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Q1 2021 Update

Fluence Corporation (ASX: FLC)
April 2021

Q1 2021 Highlights

All numbers are subject to audit



- ✓ New orders \$13.3M : +11% vs Q4 2020 and +6% versus Q1 2020
- ✓ SPS new orders \$7.5M, +36% vs Q4 2020 including \$5.0M from China bookings
- ✓ Revenue \$18.2M with SPS \$3.7M +28% versus Q1 2020, and China +38% Q1 2020, showing strong China momentum
- ✓ \$191M contracted backlog of which SPS backlog is \$23M, showing strong SPS momentum
- ✓ Continued improvement in operating efficiency; opex down 10% from Q4 2020
- ✓ Operating cash outflow of \$21M – of which \$13M as scheduled for Ivory Coast project expenses, after receiving \$60M in payments for this project in Q4 2020
- ✓ Cash balance of \$14.9M plus \$27.4M in short- and long-term liquid investments provides adequate operating reserves.

Strong Cash Position Supports Growth

All numbers are subject to audit finalization



Item	Amount (\$M)
Net cash used in operating activities Q1 2021	(20.9)
of which released from restricted cash	5.5
Cash and cash equivalents Dec 31 2020	14.9
Short and long term deposits	27.4
of which restricted cash to be released over next 18 months	22.4

2021 Guidance For Continued Positive Underlying EBITDA

- 2021 SPS Revenues: \$35 – 50M
- Further improvements in operating efficiency

Progress on Strategic Priorities

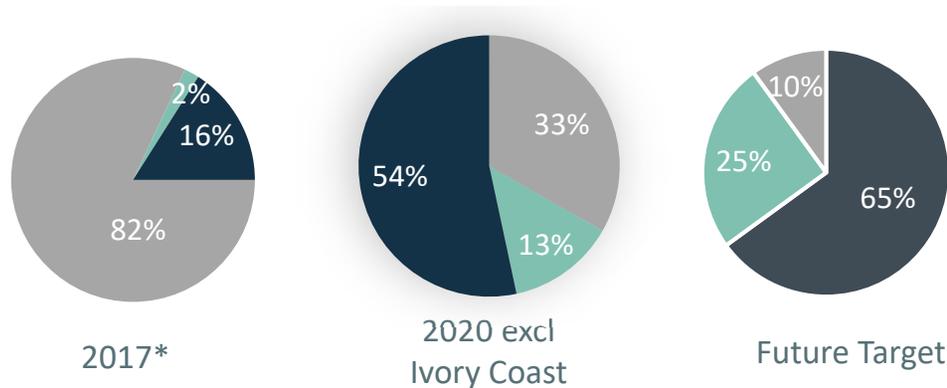


Priority	Progress
Sign key new volume strategic partnerships in China and the Middle East	Three Gorges order for 29 Aspirals Repeat order from China Rail
Secure significant new contract wins in focus markets: US, China, SE Asia, Middle East	As above plus key SPS win in Taiwan
Develop water as a service business in North America	Hired VP to head this activity Developing strong pipeline
Maintain full year underlying EBITDA positive	On track

Fluence: Fast To Deploy, Profitable Water Solutions



Revenue Mix



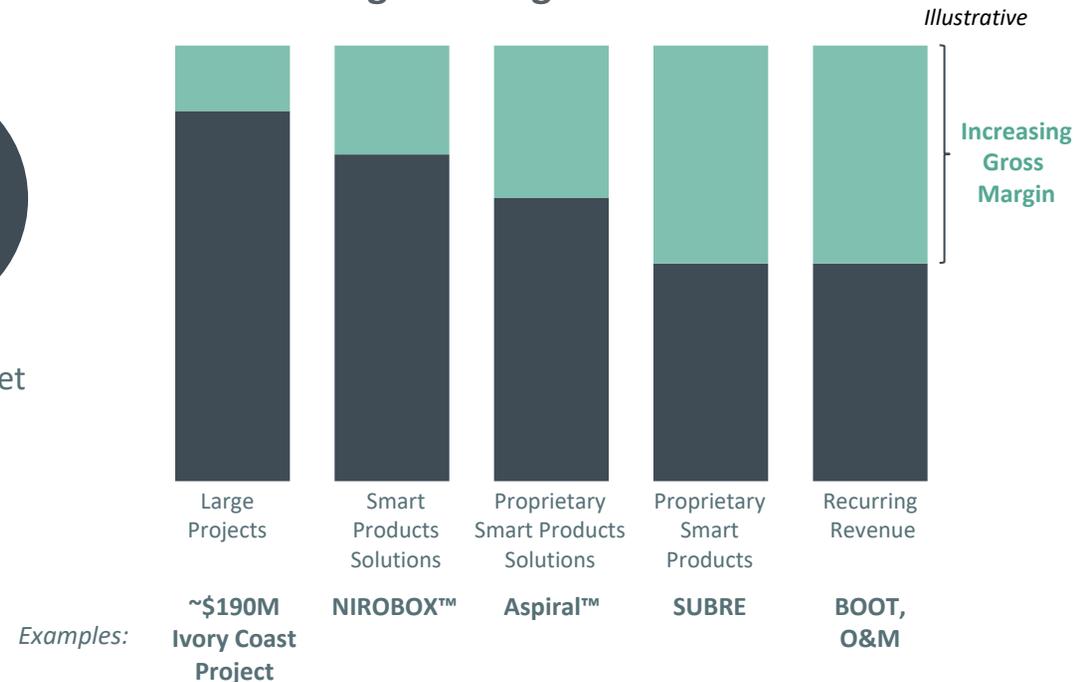
- Smart Products Solutions (SPS)
- Recurring Revenue (RR)
- Custom Engineered Solutions

* 12 months pro-forma

Strategic Focus

- Sell MABR in China and SE Asia
- Sell Nirobox in Middle East and SE Asia
- Seek more recurring revenue via water as a service in US and Caribbean
- Timely execute Ivory Coast project
- Improve operating efficiencies

Transition To Higher Margin Revenue



Examples:

- ✓ Only global, pure play water and wastewater treatment company delivering standardized solutions to a growing, global, decentralised market
- ✓ Fast to deploy, lower cost, lower risk way to meet tightening regulatory standards
- ✓ Maximize profitable growth by targeting highest growth markets
- ✓ Strong team and balance sheet

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2020 consolidated financial figures presented on IFRS basis are unaudited and subject to change.