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Targeting Global Leadership in Decentralised Water & Wastewater Treatment Solutions

**Annual General Meeting
22 May 2019**

Agenda

1. Chairman's Address – Richard Irving
2. Managing Director's Presentation – Henry J. Charrabé
3. Formal Business



Chairman's Address

Richard Irving

Chairman



Managing Director's Presentation

Henry J. Charrabé

Managing Director and CEO



2018 in Summary



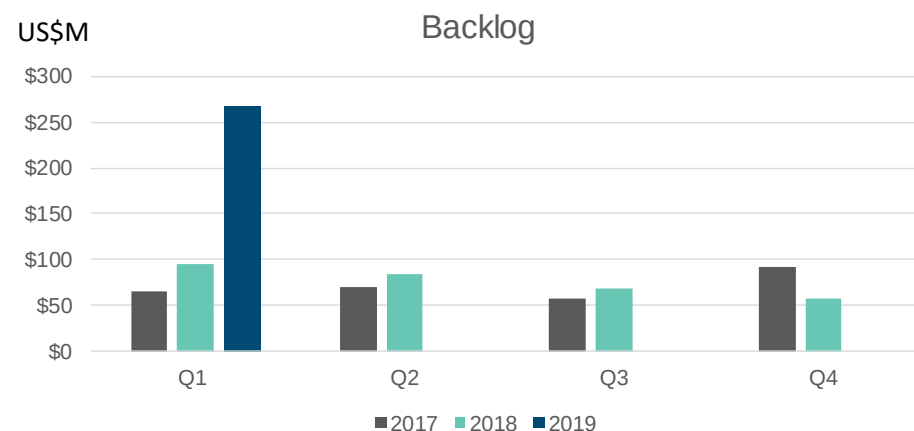
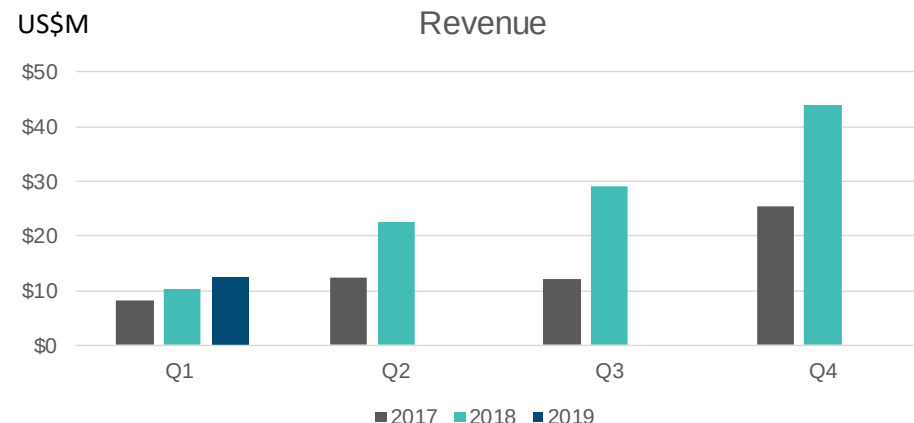
- Delivering on our mission to become the worldwide leader in decentralized water and wastewater treatment solutions
- Completed the first full year as a combined entity
- ~74% YoY organic revenue growth, significantly outpacing industry peers
 - Achieved financial guidance provided at the beginning of the year
- Reduced SG&A by 30% in first full year as a combined entity, further validating the rationale for the 2017 merger of Emefcy and RWL Water
- Entered 2019 with a strong pipeline of opportunities, an enhanced product offering and committed debt financing to meet the needs of a broader customer universe

Sustained Year Over Year Growth of Key Metrics



(\$ millions)	2017 ⁽¹⁾	2018 ⁽²⁾
Revenue	58.0	101.1
Gross Profit Margin	13.0	34.5
Gross Profit Margin	22%	34%
EBITDA	-35.7	-8.1

- Revenue growth 74%, all organic
- >200% increase in Gross Profit
- Reduced G&A by 30%
- Virtually zero debt on the balance sheet
- Cash Balance as of Q1 2019: \$24.3M



(1) 2017 pro-forma (consolidation of 12 months of RWL water)

(2) Q4 and Full Year Audited Gross Profit include a \$6.5M benefit of reversal of an onerous contract provision from prior years

