about SEA & China market which including China, Korea, Taiwan, Hong Kong, Philippines, Cambodia, Malaysia, Vietnam, Thailand & Indonesia, based on comprehensive data sources such as historical market data, government development plans, and industry reports from various countries or regions.

# Products & Technologies

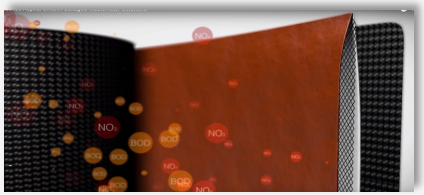
## MABR technology offers a lower cost of ownership than competing technologies with a smaller footprint

### MABR Technology

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

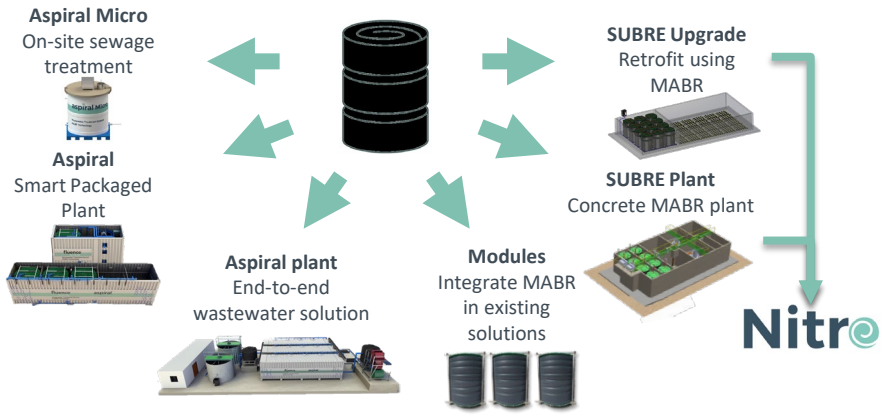



- An air spacer inside the sleeve allows low pressure air flow
- A water spacer defines the water volume in contact with the membrane



- 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

*~30% overall lower TCO vs competing technologies*

| TCO improvement using Fluence Technology | |
|---|---|
| Capex | ~20% lower |
| Opex | ~50% lower |
| Energy Use | ~40% lower |
| Chemical Use | ~30% lower |

# Products & Technologies

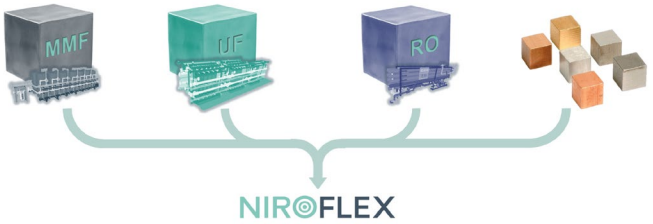
**From municipal drinking water to ultrapure water for industrial use, Fluence delivers cost-effective and sustainable water solutions anywhere in the world**

