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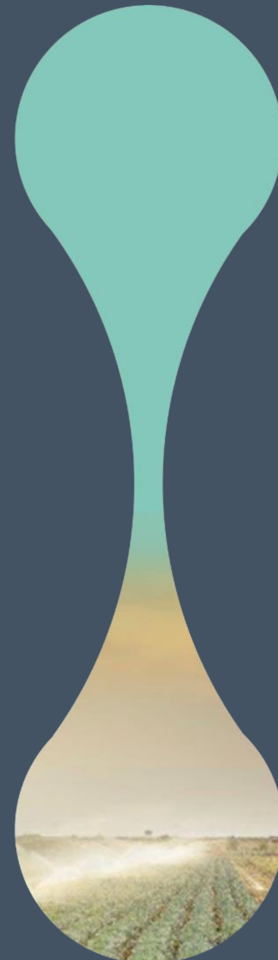
RECAPITALISATION
TRANSACTION

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

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Executive Summary – Fluence Corporation Limited

New and Highly Experienced Leadership	• 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	• 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	• 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	• 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	• Fluence MABR and Wastewater-to-Energy technologies are highly energy efficient and lower CO_2 and other harmful contaminants
New Contracts Highlight Improving Financial Outlook	• 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	• 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.

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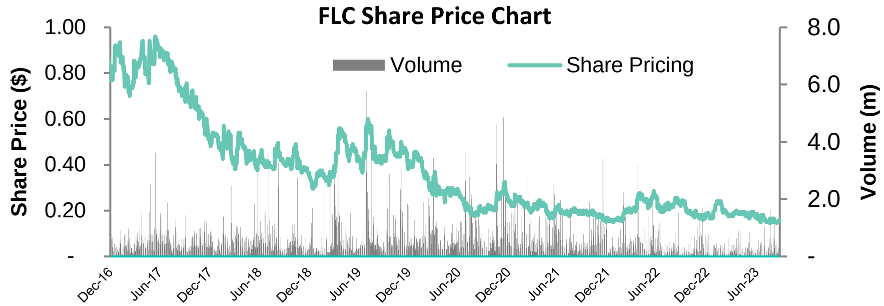
Company Profile – Fluence Corporation Limited

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

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

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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

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

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

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

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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

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

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(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.*

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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)

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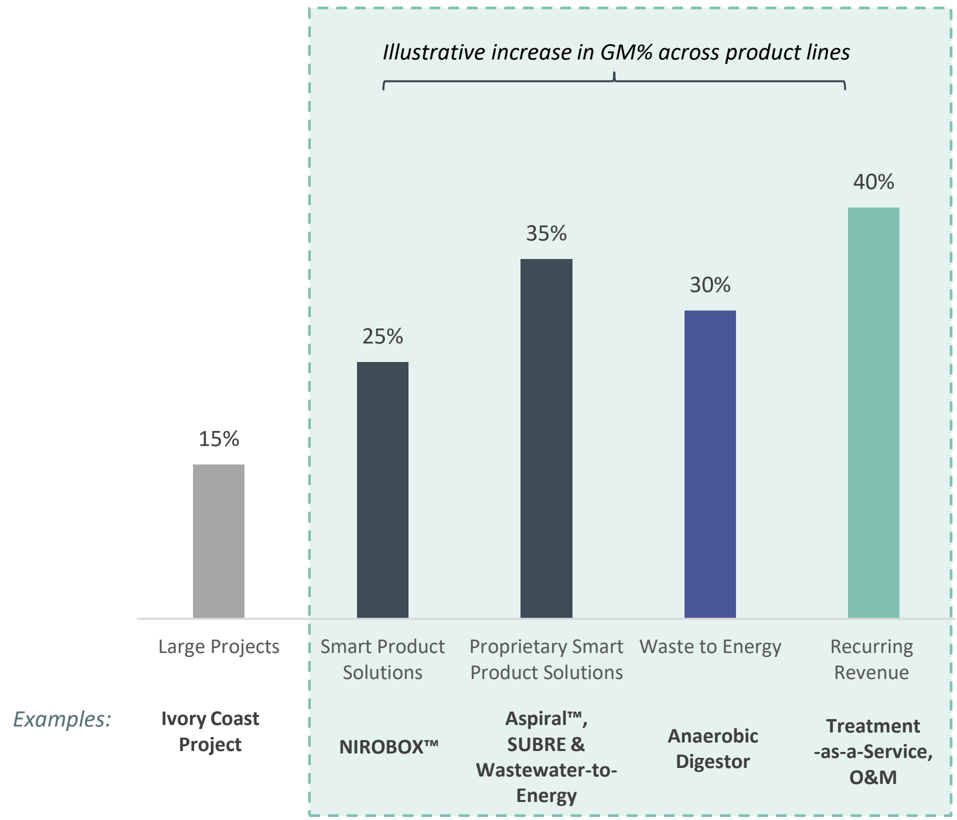
Shifting Focus on Smart Product Solutions (“SPS”) and Recurring Revenue