Growth Momentum Continues



Q3 2017

Emefcy and RWL Water merged to form Fluence Corporation (ASX:FLC)

Q1 2018

- Received award for Decentralized Water & Wastewater Company of the Year
- First NIROBOX™ orders in Argentina and Philippines

Q4 2017

Opening of first MABR manufacturing plant in Changzhou, China

Q3 2018

- First MABR sale to Hubei ITEST
- First NIROBOX™ BOT signed in Philippines
- First commercial Aspiral™ sales in US and Philippines

Q2 2018

- San Quintin project reaches Financial Close
- Aspiral™ product suite launch

FY 2018

- Achieved organic revenue growth of 74%
- >200% increase in Gross Profit
- Reduced G&A by 30%

Q4 2018

- Commencement of San Quintin Project
- Largest NIROBOX™ order ever from Egypt (12 units)
- Announcement of \$50M Generate Capital debt facility

FY 2019E

- Targeting 100% YoY revenue growth of Smart Products
- Increasing backlog of projects with Recurring Revenue
- Goal to achieve sustainably positive EBITDA

Q1 2019

- ✓ Record quarterly bookings of \$223M
- ✓ Awarded €165M landmark Ivory Coast contract
- ✓ Largest individual order of 40 Aspiral™ units in China
- ✓ Official launch of SUBRE and first commercial orders secured
- ✓ Revenue of \$12.3M, up 20% YoY
- ✓ Total backlog of \$267M, up 181% YoY
- ✓ 2019 guidance reaffirmed

Complete Suite of Water & Wastewater Treatment Solutions

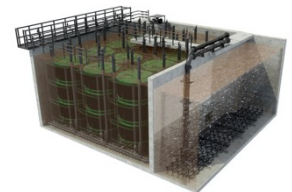


	 Water Treatment	 Desalination	 Reuse	 Wastewater Treatment	 Wastewater-to-Energy	 Food & Beverage Processing
 			✓	✓		
 	✓	✓	✓			
 			✓	✓		
Custom Engineered Solutions	✓	✓	✓	✓	✓	✓

Establishing a Global Presence



- First draw down of US\$50m non-recourse debt facility of US\$2m for project in Bimini, Bahamas
- Recurring revenue base of US\$14.7m from Bahamas, Peru and San Quintin
- First commercial Aspiral™ sale (Philippines)
- Signed second large contract in Egypt
- Currently present in 23 provinces in China, a key market
- Bulk order of 40 Aspiral™ in Q1 2019 in China
- Backlog now sitting at US\$267m
- Desalination plant win in Brazil with repeat industrial customer



Fluence Growth Areas



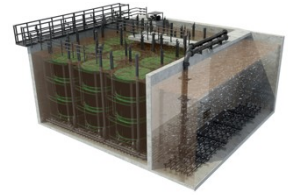
Reporting Segment

Products

Smart Products Solutions



Aspiral, SUBRE, NIROBOX



Recurring Revenue and Aftermarket Services



**BOOT
Complete range of O&M and
Aftermarket offerings**



**Custom-Engineered
Solutions**



**Waste-to-Energy, Large projects,
EPC**



**Water and wastewater treatment solutions for customers across
the industrial, commercial and municipal sectors**

Smart Products Solutions



aspiral™



Packaged MABR wastewater treatment solutions

5,000-200,000 GPD raw municipal sewage

Market Drivers:

*Stricter regulations
Decentralization, Energy efficiency
Increased urbanization, New-build infrastructure*

Market Adoption:

Plants USVI, Stanford (Title 22 validated), Oregon, Texas, Argentina, Ecuador, China, Philippines, Israel

NIROBOX™



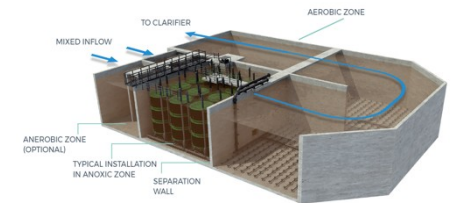
Packaged potable water treatment solutions

130,000-400,000 GPD Seawater, Fresh water, Brackish water

*Water shortages
Decentralization, Energy-efficiency
Increased urbanization, New-build infrastructure*

Plants globally including Egypt, South Africa, Philippines, Caribbean, Mexico, South America

subre



MABR wastewater treatment solutions for existing or new plants

0.15-25 MGD raw municipal sewage

*Stricter regulations
Process intensification
Outdated infrastructure
Energy efficiency*