## NIROBOX™


**Plug and play, ready to shipped containerized water treatment solution**

- **OPEX Optimization**
- **Small Footprint**

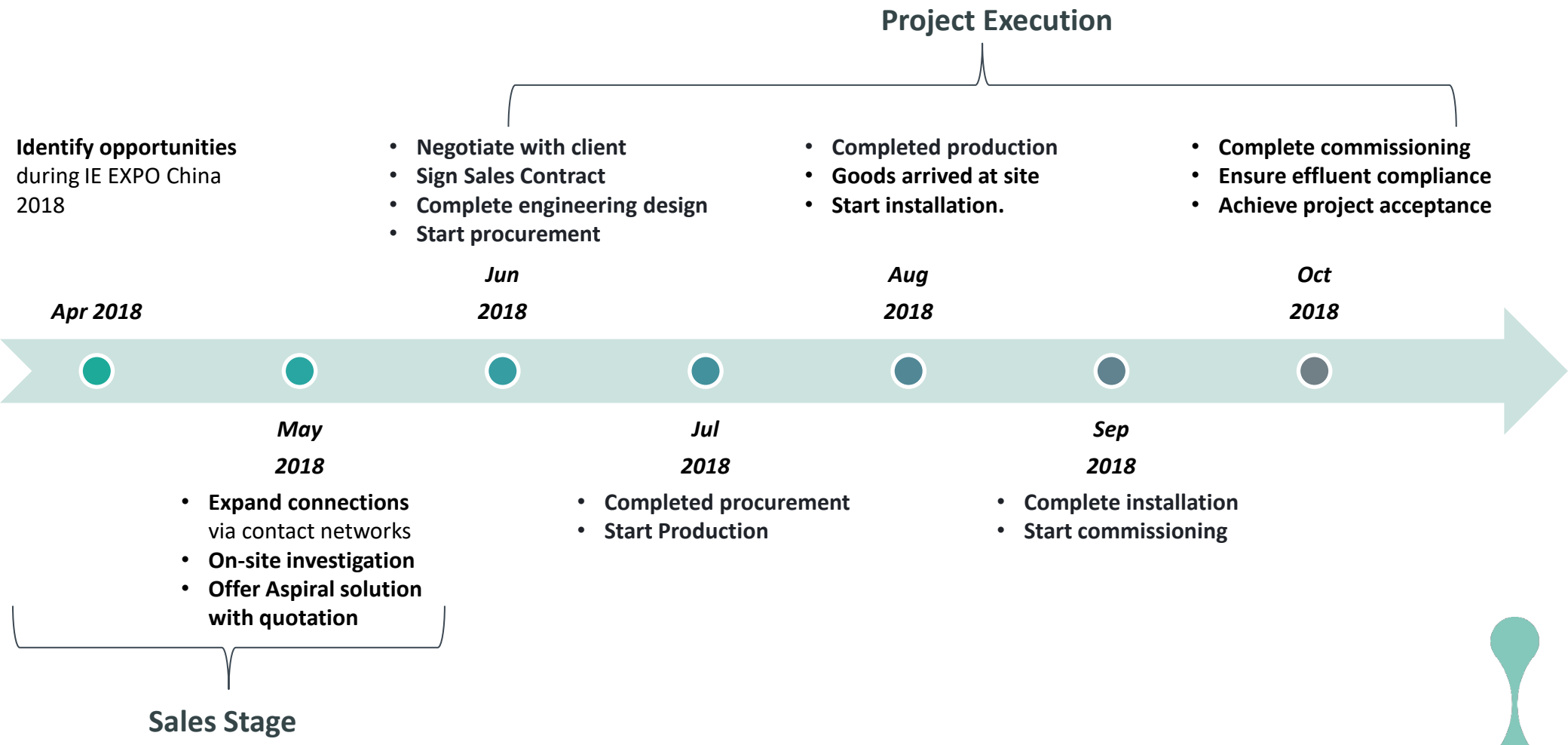
## NIROFLEX



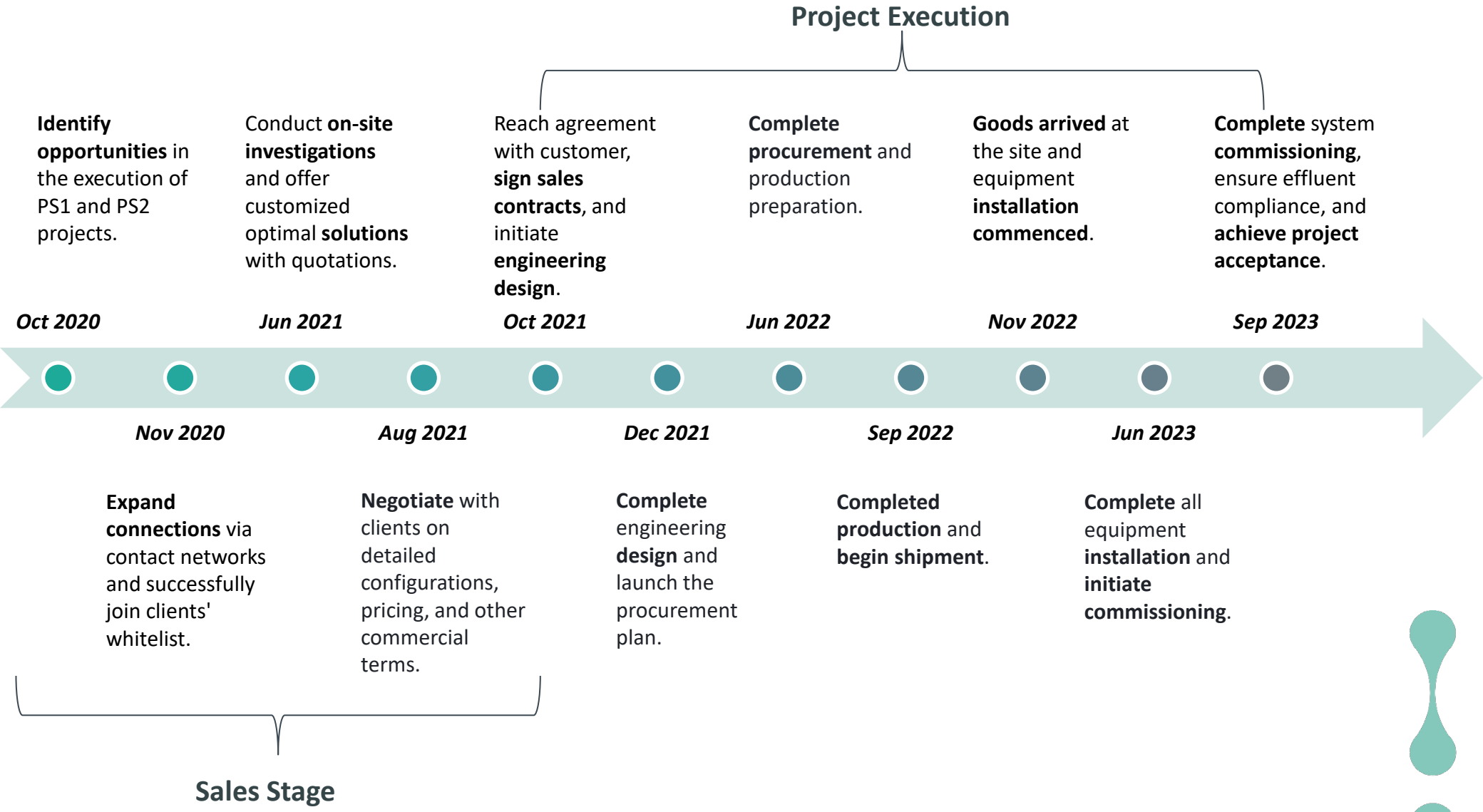

**Pick our pre-engineered building blocks to design water treatment plant**

- **Economical**
- **Flexible Design**

# Timeline of a Typical Small Project Progress – Xiaogan Highway Project in China



# Timeline of a Typical Large Project Progress – PS3 project in Cambodia



# Case Study: Xiaogan Highway Service Aera in Hubei Province, China

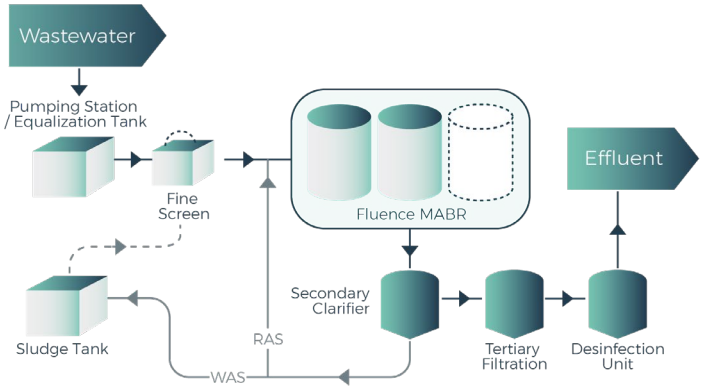
## The Challenge

- **Capacity:** 200 $m^3$/day
- **Effluent Requirement:** China Class 1A refer to GB 18918
- **Application:** Aspiral™ L4 * 2 + Auxiliary Equipment
- **Location:** Xiaogan Highway Service Aera in Hubei Province, China
- **Challenge:**
  - The service areas are scattered, and it is difficult to collect sewage to centralized sewage pipe network
  - The concentration of sewage is high, especially the content of ammonia nitrogen and total nitrogen is high
  - High requirements for effluent quality
  - The maintenance is not easy, and the cost is high
  - Limited space

## The Installation

## The Fluence Solution

**EQ + 2*Aspiral L4 + Clarifier + Sand Filter + Disinfection**




## Why Fluence Won

- Consistent High Effluent Quality
- Simultaneous Nitrification and Denitrification
- Low Maintenance & Operation Cost
- Energy Efficiency
- Zero Odour & Low Noise
- Flexibility & Scalability
- Plug and Play

# Case Study: Xiaogan Highway Service Aera in Hubei Province, China [Video)

https://www.youtube.com/watch?v=vnynvcw_w9U

# Case Study: PS3 Project in Sihanoukville, Cambodia

## The Challenge

- **Capacity:** 20,000 $m^3/d$
- **Application:** 90*SUBRE T3 + Auxiliary Equipment
- **Location:** Seaside of Sihanoukville Port, Cambodia
- **Challenge:**
  - There is little available land, WWTP can only be built in river channels.
  - The river course needs to take flood discharge into consideration and build a bypass.
  - The local electricity price is high and the requirements for energy conservation are also high
  - This is the largest benchmark WWTP in Cambodia, with high requirements for effluent quality