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



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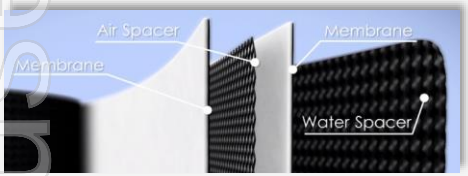
Fluence Proprietary Technology - MABR

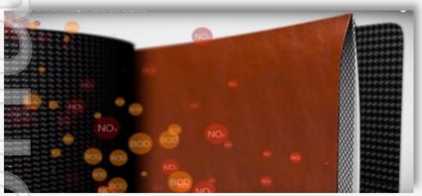
MABR technology disrupts $100bn wastewater treatment market

MABR Technology

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

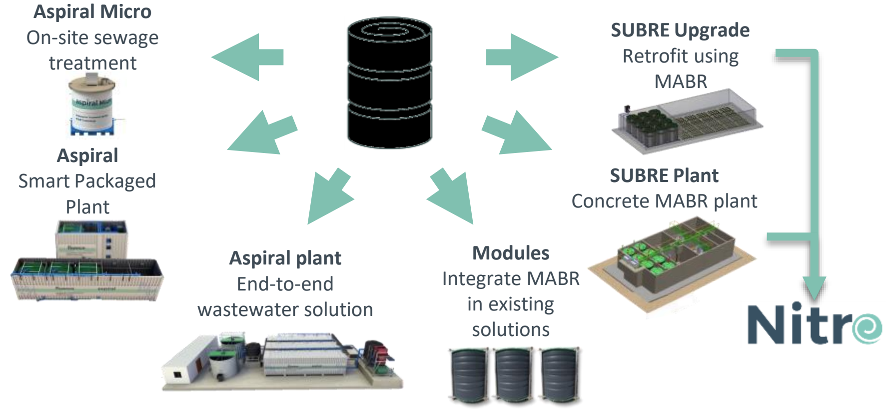


- An air spacer inside the sleeve allows low pressure air flow
- A water spacer defines the water volume in contact with the membrane



- 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

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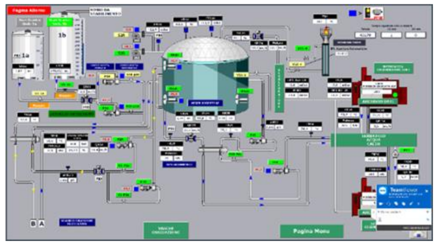
Proven Wastewater-to-Energy Products

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 CO_2 / year**



Business Model

Equipment Sale

Price: \$3 – 10M
GM: 30%
O&M Value: 10% of price/annum
O&M GM: 30-40%

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%+

Payback: 5 years

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

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

Note: All numbers 3Q 2022; TOP = Take or Pay

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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

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Fluence Customers – Examples

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

Coca-Cola

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 LLC

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 FOODS

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

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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