*Ma'ayan Zvi, Israel
Significant and growing pipeline
Commercial launch Q1 2019 and first commercial orders in Jamaica*

Recurring Revenue: Build Own Operate and Transfer (BOOT)



Complete Water and Wastewater Solutions



NIROBOX™



Water Treatment

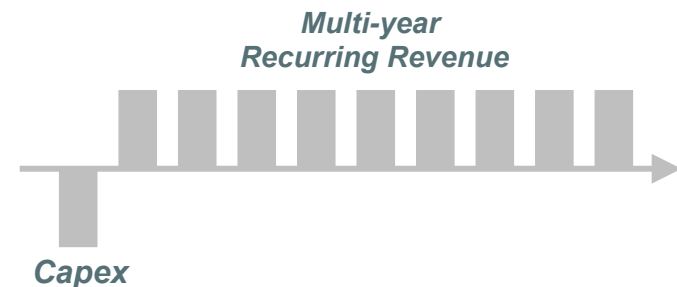
aspiral™



Wastewater Treatment

Recurring High Margin Revenue

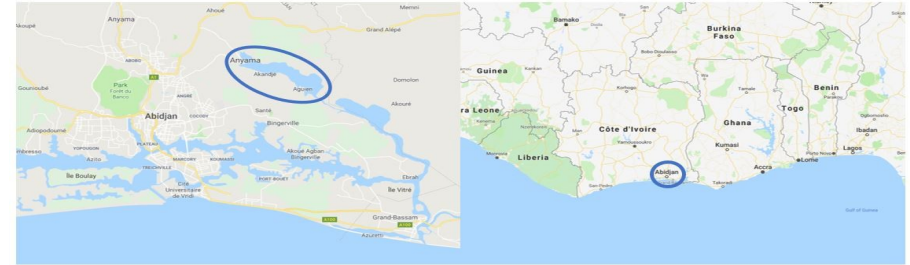
- Fluence's Aspiral™ and NIROBOX™ products are ideal for BOOT projects
 - Footprint, energy efficiency, reliability, low maintenance and quality output
 - Using in-house proprietary technologies enhances margin
- Uses Fluence's equity to inject its own equipment
- Ability to offer complete water/wastewater reuse solutions
- BOOT agreements offer lucrative, recurring revenue for many years with higher valuations



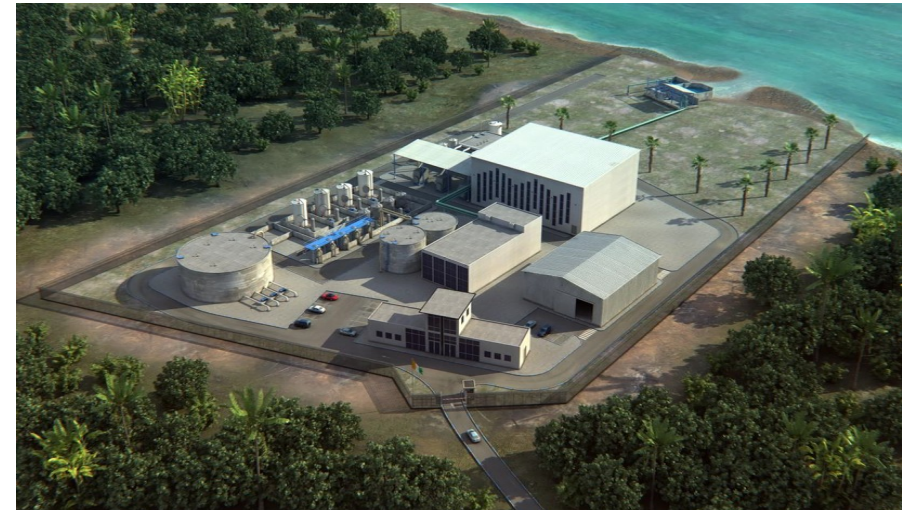
Custom-Engineered Solutions: Landmark Project Win in Ivory Coast



- €165M commercial agreement with Federal Government of Ivory Coast, signed in February 2019
- Turnkey supply of custom-engineered solution for 150,000 m³/day surface-water treatment plant
- The plant will treat freshwater and provide potable water to the city of Abidjan (4.7M population)
- Fluence's scope: water intake and treatment, bulk water piping, water towers and infrastructure
- Project finance guaranteed through Export Credit Agency (ASHRA, Israel) and financed through Israel Discount Bank
- Financial Close and project commencement expected by Q3 2019

