



Fluence Signs Additional China Volume Commitment for Aspiral™ and SUBRE and Provides Update on Ivory Coast Project

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China MABR Supply Agreement and New Assembly Facility

Fluence Corporation Limited (ASX: FLC) has signed an Investment Cooperation Agreement (the “Agreement”) with The People’s Government of Xinglongtai District (a district under the administration of the City of Panjin) and Liaoning Huahong New Energy Co., Ltd. (“Liaoning Huahong”) for:

- the establishment of a final assembly facility for its proprietary MABR products; and
- a volume commitment by Liaoning Huahong to purchase Aspiral™ and SUBRE products with a capacity of 52,500 m³/day through the end of 2021 and minimum revenue targets for 2019 and 2020.

The Agreement will make Fluence the preferred supplier for wastewater treatment equipment for Liaoning Huahong.

The manufacturing of Fluence’s proprietary MABR modules will continue exclusively in Fluence’s wholly owned factory in Changzhou, Jiangsu Province.

Liaoning Huahong expects to deploy Fluence’s MABR products to meet the growing wastewater treatment needs of Panjin City, Liaoning and surrounding provinces. This Agreement follows the first commercial SUBRE order in China from Liaoning Huahong for the 3,000 m³/day greenfield wastewater treatment plant being constructed by the Panjin City Government earlier this quarter.

Commenting on this award, Fluence Managing Director & CEO Henry Charrabé said: “We are very pleased to gain further momentum in China with a second assembly facility with a local government, thereby strengthening our relationship with repeat customer Panjin City and our partner Liaoning Huahong. This Agreement provides us with even more confidence that our expansion strategy in China is gaining momentum and is supported by local governments and partners, thereby providing the potential for bulk wastewater system orders incorporating our proprietary MABR technology. The establishment of this assembly facility will serve as a gateway to satisfy demand in Northern and Central China as modules are delivered from our Changzhou manufacturing facility and then assembled into our final products in Panjin City. Coupled with minimum commitment for orders from Liaoning Huahong, this represents a very capital efficient way to secure future business and will also help to improve MABR production efficiencies in our Changzhou manufacturing facility. We look forward to a long and successful relationship in Liaoning Province with the local Xinglongtai government and our partner Liaoning Huahong.”

Mr. Min Geng, Mayor of Xinglongtai District, Panjin City said: “We are glad to introduce Fluence and its innovative MABR technology to Panjin, which will be helpful to speed up the improvement of local

wastewater treatment. We're willing to support and deepen cooperation with Fluence in the future to provide provincial environmental protection projects with good service and the sustainable development of the environment."

Update on Ivory Coast Project

Fluence also wishes to provide an update regarding the status of the €165 million desalination project with the Federal Government of Ivory Coast that was signed in February 2019. Although not a party to the Agreement, Fluence understands that financial close is now expected to occur during Q4 2019 (and not by the end of Q3 2019 as previously disclosed). Such shift in timing is not expected to have any impact on Fluence's ability to recognize up to US\$20 million of revenue in Q4 nor on achieving sustainable EBITDA profitability.

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About Fluence Corporation Limited (ASX: FLC)

Fluence is a leader in the decentralized water, wastewater and reuse treatment markets, with its Smart Products Solutions, including Aspiral™, NIROBOX™ and SUBRE. Fluence offers an integrated range of services across the complete water cycle, from early stage evaluation, through design and delivery to ongoing support and optimization of water related assets, as well as Build Own Operate Transfer (BOOT) and other recurring revenue solutions. With established operations in North America, South America, the Middle East, Europe and China, Fluence has experience operating in over 70 countries worldwide and enables businesses and communities worldwide to maximize their water resources.

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