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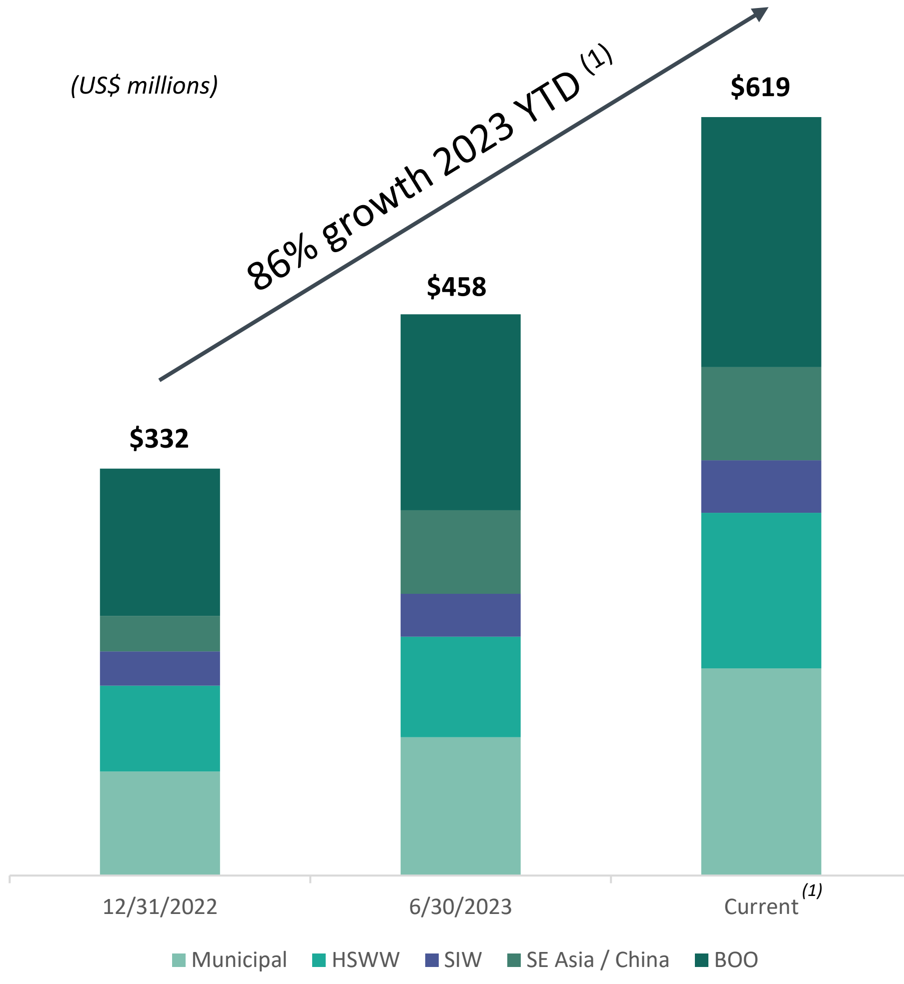
Strong Pipeline of New Contracts

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+.*

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FINANCIAL SUMMARY

3-Year Vision

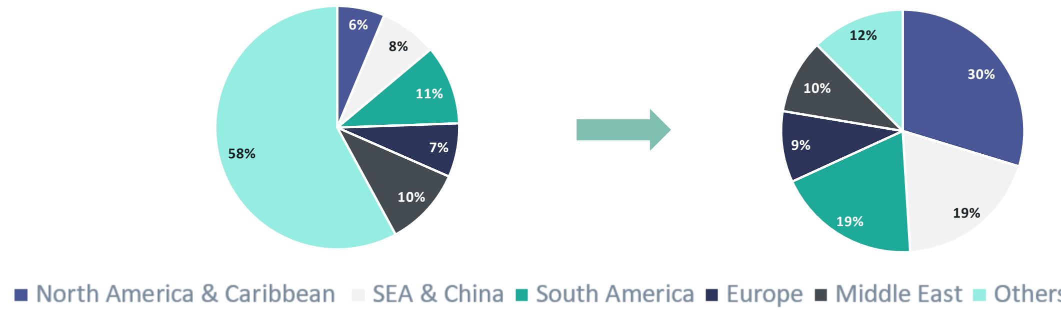
Focused on growing presence in North America and transitioning from CES revenue to SPS and Recurring Revenue segments