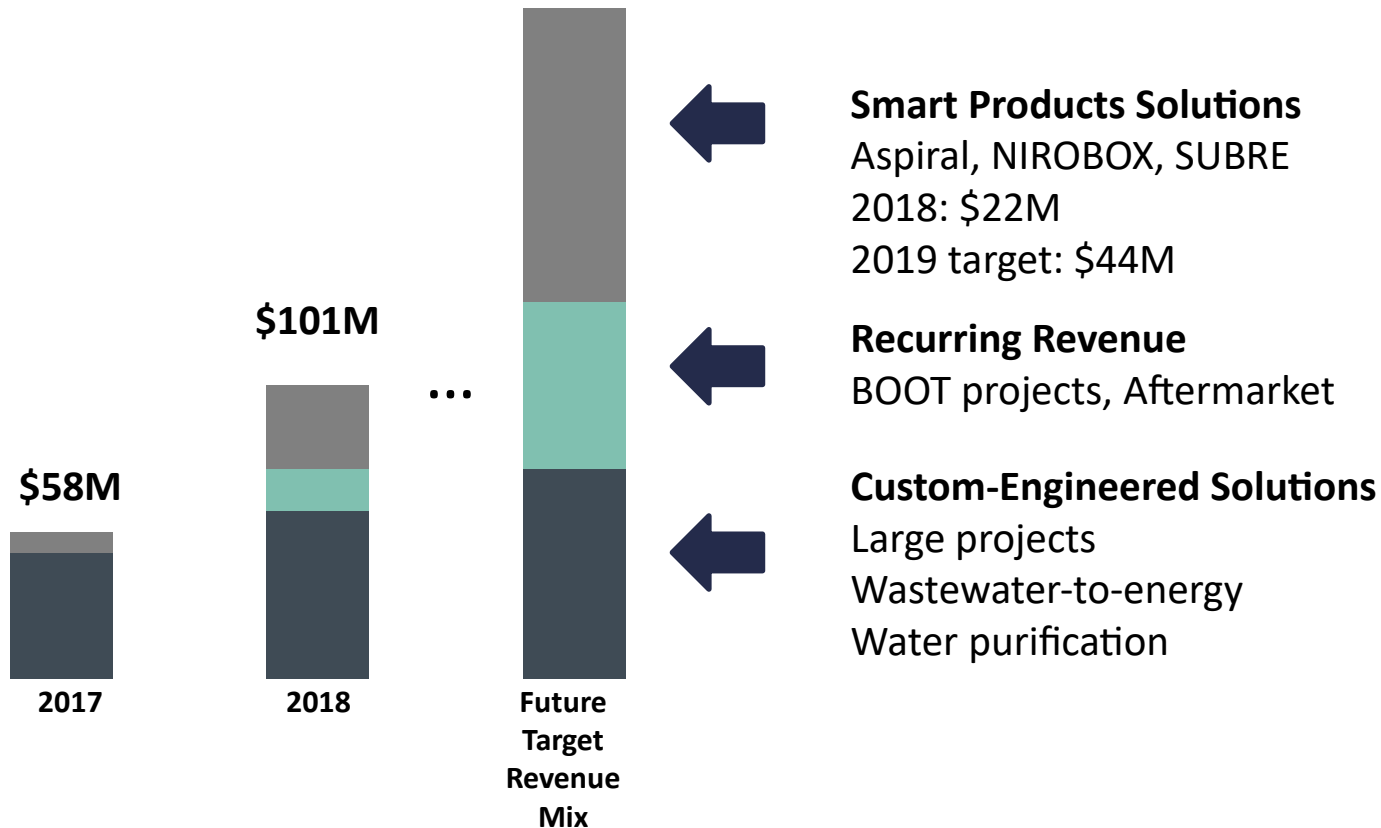


Water from Lagune Agnien will be treated to supply potable water for Abidjan



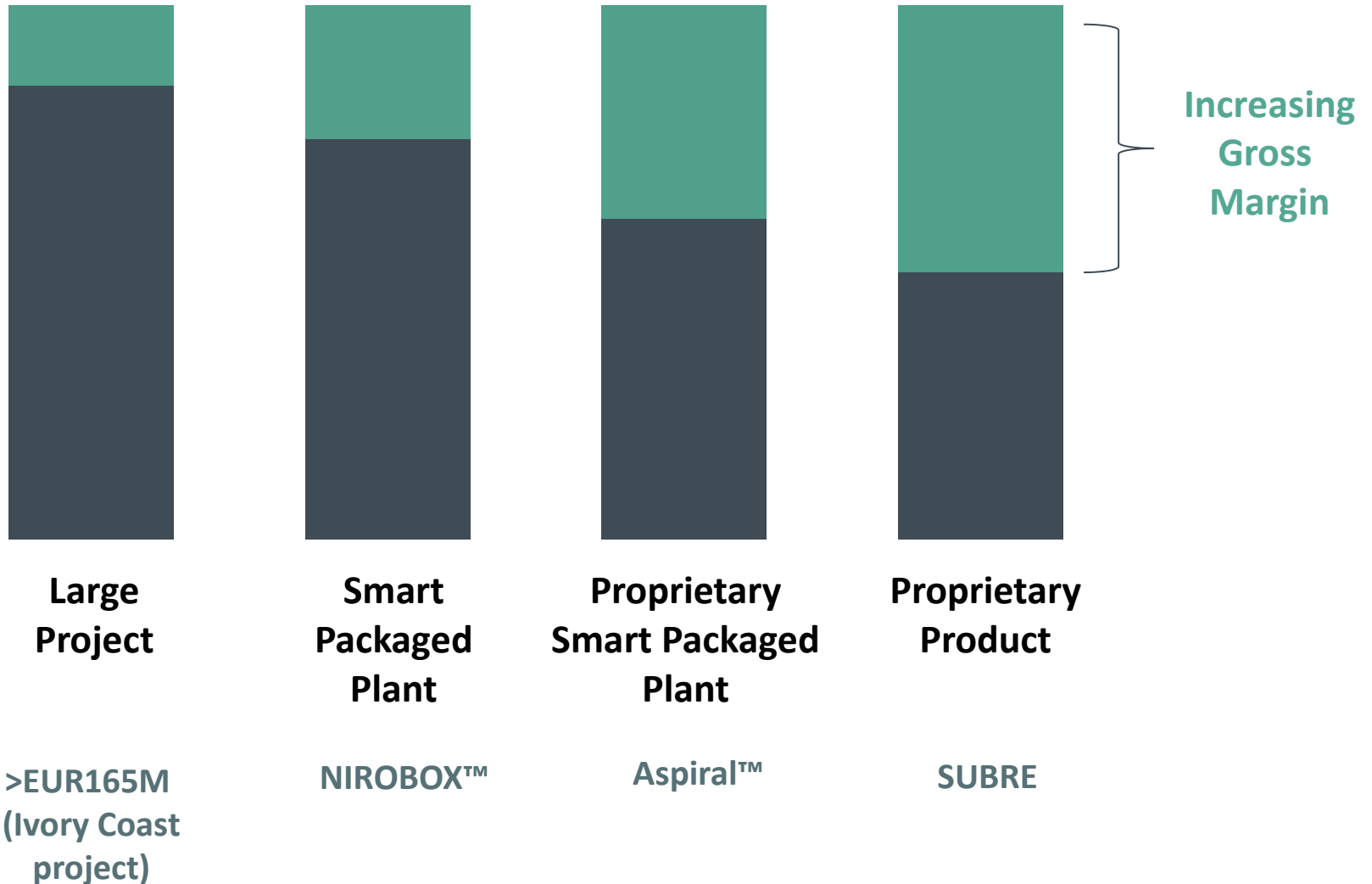
CAD depiction of plant location and layout

Fluence Growth Areas: Targeted Revenue Growth



Shift towards higher margin proprietary solutions and recurring revenues

Fluence Differentiation Strategy: Target Growing Gross Margin



Outlook for Continued Growth in 2019

- 100% Year over year growth of Smart Products from \$22M to \$44M
- Increase backlog of projects with Recurring Revenue
- Achieve sustainable positive EBITDA by Q4 2019



SUBRE installation, Ma'ayan Zvi, Israel



Fluence MABR manufacturing plant, Changzhou, China

Formal Business



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2018 consolidated financial figures presented on IFRS basis are audited, and after reclassifications for non-cash foreign currency adjustment relating to hyperinflation accounting in Argentina (IAS29).

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