## The Installation


WWTP overview – proposed by Fluence

## The Fluence Solution

- **Pretreatment + MABR + CAS + Clarifier + Disinfection**


## Why Fluence Won

- Advanced simultaneous nitrification & denitrification (SND) with high efficiency of TN removal
- Easy & fast installation
- Reduces carbon sources required by >20%
- Reduce aeration energy by up to 30%~40%
- Small footprint
- Reliable & steady high-quality effluent
- Minimum maintenance
- Low sludge production

# Case Study: PS3 Project in Sihanoukville, Cambodia [Video]

https://www.youtube.com/watch?v=mayhmd3NnBU

# Case Study: Taobei Water Reuse Project in Taiwan

## The Challenge

- **Permeate Capacity:** 41,000 $m^3/d$
- **Application:** Niroflex UF & RO
- **Scope of supply of Fluence:** 10*UF + 10*RO + 20*PLC + Pumps
- **Location:** Taoyuan City, Taiwan
- **Challenge:**
  - Freshwater resources are scarce.
  - Reuse the drainage from municipal sewage treatment plants
  - The COD and other organic pollutants in the influent water are relatively high
  - A very urgent supply cycle (2.5 months)
  - High-standard design requirements, such as energy conservation, modularization, full automation, and high safety redundancy, etc.

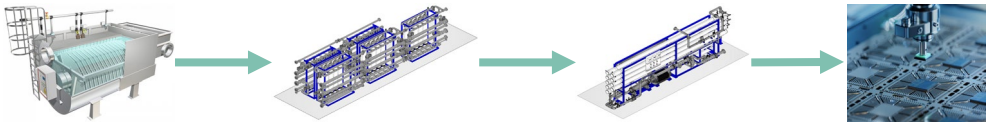
## The Installation

Ultrafiltration

Reverse Osmosis

## The Fluence Solution

- **Cloth Filter + Ultrafiltration + Reverse Osmosis**



Cloth Filter → Ultrafiltration → Reverse Osmosis → User

## Why Fluence Won

- Custom-engineered solution utilizing standardized equipment to meet customer's requirements
- UF Pretreatment Units
- Efficient and Economical RO Treatment
- Sustainable Water Solution
- Optimized Operation Cost
- Constant Water Quality & Supply
- Carbon Footprint Assessment
- Water Positive

# Case Study: Taobei Water Reuse Project in Taiwan

Bird view-Installation

Ultrafiltration-Installation

Reserve Osmosis-Installation

PLC Installed

Ultrafiltration installed

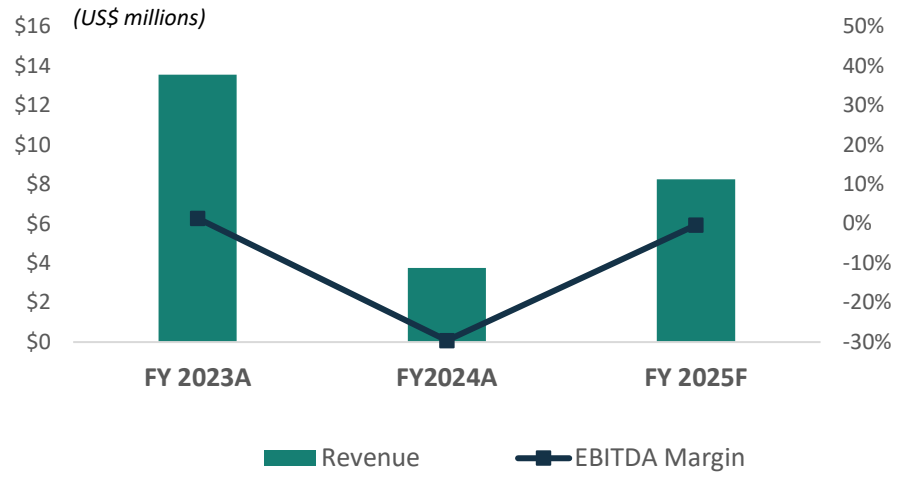
Reserve Osmosis Installed

# Growth Strategy & Financial Overview

## Growth Strategy

- **Redirect Commercial Focus to SEA**
  Reallocate sales and marketing efforts to high-growth Southeast Asia market
- **Establish Local Presence**
  Hire sales staff in high-growth potential countries; support broader region via experienced agents to increase regional penetration.
- **Deploy Reference Projects**
  Invest in demo systems and translated assets to build market credibility and accelerate deal cycles.
- **Leverage China as Cost Hub**
  Retain engineering and manufacturing in China to support SEA execution while mitigating tariff risks.