2022

Medium-Term TARGETS

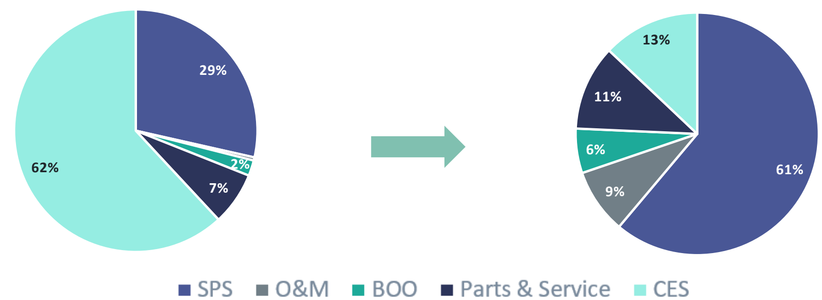
GEOGRAPHY

- 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

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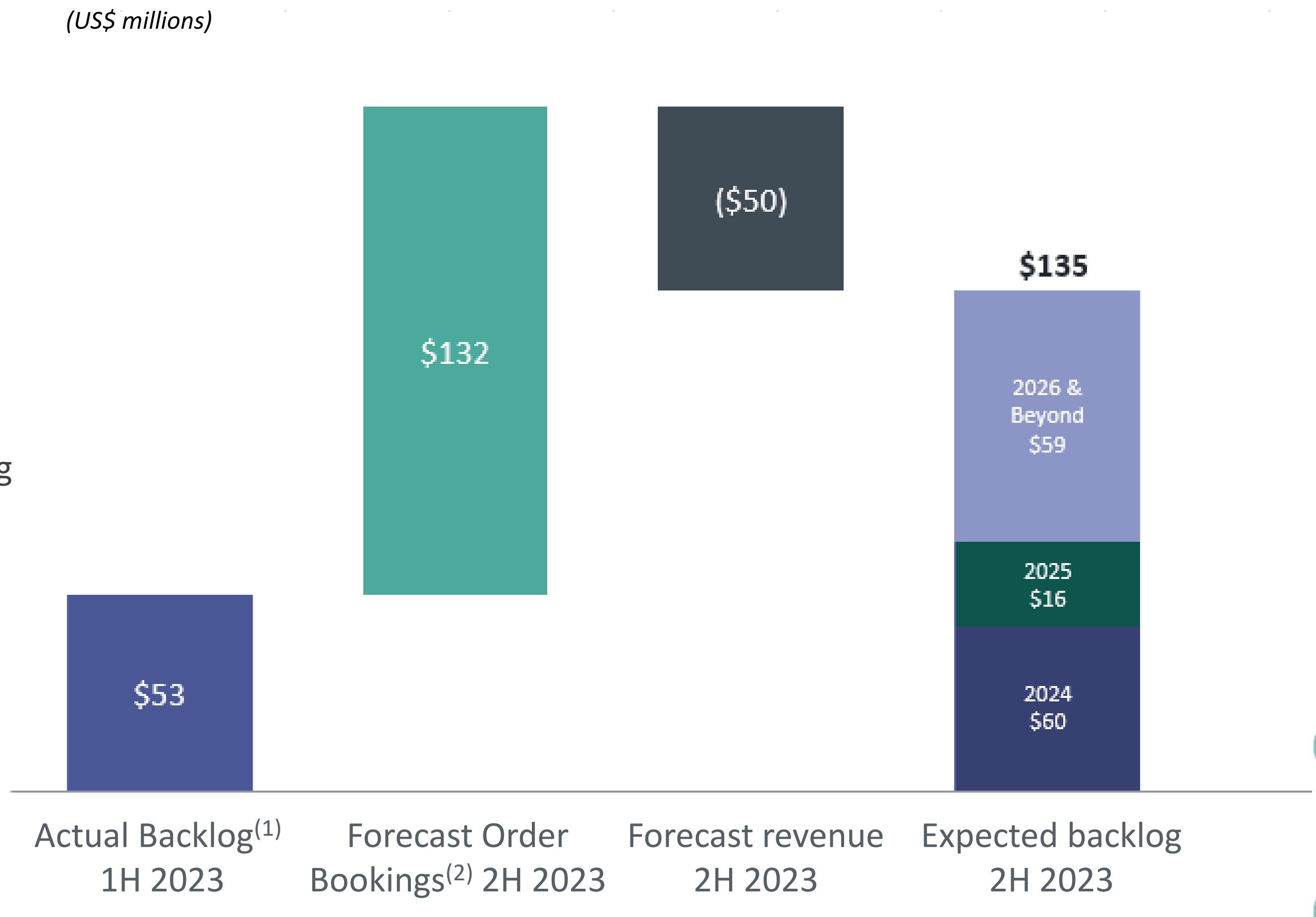
US$132M in New Order Bookings Forecast in 2H 2023

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



(1) Backlog = orders in hand

(2) Order Bookings are signed contracts.

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

Early wins from new strategy

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

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fluence

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.

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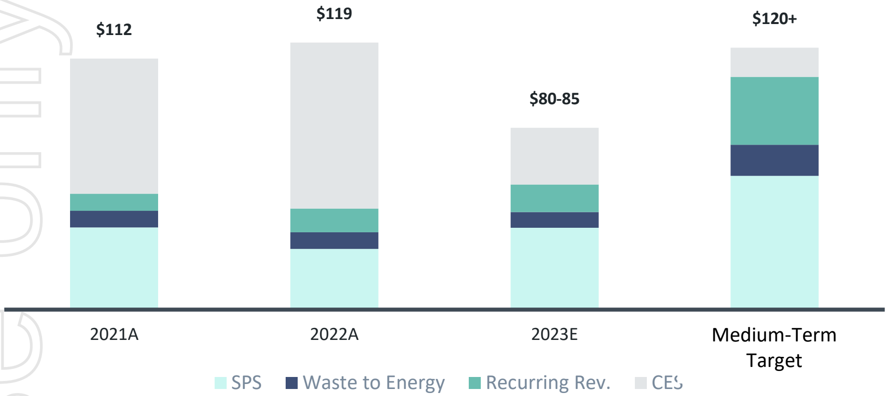
Financial Summary

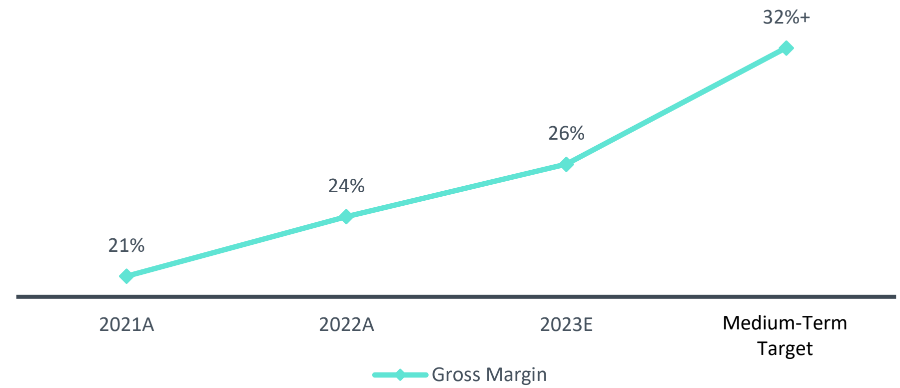
As the business transitions to SPS, Wastewater-to-Energy and Recurring Revenue, profitability increases quickly

Revenue

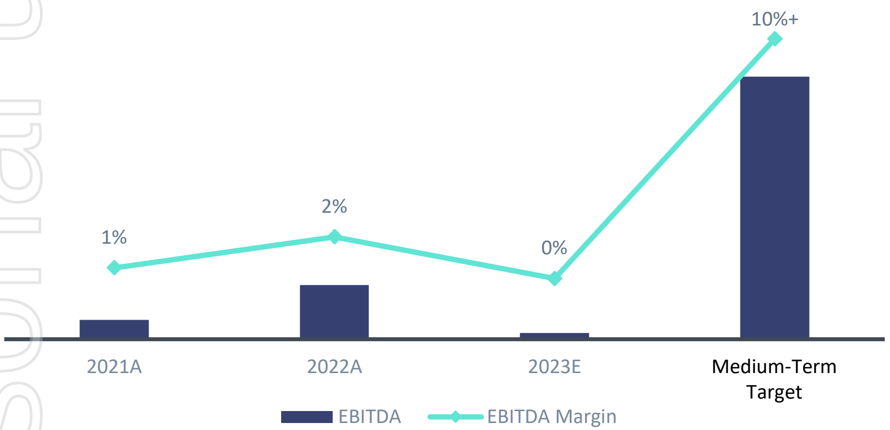
(US$ millions)



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

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OFFER OVERVIEW

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Offer Overview

Offer Summary	• A$47.3 million Offer, comprising:
	  • A$40.7 million Capital Raising
	  • A$6.6 million Shareholder Sale

Capital Raising	• Capital raising of A$40.7 million includes:
	  • 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:
	    • 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:
	  • 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 Shares[1]

Shareholder Sale	• 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

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(1) Fluence has applied for, and been granted by ASX, a waiver from Listing Rule 7.1 to permit Fluence to include the New Shares that may be issued under the Entitlement Offer when calculating its placement capacity on the terms set out in the Annexure to ASX Guidance Note 17

Offer Price

Offer Price	Offer Price is A$0.08 per share
	• 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:
	    • 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	• 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.