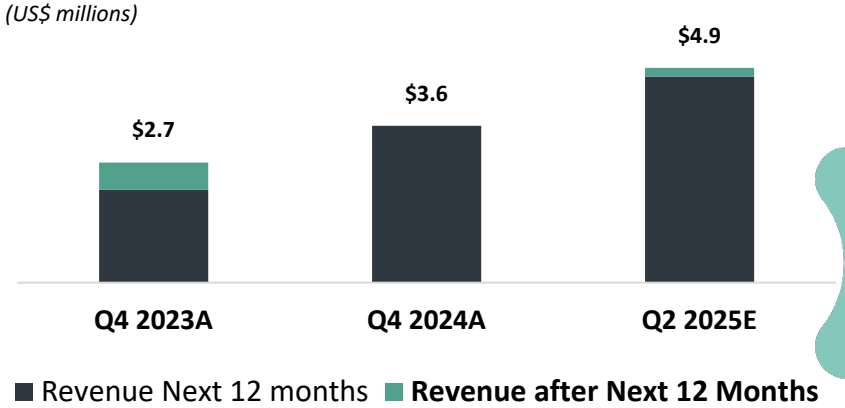
## Financial Summary (FY2023-25F) (1)




## Key Recent Wins

- **$4.8M ITEST** 21 Aspiral orders
- **$0.5M Inje** 53CMD MABR NITRO wastewater treatment
- **$0.7M Swater** SWRO Niroflex 1500 CMD
- **$0.1M Taiwan Penghu Huayu Village** SWRO Niroflex Upgrade

## Quarterly Backlog = Orders in Hand




(1) *EBITDA excludes the impact of Other Gains and Losses, which include FX gains and losses, gains and losses related to various legacy balance sheet items, restructuring, and other non-recurring items.*

# In Conclusion

Thomas Pokorsky, Managing Director & Chief Executive Officer
Benjamin Fash, Chief Financial Officer

# Future Growth Drivers

## The growth opportunities across each business unit are unique, yet robust; Fluence can benefit from its breadth of products & technology and geographical footprint, which is unique to a mid-market company in the water industry

### MUNICIPAL WATER & WASTEWATER

- Buildout of sales team with enhanced CRM systems and rep management
- One global operations team focused on project delivery
- US MABR manufacturing
- Grow developer opportunities and financing of projects in the US
- Grow recurring revenue through operations contracts and leased equipment
- Focused strategy on the Lagoon market leveraging Dow City study

### INDUSTRIAL WASTEWATER & BIOGAS

- Expansion of Sales team dedicated to South America and North America
- Target new growth markets where strict regulations for water effluents are a growing concern (i.e. Mexico)
- Develop Brazilian market leveraging our South America operating capabilities
- Develop European market leveraging our successes in dairy and meat processing
- Expansion in North America market presence with mid-size references
- Increase the after sales portfolio

### INDUSTRIAL WATER & REUSE

- Brazil as target market for growing in South America
  - Medium size market prospection
- Develop IWR in USA market
  - Target market using South American Industrial references
- Recurring revenue growth in developed markets
  - Add Application Engineers to support order growth
- New applications/solutions development
  - Produced water for O&G

### SEA ASIA & CHINA

- Redirect Commercial Focus to SEA
- Establish Local Presence
  - Hire sales staff in high-growth potential countries
  - Broader regional coverage via experienced agents
- Leverage China as Cost Hub
  - Retain engineering and manufacturing in China
  - Reduce operating costs to ensure competitiveness
  - Mitigate tariff risks

### RECURRING REVENUE – BUILD, OWN & OPERATE, O&M, RENTALS SERVICE, PARTS & CONSUMABLES

- Continue to evaluate BOO opportunities across all BU's
- Build out rental fleet to take advantage of high-margin, short-term rental opportunities utilizing FLC's standardized, modular solutions
- Replicate IWR's successful after-sales strategy
  - Invest in and grow service capabilities;
  - Hire dedicated inside sales to target existing and new customers for service, parts & consumables opportunities; and
  - Proactively sell operations, maintenance and service contracts alongside capital equipment sales

### STRATEGIC M&A

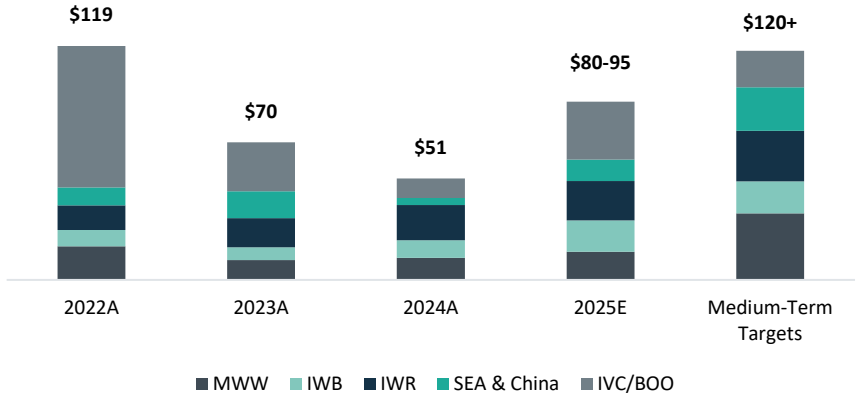
- Opportunistically pursue accretive, strategic, tuck-in targets that enhance and support organic growth
  - Target growth markets
  - Prioritize O&M, Service and strong recurring revenue business
  - New products and technologies

# High-Margin Revenue Growth to Deliver Significant EBITDA Expansion

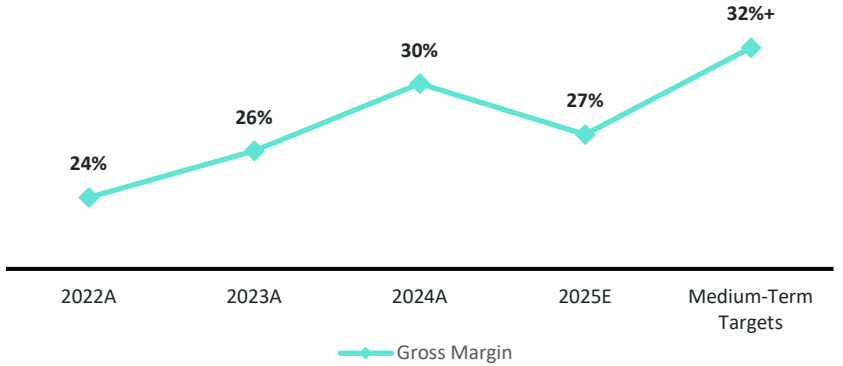
**As the Company increases SPS and Recurring Revenue across its core business units, profitability is expected to quickly increase**

## Revenue

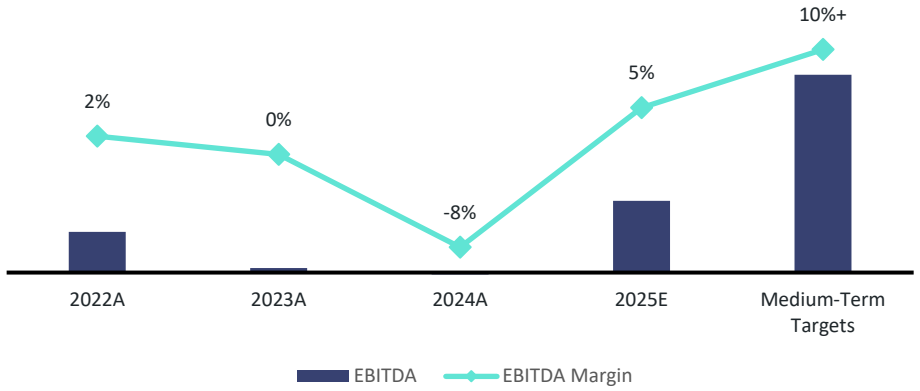
*(US$ millions)*




## Gross Margin




## EBITDA Margin




## Commentary

- Future revenue growth to be driven by high-margin SPS and Recurring Revenue ("RR") products and services while de-emphasizing low-margin Custom Engineered Solutions ("CES")
- GM's expected to grow as SPS and RR from our core business units make a larger share of the Company's overall revenue
- SG&A and R&D have been reduced by 25% since FY2022, providing a cost base that can generate significant operating leverage
- Targeting double-digit EBITDA margins in the next 2-3 years

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