(1) Fluence has applied for, and been granted by ASX, a waiver from Listing Rule 7.1 to permit Fluence to include the New Shares that may be issued under the Entitlement Offer when calculating its placement capacity on the terms set out in the Annexure to ASX Guidance Note 17

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Offer Details

Director and Management Participation	• 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	• 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	• 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	• 7.00pm (Sydney, Australia time) on Friday, 3 November 2023
Ranking	• New Shares issued under the Entitlement Offer and Placement will rank pari passu with existing Shares from their date of issue

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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.

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Pro Forma Summary Balance Sheet*

Pro Forma net cash of $9.8m at July 2024

(USD M$)

Summary Balance Sheet	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
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**
Net Debt	*$13.1*	*($23.6)*	*($10.6)*	*$0.8*	*($9.8)*
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.

* Assumes the Retail Entitlement Offer is fully subscribed.

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Indicative Offer Timetable

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

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

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RISKS AND FOREIGN SELLING RESTRICTIONS

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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	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. 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.
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.

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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.

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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 outs 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 it's 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.

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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.

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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.

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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.

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APPENDIX 1: BOO Case Study

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

Current Situation

Client needs 9,300 m³/day wastewater treatment for meat processing plant

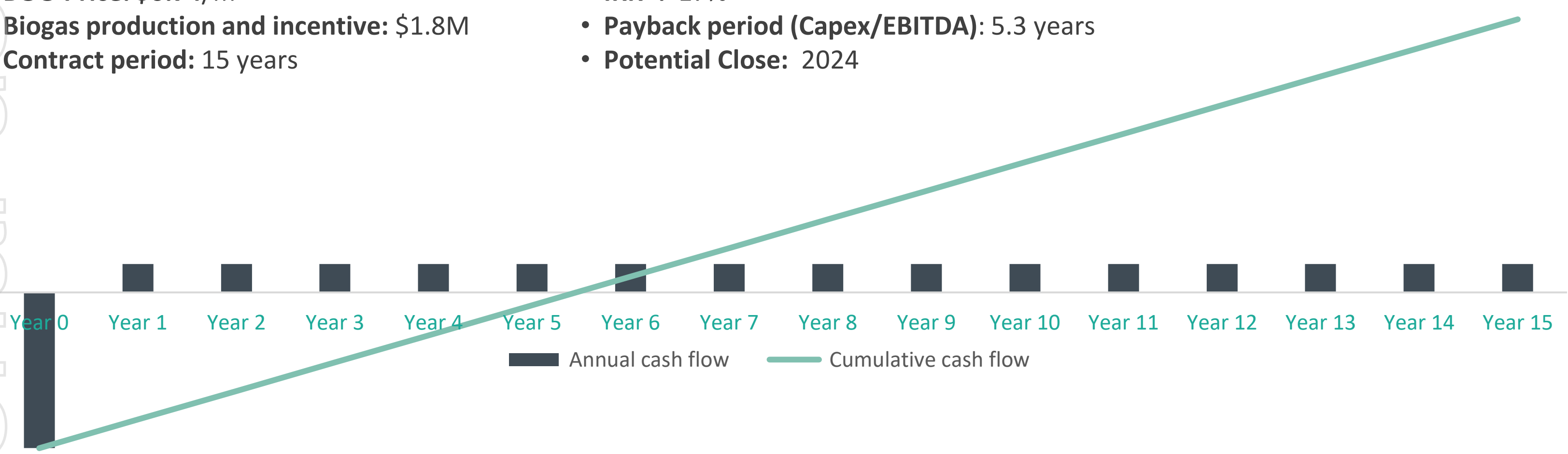
Fluence Solution

- BOO wastewater treatment, anaerobic digester, biogas to the grid
- Project can be structured in a number of ways to allow for robust economics and benefits from tax credits for both the client and Fluence

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



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